

28 APRIL 2022

Q1 2022

TALLINK GRUPP AS RESULTS WEBINAR



PRESENTERS



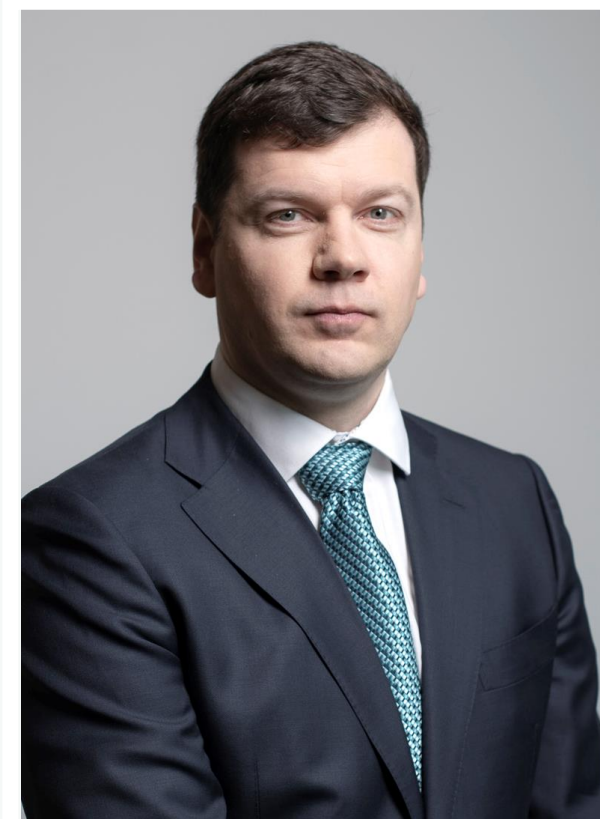
PAAVO NÕGENE

CHAIRMAN OF THE MANAGEMENT BOARD



HARRI HANSCHMIDT

MEMBER OF THE MANAGEMENT BOARD



JOONAS JOOST

FINANCIAL DIRECTOR

TALLINK GRUPP

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

OPERATIONS

- Fleet of 14 vessels
- Seven ferry routes (1 suspended)
- Operating four hotels (1 closed)

KEY FACTS

- Revenue of EUR 477 million in 2021
- Served 3.0 million passengers in 2021
- Transported 369 thousand cargo units
- Operating EUR 1.6 billion asset base
- 4 740 employees (end of Q1 2022)
- 2.9 million loyalty program members
- 38 953 shareholders and FDR-holders of which 29 576 on Tallinn Stock Exchange and 9 377 on Helsinki Stock Exchange



