



Shaping the future  
of defence.

# Earnings release **Q2 2025**

29 August 2025



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## CEO Statement

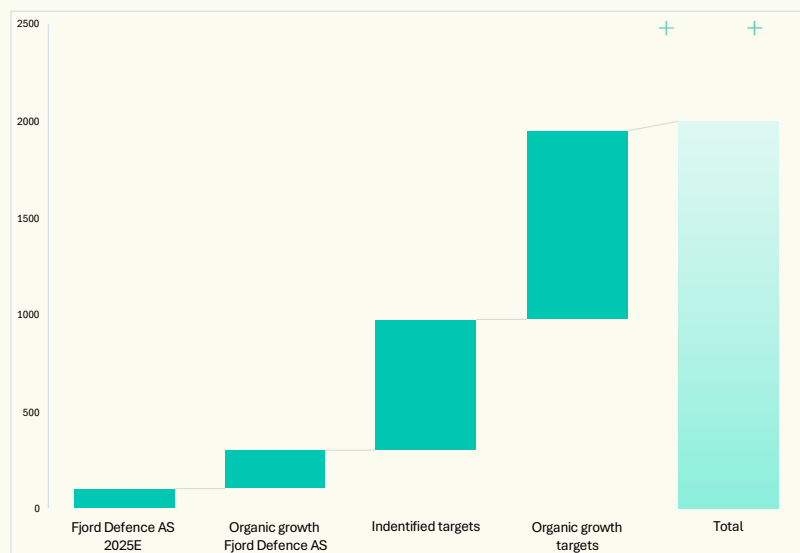
**The second quarter was transformational for the company, with the acquisition of Fjord Defence AS, strategic repositioning as a defence compounder, a successful NOK 60 million private placement and new management.**

The new strategy of the company is to act as a compounder in the defence industry, growing its revenue and profit through accretive acquisitions of fast-growing, profitable, and well-run companies within the defence industry, and the continued organic development and revenue and profit growth of the portfolio companies.

We have identified a number of small- and medium-sized companies supplying the defence industry which will experience strong growth in the coming decade, but also that realizing such growth requires substantial working capital which they may not be able to raise as privately owned companies. We are working with owners who would be willing to exchange their ownership for ownership in a stock-exchange listed compounder, enabling them to continue to participate in the strong growth in the industry, with improved access to growth capital.



Jon Asbjørn Bø



Fjord Defence Group ASA's (Euronext Expand: DFENS) strategy is to expand its defence compounder model by targeting well-managed firms in the Defence and Security sectors. These companies, with strong leadership, a history of profitability, and a bright growth outlook over the next decade, generate revenues of NOK 100–300 million and offer unique products not reliant on unproven technology. Acquisitions will boost growth through better capital access, best-practice sharing, and leveraging Fjord Defence's customer network, with acquired firms operating independently under existing management, supported by the Group's board. Several targets meeting these criteria are keen to join a stock exchange-listed "buy and build" strategy, enabling arbitrage opportunities as the company aims for NOK 2 billion in revenue in the medium term amid a robust defence spending upcycle.

## Key events in the quarter

- On 20 June 2025, the Group acquired Fjord Defence AS, repositioned itself as a compounder within the defence industry
- On 20 June 2025, the Group issued 250 187 968 new shares through a combination of the Private Placement and consideration shares in connection with the acquisition
- Also on 20 June, the Group entered into a bank facilities agreement of NOK 85 million, where the Group has drawn down NOK 25 million as of 30 June 2025
- On 1 July 2025, Jon Asbjørn Bø was appointed CEO of Fjord Defence Group ASA
- The Group is in the process of doing an uplift from Euronext Expand to the main list on Oslo Børs

## Key financial indicators

NOK thousands

<b>Profit and loss</b>	<b>Q2 2025</b>	<b>Q2 2024*</b>	<b>YTD H1 2025</b>	<b>YTD H1 2024*</b>
Revenue	12 353	8 475	12 353	32 877
Changes in fair value of investments (loss)	323	8 358	(6 695)	1 015
Operating profit (loss) (EBIT)	(16 481)	(14 842)	(41 463)	(35 529)
Cash earnings **	(1 494)	(5 990)	(5 294)	(2 488)
Net profit (loss)	(17 030)	(15 089)	(42 221)	(35 675)
Basic earnings (loss) per weighted average shares (in NOK)	(0.11)	(0.10)	(0.28)	(0.08)

<b>Financial position</b>	<b>30.06.2025</b>	<b>31.12.2024</b>
Bank deposits	72 408	11 959
Available liquid funds ***	131 265	60 833
Total assets	633 601	326 425
Total equity	545 156	306 732

<b>Ratio analysis</b>	<b>30.06.2025</b>	<b>31.12.2024</b>
Equity ratio	86.0 %	94.0 %
Net asset value per share (NOK) ****	1.16	1.42

\* Comparative figures have been restated, see note 7 Change in presentation currency

\*\* Revenue, cost of sales, SG&A

\*\*\* Bank deposits, net trade receivable, marketable securities

\*\*\*\* Net asset value per share; total assets – total liabilities divided by number of shares



## Board of directors' report

Fjord Defence Group ASA experienced a transformational second quarter in 2025, achieving strong revenue growth and positive financial development.

The new strategy to establish the company as a defence compounder is well under way, and management are in discussions with several companies that meet the investment criteria. At the same time, the company is working on an uplisting to the main list on the Oslo Stock Exchange to increase the scope of potential investors into our next acquisitions.

