

# Q4 & 12 months 2023 AS Tallink Grupp

February 2024

# Tallink Grupp

The leading European provider of leisure and business travel and sea transportation services in the Baltic Sea region.

## STRONG BRANDS



## KEY FACTS ABOUT TALLINK GRUPP as at 31 DEC 2023



### 15 vessels

13 passenger vessels  
2 cargo vessels



**5 regular routes**  
on the Baltic Sea



### 5 vessels in charter

Both long-term  
and short-term



**3.1 million**  
Club One members



### 4 hotels

3 in Tallinn  
1 in Riga



**21 Burger King restaurants**  
Estonia, Latvia, Lithuania



### 2 stand-alone restaurants

in Tallinn



**4900+ employees**  
Estonia, Finland, Germany,  
Sweden, Latvia and  
Lithuania



### Shopping

on-board, on-shore,  
on-line

# Strategic plan

## TALLINK'S VISION

To be the market pioneer in Europe by offering excellence in leisure and business travel and sea transportation services

## LONG TERM OBJECTIVES TOWARDS INCREASING THE COMPANY VALUE AND PROFITABILITY

- Strive for the highest level of customer satisfaction
- Improve profitability and strengthen the leading position on our home markets
- Develop a wide range of quality services directed at different customers and pursue new growth opportunities
- Based on the demand on the core routes, manage optimal capacity by operating or chartering out vessels
- Ensure cost efficient operations
- Manage the optimal debt level that will allow sustainable dividends

## CURRENT STRATEGIC CORNERSTONES AND COMPETITIVE ADVANTAGES

MOST MODERN  
FLEET

STRONG MARKET  
SHARE & BRAND  
AWARENESS

WIDE ROUTE  
NETWORK

HIGH SAFETY LEVEL &  
ENVIRONMENTAL  
STANDARDS



# Tallink Grupp in 2023

- Revenue of EUR 835.5 million
- EBITDA of EUR 214.5 million
- Net profit of EUR 78.9 million
- Served 5.7 million passengers
- Transported 324 thousand cargo units
- Operated EUR 1.6 billion asset base
- 4,912 employees at the end of FY 2023
- 3.1 million loyalty program members
- 38,894 shareholders and FDR-holders of which 30,563 on Tallinn Stock Exchange and 8,331 on Helsinki Stock Exchange



# Key takeaways

## WRAP-UP OF THE YEAR – Q4 2023

- EBITDA of EUR 36.8 million
- Net debt to EBITDA ratio 2.8
- Impact of low fuel market prices set off partly by high logistics cost component in fuel price, interest rates and inflation
- Chartering of vessels supporting stable cash flows. As at 31 December 2023 5 vessels on charter (3 long-term & 2 short-term)
- Loan refinancing agreement in the amount of EUR 298 million signed in December 2023 to repay outstanding balances of 5 lending facilities
- Extension of the charter agreement of the cruise ferry Silja Europa until the end of 2024
- The cruise ferry Victoria I added to the Tallinn-Helsinki route from October 2023

