



**Unaudited interim condensed
consolidated report for the
6 months ended 30 June 2024**

AS Tallinna Sadam

AS TALLINNA SADAM**UNAUDITED INTERIM CONDENSED CONSOLIDATED REPORT
FOR THE 6 MONTHS ENDED 30 JUNE 2024**

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MANAGEMENT REPORT

The summer charter of the icebreaker MSV Botnica had a significant positive effect on the Group's results for the first six months of 2024. The number of passengers served continued to recover, with growth potential to reach the pre-pandemic levels. Cargo throughput remained flat year on year.

KEY PERFORMANCE INDICATORS OF THE GROUP¹

Indicator	Unit	6 months 2024	6 months 2023	Difference	Change %	Q2 2024	Q2 2023	Difference	Change %
Revenue	EUR '000	59,582	57,189	2,393	4.2%	31,651	28,783	2,868	10.0%
Operating profit	EUR '000	15,932	12,555	3,377	26.9%	8,931	5,758	3,173	55.1%
Adjusted EBITDA ²	EUR '000	27,606	25,279	2,327	9.2%	14,890	11,715	3,176	27.1%
Depreciation, amortisation and impairment	EUR '000	-12,120	-13,227	1,107	-8.4%	-6,084	-6,189	105	-1.7%
Income tax	EUR '000	-3,125	-2,985	-140	4.7%	-3,125	-2,985	-140	4.7%
Profit for the period	EUR '000	9,291	7,065	2,226	31.5%	4,099	1,363	2,735	200.6%
Investment	EUR '000	25,038	6,147	18,891	307.3%	7,085	4,605	2,480	53.9%
Number of employees (average)		437	463	-26	-5.5%	441	468	-27	-5.7%
Cargo volume	t '000	6,596	6,614	-18	-0.3%	3,232	3,251	-19	-0.6%
Number of passengers	'000	3,631	3,546	85	2.4%	2,165	2,150	16	0.7%
Number of vessel calls		3,431	3,519	-88	-2.5%	1,804	1,801	3	0.2%
Total assets at period-end	EUR '000	618,033	611,361	6,672	1.1%	618,033	611,361	6,672	1.1%
Net debt ³ at period-end	EUR '000	164,109	146,179	17,930	12.3%	164,109	146,179	17,930	12.3%
Equity at period-end	EUR '000	367,751	368,842	-1,091	-0.3%	367,751	368,842	-1,091	-0.3%
Number of shares at period-end	'000	263,000	263,000	0	0.0%	263,000	263,000	0	0.0%
Operating profit/revenue		26.7%	22.0%			28.2%	20.0%		
Adjusted EBITDA/revenue		46.3%	44.2%			47.0%	40.7%		
Profit for the period/revenue		15.6%	12.4%			12.9%	4.7%		
EPS: Profit for the period/ average number of shares	EUR	0.04	0.03		31.5%	0.02	0.01		200.6%
Equity/number of shares at period-end	EUR	1.40	1.40		-0.3%	1.40	1.40		-0.3%

The six-month number of passengers⁴ increased by 2.4%. The routes with the largest passenger numbers were Tallinn–Helsinki and Tallinn–Stockholm, while Muuga–Vuosaari showed the highest percentage growth. The number of cruise passengers decreased as cruise ships made fewer calls. Passenger numbers continue to recover, but there is still growth potential to reach the levels before the COVID-19 pandemic (H1 2019: 4.7 million passengers). Passenger numbers grew due to a higher passenger load factor of passenger vessels. The number of ferry calls declined due to the regular dry-docking of Eckerö Line's MS Finlandia in the first quarter.

¹ The ratios and changes presented in the table may contain rounding differences.

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 Loans and borrowings less cash and cash equivalents

⁴ The number does not include passengers of the Ferry segment that travelled between Estonia's mainland and two largest islands.

Six-month revenue increased, driven by the earlier start of the summer charter of the icebreaker MSV Botnica and revenue growth in the Ferry segment. Revenue for the first half of 2024 grew by EUR 2.4 million (+4.2%) year on year to EUR 59.6 million. Cargo throughput remained stable, decreasing by 0.3% year on year. The main reason for the slight decline was liquid bulk cargo, which decreased by more than a third. Non-marine cargo also declined. The volumes of other cargo types increased with an offsetting effect of almost the same amount.

Operating profit for the six months of 2024 grew by EUR 3.4 million (+26.9%) to EUR 15.9 million and profit for the period increased by EUR 2.2 million (+31.5%) to EUR 9.3 million, although income tax expense on dividends was around EUR 0.1 million higher than a year earlier. Adjusted EBITDA grew by EUR 2.3 million to EUR 27.6 million (+9.2%).

In the second quarter of 2024, the number of passengers increased by 0.7%, but the volume of cargo handled decreased by 0.6% year on year. Revenue grew by EUR 2.9 million (+10.0%) to EUR 31.7 million, driven by the segment Other (the icebreaker MSV Botnica) and the Ferry segment, which offset the decline in the Passenger harbours and Cargo harbours segments. The Group's operating profit for the second quarter grew by EUR 3.2 million (+55.1%) to EUR 8.9 million and profit increased by EUR 2.7 million (+200.6%) to EUR 4.1 million.

OPERATING VOLUMES

The Group's harbours handled 6.6 million tonnes of cargo in the first six months of 2024, 18 thousand tonnes less than in the same period last year (-0.3%). The decline was mainly attributable to liquid bulk cargo, which decreased by 0.3 million tonnes (-33.7%) due to the absence of liquefied petroleum gas (LPG) supplies in 2024. Non-marine cargo also decreased, but as its volume is relatively small, the impact was insignificant. Other types of cargo grew year on year. Dry bulk cargo increased by 162 thousand tonnes (+15.5%), mainly through higher volumes of wood pellets, scrap metal and oats. Container cargo grew by 92 thousand tonnes (+9.8%; in TEUs: +17 thousand units, +15.4%) through an increase in the transport of 40-foot containers. Ro-ro cargo increased by 66 thousand tonnes (+1.9%) and general cargo by 8 thousand tonnes (+3.5%). Ro-ro volume contracted in the Passenger harbours segment, but its growth in the Cargo harbours segment offset the decline. Ro-ro cargo grew in terms of tonnage. Cargo charges for ro-ro, however, are based on quantity (units of traffic) and the quantity subject to cargo charges decreased by around 0.8% year on year. Years ago, liquid bulk was the largest cargo type. However, ro-ro has been the largest cargo type since the beginning of 2022, accounting for 53% of total cargo handled in the first six months of 2024. Liquid bulk currently accounts for only 10% of the total cargo volume. In the second quarter, the Group's harbours handled 3.2 million tonnes of cargo, 19 thousand tonnes less than a year earlier (-0.6%). The decline was attributable to lower volumes of liquid bulk, dry bulk and general cargo. The volume of liquid bulk cargo decreased by 151 thousand tonnes (-32.6%). Dry bulk decreased by 32 thousand tonnes (-6.2%), mainly through lower supplies of barley, while general cargo declined by 20 thousand tonnes (-16.4%). Ro-ro cargo grew by 130 thousand tonnes (+7.7%) and container cargo by 53 thousand tonnes (+11.4%; in TEUs: +8 thousand units, +14.6%).

