

## Tallinna Sadam

Business Services  
Estonia

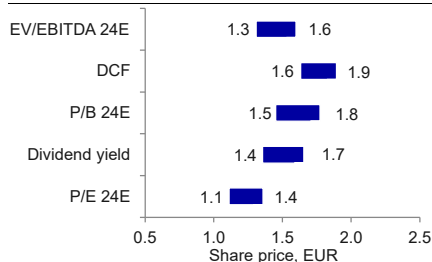
## KEY DATA

Stock country	Estonia
Bloomberg	TSM1T.ET
Reuters	TSM1T.TL
Share price (close)	EUR 1.06
Free float	33%
Market cap. (bn)	EUR 0.28/EUR 0.28
Website	www.ts.ee
Next report date	11 Nov 2024

## PERFORMANCE



## VALUATION APPROACH (EUR/SHARE)



## ESTIMATE CHANGES

Year	2024E	2025E	2026E
Sales	-1%	-1%	-1%
EBIT (adj)	-6%	-1%	-1%

Source: Nordea estimates

## Nordea IB &amp; Equity - Analysts

Pasi Väisänen  
Director

## Turning of the tide ahead

Last year was a fairly weak one for Tallinna Sadam, but the tone has changed for 2024. We forecast 2024 net sales and EBIT to grow y/y. Annual growth for the number of passengers, cargo tonnes and vessel calls could remain close to or slightly above medium-term Estonian GDP growth. However, we argue that the equity story is more aligned with growth initiatives stemming from property development, a wind power-support vessel and the Paldiski harbour expansion. Still, the share price appears to reflect short-term weakness rather than long-term growth potential. The stock is trading at a 2024E P/BV of 0.7x, compared with its historical average of 1.2x (2018-23) and the peer group average of 1.3x. Our estimated fair value range remains at EUR 1.4-1.7, based on the combination of a DCF model and a peer group comparison.

## Other segment likely to burden group-level Q3 EBITDA

The number of passengers increased 4%, while total cargo tonnes grew by 7% in Q3 y/y. Ro-ro traffic tonnes were up by 4% y/y in Q3. The amount of PAX and ROPAX vessels increased by 6% in Q3 y/y, and calls by cruise vessels were 18 (33%) more than in Q3 2023. However, Q3 2024 revenues could remain about the same as seen in Q2 2024 or Q3 2023. EBITDA for the Passenger Harbours and Ferry segments might be a positive surprise. However, we expect group-level EBITDA to be lower in Q3 than in Q2 2024. The main reason for a weak result in the Other segment is related to an engine accident and repair works for MPSV Botnica. Overall, we model Q3 group-level net sales of EUR 31.1m, indicating -1% y/y revenue growth. We estimate an EBITDA margin of 42% for Q3 (Q3 2023: 43%). Tallinna Sadam has not issued detailed full-year guidance, but we forecast net sales to be up 3% y/y and the adjusted EBITDA margin to be 44% for 2024.

## Share price does not reflect growth option from new projects

Gross debt decreased in 2016-23 but will likely increase again, owing to growth investments. Ongoing growth projects include property development, the Paldiski harbour and possible construction of its own support vessel. Investments require money and take time to realise positive cash flow. However, leverage is not a major concern and annual DPS could remain close to EUR 0.07, we believe. The company's 2025E P/BV is 53%, below the peer group median. Its small valuation discount compared to the peer group average could persist until more concrete evidence of the earnings effect of growth initiatives becomes visible.

## SUMMARY TABLE - KEY FIGURES

EURm	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	107	110	122	117	120	124	129
EBITDA (adj)	60	55	56	50	53	58	60
EBIT (adj)	36	30	31	25	29	32	35
EBIT (adj) margin	33.1%	27.0%	25.3%	21.1%	23.9%	26.1%	26.9%
EPS (adj, EUR)	0.11	0.10	0.09	0.06	0.07	0.08	0.08
EPS (adj) growth	-35.8%	-10.2%	-3.2%	-37.7%	14.8%	12.2%	10.1%
DPS (ord, EUR)	0.08	0.10	0.07	0.07	0.07	0.07	0.07
EV/Sales	6.1	6.0	4.3	3.8	3.7	3.7	3.3
EV/EBIT (adj)	18.5	22.1	16.8	17.8	15.6	14.0	12.2
P/E (adj)	16.6	19.1	15.1	19.2	15.8	14.1	12.8
P/BV	1.3	1.3	1.0	0.8	0.7	0.7	0.7
Dividend yield (ord)	4.3%	5.2%	5.1%	6.5%	6.9%	6.4%	7.0%
FCF Yield bef A&D, lease	4.1%	7.8%	13.9%	9.0%	-2.3%	4.4%	18.0%
Net debt	185	168	143	142	167	174	142
Net debt/EBITDA	3.1	3.1	2.5	2.8	3.2	3.0	2.3
ROIC after tax	5.2%	4.4%	4.6%	3.8%	4.3%	4.8%	5.1%

