



# Financial results Q2 2025

29 August 2025



Shaping the future  
of defence.

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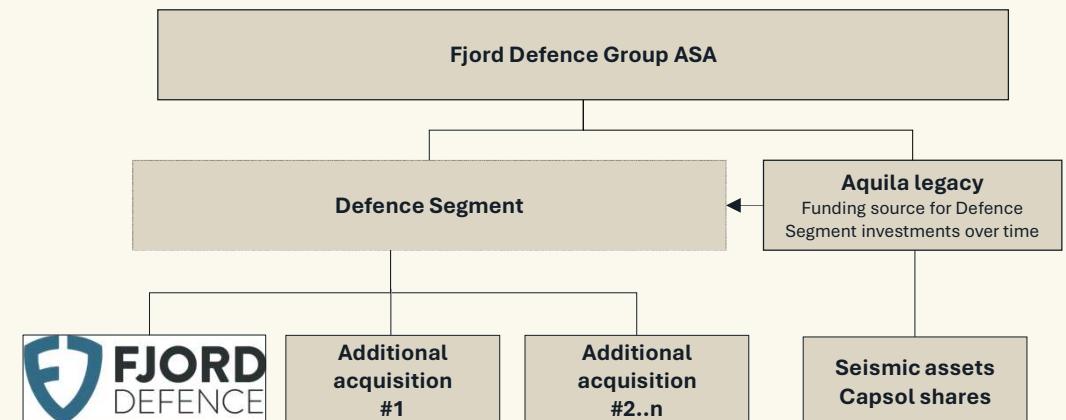
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# Introduction to Fjord Defence Group ASA

## Q2 2025 - A transformational quarter for Fjord Defence Group

- New strategy defined and repositioned the company as a compounder within the defence industry
- Acquisition of Fjord Defence AS
  - NOK 30m settled in cash
  - NOK ~140m settled in Aquila shares @ NOK 0.8/share, a pre-money market capitalization of Aquila of NOK 173 million
- Equity raise of NOK 60 million through private placement
  - Significantly oversubscribed and supported by existing and new shareholders
- Established bank debt facilities of NOK 85 million
  - Strengthen working capital and «hunting license» for potential new M&A targets
- Fjord Defence AS delivering according to plan in H1 2025
  - Revenues NOK 49.7m
  - EBITDA NOK 8.1m
  - EBIT NOK 7.3m
- Uplisting process to main list on Oslo Stock Exchange initiated
- Maintaining existing assets (seismic and investments) to maximize values and potential over time



## **Fjord Defence Group offers an attractive exposure to the defence industry**

- 1 Highly attractive market outlook for European defence players
- 2 Experienced management team with skin in the game
- 3 Fjord Defence AS with strong organic growth prospects
- 4 Currently evaluating several companies to acquire in the Nordics & Baltics
- 5 Shareholder base with long term commitment to build a compounder in the defence industry

# Management with extensive defence expertise and skin in the game



**CEO: Jon Asbjørn Bø**  
~38m shares

- Founder and Chairman of the Board, Fjord Defence AS 2017-
- Member of Mgmt Board, Electronic Solutions Division, Rheinmetall
- CEO & President, Simrad Optronics ASA
- Finance Director: Vinghøg AS

**FJORD DEFENCE** **RHEINMETALL** **SIMRAD** Optronics



**CFO: Øyvind Mølmann**

- Interim CFO, Hesselberg AS
- CFO of Selmer ASA (Skanska)
- SVP Finance Subsea at Aker Solutions
- CFO of Hands ASA

