

CEO'S FORE-WORD

fter a time of turbulence, 2022 made all of us a promise — an aviation market recovery. Recovery took place while the aviation industry tackled some major disruptions, ranging from inflation to supply chain issues. Magnetic Group has also learned to adapt quickly, be lean, and think innovatively, no matter the external conditions and disturbances.

2022 AT A GLANCE

We exceeded our financial targets by 21% and reached a 40% recovery rate against our pre-Covid revenues. But the impact of inflation, economic circumstances, energy costs, geopolitical instability, labour and supply shortages — were all undeniably felt.

Throughout 2022, as travel restrictions were dropped and passengers expressed a very strong willingness to travel, global air passenger traffic gained momentum and recovered substantially — from 41.7% of 2019 volumes in 2021 to 68.5% in 2022. This gives us some long-needed reassurance and growth in our sector.

To recap last year, here's a digest of some of the most notable achievements of 2022:

- Two significant steps were taken in the engine business: an expansion of our engine repair workshop to a new larger workspace and partnering with GE Aerospace to provide on-wing repairs for CFM56-5B and CFM56-7B engines.
- The successful opening of the US & relaunch of our Malaysian offices.
- The landing gear product line grew more potent than ever. It made a record number of transactions, including overhauls, exchanges, as well as short and long-term leases.
- Our joint venture asset holding company, Magnetic Parts Trading Limited (MPTL), operating under the Magnetic Leasing brand, sold its Airbus A321 with a lease attached and completed several significant transactions. Given the impact of the crisis on asset values and lease demand, MPTL's recent performance has surpassed expectations a testament to our asset management competence.
- Our industry-leading Engine-Stands24 reached nearly 100 engine stands in its portfolio whilst also preparing to open our 6th international hub in Singapore.
- We opened a brand-new light version of the aircraft maintenance hangar in Tallinn. This facility increases our light and heavy-maintenance output capacity, resulting in increased revenue and profits.

In the following pages, we'll learn more about our businesses and

milestones. All are presented by the people who made these achievements happen.

LOOKING INTO THE FUTURE

Without a doubt, 2022 laid a solid foundation for 2023. The coming year will be driven by strong demand for air travel and a focus on efficiency, sustainability, and innovation. Our attitude will remain proactive and bullish regarding growth — we are working to achieve 25% further organic growth compared to the previous year.

In 2023, we will also increase our investments in people, technology, and infrastructure. The most notable project ahead of us is a complete replacement of the digital heart within our maintenance sector. With this project, we expect to further increase our maintenance efficiency — something we are already recognized as being a market leader for by many reputable airlines.

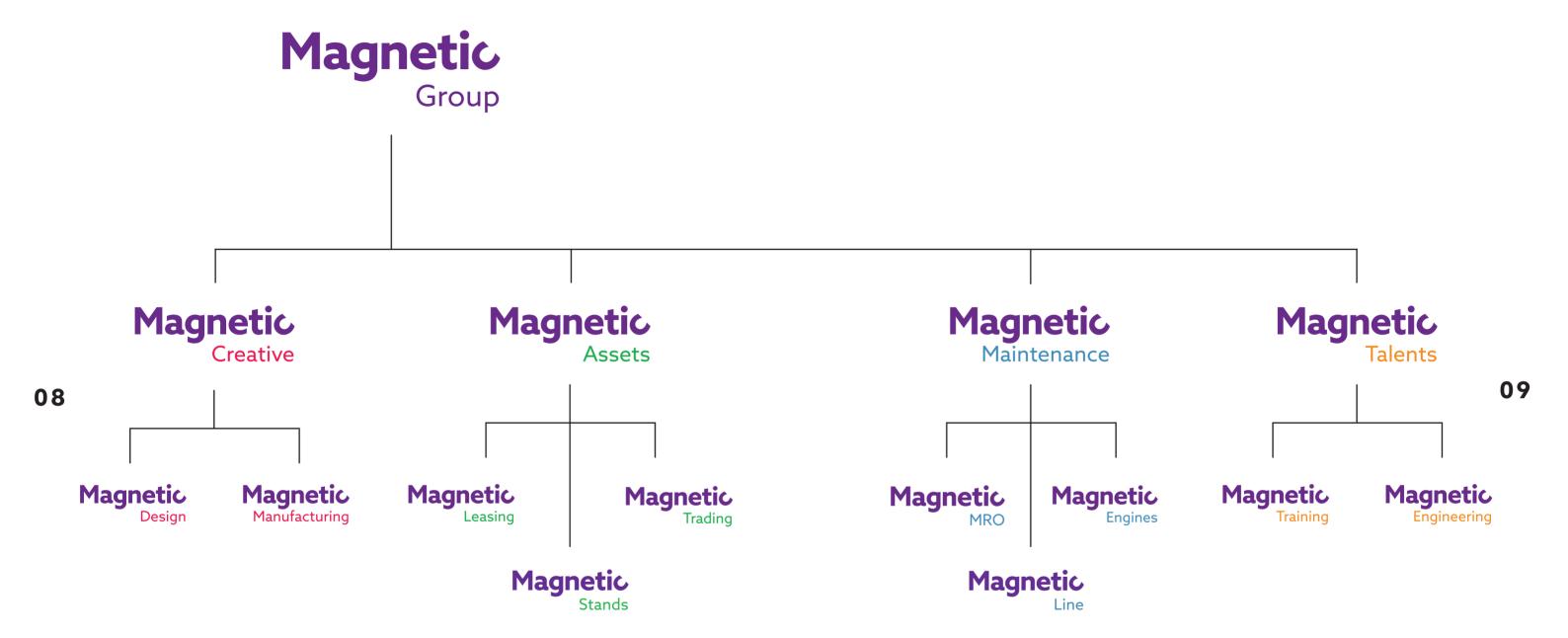
Digital transformation represents the first critical step within our group maintenance activities. Once executed, we look forward to implementing our next strategic goal, combining our line maintenance and on-wing engine repair capability. The industry has already proven the increasing importance of line maintenance. With our vast network of line maintenance stations combined with GE Aerospace's on-wing partnership, we'll offer quick solutions to expensive problems.