## EVENTS AFTER REPORTING DATE

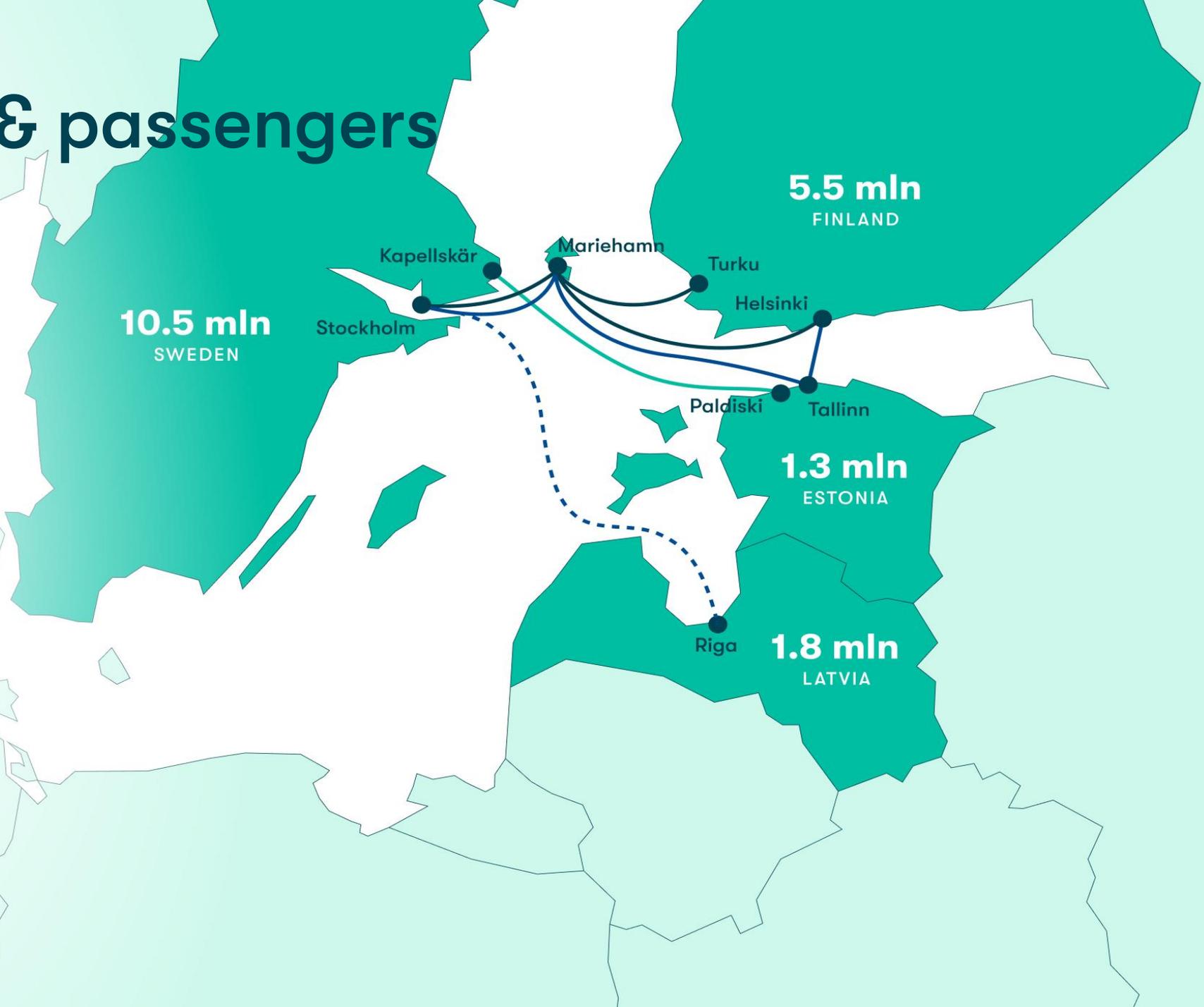
- Sale of the cruise vessel Isabelle



# Routes & passengers

Passengers in 2023

- Finland **49%**
- Estonia **24%**
- Sweden **8%**
- Europe **8%**
- Asia **4%**
- Latvia **2%**
- Lithuania **2%**
- Other **3%**



# Fleet by routes and chartered vessels

## Tallinn – Helsingi



Megastar

Vessel type High-speed ro-pax  
Built/renovated 2017  
Route Estonia–Finland  
Other information Shuttle service



MyStar

Vessel type High-speed ro-pax  
Built/renovated 2022  
Route Estonia–Finland  
Other information Shuttle service



Victoria I

Vessel type Cruise ferry  
Built/renovated 2004  
Route Estonia–Finland  
Other information Overnight cruise

## Tallinn – Stockholm



Baltic Queen

Vessel type Cruise ferry  
Built/renovated 2009  
Route Estonia–Sweden  
Other information Overnight cruise

## Turku – Stockholm



Baltic Princess

Vessel type Cruise ferry  
Built/renovated 2008  
Route Finland–Sweden  
Other information Overnight cruise

## Helsingi – Stockholm



Silja Symphony

Vessel type Cruise ferry  
Built/renovated 1991  
Route Finland–Sweden  
Other information Overnight cruise



Silja Serenade

Vessel type Cruise ferry  
Built/renovated 1990  
Route Finland–Sweden  
Other information Overnight cruise

## Chartered long-term



Isabelle

Vessel type Cruise ferry  
Built/renovated 1989  
Other information Chartered out



Atlantic Vision

Vessel type High-speed ro-pax  
Built/renovated 2002  
Other information Chartered out



Oscar Wilde (Star)

Vessel type High-speed ro-pax  
Built/renovated 2007  
Other information Chartered out

## Paldiski – Kapellskär



Regal Star

Vessel type Ro-ro cargo vessel  
Built/renovated 1999  
Route Estonia–Sweden  
Other information Cargo transportation



Sailor

Vessel type Ro-ro cargo vessel  
Built/renovated 1987  
Route Estonia–Sweden  
Other information Cargo transportation

## Chartered short-term



Galaxy I

Vessel type Cruise ferry  
Built/renovated 2006  
Other information Chartered out



Silja Europa

Vessel type Cruise ferry  
Built/renovated 1993/2016  
Other information Chartered out

## In lay-up



Romantika

Vessel type Cruise ferry  
Built/renovated 2002  
Other information In lay-up



# Q4 2023 revenues

- Revenue EUR 193.7m (EUR -9.9m or -4.9% vs LY)
  - 39.0% decrease in chartering revenues due to less vessels on charter
  - Strong result in accommodation and ticket sales segment
- Costs
  - Lower global prices supported a 17.3% drop in fuel cost to EUR 24.7m (EUR -5.2m vs LY)
  - Net finance costs increased by EUR 3.1m year-on-year mainly due to increased Euribor and transaction costs related to refinancing
- EBITDA of EUR 36.8m (EUR -13.6m or -26.9% vs LY)
- Net profit of EUR 2.2m (EUR -14.6m or -87.1% vs LY)
- CAPEX of EUR 5.9m (EUR -173.8m or -96.7% vs LY)
  - Majority of investments were related to maintenance and repair of vessels

Selected Key Figures (financials in million euros)	Q4 2022	Q4 2023 <sup>(1)</sup>	Change
Number of passengers	1,296,047	1,338,921	3.3%
Number of cargo units	96,052	76,198	-20.7%
Number of passenger cars	175,539	172,972	-1.5%
Revenue	203.7	193.7	-4.9%
Gross profit	41.8	34.9	-16.5%
EBITDA	50.4	36.8	-26.9%
EBIT	23.5	11.4	-51.6%
Net result for the period	16.7	2.2	-87.1%
Capital expenditures	179.7	5.9	-96.7%
<b>As at:</b>	<b>31.09.23</b>	<b>31.12.23<sup>(1)</sup></b>	<b>Change</b>
Total assets	1,597.4	1,555.2	-2.6%
Total equity	783.7	785.8	0.3%
Interest-bearing liabilities	684.8	649.3	-5.2%
Net debt	620.4	607.3	-2.1%

