

Q1 report 2022



Björn Karlsson, CEO



Your number one choice for tactical IT



Daniel Ljunggren, EVP/CFO

Agenda

MilDef's universe
Dynamics of new world
Q1 highlights
Financial overview
Future outlook
Q&A



MilDef's universe

Leading provider of tactical IT



- Founded 1997
- IPO June 4, 2021
- +200 employees in 5 countries
- Core markets: Nordics, EU, selected NATO countries
- Customers: Governments, global defense companies
- Product portfolio: Hardware, software and services
- Expansion through:
 - Organic growth
 - Partner networks
 - Acquisitions



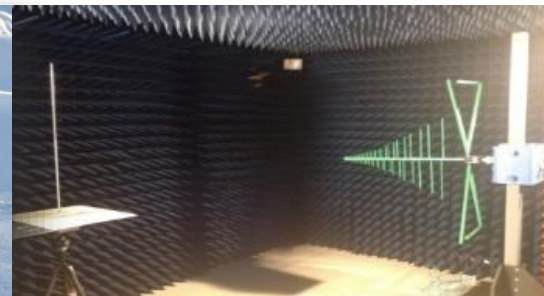
State of the art HQ and production facility in Helsingborg

**We digitalize the world –
where the stakes are the highest,
the requirements are the toughest,
and when technology has game-changing potential.**

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HARDWARE



SOFTWARE

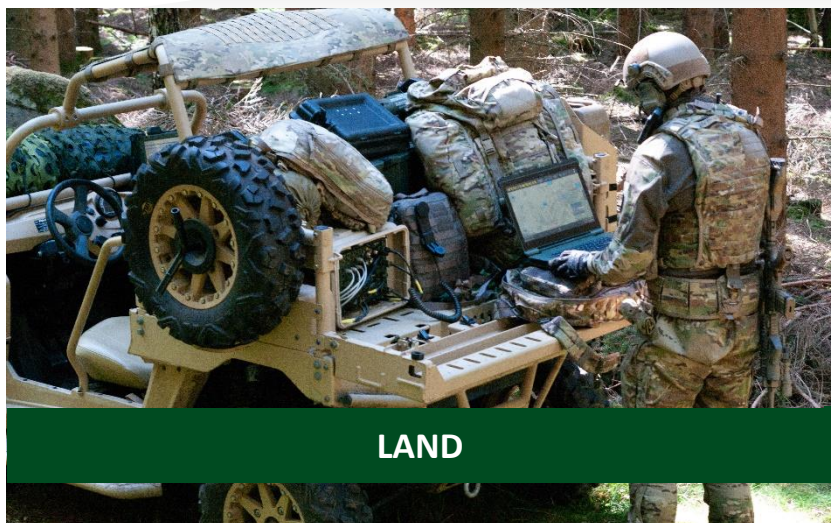


SERVICES

Multi-domain offering on land, air and sea

Products and services that enable digitalization – everywhere

CYBER



LAND



AIR




NAVAL

Photo: Jimmie Adamsson, Försvarmakten

The Battlefield of Things – Tactical IT by MilDef

Illustration of in-field environment for MilDef's tactical IT





Hardware portfolio

1



MOBILE COMPUTERS

2

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19"/2 SMALL FORM FACTOR

3




SPECIAL ELECTRONICS

4



INTELLIGENT DISPLAYS

5



TRACKING SOLUTIONS

6



ACCESSORIES



Services – from system design to installation



Software for zero-day deployment (FMN)

The Battlefield of Things – Tactical IT by MilDef

Illustration of in-field environment for MilDef's tactical IT



Hardware portfolio



Services – from system design to installation

1

SYSTEMS ENGINEERING

2

INTEGRATION

3

SUPPORT AND
TRAINING

4

CHANGE MANAGEMENT

5

CYBER SECURITY

6

IT CONSULTANCY



Software for zero-day deployment (FMN)

The Battlefield of Things – Tactical IT by MilDef

Illustration of in-field environment for MilDef's tactical IT



Hardware portfolio



Services – from system design to installation



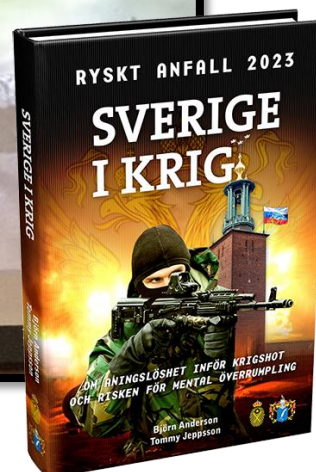
Software for zero-day deployment (FMN)

MilDef OneCIS is a deployment solution for automatically deploying IT services at the Tactical Edge.

