



**Unaudited interim condensed
consolidated report for the
9 months ended 30 September 2024**

AS Tallinna Sadam

AS TALLINNA SADAM**UNAUDITED INTERIM CONDENSED CONSOLIDATED REPORT
FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2024**

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MANAGEMENT REPORT

The Group's performance in the first nine months of 2024 was strongly influenced by higher charter revenues from the icebreaker MSV Botnica and revenue growth in the Ferry segment. Passenger numbers continued to recover steadily, with only the number of traditional cruise passengers declining, but there is still growth potential to return to pre-pandemic levels. After a long period of decline, the volume of cargo handled increased for all types of cargo except liquid bulk and non-marine cargo.

KEY PERFORMANCE INDICATORS OF THE GROUP¹

Indicator	Unit	9 months 2024	9 months 2023	Difference	Change %	Q3 2024	Q3 2023	Difference	Change %
Revenue	EUR '000	90,797	88,615	2,181	2.5%	31,214	31,426	-212	-0.7%
Operating profit	EUR '000	23,200	20,004	3,196	16.0%	7,268	7,449	-181	-2.4%
Adjusted EBITDA ²	EUR '000	40,895	38,797	2,098	5.4%	13,287	13,517	-229	-1.7%
Depreciation, amortisation and impairment	EUR '000	-18,207	-19,356	1,149	-5.9%	-6,087	-6,129	42	-0.7%
Income tax	EUR '000	3,125	2,985	140	4.7%	0	0	0	0.0%
Profit for the period	EUR '000	14,869	13,028	1,841	14.1%	5,578	5,964	-386	-6.5%
Investment	EUR '000	33,453	10,899	22,554	206.9%	8,415	4,752	3,663	77.1%
Number of employees (average)		440	467	-27	-5.7%	446	475	-29	-6.1%
Cargo volume	t '000	9,725	9,534	191	2.0%	3,129	2,920	209	7.2%
Number of passengers	'000	6,344	6,147	198	3.2%	2,713	2,600	113	4.3%
Number of vessel calls		5,353	5,333	20	0.4%	1,922	1,815	107	5.9%
Total assets at period-end	EUR '000	613,019	612,749	270	0.0%	613,019	612,749	270	0.0%
Net debt ³ at period-end	EUR '000	161,665	142,103	19,562	13.8%	161,665	142,103	19,562	13.8%
Equity at period-end	EUR '000	373,329	374,805	-1,476	-0.4%	373,329	374,805	-1,476	-0.4%
Number of shares at period-end	'000	263,000	263,000	0	0.0%	263,000	263,000	0	0.0%
Operating profit/revenue		25.6%	22.6%			23.3%	23.7%		
Adjusted EBITDA/revenue		45.0%	43.8%			42.6%	43.0%		
Profit for the period/revenue		16.4%	14.7%			17.9%	19.0%		
EPS: Profit for the period/ average number of shares	EUR	0.06	0.05		14.1%	0.02	0.02		-6.5%
Equity/number of shares at period-end	EUR	1.42	1.43		-0.4%	1.42	1.43		-0.4%

The nine-month number of passengers⁴ increased by 3.2%. The routes with the highest passenger numbers were Tallinn–Helsinki and Tallinn–Stockholm, while Muuga–Vuosaari showed the highest percentage growth. The number of cruise passengers decreased, but the number of cruise ship calls increased by 2. The growth in passenger numbers was supported by a rise in ferry calls and an improved passenger load factor. Revenue for the first nine months of 2024 grew by EUR 2.2 million (+2.5%) year on year to EUR 90.8 million.

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.

Revenue for nine months grew in all segments, particularly in the Ferry segment and the segment Other. In the Ferry segment, both government support and ticket sale revenue increased. In the segment Other, charter revenue from the icebreaker MSV Botnica and revenue from other services improved. The nine-month volume of cargo handled grew by 0.2 million tonnes (+2.0%) compared to the same period last year.

Operating profit for the first nine months grew by EUR 3.2 million (+16.0%) to EUR 23.2 million and profit for the period increased by EUR 1.8 million (+14.1%) to EUR 14.9 million, although income tax expense on dividends was around EUR 0.1 million higher than last year. Adjusted EBITDA grew by EUR 2.1 million (+5.4%) to EUR 40.9 million. In the third quarter of 2024, the number of passengers rose by 4.3% and the volume of cargo handled grew by 7.2% year on year. Third-quarter revenue slipped by EUR 0.2 million (−0.7%) to EUR 31.2 million. Revenue grew in all segments except Other. The Group's operating profit for the third quarter decreased by 2.4% to EUR 7.3 million and profit for the period declined by EUR 0.4 million (−6.5%) to EUR 5.6 million.

OPERATING VOLUMES

The Group's harbours handled 9.7 million tonnes of cargo in the first nine months of 2024, 0.2 million tonnes more than in the same period last year (+2.0%). In terms of cargo types, the largest increases were recorded for dry bulk (+0.2 million tonnes, +11.3%), containers (+0.1 million tonnes, +10.1%; in TEUs: +28 thousand units, +17.4%) and ro-ro (+0.1 million tonnes, +2.6%). Dry bulk cargo grew due to higher volumes of oats, wood pellets and scrap metal. A rise in the transport of full 40-foot containers improved the volume of container cargo (in tonnes). Ro-ro cargo, supported by an increase in the traffic of trucks with drivers, increased in the Cargo harbours segment. Ro-ro cargo grew in tonnes, but related cargo charges are based on the chargeable quantity (traffic units), which decreased by around 0.7% year on year. Years ago, liquid bulk was the largest cargo type. However, since the beginning of 2022, ro-ro has been the largest cargo type, accounting for 52% of the total cargo handled in the first nine months of 2024. Liquid bulk currently accounts for only 10% of the total cargo volume. General cargo showed a solid percentage growth (+35 thousand tonnes, +10.6%) due to growth in steel deliveries. Liquid bulk fell sharply (−0.3 million tonnes, −21.4%), largely due to the absence of liquefied petroleum gas (LPG) supplies in 2024, but on the upside petrol volumes increased. Non-marine cargo also decreased, but as its volume is relatively small, the impact was insignificant.

