

28 JULY 2022

Q2 2022

TALLINK GRUPP AS RESULTS WEBINAR



PRESENTERS



PAAVO NÕGENE

CHAIRMAN OF THE MANAGEMENT BOARD



MARGUS SCHULTS

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
- 5 572 employees (end of Q2 2022)
- 3.0 million loyalty program members
- 39 631 shareholders and FDR-holders of which 30 277 on Tallinn Stock Exchange and 9 354 on Helsinki Stock Exchange



STRONG BRANDS

 **TALLINK**

SILJA LINE 

2022 Q2 DEVELOPMENTS AND KEY FACTS

OPERATING ENVIRONMENT

- COVID-19 related restrictions lifted on home markets
- Geopolitical situation and war in Ukraine since February
- High inflation of global fuel prices and prices of food products and materials

ACTIVITIES AND EVENTS

- Romantika in long-term charter the entire quarter (from late March)
- Short-term chartering of cruise ferry Isabelle
Riga-Stockholm route not operated in 2022
- Maintenance and repair works of 3 vessels in dock
- Disposal of the cargo vessel Sea Wind
- One new Burger King Restaurant opened in Tartu, Estonia, in June
- Amendment of terms of EUR 100 million loan agreement



Victoria arriving in Leith locks

Q2 2022 OVERVIEW – COVID-19 & TRAVEL RESTRICTIONS

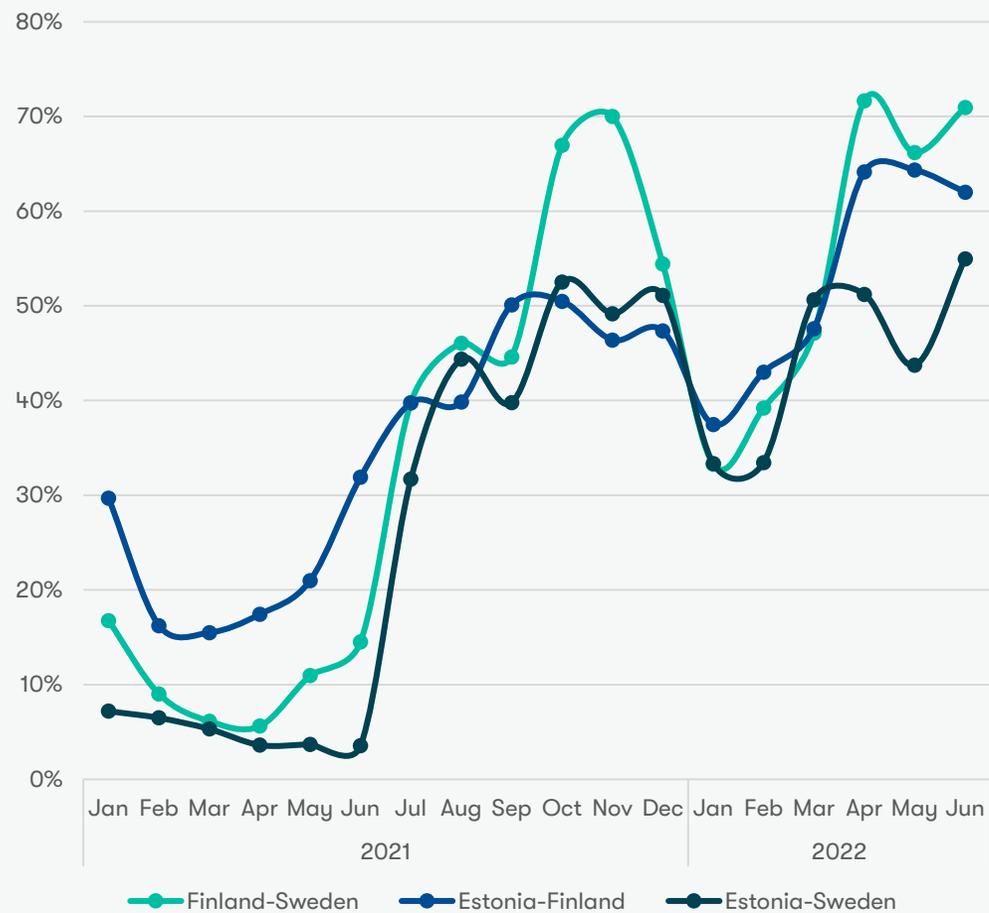
Q2 Selected Key Figures (financials in million euros)	2022	2021	Change
Number of passengers	1 552 174	427 767	262.9%
Number of cargo units	109 380	91 990	18.9%
Number of passenger cars	225 563	125 713	79.4%
Revenue	206.0	86.1	139.4%
Gross profit / loss	25.6	-8.7	393.1%
EBITDA	28.7	4.4	556.8%
EBIT	4.9	-19.4	125.3%
Net result for the period	-0.7	-24.3	97.2%
Capital expenditures	9.2	3.1	194.1%
As at:	30.06.22	31.03.22	Change
Total assets	1 550.1	1 560.2	-0.6%
Total equity	652.3	652.5	0.0%
Interest-bearing liabilities	746.5	789.5	-5.4%
Net debt	655.9	688.5	-4.7%