Source: Company data and Nordea estimates

# Quarterly estimates by segment

## QUARTERLY SEGMENT ESTIMATES (EURm)

	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24E	Q4 24E
<b>Passenger harbours</b>												
Sales (EURm)	6.0	10.7	13.0	8.1	8.0	10.0	10.7	8.8	7.5	10.0	11.4	9.2
Sales growth (%)	21%	88%	34%	-3%	33%	-7%	-17%	8%	-6%	0%	6%	5%
Adj. EBIT (EURm)	0.6	4.5	5.6	0.2	1.2	3.9	4.3	2.4	1.5	3.8	4.6	2.5
Adj. EBIT margin (%)	10%	42%	43%	3%	15%	39%	40%	28%	20%	38%	40%	27%
<b>Cargo harbours</b>												
Sales (EURm)	9.7	9.9	9.4	9.9	7.9	7.7	7.2	8.0	7.8	7.5	7.5	8.3
Sales growth (%)	1%	0%	-14%	-5%	-18%	-22%	-23%	-19%	-2%	-3%	4%	4%
Adj. EBIT (EURm)	3.1	3.0	1.5	0.9	1.2	1.1	0.5	0.3	1.6	1.0	0.7	0.6
Adj. EBIT margin (%)	32%	31%	16%	9%	16%	15%	7%	4%	21%	13%	10%	7%
<b>Ferry segment</b>												
Sales (EURm)	7.4	8.8	10.2	8.3	8.4	9.4	10.4	8.5	8.6	9.6	10.7	8.7
Sales growth (%)	9%	13%	18%	12%	13%	7%	2%	2%	2%	2%	3%	3%
Adj. EBIT (EURm)	1.8	2.5	3.0	1.6	2.4	2.7	3.1	1.5	2.0	2.7	3.3	1.9
Adj. EBIT margin (%)	24%	28%	30%	20%	28%	29%	30%	18%	23%	28%	31%	21%
<b>Other</b>												
Sales (EURm)	3.7	1.0	3.8	1.9	4.0	1.7	3.1	2.8	4.1	4.6	1.6	2.9
Sales growth (%)	2%	4%	22%	-17%	10%	76%	-17%	48%	2%	171%	-50%	4%
Adj. EBIT (EURm)	1.8	-0.8	1.8	-0.1	2.0	-2.0	-0.5	0.4	1.9	1.3	-1.5	0.7
Adj. EBIT margin (%)	48%	-88%	47%	-6%	49%	-116%	-15%	15%	45%	28%	-97%	23%
<b>Group</b>												
Sales (EURm)	26.8	30.4	36.3	28.2	28.4	28.8	31.4	28.0	27.9	31.7	31.1	29.2
Sales growth (%)	7%	25%	13%	-1%	6%	-5%	-13%	-1%	-2%	10%	-1%	4%
Adj. EBITDA (EURm)	13.5	15.4	18.0	9.0	13.6	11.7	13.5	10.4	12.7	14.8	13.1	11.7
Adj. EBITDA margin (%)	50%	51%	50%	32%	48%	41%	43%	37%	46%	47%	42%	40%
Adj. EBIT (EURm)	7.2	9.1	11.8	2.6	6.8	5.8	7.4	4.6	7.0	8.9	7.1	5.6
Adj. EBIT margin (%)	27%	30%	33%	9%	24%	20%	24%	17%	25%	28%	23%	19%
Net financials	-0.3	-0.3	-0.4	-0.9	-1.1	-1.5	-1.7	-1.8	-1.8	-1.9	-2.0	-2.1
PTP	7.0	8.8	11.5	1.7	5.7	4.3	5.7	2.8	5.2	7.0	5.1	3.6
Net result adj.	7.0	4.7	11.5	1.8	5.7	1.4	5.7	2.8	5.2	3.9	5.1	3.6
Net result	7.0	4.7	11.5	1.8	5.7	1.4	5.7	2.8	5.2	3.9	5.1	3.6
EPS adj. (EUR)	0.03	0.02	0.04	0.01	0.02	0.01	0.02	0.01	0.02	0.01	0.02	0.01
EPS (EUR)	0.03	0.02	0.04	0.01	0.02	0.01	0.02	0.01	0.02	0.01	0.02	0.01

