



AS Tallinna Vesi

Results for the 2nd quarter of 2024
2 August 2024



Aleksandr Timofejev
CEO

Member of the Management Board



Taavi Gröön
CFO

Member of the Management Board

Presenters

Tallinna Vesi

Highlights of the Q2 2024

- Sales €15.5 million
- Net profit €2.19 million
- Investments into assets €18 million
- Drinking water quality 100%
- Wastewater effluent quality 100%
- ISO and EMAS audits carried out successfully
- Regulated water price change is applicable from 1/07

Investment projects

Investments into the network:

- reconstructed over 17 km of pipelines
- 9 km with trenchless method
- We are planning to build more than 40 km this year

Investments into water and wastewater treatment plants

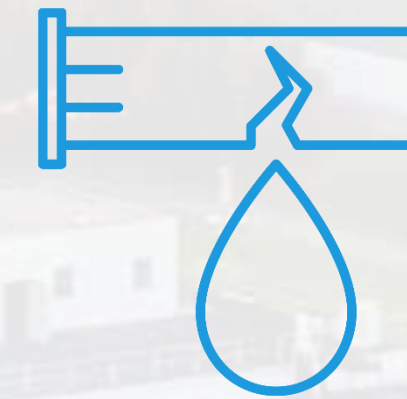
- CHP
- Reconstruction of methane tanks
- Reconstruction of secondary sedimentation tanks
- Replacement of air blowers
- Reconstruction of filters in WTP
- Replacement of the gear of water weir at Kaunissaare dam
- Design of new ozonators and dissolved-air flotation tanks



Operations update



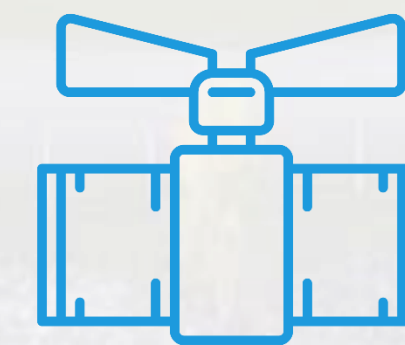
Water quality
Q2: 100% (2023: 100 %)



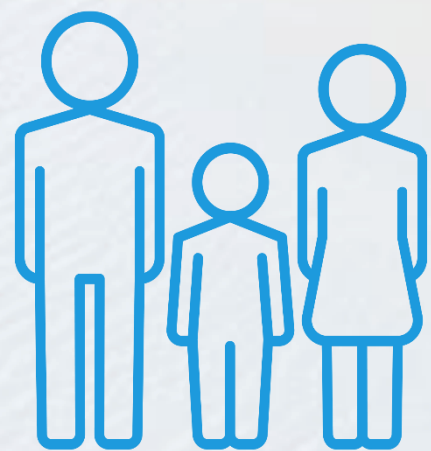
Leakage rate
Q2: 12.96% (2023: 13.62%)



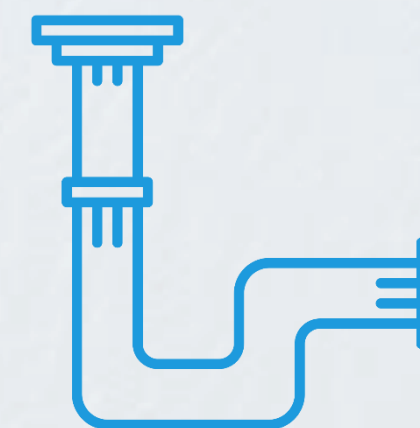
Effluent
Q2: 100% compliant (2024: 100%)



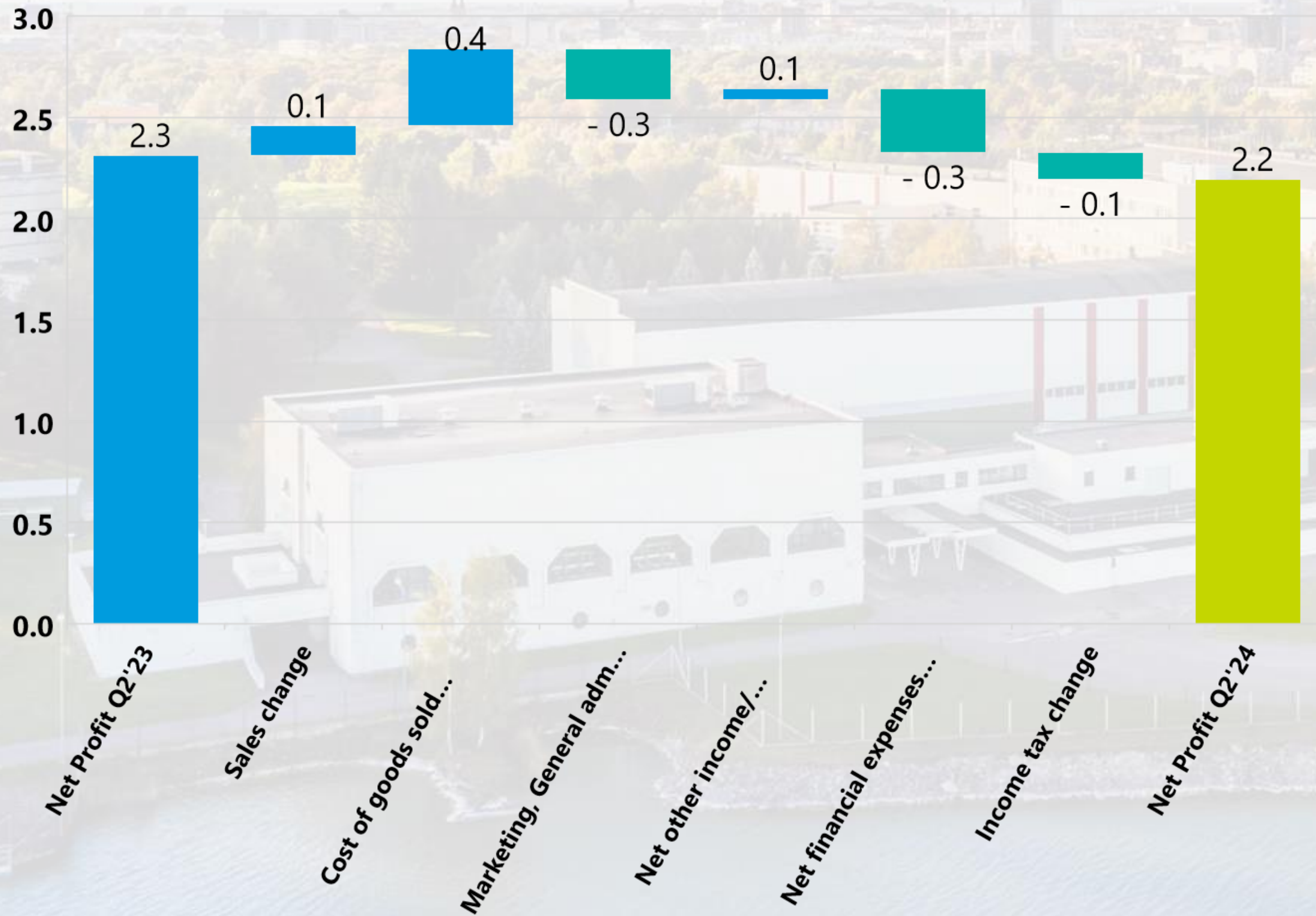
Average duration of water interruption per property
Q2: 3 h 17 m (2023: 2 h 29 m)