STRONG BRANDS

 **TALLINK**

SILJA LINE 

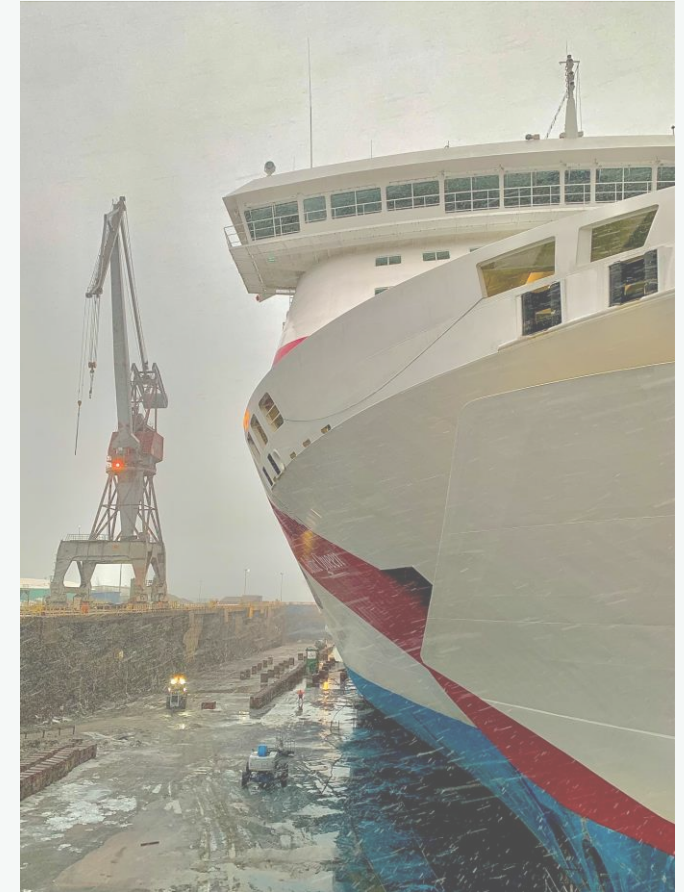
2022 Q1 DEVELOPMENTS AND KEY FACTS

OPERATING ENVIRONMENT

- Impact of Omicron variant in the beginning of the quarter
- Lifting of travel restrictions in Group's home markets in Sweden, Finland and Estonia from February and March contributing to the increase in number of bookings
- Geopolitical situation and armed conflict in Europe since February and rapid increase in global fuel prices

ACTIVITIES AND EVENTS

- Temporary scale-back of operations of cruise ferries
- Long-term charter of cruise ferry Romantika from late March
- Planned dockings of 8 vessels
- One new Burger King Restaurant opened in Riga, Latvia, in January
- Compromise agreement for termination of dispute with Port of Tallinn (AS Tallinna Sadam) regarding port fees



Baltic Queen in Naantali

EVENTS AFTER THE REPORTING PERIOD & OUTLOOK

Pilt?



Isabelle, March 2022

- Short-term chartering of cruise ferry Isabelle Riga-Stockholm route not operated in 2022
- Disposal of the cargo vessel Sea Wind
- Continuously exploring options for chartering out vessels
- The new dual fuel (LNG, MGO) shuttle vessel MyStar is expected to be delivered and start operations on the Tallinn-Helsinki route in Q3 2022

Despite the uncertainties in the outlook of the economic environment the management expects a quicker recovery in the passenger traffic from the second quarter of 2022.

CURRENT STATE OF BURGER KING OPERATIONS

Pilt?

- First Burger King restaurant opened in May 2020 in Estonia, 2021 the first full year period of Burger King operations
- Located mainly in shopping malls in the largest towns in Estonia, Latvia and Lithuania
- By the end of 2022, the Group intends to open 4 new restaurants in the Baltics including the first drive-in restaurants
- Currently operating 15 restaurants:
 - 6 restaurants in Estonia
 - 4 restaurants in Latvia
 - 5 restaurants in Lithuania

OPERATIONS AND RESULTS IN 2021

- On average operated 10 restaurants and employed 223 employees across the Baltic countries
- Operations negatively impacted by COVID-19 pandemic



