

# ANNUAL REPORT

**beginning of financial year:** 01.01.2022

**end of the financial year:** 31.12.2022

**business name:** Baltic Workboats AS

**register code:** 10657801

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**small town:** Nasva alevik

**rural municipality:** Saaremaa vald

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## Management report

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## The annual accounts

### Statement of financial position

(In Euros)

	31.12.2022	31.12.2021	Note
Assets			
Current assets			
Cash and cash equivalents	960 948	102 383	2
Receivables and prepayments	27 195 494	16 298 426	3
Inventories	7 922 056	9 193 802	4
<b>Total current assets</b>	<b>36 078 498</b>	<b>25 594 611</b>	
Non-current assets			
Investments in subsidiaries and associates	28 750	2 500	
Receivables and prepayments	5 819 415	5 892 656	3
Property, plant and equipment	16 633 180	17 742 859	7
Intangible assets	480 172	371 157	
<b>Total non-current assets</b>	<b>22 961 517</b>	<b>24 009 172</b>	
<b>Total assets</b>	<b>59 040 015</b>	<b>49 603 783</b>	
Liabilities and equity			
Liabilities			
Current liabilities			
Loan liabilities	22 444 905	12 336 099	8
Payables and prepayments	7 262 461	14 931 188	9
<b>Total current liabilities</b>	<b>29 707 366</b>	<b>27 267 287</b>	
Non-current liabilities			
Loan liabilities	5 886 352	4 090 508	8
Payables and prepayments	5 686 822	2 471 403	9
Government grants	625 554	576 645	11
<b>Total non-current liabilities</b>	<b>12 198 728</b>	<b>7 138 556</b>	
<b>Total liabilities</b>	<b>41 906 094</b>	<b>34 405 843</b>	
Equity			
Issued capital	31 956	31 956	12
Statutory reserve capital	3 195	3 195	
Retained earnings (loss)	15 162 789	12 841 615	
Annual period profit (loss)	1 935 981	2 321 174	
<b>Total equity</b>	<b>17 133 921</b>	<b>15 197 940</b>	
<b>Total liabilities and equity</b>	<b>59 040 015</b>	<b>49 603 783</b>	

## Income statement

(In Euros)

	2022	2021
Revenue	39 087 493	39 609 848
Other income	165 902	162 648
Raw materials and consumables used	-24 556 108	-26 233 870
Other operating expense	-3 696 547	-3 262 020
Employee expense	-6 638 333	-5 784 771
Depreciation and impairment loss (reversal)	-830 642	-857 033
Other expense	-392 223	-420 410
<b>Operating profit (loss)</b>	<b>3 139 542</b>	<b>3 214 392</b>
Interest income	103 498	128 911
Interest expenses	-1 340 146	-1 022 129
Other financial income and expense	33 087	0
<b>Profit (loss) before tax</b>	<b>1 935 981</b>	<b>2 321 174</b>
<b>Annual period profit (loss)</b>	<b>1 935 981</b>	<b>2 321 174</b>

## Statement of cash flows

(In Euros)

	2022	2021
Cash flows from operating activities		
Operating profit (loss)	3 139 542	3 214 392
Adjustments		
Depreciation and impairment loss (reversal)	830 642	857 033
Profit (loss) from sale of non-current assets	659 047	0
<b>Total adjustments</b>	<b>1 489 689</b>	<b>857 033</b>
Changes in receivables and prepayments related to operating activities	-10 825 077	-2 131 600
Changes in inventories	1 258 001	-1 285 664
Changes in payables and prepayments related to operating activities	-4 453 308	-5 591 111
Interest received	103 498	128 911
Interest paid	-1 340 146	-1 022 129
Other cash flows from operating activities	33 087	0
<b>Total cash flows from operating activities</b>	<b>-10 594 714</b>	<b>-5 830 168</b>
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-489 024	-1 479 619
Other cash payments to acquire subsidiaries	-26 250	0
<b>Total cash flows from investing activities</b>	<b>-515 274</b>	<b>-1 479 619</b>
Cash flows from financing activities		
Loans received	8 083 833	5 494 704
Repayments of loans received	-3 730 350	-6 611 359
Proceeds from overdraft	7 551 167	7 128 541
Proceeds from government grants	63 903	83 901
<b>Total cash flows from financing activities</b>	<b>11 968 553</b>	<b>6 095 787</b>
<b>Total cash flows</b>	<b>858 565</b>	<b>-1 214 000</b>
Cash and cash equivalents at beginning of period	102 383	1 316 383
<b>Change in cash and cash equivalents</b>	<b>858 565</b>	<b>-1 214 000</b>
Cash and cash equivalents at end of period	960 948	102 383

