

Q1 REPORT 2025

April 29, 2025



Daniel Ljunggren
President & CEO



Olof Engvall
Head of IR

*“Strong backlog & order
intake supports further growth
+
We welcome roda to the
MilDef family”*

WE ARMOR IT.



HIGHLIGHTS Q1

- The positive trend continued in Q1, demand continues to be strong across our product portfolio
- Roda acquisition successfully closed, intensive integration phase ongoing
- Handheld close-down according to plan
- Continued growth in European defense budgets, the pace in the European defense ramp up is increasing
- Order backlog supporting further growth
 - Order backlog increased 111% y-o-y, 59% organic
 - Book-to-bill ratio (R12) 1.5x
 - ~2.1x R12 sales levels in backlog, organic ~1.7x
 - Expected deliveries within the same year, already in the backlog, increased 52% y-o-y organic



QUARTER 1, 2025

340

NET SALES, SEK M

46% increase Q1

The positive trend seen in the second half of 2024 was further reinforced in the first quarter of 2025. Net sales increased by 46% to a new Q1 ATH, of which 18% organic and 28% M&A.

404

ORDER INTAKE, SEK M

88% increase Q1

Order intake increased by 88% to a new Q1 ATH, of which 56% was organic and 32% M&A. This is despite the lack of major individual orders in the quarter, indicating a strong underlying demand of small and medium size orders.

15.7

ADJUSTED EBITA, SEK M

Adjusted EBITA-margin Q1 4.6% (0.5%)

Gross margin excluding M&A 50.5% in Q1. Adjusted OPEX excluding FX-impact is nearly flat compared to Q1 2024, which indicate continued good cost control, despite the strong order intake R12. Significant negative impact by unrealised FX-losses in Q1 (-13 MSEK).

-75.2

FREE CASH FLOW, SEK M

Q1 2024: 20.9 SEK million

The change is primarily due to strong deliveries at the end of Q1, with payments due in Q2, impacting the cash flow.

MARKET UPDATE

- Global uncertainty drives long-term defence needs
- ReArm Europe / Resilience 2030 adding additional spending of EUR 800 billion
- New Swedish defence spend target of 3.5% of GDP by 2030
- Recently announced Swedish spring budget 2025 adds SEK 25 billion in defence procurement commitments
- NATO summit in The Hague, June 24-25, expected to define new defence spending targets



BUSINESS NEWS

Q1 2025

April



Completed
acquisition of roda
computer GmbH



Cybersecurity
contract with Clavister,
worth 40 MSEK



Single largest
Westek contract,
worth 45 MSEK



FMV contract for
command & control,
worth 126 MSEK



FINANCIAL SUMMARY

THE MILDEF GROWTH JOURNEY

Net Sales (SEKm)