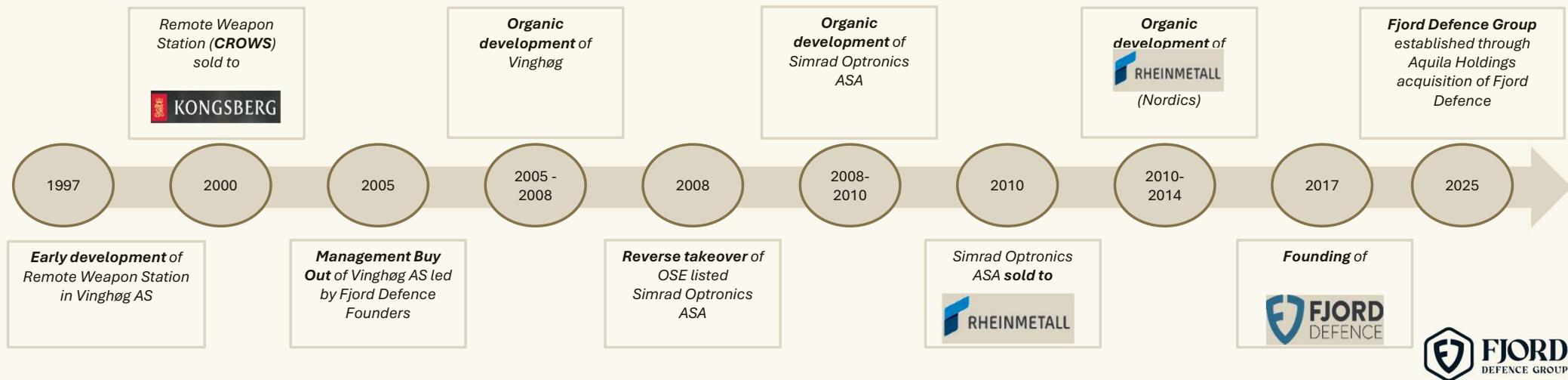
**HESSELBERG** **Aker Solutions** **SKANSKA**



**CEO, Fjord Defence: Harald Lunde**  
~26m shares

- MD, Business development, Fjord Defence AS
- SVP, Rheinmetall
- CEO, Rheinmetall Nordic
- BD Simrad Optronics ASA
- Director: Vinghøg
- Officer Norwegian Armed Forces

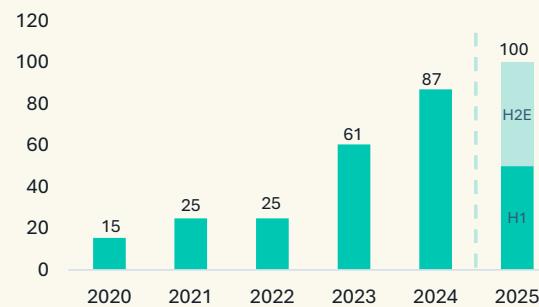
**FJORD DEFENCE** **RHEINMETALL** **SIMRAD** Optronics



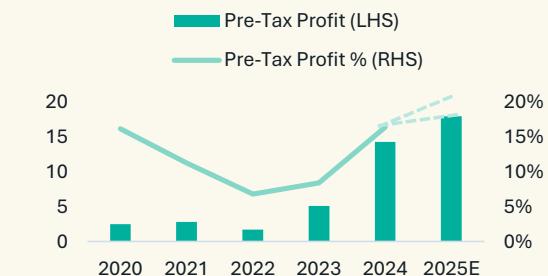
# Fjord Defence AS: A profitable and fast-growing niche player

- Established in 2017 by founders and management with extensive experience from international defence industry.
- HQ in Vestfold, Norway with subsidiary in USA
- 12 highly skilled and experienced employees
- Niche company specialized in the design, manufacturing and installation of weapon integration solutions for soldiers, military vehicles and naval vessels
- Capital light business model with focus on development and assembly – no parts production
- Main end customers currently comprise Danish, British, Dutch, American and Swedish defence organizations
- Profitable since FY2020 while delivering strong revenue growth
- Expect revenues in excess of NOK 100 million in 2025 and higher growth in 2026 (vs 2025)
- Order book for execution of NOK 50 million in H2 25

## Strong revenue growth (NOKm)



## Profitable since 2020 with increasing margins (NOKm)



## Main Product Offering



### Ground

Tripods and weapons mount with focus on high precision and lowest possible weight



### Maritime

Modular approach of Pedestals, Gun Wales and weapon mounts focusing on ergonomics, safety and operations in harsh environment



### Vehicle

Modular solutions with focus on user friendly design and simple and low-cost integration with all types of platforms

