

Press Release

Helsingborg, 23 October 2025

Interim report Q3 January – September 2025

DOUBLED SALES AND A FOCUS ON INCREASING CAPACITY

Financial development third quarter 2025

- The third quarter order intake amounted to SEK 907 million (415), equivalent to an increase of 119%, of which organic growth accounted for 4%.
- Net sales increased by 116% to SEK 540 million (250), of which organic growth amounted to 36%.
- The gross margin amounted to 45.0% (50.0). The acquisition of roda negatively impacted the quarter's gross margin. Excluding the acquisition, the gross margin amounted to 53.5% for the quarter.
- Adjusted EBITA amounted to SEK 84.6 million (31.1), equivalent to an adjusted operating margin of 15.7% (12.5).
- Adjusted operating profit (EBIT) amounted to SEK 64.7 million (21.8), corresponding to an operating margin of 12.0% (8.7).
- Free cash flow amounted to SEK -53.1 million (42.6) during the quarter. The change is mainly due to an inventory build-up for an expected delivery-intensive fourth quarter.

Financial development January – September 2025

- The order intake amounted to SEK 2,189 million (1,037), an increase of 111%. Organic growth accounts for 36%.
- As of September 30, 2025 the order backlog was up 116% to SEK 3,507 million compared with the same date in 2024 (1,627). Organic growth accounted for 59% of this.
- Net sales increased by 61% to SEK 1,263 million (783). Organic growth accounts for 4% and acquired growth for 57%.
- The gross margin amounted to 46.2% (49.9). The acquisition of roda negatively impacted the period's gross margin. Excluding the acquisition, the gross margin amounted to 54.0% for the period.
- Adjusted EBITA amounted to SEK 125.5 million (78.7), equivalent to an adjusted operating margin of 9.9% (10.0).
- Adjusted operating profit (EBIT) amounted to SEK 77.4 million (49.1), corresponding to an operating margin of 6.1% (6.3).
- Free cash flow amounted to SEK -93.1 million (83.7) during the period. The change is primarily due to higher inventory value during the period.
- Earnings per share after dilution over the last 12-month period amounted to SEK -4.26 (0.72). The change is mainly related to restructuring costs in Q4 2024.

Summary of significant events in the third quarter, July - September 2025

- MilDef won a contract worth SEK 139 million with the Swedish Defence Materiel Administration to supply OneCIS software and hardware for increased NATO interoperability in the Swedish Army. Deliveries begin in 2025.
- MilDef's subsidiary roda signed an agreement with the German cybersecurity company secunet for delivery of robust IT equipment. Deliveries will take place in 2026.
- MilDef won its first hardware order from the NATO Support and Procurement Agency to supply IT equipment, such as mobile computers, for use in NATO operations. Deliveries are under way in 2025.
- The armed forces of the Federal Republic of Germany (Bundeswehr) chose roda to supply robust IT for the army's digitalization project, D-LBO (digitalized land-based operations). The order is worth SEK 212 million with deliveries taking place in 2025–2026.

MilDef - WE ARMOR IT.

MilDef is a global systems integrator and full-spectrum provider specializing in rugged IT for defense and security domains. MilDef provides hardware, software and services that shield and protect critical information streams and systems, when and where the stakes are the highest. MilDef's products are sold to more than 200 customers through companies in Sweden, Norway, Finland, Denmark, United Kingdom, Germany, Switzerland, the United States and Australia. MilDef was founded in 1997 and is listed on Nasdaq Stockholm since 2021.

Summary of significant events after the end of the period

- MilDef won a contract with L3Harris worth SEK 52 million. The contract is MilDef's single largest order of robust 19"/2 hardware for a US customer and is for servers, Cisco-based routers and switches for armored vehicles for a NATO country.
- MilDef received a suborder worth SEK 320 million from an unnamed European NATO country. The delivery is for IT equipment for digitalization of the country's army and deliveries will take place 2026–2028.
- Roda computer, subsidiary of MilDef, has received a framework agreement order regarding deliveries of rugged IT equipment to a German defence and security company. Order value is 320 MSEK and deliveries will take place in 2026.