## Statement of changes in equity

(In Euros)

				<b>Total</b>
	Issued capital	Statutory reserve capital	Retained earnings (loss)	
<b>31.12.2020</b>	31 956	3 195	13 003 027	13 038 178
Effect of correction of errors			-161 412	-161 412
<b>Restated balance 31.12.2020</b>	31 956	3 195	12 841 615	12 876 766
Annual period profit (loss)			2 321 174	2 321 174
<b>31.12.2021</b>	31 956	3 195	15 162 789	15 197 940
Annual period profit (loss)			1 935 981	1 935 981
<b>31.12.2022</b>	31 956	3 195	17 098 770	17 133 921

## Notes

### Note 1 Accounting policies

#### General information

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### Note 2 Cash and cash equivalents

(In Euros)

	31.12.2022	31.12.2021
Cash	20 410	19 478
Bank	940 538	82 905
<b>Total cash and cash equivalents</b>	<b>960 948</b>	<b>102 383</b>



## Note 3 Receivables and prepayments

(In Euros)

	31.12.2022	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accounts receivable	8 424 102	8 424 102	0	
Accounts receivables	8 379 430	8 379 430	0	
Allowance for doubtful receivables	44 672	44 672	0	
Tax prepayments and receivables	965 222	965 222	0	5
Loan receivables	5 385 815	0	5 385 815	19
Other receivables	103 331	103 331	0	
Interest receivables	103 331	103 331	0	
Prepayments	1 383 495	1 383 495	0	
Deferred expenses	1 383 495	1 383 495	0	
	12 236 482	12 236 482	0	
	669 249	235 649	433 600	
	3 514 881	3 514 881	0	
	332 332	332 332	0	
<b>Total receivables and prepayments</b>	<b>33 014 909</b>	<b>27 195 494</b>	<b>5 819 415</b>	

  

	31.12.2021	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accounts receivable	1 362 786	1 362 786	0	
Accounts receivables	1 318 114	1 318 114	0	
Allowance for doubtful receivables	44 672	44 672	0	
Tax prepayments and receivables	685 662	685 662	0	5
Loan receivables	5 512 652	80 122	5 432 530	19
Prepayments	791 047	791 047	0	
Deferred expenses	791 047	791 047	0	
	9 032 607	9 032 607	0	
	989 097	528 971	460 126	
	3 514 881	3 514 881	0	
	302 350	302 350	0	
<b>Total receivables and prepayments</b>	<b>22 191 082</b>	<b>16 298 426</b>	<b>5 892 656</b>	

## Note 4 Inventories

(In Euros)

	31.12.2022	31.12.2021
Raw materials	4 392 635	3 449 298
Inventory prepayments	3 405 298	5 639 551
Other inventories	124 123	104 953
<b>Total Inventories</b>	<b>7 922 056</b>	<b>9 193 802</b>

## Note 5 Tax prepayments and liabilities

(In Euros)

	31.12.2022		31.12.2021	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Corporate income tax	0	23 324	0	0
Value added tax	502 032		310 816	
Personal income tax	0	86 085	0	69 894
Fringe benefit income tax	0	11 029	0	4 888
Social tax	0	166 689	0	128 532
Contributions to mandatory funded pension	0	4 862	0	4 915
Unemployment insurance tax	0	10 025	0	8 450
Land tax	0	0	0	536
Prepayment account balance	463 190		374 846	
<b>Total tax prepayments and liabilities</b>	<b>965 222</b>	<b>302 014</b>	<b>685 662</b>	<b>217 215</b>

## Note 6 Shares of subsidiaries

(In Euros)

Shares of subsidiaries, general information					
Subsidiary's registry code	Name of subsidiary	Country of incorporation	Principal activity	Ownership interest (%)	
				31.12.2021	31.12.2022
14200257	Baltic Workboats U.S. OÜ	Estonia		100	100
16596101	SKYCHARTERING OÜ	Estonia		0	50
16609602	MILDEC PRO OÜ	Estonia		0	25

