

INVESTOR CALL

November 14, 2024



Daniel Ljunggren
CEO & President



Viveca Johnsson
CFO

*“The acquisition of roda
accelerates MilDef's expansion
in the strategically important
defence market in Europe”*

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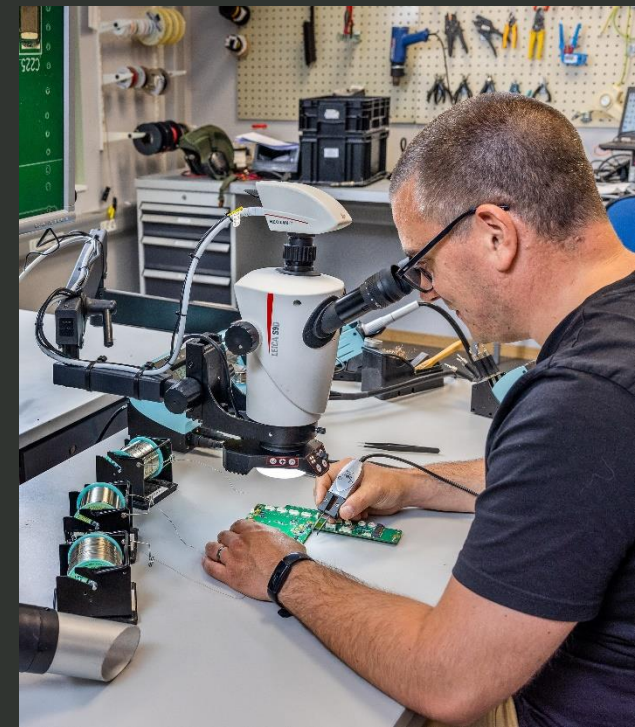
THE MILDEF UNIVERSE

Provider of tactical IT solutions

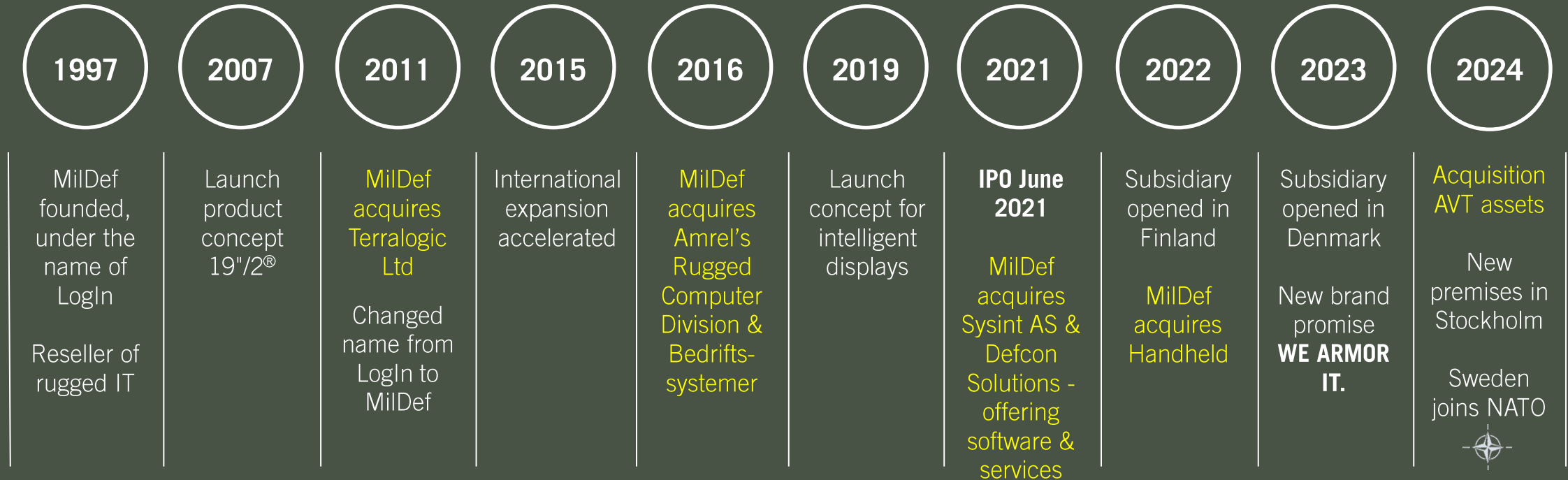
- Founded 1997
- IPO June 4, 2021
- +300 employees in 9 countries
- Core markets: Nordics and selected EU and NATO countries
- Customers: Defense, government and critical infrastructure
- Product portfolio: Hardware, software and services



The Fortress. HQ and production facility in Helsingborg.



