

# AS Tallink Grupp Company Presentation

March 2024



# Tallink Grupp

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

## STRONG BRANDS



## KEY FACTS ABOUT TALLINK GRUPP as at 31 DEC 2023



### 15 vessels

13 passenger vessels  
2 cargo vessels



**5 regular routes**  
on the Baltic Sea



### 5 vessels in charter

Both long-term  
and medium-term



**3.1 million**  
Club One members



### 4 hotels

3 in Tallinn  
1 in Riga



**21 Burger King restaurants**  
Estonia, Latvia, Lithuania



**2 stand-alone restaurants**  
in Tallinn



**4600+ employees**  
Estonia, Finland, Germany,  
Sweden, Latvia and  
Lithuania



**Shopping**  
on-board, on-shore,  
on-line



# 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

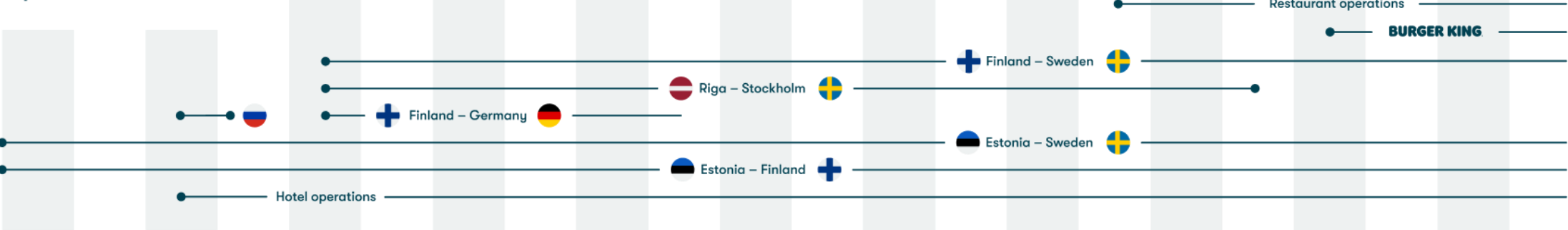


# Tallink Grupp in 2023

- Revenue of EUR 835.5 million
- EBITDA of EUR 214.5 million
- Net profit of EUR 78.9 million
- Served 5.7 million passengers
- Transported 324 thousand cargo units
- Operated EUR 1.6 billion asset base
- 4,912 employees at the end of FY 2023
- 3.1 million loyalty program members
- 38,894 shareholders and FDR-holders of which 30,563 on Tallinn Stock Exchange and 8,331 on Helsinki Stock Exchange

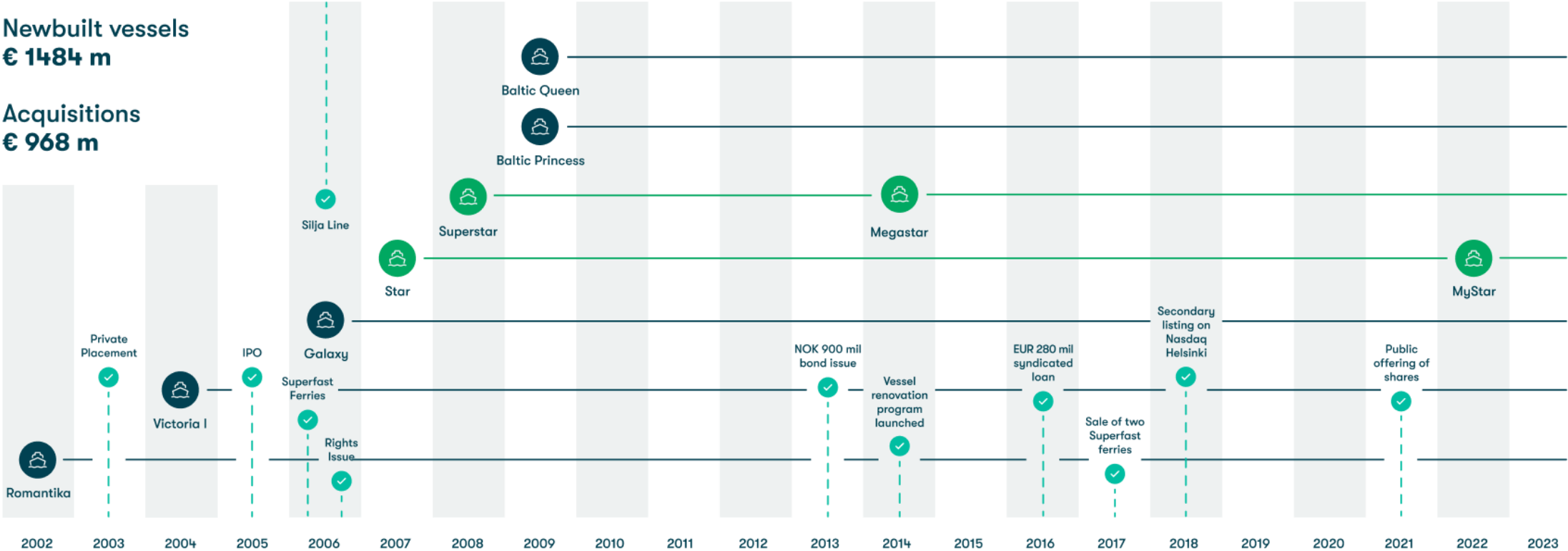


Operations



Newbuilt vessels  
€ 1484 m

Acquisitions  
€ 968 m



# Routes & passengers

Passengers in 2023

Finland **49%**  
Estonia **24%**  
Sweden **8%**  
Europe **8%**  
Asia **4%**  
Latvia **2%**  
Lithuania **2%**  
Other **3%**

