



Shaping the future
of defence.

Annual Report **2025**

26 February 2025



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CEO statement

Dear Shareholders,

As we close the books on 2025, I am proud to reflect on a year of profound transformation and achievement for Fjord Defence Group ASA. This marks our first full year operating under our new identity, following the strategic pivot from Aquila Holdings ASA to becoming a dedicated defence compounder. The rebranding, completed in June 2025, was more than a name change; it symbolised our commitment to building a resilient portfolio of high-performing companies in the defence and security industry. Our journey began with the acquisition of Fjord Defence AS, finalised on June 20, 2025, which integrated a proven leader in proprietary defence solutions into our fold, and the acquisition of Scanfiber Composites A/S which is expected to close in Q1 2026. These moves not only repositioned us squarely into the defence industry but also brought aboard a talented and experienced team, including myself as CEO effective 1st of July 2025, to drive our ambitious growth agenda.

The strategic transition set the stage for a series of key steps that solidified our foundation. We swiftly aligned our Executive Management and operations around a "buy & build" strategy, leveraging the NOK 60 million private placement raised in May 2025 to fund the acquisition and support organic expansion. Fjord Defence AS was the first acquisition in the new strategy, a specialist in high-performance products for NATO markets and serving sub-suppliers to major defence original equipment manufacturers (OEMs). This integration allowed us to capitalise on Fjord Defence's strong order book, which stood at NOK 84 million at the start of 2025, up significantly from the prior year. We also maintained our legacy assets, such as the seismic multi-client library, which contributed more than NOK 30 million in cash inflow during 2025, ensuring a solid foundation as we pivot toward full defence focus.

Throughout the year, several pivotal events underscored our momentum. The second quarter was transformational, with combined pro-forma revenues reaching NOK 59 million and adjusted EBITDA of NOK 10.7 million, excluding transaction costs and unrealised losses. For the full year, Fjord Defence AS delivered NOK 94 million in revenue, contributing to a pro-forma total of NOK 106 million for the Group excluding Scanfiber Composites A/S.

In November we announced our latest expansions through the acquisition of Scanfiber Composites A/S, a leading supplier of advanced ballistic protection solutions, to deepen our role as a key sub-supplier. Scanfiber saw strong growth during 2025, and will add NOK 160 million in revenue, contributing to a pro-forma twelve-month total of NOK 266 million for the Group; a proforma 30% increase year-over-year on a consolidated basis. Within the defence segment the proforma revenue would be approximately NOK 160 million for 2024 and approximately NOK 254 million for 2025, representing more than 60% growth on a YoY basis. Scanfiber has a robust orderbook and significant scalability that we expect to capitalise on during the years ahead. A total of NOK 160 million was raised through a private placement in conjunction with the acquisition, further solidifying the strength of the balance sheet and firing power of the Group.

Our financial position strengthened considerably in preparation for the settlement of the Scanfiber acquisition. Net cash position stood at NOK 177 million and available liquidity of NOK 259 million by year end, total assets expanding to NOK 723 million, and an equity ratio of 91%.

The results from our portfolio were the result of several strategic wins, including new contracts that expanded our footprint in European NATO countries, demonstrating robust demand for our innovative solutions that enhance machine-gun performance and other critical systems. Early in 2026, we secured significant contracts totalling NOK 38 million for new deliveries in 2026, signalling sustained international interest.

Looking ahead, our path is clear and exciting. We will continue executing our compounder strategy, seeking acquisitions of fast-growing, profitable niche firms that complement our portfolio. Our focus will remain on delivering value through accretive acquisitions, operational excellence, capital-light models, and close collaboration with OEMs to meet evolving defence needs.

The broader defence market is entering a dynamic phase, fuelled by rising geopolitical tensions and increased budgets across NATO allies. Future trends point to a super cycle of innovation and investment, where sub-suppliers like those in our Group stand to benefit. We see exciting opportunities in dual-use technologies and solutions that bridge commercial and military applications, enhancing efficiency while addressing environmental imperatives.

For companies like ours, serving larger OEMs, this means emphasising speed-to-market, rapid product design cycles, and localised sourcing to build credibility and capture share in a market projected to grow significantly through 2026 and beyond.

In summary, 2025 was a year of successful transition, laying a robust platform for long-term value creation. 2026 is expected to be a year of capacity build up in the industry before significant further growth in the following years. I am confident that our strategic focus, combined with a favourable market landscape, positions Fjord Defence Group for continued success. Thank you for your unwavering support as we navigate this promising future together.

Sincerely,

Jon Asbjørn Bø

CEO, Fjord Defence Group ASA

Board of Directors report

Fjord Defence Group ASA is a Norwegian defence compounder focused on acquiring and developing fast-growing, profitable companies within the defence, security, and related industries. The Group also retains its legacy multi-client seismic data library.

Through its buy-and-build strategy, Fjord Defence Group pursues long-term growth through selective acquisitions and operational excellence, scaling high-performing niche suppliers into a focused, future-ready portfolio. The Group is well-positioned to drive synergies, expand geographic presence in Northern and Central Europe, and contribute to the evolving needs of the global defence sector, delivering sustainable value to its shareholders and stakeholders.

In 2025, the company executed key acquisitions to build its defence portfolio. Fjord Defence AS, established in October 2017, is a Norwegian-based specialist in advanced weapon accessories, including next-generation mounts, tripods, pedestals, swing arms, and related equipment designed for ground, vehicle, maritime, and miscellaneous applications. With a 100% customer-focused organisation, Fjord Defence AS emphasises superior functionality, simplicity, durability, and maintainability, offering rapid prototyping, cost-effective solutions, training, and lifetime support. Fjord Defence AS was acquired in June 2025.

Additionally, Scanfiber Composites A/S is a Danish leader in ultra-light composite materials and advanced ballistic protection solutions with nearly 30 years of industry experience. Based in Sindal, Denmark, Scanfiber specialises in spall liners and lightweight armour using polyethylene, aramid, and fiberglass fibres, providing durable protection for vehicles, vessels, aircraft, buildings, and personnel. The agreement to acquire Scanfiber Composites A/S was signed in November 2025, and the transaction is expected to be closed in February 2026.

Serving primarily blue-chip military original equipment manufacturers (OEMs) across Europe, the company sources high-performance materials from reputable suppliers and focuses on low-cost, low-environmental-impact solutions.

The Group maintains legacy assets from its legacy operations, including seismic multi-client data library in Norway and Egypt, managed for value extraction with minimal new investment,

The Company is headquartered in Oslo, Norway, and led by CEO Jon Asbjørn Bø, The Company changed its name from Aquila Holdings ASA to Fjord Defence Group ASA in June 2025 to align with its strategy to be a compounder within the defence and related industries,

The Company's shares are listed on the Euronext Oslo Stock Exchange under the ticker "DFENS".

Accounting principles

The consolidated financial statements are prepared in accordance with IFRS® as adopted by the European Union ("IFRS").

The Company has not adopted any standards, interpretations or amendments that have been issued but are not yet effective.

All financial statements in this report are presented on a going concern basis in accordance with the Norwegian Accounting Act section 3-3a, and the Board of Directors confirms that the prerequisites for going concern assumptions are present.

Financial results, financial position and capitalisation

Revenues during 2025 came from Fjord Defence AS' sale of products and income relating to the multi-client seismic business.

Revenues in 2025 amounted to NOK 59.0 million compared to NOK 41.9 million in 2024. The increase is primarily driven by the change of strategy and acquisition of Fjord Defence AS in June 2025. The Group also had cash inflow of NOK 16.8 million from settlement of a financial asset relating to its legacy seismic business (node on a rope handling system sold to MagSeis/TGS in 2022) and sale of shares in Arbaflame for NOK 4.5 million. The combined cash inflow of NOK 21.3 million gave a gain of NOK 2.2 million in 2025.

Changes in the fair value of the investment portfolio in 2025 gave a loss of NOK 18.2 million, relating to the reduction of the trading value of the shares in Capsol Technologies ASA.

Cost of materials and direct services was NOK 29.2 million compared to NOK 42.4 million in 2024. There has been an increase relating to Fjord Defence AS, and also a reduction in cost within the seismic segment after finalisation of the data reprocessing program conducted in 2023 and 2024.

Other operating expenses were NOK 51.8 million for 2025, compared to NOK 21.4 million in 2024. The increase in costs stems from M&A activities and uplisting of the company from Euronext Expand to the main board of Oslo Stock Exchange in October 2025. Total transaction costs amounted to NOK 20.1 million for 2025 while 2024 had none such costs.

The straight-line amortisation of the multi-client library was NOK 61.6 million for 2025, compared to NOK 68.9 million in 2024. The amortisation of Norwegian multi-client assets is tax deductible and does not incur any replacement cost to the company and has no cash impact on the business going forward.

Operating loss for 2025 was NOK 116.3 million compared to operating loss of NOK 131.9 million in 2024.

Net financial items gave a loss of NOK 1.2 million in 2025 compared to a net gain of NOK 0.4 million in 2024.

Income tax for 2025 was a gain of NOK 26.7 million compared to a gain of NOK 16.2 million in 2024.

Tax loss carried forward as of 31 December 2025 was NOK 148.6 million of which NOK 25 million is recognised deferred tax assets in the balance sheet.

The Group has a net loss of NOK 90.8 million in 2025 compared to a net loss of NOK 115.3 million in 2024. In addition to transaction costs, the loss mainly is due to the amortisation of the multi-client assets as well as amortisation of identified intangible assets stemming from the acquisition of Fjord Defence AS.

As of 31 December 2025, the Group had total assets of NOK 723.5 million, compared to NOK 326.4 million as of 31 December 2024.

Total non-current assets of NOK 465.7 million as of 31 December 2025 compared to NOK 313.6 million as of 31 December 2024. The change is mainly driven by amortisation of the multi-client library and the IFRS 3 compliant business combination with Fjord Defence AS in June 2025. A goodwill of NOK 178.2 million and other intangible assets of NOK 88.1 million are related to Fjord Defence AS at year end. Amortisation of other intangible assets amounted to NOK 15.8 million in 2025.

Total current assets increased from NOK 12.8 million as of 31 December 2024 to NOK 257.8 million as of 31 December 2025. The Company's cash balance ended at NOK 199.4 million on 31 December 2025. A private placement related to financing of the Scanfiber acquisition was consummated 23 December 2025. The net proceeds of NOK 152 million from the private placement was included in the cash at hand at year end, pending closing of the Scanfiber transaction.

The Group's net equity was NOK 658.5 million as of 31 December 2025, representing a net increase of NOK 306.2 million compared to 31 December 2024. The equity ratio was 91 % as of 31 December 2025 compared to 94 % as of 31 December 2024.

Total non-current liabilities at 31.12.2025 comprised 19.2 million and consisted of a five-year loan and a lease liability. At the end of 2024 the group had no interest bearing non-current liabilities.

Total current liabilities increased by NOK 45.8 million compared to 2024, mainly due to inclusion of Fjord Defence AS into the group. The current part of interest-bearing liabilities comprised NOK 4.9 million as of 31 December 2025.

Per 31 December 2025 the Group has unutilised short-term credits of NOK 30 million and an unutilised M&A facility of further NOK 30 million. The M&A facility is available until June 2027. Pending the closing of the Scanfiber acquisition, the Group has secured debt financing of further NOK 150 million to be drawn in DKK. This loan will finance a part of the cash consideration agreed upon in the Share Purchase Agreement. Closing of the transaction was subject to government approvals which were granted 19th of February 2026.

Cash flow from operations, investments and financing

The Group's cash flow from operating activities in 2025 was negative NOK 44.2 million compared to negative of NOK 9.6 million in 2024.

The Group's cash flow from financing activities in 2025 was NOK 231.7 mainly due to share issues and drawdown of loan, compared to negative NOK 7.1 million in 2024 driven by repurchasing of own shares and interest payment.

Key financial indicators

NOK thousands		
Profit and loss	2025	2024*
Revenue	58 965	41 941
Changes in fair value of investments (loss)	(18 230)	(19 115)
Operating profit (loss) (EBIT)	(116 299)	(131 883)
Cash earnings **	(22 052)	(21 812)
Net profit (loss)	(90 772)	(115 347)
Basic earnings (loss) per weighted average shares (in NOK)	(3.93)	(4.25)
Financial position	31.12.2025	31.12.2024
Bank deposits	199 406	11 959
Available liquidity ***	259 406	11 959
Total assets	723 463	326 425
Total equity	658 457	306 732
Ratio analysis	31.12.2025	31.12.2024
Equity ratio	91.0 %	94.0 %
Net asset value per share (NOK) ****	12.26	17.06

* Comparative figures have been restated

** Revenue, cost of sales, SG&A

*** Bank deposits, undrawn credit facilities

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

Risk management and internal control

Fjord Defence Group ASA's activities are primarily focused on acquiring and developing fast-growing, profitable companies within the defence, security, and related sectors, following the strategic repositioning and name change from Aquila Holdings ASA in 2025. The Group's performance, opportunities, and profitability going forward is linked to developments in the global defence industry, including geopolitical tensions, government defence spending budgets, and demand for advanced weapon accessories, lightweight composite materials, and ballistic protection solutions.

The defence portfolio, built through key acquisitions such as Fjord Defence AS (specialising in advanced weapon mounts and accessories) and Scanfiber Composites A/S (a leader in ultra-light composite ballistic protection), forms the core of the Group's value creation. These businesses are subject to risks typical of the defence sector, including fluctuations in military procurement cycles and spending, competition, requirement of continuous innovation, potential delays in order execution or contract awards, supply chain disruptions for specialised materials, and regulatory or export control changes affecting international sales. The Group has proprietary technologies and know-how that is vital for its specialised weapon

accessories, advanced protection solutions and other niche defence solutions. Additionally, the Group is dependent on a good reputation as a trusted supplier within the industry, well-functioning capital markets and access to capital to execute its strategy.

The Group retains legacy assets from its prior operations, primarily a multi-client seismic data library, which is managed for maximum value extraction with limited investment. The seismic business remains exposed to commercial risks, such as future oil and gas prices that impacts E&P spending or regulatory changes, which could lead to impairments. However, as the Group transitions fully to its defence compounder strategy, the relative impact of these legacy risks is expected to decrease over time.

The Group faces integration risks associated with its buy-and-build strategy, including potential challenges in realising synergies from acquisitions, cultural alignment, and operational scaling. Additional risks include cybersecurity threats, climate-related considerations in the supply chain and operations, and tax uncertainties across jurisdictions where the Group and its subsidiaries operate.

The Group is also exposed to financial risks, including currency fluctuations (given its international operations with both revenues and costs in multiple currencies such as NOK, SEK, DKK, EUR, USD, and others), interest rate risk related to its bank borrowings, liquidity, and credit risk.

