



AS Tallinna Lennujaam 1 January - 30 June 2021

Interim report



Tallinn Airport served 197 thousand passengers in the second quarter



PASSENGERS AT TALLINN AIRPORT

Q2 2021	197,453
Q2 2020	38,666
Change	+411%

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. Compared to the beginning of the year, the second quarter saw a significant recovery in demand. The number of passengers has increased month by month, reaching 98.0 thousand served passengers in June, which is nearly 4 times more compared to a year before; however, 31% of the passengers served in June 2019.

A total of 197,453 passengers were served by Tallinn Airport in the second quarter, which is 411% higher than in the same period last year.

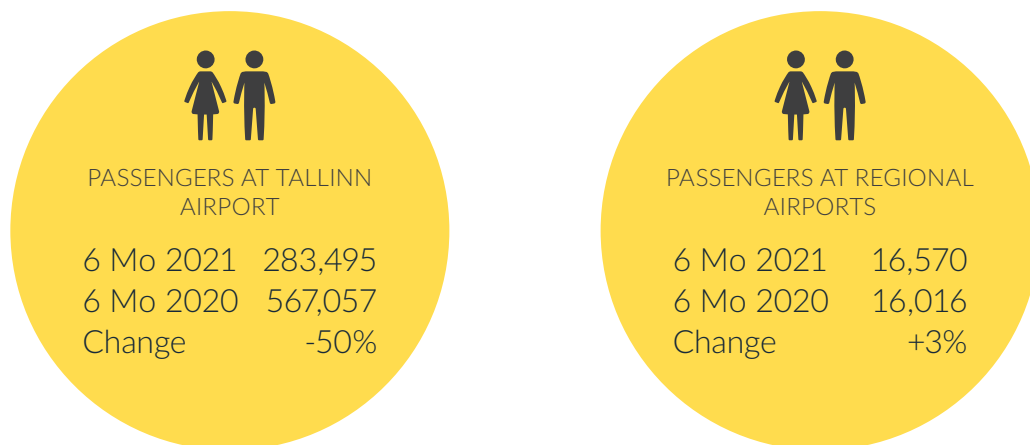
The total number of flight operations at Tallinn Airport in the second quarter was 5,941 (+77%), and 2,471 tonnes of goods and post were carried (+13% compared to last year).

Tallinn Airport served a total of 283 thousand passengers in the first half-year

Increased demand has enabled to intensify the flight schedule also on the current routes, incl. to Frankfurt, Helsinki, Riga, Stockholm and Warsaw. As at the end of June, regular flights were open to 25 different destinations, however one-third of all passengers (35%) flew either to the Helsinki or Frankfurt hub. The airlines with the biggest market share in terms of passenger numbers were AirBaltic and Lufthansa, followed by Finnair. Altogether 11 airlines had regular flights from Tallinn. Also, interest in charter flights has increased in proportion to regular flights- the passengers of charter flights made 22% of all passengers. The main destinations were Turkey (Antalya), Egypt and the Canary Islands.

Over the first six months, 283.5 thousand passengers passed the Tallinn Airport, which is 50% less compared to the same period last year.

The total number of flight operations at Tallinn Airport in the first half-year was 9,725 (-19%), and 4,664 tonnes of goods and post were carried (+2% compared to last year).





Results for the second quarter

Covid-19 virus continues to affect the entire aviation and tourism sector. Yet, compared to the same period last year, the restrictions were less stringent and this led to an increase in aviation. The number of passengers and flight operations of Tallinn Airport in the second quarter was better by 411% and 77%, respectively, compared to the same period last year. The number of passengers in regional airports was by 175% higher and there were 61% more flight operations in the second quarter.

The increased number of flight passengers and operations is reflected in the growth of sales revenue. The **sales revenue has increased by EUR 2.6 million**, i.e., 99%, compared to the second quarter of the previous year.

Due to the low revenue base, the company continued to operate in a cost-saving mode. The costs of the company in the second quarter were the same as the year before - altogether EUR 8.9 million. At the same time, the goods, raw material and services were higher by EUR 0.4 million and staff costs by EUR

0.3 million. Last year, in the period from April to June, the workload and salary of all employees were reduced by 30%. Depreciation, amortisation and impairment were by EUR 0.4 million lower and other operating expenses by EUR 0.3 million lower.

