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Company AS TALLINNA SADAM

Type Company Release

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Title Commentary on the press release of the Ministry of Defense on the financing decision of the

On April 8, 2022, the Estonian ministry of defense issued a press release "The European Commission supports the Estonian military mobility project with 31 million (https://kaitseministeerium.ee/et/uudised/euroopa-komisjon-toetab-31-miljoniga-eesti-sojalise-mobilisuse-projekti)", in which it was announced that Estonia had received a positive response from the EstMilMob military mobility project, which aims to improve transport connections to Tapa over the next five years. The total cost of the project is 62 million euros, half of which is funded by the European Union. As part of the project, AS Tallinna Sadam (hereinafter: Tallinna Sadam) will build a new 310-meter quay with a 10-hectare area beyond the quay in Paldiski South Harbor.

According to the submitted project application, the share of Tallinna Sadam in the cost of the project is 40 million euros (the actual cost of the investment will become clear as a result of the procurement), including the European Union funding of 50% i.e. up to 20 million euros. If the supervisory board of Tallinna Sadam approves the investment, the design and construction of the quay will start as soon as possible. The initial completion date of the quay and the rear area is planned for 30.06.2025 in the project.

The new quay with the beyond area planned by Tallinna Sadam for the Paldiski South Harbor is necessary not only for military purposes but also to increase the maritime transport capacity of goods and vehicles. Due to the favorable location of Paldiski South Harbor, the construction of the new quay will create preconditions for Tallinna Sadam to become an important partner in the construction and subsequent maintenance of offshore wind farms in the Baltic Sea region. The new quay will ensure the capacity of the port to receive high-draft special-purpose vessels for the construction of offshore wind farms and the transport of wind turbine components. The large rear area beyond the quay allows various preparations for the manufacture and storage of generators and wind turbine blades before being loaded on a ship.

Tallinna Sadam is one of the largest cargo- and passenger port complexes in the Baltic Sea region, which serves annually 10 million passengers and 20 million

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tons of cargo in average. 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. The group's sales in 2021 totalled EUR 110 million, adjusted EBITDA EUR 54 million and profit EUR 26 million.

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