The Board monitors these closely and maintains robust internal controls and risk management processes to identify, assess, and mitigate these risks, ensuring alignment with the Group's strategic objectives. The Group's credit risk is managed through customer assessments (primarily blue-chip military OEMs and defence entities considered financially sound), receivables monitoring, and placement of excess cash in low-risk instruments. The Group utilises natural currency hedging through lending in foreign currencies where it has operations to reduce its exposure to fluctuation in foreign exchange rates. Additionally, the Group hedges large foreign exchange transactions through forward contracts. The Group also has a policy to hedge at least 50% of its interest rate risk through interest rate swaps. Liquidity risk is considered low, supported by a solid cash position, net cash inflows from operations, limited capex commitments and access to undrawn credit facilities.

For further details, reference is made to Note 14 and 18 in the Consolidated Financial Statements.

Financial highlights and developments:

- The Group has shifted to reporting from USD to NOK from 2025
- Defence segment revenues have grown significantly post-acquisitions, with legacy seismic multi-client business contributing modestly
- Strong equity ratio maintained (above 85% in transitional period)
- Focus on positive cash flows and liquidity to support further accretive acquisitions

The Board is committed to proactive risk oversight to safeguard shareholder value amid the Group's growth in the dynamic defence sector.

Organisation, working environment and equal opportunity

At the end of 2025, the Group has 15 employees performing a total of 8.5 FTEs during the year FTEs compared to 3 employees and 2.7 FTEs in 2024. At the end of 2025 the Group employed 1 woman and 14 men and 1 woman and 2 men at the end of 2024.

The Board considers the working environment to be good. As the Group expands, both the Board of Directors and Management is focused on maintaining and developing a culture focused on safe, respectful, and inclusive working environment.

Health and wellbeing of employees are central to attracting talent and the Group's success and continued growth.

- The Group prohibits discrimination based on gender, race, age, ethnicity, disability, sexual orientation, or religion.
- Recruitment and hiring processes are based on principles of equal treatment.
- Fair compensation and respect for individual rights are fundamental.
- Ambition of zero accidents in the Group's production. There were no personnel injuries or accidents reported in 2025 or prior years.
- Be a good place to work. The Group targets a sick leave below 2%. There was no sick leave in 2025 nor 2024.

Health, safety and environmental in the Group's supply chain

The Group is fully committed to safeguarding and maintaining the environment in which we operate and live, while also providing a safe and healthy workplace for our contractors, vendors, and customers. The Group manages and monitors these activities through corporate culture, corporate policies, procedures and guidelines.

The Group conducts due diligence on vendors, contractors, and suppliers to identify and address risks related to human rights and decent working conditions. Suppliers are mainly providers of consultancy services, IT solutions, office services, insurance, pension, capital markets support, and other operational services.

Risk assessment considers vendor location and country of origin, industry, value of services/supplies, existing knowledge of the vendor, and publicly available information. Vendors are classified as low, medium, or high risk.

If risks are identified, the Group seeks to engage alternative ("green") vendors where possible. Where substitution is difficult, the Group requests additional information on the vendor's measures to prevent adverse impacts and reaches a conclusion based on the response.

The Group distributes its Code of Conduct to suppliers and conducts periodic evaluations to ensure ongoing compliance with expected standards. All new vendors undergo separate risk evaluation. While risk-mitigating factors are in place, the possibility of adverse impacts cannot be completely excluded; therefore, regular risk assessment and continuous monitoring remain essential.

The Group issues its Transparency Act report annually on its website www.fjorddefencegroup.com, and the report for 2025 will be made available before 30 June 2026. The report for 2024 is included in the Group's 2024 Annual Report, also available on the Company's website.

Sustainability and corporate social responsibility

Fjord Defence Group ASA's commitment to sustainability and corporate social responsibility remains a priority on the Board of Directors' agenda as the Company pursues its defence compounder strategy.

The Group is dedicated to operating responsibly across its portfolio of niche defence businesses, including advanced weapon accessories (Fjord Defence AS) and ultra-light composite ballistic protection solutions (Scanfiber Composites A/S). This involves minimising environmental impacts through efficient resource use, responsible material sourcing (such as high-performance fibers with lower environmental footprints where possible), and adherence to strict regulatory and customer standards in the defence sector. Scanfiber Composites maintains the ISO 14001 Environmental Management certification, reflecting structured efforts to manage environmental aspects in manufacturing lightweight, durable protection materials that contribute to reduced weight and fuel consumption in end-user applications (e.g., vehicles and vessels).

Fjord Defence AS maintains several key certifications and compliance standards essential to operate in the international defence industry. The ISO 9001:2015 (Quality Management System) is a cornerstone of the operations, ensuring that design, manufacturing, and installation of weapon integration solutions meet international quality- and customer requirements. In addition to ISO 9001, Fjord Defence AS' products are engineered and tested to meet rigorous military and NATO specifications.

The seismic multi-client business stems from historical investments and continues to operate under a licensing model with minimal implications for environmental, safety, and health matters. Operations are primarily managed through established partnership agreements, with revenues derived from existing licensing arrangements. The products target a market with clients that focus on near-field exploration, supporting low-cost, low-emission resource development where production infrastructure is already in place. As a non-core legacy asset, it is managed to maximise value extraction with limited new capital commitments, aligning with the Group's strategic shift toward the defence and security industries activities.

The Group emphasises ethical business practices, supply chain responsibility, compliance with all applicable laws (including export controls and international sanctions), and fostering a safe, inclusive workplace.

Board structure and corporate governance

The Board of Directors of Fjord Defence Group ASA consists of three members, all of whom are independent. They serve until the annual general meeting in 2026. The audit committee comprises two members of the Board.

The Company maintains an independent nomination committee, consisting of two members elected by the shareholders.

No material transactions, other than the remuneration disclosed in the relevant note of the consolidated financial statements, occurred between the Company and its management, directors, or major shareholders during the reporting period. However, Ketil Skorstad, a member of the Board of Directors, participated in two private placements during 2025 through Tigerstaden AS (his controlled entity), subscribing for shares in connection with the Company's strategic acquisitions and financing activities on equal terms as all other subscribers.

Fjord Defence Group ASA places strong emphasis on independence, integrity, and ethical conduct in all matters involving the Board of Directors, management, and shareholders. The Group operates a compliance program aimed at continuously informing and educating employees on ethical, legal, and regulatory issues relevant to its operations in the defence and security sectors.

The Company's corporate governance policies and practices are based on the Norwegian Code of Practice for Corporate Governance (as most recently revised). The Board of Directors believes that Fjord Defence

Group ASA complies with the Code in all material respects and will address any future amendments accordingly. A more detailed description of compliance with the Code of Practice, together with the requirements under the Norwegian Accounting Act for corporate governance reporting, is provided in the corporate governance section of the Annual Report.

Salary and compensation

Fjord Defence Group compensates its employees according to market conditions that are reviewed on an annual basis including base salary, insurance and retirement benefits programs. For further details, please refer to Note 6 in the consolidated financial statements.

The members of the Board of Directors do not participate in any bonus plan, profit-sharing plan or stock incentive plan. The directors' compensation is based on a fixed fee. The remuneration is not related to the Group's financial results. Except for Torstein Sanness, board member, who has awarded options in the Company in 2021, see the 2025 Remuneration Report for more information.

The Group has international liability insurance for the Board of Directors and management. The insurance coverage is up to NOK 50 million per year for total revenue of NOK 350 million subject to increase as further growth is realised.

Annual result for the parent company and allocation of result

In 2024 and 2023, the Group's parent company Fjord Defence Group ASA did not have any revenue. In 2025, the parent company had revenues of NOK 2.6 million, relating to sale of certain off-balance sheet seismic equipment.

In 2025, the company report a net loss of NOK 44.3 million, an improvement from NOK 109.2 million the year before.

At year-end 2025, the parent company had total assets of NOK 685.4 million compared to NOK 235.1 million at the end of 2024. Investment in shares in subsidiaries is increased by NOK 274.7 million related to the acquisition of Fjord Defence AS. The bank balance at year end was NOK 192.1 million, an increase of NOK 183.6 million compared to last year. The increase mainly is due to net proceeds from the issuance of shares to finance the acquisition of Scanfiber Composites A/S. The proceeds remain on the balance sheet until closing and settlement takes place by the end of February 2026.

As of 31 December 2025, the parent company has a net equity of NOK 655.0 million, compared to NOK 230.2 million at the end of 2024. The equity ratio 31 December 2025 was 96% compared to 98% at the end of 2024. Total current liabilities have increased by NOK 8.5 million compared to last year due to account payables and short-term portion of interest-bearing debt.

The Board of Directors has proposed booking NOK 25 million as a tax asset in the parent company. This is based on a conservative assessment of near future earnings in the subsidiary Fjord Defence AS.

Outlook

The global defence sector is poised for robust growth in 2026, driven by escalating geopolitical tensions, technological advancements, and increasing national security priorities. Global defence spending is projected to exceed USD 2.6 trillion in 2026, representing an 8.1% increase from 2025 levels, with further acceleration toward USD 2.9 trillion by the end of the decade and potentially USD 3.6 trillion by 2030.

In Europe, where Fjord Defence Group primarily operates, defence budgets are expected to rise by high single to low double digits, favouring local contractors and collaborative programs amid NATO's emphasis on collective security.

The U.S. Department of Defense's FY2026 budget request of USD 961.6 billion underscores this, allocating USD 179 billion to Research, Development, Test, and Evaluation (RDT&E) - a 27% year-over-year increase - to prioritise asymmetric technologies.

These trends create opportunities for niche players like Fjord Defence Group, particularly in weapon accessories, composites, and related equipment, where demand for lightweight, high-performance materials and modular systems is surging.

Fjord Defence Group remains committed to its role as a defence compounder, scaling high-performing companies into a focused, future-ready portfolio. Building on our 2025 acquisitions of Fjord Defence AS (a leader in next-generation weapon mounts, tripods, and pedestals) and Scanfiber Composites A/S (specialising in advanced composites for defence applications), we aim to pursue selective acquisitions of fast-growing, profitable niche suppliers in the defence, security, and related segments.

Our strategy emphasises long-term growth by leveraging synergies across our portfolio, investing in R&D for innovative products, and capitalising on Europe's rearmament cycle. We expect to benefit from M&A opportunities in the defence and security space, where investor interest remains strong due to evolving threats and funding priorities.

Assuming stable macroeconomic conditions, Fjord Defence Group projects double digit revenue growth for 2026, supported by organic expansion and potential acquisitions. Fjord Defence Group's market capitalisation has increased significantly since the listing in October 2025, reflecting investor confidence in the revitalised strategic model.

The Group aim to maintain healthy margins through revenue growth, cost-effective solutions, asset light operational strategy, and supply chain efficiencies. Operationally, we expect to enhance production capabilities and international presence.

Forward-looking metrics will be monitored closely, with a focus on EBITA expansion and cash flow generation to support shareholder returns.

While the outlook is positive, several risks could impact performance. Geopolitical shifts, such as changes in conflict dynamics or policy reversals (e.g., in Ukraine or U.S. defence priorities), may lead to budget reallocations or procurement delays. However, the long-term rearmament cycle in Europe is considered to last for the foreseeable future with predominantly new investments in the first phase followed by a prolonged period with a more balanced mix of investments and operations/aftermarket activities.

Supply chain disruptions, regulatory changes in export controls, and economic downturns pose additional challenges. We mitigate these through diversified portfolios, strong governance, and proactive risk management. Climate-related factors, including sustainable materials in composites, are also integrated into our strategy to align with evolving ESG expectations.

Fjord Defence Group is well-positioned to navigate all these dynamics and deliver sustainable value.

Events after the reporting period

Following the Scanfiber-related Private Placement in December 2025, a subsequent offering on the same conditions was executed in January 2026. The total available amount of NOK 25 million was oversubscribed 2.5 times and further strengthens the liquidity and equity position of the Group.

On 25 February 2026, the Company acquired 100% of the shares in Scanfiber Composites A/S. See note 20 Business Combinations for further information.

Responsibility statement

Confirmation from the Board of Directors and CEO

The Board of Directors and the chief executive officer of Fjord Defence Group ASA have today considered and approved the annual report and financial statements for the 2025 calendar year ended on 31 December 2025.

We confirm, to the best of our knowledge, that:

- The 2025 financial statements for the Group and the Company have been prepared in accordance with all applicable accounting standards.
- The information provided gives a true and fair view of the Group's and the Company's assets, liabilities, financial position and results.
- The Board of Directors report provides a true and fair overview of the development, performance and financial position of the Group and the Company, together with a description of the principal risks and uncertainties that they face.

Oslo, 25 February 2026

The Board of Directors and CEO of Fjord Defence Group ASA

Nina Skage
Chair

Ketil Skorstad
Director

Torstein Sanness
Director

Jon Asbjørn Bø
CEO

Corporate governance report

Implementation and reporting on corporate governance

This report has been prepared by the Board of Directors of Fjord Defence Group ASA (the “Company” or “Fjord Defence Group” and together with its subsidiaries the “Group”).

The Company is incorporated and registered in Norway and is subject to Norwegian law. The Company is listed on Oslo Stock Exchange. Fjord Defence Group considers good corporate governance to be the foundation for value creation and trustworthiness. As a public limited liability company listed on Oslo Stock Exchange, the Company must comply with the Norwegian Securities Trading Act and Regulation, the Issuer Rules for Companies Listed on Oslo Stock Exchange, the Norwegian Public Limited Liability Companies Act, and all other applicable laws and regulations.

The Company endorses and complies with the Norwegian Code of Practice of Corporate Governance (the “Code of Practice” or the “Code”) dated 28 August 2025 found at www.nues.no. The Code of Practice is based on a "comply or explain" principle, which means that listed companies must comply with the Code of Practice or explain why an alternative approach has been chosen. The Company will comply with the Code of Practice and any deviations will be listed below.

The Company’s articles of association can be found on the Group’s website www.fjorddefencegroup.com.

Fjord Defence Group’s objective is to maintain agility and autonomy in existing and future subsidiaries and enhance stakeholder value through profitable, sustainable and growth oriented development of its defence companies and execute its strategy as compounder within the defence industry in a long-term perspective.

The Company has established a corporate culture to build confidence and trust among its stakeholders. Key elements are open and honest communication, a system of internal controls and policies and a compliance program. The Company’s corporate governance is based on the following main objectives:

- 1) Open, reliable, and relevant communication with the outside world regarding the Group's business and matters related to corporate governance.
- 2) Equal treatment of the Company's shareholders.
- 3) Independence between the Board of Directors, the Management and the shareholders to avoid conflicts of interests.
- 4) A clear division of work between the Board of Directors, Management and shareholders.
- 5) Good control and corporate governance mechanisms to achieve predictability and reduce the level of risks for shareholders and stakeholders.

