



**Unaudited Interim Condensed
Consolidated Report
for the 3 Months
Ended 31 March 2024**

AS Tallinna Sadam

TALLINNA  SADAM

AS TALLINNA SADAM**UNAUDITED INTERIM CONDENSED CONSOLIDATED REPORT
FOR THE 3 MONTHS ENDED 31 MARCH 2024**

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Beginning of financial year	1 January
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End of interim reporting period	31 March
Legal form	Limited company (AS)
Auditor	AS PricewaterhouseCoopers

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MANAGEMENT REPORT

In the first three months of 2024, the number of passengers¹ served at the Group's harbours increased, while the volume of cargo handled remained stable compared to the same period last year. Revenue, adjusted EBITDA² and profit decreased. Revenue amounted to EUR 27.9 million and profit to EUR 5.2 million. Both revenue and profit decreased by around EUR 0.5 million year on year. The decrease in revenue was mainly due to a decline in port dues at Old City Harbour and Paldiski South Harbour. In terms of the main cargo types, the volumes of dry bulk, general and container cargo increased. The volume of liquid bulk cargo continued to decline (around –35%), making it the fourth largest cargo type. Roll on/roll off (ro-ro) cargo is the largest cargo type, accounting for 50% of the total cargo handled (in tonnes). Passenger numbers continue to improve, although there is potential for further growth as the pre-COVID-19 levels have not yet been reached (Q1 2019: 1.8 million passengers).

KEY PERFORMANCE INDICATORS OF THE GROUP³

Indicator	Unit	3 months 2024	3 months 2023	Difference	Change %
Revenue	EUR '000	27,931	28,405	–475	–1.7%
Operating profit	EUR '000	7,001	6,797	203	3.0%
Adjusted EBITDA	EUR '000	12,716	13,564	–849	–6.3%
Depreciation, amortisation and impairment	EUR '000	–6,036	–7,038	–1,002	–14.2%
Income tax	EUR '000	0	0	0	0.0%
Profit for the period	EUR '000	5,193	5,701	–509	–8.9%
Investment	EUR '000	17,953	1,542	16,411	1064.2%
Number of employees (average)		433	457	–24	–5.3%
Cargo volume	t '000	3,364	3,364	0	0.0%
Number of passengers	'000	1,465	1,396	69	4.9%
Number of vessel calls		1,627	1,717	–90	–5.2%
Total assets at period-end	EUR '000	609,977	627,230	–17,253	–2.8%
Net debt ⁴ at period-end	EUR '000	148,020	132,441	15,579	11.8%
Equity at period-end	EUR '000	382,852	386,677	–3,825	–1.0%
Number of shares at period-end	'000	263,000	263,000	0	0.0%
Operating profit/revenue		25.1%	23.9%		
Adjusted EBITDA/revenue		45.5%	47.8%		
Profit for the period/revenue		18.6%	20.1%		
EPS: Profit for the period/ average number of shares	EUR	0.02	0.02	0	–8.9%
Equity/number of shares at period-end	EUR	1.46	1.47	0	–1.0%

¹ The number does not include passengers of the Ferry segment that travelled between Estonia's mainland and two largest islands.

² Adjusted EBITDA = profit before depreciation, amortisation and impairment losses, finance income and costs (net) and income tax expense, adjusted for amortisation of government grants

³ The ratios and changes presented in the table may contain rounding differences.

⁴ Loans and borrowings less cash and cash equivalents

OPERATING VOLUMES

	Q1 2024	Q1 2023	Change %
Cargo volume by cargo type (t '000)	3,364	3,364	0.0%
Ro-ro	1,666	1,729	-3.7%
Liquid bulk	336	515	-34.7%
Container cargo	506	467	8.2%
<i>Containers in TEUs</i>	<i>61,252</i>	<i>52,649</i>	<i>16.3%</i>
Dry bulk	720	527	36.8%
General cargo	132	104	26.7%
Non-marine	4	22	-81.8%
Number of passengers by route ('000)	1,465	1,396	4.9%
Tallinn–Helsinki	1,317	1,256	4.8%
Tallinn–Stockholm	99	102	-2.9%
Muuga–Vuosaari	41	27	50.7%
Cruise (traditional)	0	0	0.0%
Other	9	11	-22.4%
Number of vessel calls by vessel type	1,627	1,717	-5.2%
Cargo vessels	329	320	2.8%
Passenger vessels (incl. ro-pax)	1,298	1,397	-7.1%
Cruise vessels (traditional)	0	0	0.0%
Ferries (Saaremaa and Hiiumaa routes)			
Number of trips	4,828	4,659	3.6%
Number of passengers ('000)	372	350	6.1%
Number of vehicles ('000)	191	181	5.7%
Icebreaker MSV Botnica			
Charter days	91	90	1.1%
Utility rate (%)	100%	100%	0.0%

In the first three months of 2024, the Group's harbours handled 3.4 million tonnes of cargo, the same volume as a year earlier. Compared to the first quarter of 2023, dry bulk showed the strongest growth (+36.8%), increasing by around 0.2 million tonnes, supported by higher volumes of barley, scrap metal and wood pellets. The volumes of general cargo (+26.7%) and containers (+8.2%) also increased. Container cargo grew by 8,603 TEUs (+16.3%) through an increase in the transport of both full and empty 40-foot containers. General cargo consisted mainly of pulpwood and steel, both of which increased in volume compared to the previous year. While liquid bulk has been the largest cargo type for years, its share declined from 15% to 10% year on year (Q1 average for 2018–2022: 41%). The total volume of liquid bulk decreased by around 0.2 million tonnes (-34.7%). Although the supply of petrol increased year on year, the supply of liquefied petroleum gas (LPG) dropped to zero, which is the main reason for the decrease in liquid bulk cargo. Ro-ro volumes decreased by 63 thousand tonnes (-3.7%). Within ro-ro, the volumes of roll trailers, trailers and cargo on trailers decreased significantly and the volumes of trucks with drivers and new passenger cars also declined. The decrease in ro-ro volumes began in the second quarter of last year, but the pace of decline slowed by the first quarter of this year.

The number of passengers served during the first three months of the year grew by around 69 thousand (+4.9%). The growth was driven by higher passenger numbers on the Tallinn–Helsinki and Muuga–Vuosaari routes. The number of passengers travelling on the Tallinn–Helsinki route grew by 61 thousand (+4.8%), accounting for around 88% of the total increase in passenger numbers. Although the number of passengers increased, the number of vessel calls on the Tallinn–Helsinki route decreased by 142. This was mainly due to the regular dry docking of Eckerö Line’s M/S Finlandia, which resulted in 89 fewer vessel calls. Tallink’s MS Victoria I, which was put into service on the Helsinki route at the end of 2023, made 91 vessel calls in the first quarter of 2024, 64 fewer than MS Star, which operated on the same route until May 2023. On the Muuga–Vuosaari route, however, the number of passengers increased by 14 thousand (+50.7%) and the number of vessel calls by 51. On the Tallinn–Stockholm route, the number of passengers decreased by 2.9%, while the number of vessel calls increased by 1 compared to the same period last year. As the cruise season usually starts in April, there were no traditional cruise passengers in the first quarter this year or last year.