1 400

1 200

1 000

800

600

400

200

0

2015

2016

2017

2018

2019

2020

2021

2022

2023

2024

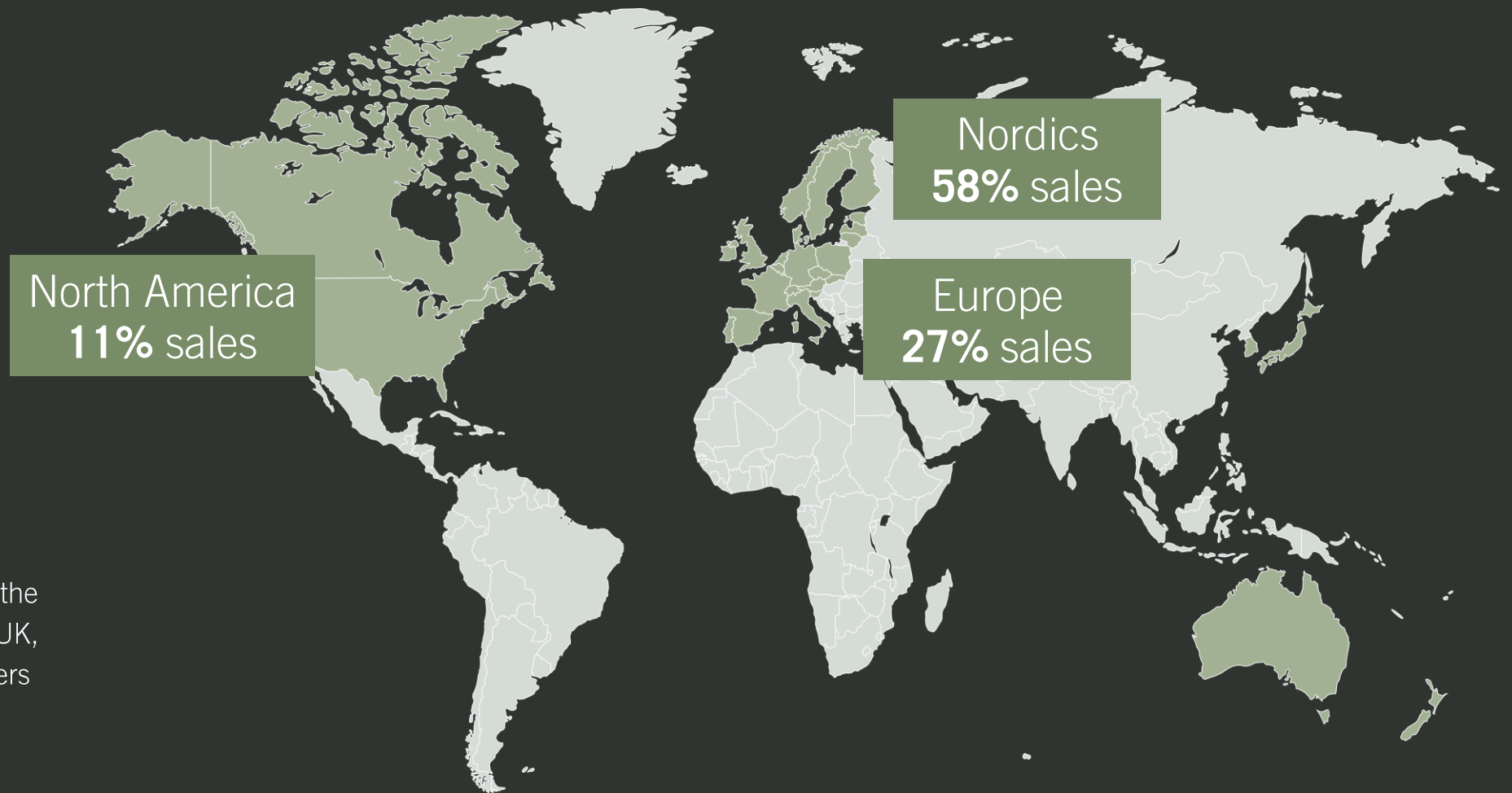
2025 LTM

CAGR +27%

CAGR +37%

1 308

The MilDef footprint

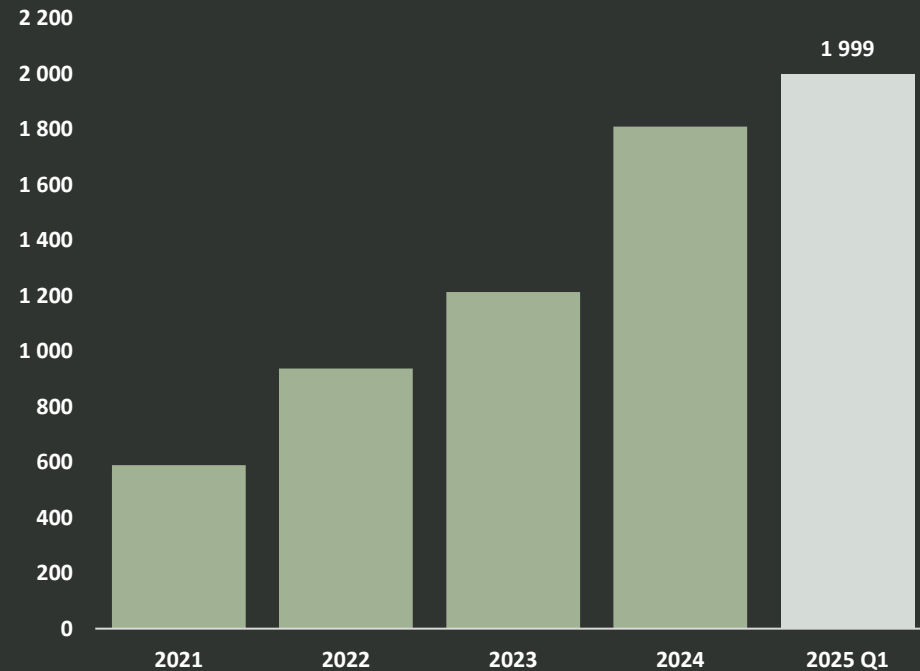


MilDef offices are located in the Nordics, Germany, France, UK, USA, Australia & local partners on the other key markets

ORDER INTAKE & BOOK-TO-BILL

Order intake growth journey LTM

(SEKm)