HISTORY MATTERS. 1997-2024






From retailer to a production company

Internationalization and growth

Strategic expansion via acquisition and accelerated growth as a listed company

STRATEGIC M&A JOURNEY CONTINUES

		2021	2021	2022	2024
Recent acquisitions		 Sysint	 DEFCON <small>SOLUTIONS AB</small>	 handheld	 AV <small>ADVANCED VISION TECHNOLOGY</small> *
Acquisition rationale	Accelerate growth	✓	✓	✓	✓
	Product portfolio / Tech	✓	✓	✓	✓
	Geographical expansion			✓	
	Synergies			✓	✓
	Revenue (LTM)	NOK 72m	SEK 92m	SEK 191m	Asset acquisition

* MilDef only acquired IP



ACQUISITION OF RODA

RODA AT A GLANCE

A German provider of rugged, on-demand IT system solutions to government agencies and defence-related enterprises

Company highlights

1987

Founded

~115

Employees

2

Production facilities

- HQ in Lichtenau, Germany
- Office presence in the UK and France

2023 Financial highlights¹⁾

EUR
71_m

Revenue

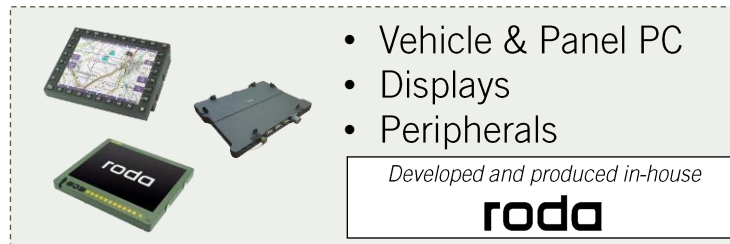
EUR
11,5_m

Adj. EBITDA

~16%

EBITDA-margin

Selected offering

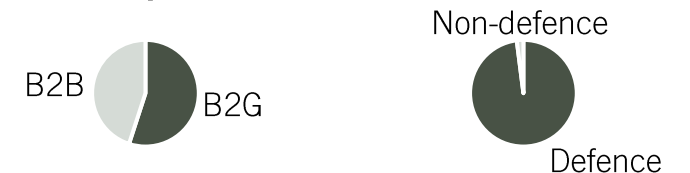


Indicative sales split²⁾

Geographical footprint



Customer split



Contract set-up



Note(s): 1) Refers to roda GmbH, the dominant entity in the group. Financials prepared according to German local GAAP (HGB). 2) Target company figures.

RODA MANAGEMENT TEAM



FRANK SCHOLZ
MANAGING DIRECTOR



FLORIAN ASCHMONEIT
CHIEF TECHNOLOGY
OFFICER



LAURA BERTSCH
CHIEF COMMERCIAL
OFFICER



JÜRGEN METZ
SALES DIRECTOR

STRATEGIC RATIONALE

MilDef's existing knowledge of and relationship with roda enables an attractive acquisition

roda





MilDef becomes a leading pan-European player within tactical and rugged IT

Unlocking market access to DACH and other Continental European countries

Synergy potential in cross-sell and purchasing

Experienced and senior team with strong cultural fit

COMBINATION WILL STRENGTHEN MILDEF'S EUROPEAN MARKET POSITION & ADD SIGNIFICANT SCALE

<i>SEKbn, 2023</i>		+		=	 
Revenue	~1.1		~0.8 ¹⁾		~1.9 ²⁾
EBITDA-margin, %	14.6%		~16% ¹⁾		In line with current profitability
Main geographical footprint	Nordics		DACH		Europe
Employees	339		121 (incl. Westek 35)		460