Passenger numbers continued to grow slowly year-on-year, rising by 0.1 million to 3.6 million (+2.4%) in the first half of 2024. In absolute terms, the largest increases were on the Tallinn–Helsinki (+87 thousand passengers, +2.8%) and Muuga–Vuosaari (+18 thousand passengers, +24.3%) routes. The Tallinn–Helsinki route saw growth in passenger numbers despite fewer vessel calls as the passenger load factor of the ferries improved. However, the number of cruise passengers declined sharply (–16 thousand passengers, –22.7%). In the second quarter, the number of passengers increased by 0.7% year on year to 2.2 million. The number of cruise passengers declined (–22.7%) because the number of cruise ship calls decreased by 16 (–36.4%). Compared to the second quarter of 2023, when 5 traditional cruise ships called at Saaremaa Harbour and 39 at Old City Harbour, there were no cruise ship calls at Saaremaa Harbour and 11 fewer calls at Old City Harbour in the second quarter of this year.

	Q2 2024	Q2 2023	Change %	6 months 2024	6 months 2023	Change %
Cargo volume by cargo type (t '000)	3,232	3,251	–0.6%	6,596	6,614	–0.3%
Ro-ro	1,810	1,681	7.7%	3,476	3,410	1.9%
Liquid bulk	312	463	–32.6%	648	978	–33.7%
Container cargo	522	469	11.4%	1,028	936	9.8%
<i>Containers in TEUs</i>	<i>64,234</i>	<i>56,062</i>	<i>14.6%</i>	<i>125,486</i>	<i>108,711</i>	<i>15.4%</i>
Dry bulk	483	515	–6.2%	1,203	1,041	15.5%
General cargo	102	122	–16.4%	233	226	3.5%
Non-marine	3	1	108.3%	7	23	–70.0%
Number of passengers by route ('000)	2,165	2,150	0.7%	3,631	3,546	2.4%
Tallinn–Helsinki	1,891	1,865	1.4%	3,208	3,121	2.8%
Tallinn–Stockholm	157	158	–1.1%	255	260	–1.8%
Muuga–Vuosaari	52	48	9.3%	93	75	24.3%
Cruise (traditional)	54	69	–22.7%	54	69	–22.7%
Other	11	9	20.3%	20	21	–3.1%
Number of vessel calls by vessel type	1,804	1,801	0.2%	3,431	3,519	–2.5%
Cargo vessels	357	379	–5.8%	686	700	–2.0%
Passenger vessels (incl. ro-pax)	1,419	1,378	3.0%	2717	2775	–2.1%
Cruise vessels (traditional)	28	44	–36.4%	28	44	–36.4%
Ferries (Saaremaa and Hiiumaa routes)						
Number of trips	6,232	6,180	0.8%	11,060	10,839	2.0%
Number of passengers ('000)	667	671	–0.5%	1,039	1,021	1.8%
Number of vehicles ('000)	316	312	1.3%	507	493	2.9%
Icebreaker MSV Botnica						
Charter days	54	29	86.2%	145	119	21.8%
Utility rate (%)	59%	32%	86.2%	80%	66%	21.2%

The ferries operated by OÜ TS Laevad (the Ferry segment) made 11,060 trips between Estonia's mainland and two largest islands in the first six months of 2024, 221 trips more than a year earlier (+2.0%). The number of trips made in the second quarter was 6,232, which is 52 (+0.8%) more than a year earlier.

The icebreaker MSV Botnica (the segment Other), which is operated by OÜ TS Shipping, had 145 charter days (contractual working days) in the first half of the year, 26 days more than a year earlier because its summer charter started earlier. Its utilisation rate was 80% (66% a year earlier). In the second quarter, the number of charter days was 54 (Q2 2023: 29) and the utilisation rate was 59% (32% a year earlier).

REVENUE, EXPENSES AND PROFIT

Revenue for six months increased by EUR 2.4 million (+4.2%) year on year to EUR 59.6 million, supported by higher revenues from the icebreaker MSV Botnica (charter fees, the segment Other) and ferry service between Estonia's mainland and two largest islands (the Ferry segment). Revenues from the Passenger harbours and Cargo harbours segments decreased. In terms of revenue streams, the biggest change in the first half-year was in **charter fees revenue**, which increased by EUR 2.6 million (+45.8%), because the summer charter of the icebreaker MSV Botnica started earlier than last year. However, due to technical issues, the icebreaker's summer project proved shorter than planned in 2024. **Vessel dues revenue** declined by EUR 1.2 million (-7.3%) to EUR 14.8 million due to a decrease in ferry, cruise ship and cargo vessel calls. Revenue from **other services** grew by EUR 0.4 million (+43.0%) as the icebreaker MSV Botnica generated additional revenue from its summer work and the LNG quay in Pakrineeme harbour was put into service at the beginning of this year. **Ferry service**⁵ revenue grew by EUR 0.3 million (+1.7%) to EUR 17.6 million. The number of trips grew by 2.0% year on year. **Cargo charges** revenue decreased by EUR 0.3 million (-9.0%) to EUR 2.9 million due to a decline in cargo volumes. The decrease in cargo charges revenue was higher than in cargo volumes (-0.3%), because in the same period in 2023 we expected the cargo charges revenue from liquid bulk cargo to be higher by the end of the year than in 2024 and, in accordance with IFRS 15, this had a positive effect on the cargo charges revenue for the comparative period. **Electricity sales** revenue grew by EUR 0.2 million (+11.2%) to EUR 2.4 million, driven by growth in the Passenger harbours segment where the sales volumes of both electricity and network services grew. **Operating lease** income increased by EUR 0.1 million (+2.0%) to EUR 6.8 million. Operating lease income grew in the Passenger harbours segment, the Ferry segment and the Cargo harbours segment, driven by an increase in the letting of premises in the cruise terminal and parking charges at Old City Harbour as well as indexation of lease income and income from the rights of superficies. **Passenger fees** revenue grew by EUR 0.1 million (+2.3%) to EUR 5.3 million, supported by a rise in the number of passengers (+2.4%). Changes in other revenue streams were less significant. In segment terms, half-year revenue grew in the segment Other (MSV Botnica) and the Ferry segment, which offset the revenue decline in the Passenger harbours and Cargo harbours segments.