## Financial performance

The Group has changed its presentation currency from USD to NOK and all assets and liabilities have been translated from their functional currency into the new presentation currency, see Note 2 “Basis of preparation” and Note 7 “Change in presentation currency” for further information.

### Group results

Reference is made to the Financial Statements on page 9 onwards. Profit and loss for 2024 contains Seismic and Investment segments only. Per end H1 2025 the condensed Group profit and loss statement includes the acquired Fjord Defence AS after the completion date 20 June 2025. Revenue and operating profit from this new “Defence” segment comprise only NOK 2.7 million and NOK 0.4 million respectively. The Board finds it easier to assess the impact of Fjord Defence AS on the Group based on its YTD H1 2025 revenue of NOK 49.7 million and operating profit of 7.3 million. Reference is made to Note 3 “Segments” and Note 6 “Business Combination” for further details.

### Group balance sheet

Balance sheet for 2024 contains the legacy segments, while 30.06.2025 reflects the status after acquisition of Fjord Defence AS into the new segment “Defence”. On the asset side the main elements stemming from the transaction are “Goodwill” and “Other tangible assets” further detailed in Note 6 “Business Combination”. The reduction in Investments reflects a sale of Arbaflame shares of NOK 4.5 million and the remaining is unrealized loss on the Group’s shares in Capsol Technologies ASA since 31.12.2024. Operational working capital elements also is introduced through the acquisition. The Board considers the liquidity as satisfactory.

In June the Group entered into a five-year bank facilities agreement totaling NOK 85 million. The facilities agreement comprises of three facilities where the Group has fully drawn the term loan of NOK 25 million to finance the acquisition. The additional facilities, an M&A loan of NOK 30 million and a NOK 30 million overdraft facility are both undrawn. In connection with the term loan the Group has entered into five-year interest rate swap agreement. Covenants related to interest cover, leverage and liquidity will be measured quarterly starting in the third quarter of 2025. The Board expects compliance with covenants in the foreseeable future subject to changes stemming from further acquisitions.

Further details on the loan facilities are given in Note 5 “Borrowings and other long-term liabilities”.

The unutilized bank facilities combined with cash at hand and an Equity Ratio of 86% provide the Group with financial flexibility in the current situation. The Board aims to maintain this flexibility going forward. An admission to the main list on the Oslo Stock Exchange would give improved access to equity funding of contemplated future acquisitions and an uplift process thus is initiated.



## Group cash flow

The Group had a strong cashflow of NOK 60.4 million in the first half of 2025. The main drivers were the share issue of net NOK 55.3 million, NOK 21.3 million from sale of assets, new debt of net NOK 24.3 million and the acquisition of Fjord Defence AS comprising cash consideration of NOK 21.4 million and refinancing of shareholder loans of NOK 9 million.

## Segment information

### Defence - Strategic shift to being a defence compounder

Prior to the Acquisition of Fjord Defence AS, the Company was a Norwegian seismic multi-client and investment company, specializing in 3D OBN seismic multi-client data for near-field exploration.

On June 20 2025, the Completion Date, Fjord Defence Group ASA acquired 100% of the outstanding shares of Fjord Defence AS, a company that specializes in the design, development and assembly of weapon solutions for soldiers, military vehicles and naval vessels, see Note 6 “Business combinations” for more information.

The total consideration for the shares in Fjord Defence AS amounted to NOK 278.8 million. Of the consideration, NOK 30 million was settled in cash and the remaining was settled by the issuance of consideration shares.

Following the acquisition, the Group has repositioned as a "compounder" in the defence industry, with a business plan to grow its revenue and profit through acquisitions of, in the Company's opinion, fast-growing, profitable, and well-run companies within the defence industry, and the continued organic development and revenue and profit growth of its portfolio companies. The Company has also been renamed "Fjord Defence Group ASA".

In addition to Fjord Defence AS' product and customer portfolio, the acquisition of Fjord Defence AS contribute management with extensive experience from establishing and growing new businesses as well as knowledge of and networks within the defence industry in Norway and abroad. In the Company's opinion, this substantially enhances the Group's capability to identify, attract and acquire relevant companies and execute the strategy as a compounder within the defence industry.

The plan is to maintain agility and autonomy in existing and potential future subsidiaries to maximize opportunities within their respective niches in the marketplace, while the Group enables accelerated growth by provision of required funding and support. Following potential acquisitions, the Company expects organic growth to be a major and lasting factor for most of the target companies.

### Seismic

The Company holds two key seismic multi-client assets, one from Utsira, Norway, and one from Suez, Egypt. See also Note 3 “Segments” for further details.

### Investments

The Company also has an investment arm currently holding shares in the listed company Capsol Technologies ASA. See note 3 “Segments” and Note 4 “Investments” for further details.

## Risk and uncertainty factors

The Group operates in a broad range of geographical markets within the defense and seismic multi-client industry in addition to being an investment company. Hence, the Group is inherently involved in taking risk to achieve its strategic objectives. Please see the Group's 2024 Annual Report (Board of Directors' report and note 15 Financial risk management), for detailed description of the Group's risk factors and risk management policies and procedures.