Burger King restaurant on Viru street in Tallinn, Estonia

Q1 2022 OVERVIEW – COVID-19 & TRAVEL RESTRICTIONS

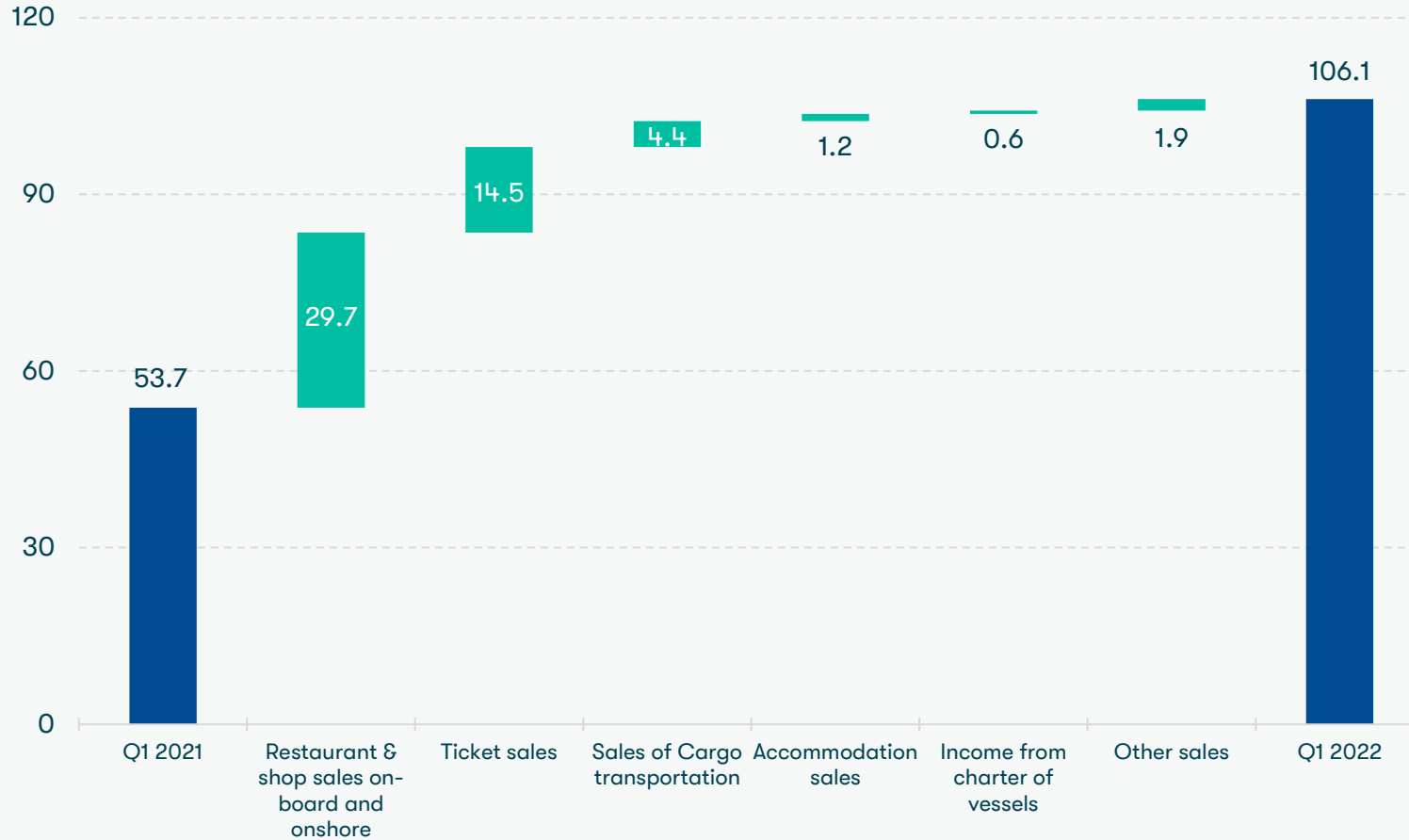
Q1 Selected Key Figures (financials in million euros)	2022	2021	Change
Number of passengers	720 261	267 224	169.5%
Number of cargo units	101 938	85 156	19.7%
Number of passenger cars	140 380	75 815	85.2%
Revenue	106.1	53.7	97.5%
Gross profit / loss	-19.9	-20.0	0.4%
EBITDA	-11.0	-6.3	-73.6%
EBIT	-34.6	-30.0	-15.5%
Net result for the period	-40.0	-34.4	-16.1%
Capital expenditures	8.9	4.2	111.8%
As at:	31.03.22	31.12.21	Change
Total assets	1 560.2	1 585.9	-1.6%
Total equity	652.5	692.5	-5.8%
Interest-bearing liabilities	789.5	779.9	1.2%
Net debt	688.5	652.4	5.5%