Other income decreased by EUR 0.1 million to EUR 0.8 million. Other income includes gain on the sale of non-current assets and income from government grants, fines and late payment interest. Other income declined due to one-off income received last year.

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

Operating expenses for six months decreased by EUR 0.4 million (–1.9%) year on year. In terms of items, changes varied. The largest decreases were in tax expenses (–EUR 0.6 million), as land tax was lowered in 2024, and in non-current asset repair costs (–EUR 0.4 million). The latter decreased mainly in the segment Other (the icebreaker MSV Botnica), as in the previous year regular dry-docking was carried out and preparations for the summer charter gave rise to additional expenses. Other operating expenses and expenses on the acquisition and maintenance of assets of insignificant value decreased by around EUR 0.2 million each. Other operating expenses declined due to lower expenses on licences and IT development. Expenses on assets of insignificant value decreased primarily due to lower expenses on work clothing and IT hardware. Less significant decreases were recorded for heat, water and sewerage costs and advertising expenses. The largest increases were in consultation and development expenses (+EUR 0.3 million), lease expenses (+EUR 0.2 million), expenses on services purchased (+EUR 0.2 million) and fuel costs (+EUR 0.2 million). The growth in expenses on services purchased for infrastructure, electricity costs and insurance expenses was less significant. Consultation and development expenses grew due to higher legal costs and expenses on the technical examination of quays. Lease expenses increased primarily because equipment for the summer charter of the icebreaker MSV Botnica was leased earlier than last year. Expenses on services purchased increased mainly due to an increase in port dues in the Ferry segment. Fuel costs grew in the Ferry segment, particularly at the beginning of this year, when severe ice conditions pushed up fuel consumption. In addition, the number of trips and the fuel price increased. In other segments, fuel costs declined. In the second quarter, operating expenses decreased by EUR 0.5 million (–4.9%).

Impairment of financial assets increased by EUR 0.1 million (+15.7%), driven by an increase in the allowance for credit losses. In the previous year, impairment of financial assets was recognised within other operating expenses. In the second quarter, impairment of financial assets grew by EUR 0.2 million (+137.9%).

Personnel expenses grew by EUR 0.4 million (+3.2%) due to an increase in salaries in the segment Other and the Ferry segment. The Group's average number of employees during the first six months decreased from 463 to 437 year on year (–5.5%). In the second quarter, personnel expenses grew by EUR 0.1 million (+1.5%).

Depreciation, amortisation and impairment for six months decreased by EUR 1.1 million (–8.4%) year on year. This is primarily attributable to a one-off write-off of non-current assets at the beginning of 2023 due to the raising 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. Depreciation, amortisation and impairment for the second quarter decreased by EUR 0.1 million (–1.7%) year on year.

Operating profit for six months grew by EUR 3.4 million (+26.9%), supported by revenue growth (primarily in the segment Other) and a decrease in expenses, which was mainly due to higher depreciation, amortisation and impairment in the comparative period. The Group's operating profit margin rose from 22.0% to 26.7%. Second-quarter operating profit was EUR 8.9 million (+55.1%) and operating profit margin rose from 20.0% to 28.2% through a combination of revenue growth (+10.0%) and decreases in operating expenses (–4.9%) and depreciation, amortisation and impairment (–1.7%), which offset the growth in other expenses.

Adjusted EBITDA for six months grew by EUR 2.3 million (+9.2%) year on year to EUR 27.6 million. Adjusted EBITDA grew in the segment Other and the Cargo harbours segment. In the Passenger harbours and Ferry segments, adjusted EBITDA decreased. The adjusted EBITDA of the segment Other increased as revenue grew, while lower non-current asset maintenance and repair costs and fuel costs offset the growth in personnel expenses. The adjusted EBITDA of the Cargo harbours segment increased despite lower revenue, because non-current asset repair costs and the total amount of other expenses decreased. Adjusted EBITDA for the second quarter grew by EUR 3.2 million (+27.1%) year on year. Adjusted EBITDA improved in all segments except Passenger harbours. Adjusted EBITDA margin for six months rose from 44.2% to 46.3% and adjusted EBITDA margin for the second quarter rose from 40.7% to 47.0%.

Finance costs (net) for six months increased by EUR 1.1 million (+41.5%) because interest expense on loans and borrowings grew due to a general rise in interest rates (Euribor), while loans and borrowings increased by EUR 6.0 million (+3.3%) year on year. Loans and borrowings grew in May when a loan of EUR 20 million was taken for a term of three years. Finance costs (net) for the second quarter grew by EUR 0.4 million (+27.2%).

Profit before tax for six months increased by EUR 2.4 million (+23.5%) year on year to EUR 12.4 million. Profit grew less than operating profit because finance costs (net) increased. The dividend declared in the second quarter of 2024 in an amount of EUR 19.2 million gave rise to income tax expense of EUR 3.1 million, which was EUR 0.1 million larger than the income tax expense on the dividend distributed last year. The amount of the dividend did not change year on year, but last year income tax expense was reduced by the reversal of deferred tax of EUR 0.1 million. Profit for the first six months increased by EUR 2.2 million (+31.5%) year on year. Second-quarter profit amounted to EUR 4.1 million (+EUR 2.7 million; +200.6%) and profit before tax to EUR 7.2 million (+EUR 2.9 million; +66.1%).

INVESTMENTS

In the first six months of 2024, the Group invested EUR 25.0 million, EUR 18.9 million more than a year earlier. The largest capital investments of the period were made in the construction of a new quay in Paldiski South Harbour to serve offshore wind farms, the regular dry-docking of a ferry, the reconstruction of a quay ramp in Old City Harbour, the development of information systems and the acquisition of equipment for ferries. Investments of the second quarter totalled EUR 7.1 million (EUR 4.6 million in the second quarter of 2023).

SEGMENT REPORTING

In segment terms, revenue for six months grew the most in the segment Other (+EUR 2.9 million, +50.0%). Revenue also increased in the Ferry segment (+EUR 0.4 million, +2.0%). In the Passenger harbours and Cargo harbours segments, revenue decreased by EUR 0.5 million (-2.8%) and EUR 0.3 million (-2.2%), respectively. Revenue for the second quarter grew in the segment Other by EUR 2.8 million, while revenue growth in the Ferry segment (+EUR 0.2 million) offset the decline in the Cargo harbours and Passenger harbours segments.