Customer satisfaction
Q2: 3.9 out of 5 (2023: 4.0)



Rehabilitation of networks
Q2: 17.5 km (2023: 14.0 km)

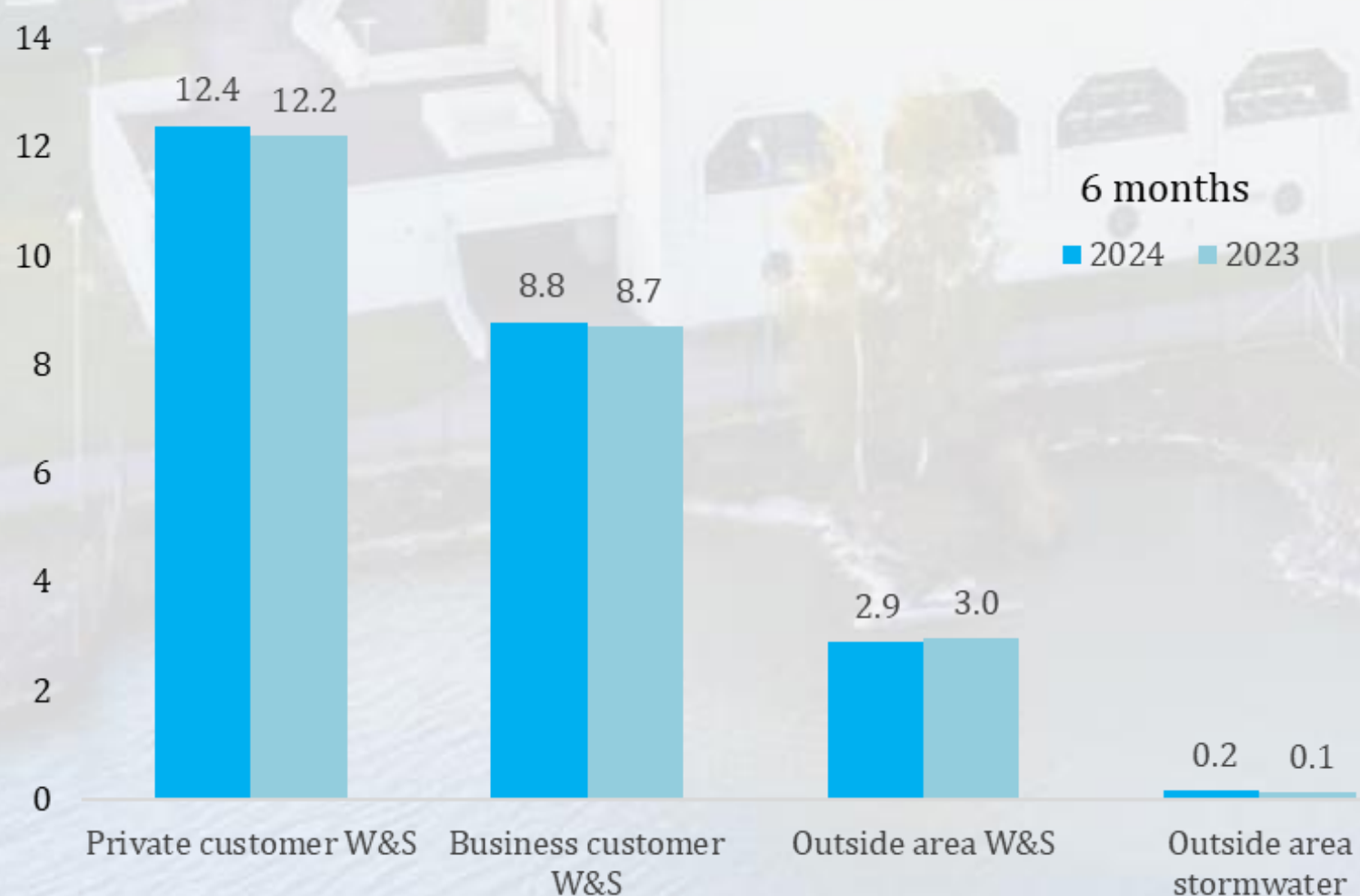
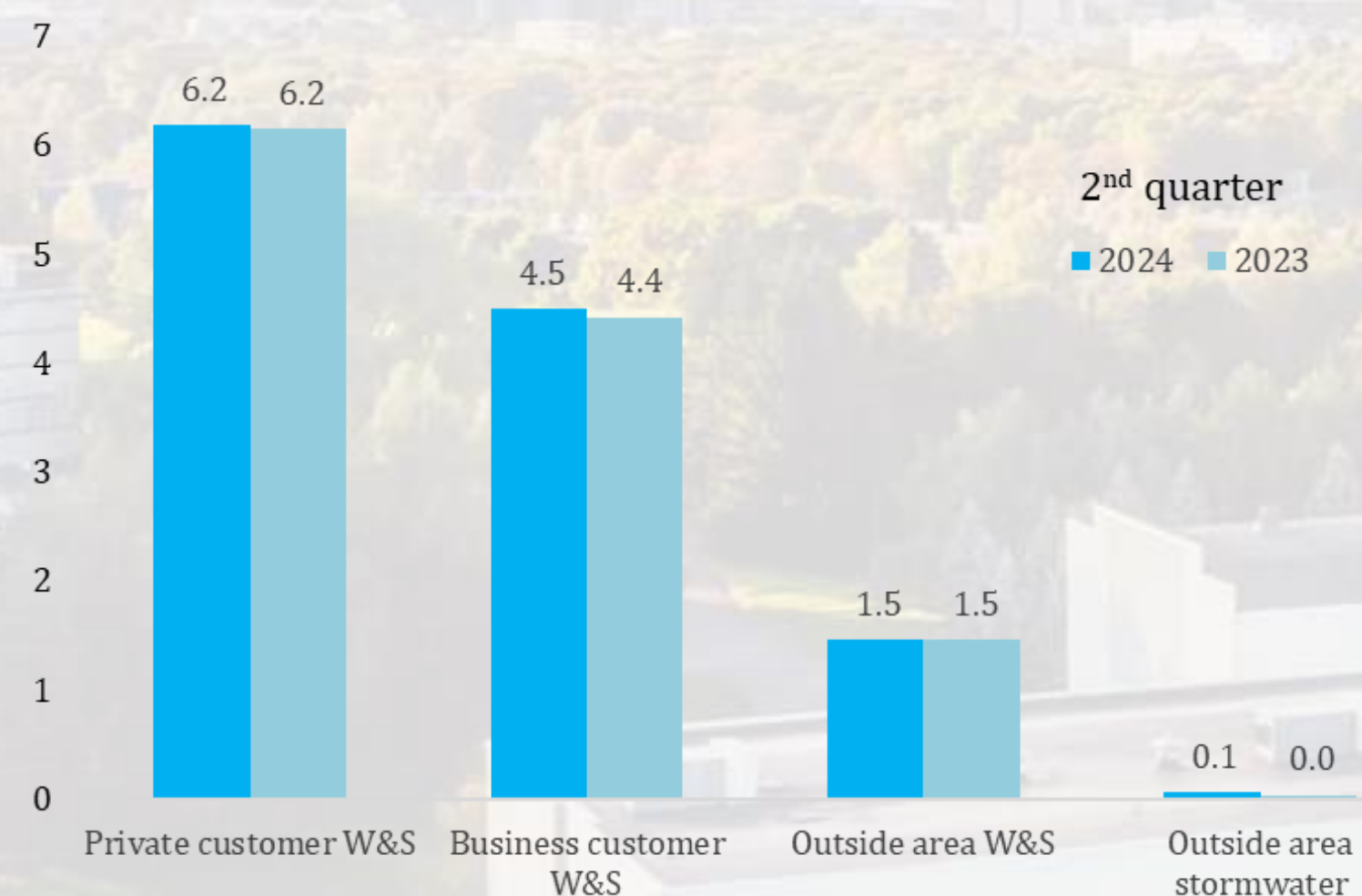


- Total sales revenues increased by 1% amounting to €15.5 million.
- The cost of goods and services sold amounted to €9.23 million in the 2nd quarter of 2024, being lower by 3.9% vs 2023 same period.
- Administrative and marketing expenses increased by 16.5% or €0.25 million compared to the 2nd quarter of 2023.
- Net profit was impacted by increase in interest expenses.

