

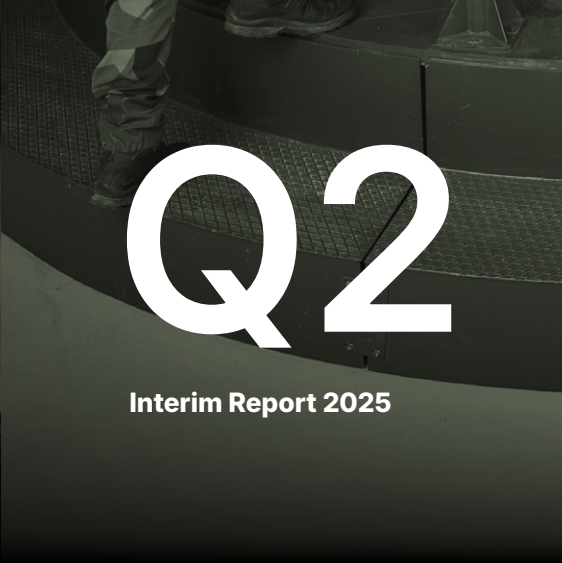


Empowering defence.



Q1

Interim Report 2025



Q2

Interim Report 2025



Q3

Interim Report 2025



Q4

Year-End Report 2025



**W5 Solutions aims to become the leading global provider of sustainable defence technology.**

We develop and deliver cutting-edge solutions that strengthen both our own forces and those of our allies. Our solutions in **Integration**, **Training**, and **Power** are designed with a focus on sustainability and innovation, making us a reliable partner for defence and security agencies worldwide.



# Financial Summary

## Apr–June 2025

- **Net sales** amounted to SEK 111.1 million (97.3).
- **EBIT** amounted to SEK –8.0 million (–6.2).
- **Net profit** amounted to SEK –10.5 million (–4.7).
- **Earnings per share** amounted to SEK –0.66 (–0.31).
- **Cash flow from operating activities** amounted to SEK –18.5 million (–9.5).
- **Order intake** during the period amounted to SEK 358 million (115) with the order book amounting to SEK 597 million (221).

## Jan–June 2025

- **Net sales** amounted to SEK 195.6 million (190.6).
- **EBIT** amounted to SEK –11.1 million (–7.7).
- **Net profit** amounted to SEK –14.8 million (–10.0).
- **Earnings per share** amounted to SEK –0.92 (–0.67).
- **Cash flow from operating activities** amounted to SEK –27.9 million (–30.9).
- **Order intake** during the period amounted to SEK 467 million (190) with the order book amounting to SEK 597 million (221).

| Key figures               | Apr–June | Apr–June | Jan–June | Jan–June | Full Year |
|---------------------------|----------|----------|----------|----------|-----------|
| SEK thousand              | 2025     | 2024     | 2025     | 2024     | 2024      |
| Net sales                 | 111.1    | 97.3     | 195.6    | 190.6    | 387.7     |
| EBIT                      | –8.0     | –6.2     | –11.1    | –7.7     | –6.3      |
| EBIT margin, %            | –7.2%    | –6.4%    | –5.7%    | –4.0%    | –1.6%     |
| Net profit for the period | –10.5    | –4.7     | –14.8    | –10.0    | –18.8     |
| Order intake              | 358      | 115      | 467      | 190      | 499       |
| Order book                | 597      | 221      | 597      | 221      | 310       |

• Figures in parentheses refer to the comparative period of the previous year.

## Significant events during the quarter

- Strategic agreement worth SEK 25 million for 2025–2026 with the Finnish Defence Forces for the delivery of a mobile live fire training system.
- SEK 20 million order from the Swedish Defence Materiel Administration (FMV) for a live fire training system, to be delivered in 2025.
- SEK 56 million export order to the United Kingdom for simulators, with deliveries in 2025–2028.
- SEK 48 million supplementary order from FMV for a live fire training system, to be delivered in 2025.
- SEK 57 million order from KNDS (Germany) for CV90 simulators for the Swedish Armed Forces, with deliveries in 2025–2028.

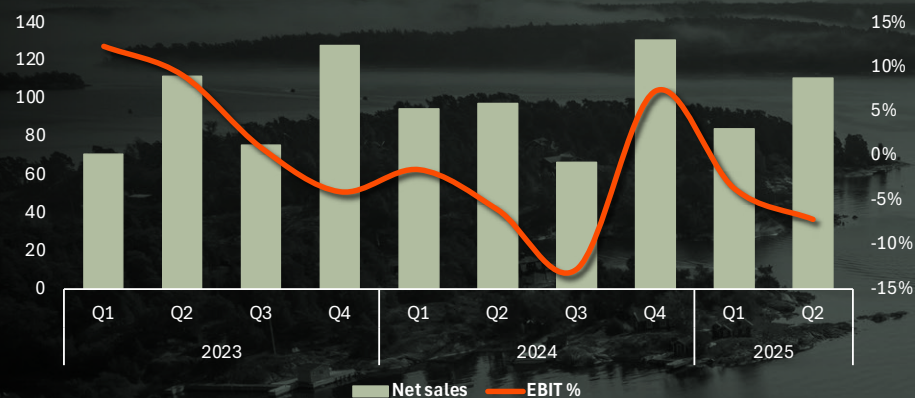
## Significant events after the end of the period

- Directed share issue of SEK 103.9 million at a premium of SEK 1 per on the average closing price of the share during June.

