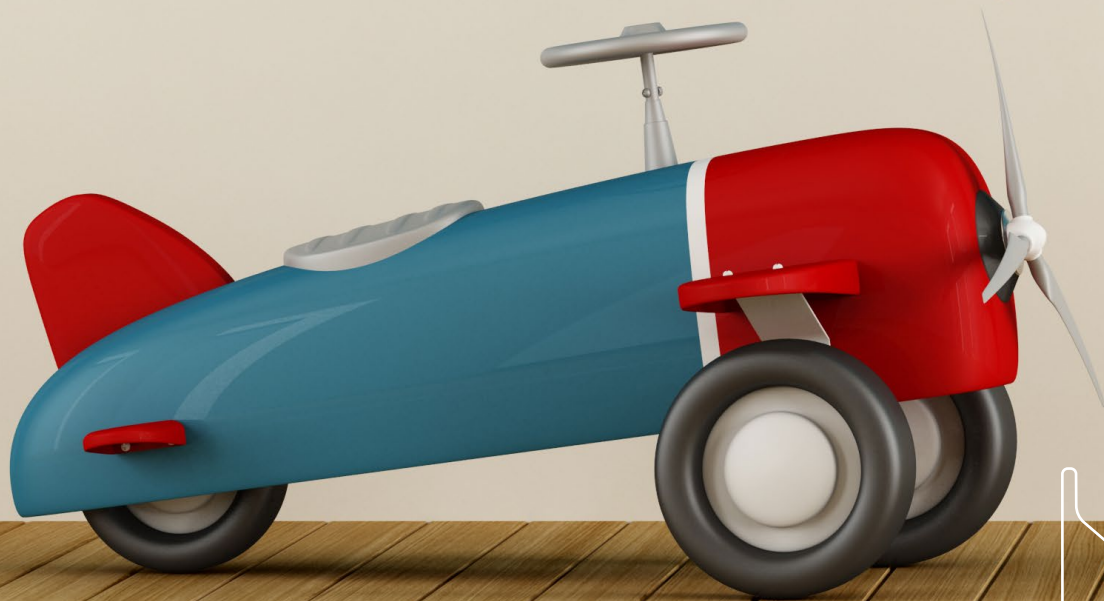


AS Tallinna Lennujaam
Interim report

1 January – 31 March 2021





Tallinn Airport served 86 thousand passengers in the first quarter

In mid-March, a year passed since the establishment of the COVID-19 emergency situation, which led to a sharp decline in the air traffic volumes across Europe. In the first months of the year, the demand at Tallinn Airport remained on average at the level of 13% of the previous volumes resulting from the restrictions imposed due to the coronavirus. As the passenger volume has remained low but stable at the beginning of this year, the number of passengers served daily since 19 March still exceed the level of 2020. A total of 86,042 passengers were served by Tallinn Airport in the first quarter, which is 16.3% of the same period last year.

Due to the constant changes in the restriction on movement in different regions, also the selection of destinations served by direct flights changed respectively. As at the end of March, regular flights were open to 15 different destinations, however nearly one-half of all passengers (48.4%) flew either to the Helsinki or Frankfurt hub. The airlines with the biggest market share in terms of passenger numbers were Finnair and Lufthansa, followed by airBaltic, serving passengers on up to eight different direct routes. Altogether 10 airlines had regular flights from Tallinn. The passengers of charter flights made 17% of all passengers. The main destinations were Egypt and the Canary Islands. The total number of flight operations at Tallinn Airport in the first quarter was 3,784 (-56%) and 2,192 tonnes of goods and post were carried (-9% compared to last year).

Passengers at the Tallinn Airport



Total 3 months **2021**
86 042


Total 3 months **2020**
528 391

Passengers at regional airports



Total 3 months **2021**
6 365

Total 3 months **2020**
12 309



RESULTS FOR THE FIRST QUARTER

The net loss of the AS Tallinna Lennujaam Group (hereinafter the Group) during the period from January to March was EUR -0.4 million, being a decrease of EUR 1.2 million, i.e., -144%, compared to last year.

Total income of the Group amounted to EUR 8.7 million, which is by EUR 4.0 million less (-31%) than in the comparable of last year. The sales revenue decreased by EUR 4.3 million (-47%) and other operating income increased by EUR 0.3 million (+10%).