2022 unaudited

- **Revenue EUR 206.0m (EUR +120.0m or 139.4% vs LY)**
 - COVID-19 related travel restrictions lifted across our home markets
 - 17% more departures compared to Q2 2021
 - Strong recovery in passenger volumes, limited somewhat by impacts of war in Ukraine
- **Costs & support**
 - Cost of sales increased by 90% or EUR 85.7m
 - Fuel cost increased by more than 200% or by nearly EUR 30m
 - Limited government support of EUR 0.6m (EUR 6.1m in Q2 2021)
- **EBITDA of EUR 28.7m (EUR +24.3m vs LY)**
- **Net loss of EUR -0.7m (EUR +23.7m vs LY)**

RECENT PERFORMANCE VS PRE-PANDEMIC

PASSENGER VOLUME RELATIVE TO 2019



* 2 vessels on TAL-STO in 2019,
1 vessel in 2021/2022

Selected Key Figures (financials in million euros)	Last 12 months	2021	2020	2019
Number of passengers	4 539 419	2 961 975	3 732 102	9 763 210
Number of cargo units	403 342	369 170	359 811	379 634
Revenue	649.3	476.9	442.9	949.1
EBITDA	78.0	58.3	8.0	171.1
EBITDA margin, %	12.0%	12.2%	1.8%	18.0%
Net result for the period	-38.5	-56.6	-108.3	49.7

EVENTS AFTER THE REPORTING PERIOD & OUTLOOK

Pilt?