Book-to-bill ratio development LTM

2,0

1,8

1,6

1,4

1,2

1,0

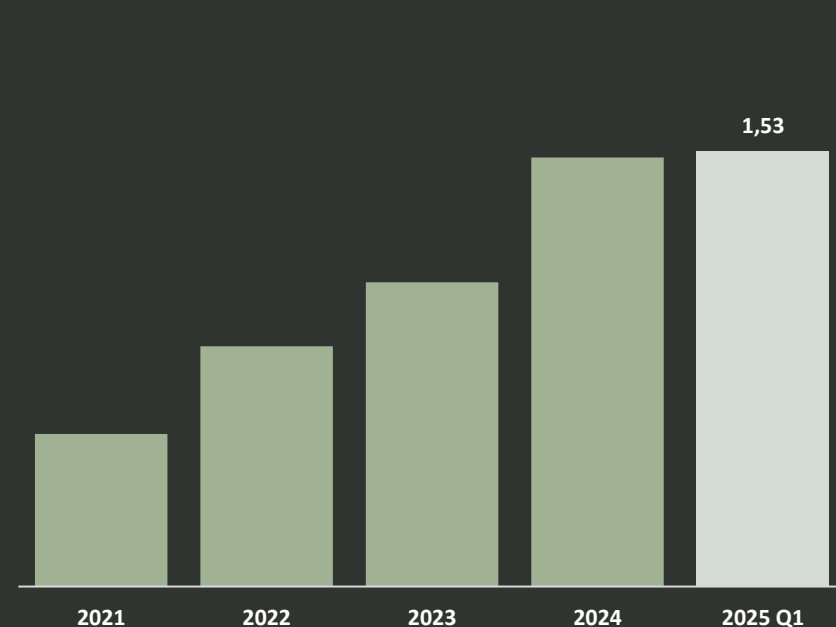
0,8

0,6

0,4

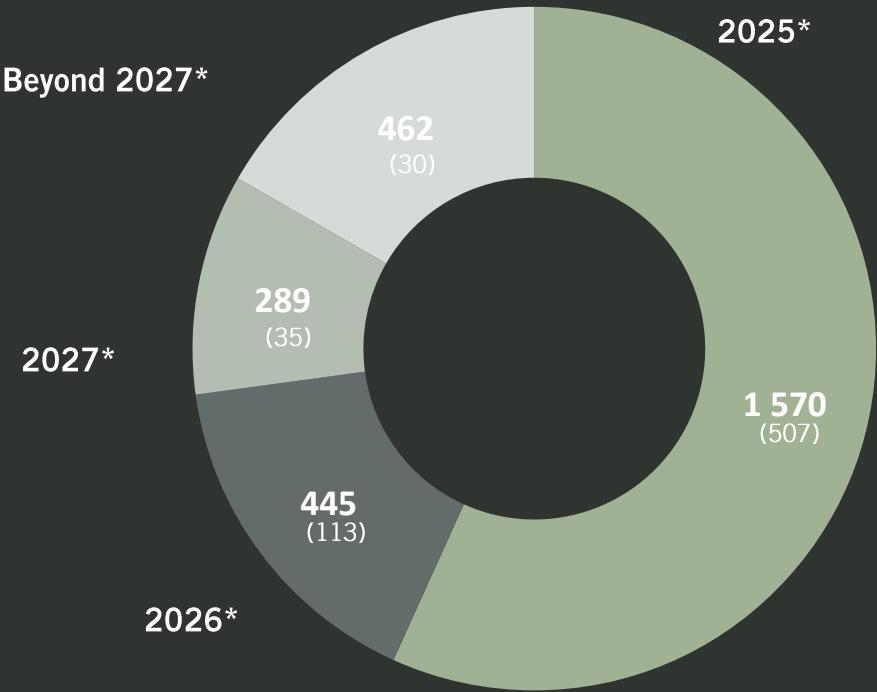
0,2

0,0

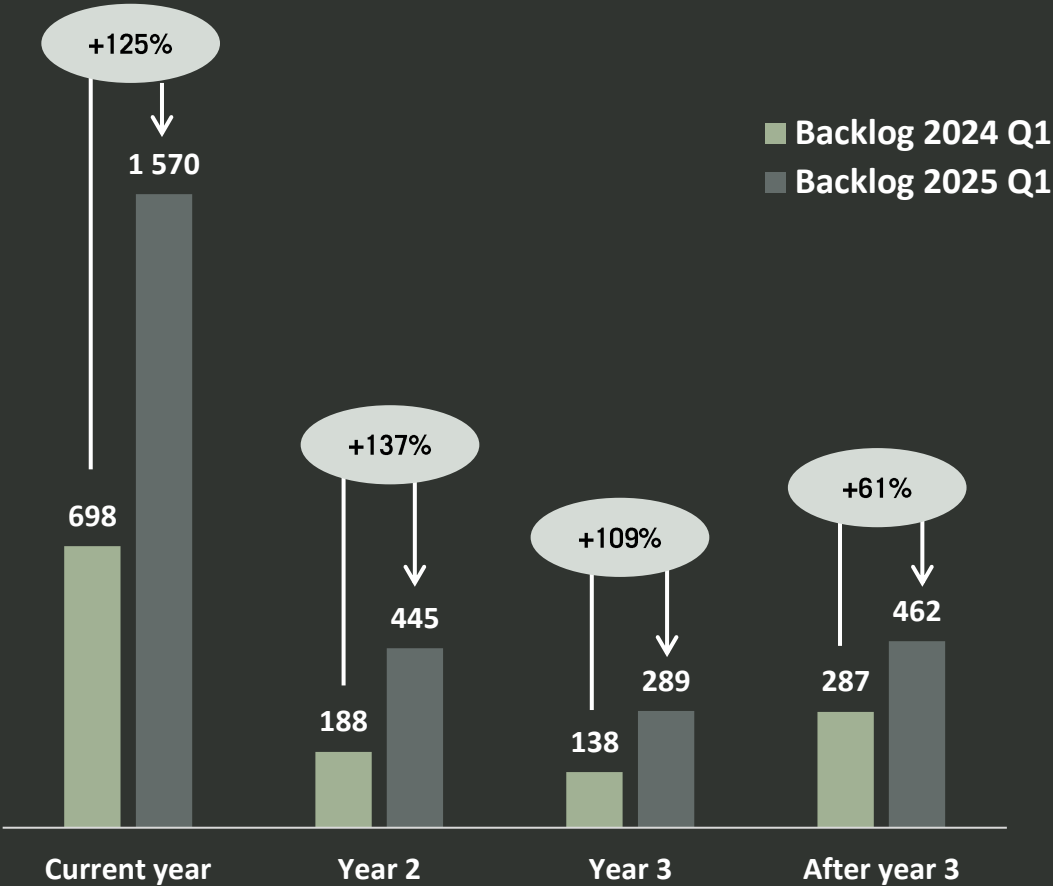


BACKLOG DURATION

Duration of the order backlog (SEKm) per March 31, 2025, based on planned deliveries