The ferries operated by OÜ TS Laevad (the Ferry segment) made 4,828 trips between Estonia’s mainland and two largest islands in the first quarter of 2024, 169 (+3.6%) trips more than a year earlier.

The icebreaker MSV Botnica (the segment Other), which is operated by TS Shipping OÜ, had 1 additional charter day (contractual working day) in the first quarter of this year as 2024 is a leap year. The first quarter is within the period covered by the icebreaking contract (20 December to 20 April) and the utilisation rate of the vessel was 100%, as in the same period last year.

REVENUE, EXPENSES AND PROFIT

Revenue for the first quarter of 2024 decreased by EUR 0.5 million (–1.7%) year on year. The largest decline was in **vessel dues** revenue (–EUR 0.8 million, –10.8%), which decreased in both the Passenger harbours and the Cargo harbours segments. In the Passenger harbours segment, the decrease was due to fewer vessel calls (–EUR 0.6 million), while in the Cargo harbours segment, the decrease was mainly due to the decline in liquid bulk cargo, which lowered vessel dues from tankers (–EUR 0.4 million). **Cargo charges** revenue decreased by EUR 0.2 million (–10.8%), although cargo throughput in tonnes remained at the same level as a year earlier. In accordance with the revenue recognition requirements of IFRS 15, the cargo charge revenue for the comparative period was positively influenced by the fact that at the end of the first quarter of 2023 the annual cargo charge forecast for liquid bulk cargo was higher than in 2024. **Electricity sales** revenue increased by EUR 0.2 million (+12%) through growth in the sales volumes of electricity and network service. **Ferry service**⁵ revenue grew by EUR 0.1 million (+1.2%) due to the indexation of the variable part of fixed fees, which offset the decline in the rate of trip fees. **Passenger fees** revenue grew by EUR 0.1 million (+4.3%), driven by an increase in passenger numbers on the Tallinn–Helsinki route. **Operating lease income** increased by EUR 0.1 million (+2.1%), mainly due to higher income from the cruise terminal, but also through the indexation of the lease rates.

⁵ Ferry service between Estonia’s mainland and two largest islands.

Revenue from **other services** grew by EUR 47 thousand (+9.7%), driven by revenue from the operation of the LNG quay at Pakrineeme Harbour (operation of the quay began at the beginning of this year) and sales of advertising space at Old City Harbour, which offset the decrease resulting from the provision of water supply and sewerage services to MS Isabelle, the ship offering accommodation to Ukrainian war refugees, in the comparative period (MS Isabelle departed from Old City Harbour last summer). **Charter fees** revenue grew by 1.1% as the icebreaker MSV Botnica had an additional charter day due to 2024 being a leap year.

In segment terms, revenue increased in the Ferry segment (+EUR 0.1 million) and the segment Other (+EUR 0.04 million) but this did not offset the revenue decrease in the Passenger harbours segment (–EUR 0.5 million) and the Cargo harbours segment (–EUR 0.2 million).

Other income grew by EUR 17 thousand (+4.9%).

Operating expenses for the first quarter increased by EUR 0.2 million (+1.9%), driven by fuel costs (+EUR 0.2 million), which grew due to more severe ice conditions in January and February that pushed up fuel consumption by ferries and an increase in the number of trips. Expenses on services purchased also grew (+EUR 0.1 million), as did consultation and development expenses (+EUR 0.1 million), non-current asset maintenance and repair costs (+EUR 0.1 million), services purchased for infrastructure, electricity costs and insurance expenses. The growth in expenses on services purchased resulted from an increase in port dues in the Ferry segment. The rise in consultation and development expenses was mainly due to growth in legal expenses. Non-current asset maintenance and repair costs grew in the Ferry segment.

Decreases were recorded for tax expenses (–EUR 0.3 million), expenses on the acquisition and maintenance of assets of insignificant value (–EUR 0.1 million), other operating expenses (–EUR 0.1 million), advertising expenses, heat, water and sewerage costs and lease expenses. The decrease in tax expenses was attributable to the lowering of the land tax rate in 2024. Expenses on the acquisition of assets of insignificant value decreased mainly due to the renewal of uniforms in the previous period and a decline in the acquisition of IT hardware. Other operating expenses decreased, primarily due to lower software expenses.

Impairment of financial assets decreased by EUR 0.1 million (–36.2%) as a result of a decline in the credit loss allowance. Last year, the impairment of financial assets was included in other operating expenses.

Personnel expenses grew by EUR 0.3 million (+5.1%) year on year. The number of employees decreased by 5% compared to the same period last year. The growth in personnel expenses was due to an increase in the provision for bonuses and changes in wages and salaries in the Ferry segment.

Depreciation, amortisation and impairment expenses decreased by around EUR 1.0 million (–14.2%) year on year. The main reason for this was a one-off write-off of non-current assets at the beginning of 2023 due to the increase of the threshold for recognising assets as non-current in accordance with the amendments to the public sector financial accounting and reporting regulation applicable to the Group.

Operating profit grew by EUR 0.2 million (+3.0%) to EUR 7.0 million due to the one-off write-off of non-current assets in the first quarter of the previous year, which lowered depreciation, amortisation and impairment expenses by EUR 1.0 million year on year.

Adjusted EBITDA declined by EUR 0.8 million as revenue decreased, total expenses increased and the Group's share of profit of the equity-accounted associate AS Green Marine decreased. In segment terms, adjusted EBITDA grew only in the Cargo harbours segment and declined in the Passenger harbours segment, the Ferry segment and the segment Other. The adjusted EBITDA margin slipped from 47.8% to 45.5%.

Finance costs (net) increased by EUR 0.7 million (+61%), mainly due to a rise in base interest rates. Loans and borrowings decreased year on year.

Profit before tax decreased by EUR 0.5 million (–8.9%) to EUR 5.2 million. The Group's **net profit** for the first quarter also amounted to EUR 5.2 million, EUR 0.5 million less than a year earlier.

INVESTMENTS

In the first three months of 2024, the Group invested EUR 18.0 million, EUR 16.4 million more than a year earlier. The majority of the investments were related to the construction of a quay at Paldiski South Harbour to serve offshore wind farms and the regular drydocking of a ferry.

SEGMENT REPORTING⁶

In thousands of euros	Q1 2024					Q1 2023				
	Passenger harbours	Cargo harbours	Ferry	Other	Total	Passenger harbours	Cargo harbours	Ferry	Other	Total
Revenue	7,531	7,765	8,558	4,077	27,931	8,014	7,927	8,431	4,033	28,405
Adjusted EBITDA	3,252	3,602	3,338	2,524	12,716	3,633	3,470	3,851	2,610	13,564
Operating profit	1,489	1,648	2,007	1,857	7,001	1,204	1,243	2,384	1,966	6,797
Adjusted EBITDA margin	43.2%	46.4%	39.0%	61.9%	45.5%	45.3%	43.8%	45.7%	64.7%	47.8%

Change for Q1

In thousands of euros	Passenger harbours	Cargo harbours	Ferry	Other	Total
Revenue	–483	–161	126	44	–475
Adjusted EBITDA	–381	131	–513	–86	–849
Operating profit	285	404	–378	–109	203

Revenue for the first three months decreased by EUR 0.5 million in the Passenger harbours segment and by EUR 0.2 million in the Cargo harbours segment. In the Ferry segment and the segment Other, revenue grew by EUR 0.1 million and EUR 44 thousand, respectively.