All four sectors with their business units are closely connected and will further prioritize boosting their organic growth. The most prominent example is the

innovative approach of our largest sector, Magnetic Assets. We can serve the market with so many different product lines because of our cross-synergetic setup. At the same time, invested capital is complimented with extensive inhouse technical know-how. We remain open to collaborations with like-minded partners from capital markets who wish to scale and shape our vision together with us. Thank you for your continued support. RISTO MÄEOTS_CEO 05 INT THE FUTE



2022 KEY FIGURES







022 for Magnetic Group and aviation as a whole seem to be synonymous with challenge and transformation. More precisely, transformation through continuous challenges. Even under those circumstances, the year has brought some of the best results for the company to date. From a commercial stance to an operational perspective. Inga Duglas (CCO) and Jan Kotka (COO) share their insights about last year.

INGA DUGLAS

HOW WOULD YOU RECOUNT 2022?

An adjective that I would use to describe 2022 is unsettled after Covid, a time we thought we had seen the worst that could happen... and then the war in Ukraine started. Its aftermath spread like wildfire across countries and industries. The ripple effect caused an unforeseen economic situation — another challenge to deal with. It seemed there would be nothing positive amid the geopolitical circumstances, and yet I must give credit to our team. In some ways, the pandemic prepared us, and we managed to avoid losses, deliver results, and exceed our expected revenue.

WHAT COUNTER-MEASURES WERE TAKEN?

First, we managed to proactively revise our plans and provide reassurance that we have no business ties with war-supporting countries. In the meantime, our maintenance sector accommodated the demands of asset owners and lessors for aircraft parking and stor-

It quickly became apparent that we needed to speed up our hangar capacity expansion plans. Due to growing construction pric-

es, we had to find extra capacity solutions. So, at the end of last year, we started serving new and existing customers in our freshlyopened facility, which will continue to accommodate heavy line maintenance throughout the year. But that's not all. Various modification programs that were at a standstill have resurfaced. Customer demands to receive connectivity solutions, lavatory upgrades. and LOPA changes allowed our design and production team, working under the brand of Magnetic Creative, to deliver some of their best work yet. At the same time, we have been targeting R&D and in-line production projects to be finalized in 2023.

THE FOUNDATIONS THAT 2022 **LAID FOR 2023**

Starting with the engine maintenance shop, which showcased gradual yet steady growth throughout last year. Today our shop has highly ambitious plans. Having seen their pipeline and track record, I can confidently say that all targets will be achieved.

It is worth mentioning that the in-house team, capacity, and capability are growing. Our engine and line maintenance have unit-

IT IS WORTH **MENTIONING** THAT THE IN-HOUSE TEAM, CAPACITY, AND CAPA-**BILITY ARE** GROWING.

ed to provide on-site support to customers, including OEMs. In an environment of constant changes and short-notice situations, this is a must-have service.

It is beneficial having the support our engineering team provides assisting various transitions and aircraft deliveries. Conveniently located across the continents, they maintain a collaborative approach while staying close to customers.

From a global perspective, it's exciting to see the aviation business recovering. This gives all Magnetic sectors plenty of opportunities to grow. We are attuning to the needs of airlines, lessors, and asset owners today and in the future. The group is focused on geographical expansion plans, as we also did in

That brought us 100+ new customers in both the Americas and Asia-Pacific regions and enhanced awareness of the Magnetic brand. It also provided new opportunities and new customers on all continents. Needless to say, our network of partners and vendors is very important too and has grown even more during the past vear.

However, the manpower issues that the market is facing also impact us heavily. Therefore we are seeking more automated solutions in our commercial processes. We keep developing our systems to free up our sales team to do what they do best – work with customers and bring results.

So, how do we feel about 2023? In short, all is very much on track for us to achieve our goals. It won't be easy in a challenging market, but we have thick skin and several years of character-building experience, so nothing is impossible.



WEATHER CON-DITIONS AND TO COUNTER-**ACT A SPACE** SHORTAGE.

The hangar is planned to perform more complex line maintenance works and was sold out before its completion and has been in operation since the start of 2023. The typical services that we will provide in this hangar will be landing-gear changes, engine changes, A-checks, heavy line maintenance checks, and AOG support.

Another key theme was efficiency. With it came improvement-oriented projects, primarily in response to labour cost pressures. One of the most notable was in base maintenance, where we initiated cooperation with top global universities and research teams. We also introduced a lean approach to our component and engine work-

Our commitment to improving quality is unwavering. We continue implementing an aerospace quality management system across our business lines globally. Since 2022, we have placed a laser focus on delivering the highest standard of service to our customers while maintaining a commitment to continuous advancement.

LET'S DELVE INTO THE NUM-BERS — WHAT DO THE FIGURES

2022 demonstrates a strong year for our organization, surpassing the record 106M EUR revenue achieved in 2019. Despite unforeseen circumstances, the team's dedication and stamina ensured the company's success in the long run.

While profitability has improved, the crisis-on-crisis period meant profits suffered overall due to the macroclimate (such as the war in Ukraine and high inflation across Europe). All led to an overall increase in raw material prices, service, and labour costs, resulting in a higher operating cost base and headcount turnover.