Notes: (1) 2023 unaudited



# Sales & results by geographical segments Q4 2023

## ESTONIA-FINLAND

The segment reflects operations of two shuttle vessels – MyStar and Megastar and the cruise ferry Victoria I since October 2023

## ESTONIA-SWEDEN

The results reflect operations of two cargo vessel (Paldiski-Kapellskär) and one cruise ferry on the Tallinn-Stockholm route

## FINLAND-SWEDEN

The results reflect the operations of one cruise ferry on the Turku-Kapellskär, and two on the Helsinki-Stockholm route

## OTHER

The segment reflects the chartering of vessels, accommodation sales and retail activities

SALES (in million euros)



RESULTS (in million euros)



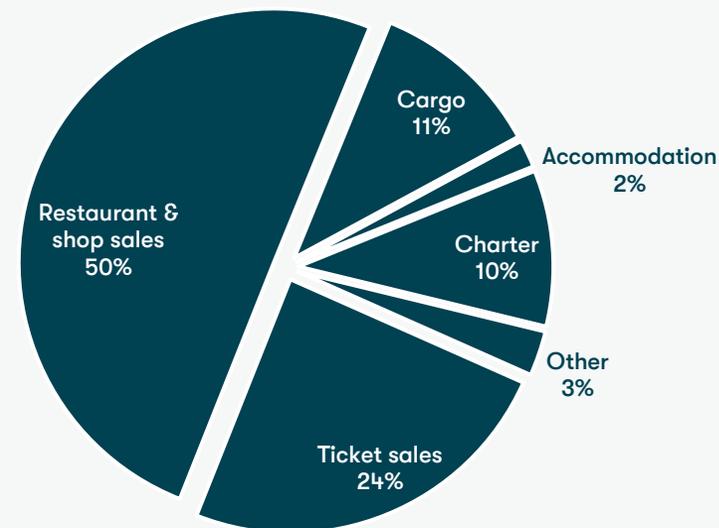
Notes: (1) 2023 unaudited



# Sales by operational segments Q4 2023

- As at the end of Q4 2023 total of 5 vessels on charter compared to 6 vessels in Q4 2022
- High competition in cargo transportation market
- Revenue from operations related to travelling, shopping, restaurants and accommodation services up by EUR 3.9 million compared to Q4 2022

REVENUE STRUCTURE Q4 2023<sup>(1)</sup>



Notes: (1) 2023 unaudited



# FY2023 revenues

- Revenue EUR 835.3m (EUR +63.9m or 8.3% vs LY)
  - 53.7% increase in chartering revenues
  - Strong result in accommodation and ticket sales segment
- Costs
  - Lower global prices supported a 32.6% drop in fuel cost to EUR 97.2m (EUR -47.0m vs LY)
  - Net finance costs increased by EUR 10.9m year-on-year mainly due to increased Euribor
- EBITDA of EUR 214.5m (EUR +78.7m or 58.0% vs LY)
- Net profit of EUR 78.9m (EUR +64.9m or 466.0% vs LY)
- CAPEX of EUR 28.2m (EUR -175.1m vs LY)
  - Majority of investments were related to maintenance and repair of vessels

Selected Key Figures (financials in million euros)	2022	2023 <sup>(1)</sup>	Change
Number of passengers	5,462,085	5,705,600	4.5%
Number of cargo units	409,769	323,990	-20.9%
Number of passenger cars	819,229	840,881	2.6%
Revenue	771.4	835.3	8.3%
Gross profit	113.5	203.8	79.6%
EBITDA	135.8	214.5	58.0%
EBIT	37.7	113.3	200.8%
Net result for the period	13.9	78.9	466.0%
Capital expenditures	203.3	28.2	-86.1%
<b>As at:</b>	<b>31.12.22</b>	<b>31.12.23<sup>(1)</sup></b>	<b>Change</b>
Total assets	1,691.6	1,555.2	-8.1%
Total equity	706.9	785.8	11.2%
Interest-bearing liabilities	853.5	649.3	-23.9%
Net debt	738.6	607.3	-17.8%

Notes: (1) 2023 unaudited

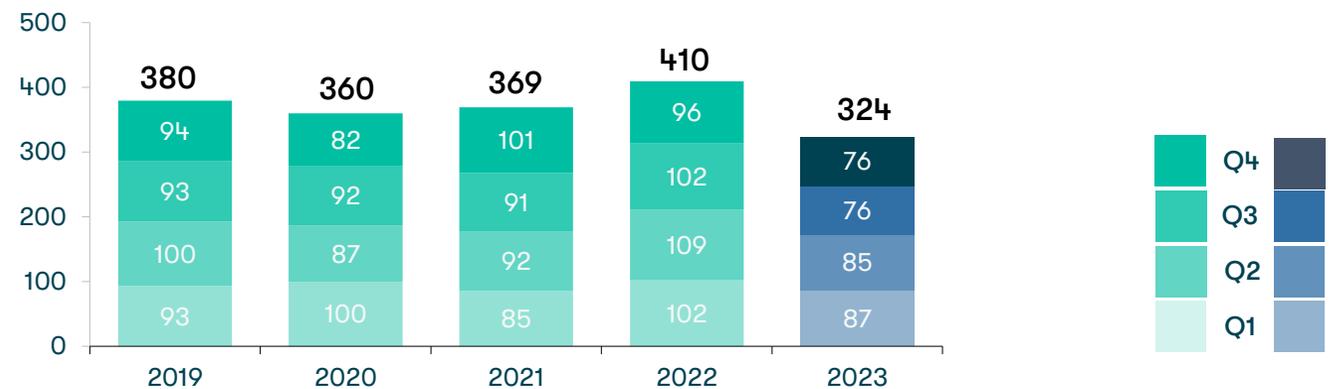


# Dynamics of seasonality

Passenger (millions)