⁶ The changes presented in the table may contain rounding differences.

The revenue of the **Passenger harbours segment** decreased by EUR 0.5 million year on year, mainly due to fewer vessel calls, which lowered the segment's vessel dues and cargo charges revenue (–EUR 0.6 million and –EUR 0.1 million, respectively). Electricity sales revenue grew. Despite fewer vessel calls, the number of passengers and passenger fees revenue increased. The growth in lease income, mainly due to the rental of additional space in the cruise terminal, helped offset the decline in revenue from other services.

The revenue of the **Cargo harbours segment** decreased by EUR 0.2 million. Although the number of vessel calls increased, vessel dues revenue decreased, because the number of vessels with lower average dues per GT increased and the number of tankers with higher dues decreased. The number of calls by container ships remained at the same level as in the comparative period, but the ships were smaller, which also meant lower vessel dues. Cargo charges decreased due to the revenue recognition requirements of IFRS 15. In the first quarter of last year, the Group recognised higher revenue from operators of liquid bulk cargo based on the cargo charge forecast for the full year. The sale of other services grew, because the Group started to operate an LNG quay in Pakrineeme Harbour at the beginning of 2024.

The revenue of the **Ferry segment** grew by EUR 0.1 million due to the indexation of the variable part of fixed fees, which offset the decrease in the rate for trip fees. The number of trips and passengers increased.

The revenue of the **segment Other** grew due to a leap year by EUR 44 thousand. The charter fees for the icebreaking season remained unchanged. The charter fees for the icebreaking service will not change until the icebreaking season of 2025/26, when indexation of the fees will be possible.

Adjusted EBITDA for the first three months increased only in the Cargo harbours segment, where operating expenses decreased more than revenue, and decreased in the Passenger harbours segment, the Ferry segment and the segment Other. As a result, total adjusted EBITDA decreased by EUR 0.8 million. In the Ferry segment, adjusted EBITDA decreased due to higher personnel and operating expenses. Operating expenses increased due to more severe ice conditions (higher fuel costs) and growth in non-current asset maintenance and repair costs. The adjusted EBITDA of the Passenger harbours segment decreased less than revenue, because operating expenses declined due to the lowering of the land tax rate.

IMPACT OF THE RUSSIA-UKRAINE WAR AND KEY RISKS ASSOCIATED WITH THE ECONOMIC ENVIRONMENT

In the Passenger harbours segment, passenger numbers have been recovering since autumn 2021 from the negative impact of the protection measures introduced in connection with the COVID-19 pandemic. By the end of 2023, the number of passengers reached 74% of the pre-pandemic level. The general economic downturn and a prolonged stagnation in the Nordic countries and Estonia may affect travel activity and the pace of recovery.

The total negative impact of the sanctions against Russia and Belarus (both the ban on the import and transit of oil products and the suspension of the economic activities of undertakings related to sanctioned persons) on the Group's financial results for 2023 compared to the results for 2021 was EUR 6.9 million. As the sanctions have been imposed gradually since the beginning of the war, EUR 3.5 million of the impact is reflected in the results for 2022 and an additional impact of EUR 3.4 million in the results for 2023.

A significant part of the impact of the Russia-Ukraine war and the related sanctions had manifested by the end of 2023. The import ban on liquefied petroleum gas (LPG), introduced in December 2023, may have some effect, but the ban will be implemented over a 12-month transition period. The presented monetary impact has been calculated based on the results for 2021, 2022 and 2023 and the situation at the date the financial statements were authorised for issue and is not to be regarded as a forecast for future periods.

The operators of liquid bulk cargo are working to replace sanctioned cargoes with alternative ones. All of the Group's customers that are cargo operators are companies registered in the European Union and accounts with them are settled in euros. Tallinna Sadam cooperates fully with its partners, the Financial Intelligence Unit and other government agencies to comply with the sanctions imposed by the European Union and to apply the sanctions to both cargo and customers responsibly.

Russia's military action in Ukraine has affected not only the cargo business but also cruise ship calls, particularly due to the disappearance of St Petersburg, previously a major destination, from the map of the Baltic Sea cruise ports. The interest of cruise passengers from more distant markets in the Baltic Sea as a region bordering Russia has decreased. In 2023, the passenger load factor of cruise ships improved compared to 2022 and efforts have been made to market the Baltic Sea region in cooperation with the other Baltic Sea ports. However, the deterioration of the economic environment and the proximity of Russia may limit the recovery in cruise ship calls.

SHARE AND SHAREHOLDERS

AS Tallinna Sadam was listed in the Baltic Main List of the Nasdaq Tallinn Stock Exchange on 13 June 2018. The ticker symbol of the share is TSM1T and the ISIN code is EE3100021635. The company has 263,000,000 ordinary shares of which 176,295,032 (67.03%) are held by the Republic of Estonia. The par value of a share is EUR 1. Each share carries one vote at the general meeting of the shareholders.

The opening price of the share at the beginning of 2024 was EUR 1.13. The closing price of the share at 31 March 2024 was EUR 1.146. The company's **market capitalisation** at 31 March 2024 was **EUR 301.4 million** (31 December 2023: EUR 296.7 million).

Dynamics of the closing price of the Tallinna Sadam share and daily turnover of shares traded since listing on the Nasdaq Tallinn Stock Exchange, i.e. from 13 June 2018 to 31 March 2024



Dynamics of the price of the Tallinna Sadam share compared to the OMX Baltic Benchmark GI index in the period 13 June 2018 – 31 March 2024



Source: nasdaqbaltic.com

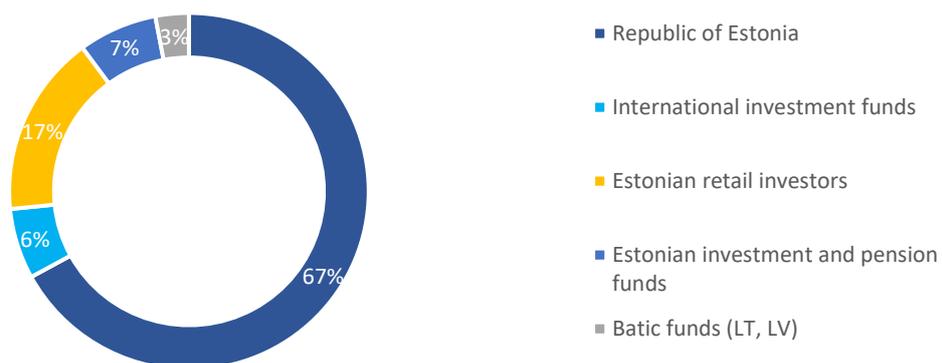
In the first quarter of 2024, there were 11,208 transactions with the Tallinna Sadam share (Q4 2023: 12,952 transactions) in which 2.0 million shares (Q4 2023: 2.2 million shares) changed hands. The total turnover of the transactions was EUR 2.3 million (Q4 2023: EUR 2.5 million).