**10.5 mln**  
SWEDEN

**5.5 mln**  
FINLAND

**1.3 mln**  
ESTONIA

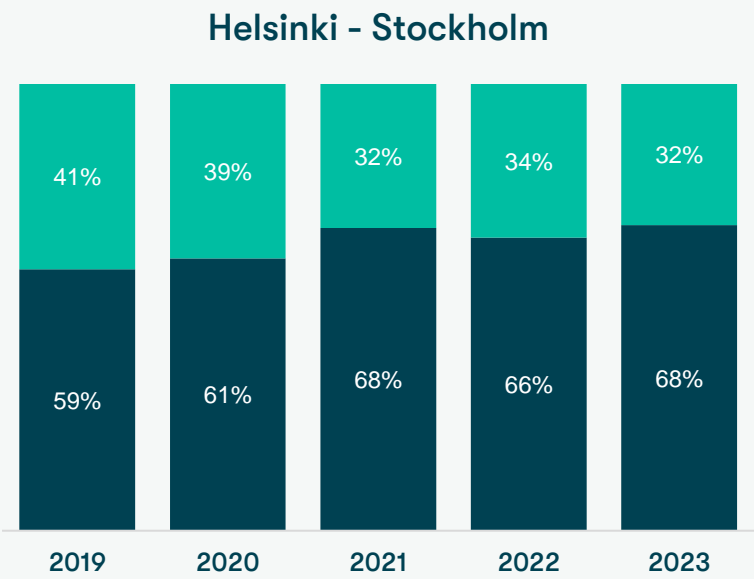
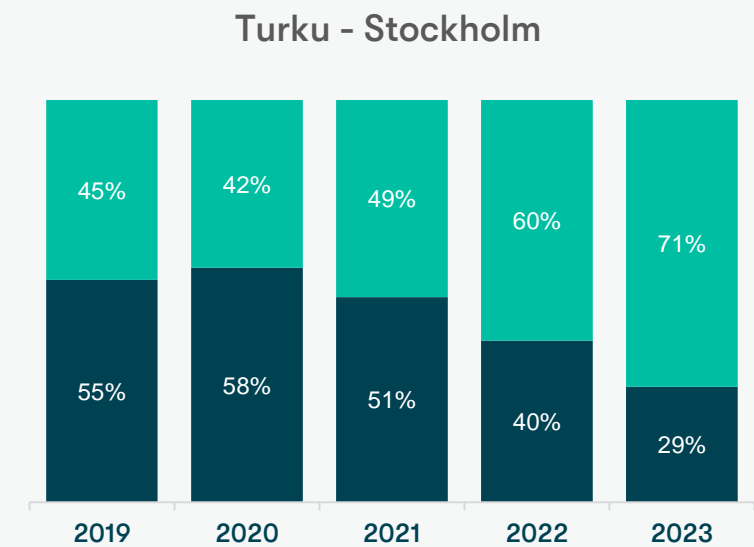
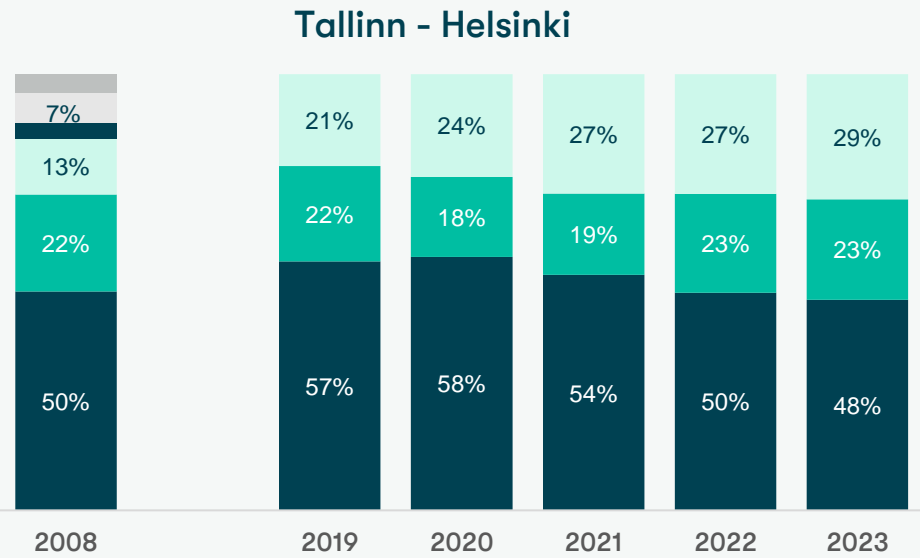
**1.8 mln**  
LATVIA



# Passenger operations market share

Northern Baltic passenger market  
~14 million passenger in 2023

- Tallink
- Viking Line
- Eckerö Line
- Linda Line
- SuperSeaCat
- Nordic Jetline



# Fleet by routes and chartered vessels

## Tallinn – Helsinki



Megastar

Vessel type High-speed ro-pax  
Built/renovated 2017  
Route Estonia–Finland  
Other information Shuttle service



MyStar

Vessel type High-speed ro-pax  
Built/renovated 2022  
Route Estonia–Finland  
Other information Shuttle service



Victoria I

Vessel type Cruise ferry  
Built/renovated 2004  
Route Estonia–Finland  
Other information Overnight cruise

## Tallinn – Stockholm



Baltic Queen

Vessel type Cruise ferry  
Built/renovated 2009  
Route Estonia–Sweden  
Other information Overnight cruise

## Turku – Stockholm



Baltic Princess

Vessel type Cruise ferry  
Built/renovated 2008  
Route Finland–Sweden  
Other information Overnight cruise

## Helsinki – Stockholm



Silja Symphony

Vessel type Cruise ferry  
Built/renovated 1991  
Route Finland–Sweden  
Other information Overnight cruise



Silja Serenade

Vessel type Cruise ferry  
Built/renovated 1990  
Route Finland–Sweden  
Other information Overnight cruise

## Chartered long-term



Isabelle

Vessel type Cruise ferry  
Built/renovated 1989  
Other information Chartered out



Atlantic Vision

Vessel type High-speed ro-pax  
Built/renovated 2002  
Other information Chartered out



Oscar Wilde  
(Star)

Vessel type High-speed ro-pax  
Built/renovated 2007  
Other information Chartered out

## Paldiski – Kapellskär



Regal Star

Vessel type Ro-ro cargo vessel  
Built/renovated 1999  
Route Estonia–Sweden  
Other information Cargo transportation



Sailor

Vessel type Ro-ro cargo vessel  
Built/renovated 1987  
Route Estonia–Sweden  
Other information Cargo transportation

## Chartered short-term



Galaxy I

Vessel type Cruise ferry  
Built/renovated 2006  
Other information Chartered out



Silja Europa

Vessel type Cruise ferry  
Built/renovated 1993/2016  
Other information Chartered out