MAGNETIC GROUP ANNUAL REPORT 2022

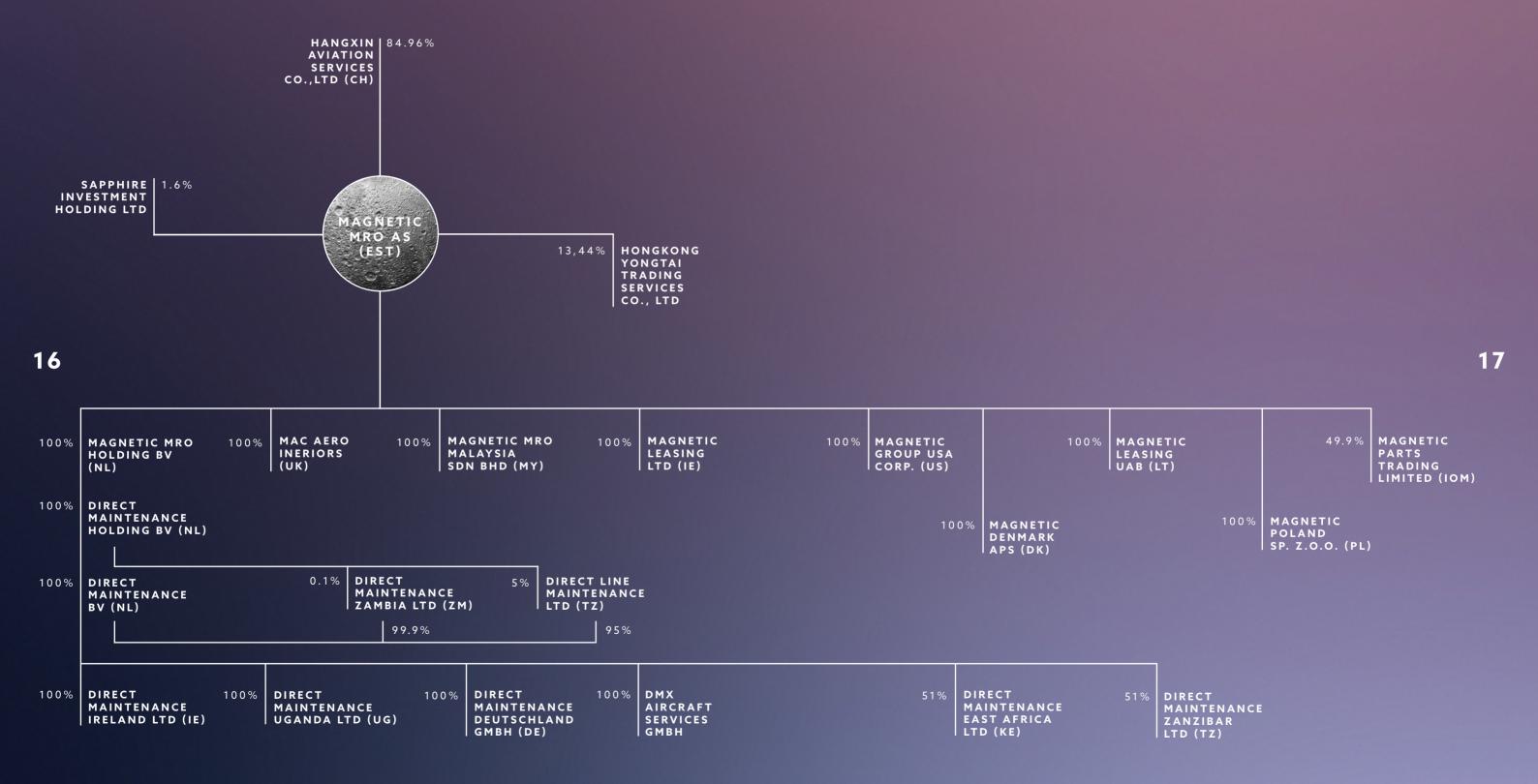
In the face of these external factors, the Magnetic Group's organizational growth has stabilized. Without a doubt, the lack of aviation specialists in the EU and Estonia had an impact on our cost base and scaling opportunities. However, even with some limitations, 2022 was a successful year for our organization. We made the best of it and are committed to continue driving our business forward.

WHERE IS THE AVIATION **INDUSTRY HEADED IN 2023?**

The industry has undergone significant changes over the past three years, and it is evident that there is no going back to the past version of the aviation world. While supply chain issues are gradually improving, the availability and prices of raw materials will remain the same. Especially so, given that Russia was previously one of the primary sources of raw materials. This is likely to transform the entire global landscape.

Inflation levels are expected to remain high in 2023 in Europe, necessitating significant efficiency improvements throughout the entire chain. Innovation-driven decision-making is a priority, so companies that excel in this area will be rewarded. As such, we must remain vigilant and continue to pioneer solutions to stay ahead of the competition in this ever-changing industry.

MAGNETIC GROUP STRUCTURE







MAGNETIC TRADING

WHAT WERE THE HIGHLIGHTS OF 2022?

Undoubtedly, 2022 was the most active and best year of Magnetic Trading's history. 28.7M EUR in revenue, 2.4M EUR in EBITDA, and 1.8M EUR in EBIT — the numbers speak for themselves. All results were achieved by a team of 20 people. As for our portfolio, it grew by 65 new clients. Five of those new client's revenues surpassed 1 million EUR. Consequentlv. all of our 2022 goals relating to sales and expansion were achieved or exceeded.

When talking about our client base, before the war in Ukraine and the introduction of respective sanctions, the trading business generated a quarter of its annu-

al revenue from Russia. The war required completely exiting that market and shifting our focus to prospective new customers — we chose the USA and Malaysia to be our new locations for trading expansion. Since then, our revenue numbers has compensated and exceeded our prior income from the Russian market.

Our expansion efforts went hand in hand with these developments with the launch of our US office and the re-opening of our Kuala Lumpur branch. In both regions. we had new additions to the team, resulting in our largest team across all regions to date. Our number of clients and sales grew in those regions accordingly. If in 2021 we generated 11.6% revenue from

the US market and in Asia 26%. In 2022, this increased to 19.7% and 30%, respectively.

