

AS Tallinna Vesi

Results for the 3rd quarter of 2021

29 October 2021

Presenters

Tallinna Vesi



Aleksandr Timofejev
CEO
Member of the Management Board



Kristi Ojakäär
CFO
Member of the Management Board

Highlights of the 3rd quarter

- Covid-19 continues to have an impact on the Company's results and day-to-day work;
- Completed mechanical treatment reconstruction, which was the largest investment in the wastewater treatment during the past decade;
- Started co-operation with universities and vocational schools to give out scholarships.

New Management Board member

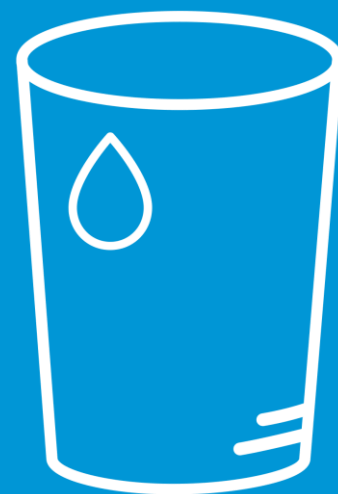


Welcome to the team Chief Asset Management Officer Tarvi Thomberg!

- Tarvi will be managing the daily operations in particular of the technical services (i.e. underground assets' operation), infotechnology, water services, client services and administrative operations;
- He has long-term experience as a board member from various infrastructure and technology companies;
- He has been a Member of the Management Board of the largest network company in Estonia, Elektrilevi as well as the company developing the production technology, Enefit Outotec Technology of which he has also been the CEO of;
- Tarvi has Masters Degree in electrical engineering from Tallinn University of Technology. He has also completed a management development program at the London Business School and a MBA program for managers at Estonian Business School.

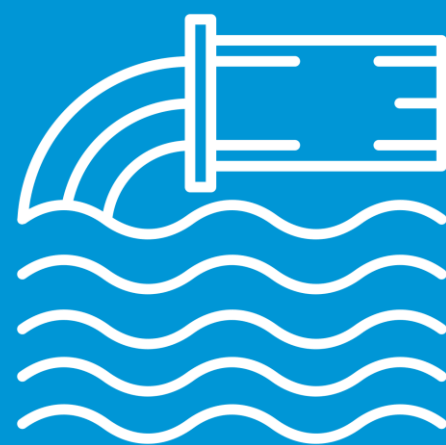


Operations update



Water quality

Q3: 98.8% (2020: 99.3%)
9 m: 99.6% (2020: 99.8%)



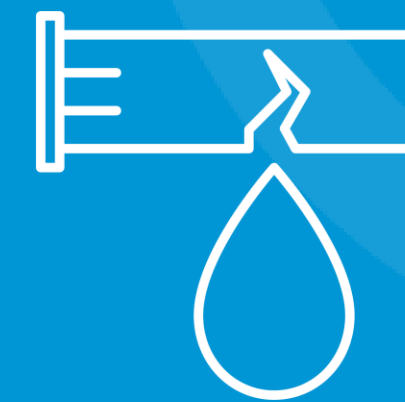
Effluent

Q3, 9 m: 100% compliant
(2020: 100%)



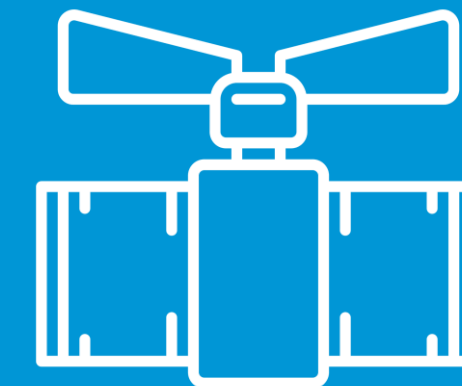
Customer satisfaction

Q3: 4.1 out of 5 (2020: 4.2)
9 m: 4.3 out of 5 (2020: 4.1)