## In lay-up

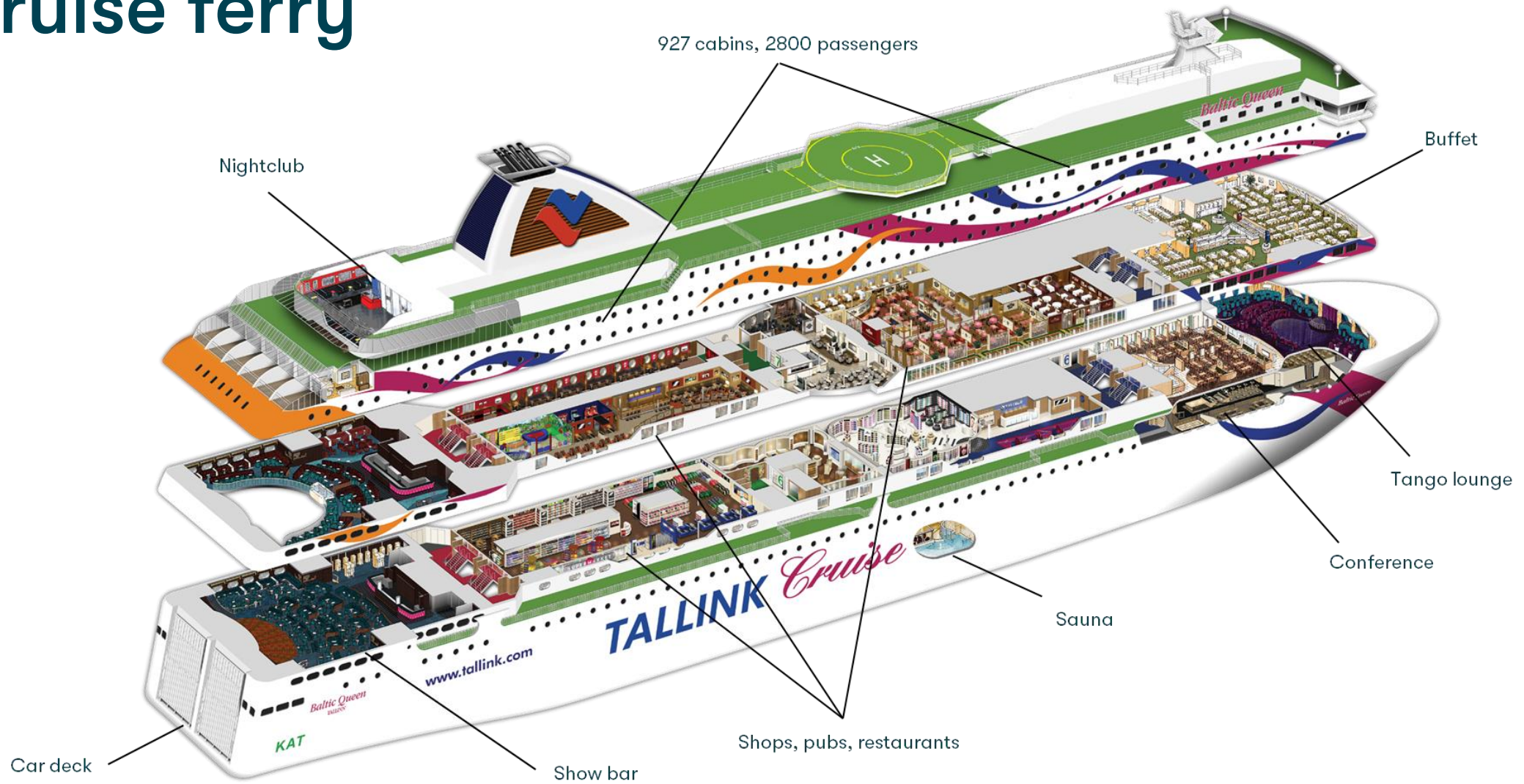


Romantika

Vessel type Cruise ferry  
Built/renovated 2002  
Other information In lay-up



# Cruise ferry





# Business model

## Product offering

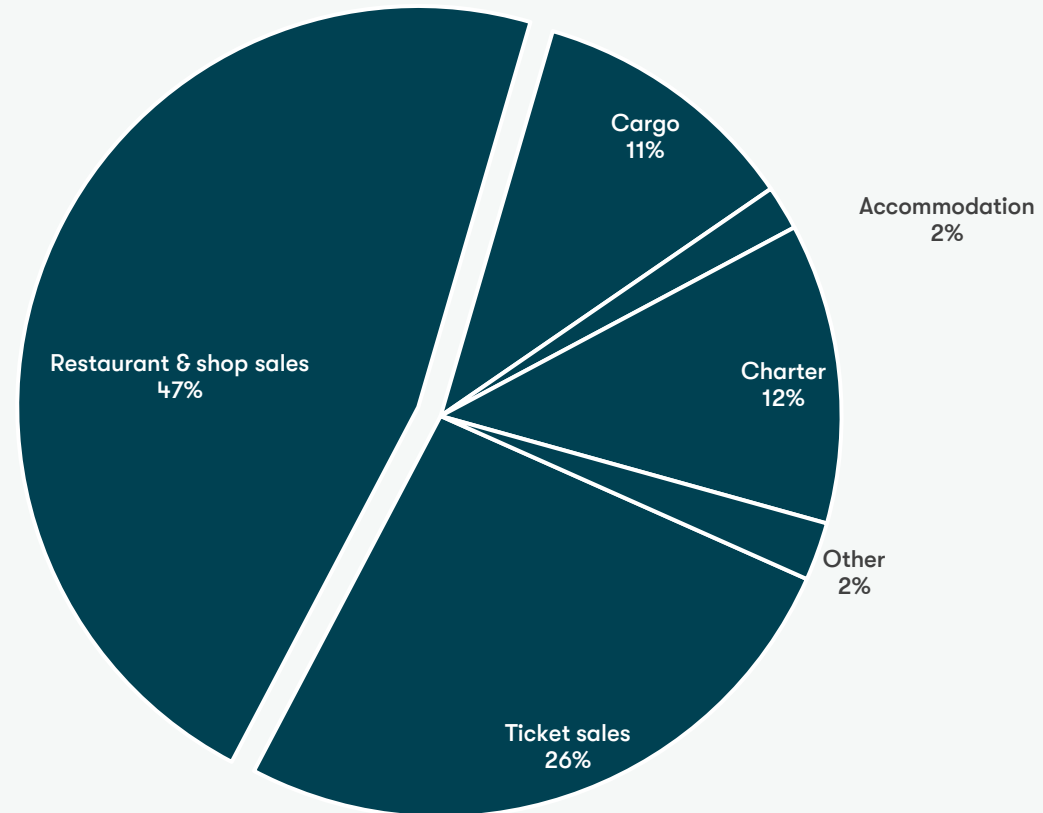
### RETAIL AND LEISURE SIDE

- Onboard Catering
- Onboard Tax-Free Shopping
- Hotel & Travel Packages

### INFRASTRUCTURE SIDE

- Overnight Cruises & Passenger Transportation
- Cargo Transportation
- Shuttle Service
- Vessel Chartering

## REVENUE STRUCTURE 2023



# Position in the global ferry market

## THE WORLD'S TOP DUTY FREE & TRAVEL RETAIL SHOPS

Ranking by actual and estimated retail sales in 2019

Rank	Location	Country	Channel
1	SEOUL - Incheon Int'l Airport	South Korea	Airport Shops
2	SHANGHAI - Pudong Airport	China	Airport Shops
3	DUBAI - Dubai International Airport	UAE	Airport Shops
4	SINGAPORE - Changi Airport	Singapore	Airport Shops
5	BEIJING - Capital Airport	China	Airport Shops
6	LONDON - Heathrow Airport	UK	Airport Shops
7	BANGKOK - Suvarnabhumi Airport	Thailand	Airport Shops
8	TOKYO - Narita Airport	Japan	Airport Shops
9	HONG KONG - International Airport	Hong Kong	Airport Shops
10	PARIS - Charles de Gaulle Airport	France	Airport Shops
11	GUANGZHOU - Baiyun Airport	China	Airport Shops
12	TAIPEI - Taoyuan International Airport	Taiwan	Airport Shops
13	FRANKFURT - Frankfurt-Main Airport	Germany	Airport Shops
14	TALLINK - All Routes	Estonia	Ferries
15	ISTANBUL - Atatürk Airport	Turkey	Airport Shops
16	CHEJU - Int'l Airport	South Korea	Airport Shops
17	AMSTERDAM - Schiphol Airport	Netherlands	Airport Shops
18	TEL AVIV - Ben Gurion Int'l Airport	Israel	Airport Shops
19	OSAKA - Kansai International Airport	Japan	Airport Shops
20	OSLO - Gardermoen Airport	Norway	Airport Shops