At 31 March 2024, the company had **24,157 shareholders** (31 December 2023: 24,174 shareholders), but only the Republic of Estonia (through the Ministry of Climate) had an ownership interest exceeding 5%.

Five largest shareholders at 31 March 2024

Name of shareholder	Number of shares	Interest, %
Ministry of Climate	176,295,032	67.0%
European Bank for Reconstruction and Development (EBRD)	9,350,000	3.6%
SEB Pensionifond 55+	6,484,365	2.5%
LHV Pensionifond L	4,695,942	1.8%
Interactive Brokers LLC Client Omnibus (USA)	1,650,092	0.6%

Shareholder structure at 31 March 2024

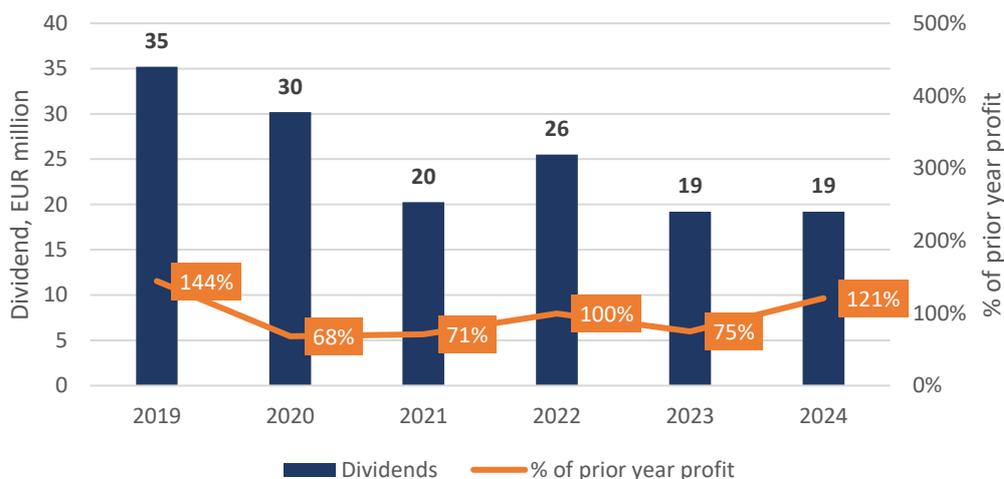


In the first quarter, the shareholder structure did not change significantly compared to the end of 2023. All changes were less than 1 percentage point. The share of Latvian and Lithuanian investment and pension funds decreased slightly, while the share of international investors and Estonian retail investors increased slightly.

DIVIDENDS

The **dividend policy** of Tallinna Sadam sets the target to pay a net dividend that amounts to **at least 70% of profit for the previous year**, subject to market conditions, the company's growth and development plans, while taking into account the need to maintain a reasonable level of liquidity and excluding the impact of non-recurring transactions.

Dividend payments



On 25 April 2024, the annual general meeting approved the proposal of the management board to distribute a dividend of EUR 0.073 per share and EUR 19.2 million in total, i.e. in an amount equal to 121% of profit for the previous year. The list of shareholders entitled to receive the dividend will be determined on 10 May 2024 (ex-dividend date: 9 May 2024) and the dividend will be paid out to the shareholders on 17 May 2024 (through Nasdaq CSD). In 2023, we also paid shareholders a dividend of EUR 0.073 per share and EUR 19.2 million in total.

CORPORATE GOVERNANCE

At 31 March 2024, AS Tallinna Sadam had two wholly-held subsidiaries, OÜ TS Shipping and OÜ TS Laevad, and a 51% interest in an associate, AS Green Marine.

The supervisory board is responsible for the strategic planning of the company's activities and supervising the activities of the management board. According to the articles of association of AS Tallinna Sadam, the supervisory board has six to eight members. At 31 March 2024, the supervisory board consisted of Riho Unt (chairman), Maarika Honkonen, Kaur Kajak, Veiko Sepp, Marek Helm, Risto Mäeots and Ain Tatter. Under the supervisory board, there are a four-member audit committee, which consists of members of the supervisory board and provides advice in supervisory matters, and a four-member remuneration committee.

The management board is responsible for the day-to-day management of the company in accordance with the law and the articles of association. According to the articles of association, the management board has two to five members. At 31 March 2024, the management board had three members: Valdo Kalm (chairman and CEO), Andrus Ait (CFO) and Margus Vihman (CCO).

Further information about the company's corporate governance and the members of the management and supervisory boards is presented on the Group's website and in its annual report for 2023.

The Group follows the principles of the Corporate Governance Recommendations promulgated by the Nasdaq Tallinn Stock Exchange.

SIGNIFICANT EVENTS IN THE FIRST QUARTER OF 2024

- 1. Submission of a tender to provide ferry service in 2026–2033.** OÜ TS Laevad, a subsidiary of AS Tallinna Sadam, submitted a tender in the public procurement organised by the Ministry of Regional Affairs and Agriculture for finding a partner for the award of a public service contract for passenger transport on the Virtsu–Kuivastu and Rohuküla–Heltermaa ferry routes in the period 2026–2033.
- 2. Changes on the management board of AS Tallinna Sadam.** The supervisory board AS Tallinna Sadam decided to extend the term of office of Margus Vihman, a member of the management board and CCO of AS Tallinna Sadam, by three years. Margus Vihman’s next term of office begins on 1 November 2024 and lasts until 31 October 2027.

The supervisory board also decided to bring the business development function to the management board level and appointed Rene Pärt, the head of business development, as the fourth member of the management board. The term of office of Rene Pärt began on 1 May 2024 and lasts until 30 April 2029.
- 3. Announcement of a competition to develop vacant areas in Muuga Harbour.** AS Tallinna Sadam announced a competition to find new cooperation partners in order to develop the vacant areas in the eastern part of Muuga Harbour. The size of the area to be developed is 7.6 hectares and it is suitable for creating facilities for loading, handling and storing environmentally-friendly fuels or production or logistics facilities. The deadline for the submission of tenders is 31 May 2024.
- 4. Positive judgment in the judicial dispute initiated by SLK and Väinamere Liinid.** The Tallinn District Court decided to dismiss the appeal of the bankruptcy trustee of AS Saaremaa Laevakompanii (bankrupt) (SLK) and Väinamere Liinid OÜ and to not overturn the ruling of the Harju County Court of 31 March 2023, i.e. the statement of claim submitted on 28 March 2019 by SLK and Väinamere Liinid OÜ against OÜ TS Laevad and OÜ TS Shipping, subsidiaries of AS Tallinna Sadam, was dismissed. In the statement of claim, SLK and Väinamere Liinid claimed for damages of EUR 23.8 million in total in relation to alleged use of confidential information in a public procurement tender to provide public passenger transport service on the Saaremaa and Hiiumaa routes. On 11 March 2024, the bankruptcy trustee of AS Saaremaa Laevakompanii (bankrupt) and Väinamere Liinid OÜ filed an appeal in cassation, which has not been accepted by the date this report is authorised for issue.
- 5. Reorganisation proceedings for MPG AgroProduction OÜ initiated by the court.** On 19 January 2024, the Harju County Court initiated reorganisation proceedings for MPG AgroProduction OÜ (MPG) and appointed a reorganisation advisor based on the reorganisation application submitted by MPG. The court merged the reorganisation proceedings with the bankruptcy proceedings initiated by AS Tallinna Sadam against MPG, combining the two cases into one. The reorganisation advisor was required submit the reorganisation plan to the court on 19 March 2024 at the latest. The bankruptcy proceedings remain suspended until the reorganisation plan is approved or the reorganisation proceedings are completed.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