Source: Company data and Nordea estimates

# Annual estimates by segment

## ANNUAL SEGMENT ESTIMATES (EURm)

	2017	2018	2019	2020	2021	2022	2023	2024E	2025E
<b>Passenger harbours</b>									
Sales (EURm)	49.9	49.9	49.8	19.0	28.8	37.9	37.5	38.1	39.8
Sales growth (%)		0%	0%	-62%	51%	32%	-1%	2%	4%
Adj. EBIT (EURm)	28.8	26.4	26.4	-0.5	6.7	10.9	11.8	12.3	13.1
Adj. EBIT margin (%)	58%	53%	53%	-3%	23%	29%	31%	32%	33%
<b>Cargo harbours</b>									
Sales (EURm)	39.8	41.7	40.1	38.5	40.7	38.8	30.8	31.1	32.6
Sales growth (%)		5%	-4%	-4%	6%	-5%	-21%	1%	5%
Adj. EBIT (EURm)	15.1	15.5	14.2	11.1	13.6	8.4	3.2	4.0	4.4
Adj. EBIT margin (%)	38%	37%	35%	29%	33%	22%	10%	13%	13%
<b>Ferry segment</b>									
Sales (EURm)	27.1	30.1	30.8	29.4	30.7	34.8	36.7	37.6	38.5
Sales growth (%)		11%	2%	-5%	4%	13%	6%	3%	2%
Adj. EBIT (EURm)	3.5	7.4	8.3	8.1	6.6	8.9	9.7	9.9	10.5
Adj. EBIT margin (%)	13%	25%	27%	28%	21%	26%	27%	26%	27%
<b>Other</b>									
Sales (EURm)	4.6	8.9	9.8	9.5	9.9	10.3	11.7	13.2	13.5
Sales growth (%)		95%	9%	-3%	5%	4%	13%	13%	2%
Adj. EBIT (EURm)	-7.1	2.3	2.9	1.9	2.9	2.6	-0.1	2.3	4.4
Adj. EBIT margin (%)	-154%	25%	29%	20%	29%	25%	-1%	17%	33%
<b>Group</b>									
Sales (EURm)	121.3	130.6	130.5	107.4	110.1	121.7	116.6	120.0	124.3
Sales growth (%)		8%	0%	-18%	3%	11%	-4%	3%	4%
Adj. EBITDA (EURm)	66.7	74.4	74.7	59.7	54.5	56.1	50.0	53.1	57.9
Adj. EBITDA margin (%)	55%	57%	57%	56%	50%	46%	43%	44%	47%
Adj. EBIT (EURm)	40.3	52.1	51.7	35.6	29.8	30.8	24.6	28.6	32.4
Adj. EBIT margin (%)	33%	40%	40%	33%	27%	25%	21%	24%	26%
Net financials	-1.6	-1.5	-1.5	-2.1	-0.9	-1.8	-6.2	-7.8	-9.1
PTP	38.7	50.6	50.2	33.4	28.9	29.0	18.4	20.9	23.4
Net result adj.	26.8	24.4	44.4	28.5	25.6	24.8	15.4	17.7	19.9
Net result	26.8	24.4	44.4	28.5	25.6	24.8	15.4	17.7	19.9
EPS adj. (EUR)	0.10	0.11	0.17	0.11	0.10	0.09	0.06	0.07	0.08
EPS (EUR)	0.10	0.11	0.17	0.11	0.10	0.09	0.06	0.07	0.08