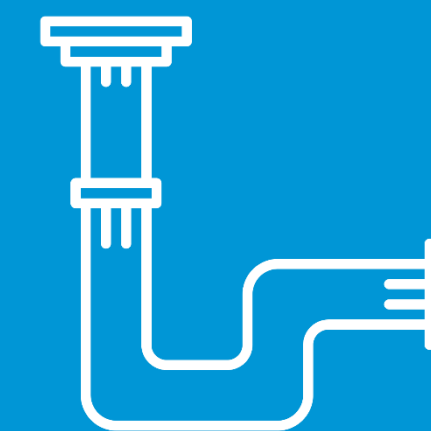
Leakage rate

Q3: 14.1% (2020: 9.6%)
9 m: 14.7% (2020: 12.45%)



Average duration of water interruption per property

Q3: 3.18 h (2020: 2.83 h)
9 m: 3.13 h (2020: 2.99 h)



Rehabilitation of networks

Q3: 2,400 m of water pipes,
1,700 m of sewers
9 m: 6,600 m of water pipes,
5,800 m of sewers

Investment projects in Q3

Total investments made in the 9 months of 2021: €7,7 mln

Investments into the network:

- In the first 9 months we have reconstructed 6,600 m of water pipes and 5,800 m of sewers in cooperation with City of Tallinn and OÜ Utilitas*;
- Works on Kadaka road and Kohila street include renovating large-diameter and strategically important pipelines that will positively impact a significant number of consumers.

Investments into water and wastewater treatment plants:

WTP:

- Pumping stations: Reconstruction of Õismäe PS and design of Rummu PS;
- Reconstruction of the pipes at secondary chlorination units A and B.

WWTP:

- Completed reconstruction works on the mechanical treatment stage;
- Changed main pumping station pump to increase the capacity of PS;
- Ongoing civil reconstruction works at the main pumping station;
- The first stage of the reconstruction of shorewell.

**Investments will be partially reflected in the 4th quarter.*





Large-scale future investments

Remotely readable (smart) water meter readers

- Pilot project ongoing;
- Target: every customer has a smart meter reader by 2026.

Implementation of the new CRM which will automise customer services

- Improving the security and user-friendliness of the self-service environment;
- Automating the renewal and signing of the connection- and service contract.

Combined heat and power (CHP) plant in wastewater treatment (WWTP) plant

- Design procurement ongoing;
- Target: 100% of heat and 30% of power for WWTP will come from new CHP plant;
- This ensures sustainability for the WWTP.