As a result, in 2022 our customer portfolio grew 35%, comprising a total of 222 companies towards the end of the year. The most considerable revenue share is generated by brokers (45%), end users (airlines & lessors 39%), suppliers (13%), and the remaining part by repair shops and OEM. To top it up, we use a 5-point customer satisfaction scale monitored quarterly. The department had a target of 4.0, which was surpassed by 4.8 at the end of 2022.

The trading unit operates with a variety of product lines. All of which are specifically designed

to offer airlines and asset owners comprehensive solutions. While a typical parts trader just brokers or sells components, we develop fullrange programs for escape slides. landing gears, engine materials, and wheels & brakes (our latest addition).

What makes us unique is that we offer purchasing, sales, and exchange services — and utilize our in-house technical capabilities and experienced engineers to complement these services and product lines. With our already-established product lines, it's important to note the importance of having various products. We are determined to continue diversifying across different products and provide a complete experience to our cliIf we take the asset management program as an example, last year, we did 31 landing gear (LDG) leg overhauls and made over 12 successful LDG outright sale deals. During 2022 we acquired several additional LDGs for lease to help our clients cover the turnaround time (TAT) for their LDG overhauls, which turned into a successful business decision.

Finally — marketing activities and internal processes. Raising our brand awareness has become a strong focus. We have grown our online presence, displayed thought leadership, visited 15+ exhibitions, and taken speaking positions globally in parallel to our business activities. Significant improvements were also made to systemize the use of Quantum, our primary soft-

ware tool, including processes and automatization, generation, and new module installation. This increased our overall effectiveness. helped gather information, and sped up workflows.

DIGEST OF KEY FIGURES & MARKET INSIGHTS

To make a comparison with 2021, last year, there was an increase of 85% in issued invoices, with those invoices having an average value of 22,950 EUR. Throughout 2022, sales consisted of engine parts (30.5%), LDG lease & flips (25%), components (44%), and consumables (0.5%).

The fastest growing business segment compared to 2021 was engine parts. Although the CFM56 used service material market had a slow start, as the year progressed, things picked up substantially, especially in the parts market.

The same theme remains for the market as a whole, where uplift has been seen across the board from component prices to growth in sales. With our well-experienced team, established network, and cross-continental operations, we managed to strengthen Magnetic Trading as a business unit.

ENGINESTANDS24

hen reflecting on the past year, even though EngineStands24 wasn't as clearly affected during the pandemic as other sectors, 2022 was still an unpredictable ride. Yet, we can confidently say that we have achieved our projected growth.

OVERVIEW OF OUR YEAR-OVER-YEAR RESULTS:

- No. of visited aviation events: 10+
- No. of rent days: 10% growth
- No of engine stands: 16% growth
- Revenue growth: 25%
- EBITDA fulfillment: 21%
- NET profit growth:30%
- No. of visits to the website: 3x growth
 - Organic search rank: position #1

Our business's essence and overarching goal is to be "front of mind" to every potential customer. That's why it is important to spread information across all possible channels: aviation events, social media,

digital ads, Google, and face-toface meetings. At the core, these efforts are driven by brand awareness and "word of mouth".

MOVING FORWARD IN 2023

First things first — I can't wait to open our new hub in Singapore, which is planned for Q1, 2023. Geographical expansion is one of the key elements of our 5-year strategy. Singapore is a very specific and exciting market with high potential. It is the Asia-Pacific region's aviation center, so we look forward to leaving our "footprint" there, too.

On the digital front, our website is in full force, and our recent development and investment into Google Ads provided excellent results. The number of visitors to our site grew three times. The investment in our online presence will continue to make our website an attractive and go-to place for finding and developing new products like "Surplus Lease." This way, customers can instantly lease

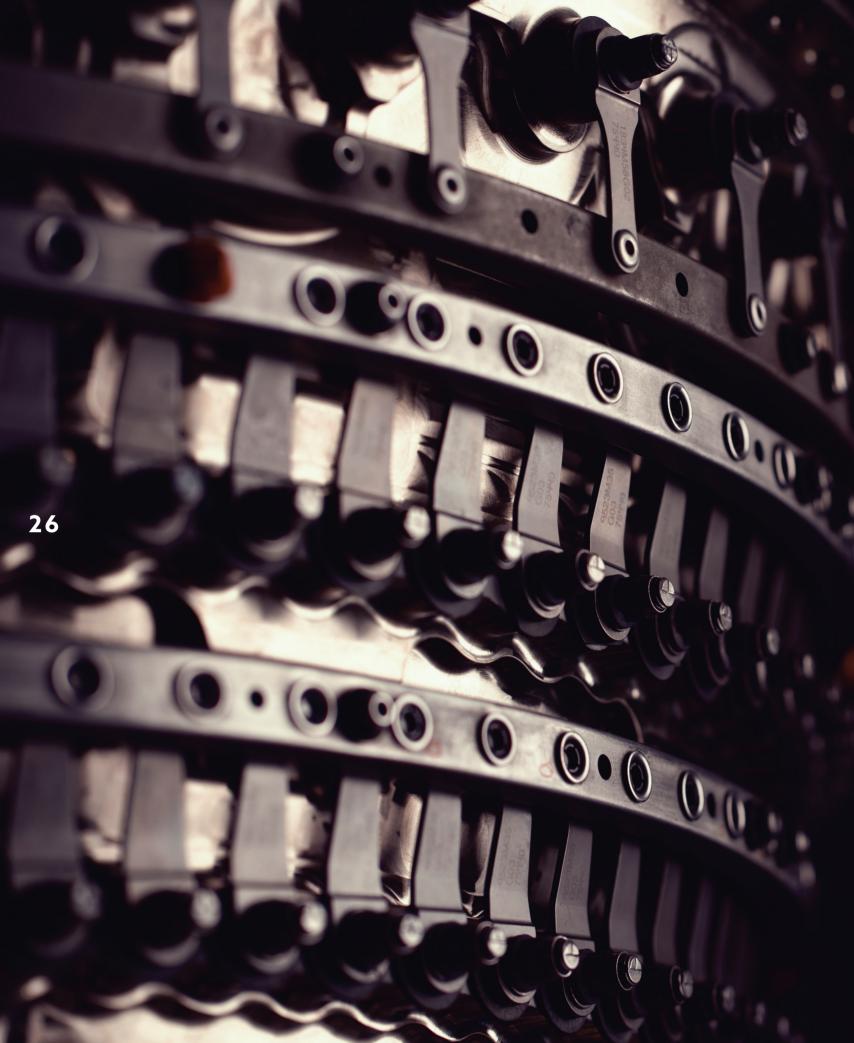
their rarely used engine stands via the www.enginestands24.com platform. This allows their assets to generate additional income instead of costs.

