

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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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
Total current assets	36 078 498	25 594 611	
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	
Total non-current assets	22 961 517	24 009 172	
Total assets	59 040 015	49 603 783	
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
Total current liabilities	29 707 366	27 267 287	
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
Total non-current liabilities	12 198 728	7 138 556	
Total liabilities	41 906 094	34 405 843	
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	
Total equity	17 133 921	15 197 940	
Total liabilities and equity	59 040 015	49 603 783	

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
Operating profit (loss)	3 139 542	3 214 392
Interest income	103 498	128 911
Interest expenses	-1 340 146	-1 022 129
Other financial income and expense	33 087	0
Profit (loss) before tax	1 935 981	2 321 174
Annual period profit (loss)	1 935 981	2 321 174

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
Total adjustments	1 489 689	857 033
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
Total cash flows from operating activities	-10 594 714	-5 830 168
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
Total cash flows from investing activities	-515 274	-1 479 619
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
Total cash flows from financing activities	11 968 553	6 095 787
Total cash flows	858 565	-1 214 000
Cash and cash equivalents at beginning of period	102 383	1 316 383
Change in cash and cash equivalents	858 565	-1 214 000
Cash and cash equivalents at end of period	960 948	102 383

Statement of changes in equity

(In Euros)

				Total
	Issued capital	Statutory reserve capital	Retained earnings (loss)	
31.12.2020	31 956	3 195	13 003 027	13 038 178
Effect of correction of errors			-161 412	-161 412
Restated balance 31.12.2020	31 956	3 195	12 841 615	12 876 766
Annual period profit (loss)			2 321 174	2 321 174
31.12.2021	31 956	3 195	15 162 789	15 197 940
Annual period profit (loss)			1 935 981	1 935 981
31.12.2022	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
Total cash and cash equivalents	960 948	102 383

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	
Total receivables and prepayments	33 014 909	27 195 494	5 819 415	
	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	
Total receivables and prepayments	22 191 082	16 298 426	5 892 656	

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
Total Inventories	7 922 056	9 193 802

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	
Total tax prepayments and liabilities	965 222	302 014	685 662	217 215

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)

						Total
	Land	Buildings	Machinery and equipment	Other property, plant and equipment	Unfinished projects	
31.12.2021						
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
Residual cost	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
31.12.2022						
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
Residual cost	129 211	10 889 879	3 961 765	1 455 328	196 997	16 633 180

Disposed property, plant and equipment at selling price

	2022
Machinery and equipment	780 000
Transportation	780 000
Total	780 000

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	
Current loans total	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		
Current bonds total	14 679 708	14 679 708						
Non-current loans								
Non-current loans total	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
Other loan commitments total	5 307 240	1 676 000	3 631 240	0				
Loan commitments total	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	
Current loans total	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	
Non-current loans total	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
Other loan commitments total	2 182 240	1 000 000	1 182 240	0				
Loan commitments total	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	
Total payables and prepayments	12 949 283	7 262 461	5 686 822	0	

	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	
Total payables and prepayments	17 402 591	14 931 188	2 089 451	381 952	

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
Total contingent liabilities	3 419 754	3 032 558

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
Total net sales in European Union	18 293 680	23 246 242
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
Total net sales outside of European Union	20 793 813	16 363 606
Total net sales	39 087 493	39 609 848
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
Total net sales	39 087 493	39 609 848

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
Total goods, raw materials and services	-24 556 108	-26 233 870

Note 15 Miscellaneous operating expenses

(In Euros)

	2022	2021
Energy	-351 463	-192 688
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
Total miscellaneous operating expenses	-3 696 547	-3 262 020

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
Total labor expense	6 638 333	5 784 771
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
Total other operating expenses	-392 223	-420 410

Note 18 Other financial income and expense

(In Euros)

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

Note 19 Related parties

(In Euros)

Related party balances according to groups

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

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

GIVEN LOANS	31.12.2020	Given loans	Given loans repayments	31.12.2021	Note
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	
Total given loans	5 343 586	208 944	39 878	5 512 652	

GIVEN LOANS	31.12.2021	Given loans	Given loans repayments	31.12.2022	Note
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
Total given loans	5 512 652	0	516 837	4 995 814	

LOAN COMMITMENTS	31.12.2020	Loans received	Loans received repayments	31.12.2021	Note
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
Total loan commitments	1 182 240	1 980 000	980 000	2 182 240	

LOAN COMMITMENTS	31.12.2021	Loans received	Loans received repayments	31.12.2022	Note
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	
Total loan commitments	2 182 240	2 670 000	221 000	4 631 240	

SOLD	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	0	607 235	0	0
Total sold	0	607 235	0	0

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
Total bought	6 703 877	4 688 272	0	0

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