In thousands of euros	Note	At 31 March 2024	At 31 December 2023
ASSETS			
Current assets			
Cash and cash equivalents		22,102	29,733
Trade and other receivables	4	11,512	12,118
Contract assets	11	104	0
Inventories		579	550
Total current assets		34,297	42,401
Non-current assets			
Investments in an associate	5	2,192	2,177
Other long-term receivables		148	163
Investment properties	6	14,069	14,069
Property, plant and equipment	7	557,120	545,271
Intangible assets		2,151	2,083
Total non-current assets		575,680	563,763
Total assets		609,977	606,164
LIABILITIES			
Current liabilities			
Loans and borrowings	9	13,556	15,831
Provisions		556	1,311
Government grants		7,375	7,344
Taxes payable		1,528	876
Trade and other payables	8	8,681	9,429
Contract liabilities		3,180	63
Total current liabilities		34,876	34,854
Non-current liabilities			
Loans and borrowings	9	156,566	157,566
Government grants		32,739	33,075
Other payables	8	201	255
Contract liabilities		2,743	2,755
Total non-current liabilities		192,249	193,651
Total liabilities		227,125	228,505
EQUITY			
Share capital	10	263,000	263,000
Share premium		44,478	44,478
Statutory capital reserve		22,858	22,858
Retained earnings		52,516	47,323
Total equity		382,852	377,659
Total liabilities and equity		609,977	606,164

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

for the 3 months ended 31 March

In thousands of euros	Note	2024	2023
Revenue	3, 11	27,931	28,405
Other income		358	341
Operating expenses	12	-9,031	-8,862
Impairment of financial assets		-181	-283
Personnel expenses		-5,908	-5,621
Depreciation, amortisation and impairment		-6,036	-7,038
Other expenses		-132	-145
Operating profit		7,001	6,797
Finance income and costs			
Finance income		267	258
Finance costs		-2,090	-1,393
Finance costs – net		-1,823	-1,135
Share of profit of an associate accounted for under the equity method		15	39
Profit before income tax		5,193	5,701
Profit for the period		5,193	5,701
Attributable to:			
Owners of the Parent		5,193	5,701
Basic earnings and diluted earnings per share (in euros)		0.02	0.02

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the 3 months ended 31 March

In thousands of euros	Note	2024	2023
Cash receipts from sale of goods and services		33,449	32,199
Cash receipts related to other income		28	28
Payments to suppliers		-11,823	-13,307
Payments to and on behalf of employees		-5,414	-5,373
Payments for other expenses		-136	-148
Cash from operating activities		16,104	13,399
Purchases of property, plant and equipment		-18,460	-1,630
Purchases of intangible assets		-175	-176
Proceeds from sale of property, plant and equipment		5	0
Interest received		258	242
Cash used in investing activities		-18,372	-1,564
Repayments of loans received	9	-3,000	-3,000
Interest paid		-2,360	-1,263
Other payments related to financing activities		-3	-2
Cash used in financing activities		-5,363	-4,265
NET CASH FLOW		-7,631	7,570
Cash and cash equivalents at beginning of period		29,733	44,387
Change in cash and cash equivalents		-7,631	7,570
Cash and cash equivalents at end of period		22,102	51,957

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the 3 months ended 31 March

In thousands of euros	Share capital	Share premium	Statutory capital reserve	Retained earnings	Total equity attributable to owners of the Parent
Equity at 31 December 2023	263,000	44,478	22,858	47,323	377,659
Profit for the period	0	0	0	5,193	5,193
<i>Total comprehensive income for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>5,193</i>	<i>5,193</i>
Equity at 31 March 2024	263,000	44,478	22,858	52,516	382,852

In thousands of euros	Share capital	Share premium	Statutory capital reserve	Retained earnings	Total equity attributable to owners of the Parent
Equity at 31 December 2022	263,000	44,478	22,115	51,383	380,976
Profit for the period	0	0	0	5,701	5,701
<i>Total comprehensive income for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>5,701</i>	<i>5,701</i>
Equity at 31 March 2023	263,000	44,478	22,115	57,084	386,677

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. REPORTING ENTITY

AS Tallinna Sadam (also referred to as the 'Parent' or the 'company') is a company incorporated and registered in the Republic of Estonia on 5 November 1996. The interim condensed consolidated financial statements of AS Tallinna Sadam as at and for the 3 months ended 31 March 2024 comprise the Parent and its subsidiaries (collectively referred to as the 'Group'). The Group's core business lines are rendering of port services in the capacity of a landlord port, organising ferry service between Estonia's mainland and biggest islands, and operating the multifunctional icebreaker MSV Botnica.

The Group owns four harbours: Old City, Saaremaa, Muuga and Paldiski South. Old City Harbour in the centre of Tallinn and Saaremaa Harbour that is designed for receiving cruise ships provide mainly passenger harbour services. Muuga Harbour, which is Estonia's largest cargo harbour, and Paldiski South Harbour provide mainly cargo harbour services.

The Group's subsidiaries at 31 March 2024 and 31 December 2023:

Subsidiary	Domicile	Ownership interest (%)	Core business line
OÜ TS Shipping	Republic of Estonia	100	Rendering icebreaking and other offshore support services with the multifunctional icebreaker MSV Botnica
OÜ TS Laevad	Republic of Estonia	100	Rendering domestic ferry service between Estonia's mainland and biggest islands

In addition, the Group has a 51% interest in the associate AS Green Marine but not control of the entity's decision-making. In the Group's financial statements, the interest in the associate is accounted for using the equity method.

The address of the Parent's registered office is Sadama 25, Tallinn 15051, the Republic of Estonia.

The ultimate controlling party of AS Tallinna Sadam is the Republic of Estonia (ownership interest 67.03% through the Ministry of Climate).

2. ACCOUNTING POLICIES

These interim condensed consolidated financial statements for the 3 months ended 31 March 2024 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes and explanations included in the Group's annual report for the year ended 31 December 2023. See note 2 to the consolidated financial statements in the annual report for 2023 for additional information about the material accounting policies used in the preparation of the financial statements. The interim condensed consolidated financial statements have been prepared using the same accounting policies as those applied in the preparation of the Group's consolidated financial statements for 2023. The Group has not early adopted any IFRS standard, interpretation or amendment that has been issued but is not yet effective.

The interim condensed consolidated financial statements are presented in thousands of euros.