Victoria in Scotland, July 2022

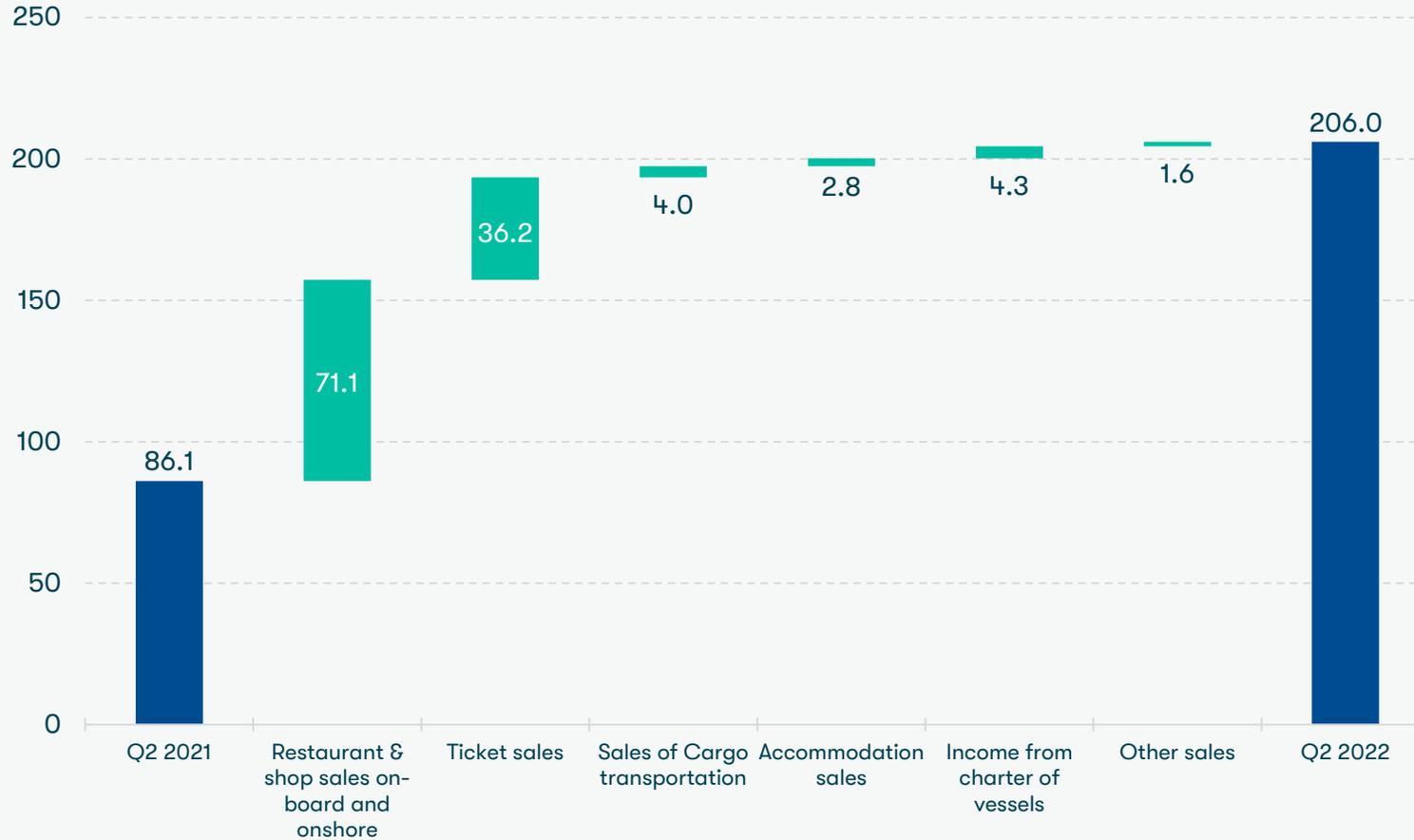
- Short-term chartering of three cruise ferries: Victoria I, Silja Europa and Galaxy
- Continuously exploring options for chartering out vessels
- The new dual fuel (LNG, MGO) shuttle vessel MyStar is expected to be delivered and start operations on the Tallinn-Helsinki route in September 2022

The war in Ukraine is expected to have a negative impact - demand of certain customer groups (mainly customers from the countries directly participating in the conflict and from Asian countries), risk of an increase in some input prices (mainly fuel and raw materials).

Despite the uncertainties related to the economic environment the management expects continuously quick recovery in the passenger traffic during the summer and looks for ways to manage risks for the low season.

Q2 REVENUE DEVELOPMENT BY OPERATING SEGMENTS

(EUR MILLION)



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

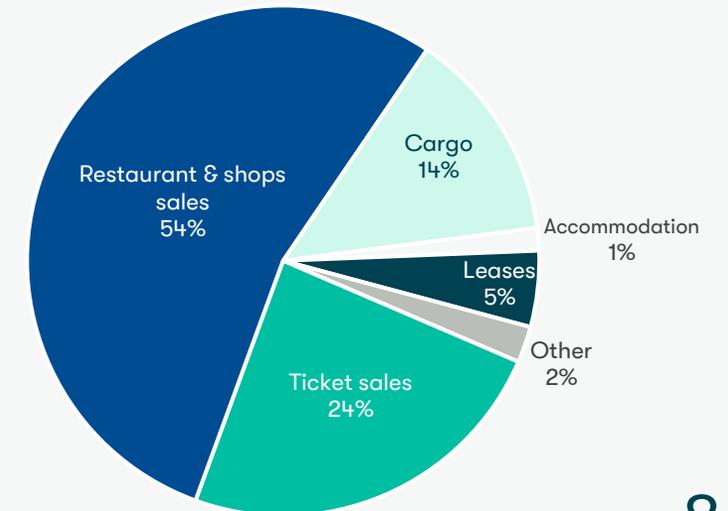
Increase in ticket sales attributable to increased demand and increased supply of overnight services