Revenue for the **Passenger harbours segment** for the first half-year decreased by 2.8% year on year. This was mainly due to a decline in vessel dues revenue (–EUR 0.8 million), caused by a decrease in the number of ferry and cruise ship calls. The impact of the decline in vessel dues was most significant in the first quarter, when ferry calls decreased due to planned dry-docking operations. The decrease in vessel calls also lowered cargo charges revenue. Despite the decrease in vessel calls, the number of passengers increased, which in turn increased passenger fees revenue (+EUR 0.1 million). Electricity sales revenue grew (+EUR 0.2 million) due to higher sales volumes of electricity and network services. Sales of network services were supported by demand for on-shore electricity consumption. Lease income also increased (mainly from the cruise terminal and parking facilities). Revenue for the second quarter declined by 0.2% year on year to EUR 10.0 million (–EUR 22 thousand), mainly due to a decrease in vessel dues from cruise ship calls.

In thousands of euros	6 months 2024					6 months 2023				
	Passenger harbours	Cargo harbours	Ferry	Other	Total	Passenger harbours	Cargo harbours	Ferry	Other	Total
Revenue	17,522	15,244	18,147	8,669	59,582	18,027	15,585	17,797	5,780	57,189
Adjusted EBITDA	8,745	6,828	7,575	4,458	27,606	9,344	6,558	7,974	1,403	25,279
Operating profit	5,200	2,929	4,875	2,928	15,932	5,055	2,392	5,111	–3	12,555
Adjusted EBITDA margin	49.9%	44.8%	41.7%	51.4%	46.3%	51.8%	42.1%	44.8%	24.3%	44.2%

In thousands of euros	Change for 6 months				
	Passenger harbours	Cargo harbours	Ferry	Other	Total
Revenue	–505	–341	350	2,889	2,393
Adjusted EBITDA	–599	270	–399	3,055	2,327
Operating profit	145	537	–236	2,931	3,377

In thousands of euros	Q2 2024					Q2 2023				
	Passenger harbours	Cargo harbours	Ferry	Other	Total	Passenger harbours	Cargo harbours	Ferry	Other	Total
Revenue	9,991	7,479	9,589	4,592	31,651	10,013	7,657	9,366	1,747	28,783
Adjusted EBITDA	5,493	3,226	4,237	1,934	14,890	5,711	3,088	4,123	–1,207	11,715
Operating profit	3,711	1,281	2,868	1,071	8,931	3,851	1,149	2,727	–1,969	5,758
Adjusted EBITDA margin	55.0%	43.1%	44.2%	42.1%	47.0%	57.0%	40.3%	44.0%	–69.1%	40.7%

In thousands of euros	Change for Q2				
	Passenger harbours	Cargo harbours	Ferry	Other	Total
Revenue	–22	–187	223	2,845	2,868
Adjusted EBITDA	–218	138	114	3,141	3,175
Operating profit	–140	132	141	3,040	3,173

Revenue for the **Cargo harbours segment** for the first half-year decreased by EUR 0.3 million (–2.2%) year on year. Vessel dues revenue declined significantly (–EUR 0.4 million) because the number of vessel calls decreased. Cargo charges revenue decreased by EUR 0.2 million. Cargo turnover in tonnes declined by 0.3%, but the decrease in cargo charges revenue was also affected by the recognition of revenue in accordance with IFRS 15. Last year, revenue recognised from liquid bulk operators based on estimated cargo charges revenue for the full year was higher. Revenue from other services grew because the LNG quay in Pakrineeme harbour was put into service at the beginning of 2024. Revenues from passenger fees and electricity sales and operating lease income grew as well. The segment's revenue for the second quarter decreased by EUR 0.2 million (–2.3%) year on year due to a decline in vessel dues and cargo charges revenue. Other revenue streams increased.

Revenue for the **Ferry segment** for the first half-year increased by EUR 0.4 million (+2.0%) as all revenue streams increased. The rise in ferry service revenue is attributable to the indexation of the variable part of fixed fees, which offset the decrease in the trip fee rates. The number of trips and passengers grew year on year. In the second quarter, the revenue of the Ferry segment grew by EUR 0.2 million (+2.4%) year on year.

Revenue for the **segment Other** grew by EUR 2.9 million (+50.0%). Revenue increased due to the earlier start of the summer charter of the icebreaker MSV Botnica despite the fact that the project was cut short due to technical issues. Revenue for the second quarter grew by EUR 2.8 million (+162.9%).

In segment terms, **adjusted EBITDA** for the first six months grew year on year in the segment Other (+EUR 3.1 million) and the Cargo harbours segment (+EUR 0.3 million). The adjusted EBITDA of the segment Other increased as revenue grew and expenses decreased, particularly non-current asset repair costs. In the Cargo harbours segment, adjusted EBITDA improved despite lower revenue as expenses were scaled down. There was a significant decrease in non-current asset repair costs, but expenses on taxes, fuel and assets of insignificant value also decreased. In the Passenger harbours and Ferry segments, adjusted EBITDA decreased by EUR 0.6 million and EUR 0.4 million, respectively. The adjusted EBITDA of the Passenger harbours segment declined primarily due to lower revenue. In the Ferry segment, adjusted EBITDA decreased despite revenue growth as fuel costs increased due to more severe ice conditions at the beginning of the year and higher fuel prices. In addition, the number of trips and expenses on port dues increased. The Group's adjusted EBITDA for the second quarter grew by EUR 3.2 million, mainly due to the EUR 3.1 million growth in the segment Other. Adjusted EBITDA also grew in the Cargo harbours and Ferry segments. The adjusted EBITDA of the Passenger harbours segment decreased.

The Group's **adjusted EBITDA margin** for the first six months increased from 44.2% to 46.3%. The margin of the segment Other rose significantly, from 24.3% to 51.4%. The margin of the Cargo harbours segment increased from 42.1% to 44.8%. In the Ferry segment, the margin declined by 3.1 percentage points to 41.7%. The margin of the Passenger harbours segment decreased from 51.8% to 49.9%. In the second quarter, adjusted EBITDA margin increased in the segment Other, the Cargo harbours segment and the Ferry segment, but decreased in the Passenger harbours segment.

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

Russia's war against Ukraine has mainly affected the Group's cargo business. The decrease in liquid bulk has been the sharpest. 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.

In addition to the impact on the cargo business, the war has had a significant effect on the number of cruise ship calls, particularly due to the disappearance of St Petersburg, previously a major destination, from the map of Baltic Sea cruise ports. There has been an improvement in the passenger load factor of cruise ships compared to the past two years, and efforts are being 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.