Source: Company data and Nordea estimates

# Peer group financials and valuation

## PEER GROUP FINANCIALS

	Sales (EURm)				Sales growth				EBIT margin			
	2022	2023	2024E	2025E	2022	2023	2024E	2025E	2022	2023	2024E	2025E
Shanghai International Port Group	5,050	4,794	5,204	5,399	9%	1%	14%	4%	37%	28%	26%	25%
Hamburger Hafen und Logistik	1,578	1,447	1,619	1,700	8%	-8%	9%	5%	13%	9%	12%	13%
Adani Ports	2,038	2,341	2,969	3,360	36%	22%	28%	16%	48%	44%	47%	47%
China Merchants Port Holdings	1,501	1,332	1,426	1,497	6%	-8%	2%	5%	36%	40%	42%	40%
Qube Holdings	1,635	1,749	2,073	2,476	27%	15%	16%	20%	9%	9%	10%	10%
COSCO SHIPPING Ports	1,347	1,318	1,412	1,485	19%	1%	5%	5%	19%	23%	17%	17%
Abu Dhabi Ports Company	1,399	2,882	4,077	4,484	41%	112%	40%	10%	30%	18%	17%	18%
Vegetexco Port	512	467	n.a.	n.a.	25%	-3%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sociedad Matriz SAAM	432	489	n.a.	n.a.	13%	17%	n.a.	n.a.	15%	13%	n.a.	n.a.
Ocean Wilsons Holdings	411	441	486	545	11%	11%	17%	11%	26%	25%	28%	30%
Wilson Sons Holdings Brasil	402	453	425	465	6%	7%	10%	9%	26%	28%	29%	29%
Dalrymple Bay Infrastructure	399	404	430	435	24%	5%	16%	1%	37%	37%	26%	35%
Isewan Terminal Service	387	486	347	n.a.	25%	34%	-19%	n.a.	6%	8%	6%	n.a.
Santos Brasil Participacoes	341	399	478	550	26%	11%	39%	15%	29%	35%	41%	44%
Westshore Terminals Investment	201	261	243	241	-14%	30%	1%	-1%	39%	45%	42%	38%
Saudi Industrial Services	247	387	271	286	1%	61%	5%	6%	26%	34%	13%	15%
Touage Investissements Reunies	211	195	n.a.	n.a.	25%	-7%	n.a.	n.a.	14%	14%	n.a.	n.a.
Alexandria Container and Cargo	145	147	128	0	19%	75%	33%	0%	60%	72%	n.a.	n.a.
Sun Kwang	128	130	n.a.	n.a.	6%	8%	n.a.	n.a.	16%	21%	n.a.	n.a.
China Container Terminal	96	93	n.a.	n.a.	2%	n.a.	n.a.	n.a.	11%	9%	n.a.	n.a.
Fushiki Kairiku Unso	86	83	75	n.a.	-1%	7%	-1%	n.a.	6%	10%	6%	n.a.
Gujarat Pipavav Port	89	103	110	115	1%	23%	8%	9%	39%	42%	44%	49%
Namyong Terminal	39	46	44	45	9%	20%	1%	2%	27%	33%	38%	n.a.
<b>Group median</b>					<b>11%</b>	<b>11%</b>	<b>10%</b>	<b>5%</b>	<b>26%</b>	<b>26%</b>	<b>26%</b>	<b>29%</b>
Tallinna Sadam (Nordea)	122	117	120	124	11%	-4%	3%	4%	25%	21%	24%	26%
<b>diff. from median (pp)</b>					<b>0</b>	<b>-15</b>	<b>-7</b>	<b>-2</b>	<b>-1</b>	<b>-5</b>	<b>-2</b>	<b>-3</b>