High competition in cargo transportation market

Operation of three hotels in Q2 2022 (only one hotel open in Q2 2021)

Three vessels chartered out in Q2 2022 (one vessel in Q2 2021)

REVENUE STRUCTURE IN Q2 2022



Q2 REVENUE DEVELOPMENT BY GEOGRAPHICAL SEGMENTS

(EUR MILLION)



No COVID-19 restrictions in 2022 vs high restrictions and limited operations in 2021. Overall increase in demand and increased supply of overnight services

Estonia-Finland

The segment reflects operations of two shuttle vessels, a cruise ferry, and a cargo vessel

Estonia-Sweden

The results reflect operations of one cargo vessel (Paldiski-Kapellskär) and one cruise ferry on Tallinn-Stockholm route, as well as expenses of a suspended cruise ferry Victoria I (EUR 2.6m)

Finland-Sweden

The results reflect the operations of Turku-Stockholm and Helsinki-Stockholm routes (only Turku-Stockholm in Q2 2021)

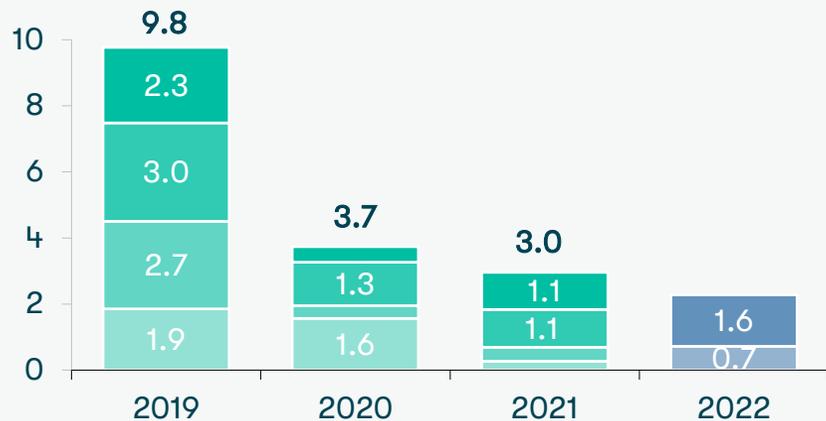
Other

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

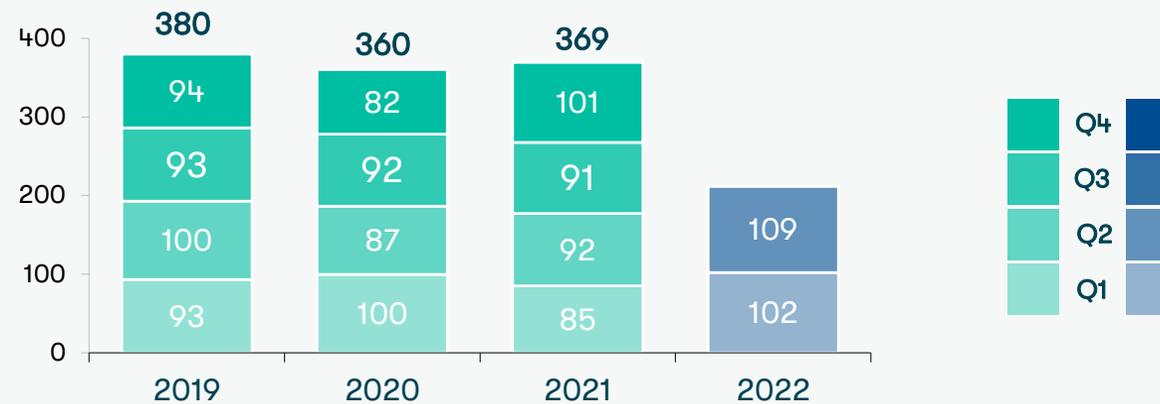
RESULTS

QUARTERLY SEASONALITY BREAKDOWN

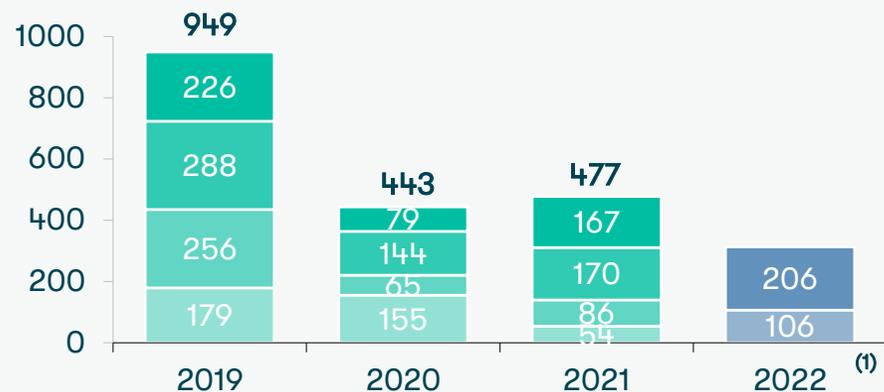
PASSENGERS (MILLIONS)



CARGO (TH. UNITS)



REVENUE (EUR MILLION)

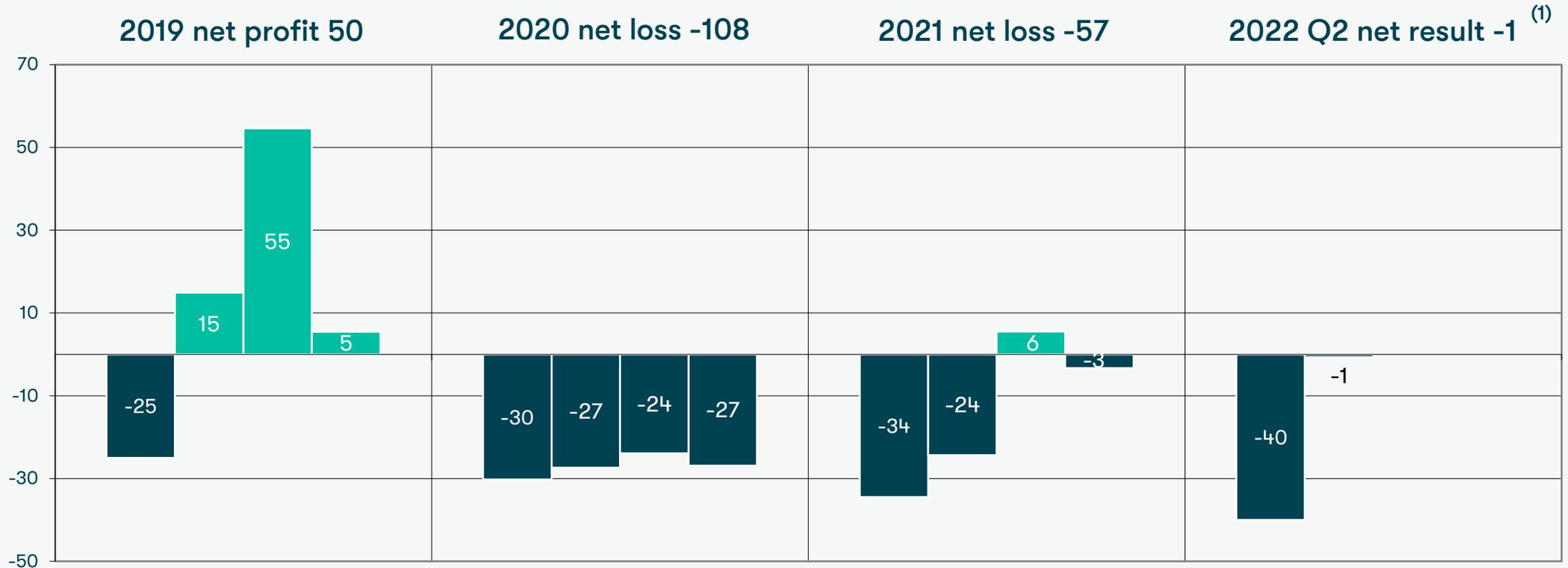


EBITDA (EUR MILLION)