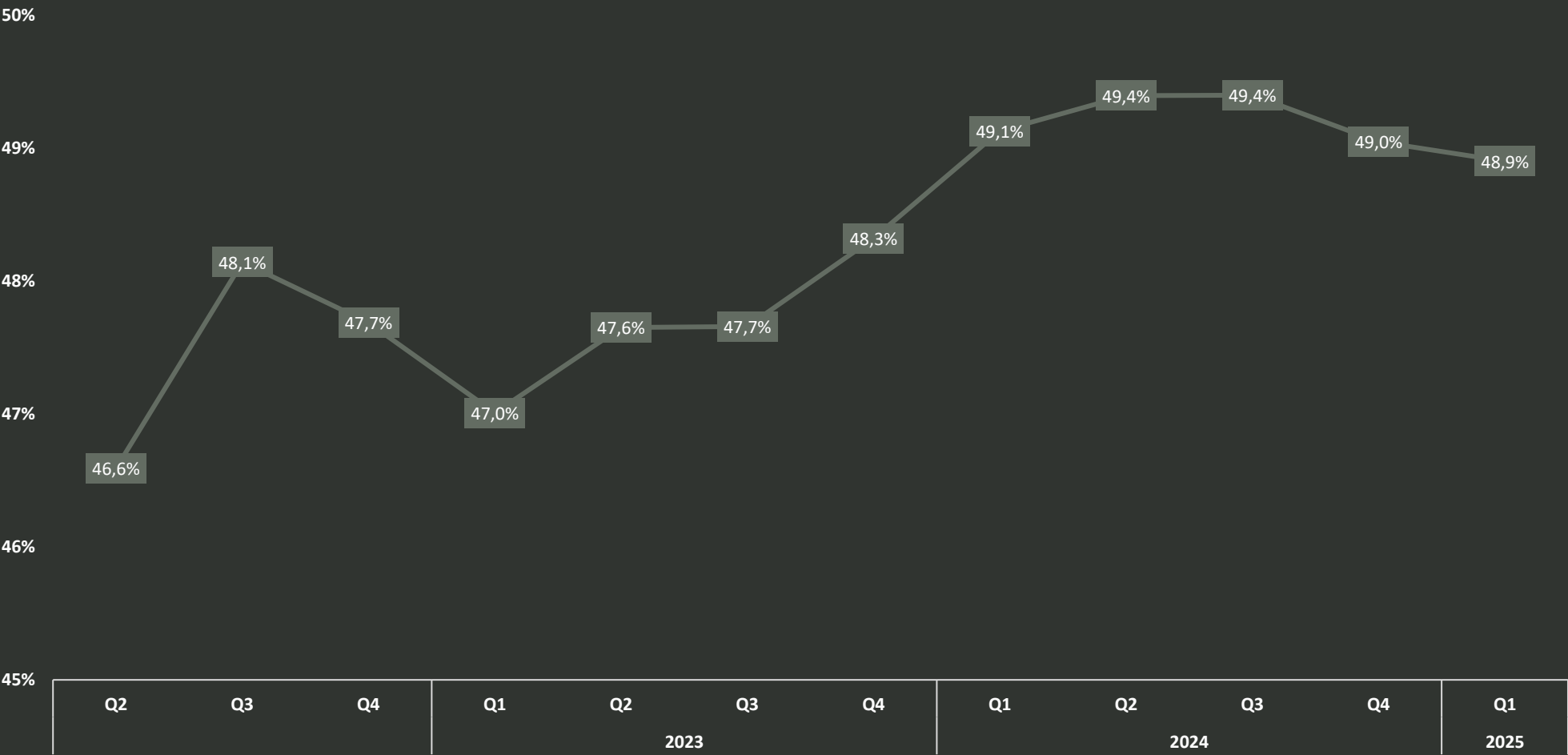


ORDER BACKLOG DURATION COMPARED TO SAME TIME LAST YEAR