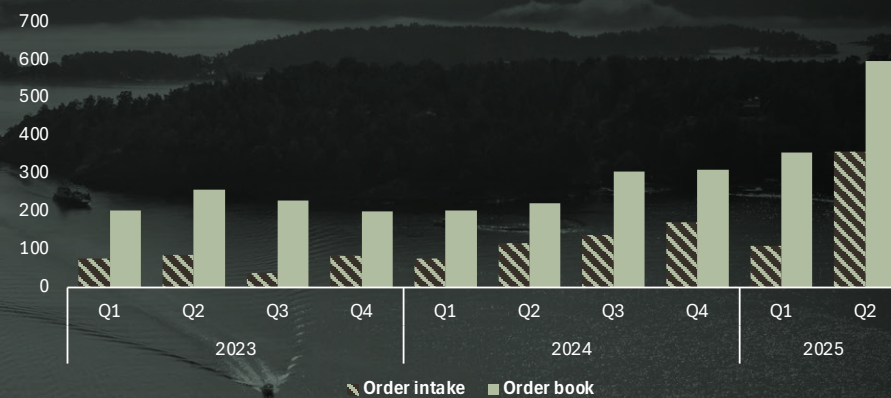


## Financial Performance

Net sales and EBIT margin per quarter



Order intake and order book per quarter



## Financial targets 2027

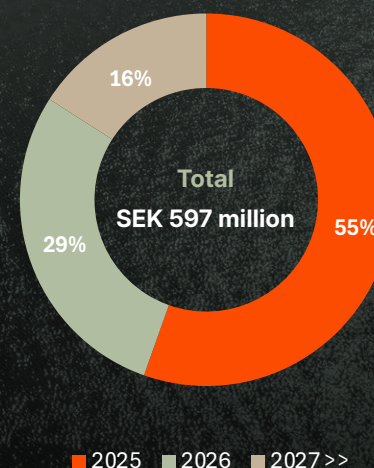
Revenue

**1 000** MSEK

EBIT margin

**10** %

Percentage distribution of order book by year



■ 2025 ■ 2026 ■ 2027 >>

## CEO Statement

# Strong Order Intake Provides Favourable Conditions

## Long-term steady and growing market

During the second quarter of the year, the unstable global situation continued to have a significant impact on the defence sector, albeit not with the same dramatic shifts as at the beginning of the year. Instead of political statements that had short-term effects, we have seen long-term initiatives that will be influential for the coming years. At the NATO summit in The Hague, a decision was made on a 5 % target for all member states, of which 3.5 % is for pure defence spending - this while the EU set a clear goal that at least 50 % of the defence equipment procured by member countries should be produced within the union.

Furthermore, the Swedish government published its *Defence Industry Strategy for a Stronger Sweden* in early summer. This document establishes guidelines for how the interaction between politics, defence authorities, and the defence industry should function and focuses on the three areas of innovation, production, and cooperation. The strategy also emphasises the importance of small and medium-sized enterprises and their role in the defence industrial ecosystem.

Together, NATO's, the EU's, and Sweden's actions show the long-term investment now being made to strengthen western defence. As an established player in the Nordic defence market, it is now up to us at W5 to both contribute to increased defence capability and simultaneously deliver profitable growth.

## Strong order intake and export success

Our rapidly growing order book clearly reflects the continued favourable business situation this quarter as well. We are pleased to see the clear breakthrough in the simulator area, where business area Power has received extensive orders from customers in both the UK and Germany – this, while the Swedish Defence Materiel Administration has placed substantial orders with the Training business area for live fire

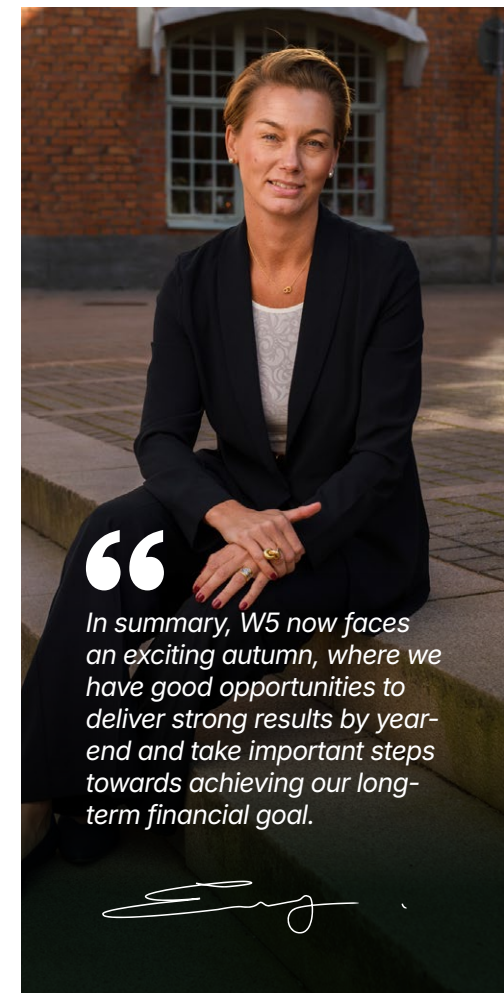
training equipment, with delivery scheduled already within the current year.

In business area Integration, order intake has not been as extensive, but in return we deliver a stable profit margin. In terms of revenue and earnings, however, there is still room for improvement overall, and the focus for the second half of the year will now be to deliver on the orders we have received. Several of the contracts we have now won have been started before the agreements were signed, which is reflected in the cost base of business area Power. This has enabled us to proactively begin project management and development work, as well as place orders for components with long lead times. With increased turnover and a strong order book, we can now also fully utilise the organisational foundation we have established – with the right competence, efficient processes, and adequate premises at all operational sites, we have the right conditions for profitability.

## The plan remains firm

Our financial goal for 2027 of SEK one billion in turnover and a profitability of 10 % remains, where a combination of sustainable organic growth and acquisitions will take us towards the goal. During the spring, the structured work to find suitable acquisition targets has intensified, while our strong order intake means that a number of capital-intensive projects are now in the start-up phase. To create room for maneuver, we therefore carried out a directed new share issue of a total of SEK 104 million shortly after the end of the period, which was done at a premium of 1 SEK on the average closing price for the share during June. In summary, W5 now faces an exciting autumn, where we have good opportunities to deliver strong results by year-end and take important steps towards achieving our long-term financial goal.

