

10 August 2023

Commissioned research: Tallinna Sadam – Q2 sales and EBITDA slightly under our expectation, growth investments are progressing well

Marketing material commissioned by Tallinna Sadam

Group net sales was EUR 29m in Q2 (Nordea EUR 31m). The amount of passengers grew by 13% in Q2 y/y but Cargo segment's sales decreased by 22% y/y in Q2. Most of the decrease in cargo is related to liquid bulk originating from Russia. The passenger business has now reached 75% of the pre-pandemic level. Ferry segment's revenue growth was 6% in Q2 y/y due to contract fee indexation. The company's adjusted EBITDA was EUR 12m in Q2 (Nordea 14m). Passenger business recovery continues in H2 2023 according to the company. But impact on results from sanctions against Russia and Belarus will be also visible in H2 2023. Market consensus for 2023 net sales is EUR 124m. Consensus for FY EBIT is EUR 31m. Long term growth investments are progressing well. Preparation of the real estate business model continues and the new quay in Paldiski will be able to receive deep-draft special-purpose vessels for the construction of offshore wind farms and the transport of wind turbine components. The offshore quay and hinterland area in Paldiski should be completed in the summer of 2025.

SUMMARY TABLE - KEY FIGURES

EURm	2020	2021	2022	2023E	2024E	2025E
Total revenue	107	110	122	124	129	135
EBITDA (adj)	60	55	56	59	64	69
EBIT (adj)	36	30	31	31	34	37
EBIT (adj) margin	33.1%	27.0%	25.3%	24.9%	26.7%	27.5%
EPS (adj, EUR)	0.11	0.10	0.09	0.08	0.09	0.10
EPS (adj) growth	-35.8%	-10.2%	-3.2%	-12.0%	10.7%	11.8%
DPS (ord, EUR)	0.08	0.10	0.07	0.07	0.08	0.08
EV/Sales	6.1	6.0	4.3	4.2	4.1	3.8
EV/EBIT (adj)	18.5	22.1	16.8	16.8	15.2	13.7
P/E (adj)	16.6	19.1	15.1	16.5	14.9	13.3
P/BV	1.3	1.3	1.0	0.9	0.9	0.9
Dividend yield (ord)	4.3%	5.2%	5.1%	5.4%	5.6%	5.7%
FCF Yield bef A&D, lease adj	4.1%	7.8%	13.9%	0.9%	3.7%	10.4%
Net debt	185	168	143	159	165	148
Net debt/EBITDA	3.1	3.1	2.5	2.7	2.6	2.1
ROIC after tax	5.2%	4.4%	4.6%	4.7%	5.1%	5.5%

Source: Company data and Nordea estimates

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