

Company AS TALLINNA SADAM
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Title AS Tallinna Sadam signed agreements with PK Terminal OÜ for the development of a dry bulk

On 12 June 2019, AS Tallinna Sadam (hereafter "Tallinna Sadam") signed a cooperation agreement and a building title agreement with PK Terminal OÜ (hereafter "PK Terminal") for the development of a dry bulk and general cargo terminal in Muuga Harbor, which deals with the handling and storage of round timber, wood pellets, metal products and crushed stone.

With the agreements, PK Terminal took over the using rights of the two quays and their hinterland area used in the former steel sheet galvanizing plant, and in addition the Koorma 2 real estate. The total area of the dry bulk and general cargo terminal development is 4.4 ha. The agreements are signed for a period of 20 years, with the option to prolong for another 15 years.

The planned capacity of the terminal is up to 500,000 tonnes per year, which is scheduled to be achieved in the next three years. For Tallinna Sadam the establishment of a new terminal means additional revenue from port dues related to extra vessel calls and additional charges for handling cargo and the use of land. Estimated revenue from the agreements amounts to EUR 14.6 million in total over 20 years.

PK Terminal is part of the Palgare Crane Group, which operates in Sweden and the Baltic States, whose main activities are loading and unloading and transport of materials in ports, warehouses and terminals. PK Terminal, who has previously been engaged in dry bulk warehousing and transportation in the port of Kunda, will bring modern technology and superstructure to the new terminal in Muuga Harbor, investing over EUR 5 million in the development of the terminal, taking into use new modern loading equipment.

Tallinna Sadam is one of the largest cargo- and passenger port complexes in the Baltic Sea region, which in 2018 serviced 10.6 million passengers and 20.6 million tons of cargo. In addition to passenger and freight services, Tallinna Sadam group also operates in shipping business via its subsidiaries - OÜ TS Laevad provides ferry services between the Estonian mainland and the largest islands, and OÜ TS Shipping charters its multifunctional vessel m/v Botnica for



icebreaking and construction services in Estonia and offshore projects abroad. Tallinna Sadam group is also a shareholder in an associate AS Green Marine, which provides waste management services. Tallinna Sadam group's sales in 2018 totalled EUR 130.6 million, adjusted EBITDA EUR 74.4 million and net profit EUR 24.4 million.

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