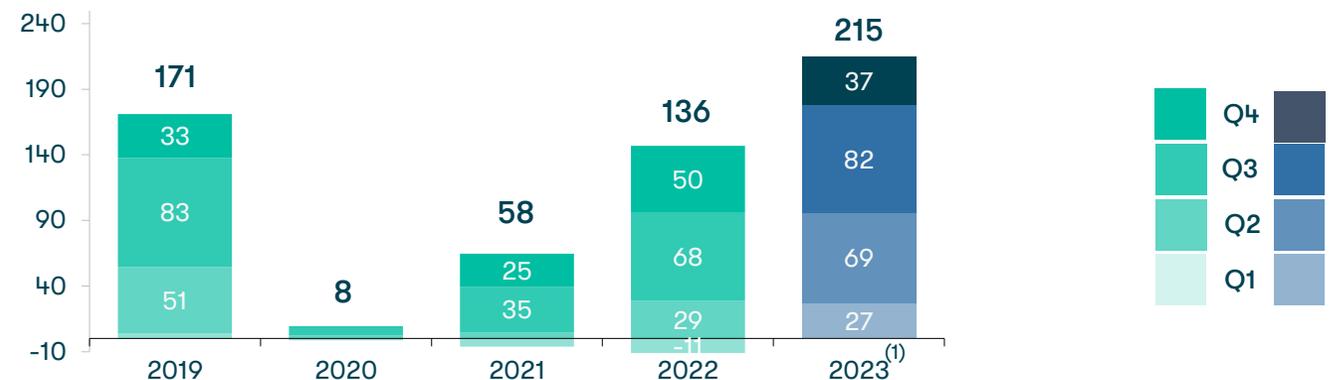
Cargo (th. units)



Revenue (in million euros)



EBITDA (in million euros)



Notes: (1) 2023 unaudited



# Dynamics of seasonality

Quarterly net result (in million euros)



Notes: (1) 2023 unaudited



Most of profits are typically earned in summer, the high season

# Sales & results by geographical segments FY2023

## ESTONIA-FINLAND

The segment reflects operations of two shuttle vessels – MyStar and Megastar and the cruise ferry Victoria I since October 2023. The cruise ferry Silja Europa has been chartered out since August 2022 and shuttle vessel Oscar Wilde since 5 May 2023.

## ESTONIA-SWEDEN

The results reflect operations of two cargo vessel (Paldiski-Kapellskär) and one cruise ferry on the Tallinn-Stockholm route.

## FINLAND-SWEDEN

The results reflect the operations of one cruise ferry on the Turku-Stockholm/Kapellskär, and two on the Helsinki-Stockholm route. The cruise ferry Galaxy I has been chartered out since September 2022.

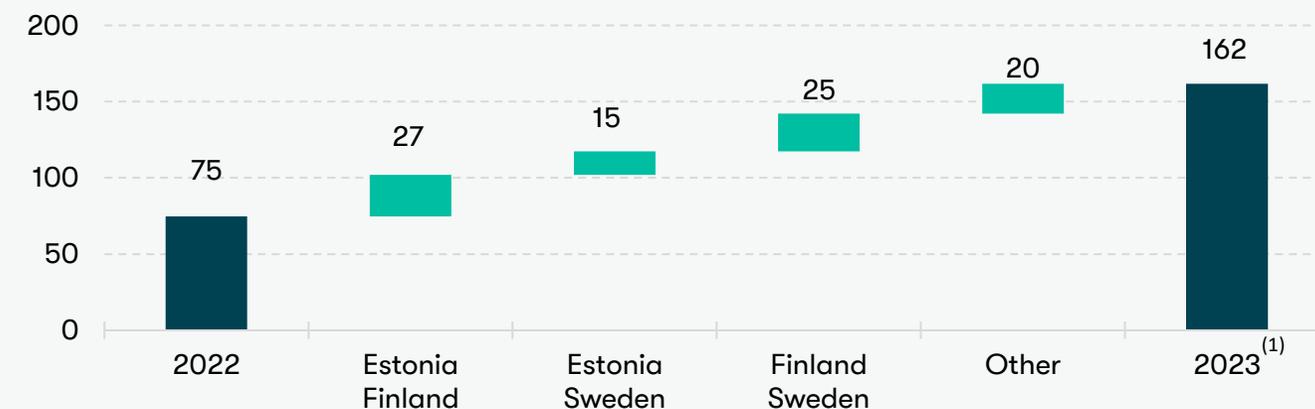
## OTHER

The segment reflects the chartering of vessels, accommodation sales and retail activities.

SALES (in million euros)



RESULTS (in million euros)



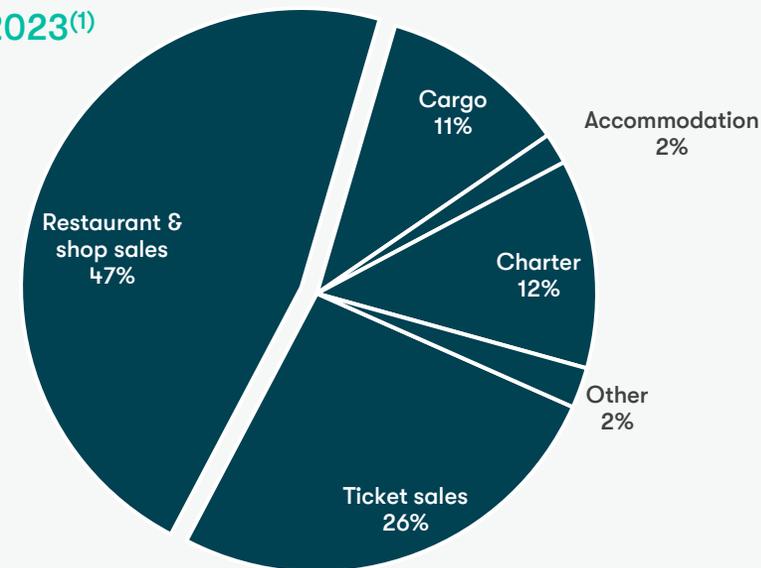
Notes: (1) 2023 unaudited



# Sales by operational segments FY2023

- Chartering of vessels supporting stability of revenues
- High competition in cargo transportation market
- Revenue from operations related to travelling, shopping, restaurants and accommodation services up by EUR 43 million compared to FY2022