Developing new products is also on our agenda, and recently one was introduced: smart solutions for smart business – engine stands management. This is a complete service, from stand pool inspection to total management. This means that our customers' engine stands will be fully taken care of from A-Z. From service inspection and set tracking to all relevant information being displayed and easy to access, while allowing us to save on shipping and other costs.

The EngineStands24 team is always ready to assist when a serviced engine stand is needed for one of the most valuable assets — an engine. With many well-located hubs and a pool of stands for both narrow and wide bodies, we can accommodate needs even when they are time sensitive.







MAGNETIC ENGINES

HOW WOULD YOU SUMMARIZE LAST YEAR'S MAGNETIC ENGINE PERFORMANCE?

Post-Pandemic industry recovery has been the central theme of the last year, simultaneously bringing opportunities and challenges. Consequently, the expansion of our engine shop's capacity and capability was the focus of 2022.

Our work area was enlarged by almost three times the original size, resulting in space to work on 7 engines in parallel while also storing 10 engines. Engine parts handling has become more flexible and efficient due to a dedicated area for parts cleaning. Similarly, more technicians have been hired to help us with increasing orders and workload.

Delivery of brand-new tooling allowed us to enhance our capability, and in 2022, we inducted the first engines for Core Performance Restoration. With the constant and steady movement from CFM56-3 repairs into CFM56-5B and CFM56-7B, there were 52 engine events, with 33 of them on CFM56-5B and CFM56-7B engines, keeping them at a balance between sunset and mature types.

Another accomplishment was completing several engine teardowns, resulting in a good source of used material that was later utilized in repairs. Overall, the engine shop's loading was high throughout the year. Occasionally, some customer requests even had to be refused due to a lack of slots.

WHAT FOUNDATION HAS 2022 LAID FOR 2023?

Due to increased demand, our leasing business was on hold since all our engines were sold in 2022. In total, 6 engine deals were made. These sales were also made in record time because the engines were pre-sold even before they were fully ready.

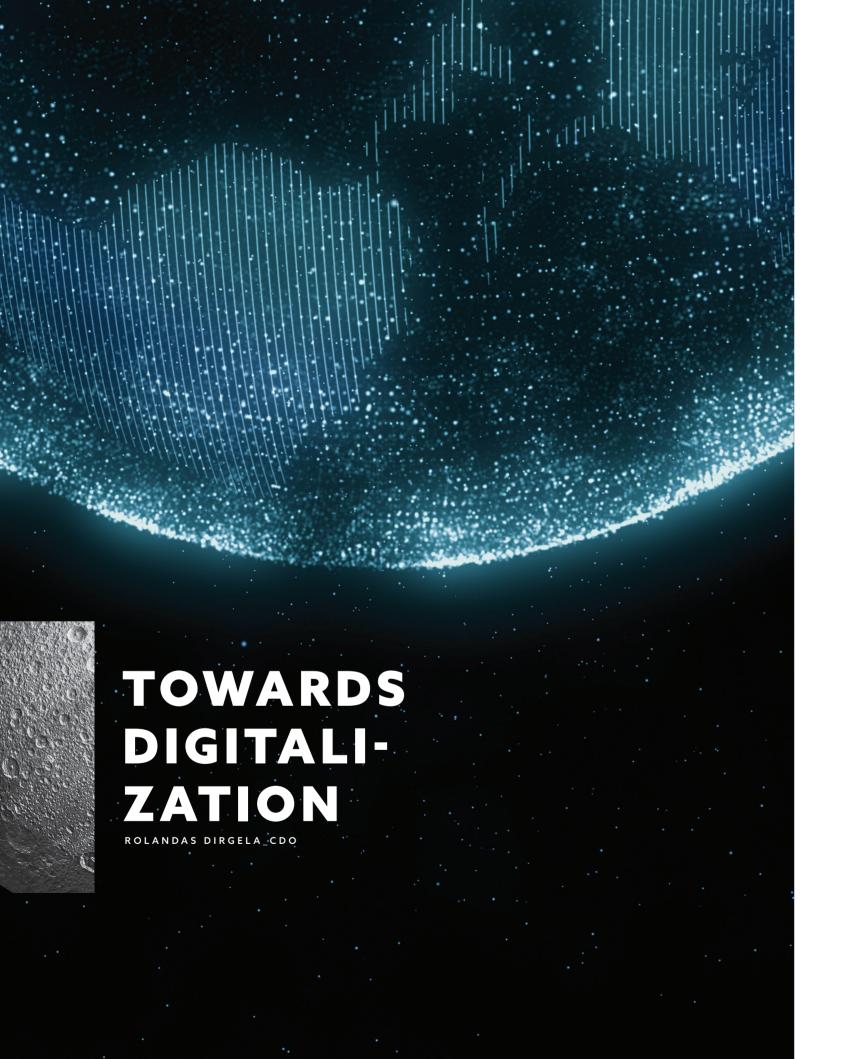
As demand continues to peak, we have started buying more unserviceable engines that will be repaired in our engine shop and delivered to customers after completion. Again,

one of them was pre-sold before the repairs even started.