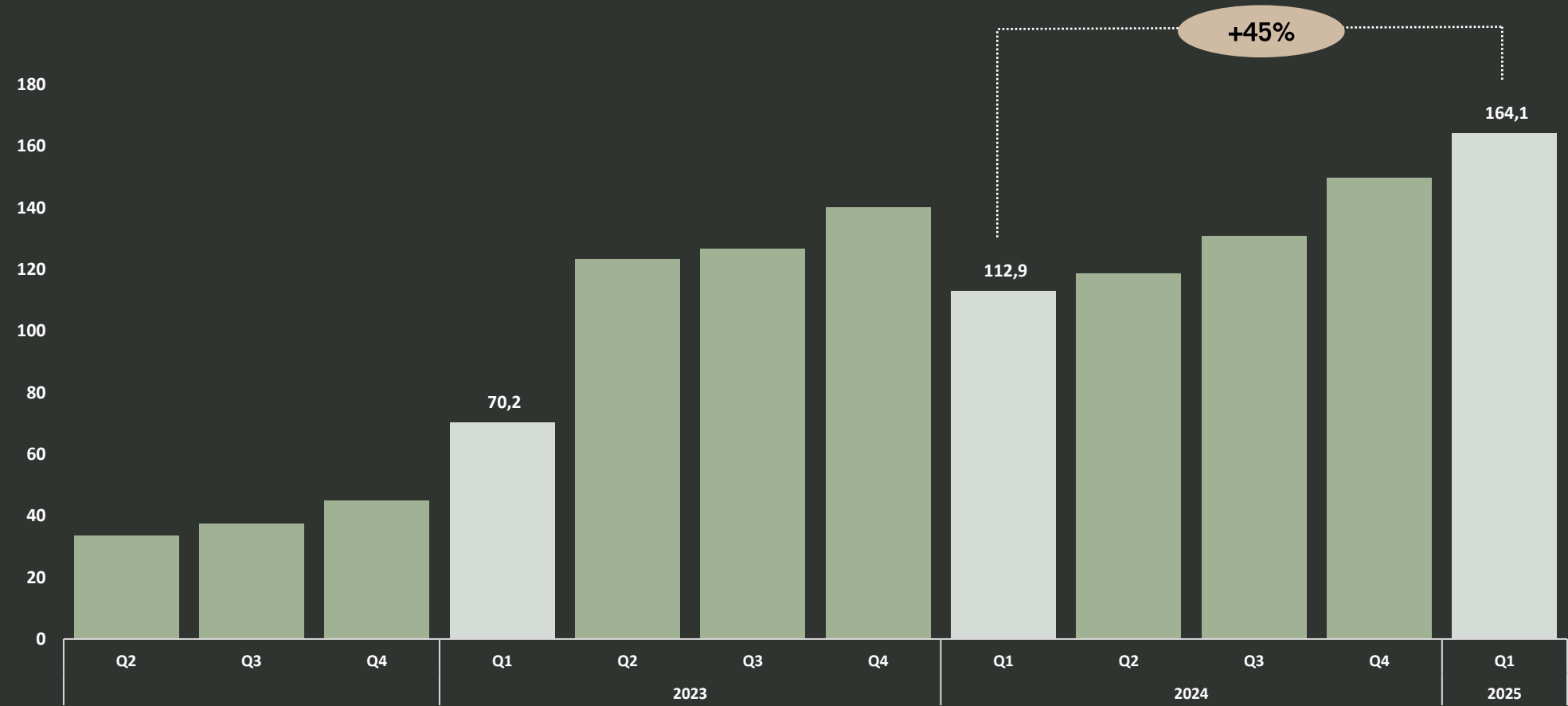
*Roda backlog is presented in the parentheses