REVENUE STRUCTURE 2023<sup>(1)</sup>



Notes: (1) 2023 unaudited



# Consolidated income statement

In million euros

	2022	2023 <sup>(2)</sup>	Q4 2022	Q4 2023 <sup>(2)</sup>
<b>Sales</b>	771	835	204	194
Cost of sales <sup>(1)</sup>	-658	-631	-162	-159
Marketing & administrative cost <sup>(1)</sup>	-87	-95	-24	-26
Other operating items, net	11	4	6	3
<b>EBITDA</b>	136	215	50	37
<b>Margin (%)</b>	17.6%	23.8%	24.8%	19.0%
<b>Net Result</b>	14	79	17	2
<b>EPS</b>	0.019	0.106	0.022	0.003

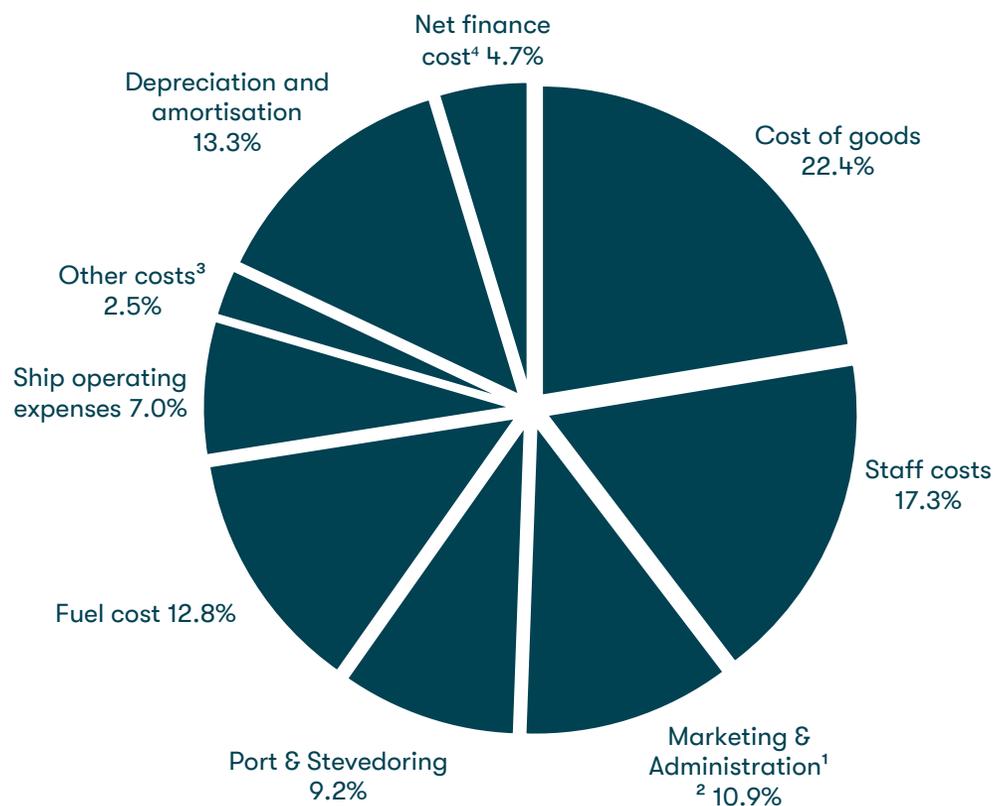
Notes: Totals may not sum due to rounding;

(1) Includes depreciation and amortization;

(2) unaudited



# Full year cost breakdown



(EUR millions)	2022	2023 <sup>(5)</sup>	Change
Cost of goods	160.6	170.6	6.2%
Staff costs	120.0	131.7	9.8%
Marketing & Administration <sup>(1)(2)</sup>	74.3	83.0	11.7%
Port & Stevedoring	77.2	69.9	-9.4%
Fuel cost	144.1	97.2	-32.6%
Ship operating expenses	51.6	53.6	3.8%
Other costs <sup>(3)</sup>	18.7	19.1	2.3%
<b>Total costs from operations</b>	<b>646.4</b>	<b>625.1</b>	<b>-3.3%</b>
Depreciation & amortisation	98.1	101.2	3.1%
Net finance cost <sup>(4)</sup>	24.7	35.6	43.9%
<b>Total costs</b>	<b>769.3</b>	<b>761.9</b>	<b>-1.0%</b>

- Notes: (1) Depreciation and amortisation excluded  
 (2) Includes marketing and administration staff costs  
 (3) Includes package costs  
 (4) Includes share of profit/loss of equity-accounted investees  
 (5) unaudited