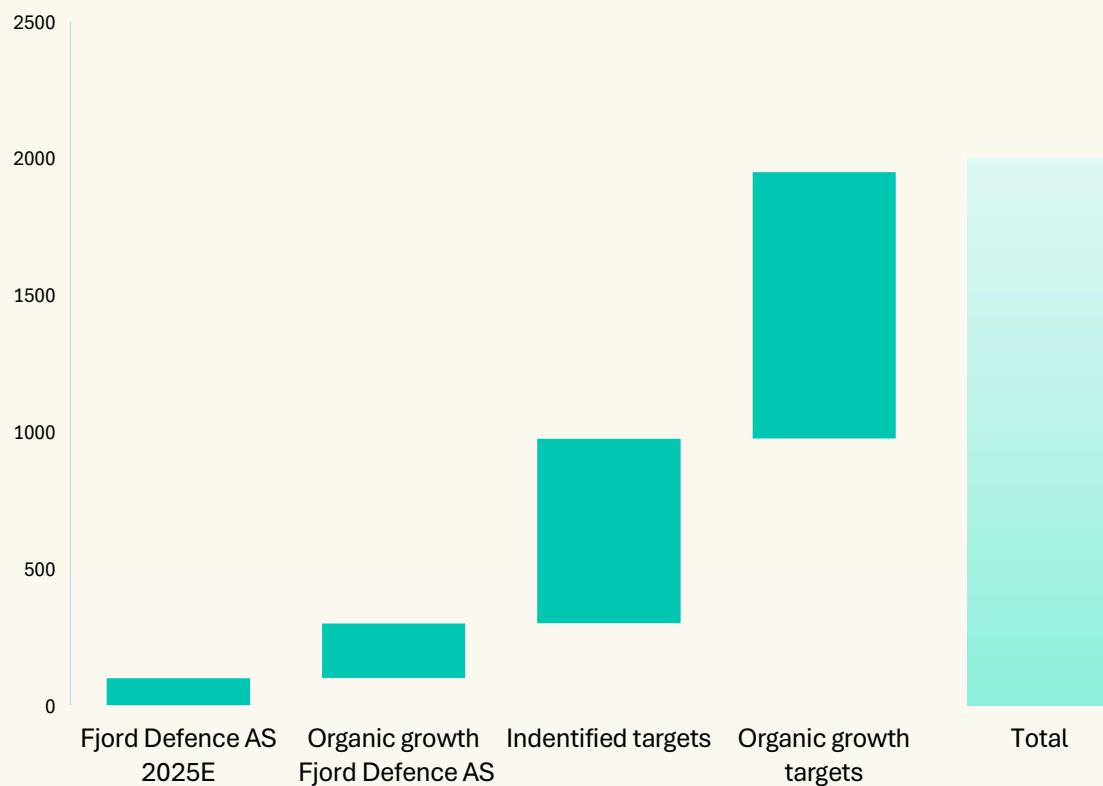


### Miscellaneous

Weapon accessories making the soldier's life easier and solving the details to improve effect