At the beginning of 2024, the opening price of the share was EUR 1.13. The closing price of the share at 30 June 2024 was EUR 1.09. The company's **market capitalisation** at 30 June 2024 was **EUR 286.67 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 30 June 2024



Dynamics of the price of the Tallinna Sadam share compared to the OMX Baltic Benchmark GI index in the period 13 June 2018 – 30 June 2024



Source: nasdaqbaltic.com

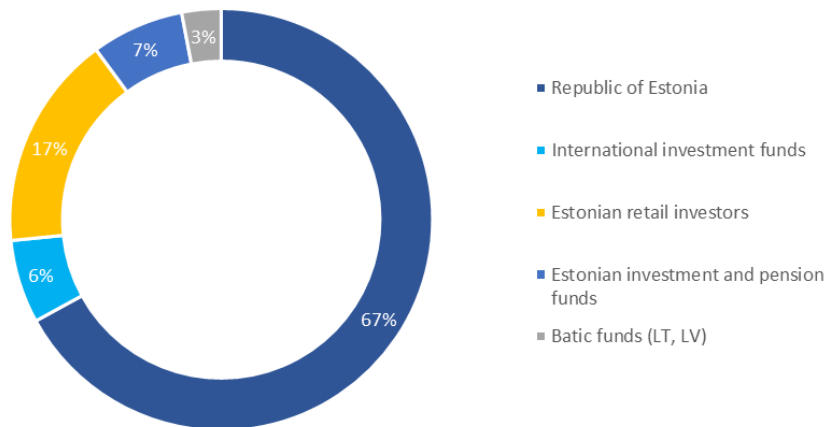
In the second quarter of 2024, there were 13,877 transactions with the Tallinna Sadam share (Q1 2024: 11,208 transactions) in which 2.7 million shares (Q1 2024: 2.0 million shares) changed hands. The total turnover of the transactions was EUR 3.1 million (Q1 2024: EUR 2.3 million).

At 30 June 2024, the company had **24,031 shareholders** (31 March 2024: 24,157 shareholders), but only the Republic of Estonia (through the Ministry of Climate) had an ownership interest exceeding 5%.

Five largest shareholders at 30 June 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)	1,752,911	0.7%

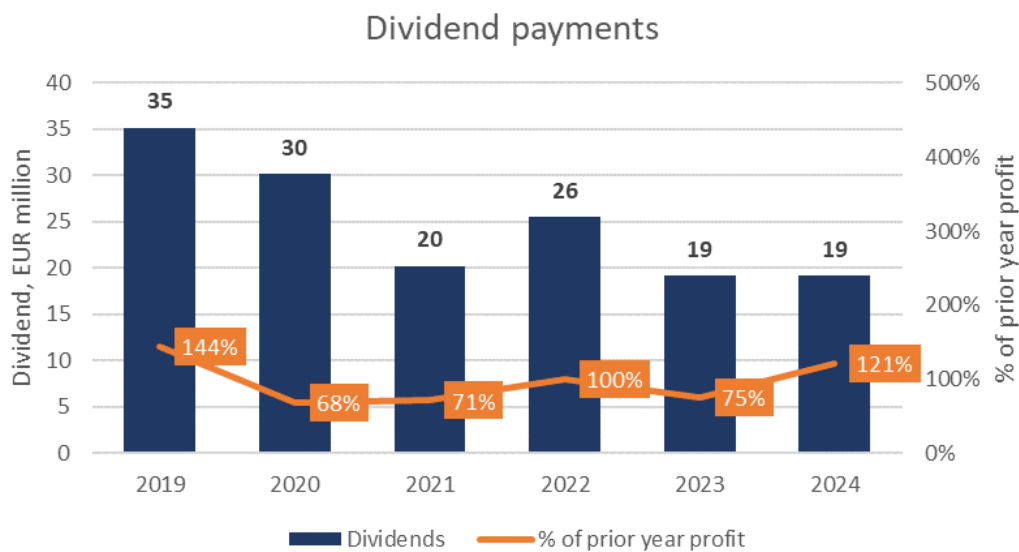
Shareholder structure at 30 June 2024



The shareholder structure has not changed significantly compared to the end of the first quarter. The changes have been less than a percentage point: the share of international investors has decreased and the share of Estonian retail investors has 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.



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 was determined on 10 May 2024 (ex-dividend date: 9 May 2024) and the dividends were paid out to the shareholders on 17 May 2024 (through Nasdaq CSD). In 2023, we also paid a dividend of EUR 0.073 per share and EUR 19.2 million in total.

CORPORATE GOVERNANCE

At 30 June 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 30 June 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 30 June 2024, the management board had four members: Valdo Kalm (chairman and CEO), Andrus Ait (CFO), Margus Vihman (CCO) and Rene Pärt (Head of Business Development).

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 SECOND QUARTER OF 2024

1. **OÜ TS Laevad, a subsidiary of AS Tallinna Sadam, was awarded the ferry service contract for the period 2026–2033.** On the basis of a successful tender, a public service contract for passenger transport will be signed 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. OÜ 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 awarded by the Transport Administration on 11 December 2014.
2. **OÜ TS Shipping, a subsidiary of AS Tallinna Sadam, entered into a contract with BP Exploration Operating Company Ltd.** The contract was signed for chartering the multifunctional icebreaker MSV Botnica as a service operation vessel to support work at the Mungo platform in the North Sea from May to July 2024 with the option to extend the charter to up to 12 weeks.

3. **The annual general meeting of AS Tallinna Sadam was held on 25 April 2024 in the cruise terminal at Old City Harbour.** The general meeting approved the annual report and dividends for the financial year 2023, elected members of the nomination committee and approved their remuneration, and approved the shareholders' expectations. A total of 67 shareholders participated in the meeting, representing a total of 183,308,771 votes, or 69.70% of all votes determined by shares.
4. **Charter of the icebreaker MSV Botnica to Baffinland for the period 2024–2028.** OÜ TS Shipping, a subsidiary of AS Tallinna Sadam, extended the contract with Baffinland Iron Mines Corporation, which includes annual call options to charter the ship at least 60 days per year from September to December.
5. **AS Tallinna Sadam and AS Swedbank signed an unsecured loan agreement for EUR 20 million for a term of 3 years.** The base rate of the loan is 6-month Euribor, which is added an interest margin. The loan was fully drawn down on 14 May 2024 and is repayable by 14 May 2027. The loan is used to meet the general business needs of AS Tallinna Sadam, including as bridge financing for investments.
6. **Additional trips by the ferry Regula in summer 2024.** AS Tallinna Sadam's subsidiary OÜ TS Laevad and the Estonian Transport Administration signed an annex to the public service contract for passenger transport according to which the Transport Administration will order up to 375 additional trips by the ferry Regula on the Virtsu–Kuivastu route in the period 30 June – 4 August 2024. The Transport Administration has the option to extend the order for a further period until 18 August by giving at least 14 days' notice before the period begins. Additional trips will be made if scheduled trips fail to meet demand at peak times.
7. **Positive judgment in the judicial dispute with SLK and Väinamere Liinid.** The Tallinn District Court decided to deny 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 was rejected by the Civil Chamber of the Supreme Court.
8. **Extension of the term of office of a member of the management board of OÜ TS Laevad, a subsidiary of AS Tallinna Sadam.** The supervisory board of OÜ TS Laevad, a subsidiary of AS Tallinna Sadam, extended the term of office of management board member Guldar Kivro by three years, effective from 9 December 2024. The management board of OÜ TS Laevad comprises three members. In addition to Guldar Kivro, the board includes Indrek Randveer (Chairman of the Management Board) and Katrin Aron (Chief Commercial and Customer Service Officer).
9. **Extension of the term of office of a member of the management board of OÜ TS Shipping, a subsidiary of AS Tallinna Sadam.** The supervisory board of OÜ TS Shipping, a subsidiary of AS Tallinna Sadam, extended the term of office of management board member Damir Utorov by three years, effective from

6 July 2024. The management board of OÜ TS Shipping comprises two members. In addition to Damir Utorov, the board includes Vahur Ausmees (Chairman of the Management Board).