Business

Fjord Defence Group ASA is a Norwegian defence compounder listed on Euronext Oslo Børs, focused on acquiring and developing fast-growing, profitable companies in the defence, security, and related segments. On 20 June 2025, Fjord Defence AS (producer of advanced weapon mounts, tripods, pedestals, swing arms and related equipment) was acquired. Scanfiber Composites A/S (producer of ultra-light composites and ballistic protection) was agreed in November 2025 and closed in February 2026. The Company changed its name from Aquila Holdings ASA to Fjord Defence Group ASA in June 2025.

The Group retains a legacy seismic multi-client data library managed for value extraction with minimal new investment.

Sustainability and social responsibility

The Group's policy for sustainability and corporate social responsibility is part of our governance model, which is adopted by the Board of Director. Sustainability and corporate social responsibility are integrated into the Group's strategic processes and are discussed in more detail in the Group's Sustainability Report and on the Group's website.

Equity and dividends

The Company's management and Board of Directors monitor the Company's capital structure on a continuous basis, including equity and liquidity, to ensure that the level of equity and liquidity, are appropriate for the Company's objectives, strategy and risk profile.

Dividend proposals are submitted to the General Meeting with grounds provided, including any proposal to authorise the Board of Directors to distribute dividends. Authorisations to increase share capital or purchase own shares are time-limited and handled as separate annual general meeting ("AGM") items.

As of 31 December 2025, Fjord Defence Group's equity amounted to NOK 659 million, equivalent to an equity ratio of 91%. The Group had NOK 199 million in cash and cash equivalents and NOK 60 million in undrawn credit facilities.

The Board of Directors considers the Group's capital structure to be satisfactory. The Group's required financial strength is assessed at all times considering the Group's objectives, strategy and risk profile.

Dividend policy

It is the Company's stated ambition to provide shareholders with annual returns on their investments in the form of value increases that are at least on a nominal with investment alternatives with comparable risk.

The Board of Directors proposes any distribution of dividends to the annual general meeting. The annual general meeting determines any distribution of dividends in accordance with Section 8-1 and Section 8-2 of the Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45, as amended (the "Norwegian Companies Act"). The grounds for any proposal to authorise the Board of Directors to approve the distribution of dividends shall be explained. The Board of Directors may approve share buy-backs when deemed relevant and more attractive for the Company's shareholders, in accordance with the share buyback authorisations granted to the Board of Directors from time to time. The level of any dividend resolved by the Board of Directors will take into consideration the level of any share buy-backs carried out during the relevant period.

Any dividends declared in the future will be subject to applicable laws, the Board of Directors being granted an authorisation by the Company's general meeting to distribute dividends or the general meeting resolving to distribute dividends following a proposal by the Board of Directors, and will depend upon earnings, market prospects, restrictions under the Group's financing agreements from time to time, capital expenditure programs, investment opportunities, and maintaining required working capital and a robust cash buffer.

Dividends will be declared and paid in NOK. Any dividends or other payments on the Shares will be paid through the Company's VPS Registrar to the holders of the Shares. For tax purposes, any dividends will be classified as a repayment of paid in capital and not a taxable dividend, for as long as there is paid-in capital available on the Shares. See Section 13 "Taxation" for information about taxation of dividends.

The Company has not proposed or paid any dividends since 2018.

Equal treatment of shareholders and transactions with close associates

The Company has one class of shares; each share carries one vote with equal rights. Any deviation from pre-emptive rights in capital increases will be specifically justified and disclosed in stock exchange announcements. Transactions in own shares are executed on-market at prevailing prices; mechanisms to ensure equal treatment are considered if liquidity is limited.

Related-party transactions occur on arm's length market terms, with independent third-party evaluations obtained unless immaterial or exempt under law.

Shares and negotiability

Shares are freely negotiable; the articles contain no restrictions on ownership, trading, or voting. Except for Management shares awarded under the Company's Share Incentive Programs which have a lock-up period. Additionally, the Company may agree to lock-up agreements for shareholders of companies Fjord Defence Group acquires where whole or part of the purchase price is settled with shares in the Company.

General meetings

The AGM is the highest corporate body. Notices and supporting documents are published at least 21 days in advance of the General Meeting on the Group's website and in accordance with applicable law and stock exchange regulations.

The Board of Directors ensures shareholders can participate and cast votes, including proxy and electronic voting where allowed. Proxy forms enable voting on each agenda item and each candidate. Minutes from the meetings are promptly published on the website.

The Board of Directors, CEO, and auditor typically attend the AGM. However, the Company will normally not have the entire Board of Directors participate as this is considered unnecessary. This represents a deviation from the Code of Practice which states that arrangements shall be made to ensure participation by all directors. The Chair of the Nomination Committee will be present at the Company's General Meetings where matters prepared by the nomination committee will be dealt with.

All shareholders have the right to have their cases considered at the General Meeting. Cases must be submitted in writing to the Board of Directors at least seven days before the deadline for sending the notification of the General Meeting. The reason for wanting the case being added on the agenda should also be specified.

The AGM for 2026 will be held on 21 May 2026. The last AGM was held on 22 May 2025.

Nomination committee

The articles of association, article 8, require a nomination committee of up to three members elected for up to two years. The committee proposes candidates for the Board and remuneration for the Board and its committees, as well as its own composition and remuneration.

Proposals are available no later than 21 days before the General Meeting. The committee consults selected shareholders and meets at least annually with the Board.

The members of the Nomination Committee are elected by the General Meeting. The Nomination Committee comprise of Fredrik Sneve and Gunerius Pettersen, both are shareholders in the Company.

The members are considered independent of Management and the Board and to have a composition that reflects the interests of the shareholder community.

Board of directors: composition and independence

The Board shall be composed in a way that it can

- 1) attend to the common interests of all shareholders and meet the Company's and Group's need for expertise, capacity and diversity; and
- 2) act independently of special interests. The majority of the shareholder-elected Board members shall be independent of the management and significant business contacts. At least two of the members of the Board shall be independent of the Company's major shareholder(s).

For the purposes of these policies, a major shareholder shall mean a shareholder who owns or controls more than 10% of the Company's shares or votes, and independence shall entail that there are no circumstances or relations that may be expected to be able to influence an independent assessment of the person in question. The Board shall not include members of Management. The Board including its Chair is elected by the General Meeting for terms up to two years where re-election is possible, see the Section on Nomination Committee for their mandate and process for proposing board members for the AGM.

The Company has Directors and Officers Insurance (D&O insurance) covering liabilities up to NOK 50 million annually. The insurance covers the Board of Directors and Executive Management.

The work of the Board of Directors

The Board of directors has overall responsibility for the management of the Group and for monitoring the day-to-day administration and the Group's business activities. This means that the Board is responsible for ensuring that control systems have been established and for ensuring that the Group is operated in compliance with established values, ethical guidelines and the owners' expectations for sustainable and socially responsible operations. The Board shall primarily protect the interests of all shareholders but is also responsible for safeguarding the interest of the Group's other stakeholders.

The Board oversees management and supervision, with formal instructions for the Board and the CEO defining roles, responsibilities, and disclosure of material interests. Material matters involving the Chair are chaired by another director.

Audit committee

Fjord Defence Group has an audit committee where the Board has adopted formal instructions consistent with the Code. The audit committee is a working committee for the Board, preparing matters and acting in an advisory capacity. The duties, tasks and composition of the audit committee shall follow the Norwegian Public Limited Liability Companies Act. In particular, the audit committee shall act as a preparatory body and support the Board in the exercise of its responsibility relating to financial reporting, auditing, internal controls, compliance with ethical policy such as environmental, social and governance.

The members of the audit committee are elected amongst the members of the Board for a term of up to two years. At least one member of the audit committee should be competent in respect of finance and audit, and a majority of the members should be independent of the Company. The Group's CFO and the Group's elected auditor normally attend the meetings. The CEO and other Board members have the right to attend at their own request. The mandate of the audit committee is subject to annual revision.

Participation in Board and committee meetings during 2025

Board member	Board meetings	Audit committee meetings
Nina Skage	17	4
Torstein Sanness	16	4
Ketil Skorstad	11	
Karl Sivert Skatland*	11	
Total meetings held	17	4

*Karl Sivert Skatland is a deputy to the Board of Directors representing Ketil Skorstad

Risk management and internal control

The Board is responsible for the Group's risk management and internal control systems that are appropriate in relation to the extent and nature of the Group's activities. Both the Board of Directors and the management of the Company focus on risk management and internal controls.

The Board conducts an annual review of material risks, Management's monitoring and reporting, any control weaknesses, and external reporting effectiveness. The CEO implements internal controls and reports results per the Board's annual plan. The corporate governance and Annual Report include the main areas of internal control related to financial reporting.

The Group also have a particular focus on export control and sanctions as well as good processes and guidelines to ensure compliance with Data Privacy regulations.

Routines have been established for notification and follow up on any alleged misconduct. The Group has a reporting channel that is available to all employees.

Remuneration of the Board of Directors

The Company has established guidelines for determining the salary and other remuneration for senior executives and the Board (Guidelines for management and BoD remuneration). The guidelines shall be reviewed by the General Meeting in the event of any significant changes and at least every four years. The guidelines were last reviewed and approved on the Extraordinary General Meeting on 18 December 2025.

Board remuneration is proposed by the Nomination Committee and determined by the AGM, reflecting responsibility, expertise, time, and business complexity.

The remuneration of the Board is designed to attract and retain an optimal Board structure in a competitive environment. The Board's remuneration shall reflect the Board's responsibility, expertise, use of time and the complexity of the Company's business activities. Remuneration shall not be dependent on or linked to the Company's performance. Except for Torstein Sannes, board member, who has options in the Company. See the Group's Annual Report for further information about the options. This is a deviation against the Code. Any remuneration above standard fees is disclosed in the Remuneration Report.

For detailed information about the Board's remuneration, see the Group's Remuneration Report.

Salary and other remuneration for executive personnel

The main purpose of the executive remuneration is to attract and retain executives, to align interests between executives and the Company's shareholders and stimulate a strong and enduring profit-oriented culture that is expected to contribute to share price growth. The remuneration to the executives shall promote the achievement of good financial results and leadership in accordance with the Company's

values and business ethics and shall reflect the content and complexity of the executives' position as well as the performance of the individual.

The total remuneration package for executives consists of a fixed salary, standard employee pension and insurance coverage, a variable salary element and share incentive programs. The fixed salary for executives shall be in line with the market level for corresponding jobs in the industry and be based on responsibilities, expertise, and performance. The level of fixed salary is to be reviewed annually. Within the framework of the employment agreements entered into, the remuneration to the CEO shall be recommended by the chairman of the Board of Directors and approved by the Board of Directors on an annual basis, while the remuneration to other executives shall be recommended by the CEO, in consultation with the chairman, and approved by the Board of Directors on an annual basis.

Information and communication

Fjord Defence ensures timely, accurate disclosure of interim and annual reports and significant interim information via stock exchange announcements and the Company's website.

The Group uses The Oslo Børs Code of Practice for IR as guidelines for its reporting. The Group will continue its English-only reporting under granted exemption.

The Group considers it very important to inform owners and investors about the Group's development and economic and financial status. Emphasis is placed on ensuring that the stock market receives equal and simultaneous information. In discussions with shareholders and analysts, the precautionary principle is applied with regard to the pre-distribution of information. The Group has directives regarding communication with the investor market and the handling of inside information. Equal treatment of all shareholders is emphasised.

Take-overs

Although it is recommended by the Code of Practice, the Board has not established separate policy on how to respond in the event of a take-over bid, but will comply with the following principles should such event occur:

In the event of a takeover bid, the Board will ensure that.

- 1) Shareholders in the Company are treated equally.
- 2) Shareholders are given sufficient information and time to form a view of the offer.
- 3) The Group's business activities are not disrupted unnecessarily.
- 4) The bid is not hindered or obstructed by the Board unless there are reasons to do that.
- 5) In case the bid is made for the Company's shares, no authorisations or resolutions are exercised or made by the Board with the intention to obstruct the take-over bid unless this is approved by the general meeting after the announcement of the bid.

With respect to any agreements entered by the Company and a bidder, the following principles shall apply:

- 1) An agreement limiting the Company's ability to arrange other bids for the Company's shares shall only be entered into if it is self-evident that such an agreement is in the Company and the shareholders' common interest. This shall also apply to any agreement on financial compensation to the bidder if the bid does not proceed.
- 2) An agreement that is material to the market's evaluation of the bid shall be disclosed no later than at the same time as the announcement that the bid will be made is published.
- 3) Any transaction that de facto is a disposal of the Company's activities shall be decided by the general meeting.

If an offer is made for the Company's shares, the Board shall issue a statement recommending its shareholders to accept or decline the offer. The Board's statement shall make it clear whether the views expressed are unanimous, and if such is not the case, explain the basis on which specific members of the Board have excluded themselves from the statement. The Board shall ensure that an explained valuation of the offer is prepared by an independent expert, which shall be disclosed no later than at the time of the disclosure of the Board's statement.

Auditor

The Group's auditor is elected by the General Meeting. PricewaterhouseCoopers AS (PwC) is the Group Auditor. Some smaller companies in the Group use other audit firms. Some foreign subsidiaries do not have an auditor as this is not part of the local requirements.

The Board of Directors require the Group's auditor to annually present to the Audit Committee the main features of the plan for the audit of the Group.

The auditor participates in meetings of the Board of Directors and the audit committee that deal with the annual accounts. At these meetings the auditor report on any material changes in the Company's accounting principles and key aspects of the audit, comment on any material estimated accounting figures and report all material matters on which there has been disagreement between the auditor and the Company's executive management.

Further, the Board of Directors has an annual review of the Company's internal control procedures with the auditor, including identified weaknesses and proposals for improvement. The Board of Directors has established guidelines in respect of the use of the auditor by the executive management for services other than audit. The remuneration to the auditor is subject to approval by the annual General Meeting. The Board of Directors will report to the General Meeting details of fees for audit work and any fees for other assignments.