OneCIS deploys applications and services in a reliable and efficient way on servers, computers, and networking equipment – on land, at sea, and in the air.

NATO FMN compliant.

The dynamics of a new world



The dynamics of a new world

Big Five macro factors

- 1) Content related to digitalization grows
- 2) Long-term increase in defense spending
- 3) Defense-industrial focus on core business
- 4) Supply chain and logistical paradigm shift
- 5) Fundamentally changed view on defense



Q1 highlights

+177%

Sales at SEK 141.3 million (51.0)

+21.1

Adjusted EBITDA SEK 6.3 million (-14.8)

+33.5%

Adjusted EBITDA margin 4.5% (-29.0%)

+31%

Order intake SEK 103.9 million (79.5)

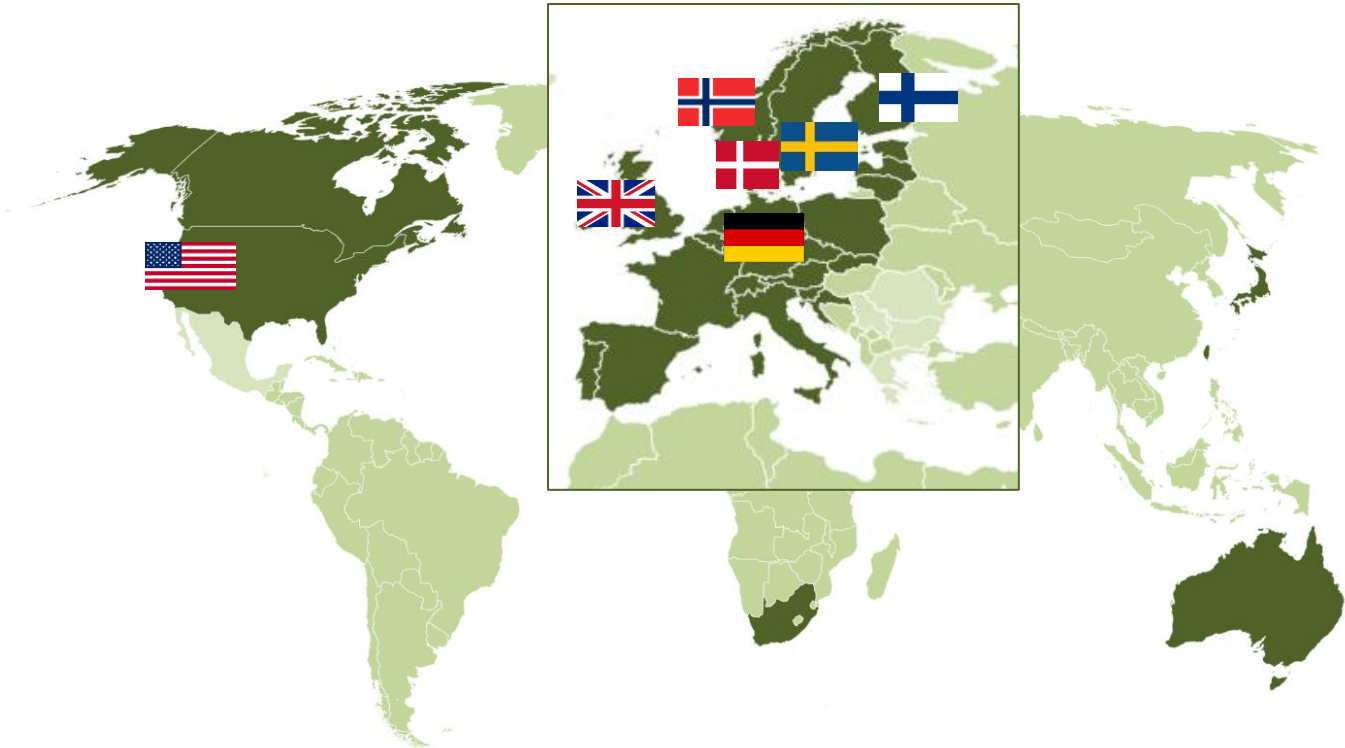
+63.4

Operating cash flow SEK 43.4 million (-20.0)