3. OPERATING SEGMENTS

	For the 3 months ended 31 March 2024				
In thousands of euros	Passenger harbours	Cargo harbours	Ferry	Other	Total
Vessel dues	3,651	3,026	0	0	6,677
Cargo charges	336	1,078	0	0	1,414
Passenger fees	2,090	49	0	0	2,139
Sale of electricity	442	968	0	0	1,410
Sale of ferry services – ticket sale revenue	0	0	2,194	0	2,194
Sale of other services	275	235	15	0	525
Lease income	737	2,409	196	0	3,342
Charter fees	0	0	0	4,077	4,077
Sale of ferry services – government support	0	0	6,153	0	6,153
Total segment revenue* (note 11)	7,531	7,765	8,558	4,077	27,931
Adjusted segment EBITDA	3,252	3,602	3,338	2,524	12,716
Depreciation and amortisation	–1,910	–2,143	–1,331	–652	–6,036
Amortisation of government grants received	147	189	0	0	336
Share of profit of an associate accounted for under the equity method	0	0	0	–15	–15
Segment operating profit	1,489	1,648	2,007	1,857	7,001
Finance income and costs, net					–1,823
Share of profit of an associate accounted for under the equity method					15
Profit for the period					5,193

* Total segment revenue represents revenue from external customers and excludes inter-segment revenue of EUR 70 thousand and EUR 1 thousand for the Passenger harbours and the Cargo harbours segments, respectively, which was eliminated during consolidation.

Note 3 continued

	For the 3 months ended 31 March 2023				
In thousands of euros	Passenger harbours	Cargo harbours	Ferry	Other	Total
Vessel dues	4,295	3,189	0	0	7,484
Cargo charges	397	1,188	0	0	1,585
Passenger fees	2,013	38	0	0	2,051
Sale of electricity	302	957	0	0	1,259
Sale of ferry services – ticket sale revenue	0	0	2,121	0	2,121
Sale of other services	318	153	6	1	478
Lease income	689	2,402	181	0	3,272
Charter fees	0	0	0	4,032	4,032
Sale of ferry services – government support	0	0	6,123	0	6,123
Total segment revenue* (note 11)	8,014	7,927	8,431	4,033	28,405
Adjusted segment EBITDA	3,633	3,470	3,851	2,610	13,564
Depreciation and amortisation	-2,070	-2,392	-1,467	-605	-6,534
Impairment losses	-504	0	0	0	-504
Amortisation of government grants received	145	165	0	0	310
Share of profit of an associate accounted for under the equity method	0	0	0	-39	-39
Segment operating profit	1,204	1,243	2,384	1,966	6,797
Finance income and costs, net					-1,135
Share of profit of an associate accounted for under the equity method					39
Profit for the period					5,701

* Total segment revenue represents revenue from external customers and excludes inter-segment revenue of EUR 136 thousand and EUR 3 thousand for the Passenger harbours and the Cargo harbours segments, respectively, which was eliminated during consolidation.

4. TRADE AND OTHER RECEIVABLES

In thousands of euros	At 31 March 2024	At 31 December 2023
Trade receivables	10,527	10,415
Allowance for expected credit losses	-3,617	-3,440
Prepaid taxes	1,168	1,599
Government grants receivable	2,885	2,885
Other prepayments	414	521
Receivables from an associate (note 16)	8	9
Other receivables	275	292
Total trade and other receivables	11,660	12,281
Of which current receivables	11,512	12,118
non-current receivables	148	163

Trade receivables – expected credit loss matrix

In thousands of euros	Days past due					
At 31 March 2024	Not past due	0–30	31–60	61–90	>90	Total
Expected credit loss rate	0.8%	1.5%	3.0%	-90.0%	100.0%	
Total trade receivables	6,545	230	175	214	3,363	10,527
Lifetime expected credit loss (ECL)	-53	-3	-5	-193	-3,363	-3,617
						6,910
At 31 December 2023	Not past due	0–30	31–60	61–90	>90	Total
Expected credit loss rate	2.6%	1.5%	3.0%	99.8%	100.0%	
Total trade receivables	5,942	1,146	58	1,238	2,031	10,415
Lifetime expected credit loss (ECL)	-154	-17	-2	-1,236	-2,031	-3,440
						6,975

5. INVESTMENTS IN AN ASSOCIATE

In thousands of euros

For the 3 months ended 31 March	2024	2023
Income	1,637	1,540
Expenses	1,526	1,443
Net profit	31	77

In thousands of euros

	At 31 March 2024	At 31 December 2023
Net assets of the associate	4,298	4,268
The Group's ownership interest in the associate, %	51%	51%
Carrying amount of the Group's investment in the associate in the Group's statement of financial position	2,192	2,177

6. INVESTMENT PROPERTIES

Investment properties as at 31 March 2024 and 31 December 2023 comprise land measured at cost of EUR 14,069 thousand.

7. PROPERTY, PLANT AND EQUIPMENT

In thousands of euros	Land and buildings	Plant and equipment	Other items of property, plant and equipment	Assets under construction	Pre-payments	Total
At 31 December 2023						
Cost	642,766	261,522	8,416	10,496	2,598	925,798
Accumulated depreciation and impairment losses	-259,954	-114,039	-6,534	0	0	-380,527
Carrying amount at 31 December 2023	382,812	147,483	1,882	10,496	2,598	545,271
<i>Movements in the 3 months ended 31 March 2024</i>						
Acquisition and reconstruction	0	139	185	17,309	147	17,780
Depreciation charge	-3,004	-2,773	-154	0	0	-5,931
Reclassification at carrying amount	2,656	994	13	-3,650	-13	0
At 31 March 2024						
Cost	645,422	262,655	8,614	24,155	2,732	943,578
Accumulated depreciation and impairment losses	-262,958	-116,812	-6,688	0	0	-386,458
Carrying amount at 31 March 2024	382,464	145,843	1,926	24,155	2,732	557,120

8. TRADE AND OTHER PAYABLES

In thousands of euros	At 31 March 2024	At 31 December 2023
Trade payables	4,213	6,154
Payables to employees	2,062	1,624
Accrued taxes payable on employee remuneration	1,100	874
Advances for goods and services	975	431
Payables to an associate (note 16)	203	193
Other payables	329	408
Total trade and other payables	8,882	9,684
Of which current liabilities	8,681	9,429
non-current liabilities	201	255

9. LOANS AND BORROWINGS

In thousands of euros	At 31 March 2024	At 31 December 2023
Current portion		
Loans	4,266	6,266
Debt securities	7,650	7,650
Interest liabilities	1,640	1,915
Total current portion	13,556	15,831
Non-current portion		
Loans	30,266	31,266
Debt securities	126,300	126,300
Total non-current portion	156,566	157,566

Debt securities

All debt securities have been issued in euros and have floating interest rates (a base rate of 3-month or 6-month Euribor plus a fixed risk margin). At 31 March 2024, the Group had two debt security issues with final maturities in 2026 and 2027. In accordance with the redemption schedules, in the 3-month period ended 31 March 2024 the Group did not redeem any debt securities. At 31 March 2024, the weighted average interest rate of the debt securities was 4.84% (31 December 2023: 4.84%). The interest rate risk of debt securities issued has not been hedged with interest rate swaps.

Note 9 continued**Loans**

All loan agreements are denominated in euros and have floating interest rates (the base rate is 6-month Euribor). The final maturities of outstanding loan liabilities fall in the period 2024–2030. Principal repayments made in the 3 months of 2024 amounted to EUR 3,000 thousand (2023: EUR 3,000 thousand).