SOLID GROSS MARGIN DEVELOPMENT, %, R12

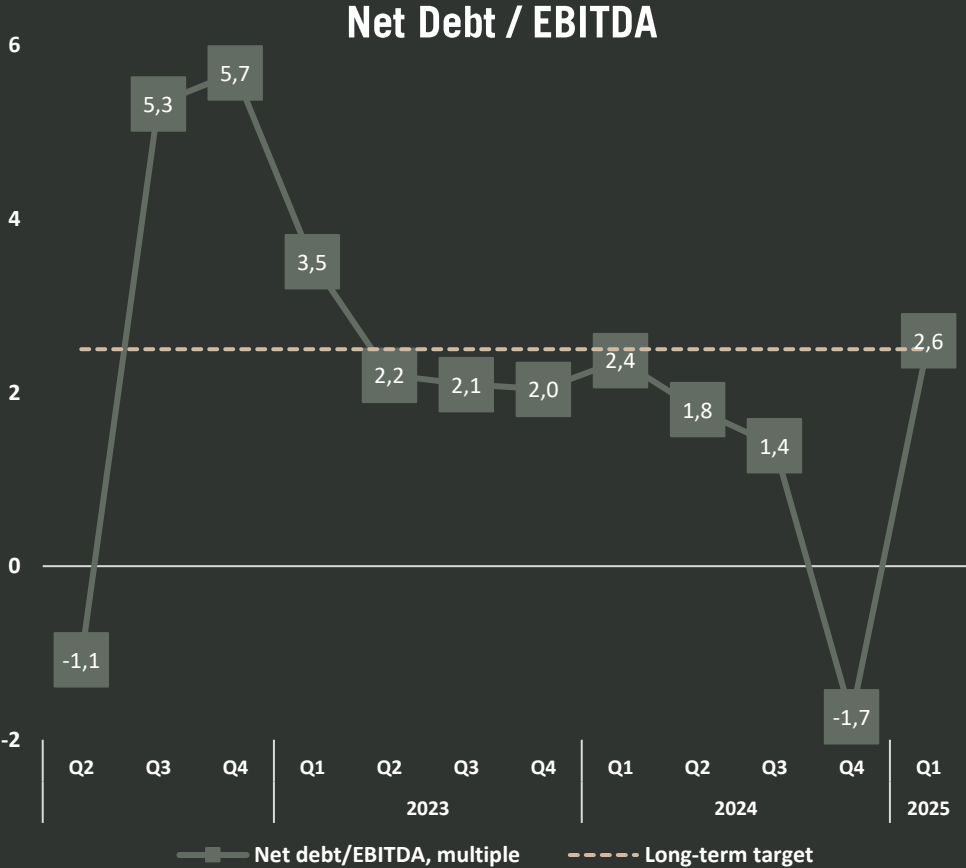
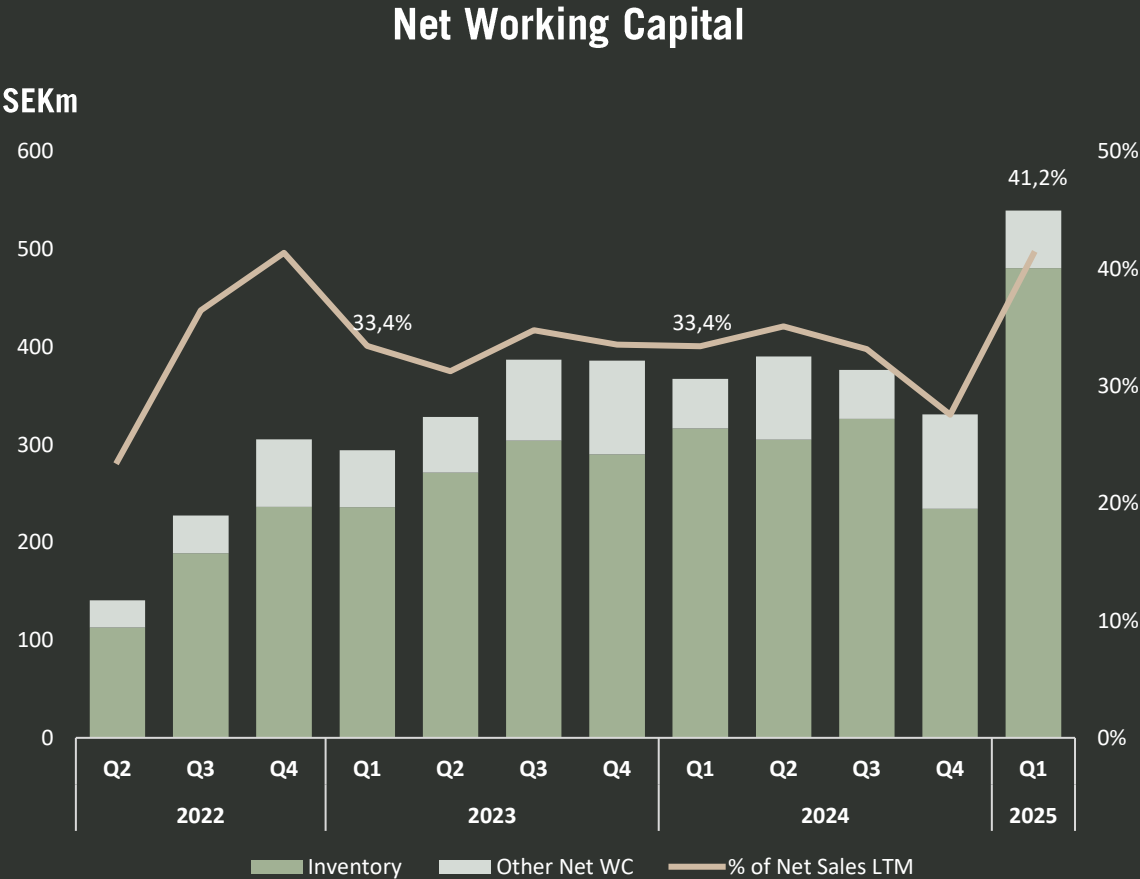