In the third quarter, the Group's cargo throughput was 3.1 million tonnes, 0.2 million tonnes (+7.2%) higher than a year earlier. All cargo types increased year on year. Ro-ro grew by 60 thousand tonnes (+4.0%), liquid bulk by 52 thousand tonnes (+16.3%) and containers by 51 thousand tonnes (+10.8%; in TEUs: +11 thousand units, +21.3%). The volumes of other types of cargo grew at a more modest rate: general cargo by 27 thousand tonnes (+26.4%), dry bulk by 14 thousand tonnes (+2.7%) and non-marine cargo by 5 thousand tonnes (+475.3%).

Passenger traffic on the main routes (Helsinki and Stockholm) continued to recover in the first nine months of 2024. The number of passengers rose by 0.2 million year on year to 6.3 million (+3.2%). In addition to the Tallinn–Helsinki and Tallinn–Stockholm routes, the Muuga–Vuosaari route also showed growth. Only the number of cruise passengers declined.

In the first nine months of the year, Tallinn Old City Harbour received around 136 thousand and Saaremaa Harbour around 3 thousand cruise passengers (93 and 7 cruise ships, respectively). In the same period last year, Old City Harbour received around 162 thousand and Saaremaa Harbour around 3 thousand cruise passengers (90 and 8 cruise ships, respectively). In the third quarter of 2024, the total number of passengers grew by 113 thousand (+4.3%) to 2.7 million.

	Q3 2024	Q3 2023	Change %	9 months 2024	9 months 2023	Change %
Cargo volume by cargo type (t '000)	3,129	2,920	7.2%	9,725	9,534	2.0%
Ro-ro	1,563	1,503	4.0%	5,039	4,913	2.6%
Liquid bulk	372	320	16.3%	1,021	1,298	-21.4%
Dry bulk	539	525	2.7%	1,743	1,566	11.3%
Container cargo	519	469	10.8%	1,547	1,405	10.1%
<i>Containers in TEUs</i>	65,303	53,844	21.3%	190,789	162,555	17.4%
General cargo	129	102	26.4%	363	328	10.6%
Non-marine	6	1	475.3%	13	24	-46.4%
Number of passengers by route ('000)	2,713	2,600	4.3%	6,344	6,147	3.2%
Tallinn–Helsinki	2,347	2,283	2.8%	5,555	5,404	2.8%
Tallinn–Stockholm	190	152	24.9%	445	412	8.1%
Muuga–Vuosaari	65	58	12.7%	159	133	19.2%
Cruise (traditional)	86	96	-10.5%	139	165	-15.6%
Other	26	12	116.5%	46	33	40.7%
Number of vessel calls by vessel type	1,922	1,815	5.9%	5,353	5,333	0.4%
Cargo vessels	377	367	2.7%	1,063	1,066	-0.3%
Passenger vessels (incl. ro-pax)	1,473	1,394	5.7%	4,190	4,169	0.5%
Cruise vessels (traditional)	72	54	33.3%	100	98	2.0%
Ferries (Saaremaa and Hiiumaa routes)						
Number of trips	6,968	7,048	-1.1%	18,028	17,887	0.8%
Number of passengers ('000)	947	934	1.4%	1,986	1,955	1.6%
Number of vehicles ('000)	421	409	3.0%	929	902	3.0%
Icebreaker MSV Botnica						
Charter days	25	59	-57.6%	170	178	-4.5%
Utility rate (%)	27%	64%	-57.5%	62%	65%	-4.5%

The ferries operated by OÜ TS Laevad (the Ferry segment) made 18,028 trips between Estonia's mainland and two largest islands in the first nine months of 2024, 141 more than in the same period last year (+0.8%). In the third quarter, 6,968 trips were made, 80 fewer than in the same period last year (-1.1%). The number of additional trips made by MS Regula in the first nine months decreased year on year.

The icebreaker MSV Botnica (the segment Other), which is operated by OÜ TS Shipping, had 170 charter days (contractual working days) in nine months, 8 fewer than in the previous year due to shorter than expected project work in July. This was partly offset by an earlier start of the summer charter, which began in May this year. The vessel's utilisation rate was 62% (65% a year earlier). In the third quarter, the number of charter days was 25 (59 in the third quarter of 2023) and the utilisation rate was 27% (64% a year earlier). MSV Botnica's utilisation rate decreased in the third quarter due to a shorter charter period. The contract with BP Exploration Operating Company Ltd provided for an 8-week charter period (starting in May 2024), but the charter period was shortened due to technical problems with the vessel. As in previous years, MSV Botnica sailed to northern Canada in early September to provide services to Baffinland (the minimum charter period is 60 days).

REVENUE, EXPENSES AND PROFIT

Revenue for nine months increased by EUR 2.2 million (+2.5%) year on year to EUR 90.8 million, supported by higher charter fees from the icebreaker MSV Botnica, higher revenue from ferry service between Estonia's mainland and two largest islands, higher revenue from other services and higher lease income.

In terms of revenue streams, the largest increase in the first nine months was in **charter fees**, which grew by EUR 0.8 million (+8.9%) to EUR 9.5 million. Despite the fact that the icebreaker MSV Botnica had fewer charter days in the first nine months of this year, charter fees increased due to the projects' higher charter fee rate per day. In the third quarter, charter fee revenue decreased year on year, because the charter period was shorter due to technical problems with the vessel. **Ferry service⁵ revenue** grew by EUR 0.6 million (+2.2%) to EUR 27.8 million, mainly due to higher government support as a result of the indexation of the fees. The number of trips did not change significantly compared to the previous year (+0.8%). **Revenue from other services** grew by EUR 0.4 million due to the commissioning of the LNG quay in Pakrineeme Harbour this year and higher revenue from the sale of advertising space in Old City Harbour and the provision of catering services on the icebreaker MSV Botnica. **Lease income** increased by EUR 0.3 million (+3.1%) to EUR 10.7 million. Lease income improved in all segments, but particularly in the Cargo harbours and Passenger harbours segments due to the indexation of lease payments and fees for right of superficies. Passenger fee revenue increased by EUR 0.3 million (+3.1%) to EUR 9.2 million, in line with the rise in passenger numbers (+3.2%).