Source: Company data, LSEG Data & Analytics and Nordea estimates

## PEER GROUP VALUATION (x)

	P/E				EV/EBIT				P/B			
	2022	2023	2024E	2025E	2022	2023	2024E	2025E	2022	2023	2024E	2025E
Shanghai International Port Group	77.8	3.5	n.a.	n.a.	37.4	8.3	n.a.	n.a.	2.3	0.3	n.a.	n.a.
Hamburger Hafen und Logistik	9.7	63.1	15.8	13.5	6.5	16.3	11.2	9.9	1.7	1.6	1.4	1.4
Adani Ports	34.2	25.7	33.8	27.2	27.7	19.6	28.0	23.2	7.0	6.4	5.5	4.7
China Merchants Port	5.7	6.9	7.4	7.5	20.9	20.7	18.4	18.3	0.5	0.5	0.5	0.5
Qube Holdings	45.1	35.2	46.4	31.6	11.0	11.3	27.3	21.8	1.0	1.0	1.6	1.6
COSCO SHIPPING Ports	8.7	7.7	6.7	6.3	25.2	24.5	23.3	21.9	0.3	0.3	0.3	0.3
Abu Dhabi Ports Company	n.a.	30.3	19.7	16.6	24.6	29.8	17.1	14.9	n.a.	1.3	1.2	1.1
Intergis Co	7.6	4.2	7.8	n.a.	2.5	0.9	1.4	n.a.	0.5	0.4	0.4	n.a.
Vegetexco Port	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sociedad Matriz SAAM	7.6	10.9	n.a.	n.a.	13.3	14.5	n.a.	n.a.	0.6	0.5	n.a.	n.a.
Ocean Wilsons Holdings	38.3	28.6	28.4	24.1	31.7	26.1	26.4	21.9	2.2	2.2	2.2	2.1
Wilson Sons Holdings Brasil	12.9	18.2	16.1	13.9	9.3	12.4	12.5	11.1	0.6	n.a.	n.a.	n.a.
Dalrymple Bay Infrastructure	17.5	18.0	23.4	21.8	12.5	12.2	17.2	12.9	1.5	1.4	2.3	3.0
Isewan Terminal Service	17.2	11.0	7.3	7.1	14.1	11.1	8.2	7.8	1.1	1.2	1.1	1.1
Santos Brasil Participacoes	12.5	13.5	14.7	12.7	11.0	10.7	10.2	8.3	5.1	4.9	4.9	4.7
Westshore Terminals Investment	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Saudi Industrial Services	41.3	58.4	2.2	n.a.	18.9	10.2	n.a.	n.a.	1.0	0.9	n.a.	n.a.
Touage Investissements Reunies	20.9	14.5	14.1	15.7	14.9	11.1	11.4	12.5	2.0	1.9	0.0	0.0
Alexandria Container and Cargo	5.5	7.7	10.4	0.0	5.2	8.1	n.a.	n.a.	2.1	4.5	n.a.	n.a.
Sun Kwang	n.a.	n.a.	n.a.	n.a.	45.4	93.5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
China Container Terminal	21.6	32.5	n.a.	n.a.	24.3	30.7	n.a.	n.a.	1.0	1.0	n.a.	n.a.
Fushiki Kairiku Unso	8.3	6.2	9.1	n.a.	10.8	6.4	n.a.	n.a.	0.3	0.4	n.a.	n.a.
Gujarat Pipavav Port	18.7	18.0	30.0	21.3	10.1	12.2	20.2	16.6	4.4	4.3	4.4	4.6
Namyong Terminal	n.a.	8.1	8.7	7.4	6.8	7.5	6.5	5.6	0.7	0.9	n.a.	n.a.
Sakurajima Futo Kaisha	7.2	8.6	9.0	9.4	15.7	13.3	16.1	16.2	1.2	1.1	1.0	1.0
<b>Group median</b>	<b>15.0</b>	<b>14.0</b>	<b>14.1</b>	<b>13.7</b>	<b>14.1</b>	<b>12.2</b>	<b>16.6</b>	<b>14.9</b>	<b>1.1</b>	<b>1.1</b>	<b>1.3</b>	<b>1.4</b>
Tallinna Sadam (Nordea)	15.1	19.2	15.8	14.1	16.8	17.8	14.9	12.9	1.0	0.8	0.7	0.6
<b>diff. from average</b>	<b>1%</b>	<b>37%</b>	<b>12%</b>	<b>3%</b>	<b>19%</b>	<b>45%</b>	<b>-10%</b>	<b>-14%</b>	<b>-14%</b>	<b>-29%</b>	<b>-47%</b>	<b>-53%</b>

Source: LSEG Data & Analytics and Nordea estimates

# Reported numbers and forecasts

## INCOME STATEMENT

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
<b>Total revenue</b>	<b>103</b>	<b>121</b>	<b>131</b>	<b>131</b>	<b>107</b>	<b>110</b>	<b>122</b>	<b>117</b>	<b>120</b>	<b>124</b>	<b>129</b>
Revenue growth	10.0%	17.5%	7.7%	-0.1%	-17.8%	2.5%	10.6%	-4.2%	2.8%	3.6%	3.5%
of which organic	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	49	67	74	75	60	55	56	50	53	58	60
Depreciation and impairments PPE	0	-26	-22	-23	-24	-25	-25	-25	-24	-25	-26
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
EBITA	49	40	52	52	36	30	31	25	29	32	35
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	49	40	52	52	36	30	31	25	29	32	35
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	-1	-2	-1	-1	-2	-1	-2	-6	-8	-9	-9
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
<b>Pre-tax profit</b>	<b>48</b>	<b>39</b>	<b>51</b>	<b>50</b>	<b>33</b>	<b>29</b>	<b>29</b>	<b>18</b>	<b>21</b>	<b>23</b>	<b>25</b>
Reported taxes	-9	-12	-26	-6	-5	-3	-4	-3	-3	-3	-3
Net profit from continued operations	40	27	24	44	29	26	25	15	18	20	22
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0	0	0
Net profit to equity	40	27	24	44	29	26	25	15	18	20	22
<b>EPS, EUR</b>	<b>0.15</b>	<b>0.10</b>	<b>0.11</b>	<b>0.17</b>	<b>0.11</b>	<b>0.10</b>	<b>0.09</b>	<b>0.06</b>	<b>0.07</b>	<b>0.08</b>	<b>0.08</b>
DPS, EUR	0.13	0.18	0.46	0.12	0.08	0.10	0.07	0.07	0.07	0.07	0.07
of which ordinary	0.13	0.18	0.46	0.12	0.08	0.10	0.07	0.07	0.07	0.07	0.07
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Profit margin in percent