Additionally, the Group is exposed to the following material risks as a result of the Acquisition and strategic shift to becoming a compounder within the defence industry:

- The Group depends on the performance of the new combined business resulting from the Acquisition



- The Group is subject to risks relating to future acquisitions in line with the Company's strategy and may incur liabilities from future acquisitions and not realize all anticipated benefits
- The success and growth of the Group's business will depend on the level of activity within the defence industry
- The Group may not succeed in its development and innovation within the weapon and defence industry, which could have a significant impact on the Group's business, cash flows and financial prospects
- The Group is subject to risks related to failures, undetected errors or defects in the Group's products and operations
- Loss of key personnel may have an adverse effect on the Group's operations and financial performance
- The Group is exposed to credit risk, which may adversely impair the Group's liquidity
- The Group is subject to risks related to cash flow and liquidity which, if they materialize, may limit the Group's ability to obtain desired funding
- The Group will be exposed to export and trading restrictions which may result in uncertainty relating to future market opportunities

### Related party transactions

On 27 May 2025, the Company announced that the Board of Directors had conditionally allocated a total 75,000,000 new ordinary shares in the Company, each with a par value of NOK 0.70, at a fixed subscription price of NOK 0.80 per share, raising gross proceeds to the Company of NOK 60 million (the “**Private Placement**”). The share capital increase and the shares in the Private Placement were resolved issued by the extraordinary generals meeting on 20 June 2025.

The following major existing shareholders and members of the Company's Management, supervisory or administrative bodies were conditionally allocated shares in the Private Placement:

- Tigerstaden AS, represented on the Board of Directors by Ketil Skorstad, and associated companies, was allocated 12,500,000 shares (NOK 10 million); and
- Mr. Dennis Hardenbol was allocated 6,250,000 shares (NOK 5 million).

### Events after the balance sheet date

In order to comply with the principle of equal treatment of the Company's shareholders and limit the dilute effects of the private placement, the Board of Directors proposed to initiate a subsequent offering (the “Subsequent Offering”). The contemplated Subsequent Offering will be executed in connection with the uplift to Oslo Stock Exchange and will constitute of up to 12 500 000 new shares with a offer price of NOK 0.8, resulting in potential gross proceeds for the Company of up to NOK 10.0 million.

Oslo, 28 August 2025

The Board of Directors of Fjord Defence Group ASA



## Financial statements

### Interim consolidated statement of comprehensive income

NOK thousands	Note	Q2 2025	Q2 2024*	YTD H1 2025	YTD H1 2024*
<b>Revenue</b>	3	<b>12 353</b>	<b>8 475</b>	<b>12 353</b>	<b>32 877</b>
Changes in fair value of investments (loss)	3	323	8 358	(6 695)	1 015
			-	-	-
Other gains (losses)		-	-	2 247	-
Cost of sales	3	(2 490)	(11 030)	(2 601)	(26 348)
Selling, general and administrative expenses	3	(11 357)	(3 435)	(15 046)	(9 017)
Reversal other accrual		-	-	-	-
Amortization multi-client	10	(15 281)	(17 210)	(31 692)	(34 056)
Depreciation & impairment		(29)	-	(29)	-
<b>Operating profit (loss) (EBIT)</b>		<b>(16 481)</b>	<b>(14 842)</b>	<b>(41 463)</b>	<b>(35 529)</b>
Financial income		1	12	1	2
Financial expenses		(255)	(118)	(520)	(69)
Currency exchange gain (loss)		(216)	(141)	(161)	(81)
<b>Profit (loss) before tax</b>		<b>(16 952)</b>	<b>(15 089)</b>	<b>(42 143)</b>	<b>(35 675)</b>
Income tax (expense)		(78)	-	(78)	0
<b>Profit (loss) for the period</b>		<b>(17 030)</b>	<b>(15 089)</b>	<b>(42 221)</b>	<b>(35 675)</b>
<b>Other comprehensive income, items that will not be reclassified to profit or loss</b>					
Currency translation adjustments		(8 680)	(7 038)	(27 050)	17 064
<b>Other comprehensive income (loss) for the period</b>		<b>(8 680)</b>	<b>(7 038)</b>	<b>(27 050)</b>	<b>17 064</b>
<b>Total comprehensive income (loss) for the period</b>		<b>(25 710)</b>	<b>(22 127)</b>	<b>(69 271)</b>	<b>(18 611)</b>
<b>Earnings (loss) per share</b>					
Basic earnings per average share		(0.11)	(0.10)	(0.28)	(0.08)
Diluted earnings per average share		(0.11)	(0.10)	(0.28)	(0.08)

\* Comparative figures have been restated, see note 7 Change in presentation currency



## Interim consolidated statement of financial position

NOK thousands	Note	30.06.2025	31.12.2024*
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	6	178 180	-
Multi-client library	10	192 239	249 975
Other intangible assets	11	103 900	-
Machinery and plant		676	-
Right of use asset		2 842	-
Investments	4	37 670	48 873
Financial assets		-	14 747
<b>Total non-current assets</b>		<b>515 507</b>	<b>313 595</b>
<b>Current assets</b>			
Inventories		14 646	-
Trade receivables		21 187	-
Other current assets		9 853	871
Bank deposits, cash in hand		72 408	11 959
<b>Total current assets</b>		<b>118 093</b>	<b>12 830</b>
<b>Total assets</b>		<b>633 601</b>	<b>326 425</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital and other paid in capital		981 823	677 727
Own shares		(9 035)	(18 907)
Other reserves		(438 631)	(390 137)
Other reserves - CTA		10 999	38 049
<b>Total equity</b>		<b>545 156</b>	<b>306 732</b>
<b>Non-current liabilities</b>			
Interest bearing debt	5	19 444	-
Lease liability	5	2 442	-
<b>Total non-current liabilities</b>		<b>21 886</b>	<b>-</b>
<b>Current liabilities</b>			
Interest bearing debt current	5	4 861	-
Deferred tax	6	22 600	-
Trade payables		11 964	364
Taxes payables		11 105	8 802
Other current liabilities		16 028	10 527
<b>Total current liabilities</b>		<b>66 558</b>	<b>19 693</b>
<b>Total liabilities</b>		<b>88 444</b>	<b>19 693</b>
<b>Total equity and liabilities</b>		<b>633 601</b>	<b>326 425</b>