In the second quarter, the Group's **operating profit before depreciation of non-current assets (EBITDA) was EUR 2.4 million**, i.e., by EUR 1.7 million (+260%) more than a year before.

The **profit of Q2 was EUR 0.45 million**. The result for the same period last year was a loss of EUR 1.5 million.

The Group's cash balance is sufficient to continue the implementation of the investment plan and meet its obligations on time.



NET PROFIT/LOSS
mln €

6 Mo 2021	0,1
6 Mo 2020	-0,6
Change	+111%



REVENUE
mln €

6 Mo 2021	10,0
6 Mo 2020	11,7
Change	-15%



EBITDA
mln €

6 Mo 2021	3,9
6 Mo 2020	3,6
Change	+8%



BALANCE SHEET TOTAL
mln €

30.06.2021	236,4
01.01.2020	230,5
Change	+3%



Results for the period of January–June

Total income of the Group amounted to EUR 18.1 million, which is by EUR 2.1 million less (-10%) than in the comparable period of last year. The **sales revenue decreased by EUR 1.7 million (-15%)** and other operating income decreased by EUR 0.3 million (-4%). January and February of the last year were the months with normal business, when the virus was not yet influencing the aviation.

Decline in the sales revenue results from the COVID-19 impact, the reason for the decline was a EUR 1.2 million drop in aviation revenue (-31%) and EUR 0.6 million (-7%) in non-aviation revenue.

In aviation revenue, the passenger charges decreased the most, by EUR 0.8 million (-47%). In non-aviation revenue, the concessions and rental income of passenger terminal decreased the most, by EUR 0.6 million (-47%). Revenue from services to passengers and planes increased by EUR 0.3 million (+8%), including the revenue from de-icing increased by EUR 0.4 million (+64%), caused by weather conditions. Due to the lower number of passengers this year,

other non-aviation revenue also decreased.

Other operating income has decreased by EUR 0.3 million. The reason is the government grants related to assets recognised as income, which is by EUR 0.4 million less. Implementation of the support measure from the Estonian Unemployment Insurance Fund provided EUR 1.4 million of funds during the period of April to June, to cover labour costs. Last year, the Group received EUR 2.0 million of salary support.

Total operating expenses of the Group amounted to EUR 18.0 million, which is by EUR 2.8 million less (-13%) than in the same period last year. Labour costs have decreased by EUR 0.9 million (-11%), incl. the number of employees in the Group (FTE, 6 months' average, the reduced workload in April-June of the last year has been excluded) decreased -24% compared to the same period last year. Due to the significant decline in operating volumes, the useful life of non-current assets has been changed due to the correlation between the intensity of use and useful life and accordingly, the depreciation costs of non-current assets have decreased by EUR -0.8 million, i.e., -13%.