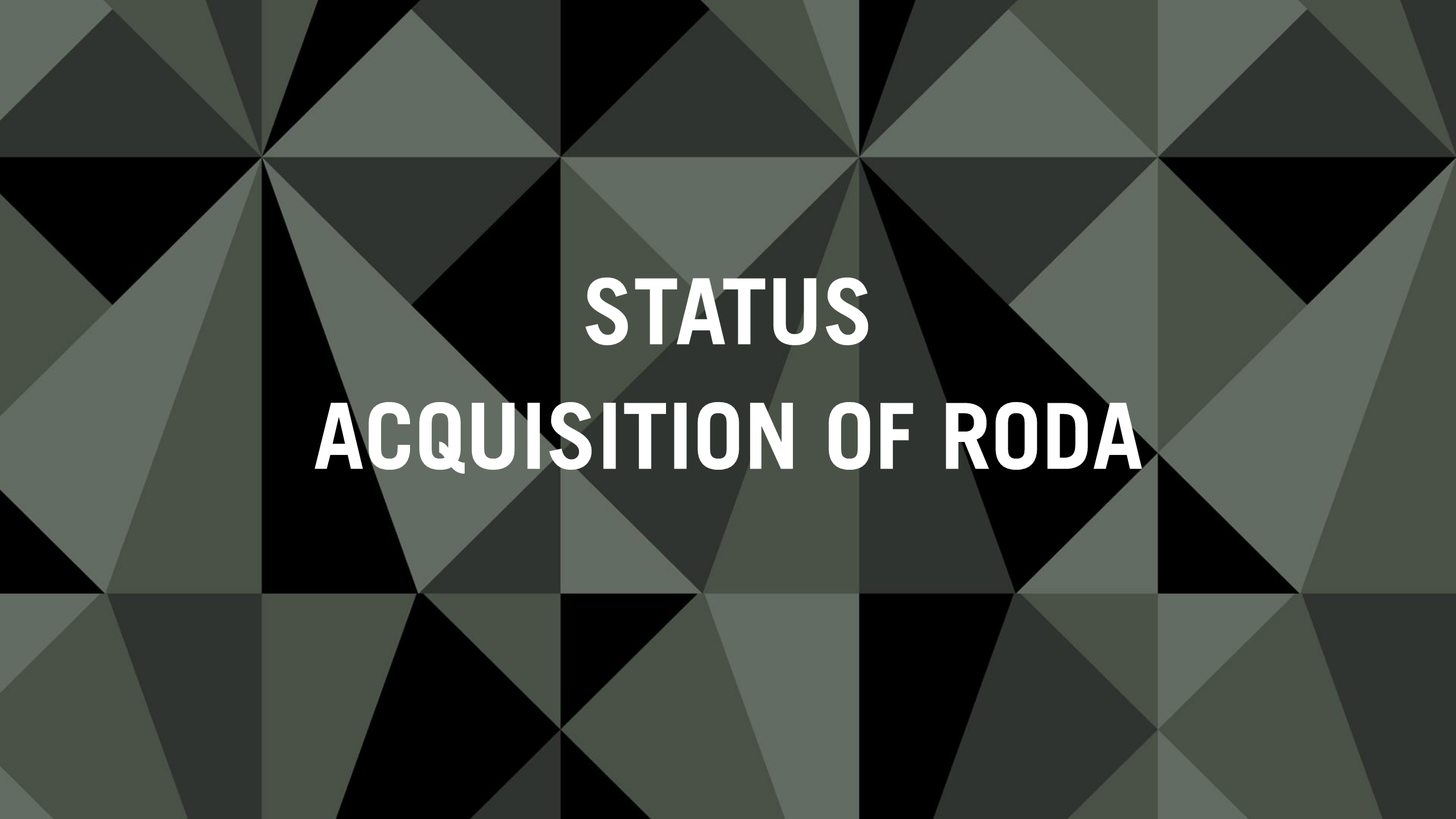
CONTINUED EBITA PICK UP

ADJUSTED EBITA,
SEKm, LTM



WORKING CAPITAL & NET DEBT / EBITDA





STATUS ACQUISITION OF RODA

RODA ACQUISITION ON TRACK

- On March 6 MilDef successfully completed the acquisition of roda computer GmbH
- Roda is consolidated from March 6, 2025
- Continued good development in 2024, purchase price ~6x EBITDA on 2024-EBITDA
- Integration project ongoing with focus on commercial synergies
- Increase MilDefs footprint in Europe rapidly