EBITDA	47.4%	55.0%	57.0%	57.2%	55.6%	49.5%	46.1%	42.9%	44.3%	46.5%	47.0%
EBITA	47.4%	33.2%	39.9%	39.6%	33.1%	27.0%	25.3%	21.1%	23.9%	26.1%	26.9%
EBIT	47.4%	33.2%	39.9%	39.6%	33.1%	27.0%	25.3%	21.1%	23.9%	26.1%	26.9%

## Adjusted earnings

EBITDA (adj)	49	67	74	75	60	55	56	50	53	58	60
EBITA (adj)	49	40	52	52	36	30	31	25	29	32	35
EBIT (adj)	49	40	52	52	36	30	31	25	29	32	35
EPS (adj, EUR)	0.15	0.10	0.11	0.17	0.11	0.10	0.09	0.06	0.07	0.08	0.08

## Adjusted profit margins in percent

EBITDA (adj)	47.4%	55.0%	57.0%	57.2%	55.6%	49.5%	46.1%	42.9%	44.3%	46.5%	47.0%
EBITA (adj)	47.4%	33.2%	39.9%	39.6%	33.1%	27.0%	25.3%	21.1%	23.9%	26.1%	26.9%
EBIT (adj)	47.4%	33.2%	39.9%	39.6%	33.1%	27.0%	25.3%	21.1%	23.9%	26.1%	26.9%

## Performance metrics

CAGR last 5 years											
Net revenue	3.0%	6.5%	4.8%	3.1%	2.7%	1.3%	0.1%	-2.2%	-1.7%	3.0%	3.2%
EBITDA	2.7%	11.1%	8.3%	7.1%	8.1%	2.2%	-3.4%	-7.6%	-6.6%	-0.6%	2.1%
EBIT	2.7%	0.4%	0.9%	-0.5%	-2.5%	-9.5%	-5.2%	-13.9%	-11.1%	-1.8%	3.1%
EPS	1.1%	-2.6%	-6.7%	2.7%	-1.5%	-8.3%	-1.5%	-11.3%	-16.8%	-6.9%	-3.1%
DPS	0.7%	19.1%	46.7%	0.4%	-1.6%	0.7%	-10.7%	-30.8%	-8.7%	-2.4%	-5.0%
Average last 5 years											
Average EBIT margin	46.2%	43.5%	41.8%	40.3%	38.5%	34.9%	33.3%	29.4%	25.9%	24.7%	24.7%
Average EBITDA margin	46.2%	48.5%	50.5%	52.7%	54.7%	55.0%	53.2%	50.3%	47.5%	45.8%	45.4%

## VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E (adj)	n.a.	n.a.	19.1	11.7	16.6	19.1	15.1	19.2	15.8	14.1	12.8
EV/EBITDA (adj)	n.a.	n.a.	9.5	9.3	11.0	12.1	9.2	8.8	8.4	7.8	7.0
EV/EBITA (adj)	n.a.	n.a.	13.6	13.4	18.5	22.1	16.8	17.8	15.6	14.0	12.2
EV/EBIT (adj)	n.a.	n.a.	13.6	13.4	18.5	22.1	16.8	17.8	15.6	14.0	12.2

