

Company AS TALLINNA SADAM  
Type Company Release  
Category Other corporate action  
Disclosure time 08 Jul 2022 16:00:00 +0300

## Currency

Title The Competition Authority terminated the supervisory procedure regarding the contractual

The Competition Authority announced on 07.07.2022 that it had terminated the supervision proceedings initiated on the basis of the complaint filed by the Worldwide Cargo Establishment (hereinafter: WCE) on 30.10.2019 regarding the activities of AS Tallinna Sadam (hereinafter: Tallinn Sadam) pursuant to § 63(4) subsection 1 points 1 and 2 of the Competition Act. The purpose of the monitoring procedure was to clarify whether Tallinna Sadam, when offering use of infrastructure at Muuga Harbour to WCE, has the characteristics of a violation of § 16 points 1 and 3 of the Competition Act. The Competition Authority did not analyse the market position of Tallinna Sadam, but as a result of the supervision procedure still came to the conclusion that the activities of Tallinna Sadam, regardless of the market position of Tallinna Sadam, do not have characteristics of violation of the Competition Act and the company has not significantly harmed competition, i.e. there is no threat of significantly harming competition.

In addition, there was a civil litigation between the parties under the same circumstances. On 30 May 2018, WCE filed a claim with the Harju County Court against Tallinna Sadam requesting that the minimum cargo volume in the cooperation agreement should be reduced retroactively from 2015 and that the contractual penalties paid for 2015-2017 in the amount of EUR 0.45 million plus accrued interest should be repaid.

The action was dismissed by the decision of the Harju County Court on 19 January 2021. WCE filed an appeal with the circuit court and on 22 October 2021 the Tallinn Circuit Court dismissed the appeal, as it took the position that Tallinna Sadam does not have a dominant position in the market and therefore there is no basis for the application of § 16 points 1 and 3 of the Competition Act. On 22 November 2021, WCE filed an appeal in cassation against the decision of the Tallinn Circuit Court with the Supreme Court. On 11 April 2022, the Supreme Court issued a ruling dismissing the appeal in cassation. On the day the ruling was made, the judgment of the Tallinn Circuit Court of 22 October 2021 and the decision of the Harju County Court of 19 January 2021 entered into force and the court dispute ended.



WCE is a cargo operator of Tallinna Sadam, which owns a grain terminal in Muuga Harbour and handles grain. According to the long-term co-operation agreement, WCE has a minimum annual cargo charge obligation, failing which WCE shall pay Tallinna Sadam a penalty in the amount of the difference between the mandatory and the actual cargo charge.

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 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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