

Q3 2023

AS Tallink Grupp

October 2023



TALLINK GRUPP

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

STRONG BRANDS



OPERATIONS AT 30 SEPT 2023

- Fleet of 15 vessels (5 chartered out)
- Six ferry routes (1 suspended)
- Four hotels (3 in Tallinn and 1 in Riga)

KEY FACTS 9 MONTHS 2023

- Revenue of EUR 641.6 million
- Served 4.4 million passengers
- Transported 248 thousand cargo units
- Operated EUR 1.6 billion asset base
- 4,619 employees at the end of Q3 2023
- 3.1 million loyalty program members
- 39,254 shareholders and FDR-holders of which 30,671 on Tallinn Stock Exchange and 8,583 on Helsinki Stock Exchange

Listed on Nasdaq Tallinn (TAL1T) and Nasdaq Helsinki (TALLINK)

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**



KEY TAKEAWAYS



Q3 – THE HIGH SEASON

- EBITDA of EUR 82.1 million
- Net debt to EBITDA ratio 2.7
- 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:
 - 5 vessels on charter as at 30 Sept 2023 (3 long-term & 2 short-term):
 - 1 charter agreement extended (Galaxy I)
 - 2 charter agreements ended in Q3 (Romantika and Victoria I)
- All Group hotels certified with the international Green Key ecolabel