Consolidated financial statement

Consolidated statement of comprehensive income

NOK thousands	Note	2025	2024*
Revenue	3,4	58 965	41 941
Changes in fair value of investments (loss)	3,11	(18 230)	(19 115)
Other gains (losses)		2 247	(7 871)
Cost of materials and direct services	3,5	(29 201)	(42 353)
Other operating expenses	3,6	(51 816)	(21 400)
Reversal other accrual		-	14 211
Depreciation		(828)	-
Amortisation multi-client	9	(61 612)	(68 865)
Impairment multi-client		-	(28 430)
Amortisation identified intangibles	10	(15 823)	-
Operating profit (loss) (EBIT)		(116 299)	(131 883)
Financial income		2 189	739
Financial expenses		(2 606)	(1 532)
Currency exchange gain (loss)		(779)	1 144
Profit (loss) before tax		(117 495)	(131 532)
Income tax (expense)	7	26 724	16 185
Profit (loss) for the period		(90 772)	(115 347)
Other comprehensive income, items that will not be reclassified to profit or loss			
Currency translation adjustments		(26 532)	38 049
Other comprehensive income (loss) for the period		(26 532)	38 049
Total comprehensive income (loss) for the period		(117 304)	(77 298)
Earnings (loss) per share			
Basic earnings per average share		(3.04)	(6.35)
Diluted earnings per average share		(3.04)	(6.35)

* Comparative figures have been restated. See note 24 for change in presentation currency.

Consolidated statement of financial position

NOK thousands	Note	31.12.2025	31.12.2024*	01.01.2024*
Assets				
Non-current assets				
Goodwill		178 180	-	-
Multi-client library	9	162 135	249 975	316 335
Other intangible assets	10	88 077	-	
Deferred tax asset	7	5 856		
Machinery and plant		2 701	-	
Right of use asset		2 584	-	
Investments	11	26 135	48 873	66 867
Financial assets		-	14 747	20 654
Total non-current assets		465 667	313 595	403 857
Current assets				
Inventories	13	19 702	-	
Trade receivables	12	19 510	-	9 117
Other current assets		19 178	871	12 879
Bank deposits, cash in hand	15	199 406	11 959	20 746
Total current assets		257 796	12 830	42 742
Total assets		723 463	326 425	446 599
Equity and Liabilities				
Equity				
Share capital and other paid in capital		1 143 156	677 727	682 797
Own shares		(9 035)	(18 907)	(19 148)
Other reserves		(487 181)	(390 137)	(275 687)
Other reserves - CTA		11 517	38 049	-
Total equity		658 457	306 732	387 961
Non-current liabilities				
Interest bearing debt	16	17 013	-	-
Lease liability	16	2 176	-	-
Total non-current liabilities		19 190	-	-
Current liabilities				
Interest bearing debt current	16	4 861	-	-
Trade payables		19 406	364	5 546
Taxes payables		10 881	8 802	23 222
Other current liabilities	17	10 668	10 527	29 870
Total current liabilities		45 816	19 693	58 638
Total liabilities		65 006	19 693	58 638
Total equity and liabilities		723 463	326 425	446 599

* Comparative figures have been restated. See note 24 for change in presentation currency.

The Board of Directors and CEO of Fjord Defence Group ASA

Oslo, 25 February 2026

Nina Skage
Chair

Ketil Skorstad
Director

Torstein Sanness
Director

Jon Asbjørn Bø
CEO

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
Balance as of 01.01.2025	234 691	443 036	(18 907)	(393 749)	3 611	38 049	306 732
Profit (loss) for the period				(90 772)			(90 772)
Other comprehensive income (loss)						(26 532)	(26 532)
Write down of nominal value, including own shares	(70 407)	70 407	5 672	(5 672)			-
Issue of ordinary shares (cash consideration) **	173 250	56 750					230 000
Issue of ordinary shares (consideration shares) ***	122 632	126 144					248 775
Transaction costs related to share issuance		(13 347)					(13 347)
Sale own shares			4 200	(600)			3 600
Balance as of 31.12.2025	460 165	682 991	(9 035)	(490 792)	3 611	11 517	658 457

NOK thousands	Share capital	Additional paid-in capital	Own shares	Accumulated earnings	Share based program	Other comprehensive income	Total equity
Balance as of 01.01.2024	239 760	443 036	(19 148)	(279 298)	3 611	-	387 961
Profit (loss) for the period				(115 347)			(115 347)
Other comprehensive income (loss)						38 049	38 049
Purchase own shares			(4 828)	897			(3 931)
Delete own shares	(5 069)		5 069				
Balance as of 31.12.2024*	234 691	443 036	(18 907)	(393 749)	3 611	38 049	306 732

* Comparative figures have been restated. See note 24 for change in presentation currency.

**In relation to the acquisition of Fjord Defence AS and Scanfiber Composites A/S the company raised funds through multiple shares issues and a subsequent offering for the financing of the cash portion of the consideration, resulting in an increase in share capital of NOK 173 250 thousand and an increase in additional paid-in capital of NOK 56 750 thousand.

***As part of the acquisition of Fjord Defence, the company issued 175,187,968 consideration shares, each with a subscription price of 1.42 NOK and par value of 0.7 NOK, resulting in an increase in share capital NOK 122 632 thousand and an increase in additional paid-in capital of NOK 126 144 thousand.

Consolidated statement of cash flow

NOK thousands	2025	2024*
Cash flow from operating activities		
Profit (loss) before tax	(117 495)	(131 532)
Taxes refund (paid)	(1 867)	1
Depreciation, amortisation and net impairment	78 005	97 295
Depreciation of leasing assets	258	(1 772)
Changes in fair value of investments	18 230	20 188
Changes in other gains (losses)	(2 247)	8 284
Other working capital changes	(18 819)	(2 019)
Net cash flow from operating activities	(43 935)	(9 554)
Cash flow from investing activities		
Disposal of property, plant and equipment	16 805	-
Cash paid from investment in Fjord Defence AS	(21 411)	-
Cash received/paid from other investments	4 508	5 499
Net cash flow from investing activities	(98)	5 499
Cash flow from financing activities		
Proceeds from interest bearing debt	25 000	-
Repayment of interest bearing debt	(2 500)	-
Net proceeds from new equity	230 000	-
Cost of new shares issued	(13 347)	-
Investment / sale own shares	3 600	(4 195)
Loan in Fjord Defence AS - cash settlement	(9 000)	-
Payment of principle portion of lease liability	(215)	-
Interest paid	(1 335)	(2 924)
Interest paid on lease liability	(98)	-
Other finance cost	(626)	-
Net cash flow from financing activities	231 479	(7 118)
Net change in cash and cash equivalents	187 447	(11 174)
Cash and cash equivalents balance 01.01	11 959	23 133
Cash and cash equivalents balance 31.12	199 406	11 959

* Comparative figures have been restated. See note 24 for change in presentation currency.

Notes to the financial statements

Note 1 Basis for presentation

The consolidated financial statements are prepared in accordance with IFRS[®] Accounting Standards as adopted by the EU, their interpretations adopted by the International Accounting Standards Board (“IASB”) and the additional requirements of the Norwegian Accounting Act as of 31 December 2021.

The separate financial statements for the parent company have been prepared and presented in accordance with simplified IFRS as approved by Ministry of Finance 10 December 2019. In the separate statements the exception from IFRS for recognition of dividends and group contributions is applied. Otherwise, the explanations of the accounting policy for the group also apply to the separate statement, and the notes to the consolidated financial statements will to a large degree also cover the separate statements. Additional disclosures in accordance with requirements in the Norwegian Accounting Act related to remuneration to the board and the senior management is also included.

The notes are an integral part of the consolidated financial statements.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets financial instruments that have been measured at fair value. The financial statements of the subsidiaries have been prepared for the same reporting year as the Company, using consistent accounting policies.

The Company’s functional currency is USD. From 1 January 2026 the Company changed its functional currency to NOK.

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 24 Change in presentation currency.

The income statement is presented by showing expenses by their nature. The statement of cash flows is presented using the indirect method.

The consolidated financial statements of the Group were authorised by the Board of Directors on 26 February 2026. The consolidated financial statements will be presented for approval at the Annual General Meeting on 21 May 2026. Until this date, the Board of Directors has the authority to amend the financial statements.

The annual financial statements have been prepared under a going concern assumption. These assumptions rest on financial forecasts and plans for the coming period and plans for coming years based on the assumptions made about future events and planned transactions

Note 2 Key accounting estimates and assumptions

The preparation of the Group’s consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's accounting policies, management has made various judgements. Those which management has assessed to have the most significant effect on the amounts recognised in the consolidated financial statements have been discussed in the individual notes of the related financial statement line items.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year, are described in the individual notes to the related financial statement line below. The Group based its assumptions and estimated parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future development, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Fair value measurement

Certain financial instruments are measured at fair value. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement, and can be described as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Accounting and business combinations

When acquiring business in accordance with IFRS 3, Management performs a purchase price allocation where management uses judgement and estimates to identify, value and estimate useful life of intangible assets and determination of contingent consideration where applicable.

Impairment of intangible assets

The Group uses the value in use method to estimate the present value of intangible assets.

Goodwill is not amortised but tested for impairment annually or when impairment indicators are present. Impairment testing is performed for each cash generating unit (CGU) to which consolidated goodwill is allocated, as defined by Management. Impairments are recognised by reducing the carrying amount of goodwill first, before other assets in the CGU are reduced on a pro-rata basis. Impairments of goodwill are not reversed.

The useful life of other intangible assets is reassessed at each financial year-end, or earlier if Management identifies any specific indications. Indicators may be increased churn, cancellation of framework agreements or orders and indicators that the Group's technology is outdated.

Assessment of the multi-client library, project Utsira including the reprocessing and project Egypt, is based on expectations of future multi-client late sales according to the cash flow prognosis used by management for 2025.

There are uncertainties when it comes to the timing of the late sales and the size of the late sales. The management has weighted these uncertainties with probability in their discounted cash flow calculations. The WACC used in the calculation is comparable to peers.

Note 3 Segment reporting

Income statement 2025/2024*	Defence		Seismic		Group		Total	
NOK thousands	2025	2024	2025	2024	2025	2024	2025	2024
Revenues	46 517	-	12 448	41 941	-	-	58 965	41 941
Change in fair value investm. (loss)	-	-	-	-	(18 230)	(19 115)	(18 230)	(19 115)
Other gains (losses)	-	-	2 247	(7 871)	-	-	2 247	(7 871)
Cost of materials and direct services	(28 303)	-	(898)	(42 353)	-	-	(29 201)	(42 353)
Other operating expenses	(9 109)	-	(3 011)	(2 134)	(39 696)	(19 266)	(51 816)	(21 400)
Reversal other accrual	-	-	-	14 211	-	-	-	14 211
Depreciation	(828)	-	-	-	-	-	(828)	-
Amortisation multi-client	-	-	(61 612)	(68 865)	-	-	(61 612)	(68 865)
Impairment multi-client	-	-	-	(28 430)	-	-	-	(28 430)
Amortisation identified intangibles	(15 823)	-	-	-	-	-	(15 823)	-
Operating profit (loss) (EBIT)	(7 546)	-	(50 826)	(93 502)	(57 926)	(38 381)	(116 299)	(131 883)

* Comparative figures have been restated. See note 24 for change in presentation currency.

The Group's business is primarily the sale of equipment to the defence industry through Fjord Defence AS and sale of seismic data from its legacy multi-client library under the brand Axxis.

The Group's the chief operating decision maker (CODM) is the Board of Directors of the Company. The Board of Directors is responsible for allocating resources and assessing the performance of the segments.

The Group's performance is reviewed by the CODM on an industry basis, where the Group has two operating segments; Defence and Seismic. The "Group" column relates to other business activities, such as head office function, investments and other unallocated items.

The principles for measuring segments performance is the same as the Group's accounting principles.

Defence

On 20 June 2025, the Group acquired Fjord Defence AS that specialises 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. All revenues and expenses in the Defence segment is related to Fjord Defence AS.

On 26 November 2025, the Group signed an agreement to acquire Scanfiber. The closing of the transaction was subject to approval from Danish authorities that was granted on 19 February 2026. Subsequent to this, closing took place at 25 February 2026. Scanfiber is not reflected in the Groups financial statements for 2025 and will be included in the Group's defence segment in future reporting.

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 multiclient data library currently consists of Ocean Bottom Node (OBN) seismic data from two key projects: the Gulf of Suez in Egypt, finalised in the third quarter of 2022, and Utsira in Norway, finalised in the third quarter of 2020. Following the completion of these projects, the Group has not conducted additional seismic surveys, and its multiclient data library is limited to these datasets.

In March 2025 the company received settlement of its financial asset related to the sale of ocean bottom node (OBN) equipment to TGS (via Magseis Fairfield), originally concluded in March 2022. As part of the earnout structure agreed upon in the transaction, the company received the year-three floor payment of USD 1.5 million, and which resulted in "Other gains" in the first quarter of USD 0.2 million. The "Other losses" in 2024 is due to reduction in fair value of financial asset related to the earnout structure.

NOK thousands	Defence	Seismic	Group	Total
As of 31 December 2025				
Total assets	325 666	173 291	224 506	723 463
Total liabilities	19 107	15 509	30 391	65 006
As of 31 December 2024				
Total assets	-	268 173	58 252	326 425
Total liabilities	-	15 262	4 431	19 693

Note 4 Revenues

In accordance with IFRS 15, management analyses the revenue contracts with customers and disaggregates the revenue into the following categories, which depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors:

- Defence equipment
- Seismic data

Revenues from customers are disaggregated by segment, geography and timing of the reception.

The entity has had two customers during the reporting period, each accounting for more than 10% of its total revenues. Revenues from these customers amounted to 35% and 14%, respectively, of the entity's total revenues for the year. Both customers' revenues are attributable to the Defence segment.

Defence

Fjord Defence AS' customer contracts primarily concern deliveries of weapon accessories equipment, including mounts, tripods, pedestals, swing arms, and related equipment. Revenue from proprietary contracts, where Fjord Defence Group ASA delivers services for the exclusive benefit of the customer, is recognised over time, with a percentage of completion basis. Depending on the nature of the contract, progress is measured according to the cost incurred in relation to total cost of the project or part of the project with addition of estimated profit margin.

Fjord Defence Group also has significant proportion of deliveries where the revenues are recognised upon delivery. Equipment deliveries are largely assessed as being independent and have a short time horizon, and the revenue is therefore recognised as income upon delivery.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and trade allowances. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenue is recognised net of VAT, discounts and foreign exchange effects if the transaction is in a foreign currency. Intra-group sales are eliminated on consolidation.

Seismic

The Group owns one legacy multi-client library and has an earn-out agreement on another. The Group earn a revenue share from the late sales of both the libraries. Revenues are recognised at point-in-time when the processed data is delivered to the customer.