**Evelina Hedskog**  
President and CEO





# Financial Comments

## Second quarter, April–June 2025

### Sales and orders

Net sales for the second quarter amounted to SEK 111.1 million (97.3), an increase of 14.3 per cent.

Order intake during the second quarter amounted to SEK 358 million (115). An increase of 211 per cent compared to the second quarter last year. The order book amounted to SEK 597 million (221). An increase of 170 per cent, representing an increase of SEK 287 million – almost a doubling since the beginning of the year. The positive trend of an increasing order book has continued since the first quarter of 2023.

### Operating profit

Operating profit (EBIT) amounted to SEK –8.0 million (–6.2), with an EBIT margin of –7.2 % (–6.4 %).

### Net profit

Net profit amounted to SEK –10.5 million (–4.7). Earnings per share for the quarter amounted to SEK –0.66 (–0.31).

### Cash flow and investments

Cash flow from operating activities during the quarter totalled SEK –18.5 million (–9.5). Working capital during the period increased by SEK –21.2 million (–11.7). Total cash flow for the quarter amounted to SEK –21.6 million (–19.9).

## First half of the year, January–June 2025

### Sales and orders

Net sales for the first half of the year amounted to SEK 195.6 million (190.6), an increase of 2.6 percent.

Order intake during the period amounted to SEK 467 million (190). An increase of 146 per cent compared with the first half of the previous year.

### Operating profit

Operating profit (EBIT) amounted to SEK –11.1 million (–7.7), with an EBIT margin of –5.7 % (–4.0 %).

### Net profit

Net profit amounted to SEK –14.8 million (–10.0). Earnings per share for the first half of the year amounted to SEK –0.92 (–0.67).

### Cash flow and investments

Cash flow from operating activities during the quarter totalled SEK –27.9 million (–30.9). Working capital decreased by SEK –22.1 million (–35.3).

Total cash flow for the quarter amounted to SEK –15.0 million (–19.9). In addition to the above, cash flow was also affected by the share issue of SEK 36.1 million during the first quarter, investments in non-current assets and repayment of long-term liabilities.

### Liquidity and financial position

As of the balance sheet date, the Group's cash and cash equivalents amounted to SEK 7.5 million (15.4). In addition to cash and cash equivalents, the Group has an overdraft facility of SEK 28 million (28) and NOK 5 million (0). At the end of the period, the Swedish overdraft facility had been utilised in the amount of SEK 5.9 million (22.5). Equity at the end of the period amounted to SEK 339.7 million (326.6). The equity ratio amounted to 57 (55) per cent. The Group's interest-bearing liabilities amounted to SEK 67.4 million (87.4).

### Financial liabilities measured at fairvalue

Provisions for estimated additional purchase prices are reported under long-term and short-term liabilities. At the end of the period, these amounted to a total of SEK 41.3 million (46.7). The provisions reflect the management's best estimate of the likely outcome. These are continuously evaluated and revised if indications of a different outcome than previously estimated are deemed more likely. For further information, refer to Note 3.

## Other information

### Group structure

As of the reporting date, the Group consists of the parent company W5 Solutions AB and its eight wholly owned subsidiaries: W5 Sweden AB, W5 Solutions Teleanalys AB, W5 Omnifinity AB, W5 MR Targets AB, W5 Finland Oy, W5 ArcQor AB, W5 Norway AS (formerly Kongsberg Target Systems AS), and W5 Box Modul AB.

In addition, the Group holds a 50 per cent ownership interest in the associate Sytrac AB.

### Seasonal variations

The Group's strongest quarter is typically the fourth quarter (Q4), followed by the second quarter (Q2). The first quarter (Q1) is usually the weakest. As the Group frequently works on long-term, high-value contracts, order intake may vary significantly between quarters.

An additional consequence of seasonal variations and the payment schedules of ongoing projects is that cash flow fluctuates between quarters.

### Employees

The average number of employees during the period January–June 2025 was 176 (176), of whom were 43 (45) women.

- Cecilia Driving assumed the role of CFO on 1 April 2025.
- Joachim Hammersland was appointed Deputy CEO, in addition to the role as Head of Business Area Power, on 29 April.

### Significant risks and uncertainties

The risk factors outlined in the latest 2024 annual report, on pages 37 to 39, remain relevant. No additional risks have been identified.

Share capital and number of shares

The number of shares at the end of the period amounted to 15 962 974. The nominal value was SEK 0.05 per share. All shares are of the same series and have equal voting rights. At the end of June 2025, the company had 11 644 shareholders. W5 Solutions AB (publ) is listed on the Nasdaq First North Growth Market.

| Top 10 shareholders as of 30 June 2025 |                  |            |
|--|------------------|------------|
| Name                                   | Number of shares | Percentage |
| Cajory Defence AB                      | 3 179 257        | 19.92%     |
| DT2W Invest                            | 1 752 457        | 10.98%     |
| Nvest Sverige AB                       | 1 293 046        | 8.67%      |
| Vargtornet AB                          | 951 348          | 5.96%      |
| Ingvar Jensen                          | 940 623          | 5.89%      |
| Avanza Pension                         | 591 386          | 3.70%      |
| Skogstornet AB                         | 490 000          | 3.07%      |
| Berenberg Funds                        | 486 545          | 3.05%      |
| Thomas Wernhoff                        | 325 000          | 2.04%      |
| Nordnet Pension Insurance              | 225 475          | 1.41%      |
| Other shareholders                     | 5 727 837        | 35.9%      |
| Total                                  | 15 962 974       | 100%       |

Outstanding share savings programmes

The programmes have a three-year performance period commencing either on 1 May 2023 or 1 October 2023 and ending three years thereafter. For each investment share, the participant has the opportunity to receive additional shares in W5 Solutions free of charge following the end of the performance period, provided that the performance targets are met ("performance share"). At the end of the quarter, there were 37,283 investment shares outstanding.

The Annual General Meeting resolved on a three-year warrant programme 2025/2028 of 180,000 warrants directed to senior executives that have been transferred at market value. Each warrant and employee stock option entitles the holder to subscribe for one new share in the company at a price of SEK 98.70 per share. The exercise period for the warrants runs from 1 June 2028 up to and including 31 August 2028.