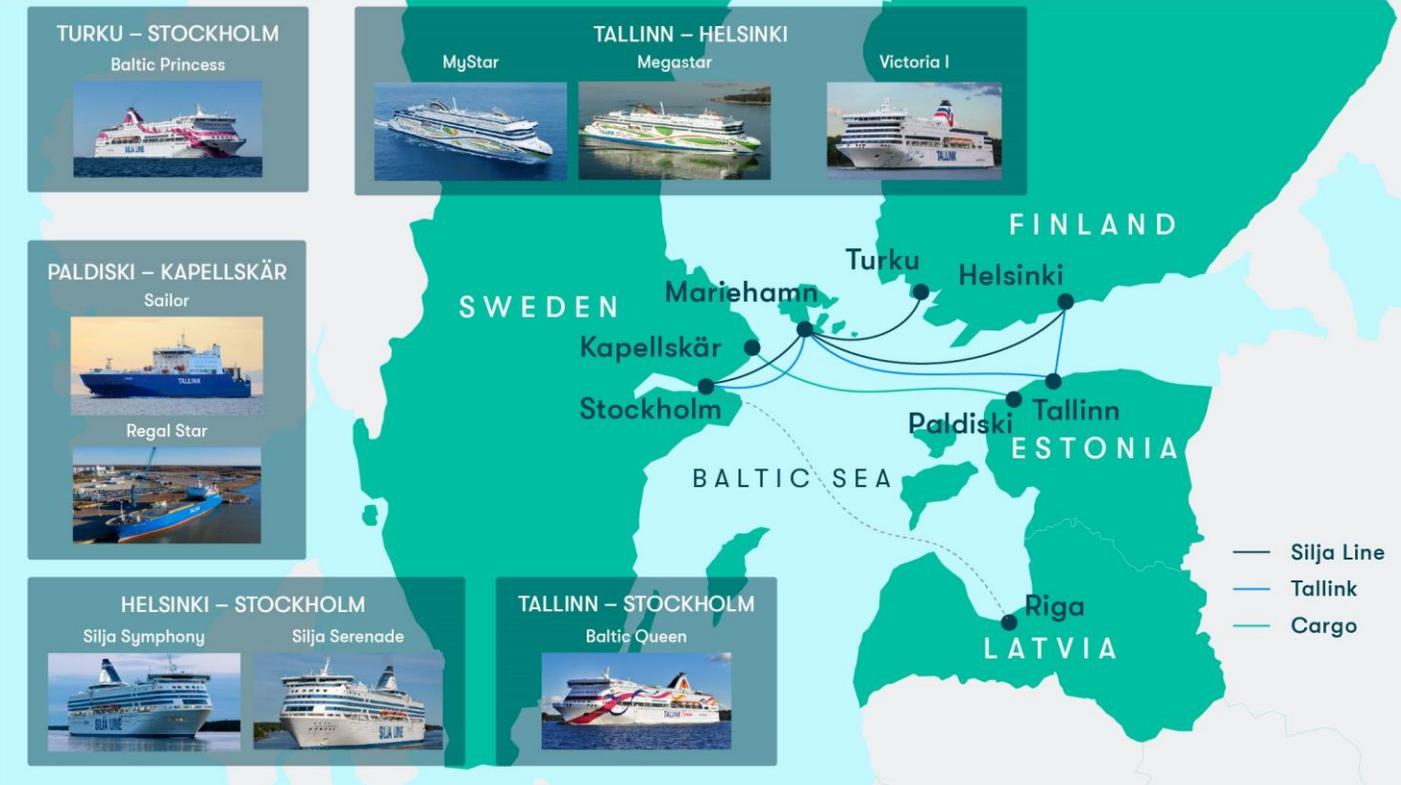
EVENTS AFTER REPORTING DATE

- Extension of the charter agreement of the cruise ferry Silja Europa



FLEET BY ROUTES AND CHARTERED VESSELS

AS AT 30 SEPT 2023



CHARTERED

Long-term

Atlantic Vision 



Isabelle 



Oscar Wilde (ex. Star) 



Short-term

Galaxy I 



Silja Europa 




Notes: (1) Victoria I operates on Tallinn-Helsinki route from October 2023

Q3 2023 OVERVIEW

Selected Key Figures (financials in million euros)	Q3 2022	Q3 2023 ⁽¹⁾	Change
Number of passengers	1,893,603	1,775,821	-6.2%
Number of cargo units	102,399	75,701	-26.1%
Number of passenger cars	277,747	273,514	-1.5%
Revenue	255.6	240.7	-5.8%
Gross profit	66.0	77.7	17.6%
EBITDA	67.7	82.1	21.3%
EBIT	43.9	56.8	29.3%
Net result for the period	37.9	48.7	28.5%
Capital expenditures	5.5	6.1	11.2%
As at:	30.06.23	30.09.23	Change
Total assets	1,613.6	1,597.4	4.0%
Total equity	735.2	783.7	13.5%
Interest-bearing liabilities	722.5	684.8	-3.7%
Net debt	664.9	620.4	1.9%



Notes: (1) 2023 unaudited

- **Revenue EUR 240.7m (EUR -14.9m or 5.8% vs LY)**
 - Less vessels in operations and lower number of trips
 - Early termination of the charter agreement of Romantika in September 2023
- **Costs**
 - Cost of sales decreased by 14.0% or EUR 26.6m vs LY
 - of which fuel cost decreased by 45.2% or EUR 19.6m
- **EBITDA of EUR 82.1m (EUR +14.4m or 21.3% vs LY)**
- **Net profit of EUR 48.7m (EUR +10.8m or 28.5% vs LY)**
- **CAPEX of EUR 6.1m (EUR +0.6m or 11.2% vs LY)**
 - Main investments related to:
 - planned docking of the cruise vessel Baltic Queen in September
 - preparing the cruise vessel Victoria I for launching Tallinn-Helsinki cruise service