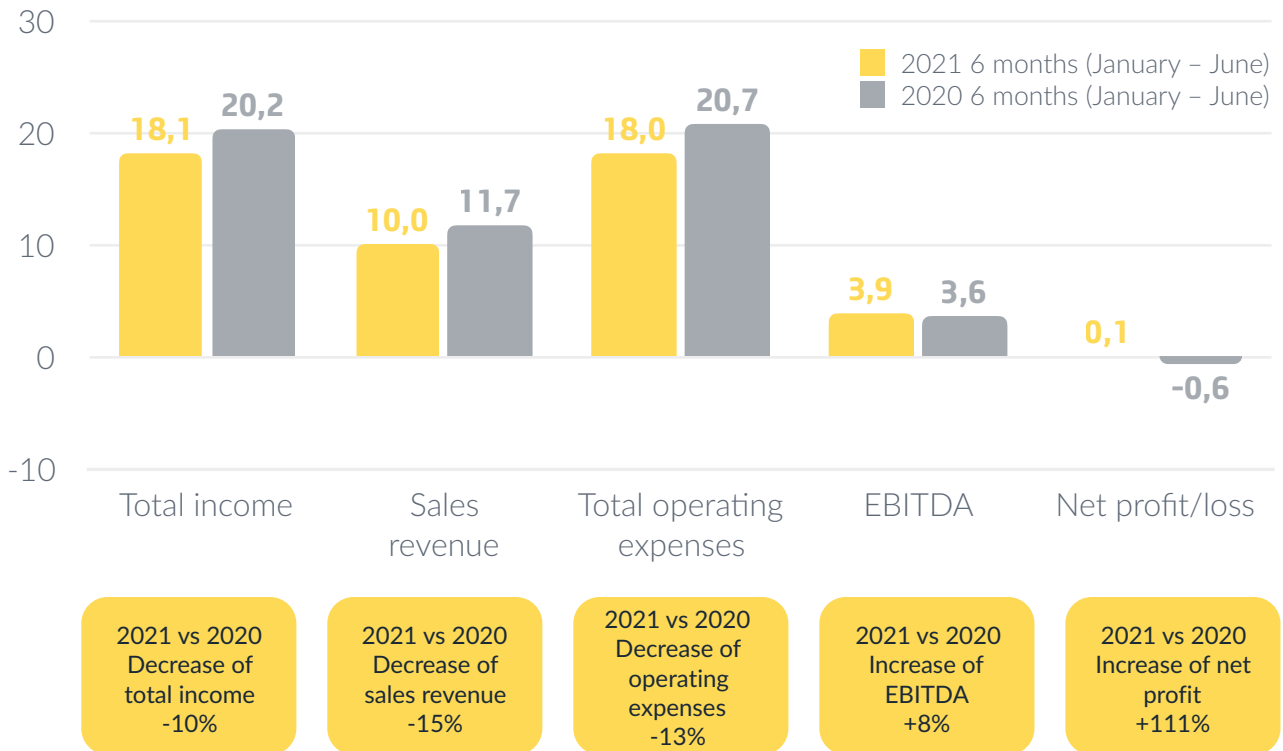
In the first six months, the Group's **operating profit before depreciation of non-current assets (EBITDA) was EUR 3.9 million**, i.e., by EUR 0.3 million (+8%) more than a year before.

The **net profit** of AS Tallinna Lennujaam (hereinafter the Group) **during the period from January to June was EUR 0.1 million**, being an increase of EUR 0.7 million, i.e., +111%, compared to the year before. The Group's result for the six months of the last year was a loss of EUR 0.6 million.

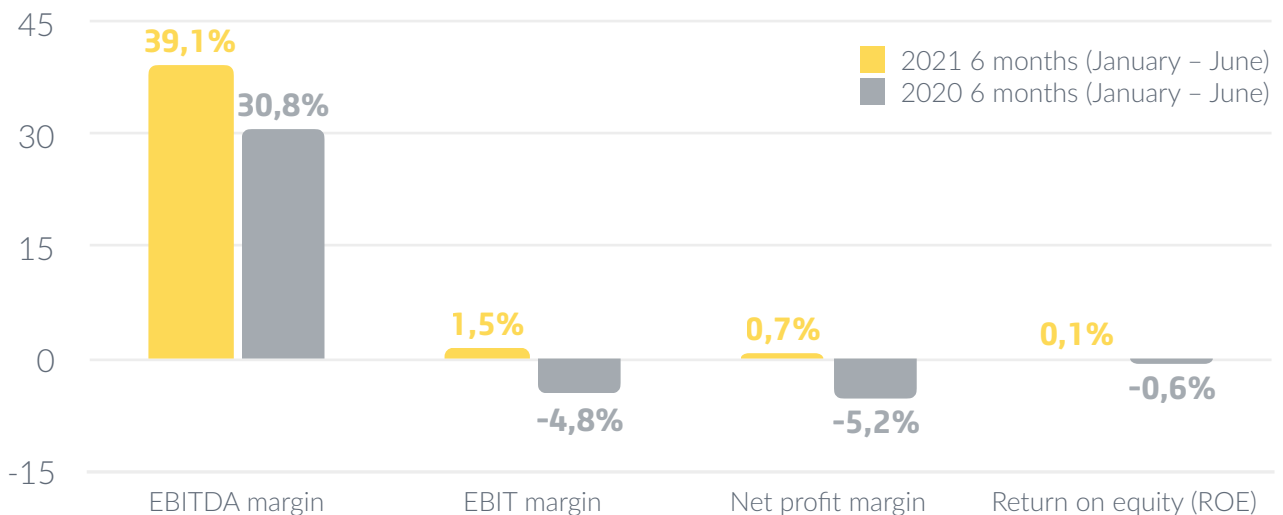
Group's operating cash flows for six months made EUR 2.3 million. The Group paid EUR 11.7 million for investments in non-current assets and received EUR 3.7 million in government grants for the acquisition of non-current assets. The total amount of loans repaid by the Group was EUR 1.6 million.