## FERRY OPERATOR BY GROSS TONS

Rank	Company	Gross tons
1	Grimaldi Group	1,098,331
2	Stena Line	1,012,951
3	Grand Navi Veloci	733,918
4	Attica Group	606,293
5	DFDS	596,405
6	Onorato Armatori S.p.A	570,027
7	Tallink Group	535,546

## FERRY OPERATOR BY BEDS

Rank	Company	Beds
1	Grand Navi Veloci	26,654
2	Tallink	21,837
3	Grimaldi Group	21,333
4	Onorato Armatori S.p.A	20,157
5	Stena Line	18,834

## FERRY OPERATOR BY REVENUES

(EUR million, 2022)

Rank	Company	Revenue
1	DFDS Group	2,415
2	Stena Line	1,574
3	Tallink	771
4	Finnlines	736
5	Attica Group	530
6	Viking Line	495

Data: Ro/pax / ferries above 1,000 GT  
Source: ShipPax MARKET:23; Company reports

Source: Generation Research 2020



Yves Saint Laurent BALLY Ray-Ban VERSACE CLARINS RITUALS... ESTÉE LAUDER   
 CAROLINA HERRERA SENSAI  VICTORINOX DOLCE & GABBANA paco rabanne  
 jane iredale  SIF JAKOBS JO MALONE Dior MARMARA BOSS   
 THE SKINCARE MAKEUP™ JEWELLERY LONDON STERLING  
 LINDBERGH Alexander McQUEEN Elizabeth Arden SHISEIDO POLO  
 TOM FORD MICHAEL KORS GANT TOMMY HILFINGER BURBERRY  
  MARC JACOBS GIORGIO ARMANI VALENTINO Jean Paul GAULTIER LA ROCHE POSAY GUCCI  
 LABORATOIRE DERMATOLOGIQUE  
 SWAROVSKI LACOSTE  L'OCCITANE COCCINELLE marimekko CHANEL  
 LA MER.  COACH CALVIN KLEIN HERMÈS  benefit 極度乾燥(しなさい) Superdry.  Kiehl's  
 NEW YORK PARIS SAN FRANCISCO THE FINEST QUALITY SUPPLY CO. BRAND TRADE MARK SINCE 1851  
 LIU·JO KYLIE COSMETICS BY KYLIE JENNER Samsonite® GIVENCHY CŒUR DE LION BIOTHERM  
 HANDMADE IN GERMANY  
 NORA NORWAY VANS OAKLEY CLINIQUE AMERICAN TOURISTER PRADA MOROCCANOIL.  
 ESPRIT LANCÔME MAJORICA FURLA NUXE GUESS  
 PARIS 1890 PARIS



# Dining concepts on our vessels

Our brands and international premium brands



Safety, security and environmental  
protection are a high priority

# Sustainability focus areas and goals

## People

- Give back to communities
- Promote responsible service
- Ensure health & well-being of colleagues

## Resources

- Source products locally where possible
- Source sustainable products where possible
- Promote circular economy



## Climate

- Reduce CO<sub>2</sub> emissions by 2% annually
- Reduce pollution
- Become a paperless business

## Sea

- Reduce waste
- No single-use plastic
- Reduce water consumption



# Focus on Innovation

Tallink Grupp is investing in innovation and technology for the Baltic Sea including:

- 0.5 billion euros in eco-friendly vessels and
- 20 million euros in green technologies.

The 52% reduction in CO<sub>2</sub> emissions has been achieved by investing in:

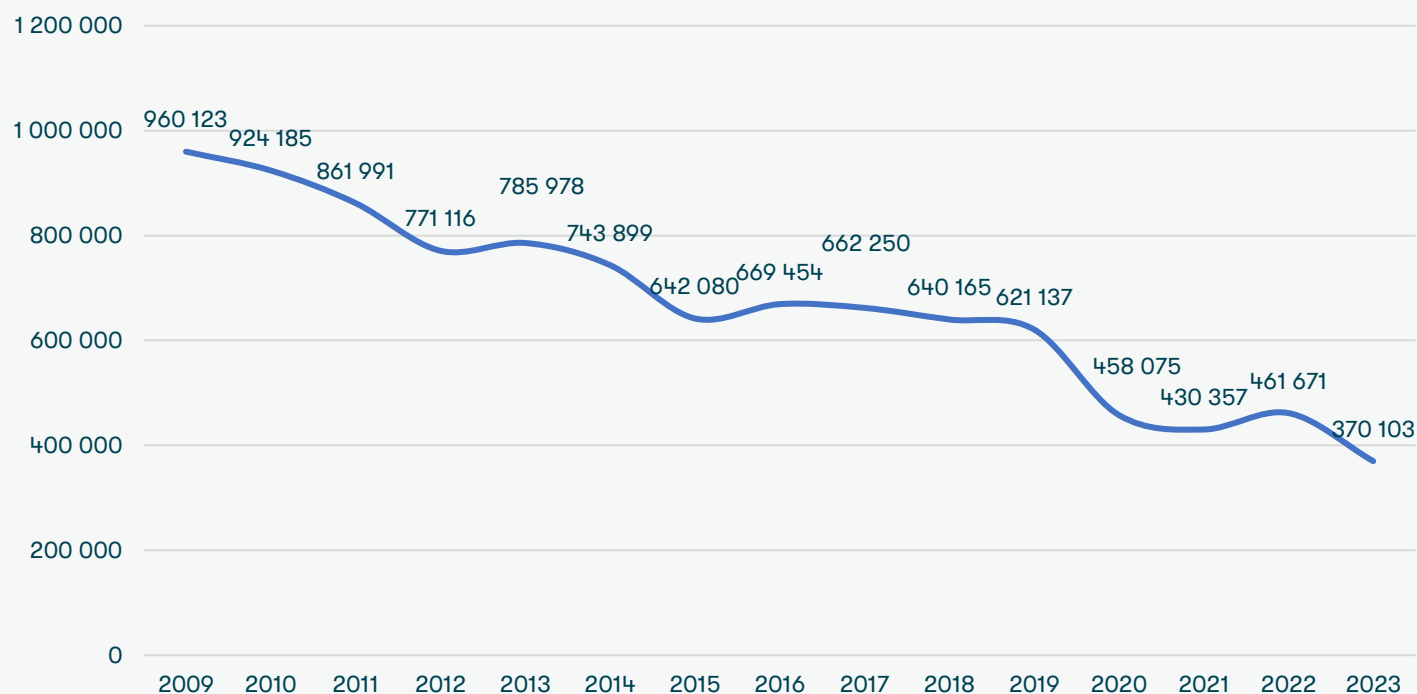
- LNG for Shuttle vessels;
- Shore power for vessels;
- Automated mooring system;
- Upgraded ventilation systems;
- Reusing produced energy;
- Route planning with nauticalAI