\* Comparative figures have been restated, see note 7 Change in presentation currency



## Interim consolidated statement of changes in equity

NOK thousands	Share capital	Additional paid-in capital	Own shares	Accumulated earnings	Share based program	Other comprehensive income	Total equity
<b>Balance as of 01.01.2025</b>	<b>234 691</b>	<b>443 036</b>	<b>(18 907)</b>	<b>(393 749)</b>	<b>3 611</b>	<b>38 049</b>	<b>306 732</b>
Profit (loss) for the period				(42 221)			(42 221)
Other comprehensive income (loss)						(27 050)	(27 050)
Write down of nominal value, including own shares	(70 407)	70 407	5 672	(5 672)			-
Issue of ordinary shares (cash consideration)	52 500	7 500					60 000
Purchase of shares, Fjord Defence AS	122 632	126 144					248 775
Transaction costs related to share issuance		(4 680)					(4 680)
Sale own shares			4 200	(600)			3 600
<b>Balance as of 30.06.2025</b>	<b>339 415</b>	<b>642 408</b>	<b>(9 035)</b>	<b>(442 242)</b>	<b>3 611</b>	<b>10 999</b>	<b>545 156</b>

NOK thousands	Share capital	Additional paid-in capital	Own shares	Accumulated earnings	Share based program	Other comprehensive income	Total equity
<b>Balance as of 01.01.2024</b>	<b>239 760</b>	<b>443 036</b>	<b>(19 148)</b>	<b>(279 298)</b>	<b>3 611</b>	<b>-</b>	<b>387 961</b>
Profit (loss) for the period				(35 675)			(35 675)
Other comprehensive income (loss)						17 064	17 064
Purchase own shares			(1 815)	86			(1 728)
<b>Balance as of 30.06.2024*</b>	<b>239 760</b>	<b>443 036</b>	<b>(20 963)</b>	<b>(314 887)</b>	<b>3 611</b>	<b>17 064</b>	<b>367 622</b>

\* Comparative figures have been restated, see note 7 Change in presentation currency



## Interim consolidated statement of cash flow

NOK thousands	Q2 2025	Q2 2024*	YTD H1 2025	YTD H1 2024*
<b>Cash flow from operating activities</b>				
Profit (loss) before tax	(16 952)	(15 101)	(42 143)	(37 819)
Taxes refund (paid)	-	-	-	1
Depreciation, amortization and net impairment	15 310	17 115	31 721	34 230
Changes in fair value of investments	(323)	(8 312)	6 695	(1 020)
Changes in other gains (losses)	-	-	(2 247)	-
Other working capital changes	(10 424)	6 451	(7 705)	4 548
<b>Net cash from operating activities</b>	<b>(12 388)</b>	<b>152</b>	<b>(13 678)</b>	<b>(61)</b>
<b>Cash flow from investing activities</b>				
Disposal of property, plant and equipment	-	-	16 805	-
Cash paid from investment in Fjord Defence AS	(21 411)	-	(21 411)	-
Cash received/paid from other investments	331	(1 703)	4 508	496
<b>Net cash flow from investing activities</b>	<b>(21 080)</b>	<b>(1 703)</b>	<b>(98)</b>	<b>496</b>
<b>Cash flow from financing activities</b>				
Proceeds from interest bearing debt	24 305	-	24 305	-
Net proceeds from new equity	60 000	-	60 000	-
Cost of new shares issued	(4 680)	-	(4 680)	-
Investment / sale own shares	3 600	(570)	3 600	(1 752)
Loan in Fjord Defence AS - cash settlement	(9 000)	-	(9 000)	-
Interest paid	-	-	-	-
<b>Net cash flow from financing activities</b>	<b>74 225</b>	<b>(570)</b>	<b>74 225</b>	<b>(1 752)</b>
<b>Net change in cash and cash equivalents</b>	<b>40 756</b>	<b>(2 120)</b>	<b>60 448</b>	<b>(1 317)</b>
Cash and cash equivalents balance 01.01/01.04	31 651	22 577	11 959	21 774
<b>Cash and cash equivalents balance 30.06</b>	<b>72 408</b>	<b>20 458</b>	<b>72 408</b>	<b>20 458</b>

\* Comparative figures have been restated, see note 7 Change in presentation currency



# Notes to the consolidated interim financial statement

## Note 1 General information

Fjord Defence Group ASA (“DFENS” or the “Company” and together with its consolidated subsidiaries the “Group”) is a public company listed on Euronext Expand Oslo and traded under the ticker DFENS. The address of its registered office is Askekroken 11, 0277 Oslo, Norway. For more information, please see [www.fjorddefencegroup.no](http://www.fjorddefencegroup.no)

## Note 2 Basis of presentation

The Company is a Norwegian public limited company which prepares its financial statements in accordance with IFRS® Accounting Standards as adopted by the EU as well as additional requirements of the Norwegian Securities Trading Act. These consolidated condensed interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) number 34 ‘Interim Financial Reporting’. The consolidated condensed interim financial statements are presented in thousands of Norwegian Krone (NOK) unless otherwise indicated. The interim financial information as of and for the six months ended 30 June 2025 has been subject to a limited review by PWC.