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	Q2 2021	Q2 2022 ⁽³⁾
Sales	443	477	86	206
Cost of sales ⁽¹⁾	(486)	(455)	(95)	(181)
Marketing & administrative cost ⁽¹⁾	(86)	(75)	(17)	(22)
Other operating items, net ⁽²⁾	37	16	7	2
EBITDA	8	58	4	29
<i>Margin (%)</i>	1.8%	12.2%	5.1%	13.9%
Net Result	(108)	(57)	(24)	(1)
EPS	(0.162)	(0.081)	(0.036)	(0.001)

CONSOLIDATED CASH FLOW STATEMENT

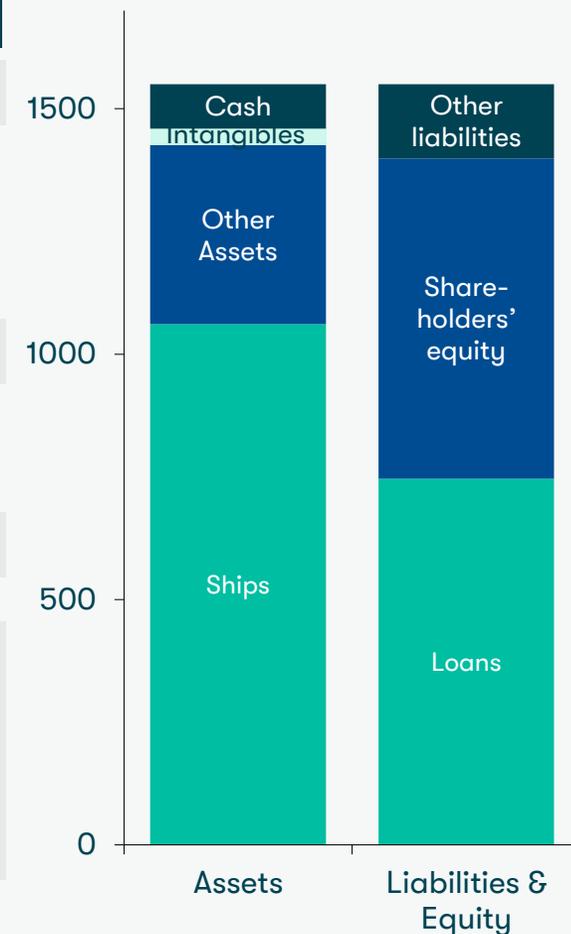
(EUR million)	2020	2021	Q2 2021	Q2 2022 ⁽¹⁾
Operating cash flow	(7)	59	30	45
Capital expenditure	(100)	(20)	(3)	(9)
Asset disposal	0	1	0	3
Free cash flow	(107)	40	27	38
Debt financing (net effect)	112	44	0	(44)
Interests & other financial items	(16)	(19)	(4)	(5)
Increase of share capital	0	35	0	0
Change in cash	(11)	100	23	(10)

Totals may not sum due to rounding

(1) 2022 unaudited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR million)	31.12.2020	30.06.2021	31.12.2021	30.06.2022 ⁽²⁾
Total assets	1 516	1 525	1 586	1 550
Non-current assets	1 427	1 407	1 383	1 356
Current assets	89	118	203	195
- of which cash	28	38	128	91
Total liabilities	802	869	893	898
Interest bearing liabilities	705	745	780	747
Other liabilities	97	125	113	151
Shareholders' equity	714	656	693	652
Net debt/EBITDA	84.2x	143.2x	11.2x	8.4x
Net debt	677	707	652	656
Equity/assets ratio	47%	43%	44%	42%
BVPS⁽¹⁾ (in EUR)	1.07	0.98	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 618 million as at 30.06.2022
- 7 loan agreements outstanding: syndicated loans, amortizing project and working capital loans
- Maturities 0.5-7 years
- EUR denominated, fixed and EURIBOR floating