# Buy & Build strategy with focus on established, profitable businesses

## Revenue ambition in the medium term (NOKm)



## Strategy – growth through M&A

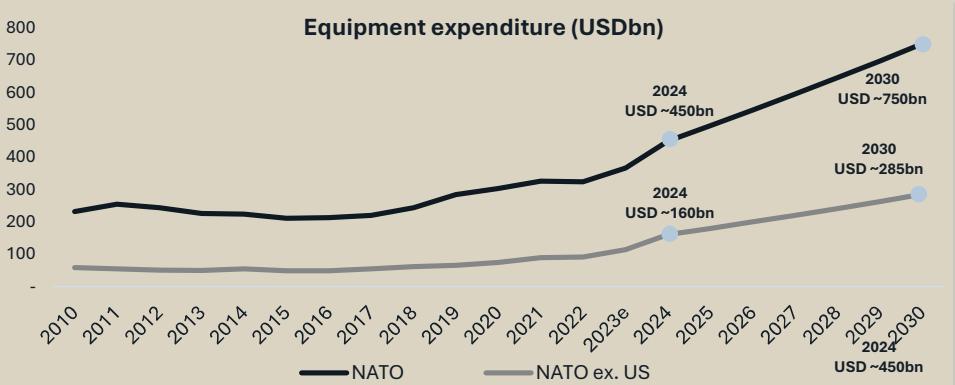
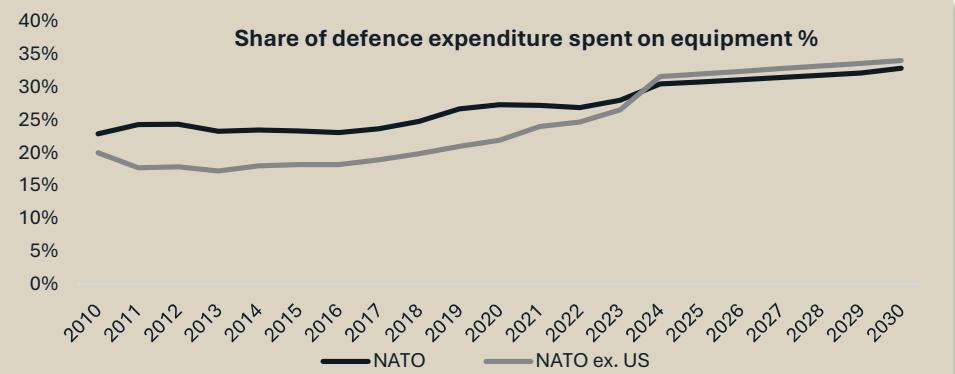
- Fjord Defence Group looking to acquire companies within defence, security & related segments which fulfill the following criteria:
  - Well run with strong management team
  - History of profitability and growth
  - Strong growth outlook next decade
  - Small and medium companies with distinctive products
  - Not dependent on technology breakthrough to succeed
- Unlocking growth through improved access to capital, best practice sharing, and sharing of customer relationships and commercial network
- Acquired companies will continue to operate as stand-alone entities and be run by existing management
- Currently in dialogue with several companies meeting defined criteria
- Strong focus on concluding accretive acquisitions of high-quality companies with selling shareholders who make a significant reinvestment in Fjord Defence Group

# Step-change in demand growth from Europe and NATO

## Market Drivers: European & NATO Defence Spending

- Structural shift in European defence budgets
- European countries are undergoing a long-term structural shift in defense policy, moving from “peace dividend” levels to sustained rearmament
- Majority of NATO countries have now pledged to meet or exceed the 5% of GDP defence spending target
- Germany's “Zeitenwende” marked a paradigm shift, allocating €100bn in new defense investment, signaling the political will for rapid capability buildup.
- ReArm EU and EU Defence Industrial Strategy
- The EU's ReArm program (2025–2027) proposes a new, multi billion- Euro fund to strengthen Europe's defence industrial base
- Aligned with broader EU policy push for strategic autonomy in defence
- A potential peace deal in Ukraine does not change Europe's needs to rearm and adapt to new realities

## Defence spending development



Source: NATO, SIPRI, OECD

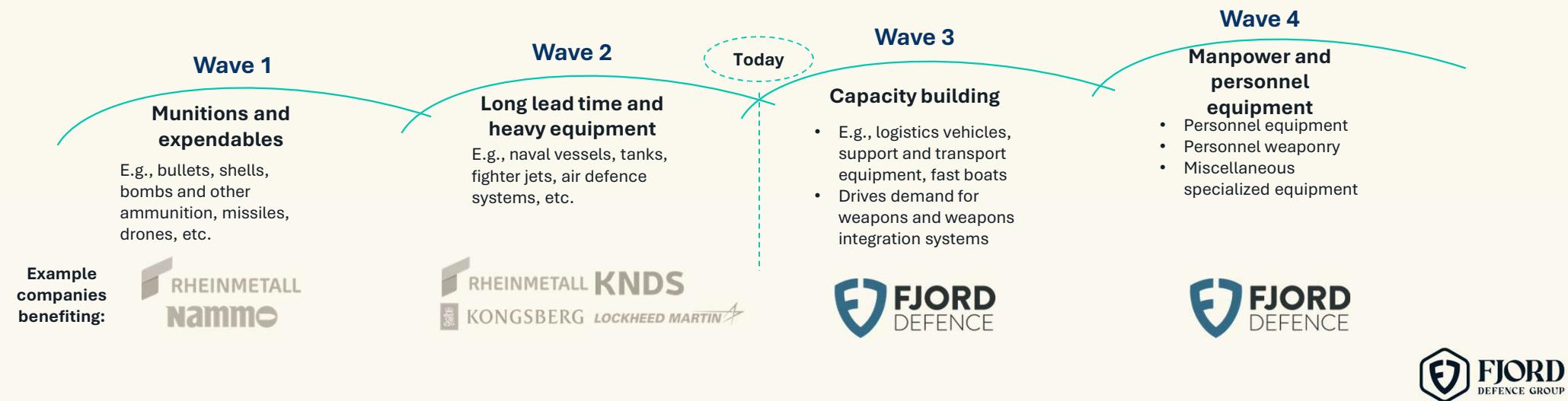
# Fjord Defence's markets are just entering a multi-year upcycle