Electricity revenue grew by EUR 0.2 million (+7.3%) to EUR 3.4 million, supported by higher sales volumes and prices for network services. In addition, both on-shore and other electricity consumption increased. **Vessel dues revenue** decreased by EUR 0.2 million (−1.0%) to EUR 23.9 million due to fewer calls by large tankers. The number of cruise ship calls increased, but their lower GT (gross tonnage) resulted in lower revenue from tonnage charges. **Cargo charges revenue** decreased by EUR 0.2 million (−3.5%) to EUR 4.5 million. Although cargo volumes increased, cargo charges revenue decreased, partly because cargo charges from operators whose cargo charges depend on full-year forecast cargo volumes are adjusted in accordance with IFRS 15. In the first nine months of 2023, the adjustments to cargo charges were higher than in the same period this year.

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

Other income decreased by EUR 0.1 million (–5.5%) to EUR 1.2 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.

Operating expenses for the nine months decreased by EUR 0.2 million (–0.7%) compared to the same period last year. In terms of items, changes varied. The largest decreases were in tax expenses (–EUR 0.9 million) due to the reduction of the land tax rate in 2024 and in other operating expenses (–EUR 0.4 million). Within other operating expenses, the cost of other services and materials for the icebreaker MSV Botnica (the segment Other) decreased significantly, as last year's participation in summer projects resulted in higher additional expenses. Lease expenses also decreased year on year (–EUR 0.3 million), as last year it was necessary to secure additional technical capacity for Botnica's summer charter by leasing a ship's ladder (the lease term was longer last year). Less significant decreases were recorded for acquisition and maintenance of assets of insignificant value, advertising expenses and heat, water and sewerage costs.

Energy and fuel costs increased (+EUR 0.3 million), the former due to an increase in the volume and price of network services purchased and the latter mainly in the Ferry segment, where fuel consumption increased due to more severe ice conditions at the beginning of the year and a slight rise in the number of trips. Non-current asset repair costs also increased (+EUR 0.3 million), particularly (+EUR 0.8 million) in the segment Other due to technical problems with the icebreaker during a charter project. In the Cargo harbours segment, repair costs declined significantly (–EUR 0.7 million), as last year major maintenance work was carried out at Muuga harbour, while this year no such costs were incurred. In the Passenger harbours segment, repair costs increased (+EUR 0.3 million) due to more repairs this year and an insurance indemnity received last year to cover repair costs. Overall, repair costs in the Passenger harbours and Cargo harbours segments decreased by around 11%. Consultation and development expenses increased (+EUR 0.3 million) due to higher legal costs and expenses for the technical examination of quays. Expenses for services purchased for harbour infrastructure increased (+EUR 0.3 million) due to higher prices for cleaning, upkeep and security services. Expenses for services purchased grew (+EUR 0.2 million), driven by higher expenses for harbour services in the Ferry segment. The increase in insurance expenses was less significant (+EUR 36 thousand). In the third quarter, operating expenses increased by EUR 0.1 million (+1.3%), primarily due to higher non-current asset maintenance and repair costs.

Impairment of financial assets decreased by EUR 0.1 million (–15.6%), because the allowance for credit losses was higher last year. In the third quarter, impairment of financial assets decreased by EUR 0.2 million (–46.9%).

Personnel expenses grew by EUR 0.4 million (+2.4%), mainly in the segment Other and the Ferry segment. The Group's average number of employees in the nine-month period decreased from 467 to 440 (–5.7%) year on year. In the third quarter, personnel expenses grew by EUR 49 thousand (+0.8%).

Depreciation, amortisation and impairment for nine months decreased by EUR 1.1 million (–5.9%) year on year. This is mainly 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 third quarter decreased by EUR 42 thousand (–0.7%) year on year.

Operating profit for nine months grew by EUR 3.2 million (+16.0%), supported by an increase in revenue (primarily in the segment Other and the Ferry segment) and a decrease in expenses, which was largely attributable to higher depreciation, amortisation and impairment in the comparative period and a decrease in land tax. The Group's operating profit margin rose from 22.6% to 25.6%. Third-quarter operating profit was EUR 7.3 million (–2.4%) and operating profit margin dropped from 23.7% to 23.3% due to lower revenue (–0.7%) and higher operating expenses (+1.3%).

Adjusted EBITDA for nine months grew by EUR 2.1 million (+5.4%) year on year to EUR 40.9 million. Adjusted EBITDA grew in the Cargo harbours segment, the segment Other and the Passenger harbours segment. In the Ferry segment, adjusted EBITDA decreased. The adjusted EBITDA of the Cargo harbours segment improved as operating expenses (particularly repair costs) decreased and revenue increased. The improvement in the adjusted EBITDA of the segment Other was supported by revenue growth, which exceeded the growth in operating and personnel expenses. Adjusted EBITDA for the third quarter decreased by EUR 0.2 million (–1.7%) year on year, because the decrease in the segment Other exceeded the combined growth in other segments. Adjusted EBITDA margin for nine months rose from 43.8% to 45.0% and adjusted EBITDA margin for the third quarter dropped from 43.0% to 42.6%.

Finance costs (net) for nine months increased by EUR 1.3 million (+29.9%), because interest expense on loans and borrowings grew due to a rise in Euribor and loans and borrowings increased by EUR 3.7 million (+2.1%) year on year. A decline in finance income also had an impact. Finance costs (net) for the third quarter grew by EUR 0.2 million (+12.2%).

Profit before tax for nine months grew by EUR 2.0 million (+12.4%) year on year to EUR 18.0 million. Profit grew less than operating profit because the increase in finance costs (net) (+EUR 1.3 million) exceeded the increase in profit from the equity-accounted associate AS Green Marine (+EUR 0.1 million). 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, but last year income tax expense was reduced by the reversal of deferred tax of EUR 0.1 million. Profit for the first nine months increased by EUR 1.8 million (+14.1%) year on year. Third-quarter profit was EUR 5.6 million (–EUR 0.4 million, –6.5%).

INVESTMENTS

In the first nine months of 2024, the Group invested EUR 33.5 million, EUR 22.6 million more than in the same period last year. The largest investments of the period were made in the construction of a quay in Paldiski South Harbour for the provision of maintenance and construction services to offshore wind farms, the reconstruction of a quay in Muuga Harbour, the reconstruction of a quay ramp in Old City Harbour, the development of information systems, technical design, the regular dry-docking of a ferry and the purchase of equipment for ferries. In the third quarter, investments totalled EUR 8.4 million (EUR 4.8 million in the third quarter of 2023).