# Consolidated cash flow statement

In million euros

	2022	2023 <sup>(2)</sup>	Q4 2022	Q4 2023 <sup>(2)</sup>
<b>Operating cash flow</b>	144	203	57	34
Capital expenditure	-203	-28	-180	-6
Asset disposal	3	1	0	0
<b>Free cash flow</b>	-56	177	-122	29
Debt financing (net effect)	69	-213	141	-40
Interests & other financial items	-25	-37	-7	-11
<b>Change in cash</b>	-13	-73	12	-23

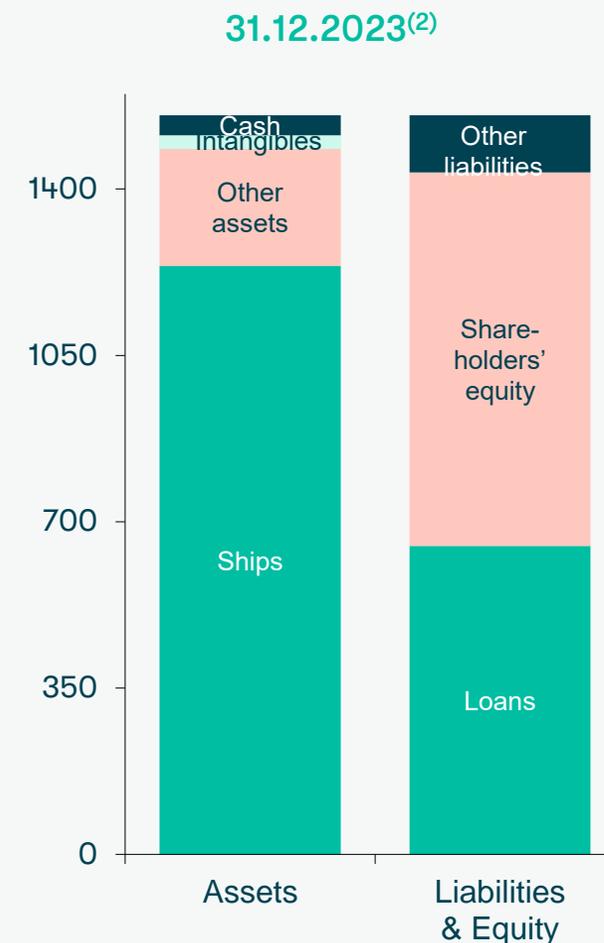
Notes: Totals may not sum due to rounding;  
(1) Includes depreciation and amortization;  
(2) unaudited



# Consolidated statement of financial position

In million euros

	31.12.2021	31.12.2022	30.09.2023	31.12.2023 <sup>(2)</sup>
<b>Total assets</b>	<b>1,586</b>	<b>1,692</b>	<b>1,597</b>	<b>1,555</b>
Non-current assets	1,383	1,496	1,447	1,432
Current assets	203	196	150	123
- of which cash	128	115	64	42
<b>Total liabilities</b>	<b>893</b>	<b>985</b>	<b>814</b>	<b>769</b>
Interest bearing liabilities	780	854	685	649
Other liabilities	113	131	129	120
<b>Shareholders' equity</b>	<b>693</b>	<b>707</b>	<b>784</b>	<b>786</b>
<b>Net debt/EBITDA</b>	<b>11.2x</b>	<b>5.4x</b>	<b>2.7x</b>	<b>2.8x</b>
<b>Net debt</b>	<b>652</b>	<b>739</b>	<b>620</b>	<b>607</b>
<b>Equity/assets ratio</b>	<b>44%</b>	<b>42%</b>	<b>49%</b>	<b>51%</b>
<b>BVPS <sup>(1)</sup> (in EUR)</b>	<b>0.93</b>	<b>0.95</b>	<b>1.05</b>	<b>1.06</b>