## VALUATION RATIOS - REPORTED EARNINGS

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E	n.a.	n.a.	19.1	11.7	16.6	19.1	15.1	19.2	15.8	14.1	12.8
EV/Sales	n.a.	n.a.	5.42	5.32	6.13	5.97	4.25	3.76	3.73	3.65	3.28
EV/EBITDA	n.a.	n.a.	9.5	9.3	11.0	12.1	9.2	8.8	8.4	7.8	7.0
EV/EBITA	n.a.	n.a.	13.6	13.4	18.5	22.1	16.8	17.8	15.6	14.0	12.2
EV/EBIT	n.a.	n.a.	13.6	13.4	18.5	22.1	16.8	17.8	15.6	14.0	12.2
Dividend yield (ord.)	n.a.	n.a.	22.5%	5.8%	4.3%	5.2%	5.1%	6.5%	6.9%	6.4%	7.0%
FCF yield	n.a.	n.a.	8.0%	6.7%	4.1%	7.8%	13.9%	9.0%	-2.3%	4.4%	18.0%
FCF Yield bef A&D, lease adj	n.a.	n.a.	8.0%	6.7%	4.1%	7.8%	13.9%	9.0%	-2.3%	4.4%	18.0%
Payout ratio	62.3%	126.2%	430.6%	68.0%	71.0%	99.6%	77.4%	124.3%	108.3%	90.0%	90.0%

Source: Company data and Nordea estimates

**BALANCE SHEET**

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Intangible assets	1	2	2	2	2	2	2	2	2	2	2
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	1	2	2	2	2	2	2	2	2	2	2
of which goodwill	0	0	0	0	0	0	0	0	0	0	0
Tangible assets	569	577	569	575	588	576	564	559	581	589	581
of which leased assets	0	0	0	0	0	0	0	0	0	0	0
Shares associates	1	1	2	2	1	2	2	2	2	2	2
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	0	0	0	0	0	0	0
Other non-IB non-current assets	0	0	0	0	0	1	0	0	0	0	0
Other non-current assets	0	0	0	0	0	0	0	0	0	0	0
Total non-current assets	571	581	573	579	591	580	569	564	586	593	585
Inventory	0	0	0	0	0	0	1	1	1	1	1
Accounts receivable	17	9	8	11	10	14	7	12	13	13	14
Short-term leased assets	0	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	0	0	0	0	0
Cash and bank	50	7	43	35	27	35	44	30	34	47	70
Total current assets	68	17	51	46	37	49	53	42	47	61	84
Assets held for sale	0	0	0	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Total assets</b>	<b>639</b>	<b>597</b>	<b>624</b>	<b>626</b>	<b>628</b>	<b>630</b>	<b>621</b>	<b>606</b>	<b>633</b>	<b>654</b>	<b>669</b>
Shareholders equity	347	326	368	377	375	381	381	378	376	377	401
Of which preferred stocks	0	0	0	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0	0	0	0
Total Equity	347	326	368	377	375	381	381	378	376	377	401
Deferred tax	0	0	0	0	0	0	0	0	0	0	0
Long term interest bearing debt	128	214	198	192	194	187	171	158	186	207	198
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term liabilities	25	25	24	26	28	31	31	36	36	36	36
Non-current lease debt	0	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Shareholder debt	0	0	0	0	0	0	0	0	0	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	153	238	222	217	222	219	203	194	222	243	234
Short-term provisions	1	2	2	2	1	2	2	1	1	1	1
Accounts payable	8	8	10	12	9	10	10	11	12	12	13
Current lease debt	0	0	0	0	0	0	0	0	0	0	0
Other current liabilities	11	2	6	1	3	2	10	8	6	6	6
Short term interest bearing debt	118	22	16	16	17	16	16	14	16	15	14
Total current liabilities	139	33	34	31	30	30	37	35	35	35	34
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and equity</b>	<b>639</b>	<b>597</b>	<b>624</b>	<b>626</b>	<b>628</b>	<b>630</b>	<b>621</b>	<b>606</b>	<b>633</b>	<b>654</b>	<b>669</b>
<b>Balance sheet and debt metrics</b>											
Net debt	196	229	171	173	185	168	143	142	167	174	142
of which lease debt	0	0	0	0	0	0	0	0	0	0	0
Working capital	-2	0	-8	-2	-1	2	-11	-7	-5	-5	-5
Invested capital	569	581	565	577	589	582	557	557	581	589	580
Capital employed	593	561	581	585	587	584	568	549	578	598	612
ROE	11.5%	8.0%	7.0%	11.9%	7.6%	6.8%	6.5%	4.1%	4.7%	5.3%	5.6%
ROIC	7.6%	6.0%	7.8%	7.8%	5.2%	4.4%	4.6%	3.8%	4.3%	4.8%	5.1%
ROCE	8.6%	7.0%	9.1%	8.9%	6.1%	5.1%	5.4%	4.6%	5.1%	5.5%	5.7%
Net debt/EBITDA	4.0	3.4	2.3	2.3	3.1	3.1	2.5	2.8	3.2	3.0	2.3
Interest coverage	82.5	20.8	26.0	29.5	20.9	21.7	15.4	3.5	3.6	3.5	3.7
Equity ratio	54.3%	54.6%	59.0%	60.3%	59.8%	60.5%	61.3%	62.3%	59.4%	57.6%	59.9%
Net gearing	56.5%	70.2%	46.5%	45.8%	49.3%	44.2%	37.5%	37.5%	44.5%	46.2%	35.4%