2022 unaudited

- **Revenue EUR 106.1m (EUR +52.4m or 97.5% vs LY)**
 - Impact of COVID-19 Omicron variant in the beginning of the quarter
 - Lifting of travel restrictions in Sweden, Finland and Estonia contributed to demand for travel
 - Impact from geopolitical and military conflict in Europe
 - 4% more departures compared to Q1 2021
- **Costs & support**
 - Cost of sales increased by 71% or EUR 52.3m
 - Fuel cost increased by 153% or EUR 17.1m
 - Limited government support of EUR 3.5m (EUR 5.0m in Q1 2021)
- **EBITDA of EUR -11.0m (EUR -4.6m vs LY)**
- **Net loss of EUR -40.0m (EUR -5.6m vs LY)**

Q1 REVENUE DEVELOPMENT BY OPERATING SEGMENTS

(EUR MILLION)



Restaurant and shop sales on-board and onshore increased mainly due to higher number of passengers

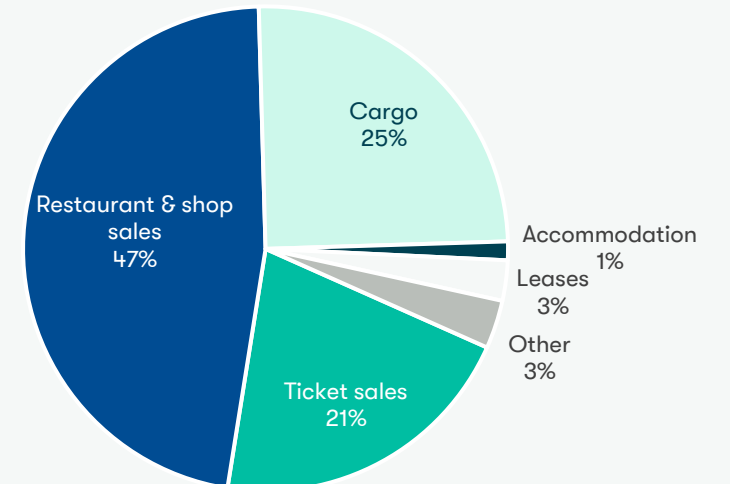
Increase in ticket sales attributable to increased demand and increased supply of overnight routes to and from Stockholm

High competition in cargo transportation market

Operation of three hotels in Q1 2022 (two hotels were open in Q1 2021)

Long-term charter of Romantika from late March 2022

REVENUE STRUCTURE IN Q1 2022



Q1 REVENUE DEVELOPMENT BY GEOGRAPHICAL SEGMENTS

(EUR MILLION)



Revenues of all routes negatively affected by COVID-19, but less than a year ago. Overall increase in demand and increased supply of overnight routes to and from Stockholm

Estonia-Finland

The results effectively reflect operations of two shuttle vessels and one cargo vessel

Estonia-Sweden

The results reflect the operations of two cargo vessels on Paldiski-Kapellskär route and one cruise ferry on Tallinn-Stockholm route (no Tallinn-Stockholm route in Q1 2021)

Finland-Sweden

The results reflect the operations of Turku-Stockholm and Helsinki-Stockholm routes (only Turku-Stockholm in Q1 2021)

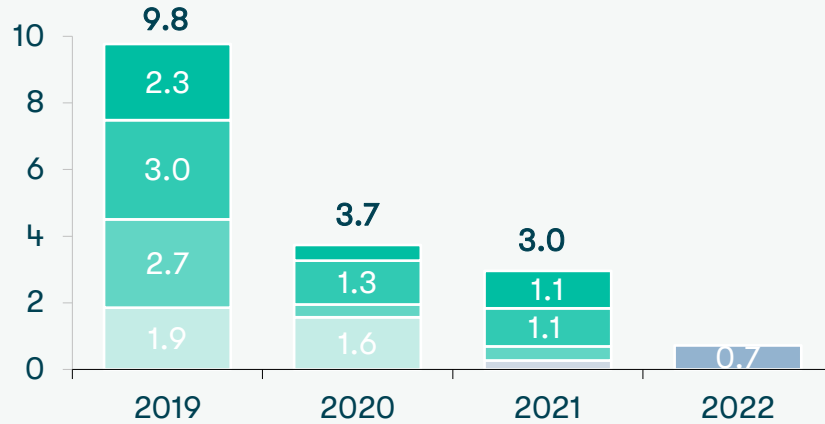
Other

Increase was mainly driven by accommodation sales, various retail activities and to a lesser extent by chartering of vessels