Profit and loss for the interim period are not necessarily indicative of the results that may be expected for any subsequent interim period or year. The condensed interim consolidated financial statements should be read in conjunction with the Group’s annual report for the year ended 31 December 2024, which is available at [www.fjorddefencegroup.no](http://www.fjorddefencegroup.no)

The Group has changed its presentation currency from USD to NOK and all assets and liabilities have been translated from their functional currency into the new presentation currency at the beginning of the comparative period, using the opening exchange rate and retranslated at the closing rate. Performance statement items are translated at an actual rate or at an average rate approximating to the actual rate. Share capital and share premium are expressed in the new presentation currency as if it had always been the presentation currency. See note 7.

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Company’s consolidated financial statements for the year ended 31 December 2024.

## Note 3 Segments

Operating segments are components of the Group regularly reviewed by the chief operating decision maker to assess performance and be able to allocate resources. The chief operating decision maker body, e.g., board of directors in the controlling entity, Fjord Defence Group ASA, collectively, is considered the chief operating decision maker (CODM) of the Group. Three operating segments are reported to the CODM regularly, namely the defence, seismic and investment segments.



## Defence

On 20 June 2025, the Group acquired Fjord Defence AS that specializes in the design, development and assembly of weapon solutions for soldiers, military vehicles and naval vessels. Its primary customers include defence contractors and platform integrators in Germany, the United Kingdom, the United States, and Sweden. After the acquisition, Fjord Defence Group ASA, offers a comprehensive range of modular weapon integration systems across three primary domains: ground, vehicle, and maritime.

## Investments

The Group has historically engaged in investment activities in listed companies and companies anticipated to be listed in the near term. As of now, the Group holds 4,033,188 shares in Capsol Technologies ASA, a provider of carbon capture technology aimed at accelerating the transition to net zero.

Following the acquisition of Fjord Defence AS and the strategic repositioning of the Group, it no longer intends to pursue investment activities outside the defence industry or related sectors. The Company's shareholding in Capsol Technologies ASA will be actively managed with the objective of maximizing value extraction.

The Group did not generate any revenues from its investment activities for the year ended 31 December 2024, nor for the six-month period ended 30 June 2025.

## Seismic

The Group's legacy multi-client business model involves acquiring seismic data in specific areas and licensing it to multiple exploration and production (E&P) companies. This provides E&P companies with non-exclusive access to high-quality seismic data, supporting the discovery and development of petroleum resources. The Group's multi-client data library currently consists of Ocean Bottom Node (OBN) seismic data from two key projects: the Gulf of Suez in Egypt, finalized in the third quarter of 2022, and Utsira in Norway, finalized in the third quarter of 2020. Following the completion of these projects, the Group has not conducted additional seismic surveys, and its multi-client data library is limited to these datasets.

The Group's OBN multi-client data targets near-field exploration, where production infrastructure is already in place. This enables E&P companies to unlock both existing and new resources with lower costs, reduced environmental impact, and lower emissions.



### Segment information for the period from 1 April to 30 June 2025 and 2024

The table provides an overview of the Group's operating profit (loss) broken down by segment. The defence segment contains Fjord Defence AS for the ten-day period from 20 to 30 June 2025.

Income statement Q2 2025/2024	Revenue	Change fair value investm. (loss)	Other gains (losses)	Cost of sales	SG&A	Amorti- zation multi- client	Depre- ciation	Operating profit (loss) (EBIT)
NOK thousands								
Seismic								
Q2 2025	9 606	-	-	(706)	(3 615)	(15 281)	-	(9 995)
Q2 2024	8 475	-	-	(11 030)	(411)	(17 210)	-	(20 176)
Investment								
Q2 2025	-	323	-	-	(7)	-	-	316
Q2 2024	-	8 358	-	-	(7)	-	-	8 352
Defence								
Q2 2025	2 747	-	-	(1 784)	(535)	-	(29)	398
Q2 2024	-	-	-	-	-	-	-	-
Group functions and other								
Q2 2025	-	-	-	-	(7 200)	-	-	(7 200)
Q2 2024	-	-	-	-	(3 018)	-	-	(3 018)
<b>Total</b>								
Q2 2025	12 353	323	-	(2 490)	(11 357)	(15 281)	(29)	(16 481)
Q2 2024	8 475	8 358	-	(11 030)	(3 435)	(17 210)	-	(14 842)

### Segment information for the period from 1 January to 30 June 2025 and 2024

The table provides an overview of the Group's operating profit (loss) broken down by segment:

Income statement YTD H1 2025/2024	Revenue	Change fair value investm. (loss)	Other gains (losses)	Cost of sales	SG&A	Amorti- zation multi- client	Depre- ciation	Operating profit (loss) (EBIT)
NOK thousands								
Seismic								
YTD Q2 2025	9 606	-	2 247	(817)	(4 300)	(31 692)	-	(24 956)
YTD Q2 2024	32 877	-	-	(26 348)	(563)	(34 056)	-	(28 089)
Investment								
YTD Q2 2025	-	(6 695)	-	-	(30)	-	-	(6 725)
YTD Q2 2024	-	1 015	-	-	(29)	-	-	986
Defence								
YTD Q2 2025	2 747	-	-	(1 784)	(535)	-	(29)	398
YTD Q2 2024	-	-	-	-	-	-	-	-
Group functions and other								
YTD Q2 2025	-	-	-	-	(10 180)	-	-	(10 180)
YTD Q2 2024	-	-	-	-	(8 425)	-	-	(8 425)
<b>Total</b>								
YTD Q2 2025	12 353	(6 695)	2 247	(2 601)	(15 046)	(31 692)	(29)	(41 463)
YTD Q2 2024	32 877	1 015	-	(26 348)	(9 017)	(34 056)	-	(35 529)