10. **Court ruling in the case against former Board members of Tallinna Sadam.** On 27 June 2024, the Harju County Court acquitted Ain Kaljurand, a former member of the management board of AS Tallinna Sadam, and others charged in criminal proceedings due to the expiration of the limitation period for the offences. The court released the property from seizure and ordered payment of the procedure expenses in part. The civil action lawsuit of the victims AS Tallinna Sadam and OÜ TS Laevad was dismissed.

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

In thousands of euros	Note	At 30 June 2024	At 31 December 2023
ASSETS			
Current assets			
Cash and cash equivalents		25,890	29,733
Trade and other receivables	4	15,134	12,118
Contract assets		196	0
Inventories		714	550
Total current assets		41,934	42,401
Non-current assets			
Investments in an associate	5	2,402	2,177
Other long-term receivables	4	0	163
Investment properties	6	14,069	14,069
Property, plant and equipment	7	557,424	545,271
Intangible assets		2,204	2,083
Total non-current assets		576,099	563,763
Total assets		618,033	606,164
LIABILITIES			
Current liabilities			
Loans and borrowings	9	17,416	15,831
Provisions		848	1,311
Government grants		7,778	7,344
Taxes payable		1,745	876
Trade and other payables	8	11,725	9,429
Contract liabilities		3,088	63
Total current liabilities		42,600	34,854
Non-current liabilities			
Loans and borrowings	9	172,583	157,566
Government grants		32,214	33,075
Other payables	8	152	255
Contract liabilities		2,733	2,755
Total non-current liabilities		207,682	193,651
Total liabilities		250,282	228,505
EQUITY			
Share capital	10	263,000	263,000
Share premium		44,478	44,478
Statutory capital reserve		23,304	22,858
Retained earnings		36,969	47,323
Total equity		367,751	377,659
Total liabilities and equity		618,033	606,164

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

for the 6 months ended 30 June

In thousands of euros	Note	Q2 2024	Q2 2023	2024	2023
Revenue	3, 11	31,651	28,783	59,582	57,189
Other income		412	520	767	861
Operating expenses	12	-10,269	-10,802	-19,300	-19,664
Impairment of financial assets		-286	-120	-466	-403
Personnel expenses		-6,451	-6,355	-12,359	-11,976
Depreciation, amortisation and impairment	3	-6,084	-6,189	-12,120	-13,227
Other expenses		-42	-79	-172	-225
Operating profit		8,931	5,758	15,932	12,555
Finance income and costs					
Finance income		234	329	501	587
Finance costs		-2,151	-1,837	-4,242	-3,230
Finance costs – net		-1,917	-1,508	-3,741	-2,643
Share of profit of an associate accounted for under the equity method		210	98	225	138
Profit before income tax		7,224	4,348	12,416	10,050
Income tax expense		-3,125	-2,985	-3,125	-2,985
Profit for the period		4,099	1,363	9,291	7,065
Attributable to:					
Owners of the Parent		4,099	1,363	9,291	7,065
Basic earnings and diluted earnings per share (in euros)					
		0.02	0.01	0.04	0.03

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the 6 months ended 30 June

In thousands of euros	Note	2024	2023
Cash receipts from sale of goods and services		64,749	62,283
Cash receipts related to other income		34	181
Payments to suppliers		-24,680	-23,952
Payments to and on behalf of employees		-11,384	-12,569
Payments for other expenses		-179	-204
Income tax paid on dividends		-3,325	-3,264
Cash from operating activities		25,215	22,475
Purchases of property, plant and equipment		-22,559	-4,664
Purchases of intangible assets		-374	-404
Proceeds from sale of property, plant and equipment		17	28
Dividends received		0	357
Interest received		483	555
Cash used in investing activities		-22,433	-4,128
Loans received	8	20,000	0
Repayments of loans received	8	-3,383	-3,383
Dividends paid		-19,000	-19,012
Interest paid		-4,229	-2,498
Other payments related to financing activities		-13	-5
Cash used in financing activities		-6,625	-24,898
NET CASH FLOW		-3,843	-6,551
Cash and cash equivalents at beginning of period		29,733	44,387
Change in cash and cash equivalents		-3,843	-6,551
Cash and cash equivalents at end of period		25,890	37,836

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the 6 months ended 30 June

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	9,291	9,291
<i>Total comprehensive income for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>9,291</i>	<i>9,291</i>
Dividend declared	0	0	0	-19,199	-19,199
<i>Total transactions with owners</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-19,199</i>	<i>-19,199</i>
Increase of capital reserve	0	0	446	-446	0
Equity at 30 June 2024	263,000	44,478	23,304	36,969	367,751

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	7,065	7,065
<i>Total comprehensive income for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>7,065</i>	<i>7,065</i>
Dividend declared	0	0	0	-19,199	-19,199
<i>Total transactions with owners</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-19,199</i>	<i>-19,199</i>
Increase of capital reserve	0	0	743	-743	0
Equity at 30 June 2023	263,000	44,478	22,858	38,506	368,842

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 6 months ended 30 June 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, providing ferry service between Estonia's mainland and largest islands, and operating the multifunctional icebreaker MSV Botnica.