Q1 highlights



Sysint



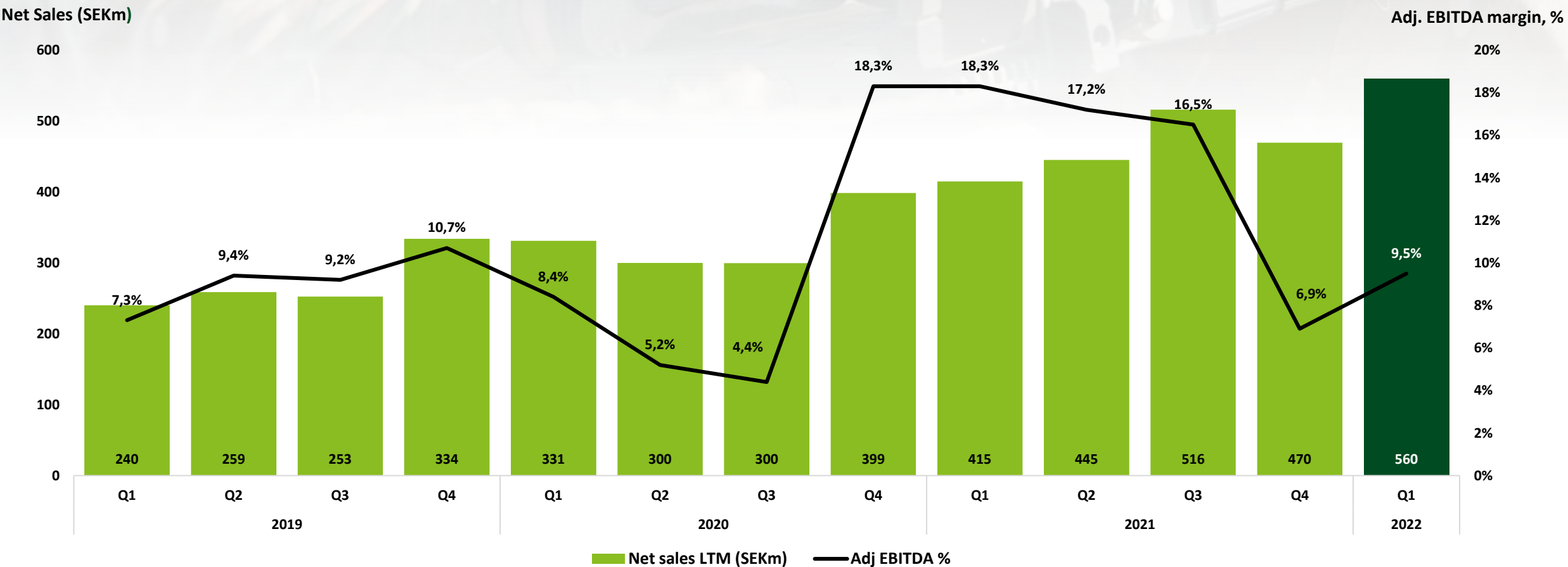
Q1 in numbers

Daniel Ljunggren - CFO

Financial highlights Q1

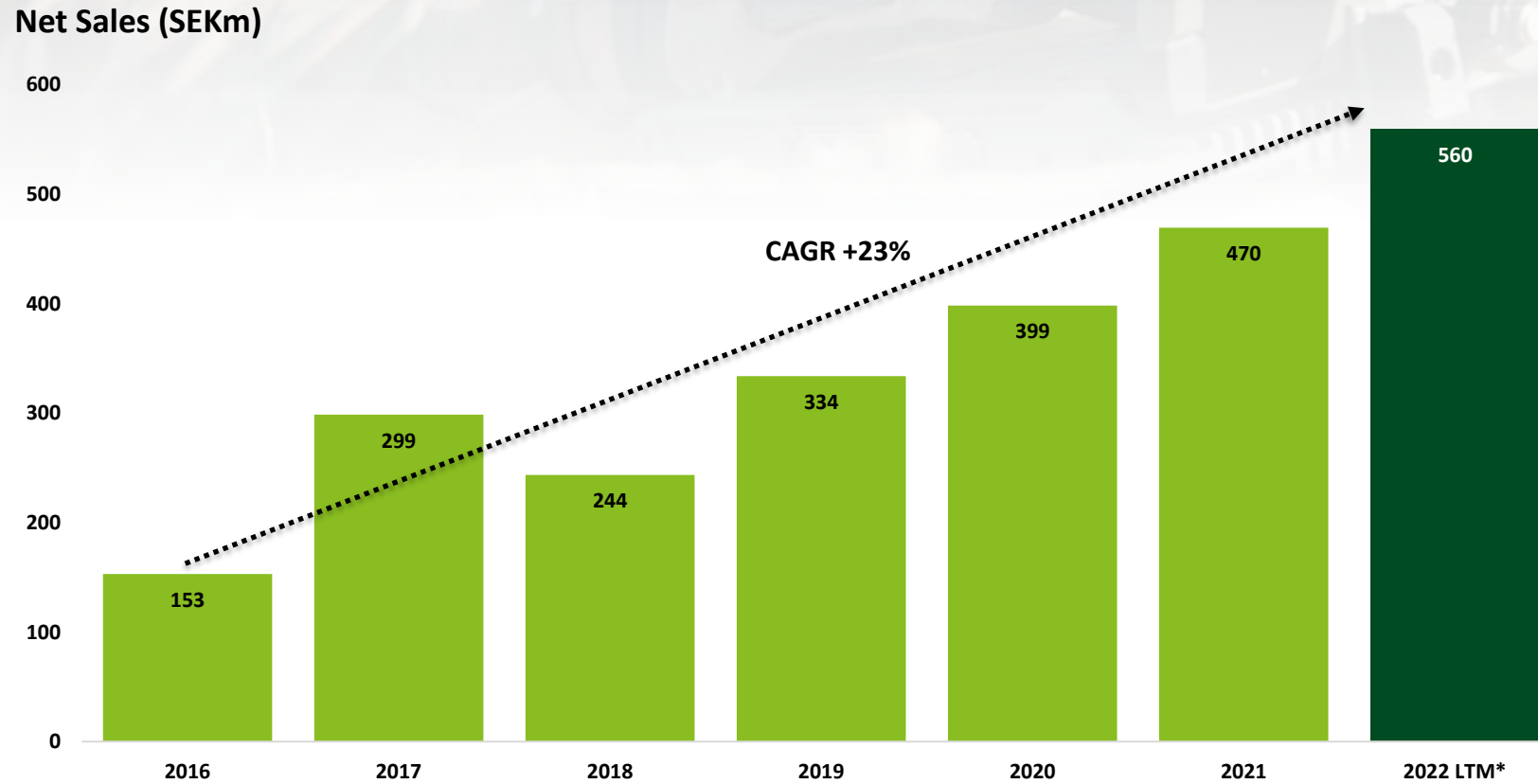
SEKm	Q1 2022	Q1 2021	Change	LTM	2021	Change
Net sales	141.3	51.0	+177%	559,9	469.6	+19%
Gross Margin, %	47%	34%	-	46%	45%	-
Adjusted EBITDA	6.3	-14.8	+21.1 SEKm	53.3	32.2	+21.1 SEKm
Adjusted EBITDA margin, %	4.5%	-29.0%	-	9.5%	6.9%	-
EBIT	0.2	-22.9	+23.1 SEKm	20,2	-2.9	+23.1 SEKm
EBIT margin, %	0.1%	-44.9%	-	3.6%	-0.6%	-
Profit after tax	0.3	-19.2	+19.5 SEKm	18.8	-0.7	+19.5 SEKm

Net sales LTM at all time high (SEK 560 million)



