

Company AS TALLINNA SADAM
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According to the exchange release of Tallink Grupp published today and the information disclosed at their joint press conference (<https://www.youtube.com/watch?v=nSyXyWUV9nU&feature=youtu.be>), Tallink Group, Infortar and the City of Tallinn signed today a memorandum of understanding to develop the city owned architectural monument Tallinn City Hall and its adjacent properties into a top conference and concert centre in the Baltic Sea region and announced the intentions of developing a passenger port on the Tallinn City Hall property.

We welcome activities aimed at redeveloping the Tallinn City Hall and building a conference and concert center which is also well linked to Tallinna Sadam real estate business development plans in the Old City Harbor to create an attractive seafront space for tourists and citizens.

Based on the published information, it is very difficult to assess the potential impact of the proposed project on the commercial activities of Tallinna Sadam, as the idea is at a very early stage. The first planned activities are to carry out feasibility studies for the project and only then the implementation of the project will be decided. Therefore, the management of Tallinna Sadam estimates that there is no short-term impact on Tallinna Sadam arising from the agreement. It is only after the feasibility of the planned development and its extent has been clarified that the possible long-term impact of the agreement can be more accurately predicted. However, based on the information published so far, we can say that the potential development would affect (if realized and unlikely to happen before 5 years) only some of Tallink's ships currently calling at Tallinna Sadam. Considering the previously set goals by Tallinna Sadam, the city and Tallink to remove heavy goods vehicles from the city center and to reduce the congestion, and recent opening of the new-built Reidi Road, we do not consider it likely that large volumes of heavy duty vehicles and cars could be serviced at the planned port of Tallinn City Hall.

In recent years, Tallinna Sadam has significantly improved the level of servicing passenger ships and passengers through innovative solutions, making



the service faster and more convenient. For example, Smart Port's automatic traffic control solution for passengers with vehicles, and automatic mooring and on shore power systems which will be completed this year. We will continue to develop our services and increase our competitiveness through innovative solutions.

Tallinna Sadam is one of the largest cargo- and passenger port complexes in the Baltic Sea region, which in 2019 serviced 10.64 million passengers and 19.9 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 Botnica for icebreaking and construction services in Estonia and offshore projects abroad. Tallinna Sadam group is also a shareholder of an associate AS Green Marine, which provides waste management services. Tallinna Sadam group's sales in 2018 totaled EUR 130.6 million, adjusted EBITDA EUR 74.4 million and net profit EUR 24.4 million.

Additional information:

Marju Zirel
Head of Investor Relations
AS Tallinna Sadam
m.zirel@ts.ee (<mailto:m.zirel@ts.ee>)