Decline in the sales revenue results from the COVID-19 impact, being caused by a EUR 2.0 million drop in aviation revenue (-67%) and EUR 2.3 million (-37%) in non-aviation revenue. In aviation revenues, the passenger charges decreased the most, by EUR 1.2 million (-80%). In non-aviation revenues, the concession revenue demonstrated the biggest decline of EUR 0.7 million (-82%) and revenue from passenger services EUR -0.6 million (-21%), whereas the revenue from de-icing increased by EUR 0.4 million (+57%, caused by weather conditions). As a result of decreased passenger numbers, also other non-aviation revenue declined: parking EUR -0.3 million (-73%), rent and lease of premises -0.2 million (-20%) and advertising costs -0.1 million (-68%).

The reason for the EUR 0.3 million increase in other operating revenue is the implementation of the wage compensation measure by the Estonian Unemployment Insurance Fund within EUR 0.5 million. Revenue from government grants for assets was by EUR 0.2 million lower.

Total operating expenses of the Group amounted to EUR 9.0 million, which is by EUR 2.7 million less (-23%) than in the same period last year. Labour expenses

have decreased by EUR 1.3 million (-25%), incl. the number of employees in the Group (FTE, 3 months' average) decreased -25% compared to the same period last year. Due to the significant decline in operating volumes, the useful life of non-current assets (the useful life of which depends on the intensity of using the asset) has been extended, and accordingly, the depreciation costs of non-current assets have declined by EUR -0.4 million, i.e., 13%.

In the first three months, the Group's operating profit before depreciation (EBITDA) was EUR 1.5 million, i.e., by EUR 1.4 million (-48%) less than a year before.

Group's operating cash flows for the three months made EUR 0.2 million. The Group paid EUR 7.5 million for investments in non-current assets. The total amount of loans repaid by the Group was EUR 0.3 million.

Total assets of the AS Tallinna Lennujaam Group as at the end of March were EUR 227.7 million, having declined by EUR 2.8 million (-1.0%) compared to the beginning of the year. Equity was EUR 93.6 million, which is by EUR 0.4 million less compared to the start of the year.

Net profit/loss



3 months 2021 **-0,4 mln €**
3 months 2020 **0,9 mln €**

Revenue



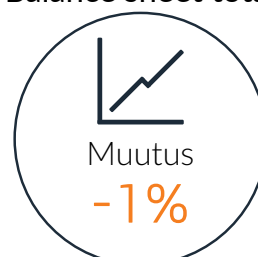
3 months 2021 **4,8 mln €**
3 months 2020 **9,1 mln €**

EBITDA



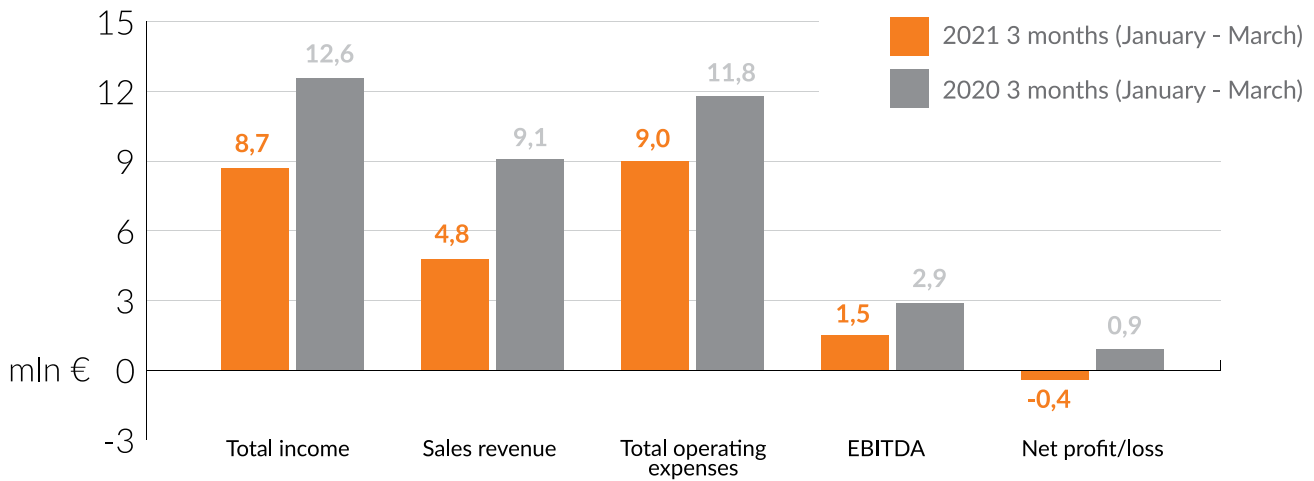
3 months 2021 **1,5 mln €**
3 months 2020 **2,9 mln €**