Forward-looking information

This report may contain forward-looking information based on the current expectations of the Group's management. Although management considers the expectations reflected in such forward-looking information to be reasonable, there is no guarantee that these expectations will prove to be correct. Consequently, actual outcomes may differ materially from those indicated in the forward-looking information due to, among other factors, changes in market conditions for the Group's products, as well as broader changes in circumstances such as economic conditions, markets and competition, changes in legal requirements or other political actions, and fluctuations in exchange rates.

Parent Company

The Parent Company's operations comprise management and group staff functions as well as other central costs. The Parent Company invoices the subsidiaries for these costs. Net sales for the Parent Company during the second quarter amounted to SEK 16.2 million (17.1) with a profit after financial items of SEK -3.4 million (-4.2). Cash and cash equivalents as at the balance sheet date are SEK 2.5 million (0.2). Equity amounted to SEK 312.5 million (298.5). The number of employees amounted to till 6 (5).

During the second quarter, shares in the Group company decreased by SEK 94 million. Ownership of W5 ArcQor AB has been transferred to W5 Sweden AB. In preparation for the upcoming merger of the legal entities.

Annual General Meeting

W5's Annual General Meeting for 2025 was held in Stockholm on 7 May 2025. The Annual General Meeting resolved, to re-elect the Board members Jonas Rydin, Ulf Hjalmarsson, Erik Heilborn and Anders Silwer and elect Anna Söderblom. Jonas Rydin was elected Chair of the Board. Öhrlings PricewaterhouseCoopers AB (PwC) was elected as auditor of the Company. PwC has notified that authorised public accountant Andreas Skogh has been appointed as auditor in charge.

It was resolved to introduce a three-year share warrant programme for senior executives, comprising 180,000 warrants.

It was resolved to authorise the Board of Directors to issue new shares corresponding to a maximum of ten (10) per cent of the total number of outstanding shares in the Company at the time of the 2025 Annual General Meeting.

Definitions and terminology

Revenue growth, %

The company's sales growth for the period compared with a previous period.

Operating margin (EBIT margin)

Operating profit in relation to net revenue.

Equity ratio, %

Equity including non-controlling interests divided by total assets.

# Group Financial Reports

## Condensed consolidated income statement

| SEK thousand  | Note | Apr-June<br>2025 | Apr-June<br>2024 | Jan-June<br>2025 | Jan-June<br>2024 | Full Year<br>2024 |
|---|------|------------------|------------------|------------------|------------------|-------------------|
| <b>Operating income</b>                             |      |                  |                  |                  |                  |                   |
| Net sales   | 2    | 111 147          | 97 252           | 195 649          | 190 643          | 387 741           |
| Other operating income                              |      | 108              | 957              | 1 139            | 1 630            | 26 259            |
| <b>Total operating income</b>                       |      | <b>111 255</b>   | <b>98 209</b>    | <b>196 788</b>   | <b>192 273</b>   | <b>414 000</b>    |
| <b>Operating expenses</b>                           |      |                  |                  |                  |                  |                   |
| Capitalised development expenses                    |      | 2 892            | 959              | 8 958            | 2 490            | 4 009             |
| Raw materials and consumables                       |      | -50 133          | -36 672          | -81 955          | -75 775          | -165 050          |
| Other external expenses                             |      | -17 648          | -17 359          | -36 987          | -32 387          | -63 918           |
| Personnel expenses                                  |      | -44 638          | -42 973          | -83 659          | -77 820          | -150 844          |
| Depreciation and amortisation of fixed assets       |      | -9 660           | -8 159           | -13 467          | -16 202          | -34 641           |
| Other operating expenses                            |      | -35              | -244             | -756             | -296             | -9 842            |
| <b>Total operating expenses</b>                     |      | <b>-119 223</b>  | <b>-104 448</b>  | <b>-207 866</b>  | <b>-199 990</b>  | <b>-420 286</b>   |
| <b>OPERATING PROFIT</b>                             |      | <b>-7 969</b>    | <b>-6 239</b>    | <b>-11 078</b>   | <b>-7 717</b>    | <b>-6 286</b>     |
| Finance net   | 3    | -2 392           | -1 299           | -3 896           | -4 576           | -16 912           |
| <b>PROFIT AFTER FINANCIAL ITEMS</b>                 |      | <b>-10 361</b>   | <b>-7 538</b>    | <b>-14 974</b>   | <b>-12 293</b>   | <b>-23 198</b>    |
| Taxes   |      | -102             | 2 812            | 213              | 2 287            | 4 403             |
| <b>NET PROFIT FOR THE PERIOD</b>                    |      | <b>-10 463</b>   | <b>-4 726</b>    | <b>-14 761</b>   | <b>-10 006</b>   | <b>-18 795</b>    |
| <b>Earnings per share</b>                           |      |                  |                  |                  |                  |                   |
| Number of shares at the end of the period           |      | 15 962 974       | 15 145 492       | 15 962 974       | 15 145 492       | 15 145 492        |
| Weighted average number of shares during the period |      | 15 962 974       | 15 145 492       | 15 962 974       | 15 038 514       | 15 092 045        |
| Earnings per share before and after dilution (SEK)  |      | -0,66            | -0,31            | -0,92            | -0,67            | -1,25             |