Net sales CAGR of +23% since 2016

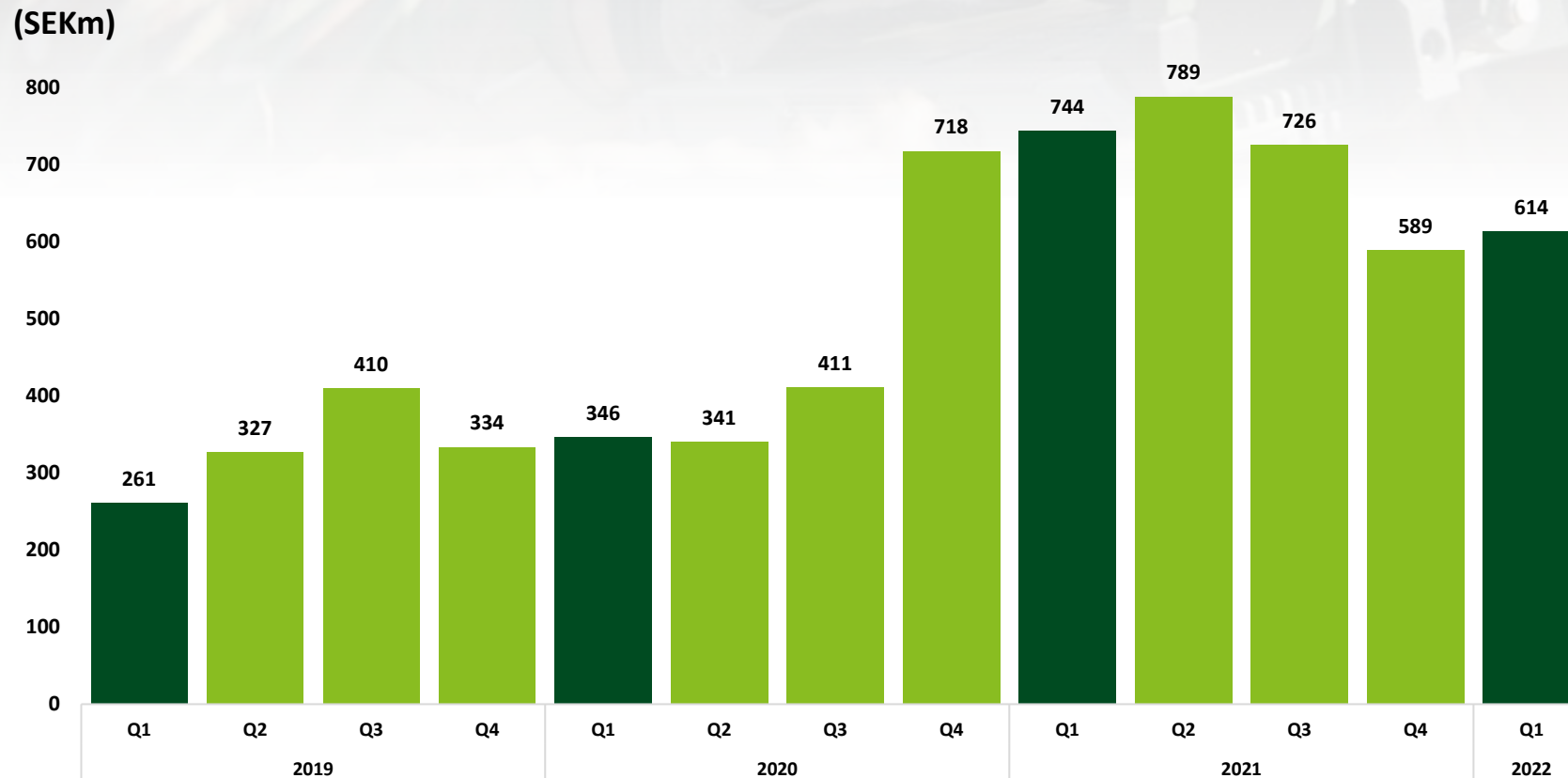
Sales growth of 266% since 2016



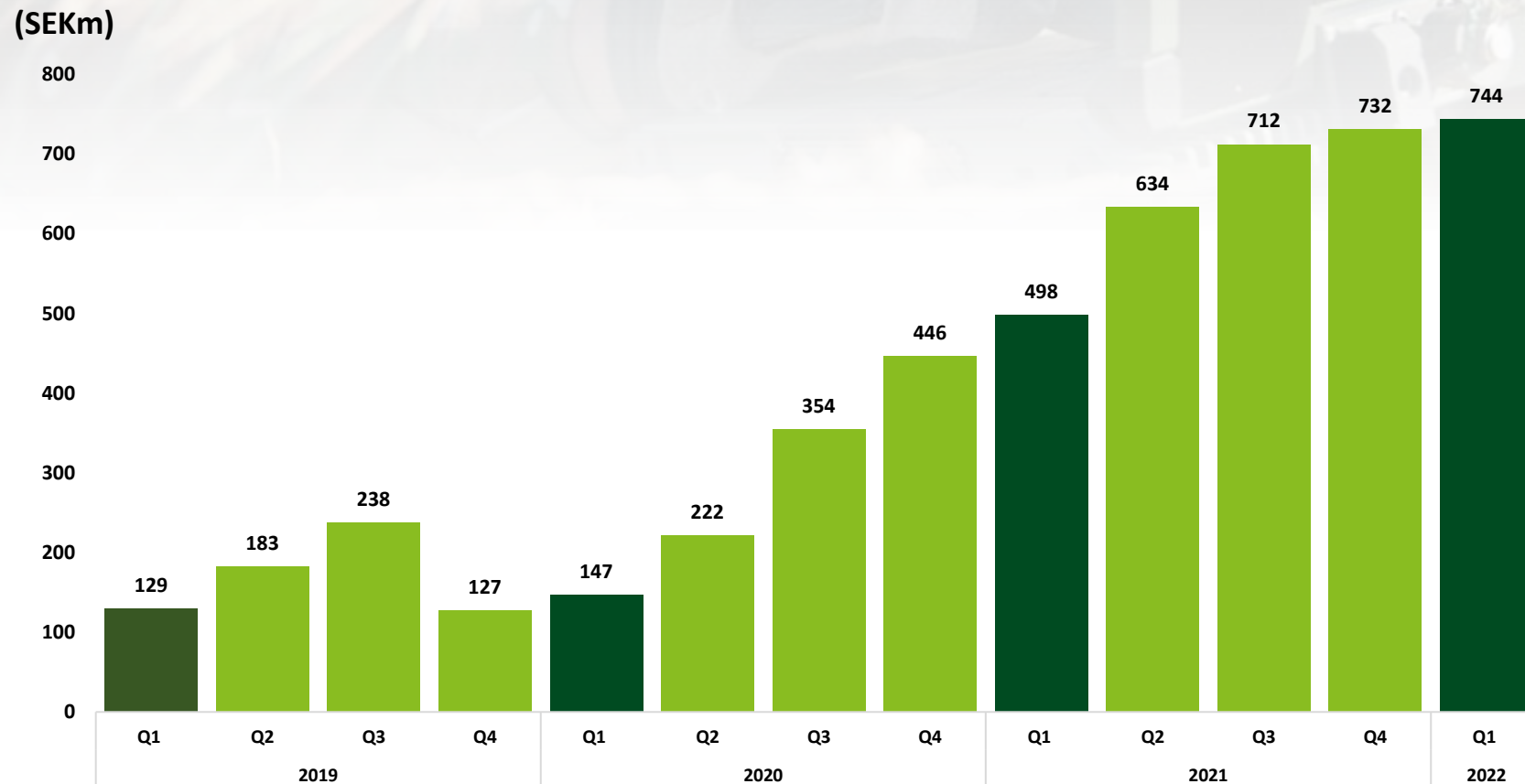
*2022 LTM = April 2021 – March 2022

Order Intake LTM -17% vs LTM Q1 2021

impacted by one major order in Q4 2020, +38% vs Q1 2021 excluding that major UK order



Order backlog at all time high, +50% vs Q1 2021



Net debt & current cash position Q1 2022

Net cash

+112
MSEK

Net debt/Adj EBITDA
rolling 12 months

-2.1x

Net debt & current cash position comments

- Financial target that net debt shall not exceed 2.5 times EBITDA, which provides good potential for additional acquisition
- Equity / Asset ratio of 71% (39)
- Unutilized revolving credit facilities SEK 50 million
- We still have a strong financial position, which provides conditions for continued M&A-activities

Current cash position

+212
MSEK

Equity / Asset ratio

71%

Financial summary Q1

- Strong sales, +177% vs Q1 2021
- Order Intake +31% vs Q1 2021
- Gross margin continues to be improved (47% in Q1)
- Net sales LTM - All time high (560 SEKm)
- CAGR +23% since 2016 compared to LTM
- Order backlog - All time high (744 SEKm)