# ESG focus areas in 2024

- 2023 and 2024 focus on achieving compliance with CSRD requirements and new reporting standards
- First CSRD compliant ESG report published in 2025 with limited audit assurance
- Current activities: Double Materiality finalisation, ESG target setting and policy and data review – Q1 & Q2 2024
- Key material impact areas include tackling climate change and emissions, customer safety and security, own workforce topics, supply chain management, data protection.
- Investment focus on emissions reductions

## TOTAL CO<sub>2</sub> EMISSIONS



## Policies and certifications

- ISO 14001:2015 Environmental Certificate by Lloyds Register
- International Anti-Fouling System Certificate
- MARPOL International Energy Efficiency Certificate
- MARPOL International Sewage Pollution Prevention Certificate
- MARPOL International Air Pollution Prevention Certificate
- MARPOL International Oil Pollution Prevention Certificate
- MARPOL International Garbage Pollution Prevention Attestation
- Document of Compliance for Anti-Fouling System
- Passenger Ship Safety Certificate
- International Ship Security Certificate
- Safety Management Certificate
- Document for Dangerous Goods
- Safety and Security Policy
- Environmental Policy



	Current issue date: 4 July 2023 Expiry date: 3 July 2026 Certificate identity number: 10532129	Original approval(s): ISO 14001 – 4 July 2008
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## Certificate of Approval

This is to certify that the Management System of:

### HT Laevateenindus OÜ

Sadama 5, 10111 Tallinn, Estonia

has been approved by LRQA to the following standards:

**ISO 14001:2015**

Approval number(s): ISO 14001 – 0064831

This certificate is valid only in association with the certificate schedule bearing the same number on which the locations applicable to this approval are listed.

The scope of this approval is applicable to:

TallinkSilja Fleet shipmanagement.

  
Paul Graaf

Area Operations Manager, Europe  
Issued by: LRQA Limited



LRQA Group Limited, its affiliates and subsidiaries and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'LRQA'. LRQA assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or otherwise provided, unless that person has signed a contract with the relevant LRQA entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.  
Issued by: LRQA Limited, 1 Trinity Park, Bickenhill Lane, Birmingham B37 7ES, United Kingdom

Page 1 of 3

# FY2023 revenues

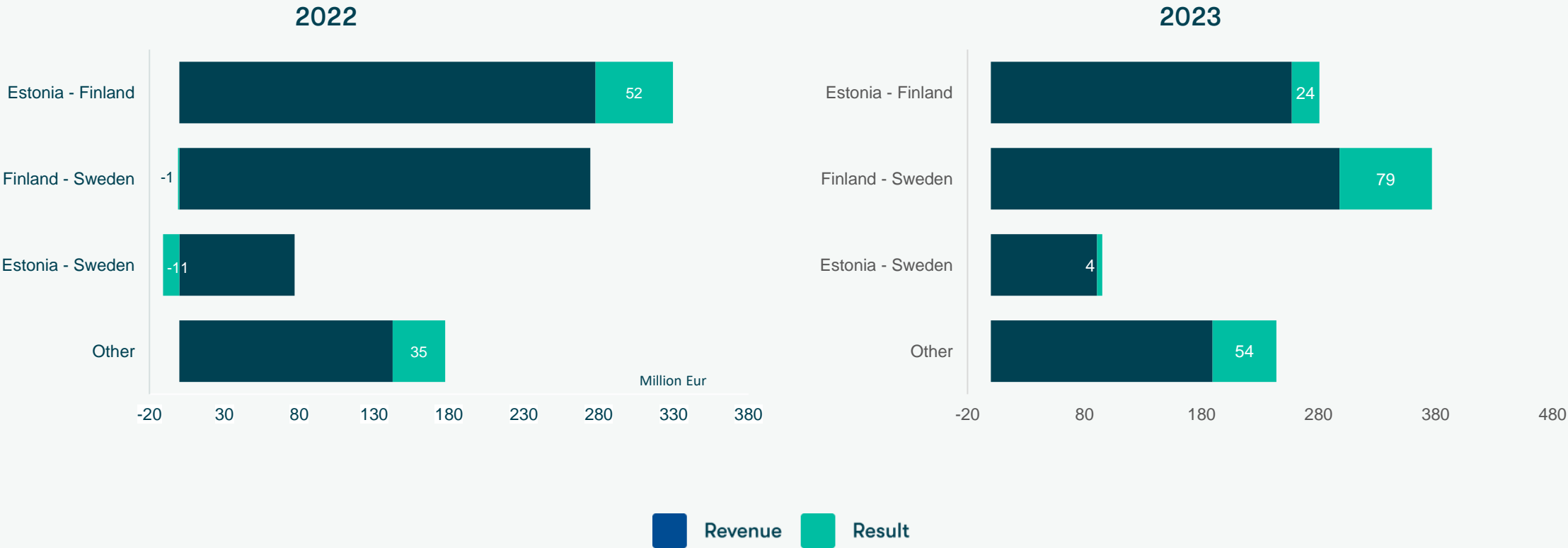
- Revenue EUR 835.3m (EUR +63.9m or 8.3% vs LY)
  - 53.7% increase in chartering revenues
  - Strong result in accommodation and ticket sales segment
- Costs
  - Lower global prices supported a 32.6% drop in fuel cost to EUR 97.2m (EUR -47.0m vs LY)
  - Net finance costs increased by EUR 10.9m year-on-year mainly due to increased Euribor
- EBITDA of EUR 214.5m (EUR +78.7m or 58.0% vs LY)
- Net profit of EUR 78.9m (EUR +64.9m or 466.0% vs LY)
- CAPEX of EUR 28.2m (EUR -175.1m vs LY)
  - Majority of investments were related to maintenance and repair of vessels

Selected Key Figures (financials in million euros)	2022	2023 <sup>(1)</sup>	Change
Number of passengers	5,462,085	5,705,600	4.5%
Number of cargo units	409,769	323,990	-20.9%
Number of passenger cars	819,229	840,881	2.6%
Revenue	771.4	835.3	8.3%
Gross profit	113.5	203.8	79.6%
EBITDA	135.8	214.5	58.0%
EBIT	37.7	113.3	200.8%
Net result for the period	13.9	78.9	466.0%
Capital expenditures	203.3	28.2	-86.1%
As at:	31.12.22	31.12.23 <sup>(1)</sup>	Change
Total assets	1,691.6	1,555.2	-8.1%
Total equity	706.9	785.8	11.2%
Interest-bearing liabilities	853.5	649.3	-23.9%
Net debt	738.6	607.3	-17.8%