Similarly, the team significantly expanded its customer portfolio in 12 months. Our new customers range from airlines and leasing companies, and in a major milestone for us, we signed an agreement with OEM General Electric too.

As for our customers, our metrics indicate a very high satisfaction rate. In fact, we are very close to the maximum possible rate, which motivates us to do even better in the future. 2022 was an exemplary 27year results-wise, tied together with signs of a healthy market recovery. Magnetic Engines fully leveraged the situation for the unit's further development, and this will continue in 2023.





FROM A DIGITAL STANDPOINT. WHAT WERE LAST YEAR'S AC-**COMPLISHMENTS?**

For me, as Chief Digital Officer, 2022 was about continuing progress by leveraging technology to drive growth, innovation, and efficiency all across our business units. In the past year, we have invested heavily in digital transformation initiatives, enabling us to serve our customers with more precision, streamline our operations, and enhance our competitive position in the market.

Our focus was on two areas — first, taking a significant step forward in becoming a true business partner. Our team worked diligently to gain the necessary skills and knowledge to understand and prioritize the needs of the organization to deliver solutions that provide direct and tangible value. Through a collaborative effort, the department succeeded, and it was reflected in positive stakeholder feedback.

We also recognized the importance of redefining our role in the company, which led to the decision to change our name from the IT Department to the Business and

ULTIMATELY, IT'S ALL ABOUT **USING TECHNO-LOGICAL AD-VANCEMENTS TO** SUPPORT THE **BUSINESS IN THE** YEARS TO COME.

IT Solutions Department. This alteration reflects who we are and the role we play in driving business

The second area to address was the core operational systems to lav a solid foundation for future growth. Between an extensive effort to construct and review the new setup, the team successfully selected an MRO Enterprise Resource Planning (ERP) solution in alignment with the business strategy. The same goes for a newly implemented HR system used to support talent management processes. Finally, the team developed the Business Intelligence solution to provide valuable, enhanced insights for better decision-making.

WHAT'S NEXT?

The IT department will continue focusing on the MRO ERP implementation to improve efficiency and quality. In addition, we will replace our financial ERP to manage group-level financial matters more coherently. Another key area we are focusing on is enabling data-driven decisions through the development of business intelligence solutions.

Combining consumer insights with internal company data will enhance our current services and create new revenue streams. These efforts will help us stay ahead of the curve and continue to deliver value to our customers and stakeholders.

Ultimately, it's all about using technological advancements to support the business in the years to come. I am proud to be part of this journey and excited to lead our company's digital transformation efforts toward a brighter fu-





WHAT DID 2022 BRING TO OUR PEOPLE?

If 2020 brought us COVID-19, then 2021 was the year we learned to live in a changed environment. For 2022, everyone had expected things to be "back to normal" until the unstable geopolitical changes of February.

Some of our people had to leave the company to go and protect

their country, and some had to relocate their families to a safer location while continuing to perform their daily tasks. On a more positive note, due to those same circumstances, dozens of talented people have become part of our #wearemagnetic family.

From a human resources perspective, agility and adaptability were the cornerstone of 2022. Over the

last few years, Magnetic's people have proved nothing is impossible. Everyone carried out their responsibilities with dedication, commitment, and passion. We quickly adjusted to an unstable situation and started building a solid community mindset.

Recent unprecedented times and events have urged companies to reconsider their traditional ways of caring for employees' well-being. The same goes for HR initiatives at Magnetic — to perfect the workplace experience. This initiative encompasses employee engagement, team development, and cooperation. This is all an effort to ensure our employees are engaged and can thrive within their teams and departments.

In parallel, various other initiatives were implemented, such as additional healthcare provision, as well as culture and team development workshops. Going forward, the Magnetic Group will also monitor employee engagement through eNPS quarterly surveys and continue striving for an excellent experience for the whole organization.

HAS THE STATE OF THE WORK-FORCE CHANGED WITHIN THE COMPANY? IF SO, HOW?

Since last year, we're back on course, growing and expanding our horizons. At the end of 2022, the group's total headcount was 692 employees across 5 continents and over 20 countries, amounting to 26 different nationalities. Having grown steadily over the past few years, with an average 8% increase per year since 2019, we are back to the pre-Covid staffing level of 2019.

This increase has come from organic growth, an established presence in the US, and our sales and engineering office serving the South-East Asia region. Also, technical operations were launched in Denmark and Poland. In terms of the human resources department, by the end of 2022 we had 9 full-time HR professionals across 4 different locations.

To manage geographical complexity and ensure business support, the group implemented new BambooHR software. This aimed to standardize and simplify most end-to-end processes and give employees and managers easier access to people and team-oriented matters. In addition to providing daily operational HR support, we have implemented performance coaching discipline and an in-house leadership advisor to work with our key employees across the group.

HOW ARE WE PREPARING FOR

Magnetic Group is committed to being a top-notch workplace, offering its employees unlimited personal and professional development opportunities. Undoubtedly, the aviation sector can be demanding. As the global labour market continues to be turbulent, 2023's focus will be on people and their career development.

We will strengthen our performance management approach by having annual employee appraisals alongside organizational effectiveness reviews. Furthermore, we plan to launch the first-ever Magnetic Group-wide leadership development program "Learning to Lead" and continue creating short-time assignment opportunities for key people's competence development across our entities and locations. We are focused more than ever on internal succession planning and encouraging internal moves within the group.

Finally, we will continue staffing our signature vocational study program for A-category technical studies in cooperation with the Estonian Aviation Academy to improve the availability of technical staff. The same goes for our collaboration with other regional vocational and higher education schools to combat the shortage of aviation technicians and engineers.







t the beginning of 2022, ongoing political tensions escalated. In turn, this situation has negatively impacted commodity and financial markets and increased volatility, including foreign exchange rates. Ever since December 2021, circumstances have deteriorated and remain precarious.