Notes: Totals may not sum due to rounding

(1) Shareholders' equity / number of shares outstanding

(2) 2023 unaudited



Total liquidity (cash + unused overdraft) of EUR 116.9 million

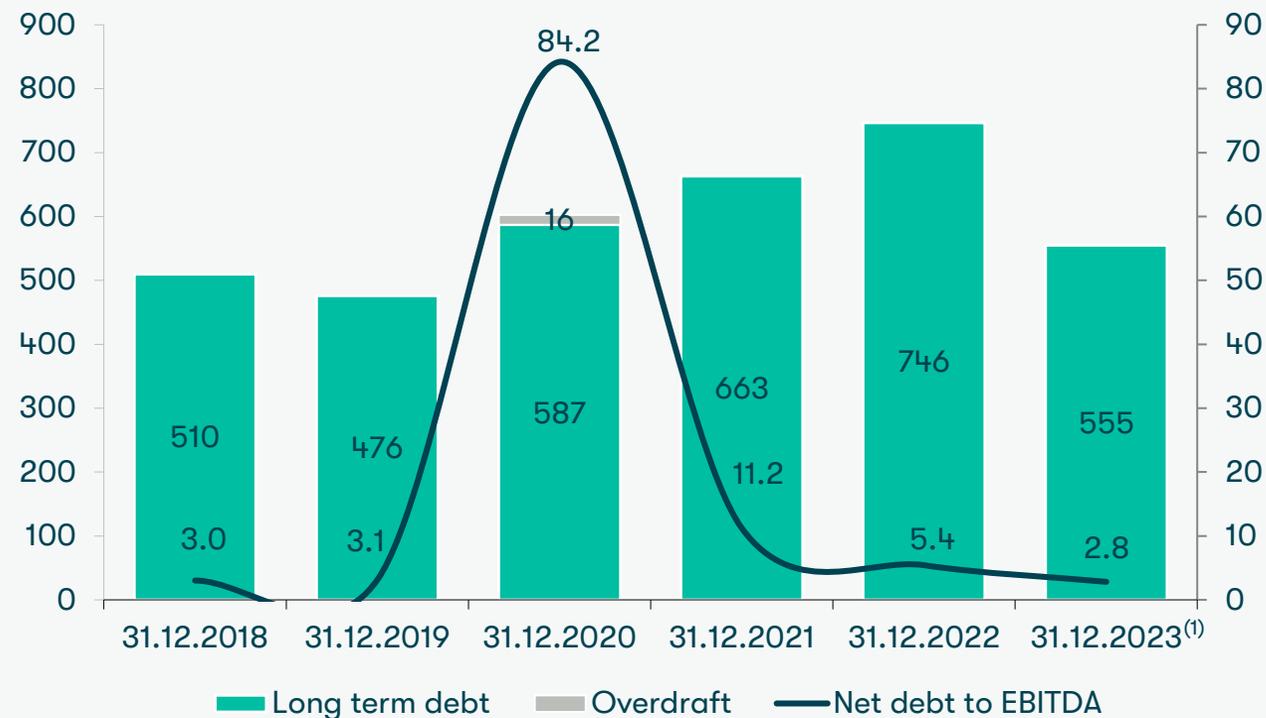
# Loan portfolio structure

## LONG-TERM BANK LOANS

- EUR 555 million as at 31 December 2023
- 3 loan agreements outstanding: syndicated loan and two ship building loans
- Maturing 5 – 11 years
- EUR denominated, fixed and EURIBOR floating

## OVERDRAFT

- As at 31 December 2023 unused overdraft of EUR 75 million



Notes: (1) 2023 unaudited

**Total interest-bearing liabilities of EUR 649.3 million**





**Concorded with the Supervisory Board of the Group, the Management Board has decided to prepare a proposal to the General Meeting of Shareholders to pay a dividend of**

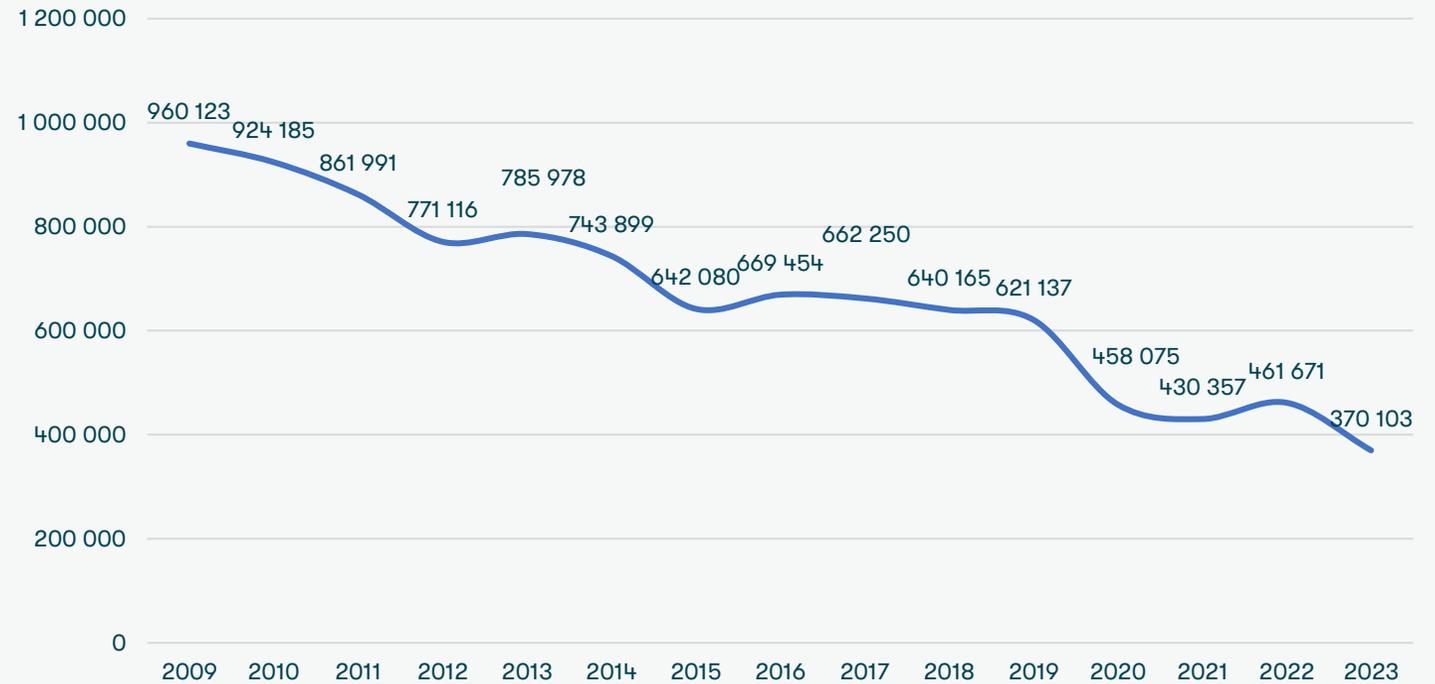
**6 cents per share in 2024**

**for the financial year of 2023**

# ESG focus areas is 2024

- 2023 and 2024 focus on achieving compliance with CSRD requirements and new reporting standards
- First CSRD compliant ESG report published in 2025 with limited audit assurance
- Current activities: Double Materiality finalisation, ESG target setting and policy and data review – Q1 & Q2 2024
- Key material impact areas include tackling climate change and emissions, customer safety and security, own workforce topics, supply chain management, data protection.
- Investment focus on emissions reductions