Q3 2023 SALES & RESULTS BY GEOGRAPHICAL SEGMENTS

Route	Key Figures (financials in million euros)	Q3 2022	Q3 2023 ⁽²⁾	Change	
Estonia- Finland	Passengers (thousands)	1,083	1,077	-0.6%	The segment reflects operations of two shuttle vessels – MyStar and Megastar. The cruise ferry Silja Europa has been chartered out since August 2022.
	Cargo units (thousands)	76	56	-27.0%	
	Revenue	93.5	86.4	-7.6%	
	Segment result	26.7	32.3	20.9%	
Finland- Sweden	Passengers (thousands)	658	539	-18.1%	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.
	Cargo units (thousands)	15	9	-41.0%	
	Revenue	93.8	83.7	-10.7%	
	Segment result	10.9	18.9	73.3%	
Estonia- Sweden	Passengers (thousands)	152	160	5.3%	The results reflect operations of two cargo vessel (Paldiski-Kapellskär) and one cruise ferry on the Tallinn-Stockholm route. The cruise ferry Baltic Queen did not operate for 12 days due to planned dry docking in September 2023.
	Cargo units (thousands)	12	11	-1.1%	
	Revenue	23.5	25.5	8.6%	
	Segment result	1.5	3.9	151.0%	
Other	Revenue ⁽¹⁾	46.8	47.4	1.2%	The segment reflects the chartering of vessels, accommodation sales and retail activities.
	Segment result ⁽¹⁾	17.5	12.2	-29.8%	
	Intersegment revenue	-2.1	-2.4	-14.8%	

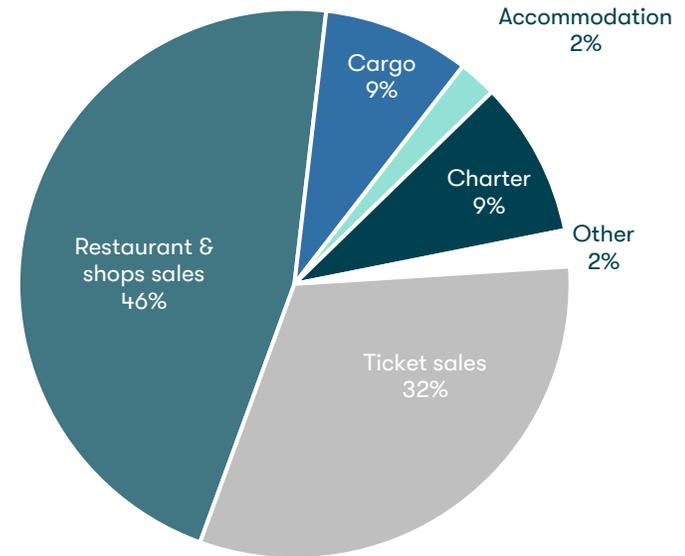


Notes: (1) Segment result is the result before administrative expenses, finance costs and taxes
(2) 2023 unaudited

Q3 2023 SALES & RESULTS BY OPERATIONAL SEGMENTS

Revenue (in million euros)	Q3 2022	Q3 2023 ⁽¹⁾	Change
Restaurant and shop sales on-board & onshore	120.9	111.4	-7.9%
Ticket sales	75.4	76.0	0.8%
Sales of cargo transportation	25.3	20.7	-18.3%
Accommodation sales	4.1	5.4	30.4%
Income from charter of vessels	21.4	22.1	2.9%
Other sales	8.3	5.1	-38.1%
Total revenue	255.6	240.7	-5.8%

Revenue Structure in Q3 2023 ⁽¹⁾



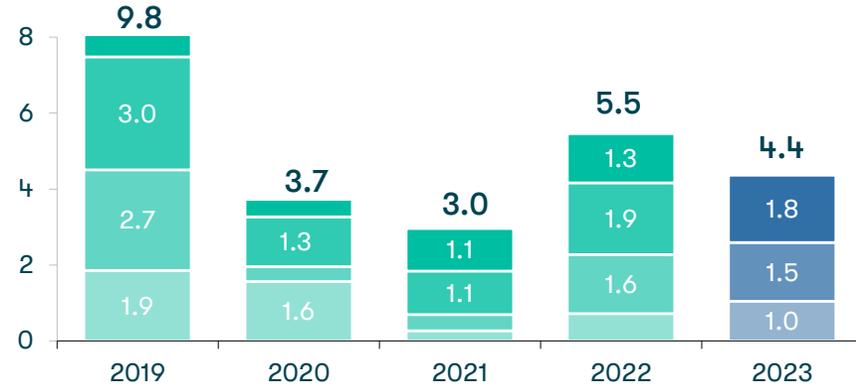
- Restaurant & shop sales on-board and onshore impacted by chartering of Galaxy I (August 2022) and Silja Europa (September 2022)
- High competition in cargo transportation market
- As at the end of Q3 total of 5 vessels on charter
- During the quarter charter agreement of 1 vessel ended and 1 was terminated