However, the Magnetic Group's insignificant exposure to the Russian market and its instability had a minor negative impact on results in 2022. The most significant results came due to the energy crisis, rapid inflation, and interest rate increases in Q4.

BUSINESS AND FINANCIAL REVIEW

In 2022, three new subsidiaries were founded in Copenhagen, Denmark; Warsaw, Poland; and Miami, USA. The core of the Copenhagen-based business is to provide line maintenance services. The Warsaw branch is a workshop for wheels and brakes. The focus of the company in the United States is to increase our market share in this region, mainly through the sale of spare parts and mediation. Last year, the group also recovered to pre-COVID revenue volumes and reached 103M EUR, 54% more than a year before. The revenue is divided between sectors as fol-

lows: 53% is generated by Maintenance, 42% by Assets, 3% by Creative, and 2% by Talent. So far, the asset sector has delivered the most significant impact on our revenue growth.

EBITDA in 2022 reached 5.2M EUR, exceeding last year's result by 80%. Adjusted EBITDA - 6.3M EUR and surpassed the 2021 year by 35.8%. The main driver for this was aviation market recovery and an assertive sales strategy by the asset sector. Considering the effects of Q4 energy and inflation rises, the Adjusted EBITDA margin was slightly lower than the year before, 6.06%, compared with 6.86% in 2021.

In 2022 the group's operational cash flow was +3.3M EUR. Almost 3 million was invested into components, tools, and the expansion of the engine workshop, and 1.5 million EUR was spent to decrease financial liabilities.

IN 2022, THREE **NEW SUBSID-IARIES WERE FOUNDED IN** COPENHAGEN, **DENMARK:** WARSAW, **POLAND**; AND MIAMI, USA.

FROM CONCERNS TO MITIGA-TION

Like most companies, Magnetic Group is also exposed to certain financial risks, mainly interest, currency, liquidity, and credit. The group's interest-bearing liabilities interest rate is connected to EURIBOR, meaning the group's cash flows are affected by its fluctuations. Even so, the EURIBOR increase in Q4 didn't significantly impact our overall results.

As for currencies, the group operates with two: euros (our functional currency) and US dollars. Incoming and outgoing transfers of US dollars are kept in balance, which is why the group's exposure to currency exchange risk is low, and no separate hedging instruments are 35

Liquidity risk is managed by keeping liquid assets and short-term liabilities at a certain level. While also using a short-term overdraft facility. As of the end of the year, there was 1.2 million EUR available for managing sufficient liquidity.

Concerning credit risk, Magnetic Group has established solid internal credit risk policies and procedures, which are managed by the credit control committee in cooperation with the group's management. Our client portfolio is purposely diversified geographically and wide enough to avoid exposure to customer insolvency.

In 2023, the group is on course to continue its organic growth and complete recovery from COVID. The same goes for the further expansion of our geographical presence and result stabilization.



MAGNETIC MRO 2022 KEY FIGURES

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REVENUE EBITDA	103.3	67.3 2.9	
ADJUSTED EBITDA* COMBINED GROUP EBITDA**	6.3 6.3	© 4.6	
NET PROFIT NET PROFIT MARGIN	- 0 . 1 - 0 . 0 7 %	-2.6 -3.87%	-
EBITDA MARGIN ADJUSTED EBITDA MARGIN	5.01% 6.06%	4.27% 6.86%	0 N)
ROAA (ADJUSTED NET PROFIT) ROAE (ADJUSTED NET PROFIT)	1.85% 8.09%	1.80% 6.19%	
BALANCE SHEET TOTAL WORKING CAPITAL EQUITY NET FINANCIAL DEBT	61.3 4.8 12.5 20.1	48.2 -1.4 12.5 19.0	1

* ONE-OFF EXPENSES EXCL **COMBINED GROUP EBITDA IS THE 49.9% EBITDA OF MPTL AND MMRO'S ADJUSTED EBITDA





CONSOLIDATED FINANCIAL STATEMENTS

onsolidated Financial Statements are pre- financial reporting standards are prescribed by the pared in accordance with the Estonian fi- Accounting Act of Estonia and supplemented by the ■ nancial reporting standards. The Estonian guidelines issued by the Accounting Standards Board.

MAGNETIC MRO AS CONSOLIDATED **INCOME STATEMENT**

38	REVENUE COST OF SALES GROSS PROFIT (LOSS) DISTRIBUTION COSTS ADMINISTRATIVE EXPENSE OTHER INCOME OTHER EXPENSE OPERATING PROFIT (LOSS) PROFIT (LOSS) FROM ASSOCIATES INTEREST INCOME INTEREST EXPENSE OTHER FINANCIAL INCOME AND EXPENSE PROFIT (LOSS) BEFORE TAX ANNUAL PERIOD PROFIT (LOSS) EBITDA PROFIT (LOSS) FROM SHAREHOLDERS AND PARTNERS IN PARENT COMPANY	103.3 -87.8 15.5 -0.5 -16.0 1.9 -0.2 0.7 0.0 0.1 -1.0 0.1 -0.1 -0.1	2022 (EUR MILLION)	67.3 -57.8 9.5 -0.3 -11.8 1.7 -0.1 -1.0 -1.7 0.1 -0.8 0.7 -2.6 -2.6 2.9 -2.6	2021 (EUR MILLION)
	PARTNERS IN PARENT COMPANY				

CONSOLIDATED STATEMENT OF **COMPREHENSIVE INCOME**

ANNUAL PERIOD PROFIT (LOSS)	- 0 . 1	2	-2.6	2
OTHER COMPREHENSIVE INCOME (EXPENSE):		0		0
		~		2
EFFECT ON UNREALISED EXCHANGE RATE CHANGES	0.1	~	-0.2	_
TOTAL OTHER COMPREHENSIVE INCOME (EXPENSE)	0.1	m	-0.2	m
ANNUAL PERIOD COMPREHENSIVE INCOME (EXPENSE)	0.0		-2.8	Z Z
COMPREHENSIVE PROFIT (LOSS) FROM SHAREHOLD-	0.1	7	-2.7	7
ERS AND PARTNERS IN PARENT COMPANY				
		_		
MINORITY INTEREST	- 0 . 1		0.0	
		0		0
		Z		Z
		_		_