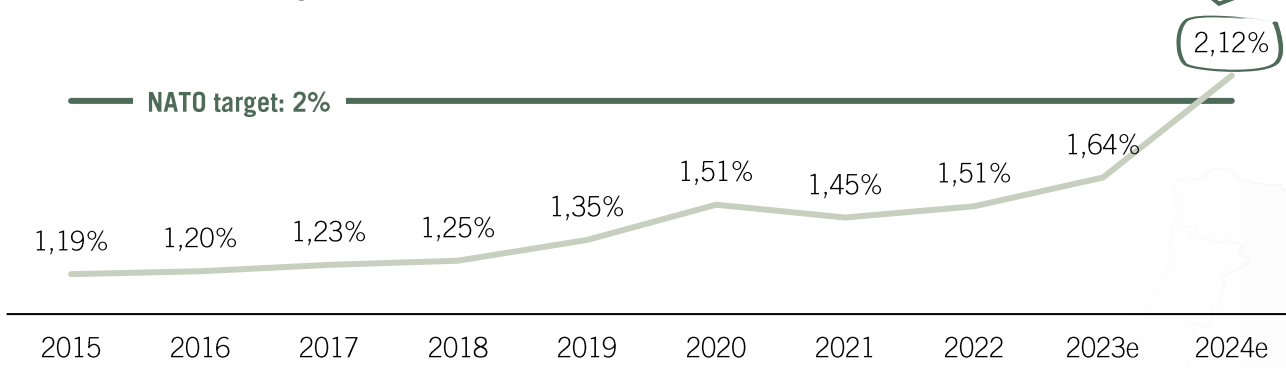
Note(s): 1) Refers to roda GmbH, the dominant entity in the group. Financials prepared according to German local GAAP (HGB). EUR to SEK of 11.34. 2) Preliminary and indicative.


RODA UNLOCKS MILDEF'S ACCESS TO AND PRESENCE IN THE ATTRACTIVE DACH REGION

Key market attractions

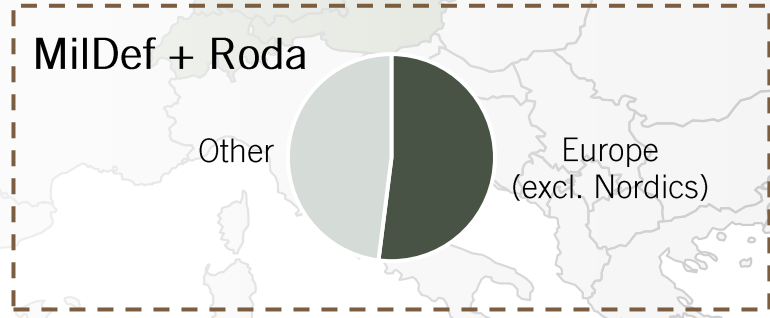
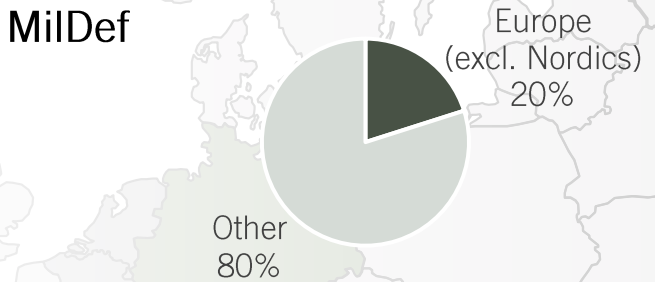
- 1 Increased public defence spending
- 2 Digitalisation
- 3 Proximity to major European primes

German defence expenditure as a share of GDP



 "Germany will invest 2% of its GDP on defence in the 2020s, in the 2030s and beyond"
- Olaf Scholz, 2024

MilDef sales presence (indicative)



SUMMARY OF THE ACQUISITION

- MilDef has entered into a binding agreement to acquire Roda from CEO Martin Bertsch, Wortmann AG and MilDef Crete Inc for a consideration of EUR 70m and approximately 1.4m shares¹⁾ on a cash and debt free basis which corresponds to ~8x LTM EBITDA²⁾ plus an additional potential earn-out of up to EUR 4m dependent on 2024 performance
- The acquisition is expected to be EPS accretive from day one, adjusted for PPA amortisation
- The acquisition is expected to close during Q1 2025, subject to regulatory approvals and closing conditions
- One-off integration costs are estimated to total SEK ~5-10m over 3 years

TRANSACTION FINANCING AND EQUITY ISSUE

- The consideration, excluding the earn-out of potentially up to EUR 4m, is made up of EUR 70m in cash and approximately 1.4m shares.
- The cash portion of the consideration will be financed through a combination of debt and equity
 - Debt financing consisting of a EUR 45m term loan
 - Bridge-to-equity facility of EUR 30m, replaced by Direct Right Issue on November 13
- Net debt to EBITDA LTM amounted to 1.4x at Q3 2024 and the leverage is expected to comply with MilDef's target of 2.5x post the transaction and equity issue

Q&A

Upcoming events

Year-End 2024 – February 6, 2025

Q1 2025 – April 29, 2025

AGM 2025 – May 22, 2025

Q2 2025 – July 18, 2025

WE ARMOR IT.™

We ARMOR your IT when and where the stakes are the highest._