SEGMENT REPORTING

Revenue for the first nine months increased in all segments. Revenue growth was particularly strong in the segment Other (+10.1%) and the Ferry segment (+2.4%). In the third quarter, the Group's revenue decreased by 0.7%, mainly due to the technical problems and subsequent repair of the icebreaker MSV Botnica (the segment Other), which reduced the number of charter days.

In thousands of euros	9 months 2024					9 months 2023				
	Passenger harbours	Cargo harbours	Ferry	Other	Total	Passenger harbours	Cargo harbours	Ferry	Other	Total
Revenue	29,032	23,107	28,845	9,813	90,797	28,774	22,764	28,168	8,909	88,615
Adjusted EBITDA	15,581	10,158	12,452	2,704	40,895	15,455	8,972	12,489	1,881	38,797
Operating profit (loss)	10,251	4,312	8,382	255	23,200	9,384	2,873	8,224	-477	20,004
Adjusted EBITDA margin	53.7%	44.0%	43.2%	27.6%	45.0%	53.7%	39.4%	44.3%	21.1%	43.8%

In thousands of euros	Change for 9 months				
	Passenger harbours	Cargo harbours	Ferry	Other	Total
Revenue	258	343	677	904	2,181
Adjusted EBITDA	126	1,186	-37	823	2,098
Operating profit	867	1,439	158	732	3,196

In thousands of euros	Q3 2024					Q3 2023				
	Passenger harbours	Cargo harbours	Ferry	Other	Total	Passenger harbours	Cargo harbours	Ferry	Other	Total
Revenue	11,510	7,862	10,698	1,144	31,214	10,747	7,180	10,371	3,128	31,426
Adjusted EBITDA	6,836	3,329	4,877	-1,755	13,287	6,111	2,414	4,515	477	13,517
Operating profit (loss)	5,051	1,383	3,507	-2,673	7,268	4,329	481	3,113	-474	7,449
Adjusted EBITDA margin	59.4%	42.3%	45.6%	-153.4%	42.6%	56.9%	33.6%	43.5%	15.2%	43.0%

In thousands of euros	Change for Q3				
	Passenger harbours	Cargo harbours	Ferry	Other	Total
Revenue	763	682	327	-1,984	-212
Adjusted EBITDA	725	915	362	-2,232	-229
Operating profit (loss)	722	902	394	-2,199	-181

The nine-month revenue of the **Passenger harbours segment** increased by EUR 0.3 million (+0.9%) year on year, mainly due to higher revenue from passenger fees (+EUR 0.3 million) and electricity sales (+EUR 0.2 million). Passenger fee revenue improved, supported by an increase in the number of passengers, although the number of vessel calls on the Tallinn–Helsinki route decreased by 86 (mainly due to the regular dry-docking of MS Finlandia). The rise in electricity revenue is attributable to higher sales volumes of electricity and network services. Lease income grew (+EUR 0.1 million) due to higher income from the cruise terminal and parking facilities. Revenue for the third quarter grew by 7.1% (+EUR 0.8 million) to EUR 11.5 million compared to the same period last year, supported by higher vessel dues revenue due to an increase in the number of ferry calls.

The nine-month revenue of the **Cargo harbours segment** improved compared to the same period last year (+EUR 0.3 million, +1.5%). Revenue from the sale of other services grew significantly (+EUR 0.2 million), boosted by the commissioning of the LNG quay at Pakrineeme Harbour. Similar to the Passenger harbours segment, lease income grew (+EUR 0.1 million), mainly as a result of the indexation of lease payments and fees for the right of superficies. The only revenue item that decreased was cargo charges revenue (–EUR 83 thousand). In the first nine months, the volume of cargo handled by the segment grew by 0.3 million tonnes year on year, but cargo charges decreased due to adjustments made in accordance with IFRS 15 (cargo charges from operators whose cargo charges depend on full-year forecast cargo volumes are adjusted).

In the third quarter, the revenue of the Cargo harbours segment increased by EUR 0.7 million (+9.5%) year on year, driven by higher revenues from vessel dues and cargo charges.

The nine-month revenue of the **Ferry segment** grew by EUR 0.7 million (+2.4%), driven by growth in ferry service revenue due to the indexation of the variable part of the fixed fee. In the third quarter, the revenue of the Ferry segment increased by EUR 0.3 million (+3.2%) year on year.

The nine-month revenue of the **segment Other** improved by EUR 0.9 million (+10.1%). Although an additional charter project of the icebreaker MSV Botnica had to be shortened (due to technical problems), revenue grew because the projects' charter fee rate per day was higher. Compared to the same period last year, the number of charter days decreased by 8. The segment's third-quarter revenue decreased by EUR 2.0 million (–63.4%) due to a lower number of charter days (–34 days).

In segment terms, **adjusted EBITDA** for the first nine months increased the most in the Cargo harbours segment (+EUR 1.2 million) and the segment Other (+EUR 0.8 million). Adjusted EBITDA growth in the Cargo harbours segment was supported by higher revenue from other services and lower non-current asset maintenance and repair costs. Adjusted EBITDA growth in the segment Other was driven by higher charter fees revenue, but operating expenses increased even more due to growth in repair costs (to resolve technical problems). The growth in operating expenses also exceeded the increase in profit from the equity-accounted associate AS Green Marine. In the Passenger harbours segment, adjusted EBITDA increased by EUR 0.1 million. The adjusted EBITDA of the Ferry segment decreased by EUR 37 thousand.

Adjusted EBITDA for the third quarter decreased by EUR 0.2 million. Adjusted EBITDA dropped only in the segment Other.

The Group's **adjusted EBITDA margin** for the first nine months increased from 43.8% to 45.0%. The margin of the Cargo harbours segment rose from 39.4% to 44.0%, the margin of the segment Other rose from 21.1% to 27.6% and the margin of the Passenger harbours segment remained stable at 53.7%. The margin of the Ferry segment decreased slightly from 44.3% to 44.0%. In the third quarter, the adjusted EBITDA margin improved only in the Cargo harbours segment and decreased in all other segments, with the largest decrease in the segment Other (from 15.2% to -153.4%). The sharp margin decline in the segment Other was due to the combined effect of a decrease in revenue and an increase in costs (repair costs).