## Consolidated statement of comprehensive income

| SEK thousand  | Note | Apr-June<br>2025 | Apr-June<br>2024 | Jan-June<br>2025 | Jan-June<br>2024 | Full Year<br>2024 |
|---|------|------------------|------------------|------------------|------------------|-------------------|
| <b>NET PROFIT FOR THE PERIOD</b>                                      |      | <b>-10 463</b>   | <b>-4 726</b>    | <b>-14 761</b>   | <b>-10 006</b>   | <b>-18 795</b>    |
| <b>Items that may be reclassified subsequently to profit and loss</b> |      |                  |                  |                  |                  |                   |
| Translation difference  |      | 25               | 529              | -1 199           | 525              | -808              |
| <b>Other comprehensive income for the period</b>                      |      | <b>25</b>        | <b>529</b>       | <b>-1 199</b>    | <b>525</b>       | <b>-808</b>       |
| <b>COMPREHENSIVE INCOME FOR THE PERIOD</b>                            |      | <b>-10 438</b>   | <b>-4 197</b>    | <b>-15 960</b>   | <b>-9 481</b>    | <b>-19 603</b>    |
| <b>Attributable to shareholders of the parent company</b>             |      | <b>-10 438</b>   | <b>-4 197</b>    | <b>-15 960</b>   | <b>-9 481</b>    | <b>-19 603</b>    |



## Condensed consolidated balance sheet

| SEK thousand                       | Note | 30 June 2025   | 30 June 2024   | 31 Dec 2024    |
|------------------------------------|------|----------------|----------------|----------------|
| <b>ASSETS</b>                      |      |                |                |                |
| <b>Non-current assets</b>          |      |                |                |                |
| Capitalised development            |      | 18 932         | 18 913         | 12 970         |
| Goodwill & other intangible assets |      | 304 246        | 316 218        | 309 513        |
| Right-of-use assets                |      | 41 263         | 24 288         | 25 249         |
| Tangible assets                    |      | 11 049         | 9 318          | 9 047          |
| Deferred tax assets                |      | 2 042          | 756            | 1 799          |
| Other financial non-current assets |      | 299            | 127            | 307            |
| <b>Total non-current assets</b>    |      | <b>377 830</b> | <b>369 620</b> | <b>358 885</b> |
| <b>Current assets</b>              |      |                |                |                |
| Inventories                        |      | 101 607        | 80 925         | 80 186         |
| Accounts receivables               |      | 69 187         | 79 696         | 80 395         |
| Other current receivables          |      | 36 764         | 48 732         | 22 539         |
| Cash and equivalents               |      | 7 503          | 15 360         | 22 809         |
| <b>Total current assets</b>        |      | <b>215 061</b> | <b>224 713</b> | <b>205 929</b> |
| Asset, held for sale               |      | -              | 3 679          | -              |
| <b>TOTAL ASSETS</b>                |      | <b>592 891</b> | <b>598 012</b> | <b>564 814</b> |

| SEK thousand                             | Note | 30 June 2025   | 30 June 2024   | 31 Dec 2024    |
|--|------|----------------|----------------|----------------|
| <b>EQUITY AND LIABILITIES</b>            |      |                |                |                |
| <b>Equity</b>                            |      | <b>339 698</b> | <b>326 581</b> | <b>317 663</b> |
| <b>Non-current</b>                       |      |                |                |                |
| Lease liabilities                        |      | 28 626         | 16 197         | 17 041         |
| Non-current interest-bearing liabilities |      | 17 924         | 42 017         | 29 861         |
| Other non-current liabilities            | 3    | 29 987         | 47 568         | 31 378         |
| Deferred tax liabilities                 |      | 15 988         | 18 827         | 16 914         |
| <b>Total non-current liabilities</b>     |      | <b>92 525</b>  | <b>124 609</b> | <b>95 194</b>  |
| <b>Current liabilities</b>               |      |                |                |                |
| Lease liabilities                        |      | 12 118         | 7 561          | 7 883          |
| Current interest-bearing liabilities     |      | 49 430         | 45 367         | 42 969         |
| Accounts payables                        |      | 33 546         | 33 233         | 27 264         |
| Other current liabilities                | 3    | 65 574         | 58 322         | 73 841         |
| <b>Total current liabilities</b>         |      | <b>160 668</b> | <b>144 483</b> | <b>151 957</b> |
| Liabilities, assets held for sale        |      | -              | 2 339          | -              |
| <b>TOTAL EQUITY AND LIABILITIES</b>      |      | <b>592 891</b> | <b>598 012</b> | <b>564 814</b> |

Condensed consolidated statement of changes in equity

| SEK thousand                        | Share capital | Other contributed capital | Translation difference | Retained earnings incl.<br>profit/loss for the period | Total equity |
|-------------------------------------|---------------|---------------------------|------------------------|---|--------------|
| Opening balance, 1 January 2024     | 746           | 258 084                   | -381                   | 55 700  | 314 149      |
| Comprehensive income for the period |               |                           |                        | -10 006   | -10 006      |
| Transactions with owners            |               |                           |                        |   |              |
| New share issue (net)               | 11            | 21 380                    |                        |   | 21 391       |
| Share based compensation            |               |                           |                        | 522   | 522          |
| Translation difference              |               |                           | 525                    |   | 525          |
| Closing balance, 30 June 2024       | 757           | 279 464                   | 144                    | 46 216  | 326 581      |

| SEK thousand                        | Share capital | Other contributed capital | Translation difference | Retained earnings incl.<br>profit/loss for the period | Total equity |
|-------------------------------------|---------------|---------------------------|------------------------|---|--------------|
| Opening balance, 1 January 2025     | 757           | 279 464                   | -1 189                 | 38 631  | 317 663      |
| Comprehensive income for the period |               | -7                        |                        | -14 761   | -14 768      |
| Transactions with owners            |               |                           |                        |   |              |
| New share issue (net)               | 41            | 35 977                    |                        |   | 36 018       |
| Proceeds from warrants              |               |                           |                        | 1 278   | 1 278        |
| Share based compensation            |               |                           |                        | 706   | 706          |
| Translation difference              |               |                           | -1 199                 |   | -1 199       |
| Closing balance, 30 June 2025       | 798           | 315 434                   | -2 388                 | 25 854  | 339 698      |