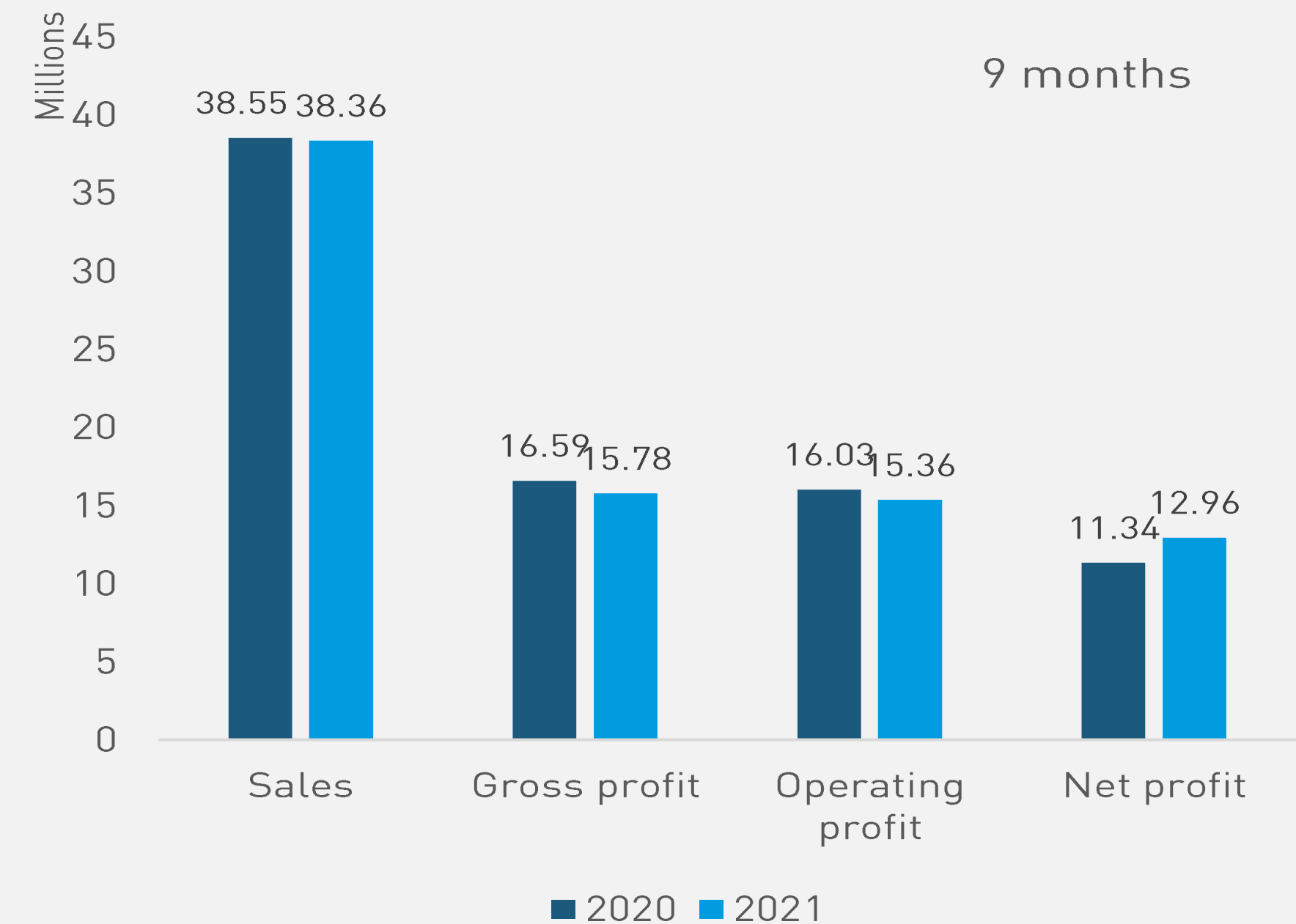