Notes: (1) 2023 unaudited

DYNAMICS OF SEASONALITY

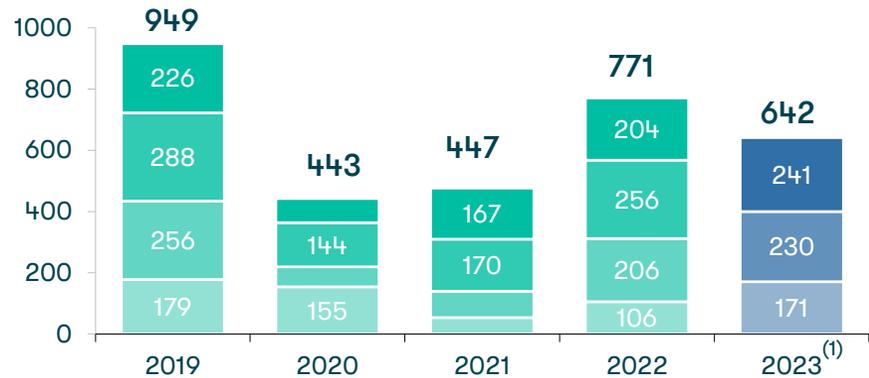
PASSENGERS (millions)



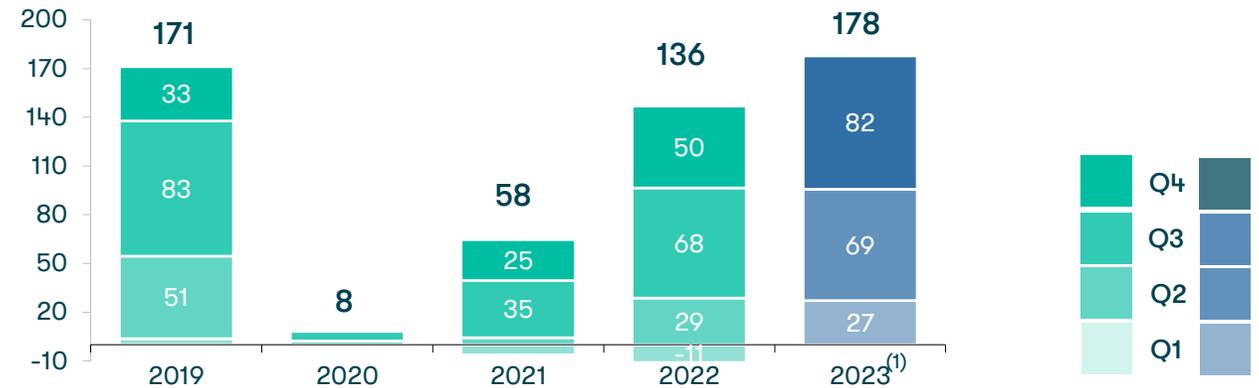
CARGO (th. units)



REVENUE (in million euros)