## Condensed consolidated cash flow statement

|  | Apr-June       | Apr-June       | Jan-June       | Jan-June       | Full Year      |
|--|----------------|----------------|----------------|----------------|----------------|
| SEK thousand                                     | 2025           | 2024           | 2025           | 2024           | 2024           |
| <b>Cash flow from operating activities</b>       |                |                |                |                |                |
| Operating profit                                 | -7 969         | -6 239         | -11 078        | -7 717         | -6 286         |
| Adjustment for non-cash items                    | 10 030         | 9 043          | 14 266         | 18 656         | 20 420         |
| Taxes paid                                       | 3 413          | 1 117          | -5 616         | -1 723         | 213            |
| Received/Paid interest                           | -2 762         | -1 726         | -3 410         | -4 734         | -16 912        |
| Changes in working capital                       | -21 162        | -11 652        | -22 079        | -35 332        | 5 564          |
| <b>Cash flow from operating activities</b>       | <b>-18 450</b> | <b>-9 457</b>  | <b>-27 917</b> | <b>-30 850</b> | <b>2 999</b>   |
| <b>Investing activities</b>                      |                |                |                |                |                |
| Changes in intangible assets                     | -1 709         | -1 314         | -7 776         | -1 763         | -2 780         |
| Changes in tangible assets                       | -2 071         | 37             | -3 378         | -1 576         | 4 946          |
| Changes in financial assets                      | 2              | 36             | 2              | -              | -              |
| Acquisition of subsidiaries, net of cash         | 0              | -              | -2 060         | -              | -2 361         |
| <b>Cash flow from investing activities</b>       | <b>-3 778</b>  | <b>-1 241</b>  | <b>-13 212</b> | <b>-3 339</b>  | <b>-195</b>    |
| <b>Financing activities</b>                      |                |                |                |                |                |
| New share issue                                  | 0              | -              | 36 017         | -              | -              |
| Warranty program                                 | 1 278          | -              | 1 278          | -              | -              |
| Net changes in liabilities to credit institution | 1 868          | -7 158         | -5 969         | 18 561         | -6 293         |
| Amortisation of lease liabilities                | -2 497         | -2 089         | -5 243         | -4 228         | -8 918         |
| <b>Cash flow from financing activities</b>       | <b>650</b>     | <b>-9 247</b>  | <b>26 084</b>  | <b>14 333</b>  | <b>-15 211</b> |
| <b>CASH FLOW FROM THE PERIOD IN TOTAL</b>        | <b>-21 578</b> | <b>-19 945</b> | <b>-15 045</b> | <b>-19 856</b> | <b>-12 407</b> |
| <b>Change in cash &amp; equivalents</b>          |                |                |                |                |                |
| Cash and equivalent, beginning of the period     | 29 353         | 35 305         | 22 809         | 35 216         | 35 216         |
| Exchange rate                                    | -272           | 0              | -261           | 0              | 0              |
| Cash and equivalent at the end of the period     | 7 503          | 15 360         | 7 503          | 15 360         | 22 809         |



# Parent Company Financial Reports

## Condensed Parent Company income statement

|   | Apr-June       | Apr-June       | Jan-June       | Jan-June       | Full Year       |
|---|----------------|----------------|----------------|----------------|-----------------|
| SEK thousand                              | 2025           | 2024           | 2025           | 2024           | 2024            |
| <b>Operating income</b>                   |                |                |                |                |                 |
| Net sales                                 | 16 213         | 17 111         | 21 759         | 39 988         | 127 508         |
| Other operating income                    | -220           | 9              | 1 061          | 90             | 264             |
| <b>Total operating income</b>             | <b>15 993</b>  | <b>17 120</b>  | <b>22 820</b>  | <b>40 078</b>  | <b>127 772</b>  |
| <b>Operating expenses</b>                 |                |                |                |                |                 |
| Raw materials and consumables             | -11 886        | -10 865        | -14 491        | -21 019        | -97 989         |
| Other external expenses                   | -3 478         | -4 963         | -7 767         | -8 693         | -15 920         |
| Personnel expenses                        | -4 458         | -4 729         | -7 533         | -8 281         | -15 251         |
| Depreciation/amortisation of fixed assets | -12            | -17            | -28            | -32            | -63             |
| Other operating expenses                  | -353           | 0              | -365           | 0              | -203            |
| <b>Total operating expenses</b>           | <b>-20 187</b> | <b>-20 574</b> | <b>-30 184</b> | <b>-38 025</b> | <b>-129 426</b> |
| <b>OPERATING PROFIT</b>                   | <b>-4 194</b>  | <b>-3 454</b>  | <b>-7 364</b>  | <b>2 053</b>   | <b>-1 653</b>   |
| Finance net                               | 759            | -780           | 120            | -3 786         | -18 027         |
| <b>PROFIT AFTER FINANCIAL ITEMS</b>       | <b>-3 435</b>  | <b>-4 234</b>  | <b>-7 244</b>  | <b>-1733</b>   | <b>-19 681</b>  |
| Appropriations                            | -              | -              | -              | -              | -2 161          |
| <b>PROFIT BEFORE TAX</b>                  | <b>-3 435</b>  | <b>-4 234</b>  | <b>-7 244</b>  | <b>-1733</b>   | <b>-21 842</b>  |
| Taxes                                     | 0              | 865            | 212            | -4             | 1 626           |
| <b>NET PROFIT FOR THE PERIOD*</b>         | <b>-3 435</b>  | <b>-3 369</b>  | <b>-7 032</b>  | <b>-1737</b>   | <b>-20 216</b>  |

\*There are no items that may be reclassified to the income statement in the parent company for the reporting period.