At 31 March 2024, the weighted average interest rate of drawn loans was 4.88% (31 December 2023: 4.90%). The interest rate risk of loans taken has not been hedged with interest rate swaps. The Group did not have any undrawn loans or credit limits at 31 March 2024.

Contractual maturities of loans and borrowings

In thousands of euros	At 31 March 2024
< 6 months	4,023
6–12 months	9,533
1–5 years	151,066
> 5 years	5,500
Total loans and borrowings	170,122

Fair value

In the reporting period, the assessment of the Group's risk level did not change and there were no significant changes in the interest rates of international financial markets. Thus, according to the Group's assessment, at 31 March 2024 and 31 December 2023 the fair values of loans and debt securities that are measured at amortised cost did not differ significantly from their carrying amounts.

All loan and debt security agreements currently in force are unsecured, i.e. no assets have been pledged to secure the liabilities, and the debt securities are not listed. The Group has fulfilled all its obligations under the loan and debt securities agreements, including those resulting from special terms. At 31 March 2024, the Group was in compliance with all covenants that set requirements for its financial indicators.

10. EQUITY**Share capital and share premium**

At 31 March 2024, AS Tallinna Sadam had 263,000,000 registered ordinary shares (31 December 2023: 263,000,000 shares), of which 67.03% were held by the Republic of Estonia (through the Ministry of Climate) and 32.97% were held by Estonian and international investment funds, banks, pension funds and retail investors. The par value of a share is EUR 1.

Note 10 continued

According to the articles of association of AS Tallinna Sadam, the maximum number of authorised ordinary shares is 664,000,000 (2023: 664,000,000). At 31 March 2024 and 31 December 2023, all shares issued had been fully paid for.

Earnings per share

For the 3 months ended 31 March	2024	2023
Weighted average number of shares outstanding	263,000,000	263,000,000
Consolidated net profit for the period (in thousands of euros)	5,193	5,701
Basic and diluted earnings per share (in euros)*	0.02	0.02

* In the periods ended 31 March 2024 and 31 December 2023 there were no dilutive instruments outstanding.

11. REVENUE

In thousands of euros

For the 3 months ended 31 March	2024	2023
Revenue from contracts with customers		
Vessel dues	6,677	7,484
Cargo charges	1,414	1,585
Passenger fees	2,139	2,051
Sale of electricity	1,410	1,259
Sale of ferry services – ticket sale revenue	2,194	2,121
Sale of other services	525	478
Total revenue from contracts with customers	14,359	14,978
Revenue from other sources		
Operating lease income	3,342	3,272
Charter fees	4,077	4,032
Sale of ferry services – government support	6,153	6,123
Total revenue from other sources	13,572	13,427
Total revenue (note 3)	27,931	28,405

Note 11 continued

Vessel dues include the tonnage charge, which is calculated on the basis of the gross tonnage of a vessel for each port call. For vessels visiting the port based on a pre-agreed schedule that have a prospective volume discount during the year, the transaction price is allocated between the tonnage services and the option for discounted tonnage services based on the estimated total number of port calls by that vessel during the calendar year. Revenue from tonnage charges is recognised based on the average annual tariffs and estimated volume. At 31 March 2024, the difference between revenue recognised and amounts billed to customers was recognised as a contract liability of EUR 2,934 thousand (amounts billed exceeded revenue recognised).

Revenue from tonnage charges is recognised based on the average annual tariffs and estimated volume.

The agreements signed with cargo operators generally set out a minimum annual cargo volume. If the cargo operator handles less than the minimum, the Group has the right to charge the customer at the end of the calendar year based on the minimum annual cargo volume. Management estimated the Group's remaining right to consideration by reference to the minimum cargo volume and the amount of consideration received from customers as at 31 March 2024. Based on the estimation, the Group recognised contract assets of EUR 104 thousand. At 31 March 2024, revenue received from some customers exceeded management's estimates. As a result, the Group recognised contract liabilities of EUR 156 thousand so that estimated revenue would be evenly recognised over all interim periods of 2024.

When connecting to the electricity network, customers pay a connection fee based on the expenses incurred in enabling connection to the network. The connection service does not represent a separate performance obligation as the customer does not benefit from this service separately from the consumption of electricity. Therefore, connection fees form part of the consideration for electricity and are recognised as revenue over the period during which customers consume electricity. The amounts of connection fees received but not yet included in revenue are recognised in the statement of financial position as contract liabilities. At 31 March 2024, such liabilities amounted to EUR 2,743 thousand (31 December 2023: EUR 2,755 thousand).

Revenue from ticket sales is recognised over the time during which the ferry transports the passengers and/or vehicles from the port of departure to the port of destination, which happens in a single day, or at the point in time when the ticket expires. Consideration received for tickets sold for trips not yet performed is deferred and recognised in the statement of financial position as a contract liability. At 31 March 2024, such liabilities amounted to EUR 90 thousand (31 December 2023: EUR 63 thousand).

12. OPERATING EXPENSES

In thousands of euros

For the 3 months ended 31 March	2024	2023
Fuel costs	1,702	1,495
Electricity costs	1,552	1,511
Heat, water and sewerage costs	214	234
Technical maintenance and repair of non-current assets	1,266	1,168
Services purchased for infrastructure	1,064	1,008
Tax expenses	371	661
Consultation and development expenses	186	76
Services purchased	1,372	1,225
Acquisition and maintenance of assets of insignificant value	191	277
Advertising expenses	44	69
Lease expenses	158	159
Insurance expenses	218	209
Other operating expenses	693	770
Total operating expenses	9,031	8,862

13. COMMITMENTS

At 31 March 2024, the Group's contractual commitments related to the acquisition of property, plant and equipment, repair and maintenance, and research and development expenditures totalled EUR 54,418 thousand (31 December 2023: EUR 68,051 thousand), including a commitment of EUR 38,109 thousand under the contract for the construction of quay 6A at Paldiski South Harbour (31 December 2023: EUR 54,102 thousand).

14. CONTINGENT LIABILITIES

In June 2019, the court accepted a statement of claim for damages of EUR 23.8 million in total filed against group companies OÜ TS Laevad and OÜ TS Shipping in relation to alleged use of confidential information in a public procurement tender to provide public passenger transport service on the Saaremaa and Hiiumaa routes. By the ruling of the Harju County Court of 31 March 2023, the statement of claim filed by the bankruptcy trustee of AS Saaremaa Laevakompanii (bankrupt) and Väinamere Liinid OÜ against OÜ TS Laevad and OÜ TS Shipping was dismissed. The bankruptcy trustee of AS Saaremaa Laevakompanii (bankrupt) and OÜ Väinamere Liinid filed an appeal for annulment of the ruling of the Harju County Court.

Note 14 continued

On 9 February 2024, the Tallinn District Court decided to dismiss the appeal of the bankruptcy trustee of AS Saaremaa Laevakompanii (bankrupt) and Väinamere Liinid OÜ and to not overturn the ruling of the Harju County Court of 31 March 2023. On 11 March 2024, the bankruptcy trustee of AS Saaremaa Laevakompanii (bankrupt) and Väinamere Liinid OÜ filed an appeal in cassation, which has not been accepted by the date this report is authorised for issue.

