

Patria Group's Interim Report for 1 January – 30 September 2021 - Patria aims at ambitious growth

Key figures	1–9/2021	1–9/2020	2020
New orders, EUR million	472.7	270.1	1,400.2
Order stock, EUR million	1,423.9	547.8	1,508.2
Net sales, EUR million	359.6	361.0	534.1
Operating profit, EUR million	38.0	16.8	40.3
Income before taxes, EUR million	34.3	13.8	36.7
Equity ratio, %	40.4	38.3	38.8
Gearing, %	79.6	92.7	72.1
Return on equity, %	20.9	8.0	13.8
Return on capital employed, %	13.0	5.5	9.0
Personnel, end of period (FTE)	3,091	2,973	2,973

The third quarter of 2021

- Patria Group's net sales for the three quarters was EUR 359.6 million (EUR 361 million in 2020).
- Operating profit was EUR 38.0 million (EUR 16.8 million).
- Equity ratio was 40.4% (38.3%) and net gearing 79.6% (92.7%).
- Patria's strategy aims at ambitious growth by the end of year 2025, and the focus is on a new operating model and creating a new organisation during the autumn.
- As part of the European Defence Industrial Development Programme, Patria has been selected to lead a defence industry consortium developing next-generation armoured platforms and upgrading existing ones in order to improve ground combat capabilities. The consortium includes 19 leading defence companies from various EU countries.
- Patria is also part of a three-country Northern-European cooperation in a consortium selected by the EU in the European Defence Industrial Programme for Maritime Surveillance Capabilities. The member states are Sweden, Finland and Estonia.
- Patria and Kazakh airline Air Astana signed continuation for an agreement of training new pilots. The agreement is valid until the end of 2023.
- The Finnish Defence Forces ordered laser sights and additional image intensifiers from Senop Oy, owned by Patria's subsidiary Millog Oy. The value of the contract is more than 13.6 M€ excluding VAT.
- Finland and Latvia together with Patria signed a Frame Agreement for a production phase management of the joint 6x6 armoured vehicle system. In addition to this, Latvia and Patria signed a supply contract comprising over 200 pieces 6x6 armoured personnel carriers developed under the joint development programme, also including their support and training systems. The vehicle deliveries will take place between 2021-2029.

- Patria was awarded a contract for the delivery of Patria Sonac ACS Acoustic Minesweeping Systems to the Belgian and Royal Netherlands navies by Belgium Naval & Robotics.
- Patria attended three international exhibitions - IDEB, IDET and DSEI - showcasing Patria AMV and Patria 6x6 vehicles, a wide range of life cycle support services as well as Intelligence and Surveillance product portfolio.

Highlights after the third quarter

- Senop Oy received an order for the development of night vision sensors for the Finnish CV9030 Infantry Fighting Vehicles.
- Millog Oy signed an agreement to acquire the entire share capital of Laivakone Oy.

Outlook for the rest of the year

Patria will implement a new growth-supporting operating model and a new organization structure from January 1, 2022 onwards. The new operating model aims at developing customer-centricity as well as strengthening operational efficiency and financial results. This will enable Patria to keep its reliable, cost-efficient life cycle support services and products in focus and maintain customer fleets' performance on the required level in all conditions also in the future.

The significant HX Programme continues providing an extremely important and long-standing opportunity to Patria.

Patria 6x6 vehicle programme with Finland and Latvia proceeds as planned, and Patria will deliver the first vehicles to Latvia in October. It is also foreseen, that the programme will be of interest to other countries wishing to improve mobility of their armed forces.

Further information:

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Patria is an international provider of defence, security and aviation life cycle support services, pilot training and technology solutions. Patria provides its aerospace and military customers with equipment availability, continuous performance development as well as selected intelligence, surveillance and management system products and services. Patria's mission is to give its customers confidence in all conditions, and the vision is to be the #1 partner for critical operations. Patria has several locations including Finland, Sweden, Norway, Belgium, Estonia and Spain. Patria employs 3,000 professionals. Patria is owned by the State of Finland (50.1%) and Norwegian Kongsberg Defence & Aerospace AS (49.9%). Patria owns 50% of Norwegian Nammo, and together these three companies form a leading Nordic defence partnership.

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