## Segment information – financial position 30.06.2025 and 31.12.2024

NOK thousands	Seismic	Investment	Defence	Group functions and other	Total
As of 30 June 2025					
Total assets	199 521	42 281	330 074	61 725	633 601
Total liabilities	16 596	-	68 887	2 961	88 444
As of 31 December 2024					
Total assets	207 645	49 000	-	69 780	326 425
Total liabilities	18 352	18	-	1 324	19 693

## Note 4 Investments

NOK thousands

Investments	30.06.2025	31.12.2024
<b>Listed securities</b>		
Capsol Tehnologies ASA	37 670	44 365
<b>Listed securities</b>	<b>37 670</b>	<b>44 365</b>
<b>Unlisted securities</b>		
Arbaflame AS	-	4 508
<b>Unlisted securities</b>	<b>-</b>	<b>4 508</b>
<b>Total investments</b>	<b>37 670</b>	<b>48 873</b>

### Capsol Technologies ASA

The investment in Capsol Technologies is valued based on Level 1 inputs, quoted prices in active markets. Closing price on 30 June 2025 was NOK 9.34 per share.

### Arbaflame AS

The Group disposed of all shares in Arbaflame AS in January 2025 at NOK 1.15 per share.

## Note 5 Borrowings and other long-term liabilities

The Group has entered into a Senior Facilities Agreement with Nordea Bank ABP on the 20 June 2025. The Facility agreement give Fjord Defence Group ASA access to four distinct facilities, each with specific purposes and terms.

Facility A (Term loan): This is a long-term loan of NOK 25 000 000, designated to finance the acquisition of Fjord Defence AS, repay existing shareholder loans, and cover acquisition costs. The loan has a five-year term and is repaid in semi-annual instalments.



Facility B (M&A Facility): This facility provides NOK 30 000 000 earmarked for future acquisitions (Permitted Acquisitions) and related costs. The facility is available until June 2027 and is currently not utilized. Like Facility A, it has a five-year term and is repaid in semi-annual instalments.

Overdraft Facility: A short-term overdraft facility of NOK 20 000 000, available to Fjord Defence AS. It is intended to cover the company's general working capital needs. As of 30 June 2025 the Group has not drawn down any amounts on the Overdraft Facility.

Seasonal Facility: A seasonal short-term loan facility of NOK 10 000 000, also available to Fjord Defence AS. This facility is designed to address seasonal working capital requirements and is available for three months in a twelve month period. As of 30 June 2025 the Group has not drawn down any amounts on the Seasonal Facility.

The total available loan commitment under the agreement is NOK 85 000 000.

As of 30 June 2025, NOK 25 000 000, has been fully drawn on Facility A and utilised to partially finance the acquisition of Fjord Defence AS, repayment of an existing shareholder loan amounting to NOK 9 000 000, and cover the transaction cost related to the acquisition. The company shall repay the Facility A and Facility B loan in semi-annual instalments, based on a five year straight line amortisation period.

The interest rate for Facility A and Facility B is based on NIBOR with a margin of 3.00% and 3.25% respectively, which is subject to adjustment based on the company's leverage ratio.

As of 30 June 2025, Fjord Defence Group ASA had the following debt and financial obligations in accordance with the Senior Facilities Agreement.

#### Overview of borrowings and other long-term liabilities

NOK	30.06.2025	31.12.2024
<b>Non-current</b>		
Nordea - Term loan	19 444	-
Lease liability	2 442	-
<b>Total non-current</b>	<b>21 886</b>	<b>-</b>
<b>Current</b>		
Nordea - Term loan	4 861	-
Lease liability*	400	-
<b>Total current</b>	<b>5 261</b>	<b>-</b>

\* Included in "Other current liabilities"

The terms of the Senior Facilities Agreement can be summarized in the table below:

Facility	Amount (NOK)	Interest Rate	Maturity Date
Facility A (Term loan)	25 000 000	NIBOR + 3.00% (adjustable)	5 years after first draw
Facility B (M&A Facility)	30 000 000	NIBOR + 3.25% (adjustable)	5 years after first draw
Overdraft Facility	20 000 000	Agreed separately	Short-term facility
Seasonal Facility	10 000 000	Agreed separately	Short-term facility

The maturity table for the financial liabilities (nominal amounts) is listed below:

NOK thousands	Within 1 year	1-5 years	Total
Loan liabilities	5 000	20 000	25 000
Interest liabilities	1 506	3 472	4 978
<b>Total</b>	<b>6 506</b>	<b>23 472</b>	<b>29 978</b>



### **Assets pledged as security for liabilities**

The debt under the loan agreement is secured by the following pledges and guarantees: (1) First-priority pledge over the shares in Fjord Defence AS and other material subsidiaries. (2) Floating charges over inventory, operating assets and trade receivables. (3) Pledge over bank accounts held within Nordea and intra-group loans. (4) Guarantees from Fjord Defence Group ASA and selected subsidiaries.

### **Financial covenants**

The company is subject to the following financial covenants in relation to the Senior Facilities Agreement:

- Leverage ratio: Maximum of 3.50 until 30 June 2027 and a maximum of 3.00 thereafter. The leverage ratio is calculated as Net Debt/EBITDA and is tested quarterly based on the last 12 months's rolling EBITDA.
- Interest cover ratio: Minimum of 3.00. The interest cover ratio is calculated as EBITDA/Net Finance Charges and is tested quarterly based on the last 12 months' rolling EBITDA and net finance charges.
- Minimum liquidity: A minimum of NOK 25,000,000 in available cash at all times.