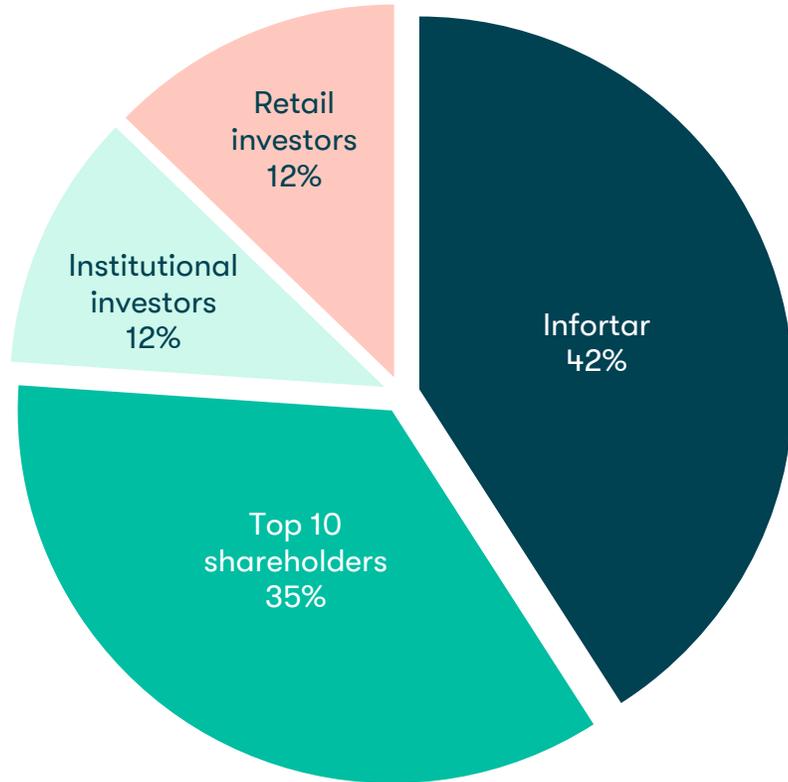
## TOTAL CO<sub>2</sub> EMISSIONS



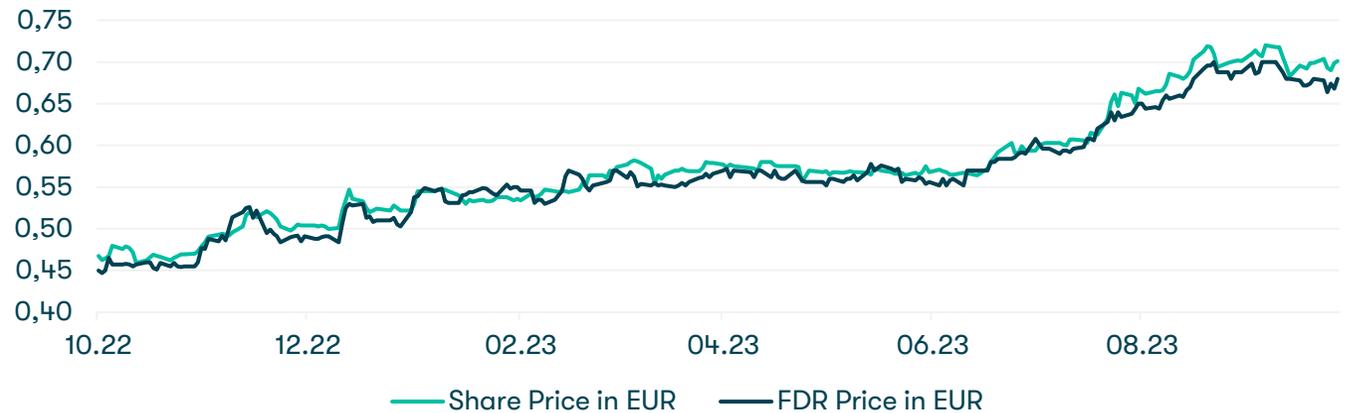


**38,894 shareholders and  
FDR-holders at the end of 2023**

# Shareholders and share performance



Infortar AS	42%
Baltic Cruises Holding, L.P.	11%
Baltic Cruises Investment L.P.	6%
ING Luxembourg S.A. AIF Account	5%
Citigroup Venture Capital International G.P	4%
Nordea Bank Abp / Clients FDR	3%
Mersok OÜ	2%
Clearstream Banking AG	1%
Luksusjaht AS	1%
Enn Pant	1%
Unicredit Bank Austria AG	1%



# Management board



**Paavo Nõgene**

Born in 1980  
CEO since May 2018



**Kadri Land**

Born in 1964  
Member of Management Board  
since February 2019



**Harri Hanschmidt**

Born in 1982  
Member of Management Board  
since February 2019



**Piret Mürk-Dubout**

Born in 1970  
Member of Management Board  
since April 2019



**Margus Schults**

Born in 1966  
Member of Management Board  
since April 2021



# Supervisory board



**Enn Pant**

Born in 1965  
Chairman of Supervisory Board since 2015  
CEO of AS Tallink Grupp in 1996-2015



**Ain Hanschmidt**

Born in 1961  
with the Supervisory Board  
since 2005



**Toivo Ninnas**

Born in 1940  
with the Supervisory Board  
since 1997



**Eve Pant**

Born in 1968  
with the Supervisory Board  
since 1997



**Kalev Järvelill**

Born in 1965  
with the Supervisory Board  
since 2007



**Raino Paron**

Born in 1965  
with the Supervisory Board  
since 2019



**Colin Douglas Clark**

Born in 1974  
with the Supervisory Board  
since 2013



 **TALLINK** | **SILJA LINE** 