The Group owns four harbours: Old City, Saaremaa, Muuga and Paldiski South. Old City Harbour, situated in the centre of Tallinn, and Saaremaa Harbour, designed for receiving cruise ships, primarily provide 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 30 June 2024 and 31 December 2023:

Subsidiary	Domicile	Ownership interest (%)	Core business line
OÜ TS Shipping	Republic of Estonia	100	Providing icebreaking and other offshore support services with the multifunctional icebreaker MSV Botnica
OÜ TS Laevad	Republic of Estonia	100	Providing domestic ferry service between Estonia's mainland and largest 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 6 months ended 30 June 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

In thousands of euros	For the 6 months ended 30 June 2024				
	Passenger harbours	Cargo harbours	Ferry	Other	Total
Vessel dues	8,702	6,147	0	0	14,849
Cargo charges	734	2,130	0	0	2,864
Passenger fees	5,204	106	0	0	5,310
Sale of electricity	780	1,598	0	0	2,378
Sale of ferry services – ticket sale revenue	0	0	6,191	0	6,191
Sale of other services	628	432	43	262	1,365
Lease income	1,474	4,831	540	0	6,845
Charter fees	0	0	0	8,407	8,407
Sale of ferry services – government support	0	0	11,373	0	11,373
Total segment revenue* (note 11)	17,522	15,244	18,147	8,669	59,582
Adjusted segment EBITDA	8,745	6,828	7,575	4,458	27,606
Depreciation and amortisation	-3,839	-4,276	-2,700	-1,305	-12,120
Amortisation of government grants received	294	377	0	0	671
Share of profit of an associate accounted for under the equity method	0	0	0	-225	-225
Segment operating profit	5,200	2,929	4,875	2,928	15,932
Finance income and costs, net					-3,741
Share of profit of an associate accounted for under the equity method					225
Income tax expense					-3,125
Profit for the period					9,291

* Total segment revenue represents revenue from external customers and excludes inter-segment revenue of EUR 107 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 6 months ended 30 June 2023				
In thousands of euros	Passenger harbours	Cargo harbours	Ferry	Other	Total
Vessel dues	9,503	6,511	0	0	16,014
Cargo charges	805	2,341	0	0	3,146
Passenger fees	5,096	94	0	0	5,190
Sale of electricity	562	1,577	0	0	2,139
Sale of ferry services – ticket sale revenue	0	0	6,169	0	6,169
Sale of other services	650	261	30	14	955
Lease income	1,411	4,801	499	0	6,711
Charter fees	0	0	0	5,766	5,766
Sale of ferry services – government support	0	0	11,099	0	11,099
Total segment revenue* (note 11)	18,027	15,585	17,797	5,780	57,189
Adjusted segment EBITDA	9,344	6,558	7,974	1,403	25,279
Depreciation and amortisation	–4,027	–4,518	–2,863	–1,268	–12,676
Impairment losses	–551	0	0	0	–551
Amortisation of government grants received	289	352	0	0	641
Share of profit of an associate accounted for under the equity method	0	0	0	–138	–138
Segment operating profit/loss	5,055	2,392	5,111	–3	12,555
Finance income and costs, net					–2,643
Share of profit of an associate accounted for under the equity method					138
Income tax expense					–2,985
Profit for the period					7,065

* Total segment revenue represents revenue from external customers and excludes inter-segment revenue of EUR 188 thousand and EUR 5 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 30 June 2024	At 31 December 2023
Trade receivables	13,239	10,415
Allowance for expected credit losses	-3,910	-3,440
Prepaid taxes	1,889	1,599
Government grants receivable	2,885	2,885
Other prepayments	872	521
Receivables from an associate (note 16)	7	9
Other receivables	152	292
Total trade and other receivables	15,134	12,281
Of which current receivables	15,134	12,118
non-current receivables	0	163

Trade receivables – expected credit loss matrix

In thousands of euros	Not past due	Days past due				Total
		0–30	31–60	61–90	>90	
At 30 June 2024						
Expected credit loss rate	0.8%	1.5%	3.0%	80.0%	100.0%	
Total trade receivables	9,127	157	109	70	3,776	13,239
Lifetime expected credit loss (ECL)	-73	-2	-3	-56	-3,776	-3,910
						9,329
At 31 December 2023						
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	2024	2023
For the 6 months ended 30 June		
Income	3,688	3,422
Expenses	3,081	2,949
Net profit	442	270

In thousands of euros	At 30 June 2024	At 31 December 2023
Net assets of the associate	4,709	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	2,402	2,177

6. INVESTMENT PROPERTIES

Investment properties as at 30 June 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 6 months ended 30 June 2024</i>						
Acquisition and reconstruction	503	286	222	23,376	320	24,707
Sales at carrying amount	-644	0	0	0	0	-644
Depreciation charge	-6,009	-5,589	-312	0	0	-11,910
Reclassification at carrying amount	2,656	2,146	12	-4,623	-191	0
At 30 June 2024						
Cost	645,065	263,857	8,503	29,249	2,727	949,401
Accumulated depreciation and impairment losses	-265,747	-119,531	-6,699	0	0	-391,977
Carrying amount at 30 June 2024	379,318	144,326	1,804	29,249	2,727	557,424

8. TRADE AND OTHER PAYABLES

In thousands of euros	At 30 June 2024	At 31 December 2023
Trade payables	8,150	6,154
Payables to employees	1,770	1,624
Accrued taxes payable on employee remuneration	823	874
Advances for goods and services	646	431
Payables to an associate (note 16)	240	193
Other payables	248	408
Total trade and other payables	11,877	9,684
Of which current liabilities	11,725	9,429
non-current liabilities	152	255

9. LOANS AND BORROWINGS

In thousands of euros	At 30 June 2024	At 31 December 2023
Current portion		
Loans	7,866	6,266
Debt securities	7,650	7,650
Interest liabilities	1,900	1,915
Total current portion	17,416	15,831
Non-current portion		
Loans	46,283	31,266
Debt securities	126,300	126,300
Total non-current portion	172,583	157,566
Total loans and borrowings	189,999	173,397

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 30 June 2024, the Group had two debt security issues with final maturities in 2026 and 2027. In accordance with the redemption schedules, in the 6-month period ended 30 June 2024 the Group did not redeem any debt securities. At 30 June 2024, the weighted average interest rate of the debt securities was 4.66% (31 December 2023: 4.84%). The interest rate risk of debt securities issued has not been hedged with interest rate swaps.

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 6 months of 2024 amounted to EUR 3,383 thousand (2023: EUR 3,383 thousand).

In the second quarter of 2024, a loan agreement was signed with AS Swedbank under which AS Tallinna Sadam received a loan of EUR 20 million.

At 30 June 2024, the weighted average interest rate of drawn loans was 4.65% (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 30 June 2024.

Contractual maturities of loans and borrowings

In thousands of euros	At 30 June 2024
< 6 months	16,633
6–12 months	783
1–5 years	167,083
> 5 years	5,500
Total loans and borrowings	189,999

Note 9 continued**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. Therefore, according to the Group's assessment, at 30 June 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 30 June 2024, the Group was in compliance with all covenants that set requirements for its financial indicators.

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

At 30 June 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.

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 30 June 2024 and 31 December 2023, all shares issued had been fully paid for.

