

Patria Group's Financial Review for 2022 – preliminary data - Patria continued with a strong focus on its growth strategy supported by vehicle programmes



Key figures	2022	2021
New orders, EUR million	794.8	588.7
Order stock, EUR million	1,751.2	1,550.3
Net sales, EUR million	627.1	547.7
Operating profit, EUR million	53.8	61.2
Income before taxes, EUR million	49.7	56.6
Equity ratio, %	44.1	41.3
Gearing, %	27.3	50.2
Return on equity, %	15.8	20.1
Return on capital employed, %	11.2	12.6
Personnel, end of period (FTE)	3,311	3,097

Financial review of 2022

- Patria Group's operating profit was EUR 53.8 million and net sales EUR 627.1 million.
- Patria Group's profitability was at a strong level for the third consecutive year.
- Value of new orders received was EUR 794.8 million.
- Equity ratio was 44.1% and net gearing 27.3%.

Highlights of 2022

- Patria grew and evolved determinedly in line with its growth strategy launched in January. 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 renewed corporate structure has been adopted successfully since the beginning of the year. The development of customer-centricity, operational efficiency and new ways of working has continued throughout the year.
- Patria's success in 6x6 and 8x8 vehicles programmes has continued through 2022, which supports the development of other business operations and Group's internationalization.
- In December, Japan selected Patria AMV XP 8x8 vehicle as their new Wheeled Armored Personnel Carrier for Japan Ground Self-Defense Force, followed by starting of licence negotiations. Patria sees the selection of Patria AMV XP 8x8 as a great opportunity to further develop cooperation in Japan with new services and solutions as well as to establish long-term strategic partnerships with Japan and its industries.
- In August, Slovakia signed final commercial agreements on the delivery project for 76 Patria AMV XP 8x8 vehicles.
- In July, the EU decided to provide within the European Defence Fund (EDF) nearly € 100 million in funding for a consortium led by Patria to develop future ground combat capabilities.
- In March, Patria acquired NEDAERO, a leading Dutch specialist in defence and aerospace components and parts.
- In early 2022, the Finnish Defence Forces signed an agreement with Patria to acquire a pre-series of Patria 6x6 vehicles in relation 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 profitable growth in line with its 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 took place through 2022 and will continue also in 2023.

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 also for other countries to join by mutual consent of the participating countries.

The impact of long-term development of the current geopolitical situation, general economic uncertainty, inflation and increasing costs for the rest of the year are difficult to evaluate reliably. 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 are likely to see an increase in demand as defence spends are increasing in the majority of European countries.