€ million Q2 2024

Financial highlights Q2 2024

Revenues, € million

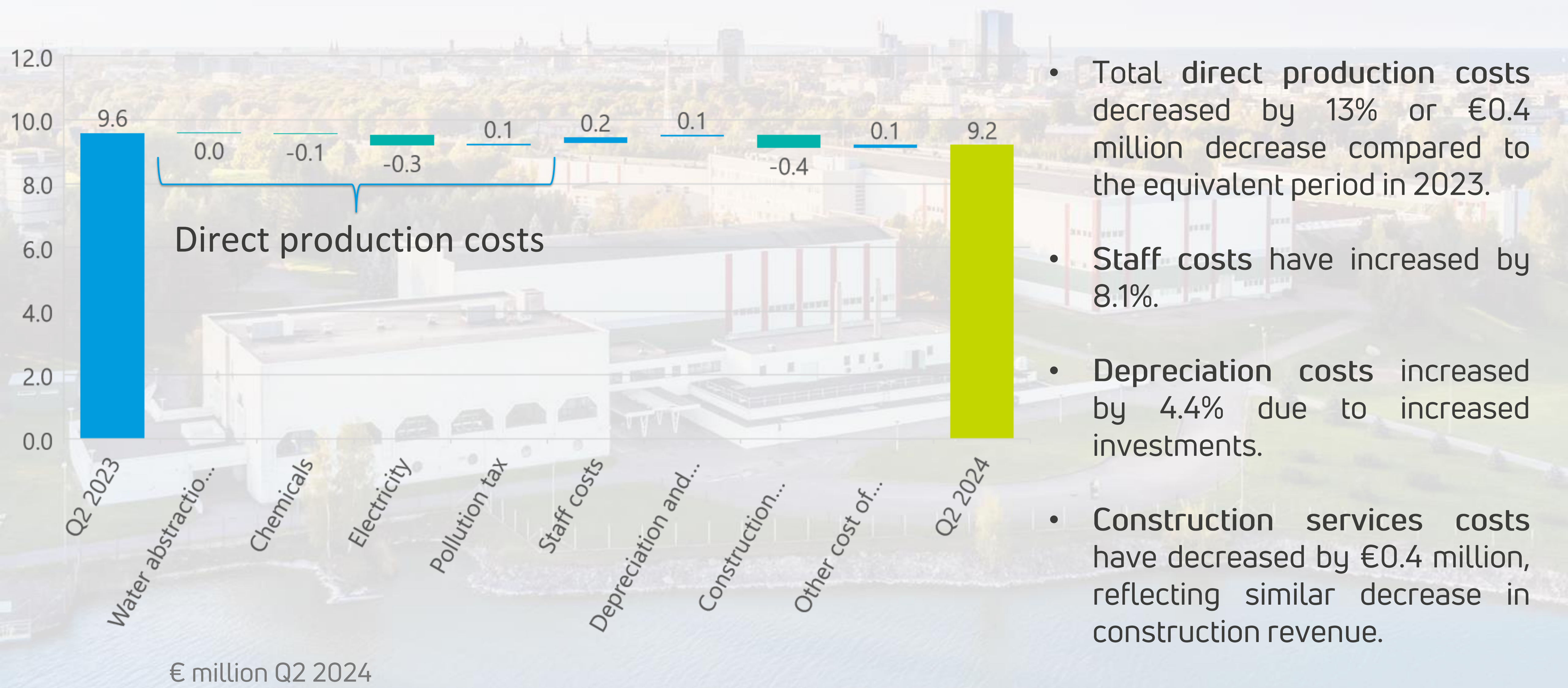


Volumes, million m³



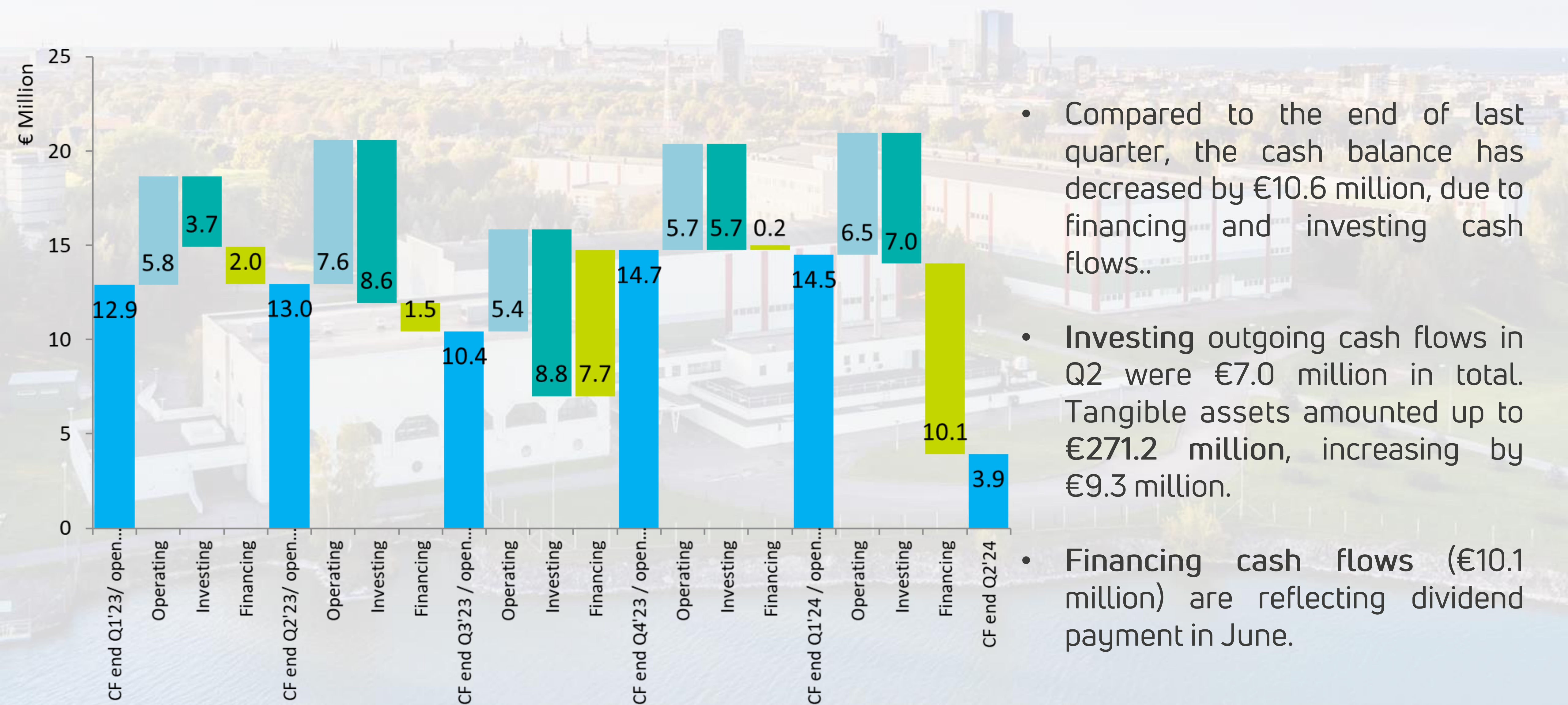
- Sales to private customers within the main service area were on the same level compared to the same period in previous year.