NOK thousands		
Revenues per segment	2025	2024
Defence equipment	46 517	-
Seismic related revenues	12 448	41 941
Total	58 965	41 941

Revenue recognised based on progress in the projects (over time)	7 388	-
Revenue recognised upon delivery of goods and services	51 577	41 941
Total	58 965	41 941

Geographical distribution	2025	2024
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Defence

Core Europe *	20 483	-
Nordics and Baltic states **	16 972	-
USA	2 920	-
Rest of Europe	6 142	-
Total defence revenue	46 517	-

Seismic revenue

Norway	9 832	41 941
USA	2 616	-
Total seismic revenue	12 448	41 941
Total Group	58 965	41 941

* UK, Germany, France and Poland

** Norway, Sweden, Denmark, Finland, Estonia, Latvia, Lithuania

Other gains (losses)	2025	2024
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Sale of note assets - earn-out model	2 247	(7 871)
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Note 5 Cost of materials and direct services

NOK thousands		
Cost of materials and direct services	2025	2024
Raw materials and consumables used	(29 580)	-
Change in inventory	1 276	-
Reprocessing seismic data	(891)	(42 382)
Other cost of sales including reversals	(7)	(81)
Reversal of cost previous period	-	111
Total cost of materials and direct services	(29 201)	(42 353)

The cost of materials and direct services items labelled Seismic is related to the seismic segment, other costs are related to Defence. The Group does not recognise personnel expenses, depreciation or amortisation as part of its cost of materials and direct services.

Note 6 Other operating expenses

Other operating expenses include personnel expenses, transaction costs related to acquisitions and capital raises, head-office expenses, marketing and other costs related to sales, and other operating expenses.

Transaction costs are related to the acquisition of Fjord Defence AS, the uplisting to Oslo Børs, and preparation of Prospectuses.

NOK thousands		
Other operating expenses	2025	2024
Personnel expenses	10 806	12 183
Transaction costs	20 127	-
Other operating expenses	20 884	9 217
Total operating expenses	51 816	21 400

Personnel expenses and board remunerations	2025	2024
Wages and salaries	9 322	7 328
Social Security costs	1 813	1 156
Pension costs	571	474
Other remuneration	260	3 237
Share based payment expense	-	-
Refund salary	(5)	(12)
Total personnel expense	11 960	12 183
Capitalization of personnel expenses	(1 154)	-
Total personnel expenses, net of capitalisations	10 806	12 183

FTEs	2025	2024
Number of FTEs for the year ended 31 December	8.5	2.7

The Group has a defined contribution pension plan. The contribution plan is a retirement plan in which the Group pays fixed contributions to a separate legal entity. The Company has no further payment obligations once these contributions have been paid. Contributions are booked as cost on an ongoing basis. The Group meets the requirements for occupational pension scheme under the Act on Obligatory Occupational Pensions. The contribution pension scheme in Norway meets the legal requirements.

The Group has not granted any loan or collateral to the Chair or other Directors of the Board or other related parties.

Management and Board of Directors remuneration

Remuneration to the Board of Directors and Management is detailed below:

NOK thousands		
Key management personnel compensation	2025	2024
Base salary	3 000	2 734
Pension	314	233
Other Benefits	69	43
Number of options held	-	-
Board of Directors compensation	2025	2024
Board remuneration	1 040	1 040
Number of options held	66 667	800 000

Key management is defined as group management, and the CEO Jon Asbjørn Bø is included from July 2025.

For detailed information of executive officers and Board of Directors compensation, see the 2025 Remuneration Report.

See note 21 Share capital and shareholder information for the Group for shares held by the executive officers and the Board of Directors.

Note 7 Tax

Tax (income) in 2025 was NOK 26 724 thousand compared with NOK 16 185 thousand tax (income) in 2024.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generate taxable income.

NOK thousands	2025	2024
Specification of tax expense (income) for the year		
Payable tax	1 732	-
Withholding tax and corporate tax abroad	-	-
Changes in deferred taxes	(28 456)	-
Changes from previous years	-	(16 185)
Total tax expense (income)	(26 724)	(16 185)
Reconciliation of actual against expected tax expense (income) at the income tax rate of 22%		
Profit (loss) before tax	(117 495)	(131 532)
22% tax	(25 849)	(28 937)
Tax effect from:		
Withholding tax abroad	-	-
Permanent differences	946	1 064
Not booked deferred tax assets	(5 598)	6 606
Currency effect	321	(11 104)
Non deductible transaction expense	3 456	-
Changes from previous years	-	16 185
Calculated tax expense (income)	(26 724)	(16 185)
Effective tax rate for the Group	23 %	12 %
NOK thousands		
	31.12.2025	31.12.2024
Deferred tax liabilities (assets)		
Intangible assets	19 377	-
Other non-current assets	(5 304)	(8 858)
Capital gain and loss account	(1 537)	-
Accumulated loss carried forward	(141 538)	(125 362)
Gross deferred tax liabilities (assets)	(129 002)	(134 220)
Deferred tax assets not recognised	(123 146)	(134 220)
Deferred tax liabilities (assets) recognised	(5 856)	-
Movement in deferred tax liabilities (assets)		
01.01	-	-
Charged to the income statement	(28 456)	-
Effects of business combinations	22 600	-
31.12	(5 856)	-

The Group has accumulated loss carried forward of NOK 643.3 million in Norway with no expiry date. The Group has recognised a deferred tax asset of NOK 18.3 million related to tax losses carried forward, of which NOK 12.5 million is offset by taxable temporary differences, and NOK 5.8 million related to expected

taxable income in the coming years. For NOK 559.8 million of the tax losses carried forward, no deferred tax asset has been recognised.

The acquisition of Fjord Defence AS has made it possible to utilize existing loss carried forward in the Group, and has therefore led to a negative tax expense for the year.

Withholding taxes

Withholding taxes are included in the tax expense to the extent that a tax credit is available in the income tax in the home state. Changes from previous years in 2024 is related to change in accrual for corporate income tax in Egypt, where the taxes have not been settled.

Note 8 Goodwill

The Group's goodwill stems from the acquisition of Fjord Defence AS. Goodwill has indefinite useful life and is not subject to amortisation and is tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units or CGU). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Goodwill is allocated to the Defence CGU, which represent the lowest level within the group for internal monitoring of earnings:

NOK thousands	Defence	Total
Book value		
Balance at 1 January 2025	-	-
Acquisition through business combinations	178 100	178 100
Balance at 31 December 2025	178 100	178 100

The recoverable amounts of the CGUs were determined based on value in use calculations.

The following table sets out the key assumptions for the CGUs value in use that has significant goodwill allocated to them:

2025

Terminal growth rate (%)	2%
Pre-tax WACC (%)	12.2%
Forecast period	5 years

Additionally, revenue growth is important for the value in use. Management has prepared detailed analysis of the next five years based on NATO's historical defence expenditure, NATO's spending commitments and reports analysing future European defence spending, including OEM pipeline of orders on platforms the Group's products are used. Management estimates revenue growth in the period of 23.9% CAGR. The estimated margins are in line with Group's historical performance. The terminal growth rate of 2% and risk-free rate is in line with the economic outlook reports specific to the area in which the CGU operates.

Sensitivity Analysis

In connection with the impairment testing of goodwill, a sensitivity analysis has been carried out. The sensitivity analysis tested changes in WACC and growth rates. The estimates used to determine future cash flows and WACC when calculating value in use are subject to uncertainty. The assumptions are described below.

The recoverable amount is determined based on value-in use, calculated by discounting expected future cash flows and exceeds the carrying amount with a satisfactory margin.

An isolated change in the following assumptions would result in the carrying amount being equal to the recoverable amount:

- An increase in the discount rate of approximately 0.8 percentage points, or
- A reduction in the terminal growth rate of approximately 1.5 percentage points.

Management considers such changes reasonably possible but does not expect them to occur simultaneously.

Note 9 Multi-client

The multi-client library comprises geophysical data licensed non-exclusively to customers. Directly attributable costs of production and development (including data acquisition, processing, vessel costs, payroll, project management, hardware/software and mobilisation) are capitalised. The library is carried at capitalised cost, less accumulated amortisation and impairment

NOK thousands	31.12.2025	31.12.2024
Cost as of 01.01	945 285	945 285
Additions	-	-
Cost as of 31.12	945 285	945 285
Accumulated amortisation and impairment as of 01.01	(695 310)	(628 950)
Amortisation for the period	(61 612)	(68 865)
Impairment	-	(28 430)
Currency exchange effect	(26 228)	30 935
Accumulated amortisation and impairment as of 31.12	(783 151)	(695 310)
Carrying value at 01.01	249 975	316 335
Carrying value at 31.12	162 135	249 975

Amortisation

Completed projects are amortised straight-line over individually assessed useful lives, with estimates revised quarterly. No amortisation is recognised until data licensing begins (typically upon processing completion and customer access). Accelerated amortisation is recognised if recoverable amount (net present value of expected late sales) falls below net book value.

Impairment

Impairment is tested quarterly and after each significant sale. Each survey is a separate CGU. Impairment losses (carrying amount exceeds recoverable amount, the higher of fair value less costs of disposal and value in use) are recognised immediately in profit or loss. Quarterly impairment testing uses a DCF model with probability-weighted sales scenarios, conservative estimates, and discount rates (WACC 10.10% for Norwegian assets, 12.44% for Egyptian assets). As of 31 December 2025, two surveys exist:

- Utsira OBN (Norway): amortisation began Q3 2020 (extended to 10-year life in 2022); 10-year exclusivity from processing completion (original data public domain late 2030, reprocessed 2034); post-impairment carrying amount NOK 148.8 million (including NOK 28.4 million 2024 charge due to reduced prospective clients from APA-2024 awards), as of 31 December 2025.
- Egyptian Suez survey: amortisation began Q3 2022 over 4 years; revenue share capped at USD 13.7 million, and a current book value of NOK 13.3 million as of 31 December 2025.

Note 10 Other Intangible assets

In June 2025, the Group acquired Fjord Defence AS. In connection with the acquisition the Group performed a purchase price allocation to identify assets and liabilities. The intangible assets in the table below were identified. See note 20 Business Combinations for further information.

The Group recognises its intangible assets, initially at cost, and subsequently at cost less accumulated amortisation and impairments.

The useful life of other intangible assets is reassessed at each financial year-end, or earlier if Management identifies any specific indications. Indicators may be increased churn, cancellation of framework agreements or orders and indicators that the Group's technology is outdated.

NOK thousands	Customer relationships	Order backlog	Technology	Total
Cost as of 01.01	-	-	-	-
Additions	-	-	-	-
Acquisition through business combinations	59 500	14 500	29 900	103 900
Disposals	-	-	-	-
Currency adjustment	-	-	-	-
Cost as of 31.12	59 500	14 500	29 900	103 900
Accumulated amortisation and impairment				
Balance as of 01.01	-	-	-	-
Amortisation for the year	(4 546)	(8 373)	(2 904)	(15 823)
Impairment losses	-	-	-	-
Accumulated amortisation and impairment as of 31.12	(4 546)	(8 373)	(2 904)	(15 823)
Carrying value at 01.01	-	-	-	-
Carrying value at 31.12	54 954	6 127	26 996	88 077
Useful life	12	0-5	7	
Amortisation method	Declining	Based on contracts	Straight line	

Note 11 Investments

The Group's shares in Capsol Technologies are classified as FVPL and initially recognised at fair value on the date of acquisition and are subsequently remeasured to their fair value through profit and loss at the end of each reporting period. The fair values are based on closing price on Oslo Stock Exchange at the balance sheet date.

NOK thousands			
Investments	Number of shares	31.12.2025	31.12.2024
Listed securities			
Capsol Tehnologies ASA	4 033 188	26 135	44 365
Listed securities		26 135	44 365
Unlisted securities			
Arbaflame AS	-	-	4 508
Unlisted securities			4 508
Total investments		26 135	48 873

NOK thousands

Pricing sensitivity		Gain/(loss)	Gain/(loss)
Investments	31.12.2025	of 5% movement	of 10% movement
Capsol Tehnologies ASA	26 135	1 307	2 614

Note 12 Trade receivables and other current assets

Trade receivables in the Group are measured at its amortised cost.

The Group's customers are credit worthy OEMs and governments within the defence industry. The Group's exposure to potential bad debts is not significant and default rates have historically been low. Trade receivables are written off when there is no reasonable expectation of recovery, which may be indicated by the debtor failing to engage in a payment plan or failing to make timely contractual payments. Reasonably possible changes in these estimates are unlikely to have a material impact on the trade and other receivables balance.

NOK thousands		
	31.12.2025	31.12.2024
Prepayments	1 050	871
Accrued income	11 840	-
Other current receivables	6 287	-
Total other current assets	19 178	871

Ageing of trade receivables		31.12.2025
Not past due		448
< 30 days		9 460
30 - 60 days		78
61 - 90 days		546
> 90 days		8 978
Total trade receivables, net		19 510

Note 13 Inventory

NOK thousands		
Inventories	31.12.2025	31.12.2024
Inventories at cost	19 702	-
Impairment	-	-
Total inventories	19 702	-

Inventories consist mainly of raw materials, work-in-progress and finished defence equipment. Finished goods consists primarily of weapon accessories equipment, including mounts, tripods, pedestals, swing arms, and related equipment ready to be shipped to the customers once the entire order is finalised.

Inventories are measured at the lower of cost and net realisable value using the first-in-first-out (FIFO) method. The costs of the finished defence equipment consist of direct costs related to the acquisition of the goods. Net realisable value is the estimated sales price less relevant variable costs to sell. Cost of purchased inventory are determined after deducting rebates and discounts.

Note 14 Categories of financial instruments

Fair value measurement

Certain financial instruments are measured at fair value. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement, and can be described as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

NOK thousands		
ASSETS	31.12.2025	31.12.2024
Financial assets at amortised cost		
Bank deposits, cash in hand	199 406	11 959
Trade receivables	19 510	-
Other current receivables	18 594	871
Financial assets at fair value through profit and loss		
Investments	26 135	48 873
Interest rate swaps	207	-
Forward foreign exchange contract	377	-
Financial assets	-	14 747
Total financial assets	264 229	76 450
LIABILITIES	31.12.2025	31.12.2024
Financial liabilities at amortised cost		
Bank borrowings	21 874	-
Leasing	2 176	-
Trade payables	19 406	364
Other current liabilities	10 668	10 527
Total financial liabilities	54 125	10 891

The Group's exposure to various risks associated with the financial instruments is discussed in note 14 Financial risk management. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

Due to the short-term nature of bank deposits, cash in hand, trade receivables and other current receivables, their carrying amount is considered to be the same as their fair value.

Interest rate swap derivatives and foreign exchange forward contracts

The Group uses derivatives for economic hedging purposes to reduce cash flow risk and not as speculative investments.