IMPACT OF THE RUSSIA-UKRAINE WAR AND THE MAIN RISKS RELATED TO THE ECONOMIC ENVIRONMENT

Russia's war against Ukraine has mainly affected the Group's cargo business. The decrease in liquid bulk has been the most severe. Liquid bulk operators 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 is cooperating 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 responsibly to both cargo and customers.

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. The passenger load factor of cruise ships has improved compared to the previous two years and efforts are being made to market the Baltic Sea region together with the other Baltic Sea ports.

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 September 2024 was EUR 1.06. The company's **market capitalisation** at 30 September 2024 was **EUR 278.78 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 September 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 September 2024



Source: nasdaqbaltic.com

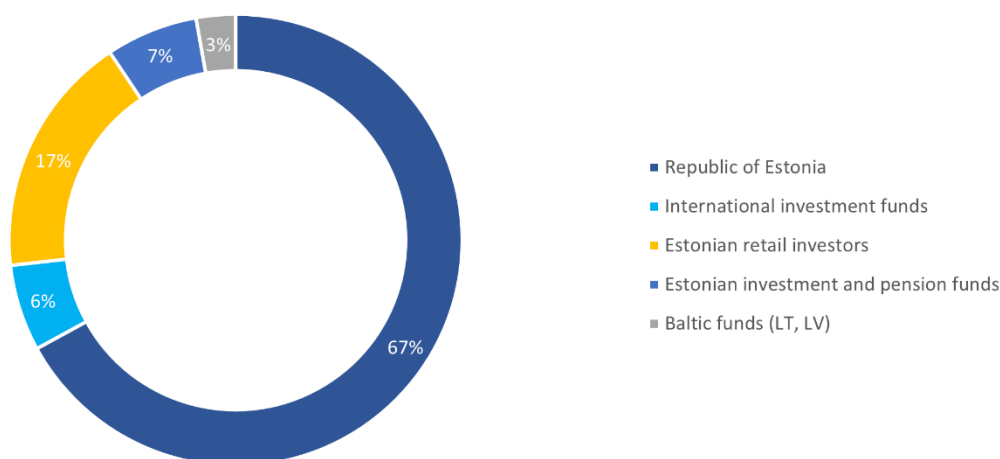
In the third quarter of 2024, there were 9,711 transactions with the Tallinna Sadam share (Q2 2024: 13,877 transactions) in which 3.2 million shares (Q2 2024: 2.7 million shares) changed hands. The total turnover of the transactions was EUR 3.5 million (Q2 2024: EUR 3.1 million).

At 30 September 2024, the company had **23,727 shareholders** (30 June 2024: 24,301 shareholders), but only the Republic of Estonia (through the Ministry of Climate) had an ownership interest exceeding 5%.

Five largest shareholders at 30 September 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	3,780,577	1.4%
Interactive Brokers LLC Client Omnibus (USA)	2,033,651	0.8%

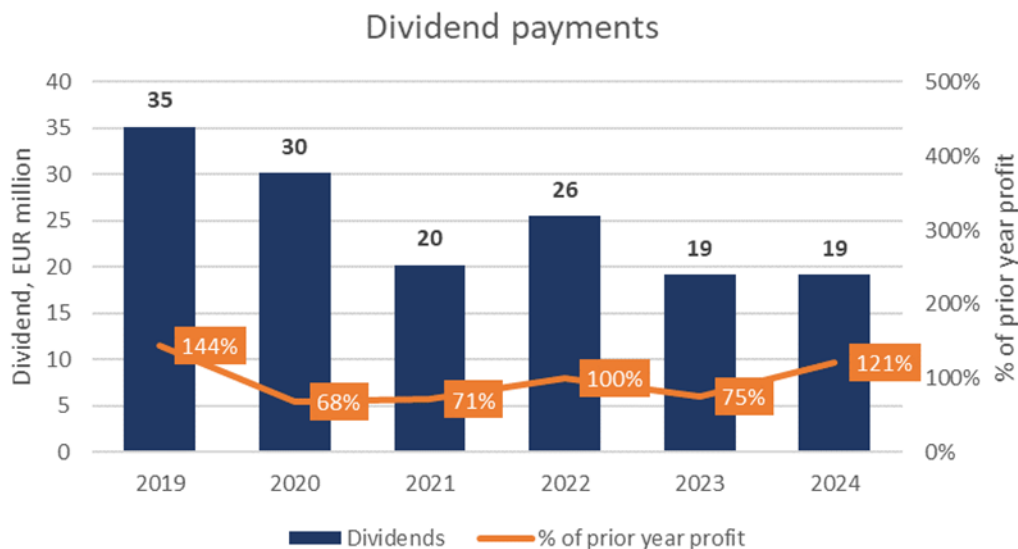
Shareholder structure at 30 September 2024



The shareholder structure has not changed significantly compared to the end of the second quarter. The changes have been less than a percentage point: the share of investment and pension funds has decreased and the share of Estonian retail investors has increased slightly.

DIVIDENDS

The **dividend policy** of Tallinna Sadam sets the target of paying a net dividend that amounts to **at least 70% of profit for the previous year**, subject to market conditions and the company's growth and development plans, taking into account the need to maintain a reasonable level of liquidity and excluding the impact of one-off 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 September 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 September 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 September 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 THIRD QUARTER OF 2024