Total assets of AS Tallinna Lennujaam Group as at the end of June amounted to EUR 236.4 million, having increased by EUR 5.8 million (+3.0%) compared to the beginning of the year. Equity was EUR 94.0 million, which is by EUR 0.1 million more compared to the start of the year.

The most important financial indicators, mln €



The most important margins, %





AS Tallinna Lennujaam

Consolidated financial statements

(unaudited)



CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30.06.2021

In thousands of euros	30.06.2021	31.12.2020	Change	Change %
ASSETS				
Non-current assets				
Property, plant and equipment	169,815	158,875	10,940	7%
Intangible assets	531	511	20	4%
Investment property	15,239	15,698	-459	-3%
TOTAL NON-CURRENT ASSETS	185,585	175,085	10,500	6%
Current assets				
Inventories	434	265	169	64%
Receivables and prepayments	8,178	5,644	2,535	45%
Cash	42,174	49,530	-7,356	-15%
TOTAL CURRENT ASSETS	50,787	55,439	-4,652	-8%
TOTAL ASSETS	236,372	230,524	5,848	3%
EQUITY				
Share capital	25,617	25,617	0	0%
Statutory reserve capital	2,510	2,510	0	0%
Retained earnings	65,924	65,855	69	0%
TOTAL EQUITY	94,051	93,982	69	0%

In thousands of euros

30.06.2021

31.12.2020

Change

Change %

LIABILITIES**Non-current liabilities**

Borrowings	49,036	49,036	0	0%
Government grants	78,254	75,900	2,354	3%
Finance lease liabilities	57	57	0	0%
Other payables	41	41	0	0%
TOTAL NON-CURRENT LIABILITIES	127,387	125,033	2,354	2%

Current liabilities

Borrowings	1,665	3,297	-1,632	-50%
Payables and prepayments	13,040	7,965	5,076	64%
Provisions	211	211	0	0%
Finance lease liabilities	17	36	-19	-53%
TOTAL CURRENT LIABILITIES	14,933	11,509	3,424	30%

TOTAL LIABILITIES	142,320	136,542	5,779	4%
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TOTAL LIABILITIES AND EQUITY	236,372	230,524	5,848	3%
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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of euros

2021, 6 months 2020, 6 months Change Change %

	2021, 6 months	2020, 6 months	Change	Change %
REVENUE	9,979	11,715	-1,736	-15%
Aviation revenue	2,620	3,795	-1,175	-31%
Non-aviation revenue	7,359	7,919	-561	-7%
Ground handling services	3,688	3,429	258	8%
Rental income (property and real estate)	2,069	1,974	95	5%
Passengers related services	1,413	2,395	-983	-41%
Concessions and rental income of passenger terminal	724	1,365	-641	-47%
Car parking	358	504	-145	-29%
Advertising	151	262	-111	-42%
VIP and Business Lounge Services	179	265	-86	-32%
Other non-aviation revenue	189	121	68	56%
OTHER OPERATING INCOME	8,127	8,457	-329	-4%
Government grants related to operating expenses	6,396	5,780	616	11%
For security and safety	3,884	2,906	978	34%
For regional airports	1,150	854	296	35%
For salaries	1,363	2,020	-657	-33%
Government grants related to assets recognised as income	1,679	2,082	-403	-19%
Other income	52	594	-542	-91%
Goods, raw material and services	-5,050	-5,165	115	-2%
Other operating expenses	25	-878	903	-103%
Other operating expenses	-365	-531	167	-31%
Uncollectible Accounts Expense	390	-347	736	-212%
Staff costs	-7,472	-8,386	914	-11%
Depreciation, amortisation and impairment	-5,434	-6,255	820	-13%
Other expenses	-30	-55	25	-46%
OPERATING PROFIT	146	-567	712	126%
Finance income and costs	-76	-43	-33	77%
PROFIT FOR THE PERIOD	70	-609	679	111%
EBITDA	3,901	3,606	295	8%
COMPREHENSIVE INCOME FOR THE PERIOD	70	-609	679	111%