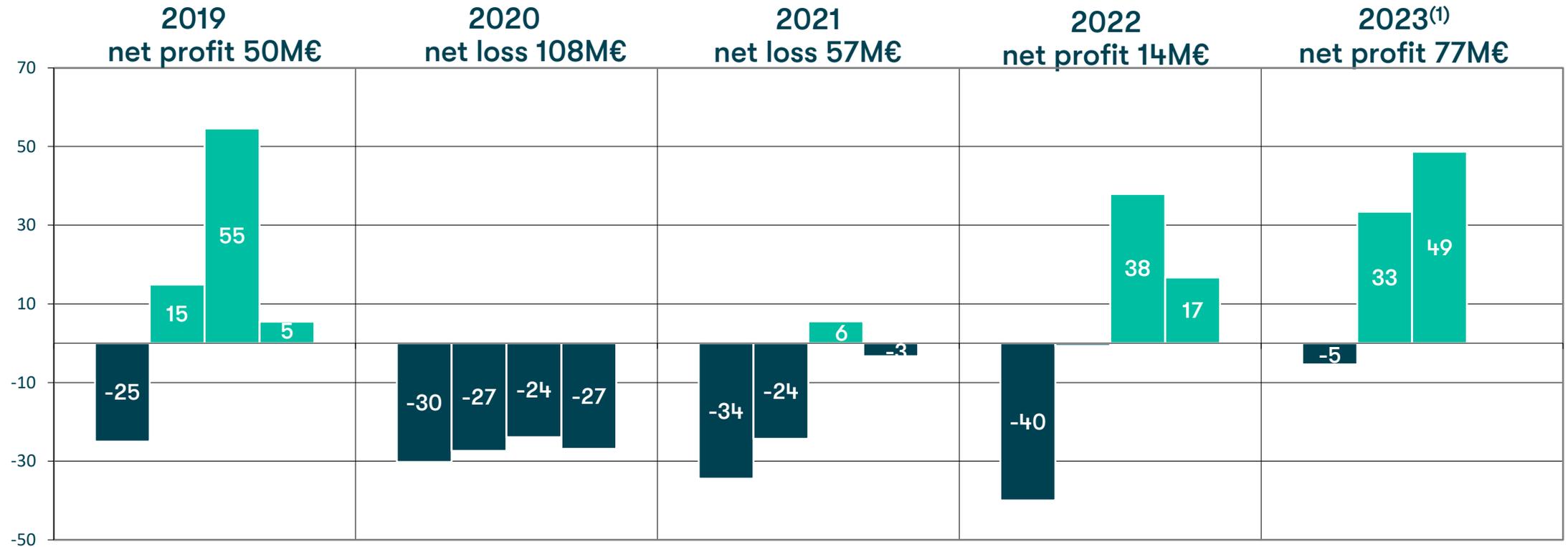
EBITDA (in million euros)



Notes: (1) 2023 unaudited

DYNAMICS OF SEASONALITY

QUARTERLY NET RESULT (IN MILLION EUROS)



Notes: Totals may not sum due to rounding; (1) 2023 unaudited

MOST OF PROFITS ARE TYPICALLY EARNED IN SUMMER, THE HIGH SEASON

CONSOLIDATED INCOME STATEMENT

IN MILLION EUROS

	2021	2022	Q3 2022	Q3 2023 ⁽²⁾
Sales	477	771	256	241
Cost of sales ⁽¹⁾	-455	-658	-190	-163
Marketing & administrative cost ⁽¹⁾	-75	-87	-22	-22
Other operating items, net	16	11	-1	-1
EBITDA	58	136	68	82
Margin (%)	12.2%	17.6%	26.5%	34.1%
Net Result	-57	14	38	49
EPS	-0.081	0.019	0.051	0.065



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

CONSOLIDATED CASH FLOW STATEMENT

IN MILLION EUROS

	2021	2022	Q3 2022	Q3 2023 ⁽¹⁾
Operating cash flow	59	144	60	60
Capital expenditure	-20	-203	-6	-6
Asset disposal	1	3	0	0
Free cash flow	40	-56	55	54
Debt financing (net effect)	45	69	-36	-39
Interests & other financial items	-20	-25	-7	-8
Increase of share capital	35	0	0	0
Change in cash	100	-13	12	7