## Note 7 Property, plant and equipment

(In Euros)

	Land	Buildings	Machinery and equipment	Other property, plant and equipment	Unfinished projects	Total
<b>31.12.2021</b>						
Carried at cost	129 211	13 131 446	8 282 354	2 286 141	196 997	24 026 149
Accumulated depreciation	0	-2 065 598	-3 427 802	-789 890	0	-6 283 290
<b>Residual cost</b>	129 211	11 065 848	4 854 552	1 496 251	196 997	17 742 859
Acquisitions and additions	0	86 660	62 402	210 928	0	359 990
Acquisition of buildings, new building, renovations		86 660			0	86 660
Other acquisitions and additions			62 402	210 928	0	273 330
Depreciation	0	-262 629	-296 142	-251 851	0	-810 622
Disposals (in residual costs)	0	0	-659 047	0	0	-659 047
<b>31.12.2022</b>						
Carried at cost	129 211	13 218 106	7 685 709	2 497 069	196 997	23 727 092
Accumulated depreciation	0	-2 328 227	-3 723 944	-1 041 741	0	-7 093 912
<b>Residual cost</b>	129 211	10 889 879	3 961 765	1 455 328	196 997	16 633 180

### Disposed property, plant and equipment at selling price

	<b>2022</b>
Machinery and equipment	780 000
Transportation	780 000
<b>Total</b>	<b>780 000</b>

## Note 8 Loan commitments

(In Euros)

	31.12.2022	Allocation by remaining maturity			Interest rate	Base currencies	Due date	Note
		Within 12 months	1 - 5 years	Over 5 years				
Current loans								
	3 514 704	3 514 704			9,66	USD	25.06.2023	
	2 000 000	2 000 000			11	EUR	09.02.2023	
<b>Current loans total</b>	5 514 704	5 514 704						
Current bonds								
	4 679 708	4 679 708			6,89	EUR		
	10 000 000	10 000 000			4,53	EUR		
<b>Current bonds total</b>	14 679 708	14 679 708						
Non-current loans								
<b>Non-current loans total</b>	2 829 605	574 493	2 255 112	0				
Other loan commitments								
	3 631 240	0	3 631 240	0	1	EUR	31.12.2025	19
	1 000 000	1 000 000	0	0	2	EUR	31.12.2023	19
	676 000	676 000	0	0	2	EUR	31.12.2023	19
<b>Other loan commitments total</b>	5 307 240	1 676 000	3 631 240	0				
<b>Loan commitments total</b>	28 331 257	22 444 905	5 886 352	0				

  

	31.12.2021	Allocation by remaining maturity			Interest rate	Base currencies	Due date	Note
		Within 12 months	1 - 5 years	Over 5 years				
Current loans								
	3 514 704	3 514 704			3,82	USD	27.12.2022	
	7 128 541	7 128 541			3	EUR	31.03.2022	
<b>Current loans total</b>	10 643 245	10 643 245						
Non-current loans								
	187 250	106 999	80 251	0	2,94	EUR	25.09.2023	
	3 413 872	585 855	2 828 017	0	2,5	EUR	19.06.2027	
<b>Non-current loans total</b>	3 601 122	692 854	2 908 268	0				
Other loan commitments								
	1 182 240	0	1 182 240	0	1	EUR	31.12.2023	19
	1 000 000	1 000 000	0	0	2	EUR	31.12.2022	19
<b>Other loan commitments total</b>	2 182 240	1 000 000	1 182 240	0				
<b>Loan commitments total</b>	16 426 607	12 336 099	4 090 508	0				

## Note 9 Payables and prepayments

(In Euros)

	31.12.2022	Allocation by remaining maturity			Note
		Within 12 months	1 - 5 years	Over 5 years	
Trade payables	3 813 254	3 813 254	0	0	
Employee payables	440 184	440 184	0	0	
Tax payables	302 014	302 014	0	0	5
Other payables	188 392	188 392	0	0	
Interest payables	31 777	31 777	0	0	
Other accrued expenses	156 615	156 615	0	0	
	6 295 682	2 136 665	4 159 017	0	
	1 909 757	381 952	1 527 805	0	
<b>Total payables and prepayments</b>	<b>12 949 283</b>	<b>7 262 461</b>	<b>5 686 822</b>	<b>0</b>	

  