- 1. In September, AS Tallinna Sadam's subsidiary OÜ TS Laevad and the Ministry of Regional Affairs and Agriculture signed a ferry service contract for the period 2026–2033.** On the basis of a successful tender, a public service contract for passenger transport was signed between the ministry 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. In July, the European Union 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.
- 3. The contract signed with BP Exploration Operating Company Ltd to charter the icebreaker MSV Botnica for offshore support operations was terminated in July earlier than planned.** Following repairs to resolve technical problems, MSV Botnica moved to the Arctic waters of northern Canada. Its charter to Baffinland Iron Mines in Canada began in September and will last for at least 60 days this year.
- 4. AS Tallinna Sadam's subsidiary OÜ TS Laevad and the Ministry of Regional Affairs and Agriculture signed a supplementary agreement to the public service contract for passenger transport dated 11 December 2014.** According to the agreement, the Ministry of Regional Affairs and Agriculture ordered up to 150 additional trips of MS Regula on the Virtsu–Kuivastu route during the period 5–18 August 2024. The previous agreement on additional trips covered the period 20 June – 4 August 2024.
- 5. A methanol-powered container ship arrived in Estonia for the first time.** Late on 22 July, Eco Maestro, a container ship powered by green methanol, arrived at Muuga harbour. The ship is sailing on the Green Finland X-PRESS (GFX) route: it starts in Rotterdam, passes through Antwerp, Kotka and Helsinki (Vuosaari) and then docks in Tallinn (Muuga). This is the first time that a methanol-powered ship has visited Estonia. Eco Maestro runs on green methanol, a renewable fuel that produces up to 65% less greenhouse gases than conventional marine fuel. Green methanol is typically produced from either biomass or captured CO₂ emissions.
- 6. AS Tallinna Sadam and OÜ TS Laevad appealed against the decision of the Harju County Court of 27 June 2024,** by which the court acquitted Ain Kaljurand, a former member of the management board of AS Tallinna Sadam, and others charged in criminal proceedings on the grounds that the limitation period for the offences had expired. The court also released the property from seizure and ordered partial payment of the costs of the proceedings. The civil action lawsuit brought by the victims, AS Tallinna Sadam and OÜ TS Laevad, was dismissed. The appeal was filed on 29 July 2024.

7. **The court terminated the reorganisation proceedings of OÜ MPG AgroProduction.** On 28 November 2023, AS Tallinna Sadam filed a bankruptcy petition against OÜ MPG AgroProduction ('MPG'). On 19 January 2024, the debtor filed for reorganisation. On 12 August 2024, MPG's reorganisation proceedings were terminated by order of the Supreme Court. In connection with the termination of MPG's reorganisation proceedings, MPG's bankruptcy proceedings continue at the Harju County Court.
8. **AS Tallinna Sadam and AS Swedbank signed a 4-year unsecured loan agreement for EUR 10 million.** The base rate of the loan is 6-month Euribor to which an interest margin is added. The loan amount can be drawn until 31 December 2024 and is repayable by 13 September 2028.

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

In thousands of euros	Note	At 30 September 2024	At 31 December 2023
ASSETS			
Current assets			
Cash and cash equivalents		22,079	29,733
Trade and other receivables	4	11,501	12,118
Contract assets		417	0
Inventories		330	550
Total current assets		34,327	42,401
Non-current assets			
Investments in an associate	5	2,667	2,177
Other long-term receivables	4	0	163
Investment properties	6	14,069	14,069
Property, plant and equipment	7	559,727	545,271
Intangible assets		2,229	2,083
Total non-current assets		578,692	563,763
Total assets		613,019	606,164
LIABILITIES			
Current liabilities			
Loans and borrowings	9	12,561	15,831
Provisions		1,153	1,311
Government grants		7,612	7,344
Taxes payable		1,413	876
Trade and other payables	8	9,303	9,429
Contract liabilities		1,737	63
Total current liabilities		33,779	34,854
Non-current liabilities			
Loans and borrowings	9	171,183	157,566
Government grants		31,881	33,075
Other payables	8	107	255
Contract liabilities		2,740	2,755
Total non-current liabilities		205,911	193,651
Total liabilities		239,690	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		42,547	47,323
Total equity		373,329	377,659
Total liabilities and equity		613,019	606,164

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

for the 9 months ended 30 September

In thousands of euros	Note	Q3 2024	Q3 2023	2024	2023
Revenue	3, 11	31,214	31,426	90,797	88,615
Other income		398	371	1,164	1,231
Operating expenses	12	-11,651	-11,507	-30,951	-31,171
Impairment of financial assets		-214	-403	-680	-806
Personnel expenses		-6,302	-6,254	-18,661	-18,229
Depreciation, amortisation and impairment	3	-6,087	-6,129	-18,207	-19,356
Other expenses		-90	-55	-262	-280
Operating profit		7,268	7,449	23,200	20,004
Finance income and costs					
Finance income		203	330	703	916
Finance costs		-2,158	-2,073	-6,400	-5,303
Finance costs – net		-1,955	-1,743	-5,697	-4,387
Share of profit of an associate accounted for under the equity method		265	258	491	396
Profit before income tax		5,578	5,964	17,994	16,013
Income tax expense		0	0	-3,125	-2,985
Profit for the period		5,578	5,964	14,869	13,028
Attributable to:					
Owners of the Parent		5,578	5,964	14,869	13,028
Basic earnings and diluted earnings per share (in euros)					
		0.02	0.02	0.06	0.05

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the 9 months ended 30 September

In thousands of euros	Note	2024	2023
Cash receipts from sale of goods and services		99,181	94,692
Cash receipts related to other income		42	247
Payments to suppliers		-37,612	-38,900
Payments to and on behalf of employees		-17,787	-18,511
Payments for other expenses		-224	-253
Income tax paid on dividends		-3,325	-3,264
Cash from operating activities		40,275	34,011
Purchases of property, plant and equipment		-33,118	-10,063
Purchases of intangible assets		-479	-627
Proceeds from sale of property, plant and equipment		17	28
Dividends received		0	357
Interest received		679	875
Cash used in investing activities		-32,901	-9,430
Loans received	9	20,000	0
Repayments of loans received	9	-9,583	-7,383
Dividends paid		-19,000	-19,012
Interest paid		-6,427	-4,654
Other payments related to financing activities		-18	-7
Cash used in financing activities		-15,028	-31,056
NET CASH FLOW		-7,654	-6,475
Cash and cash equivalents at beginning of period		29,733	44,387
Change in cash and cash equivalents		-7,654	-6,475
Cash and cash equivalents at end of period		22,079	37,912

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the 9 months ended 30 September

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	14,869	14,869
<i>Total comprehensive income for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>14,869</i>	<i>14,869</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 September 2024	263,000	44,478	23,304	42,547	373,329
Equity at 31 December 2022	263,000	44,478	22,115	51,383	380,976
Profit for the period	0	0	0	13,028	13,028
<i>Total comprehensive income for the period</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>13,028</i>	<i>13,028</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 September 2023	263,000	44,478	22,858	44,469	374,805

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 9 months ended 30 September 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 September 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 9 months ended 30 September 2024 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