### Parent Company condensed balance sheet

| SEK thousand                       | 30 June 2025   | 30 June 2024   | 31 Dec 2024    |
|------------------------------------|----------------|----------------|----------------|
| <b>ASSETS</b>                      |                |                |                |
| <b>Non-current assets</b>          |                |                |                |
| Tangible assets                    | 115            | 217            | 185            |
| Shares in subsidiaries             | 289 483        | 396 369        | 383 803        |
| Other financial non-current assets | 8 910          | 1 743          | 8 019          |
| <b>Total non-current assets</b>    | <b>298 507</b> | <b>398 329</b> | <b>392 007</b> |
| <b>Current assets</b>              |                |                |                |
| Accounts receivables               | 14 376         | 11 320         | 24 761         |
| Other current receivables          | 159 653        | 37 155         | 72 093         |
| Cash and cash equivalents          | 2 491          | 179            | 10 610         |
| <b>Total current assets</b>        | <b>176 520</b> | <b>48 654</b>  | <b>107 464</b> |
| <b>TOTAL ASSETS</b>                | <b>475 027</b> | <b>446 983</b> | <b>499 471</b> |

| SEK thousand                             | 30 June 2025   | 30 June 2024   | 31 Dec 2024    |
|--|----------------|----------------|----------------|
| <b>EQUITY AND LIABILITIES</b>            |                |                |                |
| <b>Equity</b>                            | <b>312 455</b> | <b>298 544</b> | <b>282 191</b> |
| Provisions                               | 41 349         | 46 680         | 42 741         |
| <b>Non-current liabilities</b>           |                |                |                |
| Non-current interest-bearing liabilities | 15 750         | 38 750         | 27 250         |
| <b>Total non-current assets</b>          | <b>15 750</b>  | <b>38 750</b>  | <b>27 250</b>  |
| <b>Current liabilities</b>               |                |                |                |
| Current interest-bearing liabilities     | 49 419         | 45 509         | 43 000         |
| Accounts payables                        | 898            | 2 494          | 1 991          |
| Other current liabilities                | 55 156         | 15 006         | 102 298        |
| <b>Total current liabilities</b>         | <b>105 472</b> | <b>63 009</b>  | <b>147 289</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>      | <b>475 027</b> | <b>446 983</b> | <b>499 471</b> |

# Notes

## Note 1 – Basis of preparation and accounting policies for the Group

The consolidated financial statements for W5 Solutions AB (publ) have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU, the Swedish Annual Accounts Act, and the Swedish Financial Reporting Board's recommendation RFR1 – Supplementary Accounting Rules for Groups. The Parent Company's financial reports have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 – Accounting for Legal Entities.

The interim report for April–June 2025 for the Group has been prepared in accordance with IAS 34.16A Interim Financial Reporting, and the Parent Company's interim report has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act. Disclosures in accordance with IAS 34 are provided both in the notes and elsewhere in this report. The accounting policies and calculation methods applied are consistent with those described in the 2024 Annual Report. New and amended IFRS standards and interpretations effective from 2024 have not had a material impact on the financial reports.

Rounding differences may occur in tables and calculations

## Note 2 – Operating segments and revenue by geographical market

As of 1 January 2025, the Group reports segment information in accordance with IFRS 8 Operating Segments.

Segment information is presented based on the management perspective, and operating segments are identified according to the internal reporting provided to the company's chief operating decision maker. W5 has identified the CEO as its chief operating decision maker, and the internal reporting used by the CEO to monitor operations and allocate resources forms the basis for the segment information presented. Segment performance is monitored at the operating profit level. Sales of goods and services between segments are conducted on market terms.

W5's operational and management structure is divided into three business areas (described in the right-hand column), which also constitute the Group's operating segments: Integration, Training and Power after distribution of group-wide costs. W5 holds a strong position in Sweden,

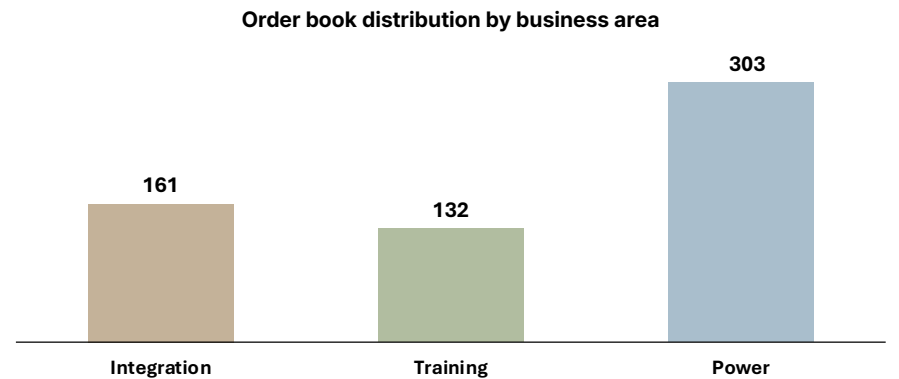
where the majority of its revenue is generated. The Company also has a local presence in Norway and Finland.

**Business area Integration** have strong capabilities in systems integration, ranging from the design and development of complete system solutions to the production of specialised cabling that ensures operational reliability in complex environments. Develops and manufactures communication solutions for harsh conditions, along with mobile and modular units – known as shelters – tailored for a wide range of applications.

**Business area Training** provides a complete ecosystem of training solutions, delivering all necessary equipment for training on shooting ranges and as well as for tactical training. Offering a broad and advanced product portfolio, ranging from infantry and armoured vehicle targets to software that analyses and enhances shooting performance.

**Business Area Power** delivers battery systems, chargers, and diesel-powered generators that ensure continuous power supply in the most demanding environments. Business area Power also delivers simulator-based training systems for vehicles, aircraft cockpits, weapon systems, and individual components – supporting modern military training with flexible, high-performance solutions.