- Financial position and balance sheet still very healthy



Future outlook

Björn Karlsson - CEO

Five things to look out for...

- 1 A growth strategy recalibrated for a new world
- 2 Focal point movement → looking 3-5 years ahead in capacity planning
- 3 Stronger Nordic “one stop shop” capabilities, coordinating industrial efforts
- 4 Specialist supplier on the largest defense markets, “Made in X” capability development
- 5 An expanded view on the addressable market segments for MilDef’s portfolio

Closing summary

- A new world order brings changed market dynamics
- The strongest first quarter in MilDef's history
- Celebrating 25 years as a Swedish defense company
- Closely following the NATO development
- M&A agenda gets increased attention



Questions & answers

Upcoming events

May 12 – AGM

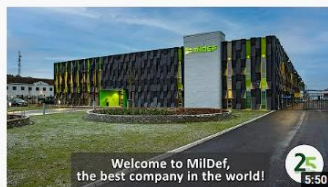
July 28 – Q2 report

October 27 – Q3 report

Follow our journey on [LinkedIn](#)



25-year anniversary movie on [YouTube](#)



MilDef celebrates 25 years anniversary

447 visningar • för 2 veckor sedan

MilDef

In 1997 Tomas Odellid and Marianne Trolle created their very own universe in a new company.

MilDef Annual Report 2021