Notes: (1) 2023 unaudited



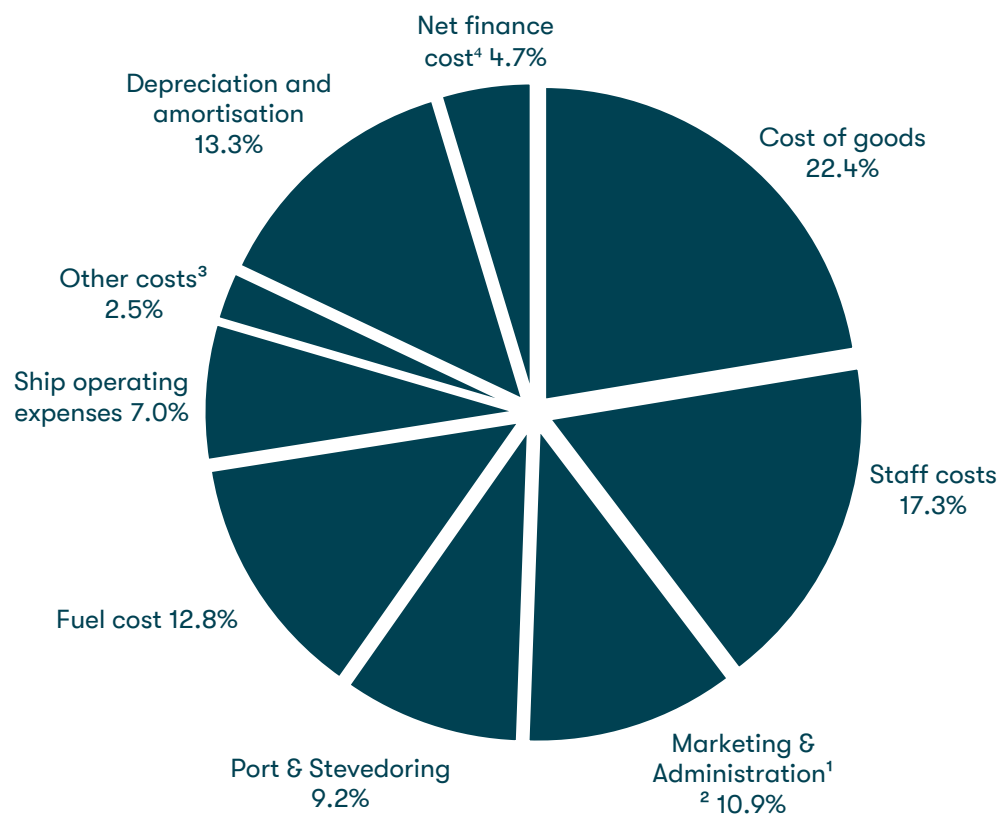
# Segment result by routes



The segment result is the result before administrative expenses, financial expenses & taxes



# Full year cost breakdown



(EUR millions)	2022	2023 <sup>(5)</sup>	Change
Cost of goods	160.6	170.6	6.2%
Staff costs	120.0	131.7	9.8%
Marketing & Administration <sup>(1)(2)</sup>	74.3	83.0	11.7%
Port & Stevedoring	77.2	69.9	-9.4%
Fuel cost	144.1	97.2	-32.6%
Ship operating expenses	51.6	53.6	3.8%
Other costs <sup>(3)</sup>	18.7	19.1	2.3%
<b>Total costs from operations</b>	<b>646.4</b>	<b>625.1</b>	<b>-3.3%</b>
Depreciation & amortisation	98.1	101.2	3.1%
Net finance cost <sup>(4)</sup>	24.7	35.6	43.9%
<b>Total costs</b>	<b>769.3</b>	<b>761.9</b>	<b>-1.0%</b>

Notes: (1) Depreciation and amortisation excluded

(2) Includes marketing and administration staff costs

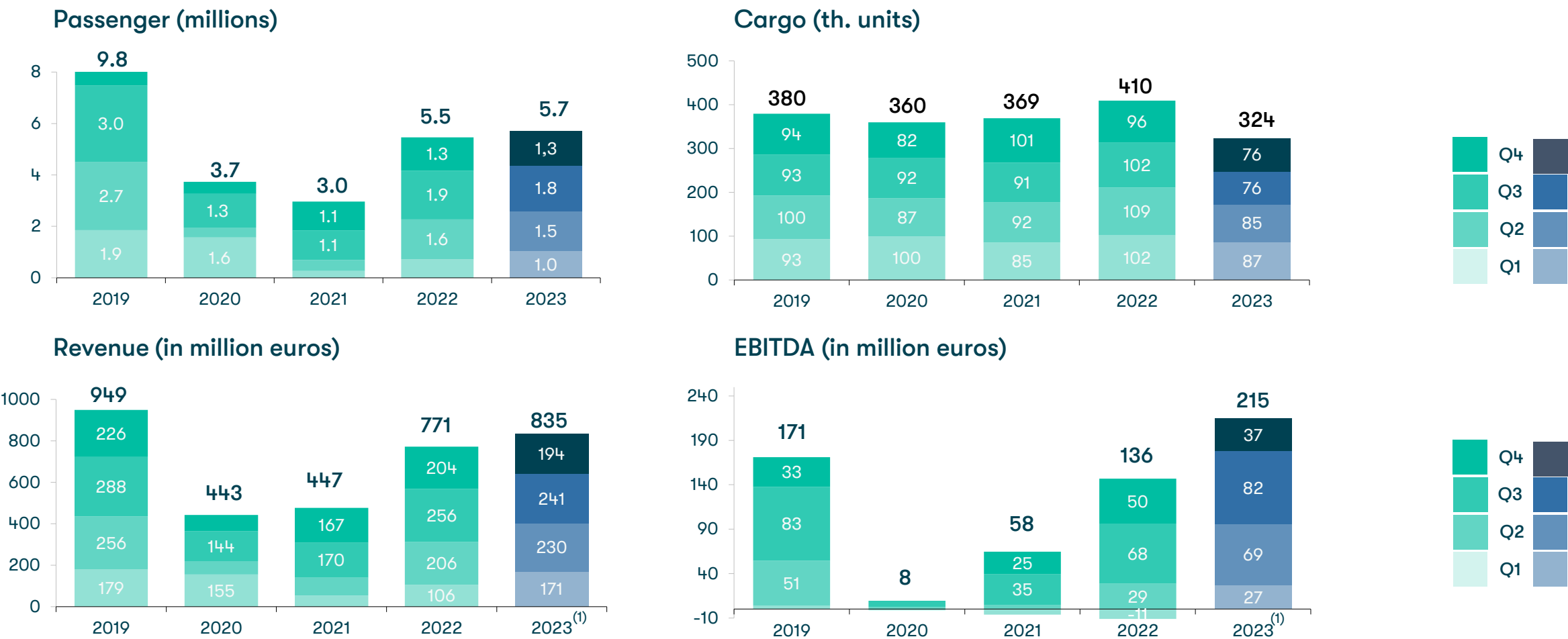
(3) Includes package costs

(4) Includes share of profit/loss of equity-accounted investees

(5) unaudited



# Dynamics of seasonality



Notes: (1) 2023 unaudited



# Dynamics of seasonality

Quarterly net result (in million euros)