Balance sheet total



31/3/21 **227,7 mln €**
1/1/21 **230,5 mln €**

The most important financial indicators, mln €



2021 vs 2020



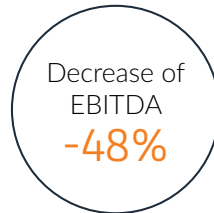
2021 vs 2020



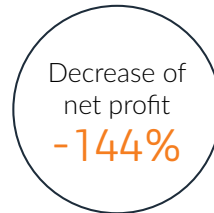
2021 vs 2020



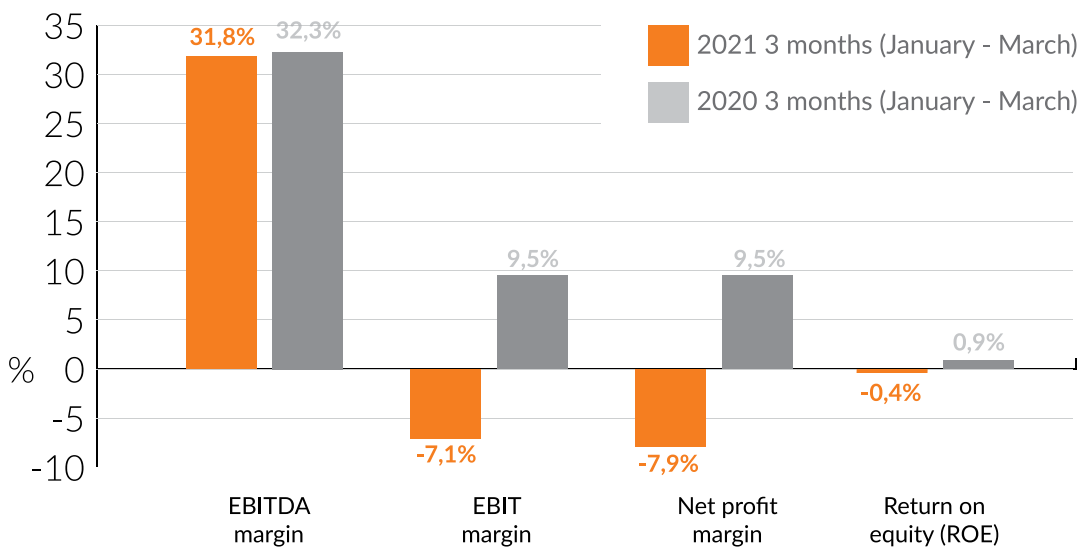
2021 vs 2020



2021 vs 2020



The most important margins 2020-2021





AS Tallinna Lennujaam

Consolidated financial statements

01.01.2021 - 31.03.2021
(unaudited)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31.03.2021

| In thousands of euros | 31/3/21 | 31/12/20 | Change | Change % |
|---------------------------------|----------------|----------------|---------------|-------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 162 118 | 158 875 | 3 242 | 2% |
| Intangible assets | 501 | 511 | -11 | -2% |
| Investment property | 15 490 | 15 698 | -208 | -1% |
| Total non-current assets | 178 109 | 175 085 | 3 024 | 2% |
| Current assets | | | | |
| Inventories | 402 | 265 | 137 | 52% |
| Receivables and prepayments | 5 160 | 5 644 | -483 | -9% |
| Cash | 44 065 | 49 530 | -5 465 | -11% |
| Total current assets | 49 627 | 55 439 | -5 811 | -10% |
| TOTAL ASSETS | 227 736 | 230 524 | -2 787 | -1% |
| EQUITY | | | | |
| Share capital | 25 617 | 25 617 | 0 | 0% |
| Statutory reserve capital | 2 510 | 2 510 | 0 | 0% |
| Retained earnings | 65 473 | 65 855 | -382 | -1% |
| TOTAL EQUITY | 93 600 | 93 982 | -382 | -0% |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31.03.2021