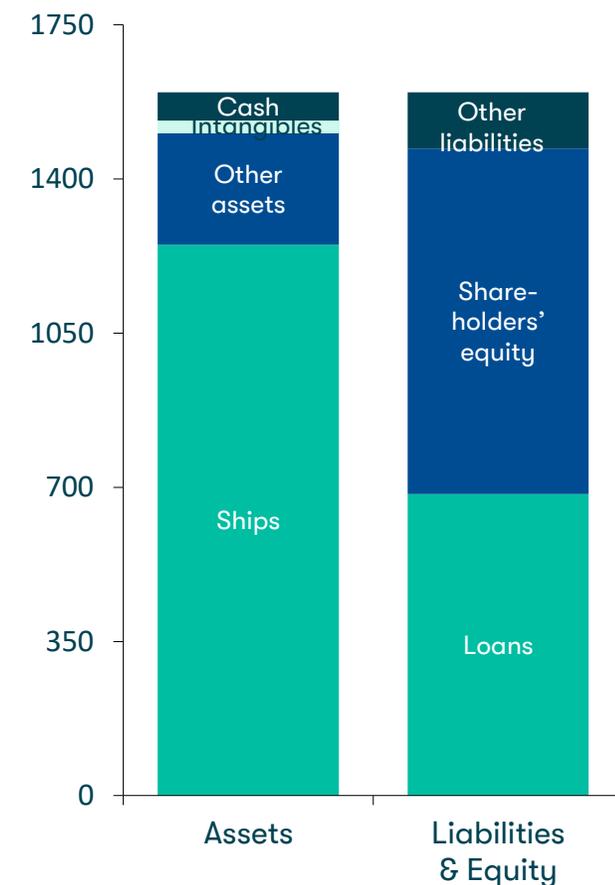
Notes: Totals may not sum due to rounding;
 (1) Includes depreciation and amortization; (2) unaudited

CASH FLOW GENERATION SUPPORTED BY MARKET RECOVERY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

IN MILLION EUROS

	31.12.2021	30.09.2022	31.12.2022	30.09.2023 ⁽²⁾
Total assets	1,586	1,535	1,692	1,597
Non-current assets	1,383	1,338	1,496	1,447
Current assets	203	197	196	150
- of which cash	128	103	115	64
Total liabilities	893	845	985	814
Interest bearing liabilities	780	711	854	685
Other liabilities	113	134	131	129
Shareholders' equity	693	690	707	784
Net debt/EBITDA	11.2x	5.5x	5.4x	2.7x
Net debt	652	609	739	620
Equity/assets ratio	44%	45%	42%	49%
BVPS ⁽¹⁾ (in EUR)	0.93	0.93	0.95	1.05