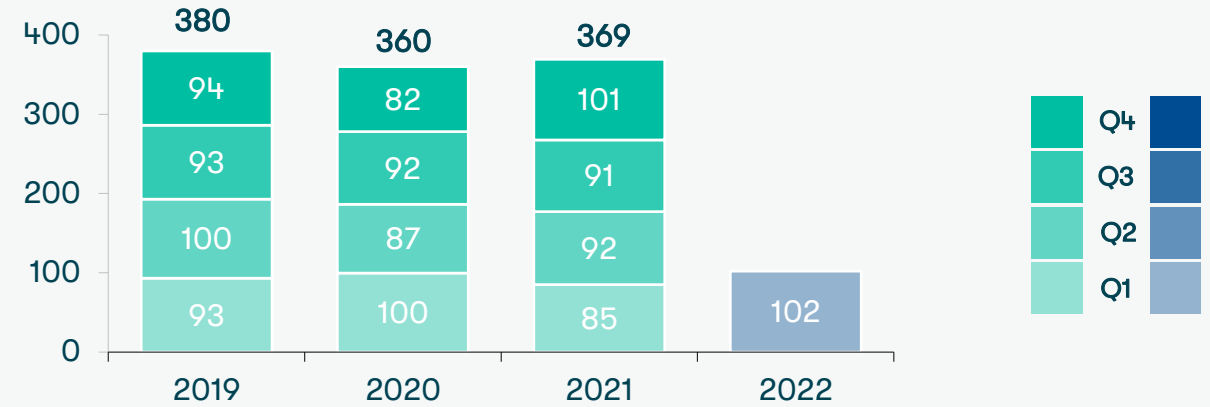
RESULTS

QUARTERLY SEASONALITY BREAKDOWN

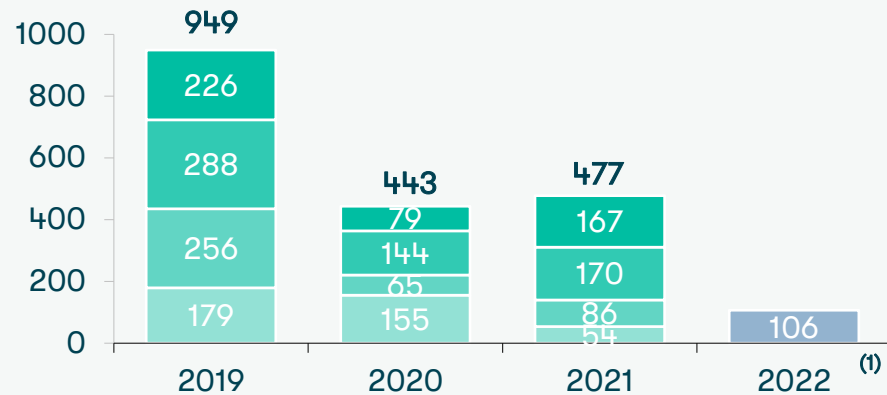
PASSENGERS (MILLIONS)