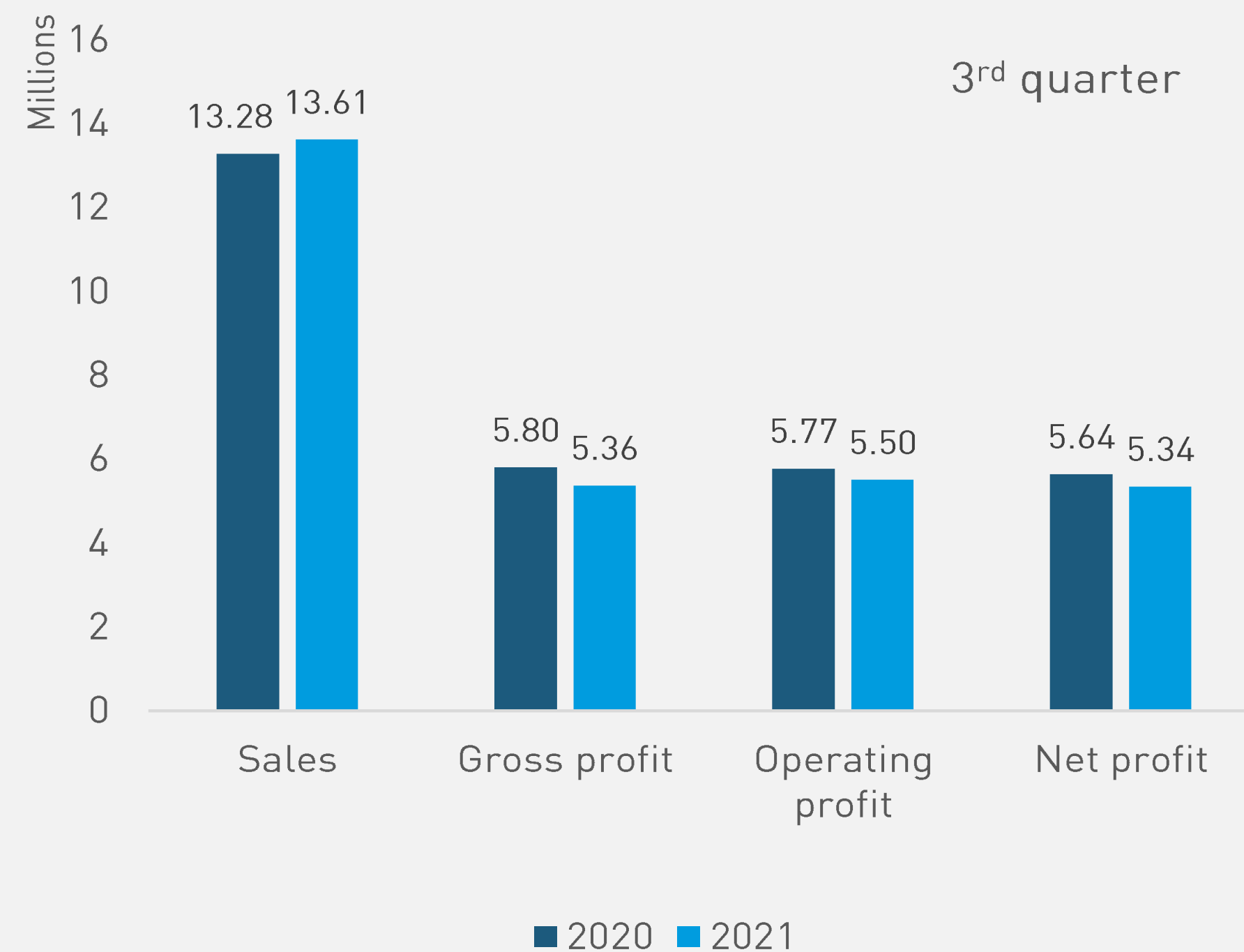
Rehabilitation of networks