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 193 MILLION

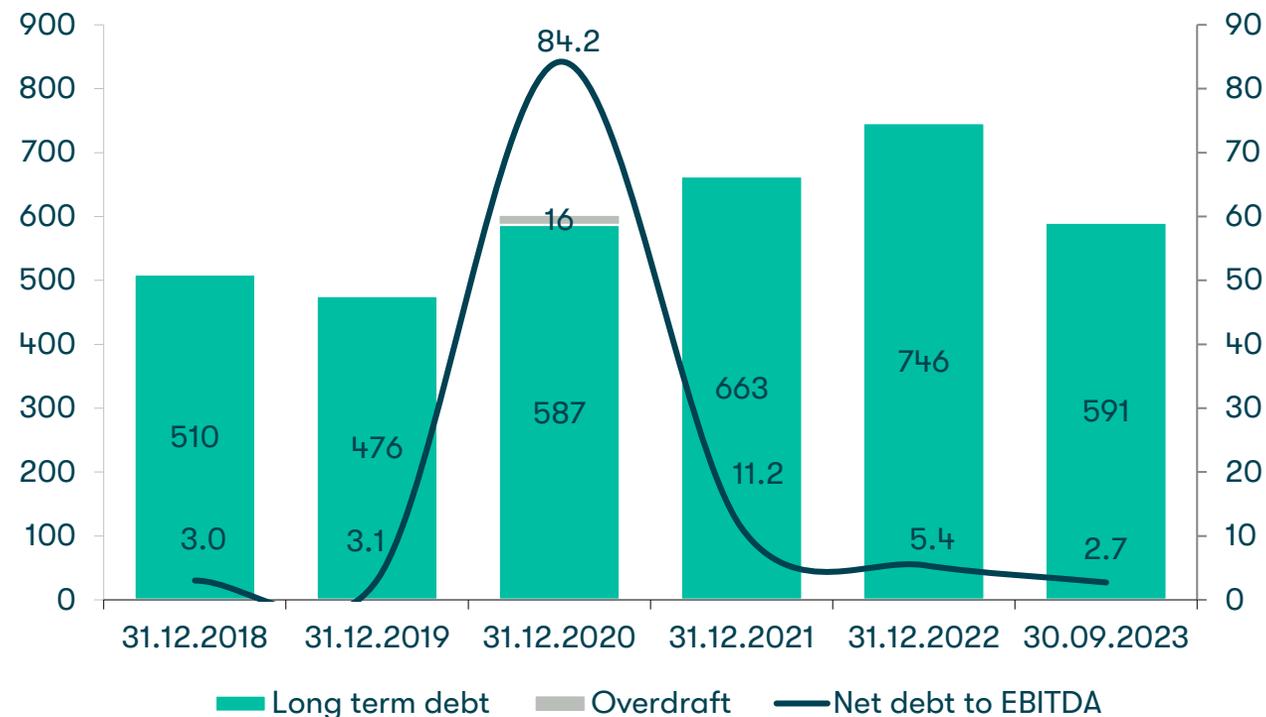
LOAN PORTFOLIO STRUCTURE

LONG-TERM BANK LOANS

- EUR 591 million as at 30 September 2023
- 7 loan agreements outstanding: syndicated loans, amortizing project and working capital loans
- Maturities 13 months – 11 years
- EUR denominated, fixed and EURIBOR floating

OVERDRAFT

- As at 30 September 2023 unused overdraft of EUR 135 million



TOTAL INTEREST-BEARING LIABILITIES EUR 684.8 MILLION AS AT 30 SEPTEMBER 2023

CORPORATE GOVERNANCE

MANAGEMENT BOARD



Paavo Nõgene

Born in 1980, with the company since 2018
CEO since May 2018



Kadri Land

Born in 1964, with the company since 2005.
Member of Management Board since February 2019



Piret Mürk-Dubout

Born in 1970, with the company and Member of Management Board since April 2019



Harri Hanschmidt

Born in 1982, with the company since 2009.
Member of Management Board since February 2019



Margus Schults

Born in 1966, with the company since 2008.
Member of Management Board since April 2021

SUPERVISORY BOARD



Enn Pant

Born in 1965, with the company since 1996
Chairman of the Supervisory Board since 2015
CEO of AS Tallink Grupp in 1996-2015