| In thousands of euros | 31/3/21 | 31/12/20 | Change | Change % |
|--------------------------------------|----------------|----------------|---------------|-------------|
| LIABILITIES | | | | |
| NON-CURRENT LIABILITIES | | | | |
| Borrowings | 49 036 | 49 036 | 0 | 0% |
| Government grants | 76 049 | 75 900 | 150 | 0% |
| Finance lease liabilities | 57 | 57 | 0 | 0% |
| Other payables | 41 | 41 | 0 | 0% |
| Total non-current liabilities | 125 182 | 125 033 | 150 | 0% |
| CURRENT LIABILITIES | | | | |
| Borrowings | 3 069 | 3 297 | -228 | -7% |
| Payables and prepayments | 5 648 | 7 965 | -2 317 | -29% |
| Provisions | 211 | 211 | 0 | 0% |
| Finance lease liabilities | 26 | 36 | -10 | -27% |
| Total current liabilities | 8 954 | 11 509 | -2 554 | -22% |
| TOTAL LIABILITIES | 134 137 | 136 542 | -2 405 | -2% |
| TOTAL LIABILITIES AND EQUITY | 227 736 | 230 524 | -2 787 | -1% |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| In thousands of euros | 2021 3 months | 2020 3 months | Change | Change % |
|--|---------------|---------------|---------------|--------------|
| Revenue | 4 817 | 9 119 | -4 302 | -47% |
| Aviation revenue | 1 024 | 3 058 | -2 034 | -67% |
| Non-aviation revenue | 3 793 | 6 061 | -2 268 | -37% |
| Ground handling services | 2 178 | 2 846 | -669 | -23% |
| Rental income (property and real estate) | 1 095 | 1 093 | 1 | 0% |
| Passengers related services | 444 | 2 045 | -1 600 | -78% |
| Concessions and rental income of passenger terminal | 197 | 1 115 | -918 | -82% |
| Car parking | 122 | 458 | -337 | -73% |
| Advertising | 67 | 209 | -142 | -68% |
| VIP and Business Lounge Services | 59 | 263 | -204 | -78% |
| Other non-aviation revenue | 77 | 76 | 0 | 0% |
| Other operating income | 3 851 | 3 507 | 344 | 10% |
| Government grants related to operating expenses | 2 974 | 2 459 | 515 | 21% |
| For security and safety | 1 942 | 1 855 | 87 | 5% |
| For regional airports | 575 | 604 | -29 | -5% |
| For salaries | 457 | 0 | 457 | 1 |
| Government grants related to assets recognised as income | 842 | 1 040 | -198 | -19% |
| Other income | 35 | 8 | 27 | 327% |
| Goods, raw material and services | -2 738 | -3 216 | 478 | -15% |
| Other operating expenses | 270 | -317 | 587 | -185% |
| Other operating expenses | -129 | -317 | 187 | -59% |
| Uncollectible Accounts Expense | 399 | -0 | 400 | 2 |
| Staff costs | -3 811 | -5 070 | 1 259 | -25% |
| Depreciation, amortisation and impairment | -2 716 | -3 118 | 401 | -13% |
| Other expenses | -17 | -36 | 20 | -54% |
| OPERATING PROFIT | -344 | 869 | -1 213 | -140% |
| Finance income and costs | -38 | -6 | -32 | 536% |
| PROFIT FOR THE PERIOD | -382 | 863 | -1 245 | -144% |
| EBITDA | 1 531 | 2 947 | -1 416 | -48% |
| COMPREHENSIVE INCOME FOR THE PERIOD | -382 | 863 | -1 245 | -144% |

NOTES

1. Support from the Estonian Unemployment Insurance Fund to cover labour costs

2. Reverse the original recording of uncollectible accounts expense

3. EBITDA = operating profit - depreciation costs - Government grants related to assets recognised as income

CONSOLIDATED STATEMENT OF CASH FLOWS

| In thousands of euros | 2021 3 months | 2020 3 months | Change | Change % |
|--|---------------|---------------|---------------|-------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Collections from customers | 6 138 | 10 448 | -4 310 | -41% |
| Payments to suppliers and employees | -8 481 | -10 729 | 2 248 | -21% |
| Interest received | 1 | 41 | -40 | -98% |
| Interest paid | -16 | -18 | 2 | -11% |
| Government grants received from state budget | 2 517 | 2 405 | 112 | 5% |
| TOTAL CASH FLOWS FROM OPERATING ACTIVITIES | 160 | 2 147 | -1 988 | -93% |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Paid for acquisition of intangible assets, property, plant and equipment | -7 455 | -1 479 | -5 975 | 404% |
| Proceeds from sale of property, plant and equipment | 1 | 57 | -57 | -99% |
| Government grants received for non-current assets | 2 089 | 0 | 2 089 | |
| TOTAL CASH FLOWS FROM INVESTING ACTIVITIES | -5 365 | -1 422 | -3 943 | 277% |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Repayments of borrowings | -250 | -250 | 0 | |
| Repayments of lease liabilities | -10 | -12 | 2 | 0% |
| TOTAL CASH FLOWS FROM FINANCING ACTIVITIES | -260 | -262 | 2 | -1% |
| NET CASH FLOWS | | | | |
| Cash and cash equivalents at beginning of the period | 49 530 | 50 903 | | |
| Cash and cash equivalents at end of the period | 44 065 | 51 366 | | |
| NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS | -5 465 | 463 | | |