Derivatives are classified as FVPL and initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value through profit and loss at the end of each reporting period. The fair values are based on observable market prices obtained from external parties and are based on mid-range marked interest rates and prices, excluding margins, at the reporting date. The derivatives are defined as Level 2 in the fair value hierarchy. The derivatives are classified as non-current asset or liability if the maturity date is later than twelve months from the balance sheet date and there is no intention to close the position within twelve months from the balance sheet date.

Changes in the fair value of any derivative instrument are recognised immediately in profit or loss and are included in financial income or financial expense. The fair values of the outstanding derivatives as at the balance sheet date are disclosed below.

Subsequent to initial recognition, interest bearing loans are measured at amortised cost using the effective interest method. Gains and losses are recognised in the consolidated statements of profit or loss when the liabilities are derecognised as well as through the amortisation process. The carrying value of borrowing is less amortised cost. The carrying amount of trade and other payables is considered to be approximately the same as their fair values, due to their short-term nature.

Note 15 Cash and other cash equivalents

Cash and other cash equivalents includes cash on hand, deposits, restricted deposits and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to cash with insignificant risk of changes in value. Bank overdrafts are shown with borrowings in current liabilities in the balance sheet.

NOK thousands	31.12.2025	31.12.2024
Bank deposits (NOK)	158 706	6 330
Bank deposits (currency)	39 997	5 238
Restricted bank deposits	703	391
Total bank deposits	199 406	11 959

Restricted bank deposits relate to employee withholding tax. These deposits are subject to regulatory restrictions and are therefore not available for general use by the entities within the Group. The account is used to settle employee withholding tax

Note 16 Borrowings and other 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 million, 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. This facility is fully drawn from 20 June 2025.

Facility B (M&A Facility): This facility provides NOK 30 million earmarked for future acquisitions (Permitted Acquisitions) and related costs. The facility is available for drawdowns until June 2027 and is currently not utilised. 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 million, available to Fjord Defence AS. It is intended to cover the company's general working capital needs. As of 31 December 2025, the Group has not drawn down any amounts on the Overdraft Facility.

Seasonal Facility: A seasonal short-term loan facility of NOK 10 million, 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 31 December 2025, the Group has not drawn down any amounts on the Seasonal Facility.

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

As of 31 December 2025, Fjord Defence Group ASA had the following debt and financial obligations in accordance with the Senior Facilities Agreement and lease obligations, and as detailed in the tables below.

Overview of borrowings and other interest bearing liabilities		
NOK thousands	31.12.2025	31.12.2024
Non-current		
Nordea - Term loan	17 013	-
Lease liability	2 176	-
Total non-current	19 190	-
Current		
Nordea - Term loan	4 861	-
Lease liability *	451	-
Total current	5 312	-

* Included in "Other current liabilities"

Leasing

Fjord Defence AS leases its offices and production facility.

The table below sets out the payment profile for the Group's leasing and borrowing.

NOK thousands	Within 1 year	1-5 years	Total
Loan liabilities	5 000	17 500	22 500
Interest liabilities	1 600	3 111	4 711
Leasing	454	2 174	2 627
Total	7 054	22 785	29 838

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

Covenants

As of 31 December 2025 all covenant requirements were met.

The Group's covenants related to its borrowing facilities are:

Covenant	Definition	Condition
Leverage ratio	Net Debt to LTM pro forma Adjusted EBITDA	Not more than 3.5 : 1
Interest coverage ratio	LTM pro forma Adjusted EBITDA to interest expenses	More than 3:1
Minimum liquidity	Cash and cash equivalents	More than NOK 25 million

Note 17 Other current liabilities

NOK thousands	31.12.2025	31.12.2024
Holiday pay owed	1 402	553
Egyptian tax *	5 691	6 104
Other accrued costs	3 124	3 870
Lease liability current	451	-
Total other current liabilities	10 668	10 527

* These taxes payables are related to Egyptian taxes for withholding and crew related tax originally in EGP, and there is no change for 2025 compared to 2024 except that the Group has made a provision for additional interest as the company is awaiting results from the corporate tax inspection by Egyptian tax authorities.

Note 18 Financial risk and capital management

The Group is exposed to financial risks, including market risk, currency risk, interest rate risk, liquidity, and credit risk. This note presents information related to the Group's exposure to such risks, the Group's objectives, policies and procedures for risk management and handling, as well as the Group's management of capital. The Group does not apply hedge accounting.

Risk management

The Group's overall risk management plan is to ensure:

- the ongoing liquidity of the Group, defined as being able to meet its obligations at any time, including being able to meet the financial covenants related to the Group's borrowings.
- flexibility in terms of capital structure and access to liquidity and capital to be able to seize opportunities as they arise to execute its compounder strategy within the defence industry

Capital management

The purpose of the Group's capital management is to ensure a predictable financial framework for operations, provide the shareholders with a return and support the portfolio companies' growth.

The Group's capital structure considers the required financial flexibility to execute strategic plans, to handle existing debt financing arrangement as well as working capital needs. The Group's leverage ratio may differ over time due to the factors mentioned above but will always be kept below relevant covenants at any time. The Group will strive to maintain leverage ratio at or below 2.5 over time.

The Group manages its capital structure and adjusts considering changes in economic conditions. To maintain or adjust the capital structure and available liquidity, the Group may return capital to shareholders, issue new shares, repay or issue new debt.

Market risk – price risk

Market risk can be defined as the risk that the Group's income and expenses, future cash flows or fair value of financial instruments will vary as a result of changes in market prices. The market price includes three types of risks: exchange risks, interest risks and price risks.

Market risk is monitored and managed continuously by the Group through a combination of natural hedging techniques and financial derivatives.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. All placements of excess cash are bank deposits. The Group is exposed to credit risk through sales and uses best efforts to manage the risk. The Board monitors these closely, with credit risk managed through customer assessments (primarily blue-chip military OEMs and defence entities considered financially sound), receivables monitoring, and placement of excess cash in low-risk instruments. The Group considers the concentration of risk with respect to trade receivables as low due to the Group's credit rating policies and its long-standing relationship with the majority of its customers.

Liquidity risk

The Group's primary sources of liquidity are cash flow from operations, equity injected by its shareholders and borrowings. The Group's liquidity requirements consist primarily of funding the Group's compounder strategy, a liquidity buffer to seize opportunities as they arise and provide working capital and capex injections in the Company's portfolio companies to support growth.

Liquidity risk arises from lack of correlation between cash flow from operations and financial commitments. Liquidity risk is considered low, supported by a solid cash position, net cash flows from operations, and access to facilities following recent transactions and placements. As of the balance sheet date, the Group held current assets of NOK 257 796 thousand, of which cash and cash equivalents represented NOK 199 406 thousand. In comparison, current liabilities amounted to NOK 45 816 thousand. Additionally, the Group has NOK 60 million in undrawn credit facilities.

The table below provides an overview of the maturity profile of trade payables and other current liabilities. For bank loans the stated amount includes estimated interest payments. In cases where the counterpart may claim earlier redemption, the amount is placed in the earliest period, and the payment may be required from the counterparty.

2025	Remaining Term		
	Within 1 year	1-5 years	Total
NOK thousands			
Trade payables	19 406	-	19 406
Other current liabilities	10 668	-	10 668
Loan liabilities	5 000	17 500	22 500
Interest liabilities	1 600	3 111	4 711
Leasing	454	2 174	2 627
Total	37 129	22 785	59 913

Currency risk

The Group operates internationally and is exposed to changes in foreign exchange rates. For risk management purposes, the Group has identified three types of exchange exposures:

- a. Revenues and operating expenses in foreign currency; and
- b. Net investment; and

Substantial portions of the Group's revenues and are in foreign currencies, predominantly (EUR, USD, GBP, SEK and DKK). Due to this, there is a certain operational exposure to exchange rate fluctuations. The Group's operating expenses are mainly in NOK, additionally the many of the supplier contracts are in foreign currencies.

Fjord Defence Group has various financial assets. These are held mainly in USD and NOK. The group's principal financial liabilities comprise bank loans, trade payables and other current liabilities. The Group's cash and cash equivalents are primarily held in NOK.

The Group's hedging policy is to naturally hedge Net investment currency risk through lending in the same currency. The Group may also enter into foreign exchange forward contracts to hedge large transactions such as acquisition settlements. For the Scanfiber acquisition the Group has entered into forward contracts to hedge the majority of the currency exposure for the cash settlement.

The Company's functional currency for 2025 is USD, while the reporting currency is NOK. From 1 January 2026 the Company changed its functional currency to NOK.

An appreciation or depreciation of the USD relative to NOK of 10% on 31 December would have affected profit or loss before tax with the following amounts:

NOK thousands	Change in exchange rate USD/NOK	Effect on profit before tax	
			Effect on OCI
2025	+ 10 %	(5 307)	-
	- 10 %	6 486	-
2024	+ 10 %	(2 669)	-
	- 10 %	(2 641)	-

The Group also have assets in Egypt, where the currency risk towards EGP is mainly related to the tax liabilities to the Egyptian Tax Authorities (which are reflected in the balance sheet).

Interest rate risk

The Group is exposed to interest rate risk through its floating rate borrowing facilities. The Group's borrowings are denominated in NOK and exposed to changes in NIBOR.

The Group's policy is to hedge the majority of its interest rate exposure through interest rate swaps with adequate maturities to match the outstanding debt.

Note 19 Group structure

Fjord Defence Group ASA owns the following legal entities as of 31 December 2025

Subsidiary of Fjord Defence Group ASA:	Date of acquisition	Jurisdiction	Ownership and voting rights %
Fjord Defence Group AS (Neptune Seismic AS)	2017	Norway	100 %
Axxis Geo Solution Inc.	2017	USA	100 %
Axxis Multi Client AS	2018	Norway	100 %
Axxis Production AS	2019	Norway	100 %
Aquila Holdings Investment AS	2019	Norway	100 %
Axxis Geo Solutions Egypt LLC*	2019	Egypt	100 %
Fjord Defence AS	2025	Norway	100 %
Fjord Defence Inc.	2025	USA	100 %

Note 20 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 recognises 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 recognised 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 recognised 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 recognised as if they had been completed at the acquisition date.

The acquisition of Fjord Defence AS

Description

On 20 June 2025, the Completion Date, Fjord Defence Group ASA acquired 100% of the outstanding shares of Fjord Defence AS, a company that specialises 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 recognised as at the acquisition date, by major class of assets acquired and liabilities assumed are the following:

Net assets acquired through a business combination	Fair value
NOK thousands	
Non-current assets	
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
Total non-current assets	107 500
Current assets	
Inventory	14 900
Trade and other receivables	19 700
Cash and cash equivalents	10 200
Prepayments	1 300
Total current assets	46 100
TOTAL ASSETS	153 600
Non-current liabilities	
Borrowings	9 000
Deferred tax liability	22 600
Lease liability	2 400
Total non-current liabilities	34 000
Current liabilities	
Trade and other payables	7 400
Current tax liabilities	3 300
Overdraft facility	1 600
Other current liabilities	6 200
Lease liability	400
Total current liabilities	18 900
TOTAL LIABILITIES	52 900
Net identifiable assets acquired	100 700
Goodwill	178 100
Net assets acquired	278 800

The goodwill of NOK 178.1 million arising from the acquisition reflects future growth opportunities in an expanding market within the defence industry, assembled workforce, 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 Defence AS contributed revenue for an amount of NOK 46 517 thousand; and net loss of NOK 6 197 thousand to the Group for the period from 20 June to 31 December 2025. Fjord Defence AS had revenues of NOK 93 488 thousand and net loss of NOK 2 707 thousand for the year ended 31 December 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 (net of overdraft facility of 1.6 million) 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 6 850 thousand were incurred by the Group for the acquisition of Fjord Defence AS.

The Scanfiber Acquisition

Description

On 25 February 2026, the Company acquired 100% of the shares in Scanfiber Composites A/S ("Scanfiber") from EBC Family Invest ApS, EBC Holding A/S and MYTT Holding ApS (together, the "Sellers") (the "Scanfiber Acquisition"). Following completion of the Scanfiber Acquisition, Scanfiber will be a wholly owned subsidiary of the Company. Danish regulatory authorities have approved the acquisition.

The Scanfiber Acquisition will result in the Sellers' holding approximately 11.18% of the outstanding Shares in the Company (adjusted for Company's holding of treasury Shares),

The Scanfiber Acquisition will be accounted for in accordance with IFRS 3 Business Combinations and the Company will perform a purchase price allocation to identify and allocate value to the assets acquired. These disclosures will be included in the Q1-26 interim report. Based on preliminary assessments the Company expects to fair value adjustments to customer relationships, technology and research and development. Assets which do not meet the identification criteria in IFRS forms the goodwill and relate to synergies, the organisation's ability to generate future growth and workforce.

About Scanfiber

Scanfiber is a private limited liability company incorporated under the laws of Denmark on 20 January 2000 with business registration number 10 01 56 26. The legal name of Scanfiber is "Scanfiber Composites A/S", its commercial name of Scanfiber is "Scanfiber Composites", and its registered address is Niels Bohrs Vej 11, 9870 Sindal, Denmark.

Scanfiber is a private Danish defence and space manufacturing company, headquartered in Sindal, North Jutland, Denmark. Together with its predecessor EBC Holding A/S, which was founded in 1996, Scanfiber has close to 30 years of specialised experience in developing and producing ultra-lightweight ballistic protection solutions using advanced composite materials. Scanfiber has a diverse global customer base in both military and civilian sectors, with a focus on customised, high-performance armour systems.

Strategic rationale

The strategic step entailed by the Scanfiber Acquisition aligns with the Company's announced objective to invest in and acquire companies in high-growth segments. Scanfiber is a medium-sized group within the defence industry manufacturing ballistic protection solutions using advanced composite materials, specialising in lightweight, durable ballistic protection for vehicles, vessels, aircrafts, buildings, and personnel. The Company believes that the Scanfiber Acquisition will enhance the Group's product portfolio by combining lightweight ballistic protection with precision weapon mounting systems, potentially creating cross-selling opportunities across the combined customer base. Additionally, the Company expects enhanced market positioning as a more comprehensive defence solutions provider. The Company also anticipates that Scanfiber's established relationships in the Danish and broader European defence markets will complement Fjord Defence AS' existing international presence, potentially facilitating market expansion for both product lines.

