

Tallink Grupp reports first full year profit since 2019 results



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[Tallink Grupp](#) has published its 2022 unaudited financial results to the stock exchange, reporting the first full year profit of EUR 13.9 million (US\$14.7 million) since its 2019 results. The group's passenger and cargo statistics and results improved across the board year on year.

According to a press release, the year of recovery after the pandemic saw the company's passenger number nearly double in 2022 compared to 2021, amounting to 5.5 million passengers, and the transported cargo units also increased by 11%, compared to the previous year, totalling 409,769 units on all the company's routes and vessels.

The group's unaudited consolidated revenue increased significantly compared to 2021, amounting to EUR 771.4 million (US\$814 million), and the group's unaudited EBITDA for the financial year more than doubled in 2022 compared to the previous year, totalling EUR 135.8 million (US\$143.3 million). All the above contributed to the positive result reached by the group by the end of the year of a EUR 13.9 million unaudited net profit (US\$14.7 million).

The group's investments in 2022 amounted to EUR 203.3 million (US\$214.3 million), the majority of which (EUR 176.7 million or US\$186.2 million) were related to the new shuttle vessel MyStar. At the end of the 2022 financial year, the group's total liquidity buffer (cash, cash equivalents and unused credit facilities) remained strong and amounted to EUR 249.9 million (US\$263.4 million).

"Although the first few months of 2022 were still marginally impacted by the last remaining COVID travel restrictions, it was not the pandemic that hindered our company's greater ambitions for recovery in 2022, but the outbreak of war in Ukraine and the resulting economic and geopolitical turbulence with price hikes and overall uncertainties," notes the release. "Despite this, the company saw increases in revenues, on board spending, passenger numbers, hotel guest numbers and much more compared to 2020 and 2021. At the same time, the company's costs also significantly increased in a number of areas due to global price hikes, most notably the fuel costs, which increased 99.5% compared to the previous year, ship operating expenses that increased 50.2% year on year and the cost of goods sold, which increased 45.4% year on year. Strong cost control thus continues to be a priority for the company."

Throughout the year, Tallink continued to proactively look for and seize opportunities to charter out the company's vessels in order to reduce the risks arising from the usual seasonality of travel and slower than expected recovery of passenger numbers. This led to a number of charter agreements for

the company's vessels to provide temporary housing for refugees in Estonia and the UK, and to asylum seekers in Holland. While passenger numbers continue to recover, this line of business is likely to feature in Tallink's plans for low season risk reduction for the foreseeable future.

Commenting on the results for 2022, Tallink Grupp's CEO Paavo Nõgene, said, "We had great confidence at the start of last year that 2022 was going to be the year when we will see a rapid recovery of business and increased stability compared to previous years. This confidence was of course quickly overturned almost a year ago today, on February 24, 2022, with the outbreak of war in Europe.

"The ensuing geopolitical and economic shockwave made us realize that a new year with new challenges lay ahead and more quick thinking, creative solutions and flexibility was going to be required. I am proud that we have been able to offer support not only to our own Estonian government in the aftermath of the humanitarian crisis that the war unleashed, but also to a number of other governments in Europe. Supporting them with temporary housing on our vessels has in many ways also helped us, keeping our vessels working at a time when some of them would otherwise perhaps be suspended. We will continue this support as long as it is needed.

"The new and challenging charters of our vessels, the daily efforts of restoring core route operations, the significant team effort to complete the construction of our newest fleet member MyStar and the start of operations with her on the Tallinn-Helsinki route were the focus of our activities last year, many of which will continue also in 2023.

"I remain hopeful, as I was last year, that we will continue to see recovery on our core routes throughout 2023. Many steps have been taken to achieve this and I am confident they have been the right steps. No doubt we will have challenges ahead also this year, but the last three years have trained us well in terms of crisis management and response, so I know what my 4,900 colleagues are capable of and together we will handle whatever 2023 will bring."