Toivo Ninnas

Born in 1940, with the Supervisory Board since 1997



Eve Pant

Born in 1968, with the Supervisory Board since 1997



Raino Paron

Born in 1965, with the Supervisory Board since 2019



Kalev Järvelill

Born in 1965, with the Supervisory Board since 2007



Ain Hanschmidt

Born in 1961, with the Supervisory Board since 2005



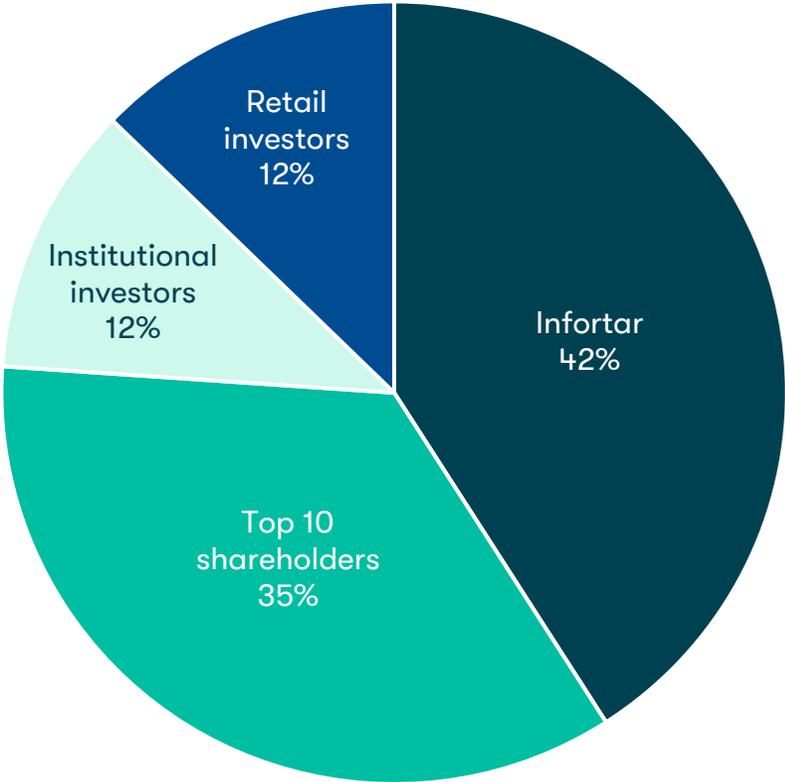
Colin Douglas Clark

Born in 1974, with the Supervisory Board since 2013

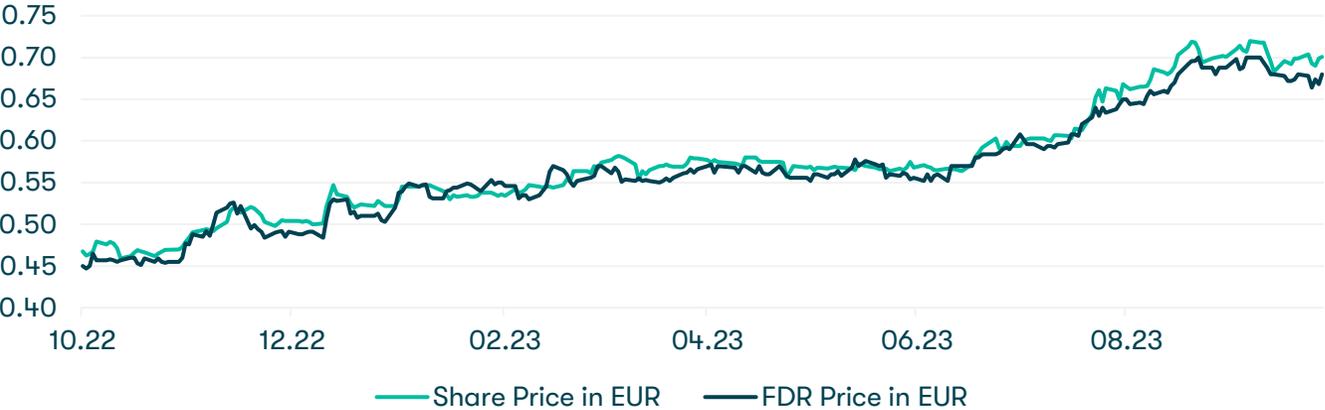


SHAREHOLDERS AND SHARE PERFORMANCE

SHAREHOLDERS OF AS TALLINK GRUPP



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%



39,254 SHAREHOLDERS AND FDR-HOLDERS AT THE END OF THE QUARTER

THANK YOU



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