- Increase of sales to business customers within the main service area by 1.8%, compared to 2023 Q2.



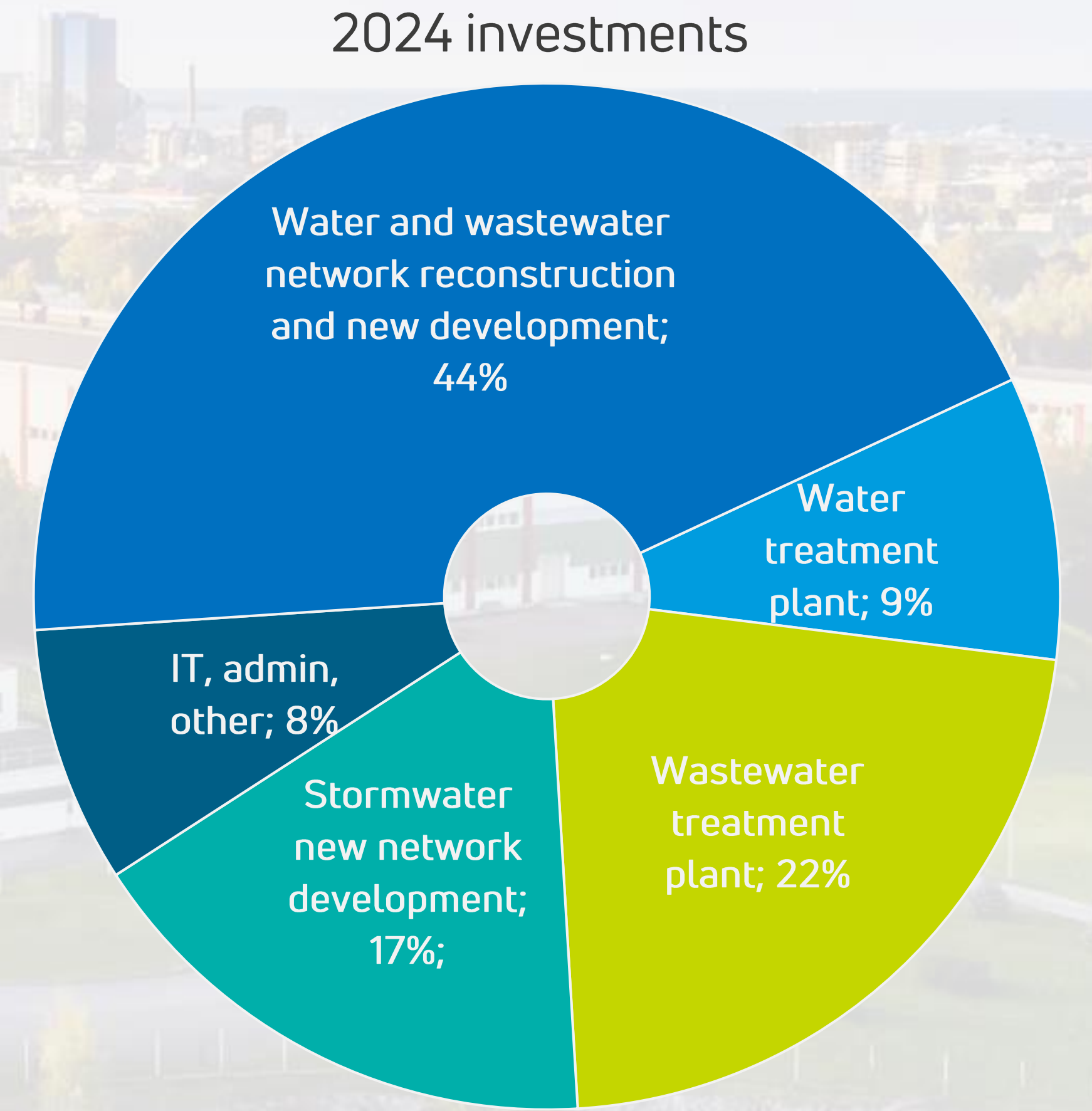
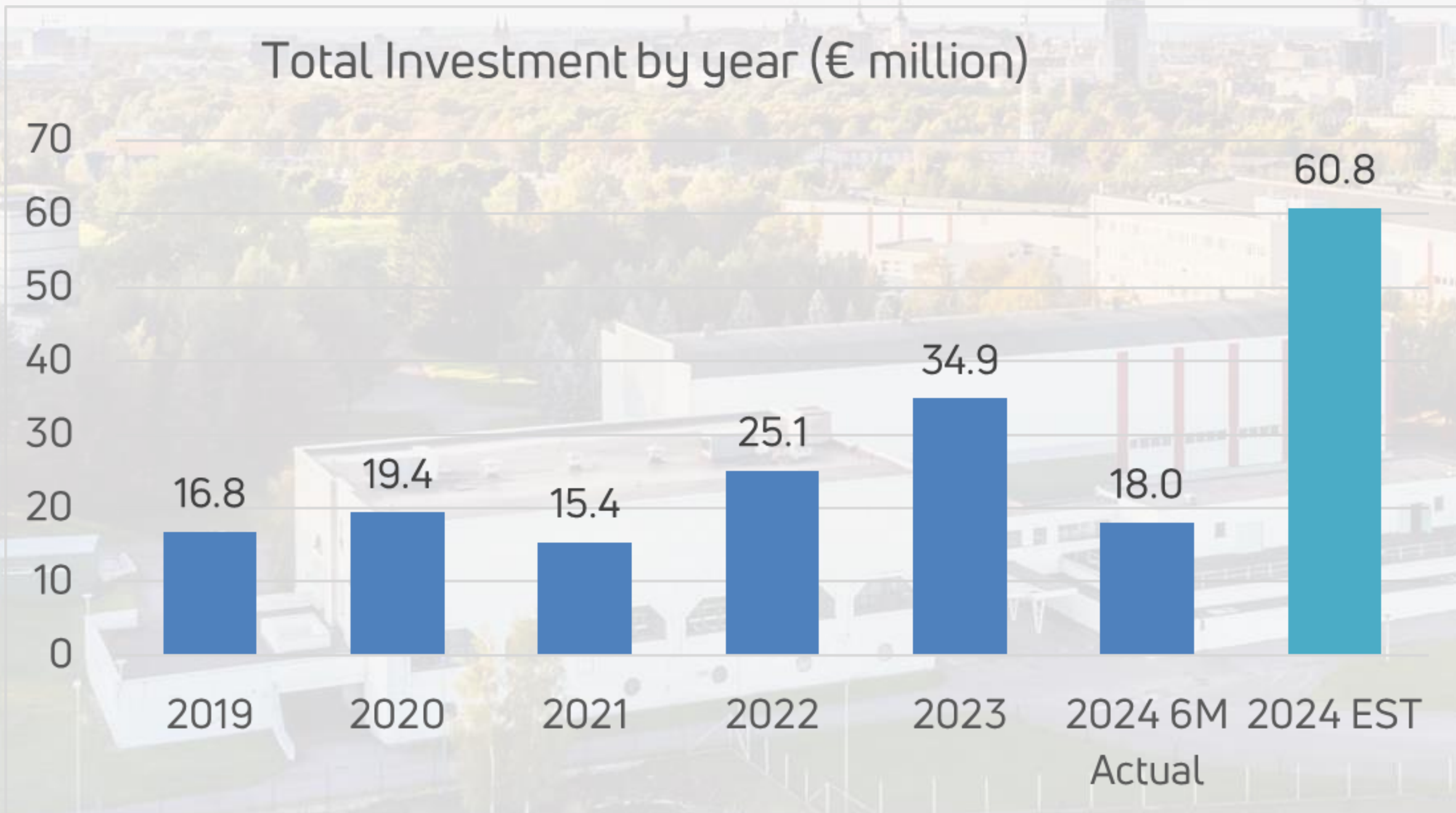
- Total direct production costs decreased by 13% or €0.4 million decrease compared to the equivalent period in 2023.
- Staff costs have increased by 8.1%.
- Depreciation costs increased by 4.4% due to increased investments.
- Construction services costs have decreased by €0.4 million, reflecting similar decrease in construction revenue.