The business areas were established on 1 September 2024, and therefore no comparative figures are available.





| Apr-June                         |               |               |                |                |
|----------------------------------|---------------|---------------|----------------|----------------|
| SEK thousand                     | Integration   | Training      | Power          | Total          |
| <b>Net sales</b>                 | <b>38 370</b> | <b>47 718</b> | <b>25 059</b>  | <b>111 147</b> |
| Sweden                           | 38 305        | 29 006        | 12 855         | 80 167         |
| Nordic countries excl Sweden     | 62            | 10 574        | 3 794          | 14 430         |
| Europe excl Nordic countries     | 2             | 2 470         | 8 277          | 10 749         |
| North America                    | -             | 5 372         | -              | 5 372          |
| Rest of the world                | -             | 294           | 133            | 427            |
| Intra-group trade                | 7 265         | 1 677         | 2 996          | 11 939         |
| <b>EBIT</b>                      | <b>5 430</b>  | <b>1 873</b>  | <b>-15 272</b> | <b>-7 969</b>  |
| Finance Net                      |               |               |                | -2 392         |
| Tax                              |               |               |                | -102           |
| <b>Net profit for the period</b> |               |               |                | <b>-10 463</b> |

| Jan-June                         |               |               |                |                |
|----------------------------------|---------------|---------------|----------------|----------------|
| SEK thousand                     | Integration   | Training      | Power          | Total          |
| <b>Net sales</b>                 | <b>72 684</b> | <b>70 140</b> | <b>52 825</b>  | <b>195 649</b> |
| Sweden                           | 72 369        | 37 601        | 30 385         | 140 357        |
| Nordic countries excl Sweden     | 194           | 16 428        | 10 847         | 27 469         |
| Europe excl Nordic countries     | 120           | 8 000         | 11 460         | 19 580         |
| North America                    | -             | 6 308         | -              | 6 308          |
| Rest of the world                | -             | 1 802         | 133            | 1 935          |
| Intra-group trade                | 7 300         | 2 064         | 4 010          | 13 374         |
| <b>EBIT</b>                      | <b>9 149</b>  | <b>1 014</b>  | <b>-21 241</b> | <b>-11 078</b> |
| Finance Net                      |               |               |                | -2 392         |
| Tax                              |               |               |                | -102           |
| <b>Net profit for the period</b> |               |               |                | <b>-13 572</b> |

### Note 3 – Fair value of financial instruments

The valuation principles and classification of the Group's financial assets and liabilities, as described in W5 Solutions' 2024 Annual Report, have been applied consistently during the reporting period.

| SEK thousand   | Level | 30 June 2025  | 30 June 2024  | 31 Dec 2024   |
|--|-------|---------------|---------------|---------------|
| <b>Financial assets and liabilities measured to fair value</b> |       |               |               |               |
| Contingent considerations for earn-outs                        | 3     | 41 349        | 46 680        | 42 740        |
| <b>Total</b>   |       | <b>41 349</b> | <b>46 680</b> | <b>42 740</b> |

The Group holds no derivative instruments or other financial instruments measured at fair value. The fair value of non-current and current interest-bearing liabilities is not considered to differ materially from the carrying amount. For financial instruments reported at amortised cost – including trade receivables, other receivables, cash and cash equivalents, trade payables and other non-interest-bearing liabilities – the fair value is considered to approximate the carrying amount.

Contingent considerations are measured at fair value in accordance with Level 3 of the fair value hierarchy. The calculation of contingent consideration is based on parameters specified in each agreement. These parameters are primarily linked to expected EBITA, revenue, and/or share price performance. The fair value of contingent considerations is based on management's assessment of the most likely amount to be paid. This assessment is made individually for each acquisition, based on the expected outcome of the targets set out in the respective agreements. The estimated value has been discounted to present value using a discount rate of 8 per cent. The contingent considerations may amount to a minimum of SEK 10 million and a maximum of SEK 66 million (undiscounted). Changes in the balance sheet item are presented in the table on the following page.

| SEK thousand  | 30 June 2025 | 30 June 2024 | 31 Dec 2024 |
|---|--------------|--------------|-------------|
| Opening balance   | 42 740       | 66 431       | 66 431      |
| Acquisitions  | -            | -            | -           |
| Payment   | -2 060       | -21 454      | -23 815     |
| Measurement to fair value accounted as operating income   |              |              | -19 369     |
| Measurement to fair value accounted as operating expenses | 669          | 1 702        | 8 978       |
| Interest expenses   |              |              | 10 515      |
| Closing balance   | 41 349       | 46 680       | 42 740      |

Note 4 – Related party transactions

There were no material related party transactions during the period, apart from intra-group transactions conducted as part of normal business operations.

Review

This interim report has not been subject to review by the company’s auditors.

The Board of Directors’ and the CEO’s Assurance

The undersigned hereby certifies that this interim report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and generally accepted accounting principles, and that it provides a true and fair view of the financial position and performance of the Group and the Parent Company. The report also includes a fair review of the development of the operations, financial position and results of the Group and the Parent Company, as well as a description of the significant risks and uncertainties faced by the companies within the Group.

Nacka 5 August 2025

**Jonas Rydin**  
Chair of the Board

**Erik Heilborn**  
Board Member

**Ulf Hjalmarsson**  
Board Member

**Ander Silwer**  
Board Member

**Anna Söderblom**  
Board Member

**Evelina Hedskog**  
President and CEO

# Presentation and Financial Calender

## Presentation OF W5

Invitation to webcast presentation of interim report for January–June 2025.

W5 Solutions invites investors, analysts and media to a webcast presentation of the interim report for the period January–June 2025.

The presentation will be held in English and concludes with a Q&A session. Participants will be able to submit questions via the chat function during the presentation.

The live webcast will begin at 11:30 CEST on 5 August 2025.

To participate in the presentation, please register via the following link:

TO THE PRESENTATION

## Financial Calendar

W5 Solutions prepares and publishes financial reports on a quarterly basis. Upcoming reports will be published on the following dates:



Interim Report Q3 2025 5 November 2025

Year-End Report 2025 3 March 2026

W5 Solutions is listed on Nasdaq First North Growth Market. Carnegie Investment Bank AB is the company's Certified Adviser.

Access the company's financial reports here:

FINANCIAL REPORTS



### IR contact

Do you have questions regarding W5 Solutions' financial reporting, corporate governance, or other investor-related information?

Please feel free to contact us.

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# Empowering defence.

This information is information that W5 Solutions AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation (EU) No 596/2014. The information was submitted for publication, through the agency of the contact person set out above, at the time stated by W5 Solutions AB's (publ) news distributor MFN.

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