- Will start negotiations to do co-operation with universities to compose a plan for networks reconstruction needs;

Environment projects

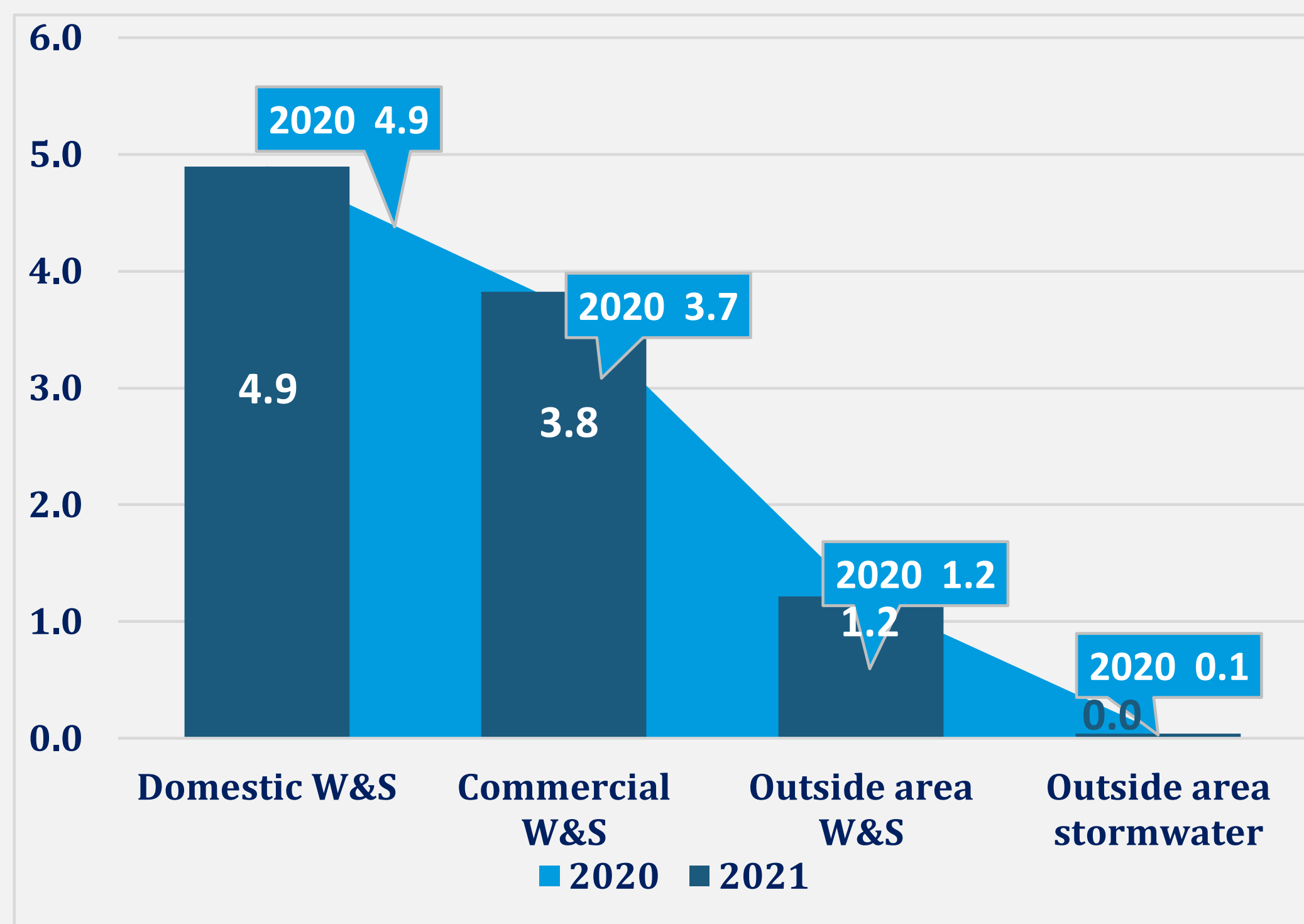
- Footprint calculations ongoing;
- Net zero strategy in development;
- Target is to contribute to CO2 neutrality.