Statement by Daniel Ljunggren, President and CEO MilDef Group

STRONG DEMAND DRIVES EXPANSION

The positive development continued for MilDef in the third quarter of 2025. Revenue amounted to SEK 540 million (250), an increase of 116%, of which 36% is organic. Order intake strengthened, reaching a new record level of SEK 907 million (415), which resulted in an order backlog of SEK 3,507 million (1,627) at the end of the quarter. The increase is evidence of growing demand in combination with the fact that MilDef is well-positioned. The integration of Roda continued during the quarter and the German company received its largest order so far from the armed forces of the Federal Republic of Germany (Bundeswehr).

Digital arms race – important for Europe's future defense capability

The European countries' defense capability is undergoing an ever faster digital transformation and there is much to be gained from it. Better location and situation awareness, automated information management and accelerated decision cycles are just a few examples of the unrealized potential. This digitalization is essentially about converting isolated, traditional military systems to data-driven, agile and connected systems and networks. Digitalization is crucial for the European armed forces' necessary capacity buildup, and MilDef is playing a crucial role in it. We have a unique and proven ability to create customized and tailored tactical IT systems. Our order intake and intense dialogue with customers show that our position and relevance are strengthening quarter by quarter as digital defense capability is built up in Europe.

Increased delivery capacity strengthens MilDef

MilDef is in the middle of a historical turning point. This is a time when our end customers are committed to switching from disarmament to rearmament. Equipping for larger volumes in a short time is challenging; it takes time to calibrate the resource situation to a level that matches order intake. With full focus, we are addressing this challenge on a daily basis. At MilDef we are working purposefully to meet the increased demand from our customers. To manage the rapid growth we are prioritizing expansion of our production facilities and adding new recruits. This is taking place at the same time as we are delivering growth and improving our profitability. Increased delivery capacity is a way to meet the higher long-term demand and be relevant both now and in the future. One of the challenges is building up delivery capacity and thereby creating the desired effect to ensure scalability and profitability. Based on this, we are continuing to focus on building a bigger and stronger MilDef, with a balanced approach to our costs.

One clear example of equipping ourselves for the future is when, at the beginning of October, MilDef opened the doors to a new property in Rosersberg, north of Stockholm. The office and production space, tailored for our operations, quadruples MilDef's capacity in integration services. The purpose-built property was completed on schedule, and without doubt represents a milestone in MilDef's expansion. The increased capacity in Rosersberg is a clearly proactive step in future-proofing our capacity to deliver on a larger scale.

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Clear focus for long-term value

Demand in the market is rapidly increasing and the growing interest and confidence in MilDef's offering is clear. Due to the uncertain geopolitical situation, defense and security remains a high priority, both nationally and internationally, in the short and the long term. For most European countries, NATO's new investment commitment of 5% of GDP has significantly increased defense appropriations. This historic rearmament will impact the entire European defense industry – including MilDef – and sets the tone for demand for a decade to come. In a market landscape characterized by high demand, there are usually numerous business opportunities adjacent to our core business. We are, however, confident that the path to success for MilDef involves having clear priorities and a laser-sharp focus on defense and security. We are therefore continuing our growth journey with an absolute focus on our prioritized markets and customers. We are convinced that having a clear focus will create the highest value for both our customers and our shareholders.

Outlook

We have an intense final sprint ahead of us in the remainder of 2025. In addition to delivering on a historically higher order backlog in the fourth quarter, we will continue to build an ever stronger one for 2026 and onwards. The geopolitical tensions around the world are still having a major impact on the global security situation. The urgent need to provide Ukraine with support while also strengthening Europe's defense capacity will drive growth in our industry for many years to come.

Altogether this strengthens the prospects for both a strong end to 2025 and continued growth in the years ahead. Based on this, MilDef is continuing to execute plans and implement investments in growth and increased delivery capacity.

Daniel Ljunggren,
President and CEO of MilDef Group

PRESENTATION MILDEF GROUP'S Q3 INTERIM REPORT JANUARY-SEPTEMBER 2025

MilDef Group's President and CEO Daniel Ljunggren will present the Interim Report for January - September 2025.

Date: Thursday October 23 at 10:00 a.m. (CEST). The report is published at 08:00 a.m. (CEST) the same day at www.mildef.com and the news platform Cision. You are welcome to watch the live webcast via Teams or dial in to the conference call. It is possible to state questions over the conference call and the web.

Connecting to the meeting

To connect to the meeting, [click this Teams link](#) or phone in on one of the phone numbers below (audio only). Notification is not required for participation in the conference call but please connect/call in five minutes prior to the specified time to ensure a punctual start of the meeting.

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The interim report, the presentation material and the webcast will be available on www.mildef.com.

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