ACQUISITION RATIONALES

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-SELLING AND PURCHASING

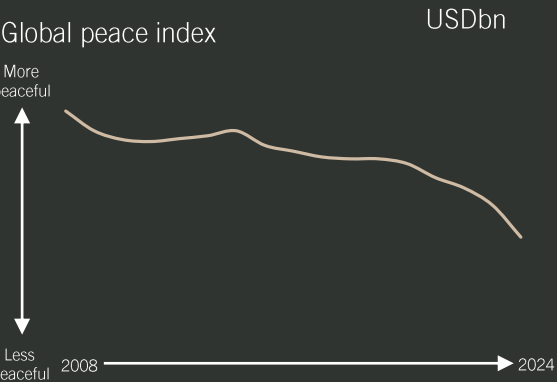
EXPERIENCED AND SENIOR TEAM WITH STRONG CULTURAL FIT



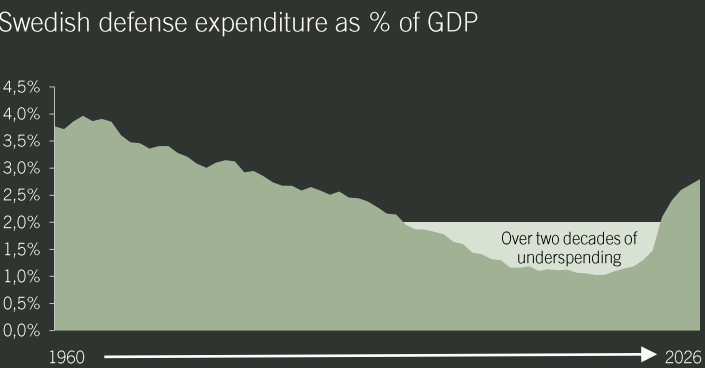
FUTURE OUTLOOK

UNDERLYING GROWTH DRIVERS

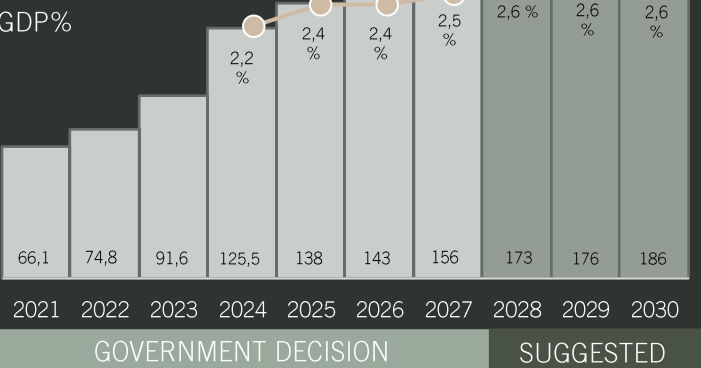
PLUNGING PEACE INDEX



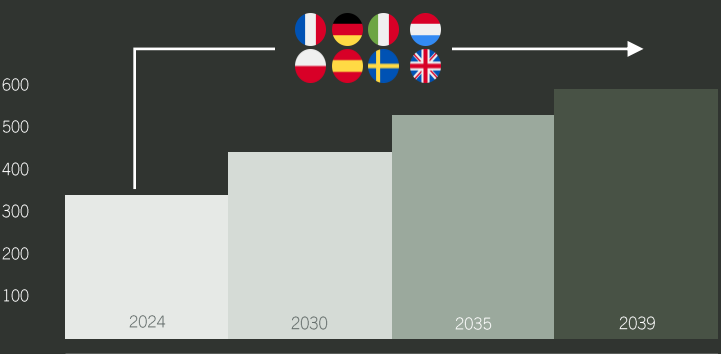
27 YEARS OF UNDERSPENDING



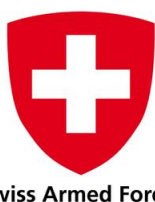
BUDGET SWEDEN



+70% EUROPEAN SPEND UNTIL 2039



GERMANY TOWARDS 3,5 GDP + DACH POTENTIAL



Swiss Armed Forces

Germany towards 3.5% of its GDP equals approx €600 billion, for armored vehicles, air defense systems, warships, satellites and advanced technologies.

DIFFERENTIATED DEFENSE PROCUREMENTS

DYNAMICS IN TIMES OF ACTIVE CONFLICTS



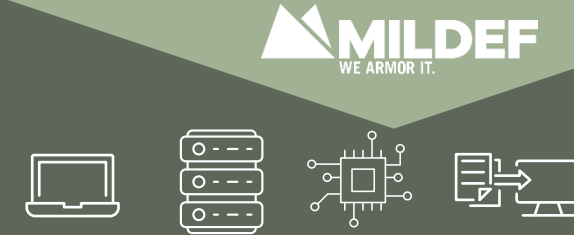
1. Operational effect

- Ammunition
- Fuel
- Training
- Drones



2. Platforms

- Troop transportation
- Battle tanks
- Aircrafts
- Ships



3. Tactical IT, C2 (command & control)

- Computers
- Switches
- Displays
- System of systems

IT power for midlife upgrades + new platforms

Near and long-term objectives

1. Markets expected to remain strong +10 years
2. Significant need for digitalization and data driven defense systems
3. Continued growth in European defense budgets
4. Order backlog supporting further near-term growth
5. MilDef + roda becomes a leading European player within military IT equipment and solutions



CALENDAR 2025

AGM – May 22, 2025

Q2 – July 18, 2025

CMD 2025 STOCKHOLM – September 18, 2025

Q3 – October 23, 2025