AIR TRAFFIC AT TALLINN AIRPORT

| | 2021, 3 months | 2020, 3 months | Change | Change % |
|--------------------------|----------------|----------------|----------|----------|
| TALLINN AIRPORT | | | | |
| Passengers | 86 042 | 528 391 | -442 349 | -84% |
| Flight operations | 3 784 | 8 655 | -4 871 | -56% |
| MTOW | 60 942 | 183 019 | -122 077 | -67% |

ONLY MARCH

| | 2021 March | 2020 March | Change | Change % |
|--------------------------|------------|------------|---------|----------|
| TALLINN AIRPORT | | | | |
| Passengers | 33 290 | 103 300 | -70 010 | -68% |
| Flight operations | 1 430 | 2 211 | -781 | -35% |
| MTOW | 22 153 | 45 872 | -23 719 | -52% |

AIR TRAFFIC AT REGIONAL AIRPORTS

| | 2021, 3 months | 2020, 3 months | Change | Change % |
|-----------------------------------|----------------|----------------|--------|----------|
| Kärdla Airport | | | | |
| Passengers | 1 345 | 1 909 | -564 | -30% |
| Flight operations | 323 | 300 | 23 | 8% |
| MTOW | 1 207 | 1 085 | 122 | 11% |
| Kuressaare Airport | | | | |
| Passengers | 4 372 | 3 899 | 473 | 12% |
| Flight operations | 660 | 428 | 232 | 54% |
| MTOW | 3 643 | 1 307 | 2 336 | 179% |
| Tartu Airport | | | | |
| Passengers | 29 | 5 671 | -5 642 | -99% |
| Flight operations | 635 | 634 | 1 | 0% |
| MTOW | 757 | 2 008 | -1 251 | -62% |
| Pärnu Airport | | | | |
| Passengers | 0 | 346 | -346 | -100% |
| Flight operations | 0 | 136 | -136 | -100% |
| MTOW | 0 | 180 | -180 | -100% |
| Kihnu Airport | | | | |
| Passengers | 0 | 0 | 0 | |
| Flight operations | 0 | 0 | 0 | |
| MTOW | 0 | 0 | 0 | |
| Ruhnu Airport | | | | |
| Passengers | 619 | 484 | 135 | 28% |
| Flight operations | 248 | 178 | 70 | 39% |
| MTOW | 384 | 261 | 123 | 47% |
| TOTAL OF REGIONAL AIRPORTS | | | | |
| Passengers | 6 365 | 12 309 | -5 944 | -48% |
| Flight operations | 1 866 | 1 676 | 190 | 11% |
| MTOW | 5 991 | 4 841 | 1 150 | 24% |

AIR TRAFFIC AT REGIONAL AIRPORTS ONLY MARCH

| | 2021, March | 2020, March | Change | Change % |
|-----------------------------------|-------------|-------------|--------|----------|
| Kärdla Airport | | | | |
| Passengers | 466 | 386 | 80 | 21% |
| Flight operations | 120 | 70 | 50 | 71% |
| MTOW | 435 | 249 | 186 | 75% |
| Kuressaare Airport | | | | |
| Passengers | 1 273 | 696 | 577 | 83% |
| Flight operations | 244 | 88 | 156 | 177% |
| MTOW | 1 226 | 280 | 946 | 338% |
| Tartu Airport | | | | |
| Passengers | 6 | 982 | -976 | -99% |
| Flight operations | 263 | 177 | 86 | 49% |
| MTOW | 269 | 448 | -179 | -40% |
| Pärnu Airport | | | | |
| Passengers | 0 | 71 | -71 | -100% |
| Flight operations | 0 | 44 | -44 | -100% |
| MTOW | 0 | 55 | -55 | -100% |
| Kihnu Airport | | | | |
| Passengers | 0 | 0 | 0 | |
| Flight operations | 0 | 0 | 0 | |
| MTOW | 0 | 0 | 0 | |
| Ruhnu Airport | | | | |
| Passengers | 226 | 84 | 142 | 169% |
| Flight operations | 88 | 46 | 42 | 91% |
| MTOW | 132 | 63 | 69 | 110% |
| TOTAL OF REGIONAL AIRPORTS | | | | |
| Passengers | 1 971 | 2 219 | -248 | -11% |
| Flight operations | 715 | 425 | 290 | 68% |
| MTOW | 2 062 | 1 095 | 967 | 88% |

 [www: www.tallinn-airport.ee](http://www.tallinn-airport.ee)
 [e-post: administration@tll.aero](mailto:administration@tll.aero)
 **Telefon: +372 605 8700**
 **Faks: +372 605 8701**
 facebook.com/tll.aero
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