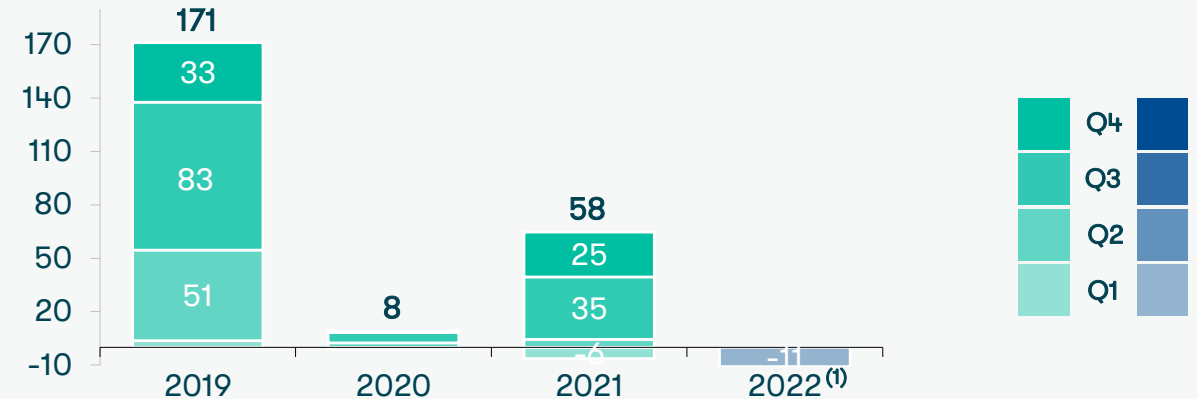
CARGO (TH. UNITS)



REVENUE (EUR MILLION)

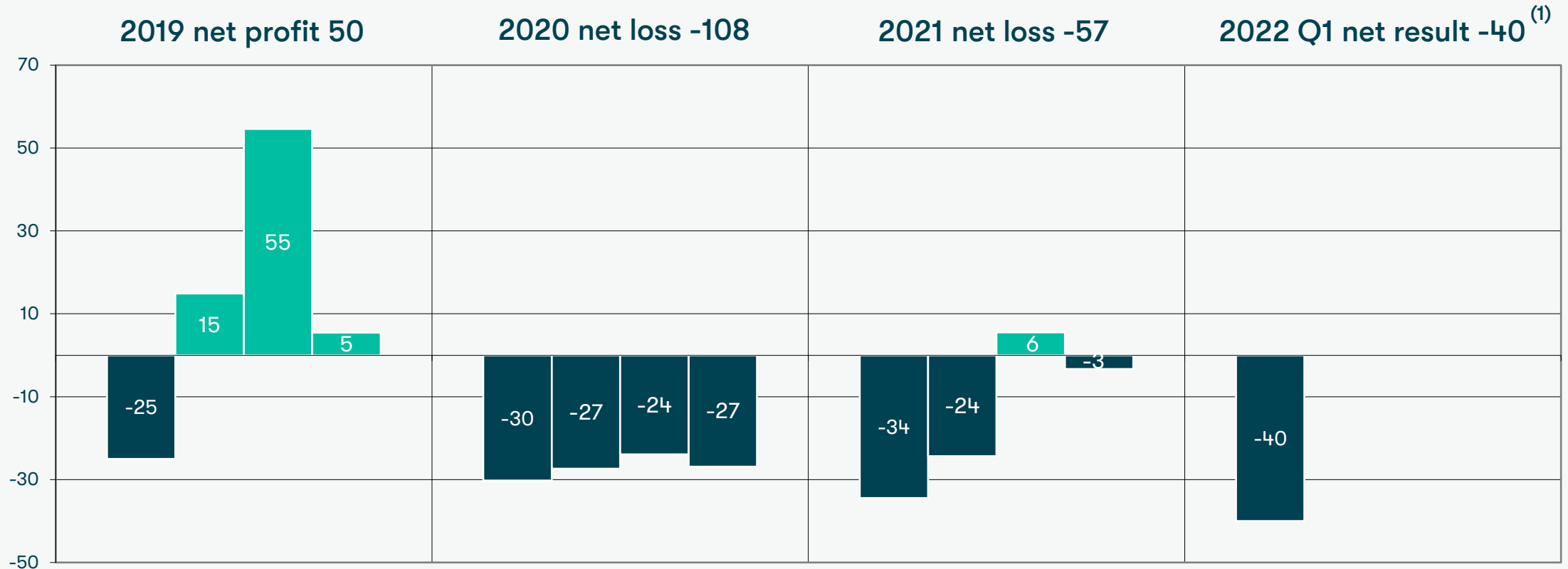


EBITDA (EUR MILLION)