As of the reporting date, all financial covenants have been met.

## **Note 6 Business combinations**

### **Accounting principles**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

The acquisition is reported in the Group's financial statements from the date on which it obtains control of the acquiree. This is normally the closing date of the acquisition, which is the date the consideration is legally transferred and assets of and liabilities of the acquiree are assumed.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred; amount of any non-controlling interest in the acquired entity; and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate,



being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Transaction costs incurred in connection with a business combination, such as legal, advisory, and due diligence fees, are expensed as incurred and recognized in the statement of profit or loss. These costs are not included as part of the consideration transferred.

Adjustments to provisional amounts are made retrospectively within the measurement period, which cannot exceed 12 months from the acquisition date, and are recognized as if they had been completed at the acquisition date.

### **Description**

On June 20 2025, the Completion Date, Fjord Defence Group ASA acquired 100% of the outstanding shares of Fjord Defence AS, a company that specializes in the design, development and assembly of weapon solutions for soldiers, military vehicles and naval vessels. The company is headquartered in Vestfold, Norway, with a wholly owned subsidiary in the United States, Fjord Defense Inc. Its primary customers include defence contractors and platform integrators in Germany, the United Kingdom, the United States, and Sweden. Fjord Defence AS offers a comprehensive range of modular weapon integration systems across three primary domains: ground, vehicle, and maritime. Through the Acquisition, the Group has repositioned as a compounder in the defence industry, growing its revenue and profit through accretive acquisitions of fast-growing, profitable, and well-run companies within defence, and the continued organic development and revenue and profit growth of the portfolio companies. The Company has also been renamed "Fjord Defence Group ASA".

The total Consideration for the shares in Fjord Defence AS amounted to NOK 278 791 540. Of the Consideration, NOK 30 024 626 was settled in cash, and the remaining was settled by the issuance of 175 187 968 Consideration Shares. At the Completion Date, the share price of Fjord Defence Group ASA amounted to NOK 1.42 per share, and the 175 187 968 Consideration Shares' market value were NOK 248 766 914.



The amounts recognized as at the acquisition date, by major class of assets acquired and liabilities assumed are the following:

<b>Net assets acquired through a business combination</b>	<b>Fair value</b>
NOK thousands	
<b>Non-current assets</b>	
Property, plant and equipment	700
Right of use asset	2 800
Customer relationships	59 500
Order backlog	14 500
Technology	29 900
Deferred tax asset	100
<b>Total non-current assets</b>	<b>107 500</b>
<b>Current assets</b>	
Inventory	14 900
Trade and other receivables	19 700
Cash and cash equivalents	10 200
Prepayments	1 300
<b>Total current assets</b>	<b>46 100</b>
<b>TOTAL ASSETS</b>	<b>153 600</b>
<b>Non-current liabilities</b>	
Borrowings	9 000
Deferred tax liability	22 600
Lease liability	2 400
<b>Total non-current liabilities</b>	<b>34 000</b>
<b>Current liabilities</b>	
Trade and other payables	7 400
Current tax liabilities	3 300
Other current liabilities	7 800
Lease liability	400
<b>Total current liabilities</b>	<b>18 900</b>
<b>TOTAL LIABILITIES</b>	<b>52 900</b>
<b>Net identifiable assets acquired</b>	<b>100 700</b>
Goodwill	178 100
<b>Net assets acquired</b>	<b>278 800</b>

The goodwill of NOK 178.1 million arising from the acquisition reflects future growth opportunities in an expanding market within the defence industry as well as the increase in the share price from the date of agreement to acquire Fjord Defence AS on 27 May 2025 to the completion of the acquisition on 20 June 2025. The Company possesses a state-of-the-art product portfolio, and its management has extensive experience, knowledge and long-term relations in the defence market in Norway and abroad. The combination of attractive product offerings and market relations is considered as a solid fundament for growth and value creation over the next decade or more. Further acquisitions



also are intended in accordance with the Groups “Buy and Build Strategy”, and it is likely that further synergies will arise through shared commercial strategies, cross sales or improved margins.

The fair value of the receivables acquired is equal to the gross contractual amounts receivable.

### Revenue and profit contribution

Fjord Defense AS contributed revenue for an amount of NOK 2 747 thousand; and net profit for NOK 356 thousand to the Group for the period from 20 June to 30 June 2025. Accounting policies of Fjord Defence AS are not materially different to the ones applied by the Group.

### Net cash outflow from the business combination

As indicated above, consideration paid is NOK 30 024 626 and shareholder loans totalling NOK 9 000 000 are refinanced as part of the transaction. Cash acquired was NOK 8 613 562 and thus the net cash outflows from investing and financing activities as a consequence of the business combination amounted to NOK 30 411 064.

### Transaction costs incurred

Transaction costs of NOK 4 680 thousand were incurred by the Group for the acquisition of Fjord Defence AS.

## Note 7 Change in presentation currency

The consolidated interim financial statements are presented in Norwegian Krone (NOK), which is the presentation currency of the Group. Note 2 Basis of presentation provides a description of the change in presentation currency from USD to NOK.