## We are on the cusp of entering a super cycle for niche defence players

- Market entering a capacity-building phase, with focus on growing capacities like light support and logistics vehicles
- In addition, heavy equipment nearing delivery to be outfitted with lighter/secondary weapons
- Creating demand for broad range of lower cost, yet high-end and specialized equipment favoring small, agile and innovative suppliers such as Fjord Defence
- Demand growth in this phase expected to be long-lived, and will be followed by a fourth phase focusing on manpower and personnel equipment with similar demand characteristics

## Increased defence spending thus far has mostly benefited established players

- Following Russia's invasion of Ukraine, defence spending has followed a typically phased approach – with waves of spending following a known pattern
- First wave of spending growth reflected immediately identified shortages of munitions including bullets, artillery shells, bombs, missiles and drones
- In the second wave, focus turned to programs for heavy and long-lead equipment to replace donated equipment and build long-term capabilities
- Main beneficiaries thus far are established companies within munitions production and specialist producers of heavy and specialized equipment





# Pro-forma financials

# Fjord Defence AS – first half 2025\*

Profit & Loss (NOK thousands)	2023 Fjord Defence (IFRS)	2024 Fjord Defence (IFRS)	2025 H 1 Fjord Defence (IFRS)
<b>Sales revenue</b>	<b>60 458</b>	<b>86 579</b>	<b>49 718</b>
Cost of goods sold	(42 248)	(56 908)	(32 290)
<b>Gross contribution</b>	<b>18 210</b>	<b>29 671</b>	<b>17 428</b>
<i>Contribution Margin</i>	30 %	34 %	35 %
Personnel Costs	(6 011)	(8 082)	(4 261)
Other operating costs	(4 649)	(6 211)	(5 115)
<b>EBITDA</b>	<b>7 550</b>	<b>15 378</b>	<b>8 051</b>
<i>EBITDA margin</i>	12 %	18 %	16 %
Depreciation and amortization	(1 392)	(1 582)	(790)
<b>Operating Profit</b>	<b>6 158</b>	<b>13 797</b>	<b>7 261</b>
<i>Operating margin</i>	10 %	16 %	15 %
Net finance	(1 053)	(262)	(861)
<b>Profit (loss) before tax</b>	<b>5 106</b>	<b>13 535</b>	<b>6 399</b>

- Fjord Defence AS continues to show strong growth in H1 2025
- Margins in general are improving
- EBITDA NOK 8.1 million
- EBIT NOK 7.3 million
- Profit bf. tax NOK 6.4 million

\*Fjord Defence AS was acquired 20 June 2025 and is included in the financial statements of Fjord Defence Group ASA from that date.