Total costs of goods sold



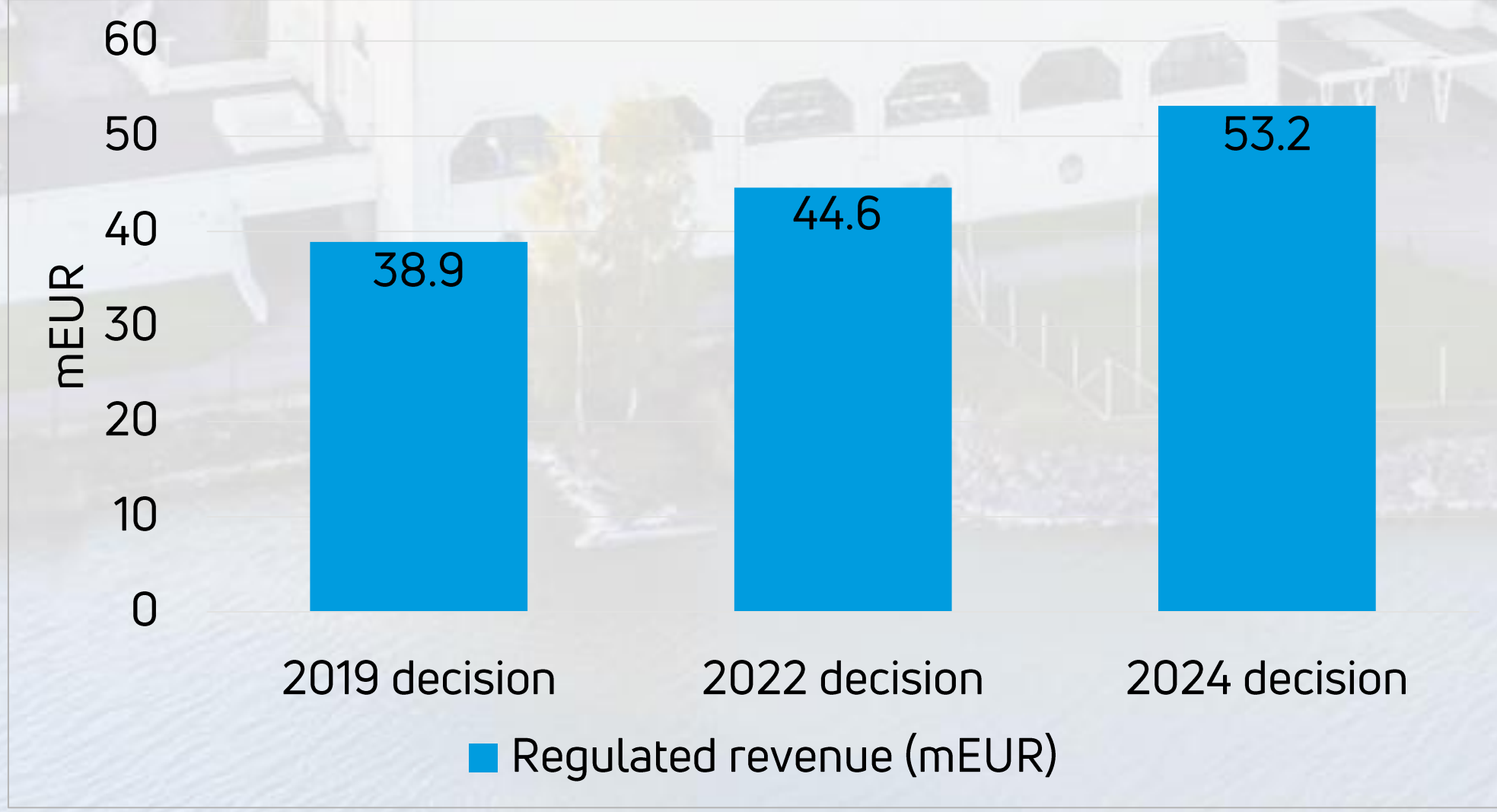
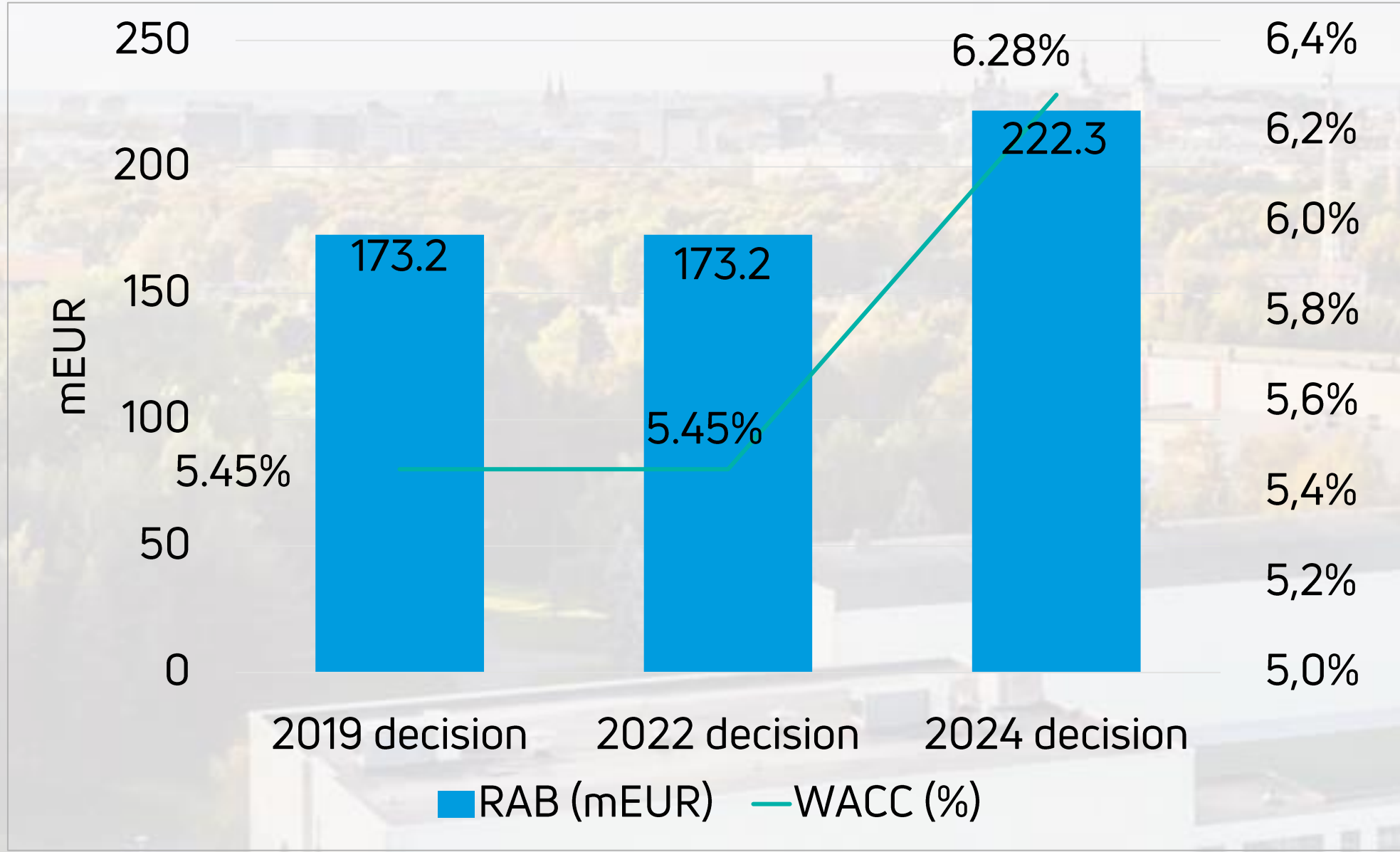
- Compared to the end of last quarter, the cash balance has decreased by €10.6 million, due to financing and investing cash flows..
- Investing outgoing cash flows in Q2 were €7.0 million in total. Tangible assets amounted up to €271.2 million, increasing by €9.3 million.
- Financing cash flows (€10.1 million) are reflecting dividend payment in June.