The management board believes that the claim is not substantiated and legal advice indicates that it is not probable that a liability will arise. Thus, the management board has not considered it necessary to recognise a provision for the claim.

15. INVESTIGATIONS CONCERNING THE GROUP

On 26 August 2015, the Estonian Internal Security Service detained Ain Kaljurand and Allan Kiil, long-term members of the management board of the Group's Parent, AS Tallinna Sadam, as they were suspected of large-scale bribery during several prior years. After long-term investigation, on 31 July 2017 the Group filed a civil action lawsuit against Ain Kaljurand, Allan Kiil and other private and legal persons involved in the episodes under investigation. By the order of the Harju County Court dated 19 November 2018, the civil action was included in the criminal proceedings against the above persons.

On 28 October 2020, the Harju County Court issued an order terminating the criminal proceedings concerning Allan Kiil in connection with his terminal illness. At the same time, the Tallinn District Court issued an order requiring Allan Kiil to be involved in the criminal proceedings as a civil defendant. Allan Kiil passed away on 15 June 2021 and on 23 September 2021 Marika Kiil was involved in the proceedings as a civil defendant and a third party in place of Allan Kiil.

The court will make a judgment in the criminal case on 27 June 2024.

Based on information available at the date this report is authorised for issue, the management board believes that the above events will not have a material adverse impact on the Group's financial performance or financial position. However, they may continue to cause significant damage to the Group's reputation.

16. RELATED PARTY TRANSACTIONS

The Republic of Estonia holds 67.03% of the shares in AS Tallinna Sadam (through the Ministry of Climate).

In thousands of euros

For the 3 months ended 31 March	2024	2023
Transactions with the associate		
Revenue	22	22
Operating expenses	445	404
Transactions with companies in which the members of the supervisory and management boards of group companies have significant influence		
Operating expenses	3	8
Other expenses	5	7
Transactions with government agencies and companies of which the state has control		
Revenue	10,493	10,344
Other income	0	100
Operating expenses	1,239	1,506
Other expenses	22	0
Acquisition of property, plant and equipment	402	0

In thousands of euros

	At 31 March 2024	At 31 December 2023
Trade receivables from and payables to the associate		
Receivables (note 4)	8	9
Payables (note 8)	203	193
Trade receivables from and payables to government agencies and companies of which the state has control		
Receivables	2,922	2,201
Payables	7,607	7,601

All purchases and sales of services were transactions conducted in the ordinary course of business on an arm's length basis.

Revenue and operating expenses from transactions with related parties comprise revenue and expenses from sales and purchases of services in the ordinary course of business.

Information presented about companies in which the members of the supervisory and management boards of group companies have significant influence is based on the information provided by the related parties.

17. EVENTS AFTER THE REPORTING PERIOD

On 4 April 2024, AS Tallinna Sadam filed an additional statement of claim against OÜ MPG AgroProduction, demanding the imposition of obligations to enter into a real right contract for the transfer of ownership of the right of superficies to AS Tallinna Sadam, to make the declarations of intention required for making an entry in the land register and to vacate the area of the right of superficies, because OÜ MPG AgroProduction has not transferred the right of superficies voluntarily to AS Tallinna Sadam.

Note 17 continued

The Harju County Court terminated the reorganisation proceedings of OÜ MPG AgroProduction, by its order of 26 March 2024. The court order has not entered into force, because OÜ MPG AgroProduction filed an appeal against the order with the District Court.

The reorganisation proceedings were initiated on 19 January 2024 on the basis of the reorganisation application submitted by OÜ MPG AgroProduction and merged with the bankruptcy proceedings initiated by AS Tallinna Sadam against OÜ MPG AgroProduction on 28 November 2023 because OÜ MPG AgroProduction had not fulfilled its contractual obligations for a long time. The bankruptcy proceedings will remain suspended until the reorganisation plan is approved or the reorganisation proceedings are completed.

The claims of AS Tallinna Sadam total EUR 3.2 million and consist mainly of overdue receivables for the rights of superficies, which have been written down as at the end of the reporting period.

The Ministry of Regional Affairs and Agriculture declared successful the tender of OÜ Laevad in the public procurement for finding a partner for the award of a public service contract for passenger transport on the Virtsu–Kuivastu and Rohuküla–Heltermaa ferry routes.

As a result of the successful tender, a public service contract for passenger transport will be concluded between the Ministry of Regional Affairs and Agriculture and OÜ TS Laevad for the provision of transport service for a period of seven years, from 1 October 2026 to 30 September 2033. TS Laevad currently provides passenger transport service on the Rohuküla–Heltermaa and Virtsu–Kuivastu ferry routes until 30 September 2026 under the public service contract for passenger transport concluded with the Transport Administration on 11 December 2014.

OÜ TS Shipping, a subsidiary of AS Tallinna Sadam, and Baffinland Iron Mines Corporation extended the agreement signed in 2018 for chartering the multifunctional icebreaker MSV Botnica to assist cargo vessels in the Arctic waters of Canada. MSV Botnica will escort Panamax-type vessels carrying iron ore during their passage from the Milne Inlet Port to the ocean. This contractual arrangement spans the period from 2024 to 2028 and includes the annual call options to charter the ship for at least 60 days per year from September to December.

OÜ TS Shipping signed an agreement with BP Exploration Operating Company Ltd for chartering the multifunctional icebreaker MSV Botnica from May to July 2024 with the option to extend the term until 5 August. The total charter period is up to 12 weeks. MSV Botnica will be chartered as a service operation vessel to support work scopes at BP Exploration Operating Company Ltd's normally unattended installation Mungo, located in the North Sea UK Sector. The charter contract with BP Exploration Operating Company Ltd helps secure the revenue base for the summer period at a level comparable with the previous years.

On 25 April 2024, the annual general meeting of AS Tallinna Sadam approved a dividend distribution of EUR 0.073 per share, i.e. EUR 19,199 thousand in total.

MANAGEMENT'S CONFIRMATION AND SIGNATURES

The management board has prepared the unaudited management report and interim condensed consolidated financial statements of AS Tallinna Sadam as at and for the period ended 31 March 2024.

The management board confirms that the Group's management report, set out on pages 4 to 14, provides a true and fair view of the Group's business operations, performance and significant events in the reporting period.

The management board confirms that the Group's unaudited interim condensed consolidated financial statements, set out on pages 15 to 31, are correct and complete and that:

1. the unaudited interim condensed consolidated financial statements have been prepared in accordance with the Estonian Accounting Act and International Financial Reporting Standards as adopted by the European Union (IFRS EU);
2. the unaudited interim condensed consolidated financial statements give a true and fair view of the financial position, cash flows and financial performance of the Group;
3. all significant events that occurred until the date on which the interim financial report was authorised for issue (8 May 2024) have been properly recognised and disclosed in the unaudited interim condensed consolidated financial statements;
4. AS Tallinna Sadam and its subsidiaries are going concerns.

8 May 2024



Valdo Kalm
Chairman of the
Management Board



Andrus Ait
Member of the
Management Board



Margus Vihman
Member of the
Management Board