Earnings per share

	Q2 2024	Q2 2023	6 months ended 30 June 2024	6 months ended 30 June 2023
Weighted average number of shares outstanding	263,000,000	263,000,000	263,000,000	263,000,000
Consolidated net profit for the period (in thousands of euros)	4,099	1,363	9,291	7,065
Basic and diluted earnings per share (in euros)*	0.02	0.01	0.04	0.03

* In the periods ended 30 June 2024 and 31 December 2023, there were no dilutive instruments outstanding.

In accordance with the decision of the general meeting of 25 April 2024, the Group paid a dividend of EUR 0.073 per share, i.e. EUR 19,199 thousand in total, for 2023. The list of shareholders entitled to receive the dividend was determined on 10 May 2024 (the ex-dividend date: 9 May 2024) and the dividend was paid out to the shareholders on 17 May 2024 (through Nasdaq CSD).

11. REVENUE

In thousands of euros

For the 6 months ended 30 June	2024	2023
Revenue from contracts with customers		
Vessel dues	14,849	16,014
Cargo charges	2,864	3,146
Passenger fees	5,310	5,190
Sale of electricity	2,378	2,139
Sale of ferry services – ticket sale revenue	6,191	6,169
Sale of other services	1,365	955
Total revenue from contracts with customers	32,957	33,613
Revenue from other sources		
Operating lease income	6,845	6,711
Charter fees	8,407	5,766
Sale of ferry services – government support	11,373	11,099
Total revenue from other sources	26,625	23,576
Total revenue (note 3)	59,582	57,189

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 30 June 2024, the difference between revenue recognised and amounts billed to customers was recognised as a contract liability of EUR 2,542 thousand (amounts billed exceeded revenue recognised).

The agreements signed with cargo operators generally set out a minimum annual cargo volume. If a 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 30 June 2024. Based on the estimation, the Group recognised contract assets of EUR 196 thousand. At 30 June 2024, revenue received from some customers exceeded management's estimates. As a result, the Group recognised contract liabilities of EUR 261 thousand so that estimated revenue would be evenly recognised over all interim periods of 2024.

Note 11 continued

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 30 June 2024, such liabilities amounted to EUR 2,733 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 30 June 2024, such liabilities amounted to EUR 285 thousand (31 December 2023: EUR 63 thousand).

12. OPERATING EXPENSES

In thousands of euros

For the 6 months ended 30 June	2024	2023
Fuel costs	3,458	3,284
Electricity costs	2,486	2,388
Heat, water and sewerage costs	397	428
Technical maintenance and repair of non-current assets	3,442	3,881
Services purchased for infrastructure	2,154	2,011
Tax expenses	741	1,323
Consultation and development expenses	360	98
Services purchased	2,990	2,808
Acquisition and maintenance of assets of insignificant value	418	604
Advertising expenses	84	113
Lease expenses	823	613
Insurance expenses	400	377
Other operating expenses	1,547	1,736
Total operating expenses	19,300	19,664

13. COMMITMENTS

At 30 June 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 49,415 thousand (31 December 2023: EUR 68,051 thousand), including a commitment of EUR 33,006 thousand under the contract for the construction of quay 6A at Paldiski South Harbour (31 December 2023: EUR 54,102 thousand).

14. LAWSUIT AGAINST OÜ MPG AGROPRODUCTION

On 19 January 2024, reorganisation proceedings were initiated 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. In addition, the bankruptcy proceedings were suspended until the approval of the reorganisation plan or the completion of the reorganisation proceedings.

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 Tallinn District Court. On 18 June 2024, the Tallinn District Court denied the appeal against the order and did not overturn the decision of the Harju County Court. OÜ MPG AgroProduction has filed an appeal against the order with the Supreme Court.

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.

The claims of AS Tallinna Sadam amount to EUR 3.3 million and consist mainly of payments due for the right of superficies, which were written down as at the end of the reporting period.

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.

On 27 June 2024, the Harju County Court acquitted Ain Kaljurand, a former member of the management board of AS Tallinna Sadam, and others charged in criminal proceedings due to the expiration of the limitation period for the offences. The court released the property from seizure and ordered payment of the procedure expenses in part. The civil action lawsuit of the victims AS Tallinna Sadam and OÜ TS Laevad was dismissed. However, the victims are entitled to resubmit the lawsuit in accordance with the Code of Civil Procedure.

The court judgement has not entered into force and, on 29 July 2024, AS Tallinna Sadam and OÜ TS Laevad, as parties to the proceedings, filed an appeal against the judgement with the Tallinn District Court.

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.

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 6 months ended 30 June	2024	2023
Transactions with the associate		
Revenue	41	40
Operating expenses	992	966
Transactions with companies in which the members of the supervisory and management boards of group companies have significant influence		
Revenue	1	1
Operating expenses	7	24
Other expenses	10	20
Transactions with government agencies and companies of which the state has control		
Revenue	16,880	16,382
Other income	646	100
Operating expenses	2,951	2,923
Other expenses	22	0
Acquisition of property, plant and equipment	872	0

In thousands of euros	At 30 June 2024	At 31 December 2023
Trade receivables from and payables to the associate		
Receivables (note 4)	7	9
Payables (note 8)	240	193
Trade receivables from and payables to government agencies and companies of which the state has control		
Receivables	2,174	2,201
Payables	8,381	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

At the beginning of July 2024, the contract signed between OÜ TS Shipping, a subsidiary of AS Tallinna Sadam, and BP Exploration Operating Company Ltd for chartering the multifunctional icebreaker MSV Botnica terminated. MSV Botnica was chartered as a service operation vessel from May, but due to technical issues the planned 8-week charter period (subject to possible 4-week extension) was shortened.

The European Commission has approved funding of EUR 15.4 million for TWIN-PORT VI, a joint project of AS Tallinna Sadam and the Port of Helsinki. The four-year project, which represents a continuation of the long-term cooperation between the two ports, aims to reduce the environmental impact of marine traffic between Estonia and Finland and to improve the conditions for transport operations.

In the project, AS Tallinna Sadam will focus on environmental impacts and will build on-shore power systems at Muuga Harbour so that ro-ro and container vessels can use electricity from the on-shore power grid. The Port of Helsinki aims to develop Vuosaari Harbour. The total cost of the project covering the two harbours is EUR 30.8 million, half of which is financed by the European Commission. The total budget of the project is EUR 20.3 million for AS Tallinna Sadam and around EUR 10.5 million for the Port of Helsinki. The planning and execution of the works will begin as soon as the supervisory board of AS Tallinna Sadam approves the investment.

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 30 June 2024.

The management board confirms that the Group's management report, set out on pages 4 to 17, 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 18 to 33, 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 (9 August 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.

9 August 2024



Valdo Kalm
Chairman of the
Management Board



Andrus Ait
Member of the
Management Board



Margus Vihman
Member of the
Management Board



Rene Pärt
Member of the
Management Board