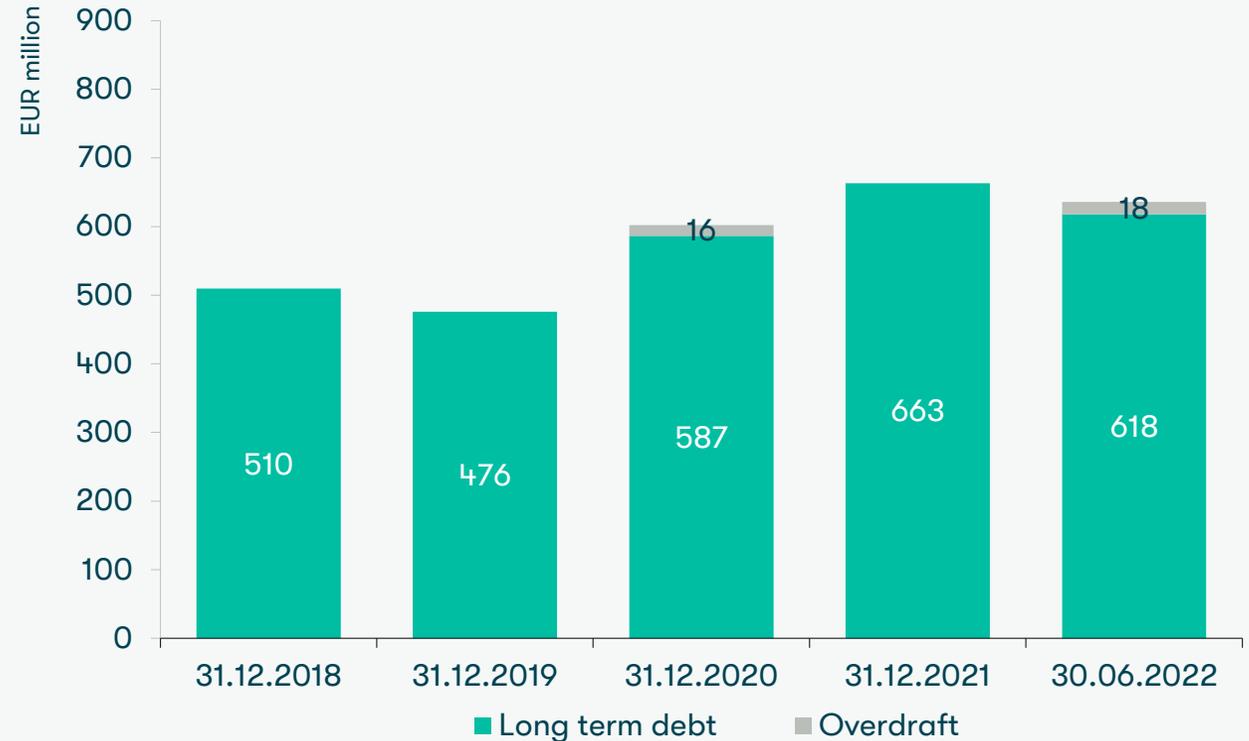
OVERDRAFTS (as at 30.06.2022)

- EUR 18.3 million used
- EUR 116.7 million unused

SIGNED, NOT YET DRAWN

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

Total EUR 636 million long-term bank loans and used overdrafts as at 30.06.2022



2022 unaudited

PAYMENT OF PREVIOUSLY POSTPONED PRINCIPAL PAYMENTS UNDER EXISTING LOAN AGREEMENTS RESTARTED IN Q2 2022

THANK YOU



AS Tallink Grupp

Sadama 5, 10111, Tallinn, Estonia

www.tallink.com/investors

investor@tallink.ee

