

Company AS TALLINNA SADAM
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Title End of the litigation with AS ESTEVE regarding the termination of the Old City Harbour

AS Tallinna Sadam (hereinafter: "Tallinna Sadam") has three related legal disputes with AS ESTEVE (hereinafter: "ESTEVE"), one of which ended on 07.09.2020. The content of the disputes is described in more detail in the stock exchange announcement (<https://cns.omxgroup.com/cdsPublic/viewDisclosure.action?disclosureId=918288&messageId=1157183>) published by Tallinna Sadam on 17.01.2020. The Harju County Court is processing the claim filed by ESTEVE AS on 19.12.2019 (hereinafter: "Claim 1") against Tallinna Sadam for compensation of the loss of revenue due to the alleged unjustified early termination of the Old City Harbour and Paldiski South Harbour mooring services contracts in the amount of EUR 379,768 plus accrued interest. Claim 1 is based on the claims filed by ESTEVE to the Harju County Court to establish the validity of the mooring service contracts; the claim filed on 26.08.2016 (hereinafter: "Claim 2") concerning Paldiski South Harbor and the claim filed on 29.08.2016 (hereinafter: "Claim 3") concerning the Old City Harbour, as ESTEVE did not agree to the extraordinary early termination of the agreements by Tallinna Sadam, considering it unreasonable.

On 15.01.2020, the Tallinn Circuit Court decided on Claim 3 by dismissing the claim filed by ESTEVE Tallinna Sadam concerning establishing the validity of the Old City Harbour mooring services agreement and ordered ESTEVE to pay the court fees. ESTEVE appealed in cassation to the Supreme Court. On 07.09.2020, the Civil Chamber of the Supreme Court decided not to accept the cassation appeal and therefore the dispute regarding Claim 3 has ended. Out of the total amount of Claim 1 (EUR 379,768), EUR 226,293 is related to Claim 3, i.e. mooring services provided in the Old City Harbour. At present, the proceedings concerning Claim 1 are suspended. The proceedings of Claim 2 are still ongoing in the Harju County Court.

Since 2017, Tallinna Sadam has formed a reserve to cover a possible claim related to ESTEVE's claims. In connection with the termination of the dispute of Claim 3, Tallinna Sadam shall cancel the previously formed reserve in the third quarter of 2020 to the extent of the expected effect of Claim 3.



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. According to audited financial results, Tallinna Sadam group's sales in 2019 totaled EUR 130.5 million, adjusted EBITDA EUR 74.3 million and net profit EUR 44.4 million.

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