Cash position



In recent years, the scale of investments has notably expanded. Our emphasis lies in future-proofing – ensuring the resilience of networks and treatment plants, enabling sustainable urban development, and reducing the environmental impact linked to water consumption.

During the second half of the year, the investments will significantly ramp up as most of the pipeline projects are completed in Q3 and Q4.



- Increase in operating expenses reflects overall cost changes of energy, products and services.
- Regulated asset base (RAB) has increased due investments to €222.3 million.
- Regulated weighed average cost of capital is 6.28%.
- Impact on total water services revenues in second half of 2024 is ca € 1.6 million.
- Regulated pricing does not include separated stormwater system, pollution charges, Watercom operations.

Changes from new pricing decision



Aleksandr Timofejev
CEO

Member of the Management Board

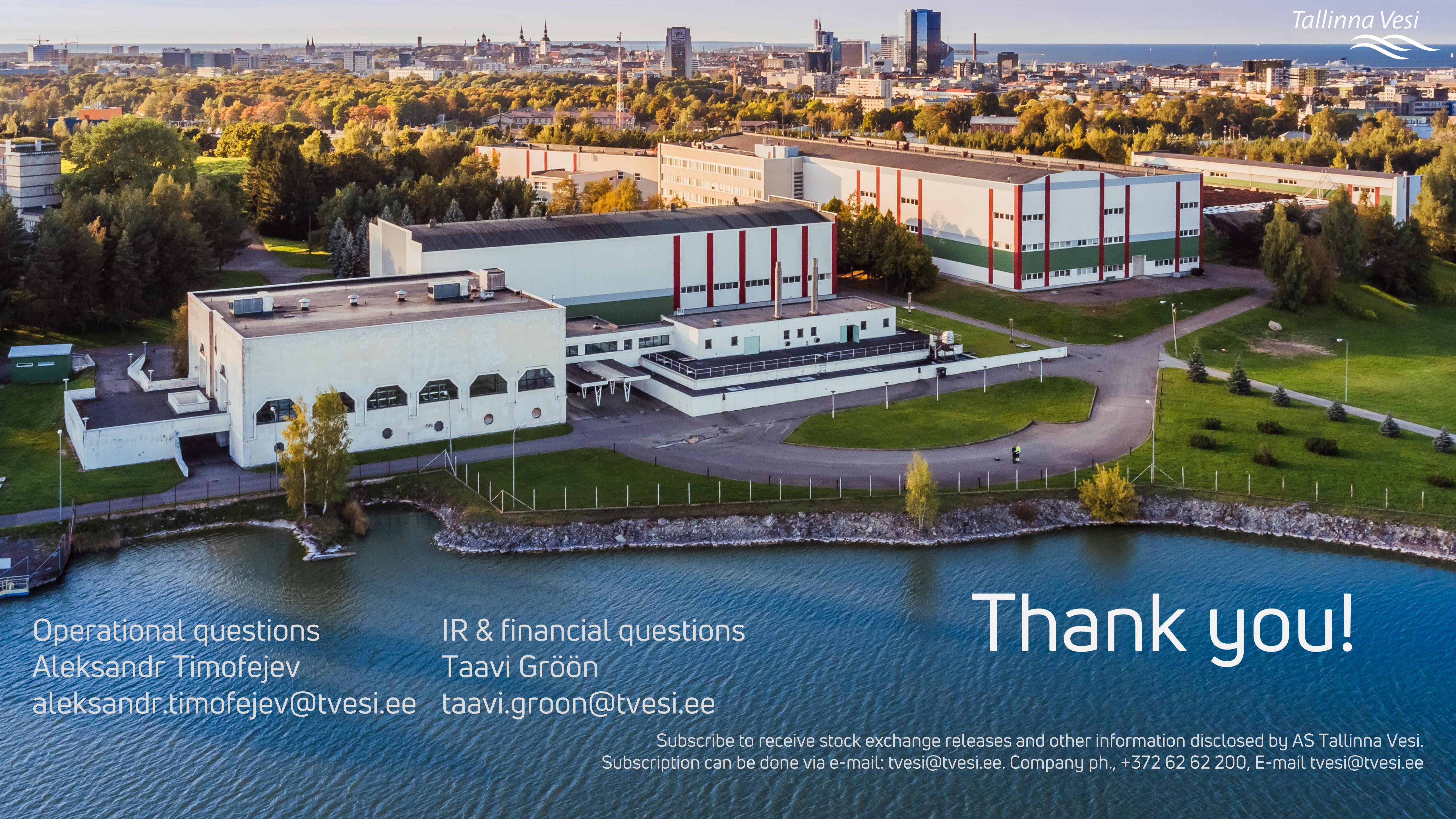


Taavi Gröön
CFO

Member of the Management Board

Q&A session

Tallinna Vesi



Operational questions
Aleksandr Timofejev
aleksandr.timofejev@tvesi.ee

IR & financial questions
Taavi Gröön
taavi.groon@tvesi.ee

Thank you!

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