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

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

3. OPERATING SEGMENTS

	For the 9 months ended 30 September 2024				
In thousands of euros	Passenger harbours	Cargo harbours	Ferry	Other	Total
Vessel dues	14,553	9,326	0	0	23,879
Cargo charges	1,095	3,369	0	0	4,464
Passenger fees	8,997	171	0	0	9,168
Sale of electricity	1,138	2,246	0	0	3,384
Sale of ferry services – ticket sale revenue	0	0	11,961	0	11,961
Sale of other services	991	613	78	275	1,957
Lease income	2,258	7,382	1,015	0	10,655
Charter fees	0	0	0	9,538	9,538
Sale of ferry services – government support	0	0	15,791	0	15,791
Total segment revenue* (note 11)	29,032	23,107	28,845	9,813	90,797
Adjusted segment EBITDA	15,581	10,158	12,452	2,704	40,895
Depreciation and amortisation	–5,769	–6,410	–4,070	–1,958	–18,207
Impairment losses	0	0	0	0	0
Amortisation of government grants received	439	564	0	0	1,003
Share of profit of an associate accounted for under the equity method	0	0	0	–491	–491
Segment operating profit	10,251	4,312	8,382	255	23,200
Finance income and costs, net					–5,697
Share of profit of an associate accounted for under the equity method					491
Income tax expense					–3,125
Profit for the period					14,869

* Total segment revenue represents revenue from external customers and excludes inter-segment revenue of EUR 120 thousand and EUR 2 thousand for the Passenger harbours and the Cargo harbours segments, respectively, which was eliminated during consolidation.

Note 3 continued

	For the 9 months ended 30 September 2023				
In thousands of euros	Passenger harbours	Cargo harbours	Ferry	Other	Total
Vessel dues	14,806	9,313	0	0	24,119
Cargo charges	1,175	3,452	0	0	4,627
Passenger fees	8,733	157	0	0	8,890
Sale of electricity	936	2,217	0	0	3,153
Sale of ferry services – ticket sale revenue	0	0	11,924	0	11,924
Sale of other services	976	369	72	147	1,564
Lease income	2,148	7,256	933	0	10,337
Charter fees	0	0	0	8,762	8,762
Sale of ferry services – government support	0	0	15,239	0	15,239
Total segment revenue* (note 11)	28,774	22,764	28,168	8,909	88,615
Adjusted segment EBITDA	15,455	8,972	12,489	1,881	38,797
Depreciation and amortisation	–5,950	–6,628	–4,265	–1,962	–18,805
Impairment losses	–551	0	0	0	–551
Amortisation of government grants received	430	529	0	0	959
Share of profit of an associate accounted for under the equity method	0	0	0	–396	–396
Segment operating profit (loss)	9,384	2,873	8,224	–477	20,004
Finance income and costs, net					–4,387
Share of profit of an associate accounted for under the equity method					396
Income tax expense					–2,985
Profit for the period					13,028

* Total segment revenue represents revenue from external customers and excludes inter-segment revenue of EUR 202 thousand and EUR 7 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 September 2024	At 31 December 2023
Trade receivables	11,129	10,415
Allowance for expected credit losses	-4,149	-3,440
Prepaid taxes	613	1,599
Government grants receivable	2,885	2,885
Other prepayments	885	521
Receivables from an associate (note 16)	7	9
Other receivables	131	292
Total trade and other receivables	11,501	12,281
Of which current receivables	11,501	12,118
non-current receivables	0	163

Trade receivables – expected credit loss matrix

In thousands of euros		Days past due					Total
		Not past due	0–30	31–60	61–90	>90	
At 30 September 2024							
Expected credit loss rate	0.8%	1.5%	3.0%	80.0%	100.0%		
Total trade receivables	6,680	235	106	98	4,010	11,129	
Lifetime expected credit loss (ECL)	-54	-4	-3	-78	-4,010	-4,149	6,980
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		
For the 9 months ended 30 September	2024	2023
Income	5,898	5,614
Expenses	4,690	4,606
Net profit	962	776

In thousands of euros	At 30 September 2024	At 31 December 2023
Net assets of the associate	5,230	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	2,667	2,177

6. INVESTMENT PROPERTIES

Investment properties as at 30 September 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 9 months ended 30 September 2024</i>						
Acquisition and reconstruction	513	474	222	31,307	477	32,993
Sales at carrying amount	-644	0	0	0	0	-644
Depreciation charge	-9,013	-8,410	-470	0	0	-17,893
Reclassification at carrying amount	2,714	2,262	12	-4,797	-191	0
At 30 September 2024						
Cost	645,132	264,162	8,503	37,006	2,884	957,687
Accumulated depreciation and impairment losses	-268,750	-122,353	-6,857	0	0	-397,960
Carrying amount at At 30 September 2024	376,382	141,809	1,646	37,006	2,884	559,727

8. TRADE AND OTHER PAYABLES

In thousands of euros	At 30 September 2024	At 31 December 2023
Trade payables	6,058	6,154
Payables to employees	1,302	1,624
Accrued taxes payable on employee remuneration	750	874
Advances for goods and services	846	431
Payables to an associate (note 16)	244	193
Other payables	210	408
Total trade and other payables	9,410	9,684
Of which current liabilities	9,303	9,429
non-current liabilities	107	255

9. LOANS AND BORROWINGS

In thousands of euros	At 30 September 2024	At 31 December 2023
Current portion		
Loans	3,066	6,266
Debt securities	7,650	7,650
Interest liabilities	1,845	1,915
Total current portion	12,561	15,831
Non-current portion		
Loans	44,883	31,266
Debt securities	126,300	126,300
Total non-current portion	171,183	157,566
Total loans and borrowings	183,744	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 September 2024, the Group had two debt security issues with final maturities in 2026 and 2027. In accordance with the redemption schedules, in the 9-month period ended 30 September 2024 the Group did not redeem any debt securities. At 30 September 2024, the weighted average interest rate of the debt securities was 4.58% (31 December 2023: 4.84%). The interest rate risk of the 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 9 months of 2024 amounted to EUR 9,583 thousand (2023: EUR 7,383 thousand).

In the second quarter of 2024, AS Tallinna Sadam signed a loan agreement with AS Swedbank for EUR 20 million. In the third quarter of 2024, AS Tallinna Sadam repaid early a loan of EUR 4.8 million from the Nordic Investment Bank, which would have matured in 2028.