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, 6 months	2020, 6 months	Change	Change %
CASH FLOWS FROM OPERATING ACTIVITIES				
Collections from customers	12,417	15,919	-3,501	-22%
Payments to suppliers and employees	-15,123	-16,929	1,806	-11%
Interest received	2	42	-40	-96%
Interest paid	-65	-76	11	-15%
Government grants received from state budget	5,033	4,810	223	5%
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	2,265	3,765	-1,501	-40%
CASH FLOWS FROM INVESTING ACTIVITIES				
Paid for acquisition of intangible assets, property, plant and equipment	-11,652	-3,927	-7,725	197%
Proceeds from sale of property, plant and equipment	3	164	-161	-98%
Government grants received for non-current assets	3,690	0	3,690	
TOTAL CASH FLOWS FROM INVESTING ACTIVITIES	-7,958	-3,762	-4,196	112%
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayments of borrowings	-19	-40	21	
Repayments of lease liabilities	0	0	0	
TOTAL CASH FLOWS FROM FINANCING ACTIVITIES	-1,662	-1,683	21	-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	42,174	49,223		
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	-7,356	-1,680		

AIR TRAFFIC AT TALLINN AIRPORT

	2021, 6 months	2020, 6 months	Change	Change %
TALLINN AIRPORT				
Passengers	283,495	567,057	-283 562	-50%
Flight operations	9,725	12,014	-2 289	-19%
MTOW	159,311	229,934	-70 623	-31%

ONLY SECOND QUARTER

	2021, April-June	2020, April-June	Change	Change %
TALLINN AIRPORT				
Passengers	197,453	38,666	158,787	411%
Flight operations	5,941	3,359	2,582	77%
MTOW	98,369	46,915	51,454	110%

AIR TRAFFIC AT REGIONAL AIRPORTS

	2021, 6 months	2020, 6 months	Change	Change %
TOTAL OF REGIONAL AIRPORTS				
Passengers	16,570	16,016	554	3%
Flight operations	4,199	3,121	1,078	35%
MTOW	12,924	7,392	5,532	75%
Kärdla Airport				
Passengers	4,175	3,463	712	21%
Flight operations	811	564	247	44%
MTOW	2,718	1,893	825	44%
Kuressaare Airport				
Passengers	11,333	5,997	5,336	89%
Flight operations	1,237	750	487	65%
MTOW	7,629	2,219	5,410	244%
Tartu Airport				
Passengers	80	5,710	-5,630	-99%
Flight operations	1,777	1,384	393	28%
MTOW	2,010	2,714	-704	-26%
Pärnu Airport				
Passengers	0	351	-351	-100%
Flight operations	0	193	-193	-100%
MTOW	0	251	-251	-100%
Kihnu Airfield				
Passengers	0	0	0	
Flight operations	16	16	0	0%
MTOW	23	8	15	188%
Ruhnu Airfield				
Passengers	982	495	487	98%
Flight operations	358	214	144	67%
MTOW	544	307	237	77%

ONLY SECOND QUARTER

2021, April-June 2020, April-June Change Change %

TOTAL OF REGIONAL AIRPORTS

Passengers	10,205	3,707	6,498	175%
Flight operations	2,332	1,445	887	61%
MTOW	6,932	2,551	4,381	172%

Kärdla Airport

Passengers	2,830	1,554	1,276	82%
Flight operations	488	264	224	85%
MTOW	1,511	808	703	87%

Kuressaare Airport

Passengers	6,961	2,098	4,863	232%
Flight operations	577	322	255	79%
MTOW	3,986	912	3,074	337%

Tartu Airport

Passengers	51	39	12	31%
Flight operations	1,141	750	391	52%
MTOW	1,252	706	546	77%

Pärnu Airport

Passengers	0	5	-5	-100%
Flight operations	0	57	-57	-100%
MTOW	0	71	-71	-100%

Kihnu Airfield

Passengers	0	0	0	
Flight operations	16	16	0	0%
MTOW	23	8	15	188%

Ruhnu Airfield

Passengers	363	11	352	3200%
Flight operations	110	36	74	206%
MTOW	160	46	114	248%

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