Notes: (1) 2023 unaudited



Most of profits are typically earned in summer, the high season

# Consolidated income statement

In million euros

	2022	2023 <sup>(2)</sup>	Q4 2022	Q4 2023 <sup>(2)</sup>
Sales	771	835	204	194
Cost of sales <sup>(1)</sup>	-658	-631	-162	-159
Marketing & administrative cost <sup>(1)</sup>	-87	-95	-24	-26
Other operating items, net	11	4	6	3
EBITDA	136	215	50	37
Margin (%)	17.6%	23.8%	24.8%	19.0%
Net Result	14	79	17	2
EPS	0.019	0.106	0.022	0.003

Notes: Totals may not sum due to rounding;

(1) Includes depreciation and amortization;

(2) unaudited



# Consolidated cash flow statement

In million euros

	2022	2023 <sup>(2)</sup>	Q4 2022	Q4 2023 <sup>(2)</sup>
Operating cash flow	144	203	57	34
Capital expenditure	-203	-28	-180	-6
Asset disposal	3	1	0	0
Free cash flow	-56	177	-122	29
Debt financing (net effect)	69	-213	141	-40
Interests & other financial items	-25	-37	-7	-11
Change in cash	-13	-73	12	-23

Notes: Totals may not sum due to rounding;

(1) Includes depreciation and amortization;

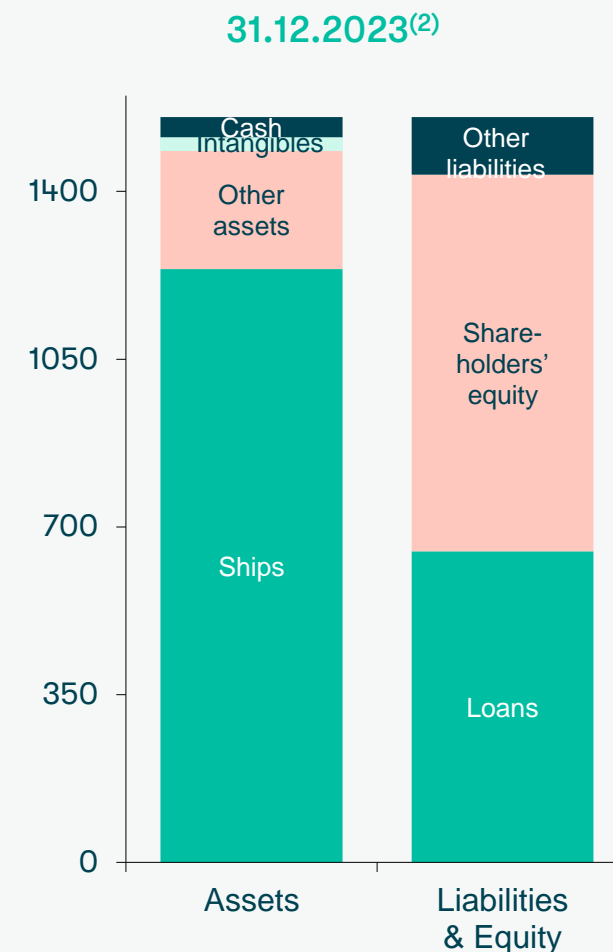
(2) unaudited



# Consolidated statement of financial position

In million euros

	31.12.2021	31.12.2022	30.09.2023	31.12.2023 <sup>(2)</sup>
<b>Total assets</b>	<b>1,586</b>	<b>1,692</b>	<b>1,597</b>	<b>1,555</b>
Non-current assets	1,383	1,496	1,447	1,432
Current assets	203	196	150	123
- of which cash	128	115	64	42
<b>Total liabilities</b>	<b>893</b>	<b>985</b>	<b>814</b>	<b>769</b>
Interest bearing liabilities	780	854	685	649
Other liabilities	113	131	129	120
<b>Shareholders' equity</b>	<b>693</b>	<b>707</b>	<b>784</b>	<b>786</b>
<b>Net debt/EBITDA</b>	<b>11.2x</b>	<b>5.4x</b>	<b>2.7x</b>	<b>2.8x</b>
<b>Net debt</b>	<b>652</b>	<b>739</b>	<b>620</b>	<b>607</b>
<b>Equity/assets ratio</b>	<b>44%</b>	<b>42%</b>	<b>49%</b>	<b>51%</b>
<b>BVPS <sup>(1)</sup> (in EUR)</b>	<b>0.93</b>	<b>0.95</b>	<b>1.05</b>	<b>1.06</b>



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 116.9 million**

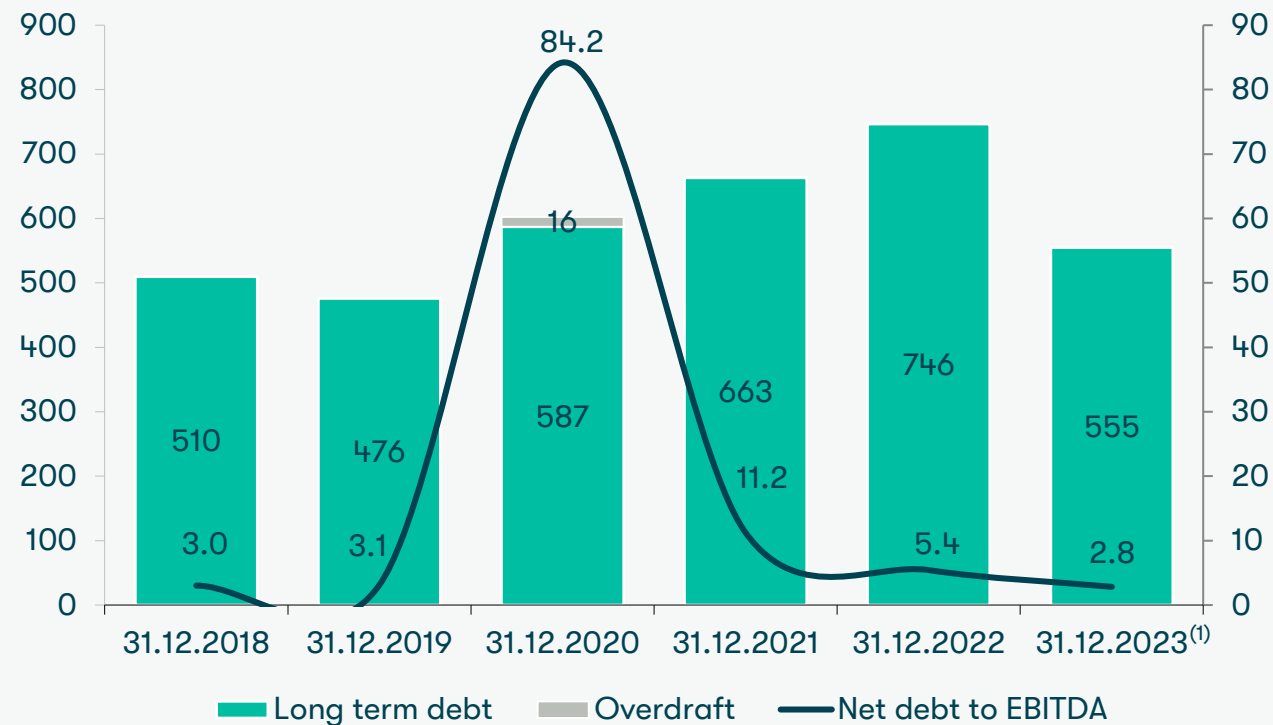
# Loan portfolio structure

## LONG-TERM BANK LOANS

- EUR 555 million as at 31 December 2023
- 3 loan agreements outstanding: syndicated loan and two ship building loans
- Maturing 5 – 11 years
- EUR denominated, fixed and EURIBOR floating