In the third quarter of 2024, AS Tallinna Sadam also signed a loan agreement with AS Swedbank for EUR 10 million, which was undrawn at 30 September 2024. The new and more favourable loan was taken to refinance the Group's previous loans.

At 30 September 2024, the weighted average interest rate of drawn loans was 4.50% (31 December 2023: 4.90%). The interest rate risk of the loans has not been hedged with interest rate swaps. Undrawn loans at 30 September 2024 amounted to EUR 10 million.

Note 9 continued**Contractual maturities of loans and borrowings**

In thousands of euros	At 30 September 2024
< 6 months	10,778
6–12 months	1,783
1–5 years	165,683
> 5 years	5,500
Total loans and borrowings	183,744

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 September 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 September 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 September 2024, AS Tallinna Sadam had 263,000,000 registered ordinary shares (31 December 2023: 263,000,000), 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 September 2024 and 31 December 2023, all shares issued had been fully paid for.

Earnings per share

	Q3 2024	Q3 2023	9 months ended 30 September 2024	9 months ended 30 September 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)	5,578	5,964	14,869	13,028
Basic and diluted earnings per share (in euros)*	0.02	0.02	0.06	0.05

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

Note 10 continued

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 9 months ended 30 September	2024	2023
Revenue from contracts with customers		
Vessel dues	23,879	24,119
Cargo charges	4,464	4,627
Passenger fees	9,168	8,890
Sale of electricity	3,384	3,153
Sale of ferry services – ticket sale revenue	11,961	11,924
Sale of other services	1,957	1,564
Total revenue from contracts with customers	54,813	54,277
Revenue from other sources		
Operating lease income	10,655	10,337
Charter fees	9,538	8,762
Sale of ferry services – government support	15,791	15,239
Total revenue from other sources	35,984	34,338
Total revenue (note 3)	90,797	88,615

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 September 2024, the difference between revenue recognised and amounts billed to customers was recognised as a contract liability of EUR 1,300 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 September 2024. Based on the estimation, the Group recognised contract assets of EUR 417 thousand. At 30 September 2024, revenue received from some customers exceeded management's estimates. As a result, the Group recognised contract liabilities of EUR 328 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 September 2024, such liabilities amounted to EUR 2,740 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 September 2024, such liabilities amounted to EUR 109 thousand (31 December 2023: EUR 63 thousand).

12. OPERATING EXPENSES

In thousands of euros

For the 9 months ended 30 September	2024	2023
Fuel costs	5,468	5,276
Electricity costs	3,524	3,381
Heat, water and sewerage costs	580	589
Technical maintenance and repair of non-current assets	6,788	6,464
Services purchased for infrastructure	3,256	3,001
Tax expenses	1,125	1,993
Consultation and development expenses	495	230
Services purchased	4,869	4,646
Acquisition and maintenance of assets of insignificant value	651	736
Advertising expenses	161	187
Lease expenses	1,130	1,385
Insurance expenses	616	580
Other operating expenses	2,288	2,703
Total operating expenses	30,951	31,171

13. COMMITMENTS

At 30 September 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 42,794 thousand (31 December 2023: EUR 68,051 thousand), including a commitment of EUR 26,920 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. At the same time, 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. OÜ MPG AgroProduction filed appeals against the order with the Tallinn District Court and the Supreme Court. By an order of the Supreme Court dated 12 August 2024, the order of the county court dated 26 March 2024 entered into force, which meant that the reorganisation plan of OÜ MPG AgroProduction was not approved and the reorganisation proceedings were terminated. As a result of the termination of the reorganisation proceedings, the Harju County Court continued to hear the bankruptcy petition against OÜ MPG AgroProduction and appointed an interim bankruptcy trustee for OÜ MPG AgroProduction on 21 August 2024. On 15 October 2024, the court declared the bankruptcy of OÜ MPG AgroProduction, appointed a bankruptcy trustee and scheduled the first general meeting of the creditors.

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.

At 30 September 2024, AS Tallinna Sadam had claims of EUR 3.5 million (payments due for the right of superficies, servitude, land tax, services, interest and interest on arrears for 2022 and 2023), which had been written down. A contractual penalty and interest on arrears for 2024 will be added to the principal claim.

15. INVESTIGATIONS CONCERNING THE GROUP

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

Note 15 continued

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 on the grounds that the limitation period for the offences had expired. The court also released the property from seizure and ordered partial payment of the procedure expenses. The civil action lawsuit brought by the victims AS Tallinna Sadam and OÜ TS Laevad was dismissed. The victims are entitled to refile the lawsuit in accordance with the Code of Civil Procedure.

The judgment has not entered into force, as AS Tallinna Sadam, OÜ TS Laevad and the other parties to the proceedings appealed to the Tallinn District Court on 29 July 2024. On 14 October 2024, the Tallinn District Court decided to review the criminal case by written procedure. The parties to the appeal proceedings have the right to submit written statements and requests until 31 January 2025. The decision of the District Court will be announced no later than 4 June 2025.

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 9 months ended 30 September	2024	2023
Transactions with the associate		
Revenue	59	57
Operating expenses	1,591	1,536
Transactions with companies in which the members of the supervisory and management boards of group companies have significant influence		
Revenue	1	1
Operating expenses	10	27
Other expenses	10	20
Transactions with government agencies and companies of which the state has control		
Revenue	21,238	20,724
Other income	646	100
Operating expenses	4,696	4,479
Other expenses	43	0
Acquisition of property, plant and equipment	920	0

Note 16 continued

In thousands of euros	At 30 September 2024	At 31 December 2023
Trade receivables from and payables to the associate		
Receivables (note 4)	7	9
Payables (note 8)	244	193
Trade receivables from and payables to government agencies and companies of which the state has control		
Receivables	2,180	2,201
Payables	8,120	7,601

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

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

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

17. EVENTS AFTER THE REPORTING PERIOD

On 9 October 2024, AS Tallinna Sadam signed a two-year guarantee agreement with a bank under which the bank issued a guarantee of EUR 6 million to secure the obligations under the public service contract for passenger transport awarded to TS Laevad OÜ on 10 September 2024. The management board considers it unlikely that the guarantee will be called.

Under a loan agreement signed in the third quarter of 2024, EUR 3.5 million was drawn on 25 October 2024 (see note 9).

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 September 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 (11 November 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.

11 November 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