	31.12.2021	Allocation by remaining maturity			Note
		Within 12 months	1 - 5 years	Over 5 years	
Trade payables	4 426 503	4 426 503	0	0	
Employee payables	481 340	481 340	0	0	
Tax payables	217 215	217 215	0	0	5
Other payables	224 918	224 918	0	0	
Other accrued expenses	224 918	224 918	0	0	
	10 142 858	9 581 212	561 646	0	
	1 909 757	0	1 527 805	381 952	
<b>Total payables and prepayments</b>	<b>17 402 591</b>	<b>14 931 188</b>	<b>2 089 451</b>	<b>381 952</b>	

## Note 10 Contingent liabilities and assets

(In Euros)

	31.12.2022	31.12.2021
Contingent liabilities		
Income tax liability on distributable dividends	3 419 754	3 032 558
<b>Total contingent liabilities</b>	<b>3 419 754</b>	<b>3 032 558</b>

## Note 11 Grants

(In Euros)

	31.12.2020	Received	Recognized in the income statement	31.12.2021
	Liabilities			Liabilities
Grants for operating expenses				
	134 296	0	0	134 296
	279 148	20 107	0	299 255
	79 300	48 800	0	128 100
	0	14 994	0	14 994
Total grants for operating expenses	492 744	83 901	0	576 645
Total grants	492 744	83 901	0	576 645
	31.12.2021	Received	Recognized in the income statement	31.12.2022
	Liabilities			Liabilities
Grants for operating expenses				
	134 296	0	0	134 296
	299 255	0	0	299 255
	14 994	0	14 994	0
	128 100	54 722	0	182 822
	0	9 181	0	9 181
Total grants for operating expenses	576 645	63 903	14 994	625 554
Total grants	576 645	63 903	14 994	625 554

## Note 12 Share capital

(In Euros)

	31.12.2022	31.12.2021
Share capital	31 956	31 956
Number of shares (pcs)	31 956	31 956
Nominal value of shares	1	1

## Note 13 Net sales

(In Euros)

	2022	2021
Net sales by geographical location		
Net sales in European Union		
Estonia	1 579 808	858 273
Latvia	195 567	992
Lithuania	2 311 838	1 635 261
Germany	200 283	7 458 580
Belgium	4 270 476	3 495 616
Denmark	1 260	14 600
Romania	1 211 293	7 060 109
Netherlands	0	56 775
Croatia	0	3 490
Bulgaria	8 476 573	2 657 546
Cyprus	0	5 000
Finland	40 822	0
Sweden	5 760	0
<b>Total net sales in European Union</b>	<b>18 293 680</b>	<b>23 246 242</b>
Net sales outside of European Union		
Oman	17 448 883	15 605 349
Canada	1 719 852	0
Norway	490 586	0
Ukraine	1 125 729	0
United States of America	6 668	0
United Kingdom	2 095	0
Russian Federation	0	758 257
<b>Total net sales outside of European Union</b>	<b>20 793 813</b>	<b>16 363 606</b>
<b>Total net sales</b>	<b>39 087 493</b>	<b>39 609 848</b>
Net sales by operating activities		
Shipbuilding	34 457 526	32 564 293
Ships repair and maintenance	696 825	371 170
Brokering of various goods	87 872	676 196
Other accommodation	2 184	4 140
Other technical consultancy	3 843 086	5 994 049
<b>Total net sales</b>	<b>39 087 493</b>	<b>39 609 848</b>

## Note 14 Goods, raw materials and services

(In Euros)

	2022	2021
Raw materials	-17 881 651	-17 894 898
Goods purchased for resale	-33 463	-38 938
Services purchased for resale	-6 640 994	-8 300 034
<b>Total goods, raw materials and services</b>	<b>-24 556 108</b>	<b>-26 233 870</b>

## Note 15 Miscellaneous operating expenses

(In Euros)

	2022	2021
<b>Energy</b>	<b>-351 463</b>	<b>-192 688</b>
Electricity	-309 014	-155 323
Heat energy	-42 449	-37 365
Travel expense	-420 938	-384 959
Training expense	-19 359	-23 307
Insurance costs	-637 324	-348 149
Transportation costs	-157 735	-147 333
Repair costs	0	0
Contract fees	-131 883	-134 306
Software costs	-75 897	-53 360
Technical security costs	-79 653	-74 127
Marketing costs	-73 122	-35 067
Project management and marketing service	-437 750	-362 960
Other	-1 311 423	-1 505 764
<b>Total miscellaneous operating expenses</b>	<b>-3 696 547</b>	<b>-3 262 020</b>