Financing of the Scanfiber Acquisition

The total consideration payable by the Company for the shares in Scanfiber amounts to DKK 260 million (approximately NOK 405.6 million) (the "Purchase Price"). Of the Purchase Price, approximately DKK 52 million (approximately NOK 78.5 million) will be settled by the issuance of approximately 6.9 million consideration shares in the Company to the Sellers at a subscription price of NOK 12.00 per share. The issuance of the consideration shares will be carried out by the Sellers transferring 1,500 shares in Scanfiber to the Company as contribution in kind in exchange for the consideration shares. The Board of Directors was granted an authorisation to increase the share capital and issue the consideration shares to the Sellers by the extraordinary general meeting of the Company held on 18 December 2025. In addition to the consideration shares, the Company shall pay approximately DKK 208 million (approximately NOK 322.8 million) in cash to the Sellers (the "Cash Consideration"). The Cash Consideration will partly be financed by proceeds from the Private Placement and partly by NOK 150 million from new debt financing drawn under to the Group's amended facilities agreement.

The Sellers will undertake a lock-up with respect to the consideration shares, under which (i) 100% of the Consideration Shares are subject to 12-month lock-up from 25 February 2026, and (ii) 50% of the Consideration Shares are subject to a 24-month lock-up from the same date.

Transaction costs incurred

The costs related to the Scanfiber Acquisition amount to approximately NOK 7.8 million.

Note 21 Share capital and shareholder information

The Company's share capital per 31.12.2025 include the following:	Number of shares	Share Capital in NOK	Par Value per share
Ordinary shares (one share = one vote)	54 781 578	460 165 255	8.40

The Company has one class of shares, all shares provide equal rights, including the right to any dividends in line with 2024. Each of the shares carries one vote in line with 2024.

Changes in number of shares	Shares
Number of shares 01.01.2025	234 690 967
Issue of ordinary shares (cash settlement)	75 000 013
Issue of ordinary shares (contribution in kind)	175 187 968
Number of shares before reverse share split	484 878 948
Number of shares after reverse share split	40 406 579
Issue of ordinary shares (cash settlement)	14 374 999
Treasury shares 31.12.2025	(1 075 571)
Number of shares less treasury shares 31.12.2025	53 706 007

Paid/proposed dividend

The board has decided not to propose any dividend for 2025 or 2024.

The major shareholders in Fjord Defence Group ASA 31 December 2025 were as follows:

Shareholders	Total shares	Ownership share	Voting share
SONGA CAPITAL AS	4 174 999	7.8%	7.8%
AS SATURN	3 133 565	5.8%	5.8%
CUBIC INVEST AS	3 127 840	5.8%	5.8%
TRIGGER AS	3 127 840	5.8%	5.8%
GKI AS	2 886 321	5.4%	5.4%
HUGIN MANAGEMENT AS	2 157 396	4.0%	4.0%
F2 FUNDS AS	2 031 273	3.8%	3.8%
TIGERSTADEN AS	1 874 999	3.5%	3.5%
ALDEN AS	1 688 782	3.1%	3.1%
DNB BANK ASA	1 438 332	2.7%	2.7%
F1 FUNDS AS	1 147 355	2.1%	2.1%
TTC INVEST AS	1 134 999	2.1%	2.1%
BALLISTA AS	962 351	1.8%	1.8%
TIGERSTADEN MARINE AS	833 333	1.6%	1.6%
SIX SIS AG	800 266	1.5%	1.5%
J.P. Morgan Securities Plc	750 000	1.4%	1.4%
Nordnet Bank AB	657 653	1.2%	1.2%
GINNY INVEST AS	645 852	1.2%	1.2%
Bank Pictet & Cie (Europe) AG	633 333	1.2%	1.2%
LIVERMORE INVEST AS	610 141	1.1%	1.1%
Total 20 largest shareholders	33 816 630	63.0%	63.0%
Total other shareholders	19 889 377	37.0%	37.0%
Total number of shares	53 706 007	100.0%	100.0%

Shares owned or controlled by members of the Board of Directors, Chief Executive Officer and Other Executive Officers 31 December 2025 were as follows:

Board of Directors	Position	Total shares	Ownership / voting share	Number of options
Nina Skage	Chair	3 495	0.0 %	-
Torstein Sanness	Board member	23 750	0.0 %	66 667
Ketil Skorstad	Board member	2 135 413	3.9 %	-

The numbers are adjusted for the 12:1 reverse share split.

Shares owned or controlled by members of the Board of Directors, Chief Executive Officer and Other Executive Officers 31 December 2024 were as follows:

Board of Directors	Position	Total shares	Ownership share	Number of options
Nina Skage	Chair	41 942	0.0 %	-
Torstein Sanness	Board member	285 000	0.1 %	800 000

The numbers are not adjusted for the 12:1 reverse share split.

At 31 December 2025 management ownership were as follows:

Executive management	Position	Number of shares
Jon Asbjørn Bø	CEO	3 300 231
Kristian Zahl	COO	100 202

Additionally, Øyvind Mølmann the Group CFO from 1 January 2025 holds 100 000 shares in the Company.

Share and options owned by management 31 December 2024 were as follows:

Executive management	Position	Number of shares
Kristian Zahl	Interim CEO	1 667

The number of shares does not reflect the 12:1 reverse share split in 2025.

Note 22 Earnings per share

NOK thousands

Earnings attributable to the ordinary shareholders:	2025	2024
Loss after tax	(90 772)	(115 347)
Loss for the year / diluted los attributable to the ordinary shareholders	(90 772)	(115 347)

Number of shares (reflecting the reverse share split in 2025):	2025	2024
Number of shares outstanding as of 1 January	17 982 009	18 384 329
Number of shares outstanding as of 31 December	53 706 007	17 982 009
Weighted average number of shares used in diluted earnings per share	29 861 110	18 175 528

NOK	2025	2024
Earnings per share	(3.04)	(6.35)
Earnings per share, diluted	(3.04)	(6.35)

Amounts in number of shares:	31.12.2025	30.12.2024
Weighted average number of shares used in basic earnings per share	29 861 110	18 175 528

In September 2025, the Group carried out a reverse share split in the ratio of 12:1. All the number of shares prior to September 2025 in the table have been adjusted to reflect the reverse share split to be comparable.

The Company has issued 66 667 options (800 000 before the reverse share split). The options give the holder right to convert the options into 1 360 027 shares. The options are not reflected in the table above as the options were out of the money in 2024 and 2025.

Note 23 Auditor's fee

NOK thousands

Expensed audit fee (excluding VAT)	2025	2024
Statutory audit	2 067	1 043
Tax advice (incl. technical assistance with tax return)	646	432
Other attestation services	90	57
Other advisory services	1 429	-
Total auditors fee	4 232	1 532

The independent auditor of the Group and the Norwegian entities is PricewaterhouseCoopers AS (PwC).

Ernst & Young Egypt (EY) is the auditor for the subsidiary Axxis Geo Solutions Egypt LLC. HLO revisjon og rådgivning AS was the auditor of Fjord Defence AS until October 2025 when PwC was elected as auditor for Fjord Defence AS.

Note 24 Change in presentation currency

The consolidated 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
FY 2024 from 1 Jan -31 Dec	USD/NOK	10.7433	11.3534
FY 2025 from 1 Jan -31 Dec	USD/NOK	10.3912	10.0791

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 recognised in Other Comprehensive Income (OCI).

Note 25 New IFRS standards

IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 in response to investors' concerns about comparability and transparency of entities' performance reporting. The new presentation requirements introduced in IFRS 18 will increase comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined. The new disclosure requirements for 'management-defined performance measures' will enhance transparency. IFRS 18 is effective from 1 January 2027 and has not yet been adopted by the Group.

Fjord Defence is in the process of determining the impact on the Group of applying IFRS 18. The Group has prepared a transition plan and is on track to report our first IFRS 18-compliant interim financial statements for the period ending 30 March 2027 and annual financial statements for the period ending 31 December 2027.

Part of the ongoing assessment is to determine the treatment of the Group's legacy seismic assets. These assets may be deemed to generate cash flow materially independent of the Group's business with limited expected future investments and processes and not be classified as a main business activity. The legacy seismic assets may therefore be assessed to belong in the investing category in accordance with IFRS 18.

The Group currently presents an operating profit subtotal. The Group is performing a detailed assessment to determine the appropriate classification of items to ensure that the operating profit subtotal will comply with the requirements of IFRS 18. The Group expects changes in this regard, especially as a result of reclassifying foreign exchange gains and losses within operating activities. Furthermore, the new aggregation and disaggregation requirements will lead into changes to present the most useful structured summary.

The Group currently reports an adjusted EBITDA and EBITDA measure to investors. The Group expects that this measure will meet the definition of a management-defined performance measure. The Group is performing an assessment of other measures that are currently being reported outside the financial information and whether these meet the definition of a management-defined performance measure.

Note 26 Reconciliation of cash flows from financing activities

Reconciliation of cash flows from financing activities			
NOK thousands			
	Lease liabilities	Interest bearing debt	Total
31.12.2024	-	-	-
Loan in Fjord Defence at the acquisition date, without cash effect		9 000	9 000
Loan in Fjord Defence - cash settlement	-	(9 000)	(9 000)
Cash outflows from payments of principal	(215)	(2 500)	(2 715)
Interests paid	(98)	(1 335)	(1 433)
Cash inflows from new borrowings	-	25 000	25 000
New leases	2 800	-	2 800
Foreign exchange adjustments	-	-	-
Interest expense	84	1 335	1 419
Other changes	56	(626)	(570)
31.12.2025	2 627	21 874	24 501

Note 27 Events after the reporting period

On 25 February 2026, the Company acquired 100% of the shares in Scanfiber. See note 20 Business Combinations for further information.

Financial statement Fjord Defence Group ASA

Statement of comprehensive income

NOK thousands	Note	2025	2024*
Revenue		2 616	-
Other gains (losses)	1	2 247	(7 871)
Cost of sales		-	111
Personnel expenses	2	(6 662)	(11 612)
Other operating expenses	2	(33 340)	(7 601)
Write-down intercompany receivable		(37 704)	(64 471)
Operating profit (loss) (EBIT)		(72 843)	(91 444)
Financial income		2 438	274
Financial expenses		(1 507)	(21 515)
Currency exchange gain (loss)		3 898	(3 335)
Profit (loss) before tax		(68 014)	(116 019)
Income tax (expense)	4	25 000	1
Profit (loss) for the period		(43 014)	(116 018)
Other comprehensive income, items that will not be reclassified to profit or loss			
Currency translation adjustments		(33 139)	-
Other comprehensive income (loss) for the period		(33 139)	-
Total comprehensive income (loss) for the period		(76 153)	(116 018)

* Comparative figures have been restated. See note 24 in Group for change in presentation currency.

Statement of financial position

NOK thousands	Note	31.12.2025	31.12.2024*	01.01.2024*
Assets				
Non-current assets				
Deferred tax asset		25 000	-	-
Investment in subsidiaries	5	474 488	225 154	330 690
Financial assets		-	14 747	20 654
Total non-current assets		499 488	239 901	351 344
Current assets				
Receivables from group companies	9	35 002	64 367	123 486
Other current assets		5 753	1 115	1 006
Bank deposits, cash in hand	3	192 115	8 545	15 124
Total current assets		232 870	74 027	139 616
Total assets		732 358	313 928	490 960
Equity and Liabilities				
Equity				
Share capital and other paid in capital		1 143 156	677 727	682 797
Own shares		(9 035)	(18 907)	(19 148)
Other reserves		(432 174)	(349 749)	(272 845)
Total equity		701 947	309 071	390 804
Non-current liabilities				
Interest bearing debt	6	17 013	-	-
Total non-current liabilities		17 013	-	-
Current liabilities				
Interest bearing debt current	6	4 861	-	-
Trade payables		7 203	205	485
Liabilities to group companies	9	20	183	98 297
Other current liabilities		1 313	4 469	1 373
Total current liabilities		13 397	4 857	100 156
Total liabilities		30 411	4 857	100 156
Total equity and liabilities		732 358	313 928	490 960

* Comparative figures have been restated. See note 24 in Group for change in presentation currency.

Oslo, 25 February 2026

The Board of Directors and CEO of Fjord Defence Group ASA

Nina Skage
Chair

Ketil Skorstad
Director

Torstein Sanness
Director

Jon Asbjørn Bø
CEO

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
Balance as of 01.01.2025	234 691	443 036	(18 907)	(391 578)	3 611	38 217	309 071
Profit (loss) for the period				(43 014)			(43 014)
Other comprehensive income (loss)						(33 139)	(33 139)
Write down of nominal value, including own shares	(70 407)	70 407	5 672	(5 672)			-
Issue of ordinary shares (cash consideration)	173 250	56 750					230 000
Issue of ordinary shares (consideration shares)	122 632	126 144					248 775
Transaction costs related to share issuance		(13 347)					(13 347)
Sale own shares			4 200	(600)			3 600
Balance as of 31.12.2025	460 165	682 991	(9 035)	(440 864)	3 611	5 078	701 947

NOK thousands	Share capital	Additional paid-in capital	Own shares	Accumulated earnings	Share based program	Other comprehensive income	Total equity
Balance as of 01.01.2024	239 760	443 036	(19 148)	(276 456)	3 611	-	390 804
Profit (loss) for the period				(116 018)		38 217	(77 801)
Other comprehensive income (loss)							-
Purchase own shares			(4 828)	897			(3 931)
Delete own shares	(5 069)		5 069				-
Balance as of 31.12.2024*	234 691	443 036	(18 907)	(391 578)	3 611	38 217	309 071

* Comparative figures have been restated. See note 24 in Group for change in presentation currency.

**In relation to the acquisition of Fjord Defence AS and Scanfiber Composites A/S the company raised funds through multiple shares issues and a subsequent offering for the financing of the cash portion of the consideration, resulting in an increase in share capital of NOK 173 250 thousand and an increase in additional paid-in capital of NOK 56 750 thousand.

***As part of the acquisition of Fjord Defence, the company issued 175,187,968 consideration shares, each with a subscription price of 1.42 NOK and par value of 0.7 NOK, resulting in an increase in share capital NOK 122 632 thousand and an increase in additional paid-in capital of NOK 126 144 thousand.

Statement of cash flow

NOK thousands	2025	2024*
Cash flow from operating activities		
Profit (loss) before tax	(68 014)	(116 019)
Taxes refund (paid)	-	1
Write-down shares in subsidiaries	-	134 935
Changes in other gains (losses)	(2 247)	7 871
Other working capital changes	20 824	(29 435)
Net cash flow from operating activities	(49 437)	(2 648)
Cash flow from investing activities		
Disposal of property, plant and equipment	16 805	-
Cash paid from investment in Fjord Defence AS	(30 025)	-
Cash received/paid from other investments	4 100	-
Net cash flow from investing activities	(9 120)	-
Cash flow from financing activities		
Proceeds from interest bearing debt	25 000	-
Repayment of interest bearing debt	(2 500)	-
Other finance cost	(626)	-
Net proceeds from new equity	230 000	-
Cost of new shares issued	(13 347)	-
Investment / sale own shares	3 600	(3 931)
Net cash flow from financing activities	242 127	(3 931)
Net change in cash and cash equivalents	183 571	(6 579)
Cash and cash equivalents balance 01.01	8 545	15 124
Cash and cash equivalents balance 31.12	192 115	8 545

* Comparative figures have been restated. See note 24 in Group for change in presentation currency.