Financial highlights of the 3rd quarter of 2021

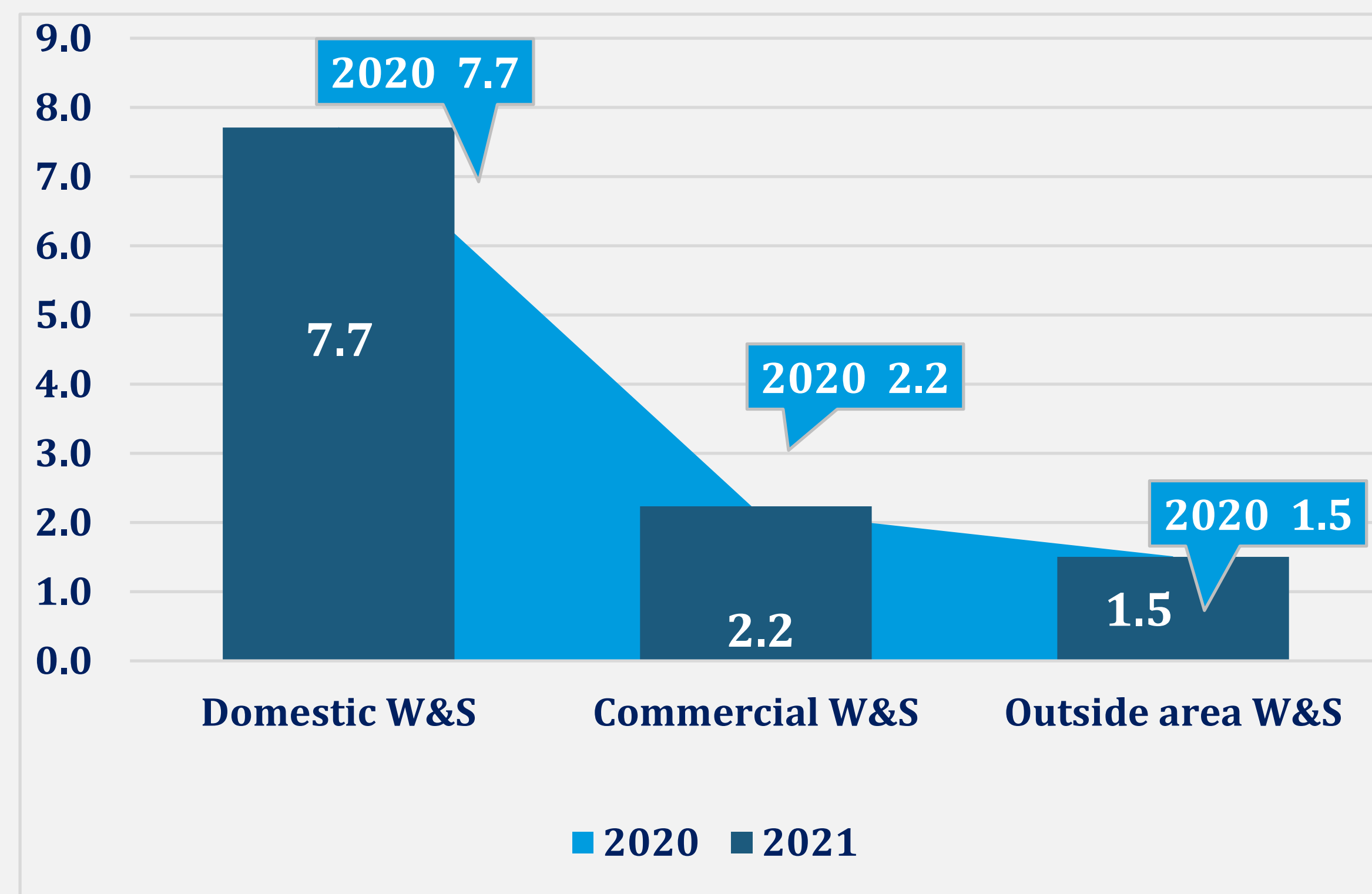


Water & Wastewater revenues in the 3rd quarter of 2021

Revenues, € million



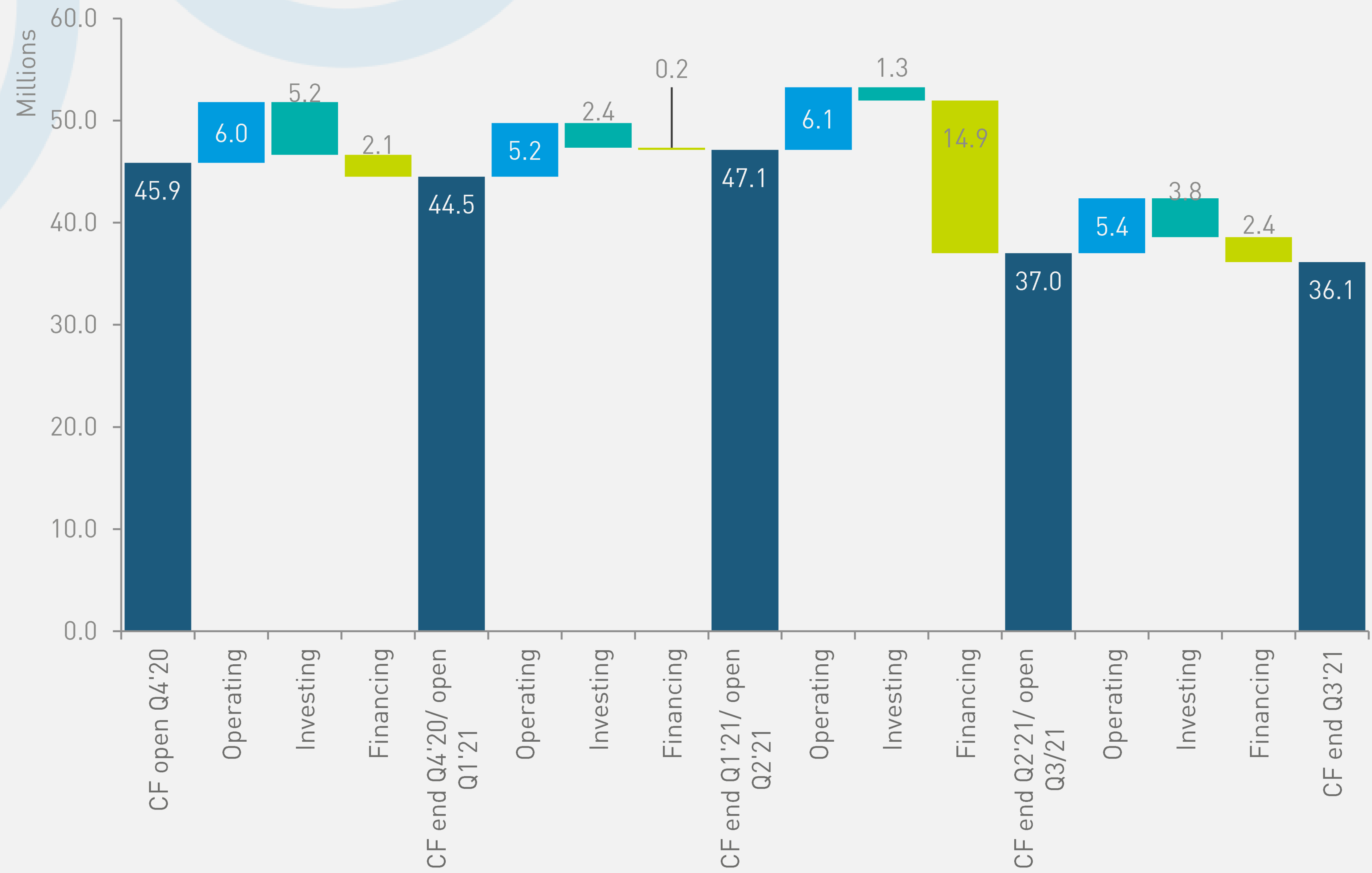
Volumes, million m³



Total costs in the 3rd quarter of 2021

€ million	Q3 2021	Q3 2020	Change €	Change %	9 months 2021	9 months 2020	Change €	Change %
Water abstraction charges	-0.3	-0.3	0.0	-7.5%	-1.0	-0.9	0.0	-3.9%
Chemicals	-0.5	-0.4	-0.1	-17.5%	-1.3	-1.2	-0.2	-14.3%
Electricity	-1.0	-0.7	-0.3	-39.6%	-2.8	-2.5	-0.3	-12.3%
Pollution tax	-0.2	-0.2	0.0	22.6%	-0.6	-0.8	0.2	24.6%
Staff costs	-1.6	-1.6	0.0	1.3%	-5.3	-5.3	0.0	-0.2%
Depreciation and amortisation	-1.5	-1.4	-0.1	-6.0%	-4.2	-4.1	-0.2	-4.4%
Construction services	-1.9	-1.4	-0.5	-34.6%	-3.8	-3.2	-0.6	-17.7%
Other cost of goods sold	-1.3	-1.4	0.1	7.2%	-3.6	-4.0	0.4	10.8%
Total Cost of Goods Sold	-8.2	-7.5	-0.8	-10.3%	-22.6	-22.0	-0.6	-2.9%
Marketing, General admin costs	-1.0	-1.2	0.3	21.5%	-3.7	-4.0	0.2	5.8%
TOTAL cost of goods sold, Marketing, Overhead	-9.2	-8.7	-0.5	-5.9%	-26.3	-25.9	-0.4	-1.6%
Net other income(+)/ expenses(-)	1.1	1.2	-0.1	7.5%	3.3	3.4	-0.1	2.3%
Net financial expenses	-0.1	-0.1	0.0	26.9%	-0.3	-0.3	0.1	16.4%

Cash position



Q&A session



Aleksandr Timofejev
CEO
Member of the Management Board



Kristi Ojakäär
CFO
Member of the Management Board

Thank you!

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