## OVERDRAFT

- As at 31 December 2023 unused overdraft of EUR 75 million



Notes: (1) 2023 unaudited

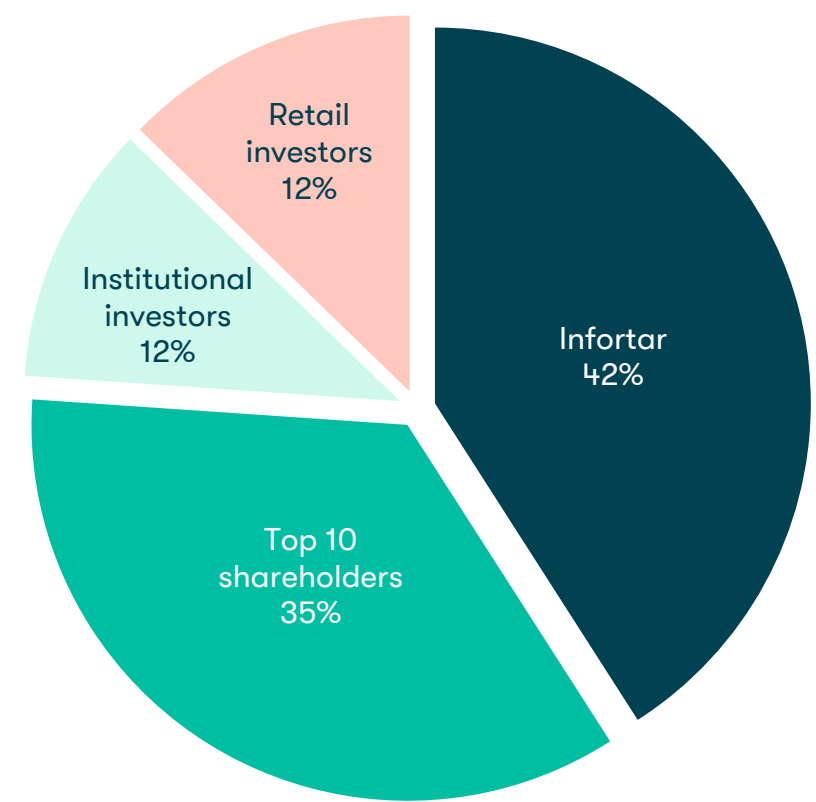
**Total interest-bearing liabilities of EUR 649.3 million**



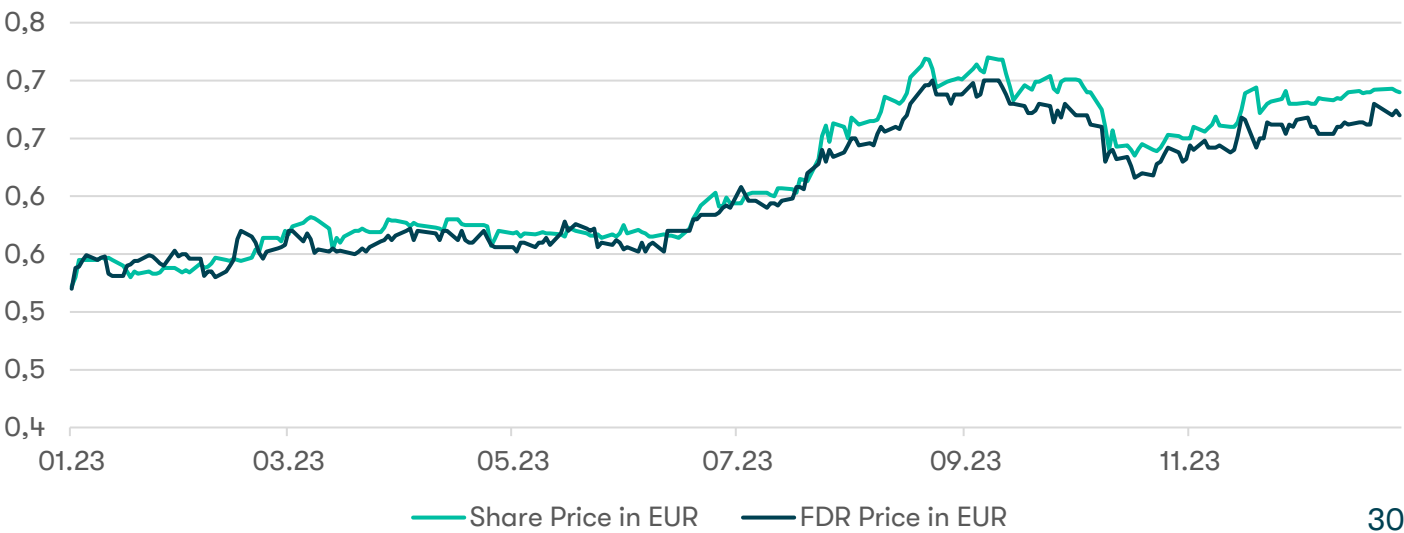
A seagull is flying in the upper right corner of the frame against a clear blue sky. The lower portion of the image shows a calm, light blue sea meeting a pale, hazy horizon. The overall scene is serene and open.

**38,894 shareholders and  
FDR-holders at the end of 2023**

# Shareholders and share performance



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%



# Management board



**Paavo Nõgene**

Born in 1980  
CEO since May 2018



**Elise Nassar**

Born in 1991  
Member of Management Board  
since March 2024



**Harri Hanschmidt**

Born in 1982  
Member of Management Board  
since February 2019



**Piret Mürk-Dubout**

Born in 1970  
Member of Management Board  
since April 2019



**Margus Schults**

Born in 1966  
Member of Management Board  
since April 2021

# Supervisory board



**Enn Pant**

Born in 1965  
Chairman of Supervisory Board since 2015  
CEO of AS Tallink Grupp in 1996-2015



**Ain Hanschmidt**

Born in 1961  
with the Supervisory Board  
since 2005



**Toivo Ninnas**

Born in 1940  
with the Supervisory Board  
since 1997



**Eve Pant**

Born in 1968  
with the Supervisory Board  
since 1997



**Kalev Järvelill**

Born in 1965  
with the Supervisory Board  
since 2007



**Raino Paron**

Born in 1965  
with the Supervisory Board  
since 2019



**Colin Douglas Clark**

Born in 1974  
with the Supervisory Board  
since 2013