## Note 16 Labor expense

(In Euros)

	2022	2021
Wage and salary expense	4 983 748	4 339 103
Social security taxes	1 654 585	1 445 668
<b>Total labor expense</b>	<b>6 638 333</b>	<b>5 784 771</b>
Average number of employees in full time equivalent units	170	159
Average number of employees by types of employment:		
Person employed under employment contract	170	159
Member of management or controlling body of legal person	2	3



## Note 17 Other operating expenses

(In Euros)

	2022	2021
Loss from exchange rate differences	-16 061	-29 394
Other	-376 162	-391 016
<b>Total other operating expenses</b>	<b>-392 223</b>	<b>-420 410</b>

## Note 18 Other financial income and expense

(In Euros)

	2022	2021
Profit (loss) from exchange rate differences	33 087	0
<b>Total other financial income and expense</b>	<b>33 087</b>	<b>0</b>

## Note 19 Related parties

(In Euros)

### Related party balances according to groups

SHORT TERM	31.12.2022	31.12.2021	Note
<b>Receivables and prepayments</b>			
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	2 654	18 971	
<b>Total receivables and prepayments</b>	<b>2 654</b>	<b>18 971</b>	
<b>Payables and prepayments</b>			
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	1 586 763	1 445 006	
<b>Total payables and prepayments</b>	<b>1 586 763</b>	<b>1 445 006</b>	

LONG TERM	31.12.2022	31.12.2021	Note
<b>Payables and prepayments</b>			
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	1 909 757	1 909 757	
<b>Total payables and prepayments</b>	<b>1 909 757</b>	<b>1 909 757</b>	

<b>GIVEN LOANS</b>	<b>31.12.2020</b>	<b>Given loans</b>	<b>Given loans repayments</b>	<b>31.12.2021</b>	<b>Note</b>
Subsidiaries	5 223 586	208 944	0	5 432 530	3
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	120 000	0	39 878	80 122	
<b>Total given loans</b>	<b>5 343 586</b>	<b>208 944</b>	<b>39 878</b>	<b>5 512 652</b>	
<b>GIVEN LOANS</b>	<b>31.12.2021</b>	<b>Given loans</b>	<b>Given loans repayments</b>	<b>31.12.2022</b>	<b>Note</b>
Subsidiaries	5 432 530	0	462 800	4 969 729	3
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	80 122	0	54 037	26 085	3
<b>Total given loans</b>	<b>5 512 652</b>	<b>0</b>	<b>516 837</b>	<b>4 995 814</b>	

<b>LOAN COMMITMENTS</b>	<b>31.12.2020</b>	<b>Loans received</b>	<b>Loans received repayments</b>	<b>31.12.2021</b>	<b>Note</b>
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	1 182 240	1 980 000	980 000	2 182 240	9
<b>Total loan commitments</b>	<b>1 182 240</b>	<b>1 980 000</b>	<b>980 000</b>	<b>2 182 240</b>	
<b>LOAN COMMITMENTS</b>	<b>31.12.2021</b>	<b>Loans received</b>	<b>Loans received repayments</b>	<b>31.12.2022</b>	<b>Note</b>
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	2 182 240	2 670 000	221 000	4 631 240	
<b>Total loan commitments</b>	<b>2 182 240</b>	<b>2 670 000</b>	<b>221 000</b>	<b>4 631 240</b>	

<b>SOLD</b>	<b>2022</b>	<b>2021</b>		
	<b>Goods</b>	<b>Goods</b>	<b>Services</b>	<b>Non-current assets</b>
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	0	607 235	0	0
<b>Total sold</b>	<b>0</b>	<b>607 235</b>	<b>0</b>	<b>0</b>

BOUGHT	2022	2021		
	Goods	Goods	Services	Non-current assets
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	6 703 877	4 688 272	0	0
<b>Total bought</b>	<b>6 703 877</b>	<b>4 688 272</b>	<b>0</b>	<b>0</b>

Remuneration and other significant benefits calculated for members of management and highest supervisory body		
	<b>2022</b>	<b>2021</b>
Remuneration	171 727	221 913