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

The following table sets forth information regarding the average and closing, reference rates for NOK, expressed in NOK per USD, in each case rounded to the nearest five decimal places, based on the daily exchange rate announced by the Central Bank of Norway:

	Currency	Average rate	Closing rate**
Q2 2025 from 1 Jan – 30 June	USD/NOK	10.69241	10.08414
Q2 2024 from 1 Jan – 30 June	USD/NOK	10.62750	10.68183
FY 2024 from 1 Jan – 31 Dec	USD/NOK	10.74510	11.34834

\*period \*\*reporting date

For subsidiaries and operations with a functional currency of USD, assets and liabilities are translated into NOK at the closing rate on the reporting date. Income and expenses are translated at the average exchange rate for the period. For Fjord Defence AS, which has NOK as its functional currency, no translation is required. Translation differences arising from the consolidation of entities with a functional currency of USD are recognized in Other Comprehensive Income (OCI).



## Note 8 Share capital increase

### Description

On 20 June 2025, the Group completed a capital increase in relation to the acquisition of Fjord Defence AS. The capital increase was executed through private placements and issuance of new shares, and the details are outlined below.

Date of transaction	Type of transaction	Number of shares issued	Subscription price per share (NOK)	Gross Proceeds (NOK)
20.06.2025	Private placement Tranche 1	46 938 193	0.80	37 550 554
20.06.2025	Private placement Tranche 2	28 061 807	0.80	22 449 446
20.06.2025	Issuance consideration shares	175 187 968	0.80	140 150 374

The capital increase resulted in the following changes to the Group's equity:

Equity component	Before transaction (NOK)	Increase (NOK)	After transaction (NOK)
Share capital	234 690 967	104 724 287	339 415 254
Share premium	443 036 414	92 324 733	535 361 147
Total equity	677 727 381	197 049 019	874 776 401

Transaction costs directly attributable to the capital increase amounted to NOK 4 679 856 and were recognized as a deduction from the share premium.

The number of shares outstanding changed as follows during the period (refer to Note 8 [Earnings per share] for the weighted average number of shares):

Number of shares	Opening balance	Shares issued	Closing balance
Ordinary shares	234 690 967	250 187 968	484 878 935

## Note 9 Earnings per share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the ultimate parent company Fjord Defence Group ASA as the numerator, i.e. no adjustments to profits were necessary during the six months ended 30 June 2025 and 30 June 2024 or the year ended 31 December 2024.

The Group has an option model for one member of the Board. For further information see note 19 of the latest financial statements for the year ended 31 December 2024. The options are not included in the number of dilutive shares for the financial period ended 30 June 2025 and 2024, and for the financial period ended 31 December 2024 due to the options is out of money.

The weighted average number of shares for the purposes of the calculation of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:



Amounts in number of shares:	30.06.2025	30.06.2024	30.12.2024
Weighted average number of shares used in basic earnings per share	229 938 137	219 517 886	218 106 335
Shares deemed to be issued for no consideration in respect of share-based payments	-	-	-
<b>Weighted average number of shares used in diluted earnings per share</b>	<b>229 938 137</b>	<b>219 517 886</b>	<b>218 106 335</b>

## Note 10 Multi-client library

The Multi-Client library is amortized according to plan which is confirmed through quarterly impairment testing.

### Norwegian North Sea – Utsira

The Group's net book value as of 30 June 2025 is NOK 165.6 million.

The Group's amortization of Utsira was NOK 8.8 million during the second quarter.

### Egypt – Gulf of Suez

The Group's net book value as of 30 June 2025 is 26.6 NOK million

The Group's amortization of the Gulf of Suez was NOK 7.1 million during the second quarter.

## Note 11 Other Intangible assets

NOK Thousands	30.06.2025	31.12.2024
Customer relationship	59 517	
Order backlog	14 549	
Technology	29 912	
<b>Other intangible assets</b>	<b>103 978</b>	<b>-</b>

In accordance with IFRS 3 "Business Combinations" the Company has allocated relevant parts of the purchase price to Customer Relationship, Order Backlog and Technology.



## Auditors' opinion



To the Shareholders of Fjord Defence Group ASA

### Report on Review of Interim Financial Information

#### Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Fjord Defence Group ASA as at 30 June 2025, and the related condensed interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and the interim consolidated statement of cash flow for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation of this interim financial information in accordance with IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

#### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISAs), and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting.

Oslo, 28 August 2025  
PricewaterhouseCoopers AS

Martin Henrik Alexandersen  
State Authorised Public Accountant  
(This document is signed electronically)

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## Outlook

- Fjord Defence AS delivering according to plan and robust growth going forward
- Fjord Defence AS qualified through development contract with US Department of Defense (SO/LIC)
- Based on an updated assessment, Fjord Defence Group is aiming at NOK 2 billion revenue in the medium term via acquisitions and organic growth
- Financial flexibility enhanced through establishment of credit facilities
- Positive momentum in seismic sales – expect additional sales in 2025
- Issuance of Consideration Shares and regulatory approvals (e.g. NFSA prospectus by Q3 2025).
- Uplisting to main list on Oslo Stock Exchange in H2 2025

## Responsibility statement

We confirm that, to the best of our knowledge, the condensed set of interim financial statements for period of 1 January to 30 June 2025, which has been prepared in accordance with IAS 34 Interim Financial Reporting gives a true and fair view of the Group's consolidated assets, liabilities, financial position and result of operations, and that the period of 1 January to 30 June 2025 interim report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

**Oslo, 28 August 2025**

The Board of Directors and CEO of Fjord Defence Group ASA

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Nina Skage  
Chair

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Ketil Skorstad  
Director

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Torstein Sanness  
Director

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Jon Asbjørn Bø  
CEO