THE DYNAMICS OF HIGH SEASONALITY ON THE PROFIT LEVEL

NET PROFIT BY QUARTERS (EUR MILLION)



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

CONSOLIDATED INCOME STATEMENT

(EUR million)	2020	2021	Q1 2021	Q1 2022 ⁽³⁾
Sales	443	477	54	106
Cost of sales ⁽¹⁾	(486)	(455)	(74)	(126)
Marketing & administrative cost ⁽¹⁾	(86)	(75)	(15)	(18)
Other operating items, net ⁽²⁾	37	16	5	4
EBITDA	8	58	(6)	(11)
<i>Margin (%)</i>	1.8%	12.2%	(11.7%)	(10.3%)
Net Result	(108)	(57)	(34)	(40)
EPS	(0.162)	(0.081)	(0.051)	(0.054)

CONSOLIDATED CASH FLOW STATEMENT

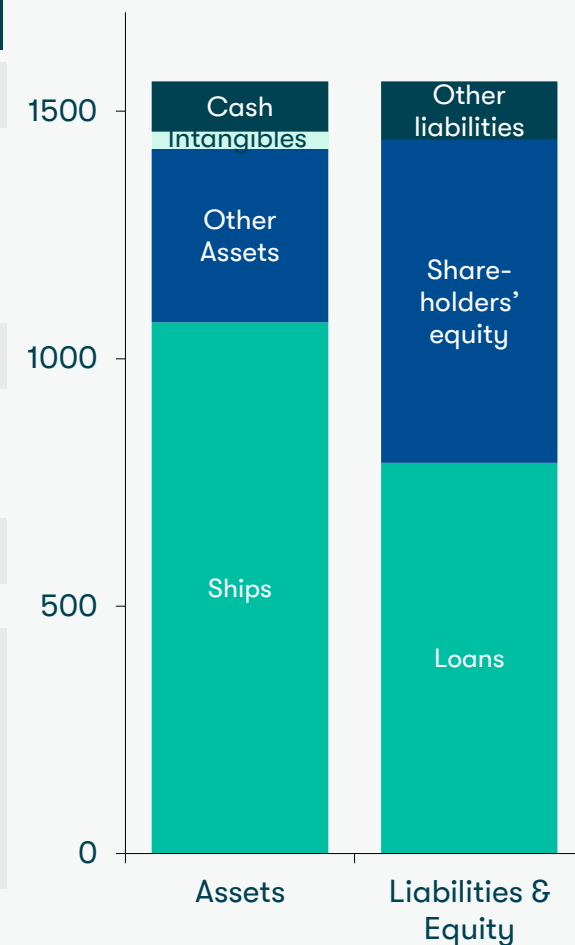
(EUR million)	2020	2021	Q1 2021	Q1 2022 ⁽¹⁾
Operating cash flow	(7)	59	(22)	(18)
Capital expenditure	(100)	(20)	(4)	(9)
Asset disposal	0	1	0	0
Free cash flow	(107)	40	(26)	(27)
Debt financing (net effect)	112	44	19	7
Interests & other financial items	(16)	(19)	(5)	(6)
Increase of share capital	0	35	0	0
Change in cash	(11)	100	(13)	(27)

Totals may not sum due to rounding

(1) 2022 unaudited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR million)	31.12.2020	31.03.2021	31.12.2021	31.03.2022 ⁽²⁾
Total assets	1 516	1 493	1 586	1 560
Non-current assets	1 427	1 410	1 383	1 372
Current assets	89	83	203	188
- of which cash	28	15	128	101
Total liabilities	802	812	893	908
Interest bearing liabilities	705	728	780	789
Other liabilities	97	84	113	118
Shareholders' equity	714	680	693	653
Net debt/EBITDA	84.2x	238.7x	11.2x	12.8x
Net debt	677	714	652	688
Equity/assets ratio	47%	46%	44%	42%
BVPS⁽¹⁾ (in EUR)	1.07	1.02	0.93	0.88