Notes to the financial statements

Note 1 Other gains and losses

In March 2025 the company received settlement of its financial asset related to the sale of ocean bottom node (OBN) equipment to TGS (via Magseis Fairfield), originally concluded in March 2022. As part of the earnout structure agreed upon in the transaction, the company received the year-three floor payment of USD 1.5 million, and which resulted in “Other gains” in the first quarter of USD 0.2 million. The “Other losses” in 2024 is due to reduction in fair value of financial asset related to the earnout structure.

Note 2 Personnel and other operating expenses

NOK thousands		
Personnel and other operating expenses	2025	2024
Personnel expenses	6 662	11 612
Transaction costs	20 127	-
Other operating expenses	13 213	7 601
Total personnel and other operating expenses	40 002	19 213

Personnel expenses and board remunerations	2025	2024
Wages and salaries	4 880	6 757
Social Security costs	1 206	1 156
Pension costs	399	474
Other remuneration	98	3 237
Refund salary	-	(12)
Total personnel expenses	6 584	11 612

FTEs	2025	2024
Number of FTEs for the year ended 31 December	2.5	2.7

Transaction costs are related to the acquisition of Fjord Defence AS, the uplisting to Oslo Børs, and preparation of Prospectuses.

The Company has a defined contribution pension plan. The contribution plan is a retirement plan in which the Company pays fixed contributions to a separate legal entity. The Company has no further payment obligations once these contributions have been paid. Contributions are booked as cost on an ongoing

basis. The Company meets the requirements for occupational pension scheme under the Act on Obligatory Occupational Pensions. The contribution pension scheme in Norway meets the legal requirements.

Key management personnel compensation		
NOK thousands	2025	2024
Base salary	3 000	2 734
Board remuneration	1 040	1 040
Pension	314	233
Other Benefits	69	43
Number of options held	-	-

Key management is defined as group management, and the CEO Jon Asbjørn Bø is included from July 2025.

For detailed information of executive officers and board of Directors compensation, see note 6 Other operating expenses in the consolidated financial statements and the remuneration report 2025.

See note 21 in the consolidated financial statements for shares held by the executive officers and Board of Directors.

NOK thousands		
Expensed audit fee (excluding VAT)	2025	2024
Statutory audit	1 720	859
Other attestation services	90	54
Other advisory services	1 429	-
Total auditors fee	3 239	913

Note 3 Cash and cash equivalents

The table below sets out the Company's cash and cash equivalents.

NOK thousands	31.12.2025	31.12.2024
Bank deposits (NOK)	182 549	6 054
Bank deposits (currency)	9 260	2 100
Restricted bank deposits	306	391
Total bank deposits	192 115	8 545

Restricted bank deposits relate to employee withholding tax. These deposits are subject to regulatory restrictions and are therefore not available for general use by the entities within the Company. The account is used to settle employee withholding tax.

Note 4 Tax

NOK thousands	2025	2024
Specification of tax expense (income) for the year		
Withholding tax and corporate tax abroad	-	(1)
Change deferred taxes	(25 000)	
Total tax expense (income)	(25 000)	(1)

Reconciliation of actual against expected tax expense (income) at the income tax rate of 22%

Profit (loss) before tax	(68 014)	(116 019)
22% tax	(14 963)	(25 524)
Tax effect from:		
Withholding tax abroad	-	(1)
Permanent differences	(2 926)	4 995
Not booked deferred tax assets	(6 824)	19 021
Currency effect	(286)	1 508
Calculated tax expense (income)	(25 000)	(1)
Effective tax rate for the Company	0.0	0.0

NOK thousands	31.12.2025	31.12.2024
Temporary differences		
Non current assets	(25 225)	(31 531)
Accruals	(105 812)	(68 108)
Gain/loss account	(6 985)	(8 731)
Accumulated loss carried forward	(201 553)	(148 587)
Temporary differences at 31.12.	(339 575)	(256 957)
Deferred tax assets (liabilities)	(74 706)	(56 531)

Note 5 Subsidiaries and associated companies

Fjord Defence Group ASA owns shares in the following legal entities as of 31 December 2025

NOK thousands					
Subsidiary of Fjord Defence Group ASA:	Date of acquisition	Jurisdiction	Total Equity	Net Income/ (loss)	Carrying value
Neptune Seismic AS	2017	Norway	(268)	1	-
Axxis Geo Solution Inc.	2017	USA	20	(70)	-
Axxis Multi Client AS	2018	Norway	103 050	(26 762)	184 513
Axxis Production AS	2019	Norway	(80 110)	4 147	-
Aquila Holdings Investment AS	2019	Norway	26 639	(18 280)	11 097
Axxis Geo Solutions Egypt LLC*	2019	Egypt	(46 760)	(28 991)	-
Fjord Defence AS	2025	Norway	20 685	13 303	278 878
Fjord Defence Inc.	2025	USA	(6 621)	(2 108)	-
Total			16 634	(58 761)	474 488

* Axxis Geo Solutions Egypt LLC is owned by Axxis Production AS 99% and Fjord Defence Group ASA by 1% of the shares.

The Company holds 100 percent of all shares (except Axxis Geo Solution Egypt LLC as mentioned above) and all voting rights for its subsidiaries.

In 2024 the Group recognised an impairment of NOK 21.5 million related to shares in subsidiaries. This is recognised within financial expenses in 2024.

Note 6 Interest bearing liabilities

For further information about the borrowing facilities, see note 16 Borrowings and other liabilities in the consolidated financial statements.

Overview of borrowings and other interest bearing liabilities		
NOK thousands	31.12.2025	31.12.2024
Non-current		
Nordea - Term loan	17 013	-
Total non-current	17 013	-
Current		
Nordea - Term loan	4 861	-
Total current	4 861	-

As of 31 December 2025, Fjord Defence Group ASA had the following debt and financial obligations in accordance with the Senior Facilities Agreement, and as detailed in the tables below.

The table below sets out the payment profile for the Group's leasing and borrowing.

NOK thousands	Within 1 year	1-5 years	Total
Loan liabilities	5 000	17 500	22 500
Interest liabilities	1 506	3 472	4 978
Total	6 506	20 972	27 478

The Company's bank facilities have the following key terms:

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

Note 7 Categories of financial instruments

The Company's principles for recognition and measurement are identical to the policies for the Group. See note 14 for further information.

The table below sets out the Company's financial assets and financial liabilities as of 31 December 2025 and 2024 excluding related party transactions:

NOK thousands		
ASSETS	31.12.2025	31.12.2024
Financial assets at amortised cost		
Bank deposits, cash in hand	192 115	8 545
Other current receivables	5 168	1 115
Financial assets at fair value through profit and loss		
Interest rate swaps	207	-
Forward foreign exchange contract	377	-
Financial assets	-	14 747
Total financial assets	197 868	24 406
LIABILITIES		
Financial liabilities at amortised cost		
Bank borrowings	21 874	-
Trade payables	7 203	205
Other current liabilities	1 313	4 469
Total financial liabilities	30 391	4 674

Note 8 Financial risk management

The Company is exposed to financial risks, including market risk, currency risk, interest rate risk, liquidity, and credit risk. This Company's policies and procedures towards these risks are coinciding with the Group. See note 18 in the consolidated financial statements.

Liquidity risk

Liquidity risk arises from lack of correlation between cash flow from operations and financial commitments. Per the balance sheet date, The Company held current assets of NOK 232 870 thousand, of which cash and cash equivalents represented NOK 192 115 thousand and other current assets represent NOK 5 753 thousand. In addition, the Company's investment in subsidiaries represent NOK 474 488 thousand. In comparison, current liabilities amounted to NOK 17 013 thousand. The table below provides an overview of the maturity profile of all financial liabilities excluding intercompany receivables and liabilities

2025	Remaining Term			
	NOK thousands	Within 1 year	1-5 years	Total
Trade payables	7 203	-		7 203
Other current liabilities	1 313	-		1 313
Loan liabilities	5 000	17 500		22 500
Interest liabilities	1 428	2 780		4 208
Total	14 944	20 280		35 224

Currency risk

Substantial portions of the Company's costs are in NOK as the Company pays taxes in NOK to the Norwegian Tax Authorities, salaries to employees and dividends to shareholders in NOK, fluctuations between the NOK and USD mainly impact currency exchange translations in other comprehensive income. From 1 January 2026 the Company has decided to change its functional currency to NOK. See note 18 in the consolidated financial statements for further information about the Company's underlying exposure to currency risk.

Note 9 Related parties

The table below sets out the Company's related party transactions and balances as of and for the year ended 31 December 2025 and 2024.

NOK thousands						
Profit or loss items						
	Line item	Counterpart	Relationship	2025	2024	
	Consultancy fee	Other operating expenses	Lighthouse Reef AS	Owner	895	715
	Interest income intercompany loan	Financial income	Fjord Defence AS	Subsidiary	225	-
Total				1 120	715	

NOK thousands					
Financial position items					
	Line item	Counterpart	Relationship	31.12.2025	31.12.2024
Current receivables group companies	Receivables from group companies	Axxis Production AS	Subsidiary	20 489	59 637
Current receivables group companies	Receivables from group companies	Fjord Defense AS	Subsidiary	9 227	-
Current receivables group companies	Receivables from group companies	Axxis Geo Solutions Egypt LLC	Subsidiary	5 038	4 485
Current receivables group companies	Receivables from group companies	Neptune Seismic AS	Subsidiary	248	245
Total receivables group companies				35 002	64 367
				31.12.2025	31.12.2024
Current liabilities group companies	Liabilities to group companies	Axxis Multi Client AS	Subsidiary	-	64
Current liabilities group companies	Liabilities to group companies	Axxis Geo Solutions Inc.	Subsidiary	20	119
Total liabilities group companies				20	183

The write down of intercompany receivables in 2025 and 2024 was due to impairment of the intercompany receivable in Axxis Production AS.

Note 10 Events after the balance sheet date

See note 27 Events after the balance sheet date in the consolidated financial statements. The Company has no material events after the balance sheet date apart from those mentioned in the consolidated financial statements.

Auditors report



To the General Meeting of Fjord Defence Group ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fjord Defence Group ASA, which comprise:

- the financial statements of the parent company Fjord Defence Group ASA (the Company), which comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Fjord Defence Group ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income, statement of changes in equity and statement of cashflow for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Fjord Defence Group ASA for 5 years from the election by the general meeting of the shareholders on 23 June 2021 for the accounting year 2021.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered business combinations and valuation of multi-client libraries as key audit matters. Business combinations is new key audit matter this year because of the acquisition of Fjord Defence AS.

Key Audit Matters	How our audit addressed the Key Audit Matter
<p>Business combinations</p> <p>In 2025, the Group completed a business combination through the acquisition of Fjord Defence AS.</p> <p>Business combinations involve complex judgements related to purchase accounting and the valuation of acquired assets and assumed liabilities, including the measurement of goodwill, and the identification of intangible assets such as customer relationships, order backlog and technology. To estimate the values of the identifiable intangible assets, management used judgement when making assumptions about future growth rates and discount rates. Management engaged an external valuation firm to assist with the Purchase Price Allocation (PPA).</p> <p>See note 20 to the consolidated financial statements where management explains the business combination and the PPA, including the key assumptions applied.</p>	<p>We evaluated and challenged management's PPA and the process by which this was performed.</p> <p>We assessed the competence, capability, and objectivity of the external valuation firm engaged by management. We also interviewed personnel at the external valuation firm and challenged their use of assumptions and techniques.</p> <p>We assessed management's PPA by challenging the underlying methods and key assumptions applied in estimating fair values and allocating the fair values to identifiable assets and liabilities. We evaluated the valuation methods applied and tested the mathematical accuracy of the valuation model. We evaluated the appropriateness of the future growth rates and discount rates applied in the valuation of the identifiable intangible assets.</p> <p>Finally, we considered the appropriateness of the disclosures in note 20 to the Group financial statements and found them appropriate.</p>
<p>Valuation of multi-client libraries</p> <p>As at 31 December 2025, the carrying amount, after impairment, of the multi-client library in the Group's financial statements was NOK 162.135 thousand. Management applied judgment in determining whether the carrying amount of the multi-client library exceeded the recoverable amount. Specifically, judgement was applied when determining assumptions such as expected discounted future cash flows. Furthermore, there is an inherent uncertainty in forecasting future sales of the multi-client library which is impacted by factors such as:</p> <ul style="list-style-type: none"> • the overall exploration and production spending within the oil and gas industry, • interest in specific regions, • whether licenses to perform exploration in the various regions exist or will be awarded in the future. <p>Changes in key assumptions, including the applied discount rate, may significantly impact the valuation of the multi-client library.</p> <p>We focused on valuation of the multi-client library because it constitutes a significant share of the Group's total assets, and because calculation of recoverable amounts requires application of significant management judgement.</p> <p>We refer to note 9 to the consolidated financial statements, where management explains how the multi-client library is valued under IAS 36 and IAS 38.</p>	<p>We obtained an understanding of management's impairment assessment of the multi-client library. Our procedures included an assessment of the valuation model under IAS 36 and IAS 38, and whether key assumptions used by management appeared reasonable based on our understanding of the Group's business and industry.</p> <p>We evaluated management's assumptions related to sales forecasts. Our audit procedures included inquiries and evaluations of managements and senior sales personnel's assumptions regarding the current market, licensing rounds, and exploration activities. We also inspected supporting documentation and assessed and tested the basis for the sales forecasts.</p> <p>Furthermore, we assessed the discount rate by comparing its key components to external market data, as well as comparing the overall level with discount rates used by other companies within the industry.</p> <p>We also tested the mathematical accuracy of the value in use calculations.</p> <p>Lastly, we evaluated the disclosures in note 9 and found them to appropriately describe management's valuation of the multi-client library.</p>

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Fjord Defence Group ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name "FjordDefenceGroup-2025-12-31-1-en.zip", have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 25 February 2026

PricewaterhouseCoopers AS

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

About Fjord Defence Group ASA

Fjord Defence Group ASA ("DFENS") is a Norwegian "compounder" listed on Euronext Oslo Børs seeking to acquire and develop fast-growing, profitable, and well-run companies in the defence industry. The company has a buy & build strategy, with focus on acquiring established, profitable businesses within the defence, security and related segments. More information on www.fjorddefencegroup.com.

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