# Interim consolidated statement of comprehensive income – Pro Forma

Profit & Loss (NOK thousands)	2024 Fjord Defence (IFRS)	2024 Legacy	2025 H 1 Fjord Defence (IFRS)	2025 H 1 Legacy	2024 Group	2025 H 1 Group
<b>Sales revenue</b>	<b>86 579</b>	<b>41 941</b>	<b>49 718</b>	<b>9 606</b>	<b>128 520</b>	<b>59 324</b>
Cost of goods sold	(56 908)	(42 353)	(32 290)	(817)	(99 261)	(33 108)
<b>Gross contribution</b>	<b>29 671</b>	<b>(412)</b>	<b>17 428</b>	<b>8 789</b>	<b>29 259</b>	<b>26 216</b>
Contribution Margin	34 %	-1 %	35 %	91 %	23 %	44 %
Personnel Costs	(8 082)	(6 012)	(4 261)	(5 834)	(14 093)	(10 095)
Other operating costs	(6 211)	(31 529)	(5 115)	(13 125)	(37 740)	(18 240)
Adjust for unrealized loss Capsol				6 695		6 695
Deducting transaction costs	0	3 366	0	6 411	3 366	6 411
<b>Adjusted EBITDA</b>	<b>15 378</b>	<b>(34 587)</b>	<b>8 051</b>	<b>2 936</b>	<b>(19 209)</b>	<b>10 987</b>
Addback of trans. Costs & CAPSOL	0	(3 366)	0	(13 106)	(3 366)	(13 106)
<b>Reported EBITDA</b>	<b>15 378</b>	<b>(37 953)</b>	<b>8 051</b>	<b>(10 170)</b>	<b>(22 575)</b>	<b>(2 119)</b>
EBITDA margin	18 %	-90 %	16 %	-106 %	-18 %	-4 %
Depreciation and amortization	(1 582)	(114 761)	(790)	(31 692)	(116 342)	(32 482)
<b>Operating Profit</b>	<b>13 797</b>	<b>(152 714)</b>	<b>7 261</b>	<b>(41 862)</b>	<b>(138 917)</b>	<b>(34 601)</b>
Operating margin	16 %	-364 %	15 %	-436 %	-108 %	-58 %
Net finance	(262)	(1 481)	(861)	(583)	(1 743)	(1 444)
<b>Profit (loss) before tax</b>	<b>13 535</b>	<b>(154 195)</b>	<b>6 399</b>	<b>(42 444)</b>	<b>(140 660)</b>	<b>(36 045)</b>

- Pro Forma financials as if Fjord Defence AS was acquired 1.1. 2024
- Transaction costs of NOK 6.4 million and unrealized loss on CAPSOL shares of NOK 6.7 million is excluded in Adjusted EBITDA

- Defence segment makes substantial contribution to revenue and profits
- Further acquisitions will enhance this development
- Positive EBITDA of NOK 11.0 million in 2025 H1 at Group level adjusting for transaction costs and unrealized loss
- In addition (not captured as revenue in 2025 H1)
  - Settlement from sale of seismic equipment NOK 16.8 million
  - Sale of Arbaflame shares NOK 4.5 million

# Interim consolidated statement of financial position – Assets

NOK thousands	Note	30.06.2025	31.12.2024*
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	6	178 180	-
Multi-client library	10	192 239	249 975
Other intangible assets	10	103 900	-
Machinery and plant		676	-
Right of use asset		2 842	-
Investments	4	37 670	48 873
Financial assets		-	14 747
<b>Total non-current assets</b>		<b>515 507</b>	<b>313 595</b>
<b>Current assets</b>			
Inventories		14 646	-
Trade receivables		21 187	-
Other current assets		9 853	871
Bank deposits, cash in hand		72 408	11 959
<b>Total current assets</b>		<b>118 093</b>	<b>12 830</b>
<b>Total assets</b>		<b>633 601</b>	<b>326 425</b>

- Full year 2024 balance sheet excluding Fjord Defence AS
- 30.06.2025 reflects actual balance sheet after the acquisition of Fjord Defence AS
- Strong Cash position of NOK 72.4 million after share issue

\* Comparative figures have been restated, see note 7 Change in presentation currency