MAGNETIC MRO BALANCE SHEET CONSOLIDATED

	ASSETS		202	2021
	CURRENT ASSETS CASH AND CASH EQUIVALENTS RECEIVABLES AND PREPAYMENTS INVENTORIES TOTAL CURRENT ASSETS	6.0 20.3 15.6 41.9	© 4.7 11.0 ≤ 6.1 21.8	(EUR MILLIO
	NON-CURRENT ASSETS RECEIVABLES AND PREPAYMENTS PROPERTY, PLANT AND EQUIPMENT INTANGIBLE ASSETS TOTAL NON-CURRENT ASSETS TOTAL ASSETS	0.2 15.9 3.3 19.4 61.3	5.5 17.2 3.7 26.4 48.2	Z
	LIABILITIES			39
	CURRENT LIABILITIES LOAN LIABLITIES PAYABLES AND PREPAYMENTS TOTAL CURRENT LIABILITIES	10.0 27.2 37.1	10.1 13.1 23.2	
	NON-CURRENT LIABILITIES LOAN LIABLITIES PAYABLES AND PREPAYMENTS TOTAL NON-CURRENT LIABILITIES TOTAL LIABILITIES	10.2 1.5 11.6 48.8	8.8 3.6 12.5 35.7	
·	EQUITY			
	EQUITY HELD BY SHAREHOLDERS AND PARTNERS IN PARENT COMPANY ISSUED CAPITAL SHARE PREMIUM STATUTORY RESERVE CAPITAL RETAINED EARNINGS (LOSS) ANNUAL PERIOD PROFIT (LOSS) TOTAL EQUITY HELD BY SHAREHOLDERS	1.3 15.4 2.7 -6.7 0.0	1.3 15.4 2.7 -4.1 -2.6	
	AND PARTNERS IN PARENT COMPANY MINORITY INTEREST TOTAL EQUITY TOTAL LIABILITIES AND EQUITY	12.7 -0.1 15.5 61.3	12.7 -0.1 12.6 48.2	

MAGNETIC MRO CASH FLOW CONSOLIDATED

CASH FLOW FROM OPERATING ACTIVITIES

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0.7 -1.0 **OPERATING PROFIT (LOSS) ADJUSTMENTS** 4.5 3.8 DEPRECIATION AND IMPAIRMENT LOSS (REVERSAL) -0.6 -0.2 PROFIT (LOSS) FROM SALE OF NON-CURRENT ASSETS 0.5 0.7 OTHER ADJUSTMENTS 4.5 4.4 TOTAL ADJUSTMENTS -3.9 -0.6 CHANGES IN RECEIVABLES AND PREPAYMENTS -9.6 2.0 CHANGES IN INVENTORIES 11.6 1.0 CHANGES IN PAYABLES AND PREPAYMENTS TOTAL CASH FLOW FROM OPERATING 3.3 5.8 ACTIVITIES CASH FLOW FROM INVESTING ACTIVITIES -2.9 -4.9 PURCHASE OF PPE AND INTANGIBLE ASSETS 2.6 1.0 PROCEEDS FROM SALES OF PPE AND INTANGIBLE ASSETS -0.2 -3.9 TOTAL CASH FLOW FROM INVESTING ACTIVITIES CASH FLOW FROM FINANCING ACTIVITIES 1.0 2.3 LOANS RECEIVED -1.4 -1.7 REPAYMENTS OF LOANS RECEIVED 0.0 0.7 PROCEEDS FROM OVERDRAFT PROCEEDS FROM FINANCE LEASE -0.2 -0.1 -0.8 -1.0 INTEREST PAID -1.5 0.4 TOTAL CASH FLOW FROM FINANCING **ACTIVITIES** 1.5 **TOTAL CASH FLOW** 2.3 4.7 2.1 CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD 2.3 CHANGE IN CASH AND CASH EQUIVALENTS 1.5 0.3 EFFECT ON EXCHANGE RATE CHANGES ON CASH AND -0.2 CASH EQUIVALENTS 6.0 4.7 CASH AND CASH EQUIVALENTS AT THE END OF PERIOD

MAGNETIC MRO CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	ISSUED Capital	UNGERISTERED SHARE CAPITAL	SHARE PREMIUM	STATUTORY RESERVE CAPITAL	UNREALISED EXCHANGE RATE	RETAINED EARNINGS (LOSS)	MINORITY INTEREST	TOTAL	(EUR MILLION)
31.12.2019	1.1	5.3	6.6	0.1	0.1	9.4		22.6	
ANNUAL PERIOD PROFIT (LOSS) CONTRIBUTION TO SHARE CAPITAL	0.2	-5.3	8.8			-13.5	-0.1	-13.5 3.6	
OTHER SHAREHOLDERS CONTRIBUTION	0.2	5.5	0.0	2.6				2.6	,
31.12.2020	1.3		15.4	2.7		-4.1	-0.1	15.2	4
ANNUAL PERIOD PROFIT (LOSS)					0.2	-2.6		-2.6 -0.2	
OTHER CHANGES IN EQUITY 31.12.2021	1.3		15.4	2.7	-0.2 -0.1	-6.6	-0.1	12.5	
ANNUAL PERIOD PROFIT (LOSS)				2.7	0.1	0.0	-0.1	-0.1	
OTHER CHANGES IN EQUITY					0.1			0.1	
31.12.2022	1.3		15.4	2.7	9.9	-6.7	-0.1	12.5	



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