Totals may not sum due to rounding

(1) Shareholders' equity / number of shares outstanding

(2) 2022 unaudited

DEBT STRUCTURE

LONG TERM BANK LOANS

- EUR 663 million as at 31.03.2022
- 7 loan agreements outstanding: syndicated loans, amortizing project and working capital loans
- Maturities 1-8 years
- EUR denominated, fixed and EURIBOR floating

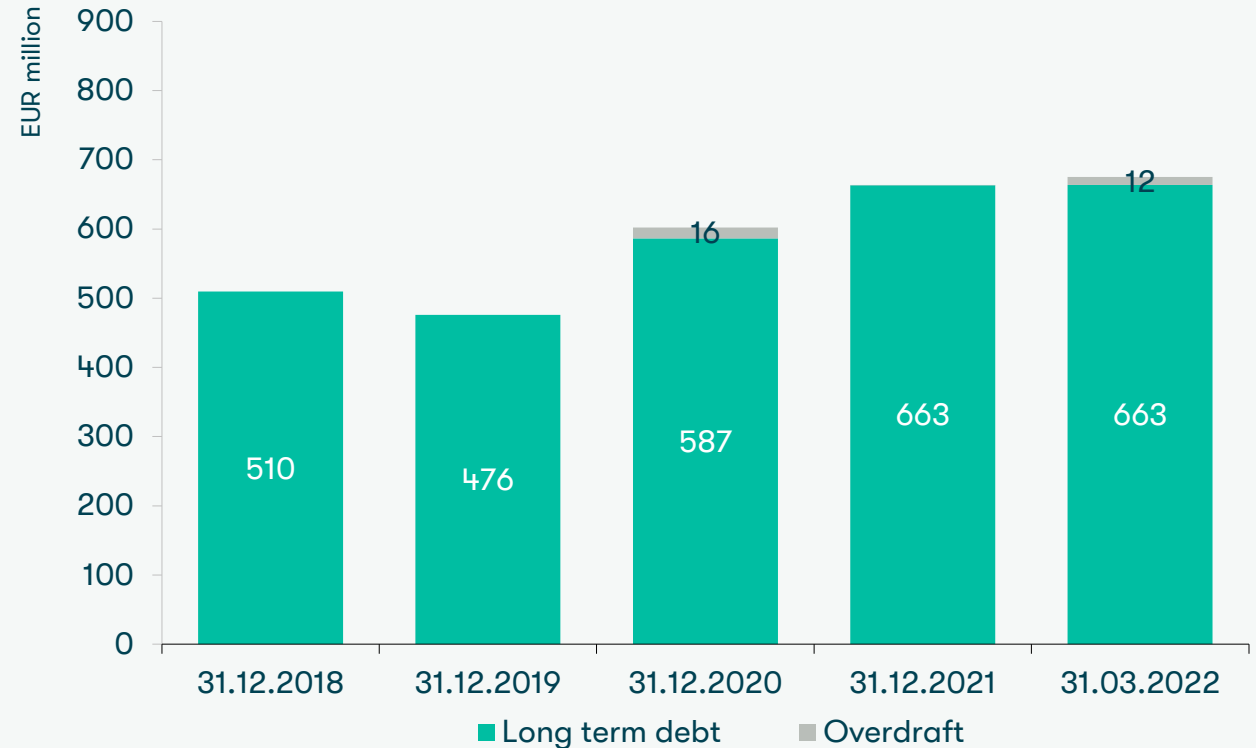
OVERDRAFTS (as at 31.03.2022)

- EUR 11.6 million used
- EUR 123.4 million unused

SIGNED, NOT YET DRAWN

- EUR 198 million from KfW IPEX-Bank GmbH (MyStar)

Total EUR 675 million long-term bank loans and used overdrafts as at 31.03.2022



2022 unaudited

PRINCIPAL PAYMENTS UNDER EXISTING LOAN AGREEMENTS POSTPONED

THANK YOU



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