

Financial news - 28.10.2022

## Patria Group's Interim Report for 1 January – 30 September 2022 - Patria's growth continued according to strategy

### Key figures

	1-9/2022	1-9/2021	2021
New orders, EUR million	700.0	472.7	588.7
Order stock, EUR million	1,862.1	1,423.9	1,550.3
Net sales, EUR million	426.7	359.6	547.7
Operating profit, EUR million	32.8	38.0	61.2
Income before taxes, EUR million	29.1	34.3	56.6
Equity ratio, %	41.1	40.4	41.3
Gearing, %	69.6	79.6	50.2
Return on equity, %	15.4	20.9	20.1
Return on capital employed, %	10.3	13.0	12.6
Personnel, end of period (FTE)	3,277	3,091	3,097

### The third quarter of 2022

Patria Group's net sales for the three quarters was EUR 426.7 million (EUR 359.6 million in the comparison period).

Operating profit was EUR 32.8 million (38.0).

Equity ratio was 41.1% (40.4%) and net gearing 69.6% (79.6%).

Patria grows and evolves determinedly according to its growth strategy. Patria's net sales and profitability are at a planned level and the development of order stock is at a good level.

Supporting growth, Patria's new operating model has been successfully in use since the beginning of the year. The development of customer-centricity, operational efficiency and new ways of working has continued during the third quarter.

Patria's number of personnel has increased with nearly 200 people in the review period.

Patria's success in 6x6 and 8x8 vehicles programmes has continued which supports the development of other business operations and Group's internationalization.

In July, the EU decided to provide within European Defence Fund (EDF) nearly € 100 million in funding for a consortium led by Patria to develop future ground combat capabilities.

In August, Slovakia signed final commercial agreements on the delivery project for 76 Patria AMVxp 8x8 vehicles.

In early 2022, the Finnish Defence Forces signed an agreement with Patria to acquire Patria 6x6 vehicles as a pre-series related to the joint 6x6 vehicle programme between Latvia, Finland, Estonia and Patria. In June, Germany signed a Statement of Intent to join the programme and Sweden an R&D agreement for the research and product development phase for the programme.

### Outlook for the rest of the year

Patria continues to strengthen its operational efficiency and seeks for profitable growth in line with the new strategy. Patria's reliable and cost-effective lifecycle support services and top-notch products have a key role also in the future in maintaining required performance of customer fleets in all conditions.

Following Finland's decision in December 2021 to acquire F-35 fighter jets, negotiations concerning industrial participation of the selected aircraft will continue to intensify during the whole of 2022.

The joint programme of the Patria 6x6 vehicle is proceeding as planned. Serial production of Latvian vehicles is ongoing and pre-series deliveries for Finland have been made. The joint programme has raised interest and is open for other countries to join with a mutual consent of the participating countries.

The war in Ukraine has not yet had an immediate impact on Patria. It is difficult to evaluate the impact of long-term development of the geopolitical situation, general economic uncertainty, inflation and increasing costs for the rest of the year. At the same time Patria's delivery capability is expected to stay at a good level. In the mid and long term, Patria and the defence industry in general will see an increase in demand as defence spends are increasing in the majority of European countries.

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, the Netherlands 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 Nammo, and together these three companies form a leading Nordic defence partnership.

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