# Interim consolidated statement of financial position – Equity and Liabilities

	Note	30.06.2025	31.12.2024*
<b>USD thousands</b>			
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital and other paid in capital		981 823	677 727
Own shares		(9 035)	(18 907)
Other reserves		(438 631)	(390 137)
Other reserves - CTA		10 999	38 049
<b>Total equity</b>		<b>545 156</b>	<b>306 732</b>
<b>Non-current liabilities</b>			
Interest bearing debt	5	19 444	-
Lease liability	5	2 442	-
<b>Total non-current liabilities</b>		<b>21 886</b>	-
<b>Current liabilities</b>			
Interest bearing debt current	5	4 861	-
Deferred tax	6	22 600	-
Trade payables		11 964	364
Taxes payables		11 105	8 802
Other current liabilities		16 028	10 527
<b>Total current liabilities</b>		<b>66 558</b>	<b>19 693</b>
<b>Total liabilities</b>		<b>88 444</b>	<b>19 693</b>
<b>Total equity and liabilities</b>		<b>633 601</b>	<b>326 425</b>

\* Comparative figures have been restated, see note 7 Change in presentation currency

- Full year 2024 balance sheet excluding Fjord Defence AS
- 30.06.2025 reflects actual balance sheet after the acquisition of Fjord Defence AS
- High equity ratio of 86%
- Drawn down NOK 25 million giving a Net Cash position NOK 47.4 million
- Low leverage and unutilized debt facilities of NOK 60 million

# Interim consolidated statement of cash flow

NOK thousands	Q2 2025	Q2 2024*	YTD H1 2025	YTD H1 2024*
<b>Cash flow from operating activities</b>				
Profit (loss) before tax	(16 952)	(15 101)	(42 143)	(37 819)
Taxes refund (paid)	-	-	-	1
Depreciation, amortization and net impairment	15 310	17 115	31 721	34 230
Changes in fair value of investments	(323)	(8 312)	6 695	(1 020)
Changes in other gains (losses)	-	-	(2 247)	-
Other working capital changes	(10 424)	6 451	(7 705)	4 548
<b>Net cash from operating activities</b>	<b>(12 388)</b>	<b>152</b>	<b>(13 678)</b>	<b>(61)</b>
<b>Cash flow from investing activities</b>				
Disposal of property, plant and equipment	-	-	16 805	-
Cash paid from investment in Fjord Defence AS	(21 411)	-	(21 411)	-
Cash received/paid from other investments	331	(1 703)	4 508	496
<b>Net cash flow from investing activities</b>	<b>(21 080)</b>	<b>(1 703)</b>	<b>(98)</b>	<b>496</b>
<b>Cash flow from financing activities</b>				
Proceeds from interest bearing debt	24 305	-	24 305	-
Net proceeds from new equity	60 000	-	60 000	-
Cost of new shares issued	(4 680)	-	(4 680)	-
Investment / sale own shares	3 600	(570)	3 600	(1 752)
Loan in Fjord Defence AS - cash settlement	(9 000)	-	(9 000)	-
Interest paid	-	-	-	-
<b>Net cash flow from financing activities</b>	<b>74 225</b>	<b>(570)</b>	<b>74 225</b>	<b>(1 752)</b>
<b>Net change in cash and cash equivalents</b>	<b>40 756</b>	<b>(2 120)</b>	<b>60 448</b>	<b>(1 317)</b>
Cash and cash equivalents balance 01.01/01.04	31 651	22 577	11 959	21 774
<b>Cash and cash equivalents balance 30.06</b>	<b>72 408</b>	<b>20 458</b>	<b>72 408</b>	<b>20 458</b>

\* Comparative figures have been restated, see note 7 Change in presentation currency

- Total Cash outlay for Fjord Defence acquisition NOK 30.4 million
- Final settlement of financial asset relating to seismic equipment, and sale of Arbaflame shares, yielding total cash inflow of NOK 21.3 million, not captured as revenue
- Share issue of net NOK 55.3 million and sale of own shares for NOK 3.6 million
- Drawn down net NOK 24.3 million bank debt to fund acquisition of Fjord Defence AS



# Outlook

## Concluding remarks

- Fjord Defence AS delivering according to plan and robust organic growth going forward
- Fjord Defence AS qualified through development contract with US Department of Defense (SO/LIC)
- Solid balance sheet enabling both organic and acquired growth
- Currently evaluating several companies to acquire in Nordics & Baltics
- Expect substantial cash generation from legacy business going forward



# Q & A