Source: Company data and Nordea estimates

**CASH FLOW STATEMENT**

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
<b>EBITDA (adj) for associates</b>	<b>49</b>	<b>67</b>	<b>74</b>	<b>75</b>	<b>60</b>	<b>55</b>	<b>56</b>	<b>50</b>	<b>53</b>	<b>58</b>	<b>60</b>
Paid taxes	-8	-21	-21	-11	-5	-3	-4	-3	-3	-3	-3
Net financials	-2	-2	-2	0	0	0	-1	-6	-8	-9	-9
Change in provisions	0	0	0	0	-1	0	0	-1	0	0	0
Change in other LT non-IB	0	0	0	1	3	3	1	5	0	0	0
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	9	-3	4	-1	-7	-4	1	0	0	0	20
<b>Funds from operations (FFO)</b>	<b>49</b>	<b>41</b>	<b>55</b>	<b>63</b>	<b>50</b>	<b>50</b>	<b>52</b>	<b>44</b>	<b>42</b>	<b>45</b>	<b>68</b>
Change in NWC	0	0	0	n.a.	0	0	0	0	-2	0	0
<b>Cash flow from operations (CFO)</b>	<b>49</b>	<b>41</b>	<b>55</b>	<b>63</b>	<b>50</b>	<b>50</b>	<b>52</b>	<b>44</b>	<b>40</b>	<b>46</b>	<b>68</b>
Capital expenditure	-39	-25	-12	-28	-30	-12	0	-17	-46	-33	-18
<b>Free cash flow before A&amp;D</b>	<b>10</b>	<b>16</b>	<b>43</b>	<b>35</b>	<b>19</b>	<b>38</b>	<b>52</b>	<b>27</b>	<b>-6</b>	<b>12</b>	<b>50</b>
Proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Acquisitions	0	0	0	0	0	0	0	0	0	0	0
Free cash flow	10	16	43	35	19	38	52	27	-6	12	50
Free cash flow bef A&D, lease adj	10	16	43	35	19	38	52	27	-6	12	50
Dividends paid	-35	-48	-105	-35	-30	-20	-25	-19	-19	-19	-18
Equity issues / buybacks	0	0	120	0	0	0	0	0	0	0	0
Net change in debt	49	-10	-22	-8	2	-10	-17	-16	30	20	-10
Other financing adjustments	0	0	0	0	0	0	0	0	0	0	0
Other non-cash adjustments	0	0	0	0	0	0	0	-7	0	0	0
Change in cash	24	-43	36	-7	-9	8	10	-15	4	13	22
<b>Cash flow metrics</b>											
Capex/D&A	n.m.	96.3%	55.2%	n.m.	n.m.	49.2%	0.5%	67.7%	n.m.	n.m.	68.1%
Capex/Sales	37.6%	21.0%	9.4%	21.6%	28.0%	11.1%	0.1%	14.7%	38.6%	26.7%	13.7%
<b>Key information</b>											
Share price year end (/current)	n.a.	n.a.	2	2	2	2	1	1	1	1	1
Market cap.	n.a.	n.a.	537	522	473	489	375	297	280	280	280
Enterprise value	n.a.	n.a.	708	695	658	657	518	438	447	454	422
Diluted no. of shares, year-end (m)	263.0	263.0	263.0	263.0	263.0	263.0	263.0	263.0	263.0	263.0	263.0

Source: Company data and Nordea estimates

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**Market-making obligations and other significant financial interest**

Nordea has no market-making obligations in Tallinna Sadam shares.

As of 04/11/2024, Nordea Abp holds no positions of 0.5% or more of shares issued by Tallinna Sadam.

As of the publication of this report, the issuer does not hold a position exceeding 5% of the total shares issued in Nordea Abp.

**Investment banking transactions and/or services**

In view of Nordea's position in its markets, readers should assume that the bank may currently or may in the coming three months and beyond be providing or seeking to provide confidential investment banking and/or ancillary services to the company/ companies.

**Issuer Review**

*This report has not been reviewed by the Issuer prior to publication.*

**Completion Date**

05 Nov 2024, 00:28 CET

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