MilDef Group Q2

Interim Report January–June 2026

WE ARMOR IT.™

Interim Report January–June 2026

Summary of the period

High delivery pace and good profitability in the second quarter

Second quarter 2026

- The order intake amounted to SEK 731 million (878), equivalent to a decrease of 17%. This change is entirely attributable to organic development in the second quarter. The order backlog grew by 4% in the second quarter.
- Net sales increased by 64% to SEK 630 million (383). Growth in the quarter was exclusively organic.
- The gross margin amounted to 51.9% (46.0). The margin was positively affected by the sales mix driving revenue for a quarter that saw higher growth for system and integration solutions as well as software.
- Adjusted EBITA amounted to SEK 99.7 million (25.1), equivalent to an adjusted operating margin of 15.8% (6.5).
- Adjusted operating profit (EBIT) amounted to SEK 80.6 million (5.6), corresponding to an operating margin of 12.8% (1.5).
- Free cash flow amounted to SEK 7 million (33). The cash flow impact from good profitability was offset by increased capital tied up to secure deliveries in the upcoming quarters.

January–June 2026

- The order intake amounted to SEK 1,816 million (1,282), equivalent to an increase of 42%.
- Order backlog as of June 30, 2026 increased by 32% to SEK 4,230 million compared with the same date in 2025 (3,205).
- Net sales increased by 85% to SEK 1,338 million (723). All geographic markets developed well during the first half of the year.
- The gross margin amounted to 47.9% (47.0). The sales mix in the second quarter drove positive development in the gross margin during the first six months of 2026. In percentage terms, growth was good for system and integration solutions as well as software.
- Adjusted EBITA amounted to SEK 221.2 million (41.0), equivalent to an adjusted operating margin of 16.5% (5.7).
- The adjusted operating profit (EBIT) amounted to SEK 183.4 million (12.7), equivalent to an adjusted operating margin of 13.7% (1.8).
- Free cash flow amounted to SEK 167 million (-42). The change is due to good profitability development as well as strong sales growth without adding working capital to the same extent.
- Earnings per share after dilution over the last 12-month period amounted to SEK 5.70 (full year 2025: 3.16).

Last 12 months, July 2025–June 2026

Net sales	Adjusted operating profit (EBITA)	Adjusted operating margin (EBITA)
SEK 2,661 m	SEK 456.6 m	17.2 %

Summary of significant events in the second quarter, April–June 2026

- MilDef signed a 7-year framework agreement with the Swedish Defence Materiel Administration for delivery of hardware and OneCIS™ software, for an amount up to SEK 1.5 billion. This framework provides the Swedish Armed Forces with a comprehensive solution for management support systems for increased interoperability and connectivity. Upon signing of the contract a first order was placed regarding a licensing agreement for OneCIS.
- To meet the increased demand, an expansion of the headquarter facilities in Helsingborg known as "The Fortress" began during the quarter. The property will grow by 6,000 square meters in an investment that includes office, production, warehouse and showroom spaces. The new combined floorspace exceeds 10,000 square meters and is expected to be ready no later than in autumn 2027.

Summary of significant events after the end of the period

- MilDef won a hardware contract with a European NATO member country, worth approximately 553 MSEK. The contract involves the digitization of the country's army and is the single largest hardware order MilDef has ever received. Deliveries are expected to take place in 2027.

Interim Report January–June 2026

Summary of the period

Financial summary

	April 1–June 30		January 1–June 30		Rolling 12 months	Full year
All figures are in SEK million unless otherwise indicated	**2026**	**2025**	**2026**	**2025**	**July 2025–June 2026**	**2025**
Net sales	630	383	1,338	723	2,661	2,045
Sales growth, %	64	27	85	35	91	70
Of which organic, %	64	-36	54	-11	69	6
Of which acquisition-driven, %	-	63	31	46	22	64
Gross margin, %	51.9	46.0	47.9	47.0	45.9	45.0
Adjusted operating profit (EBITA)	99.7	25.1	221.2	41.0	456.6	276.3
Adjusted operating margin (EBITA), %	15.8	6.5	16.5	5.7	17.2	13.5
Order intake	731	878	1,816	1,282	3,727	3,193
Order backlog	4,230	3,205	4,230	3,205	4,230	3,595
Free cash flow	7.4	32.7	166.7	-41.6	174.8	-33.5

All amounts are presented in SEK million unless otherwise indicated. Rounding differences in totals may occur. If, when rounded off, an underlying number becomes SEK 0 m, this is written as 0.

Accelerated delivery pace

The second quarter of the year developed well and was in line with our expectations. The Group reported both solid organic growth and a strengthened operating margin, which is proof that the Company's investments in increased delivery capacity have borne fruit. Demand for advanced military IT solutions are rising and we have an offering that more than meets our customers' requirements. The slightly lower order intake in the second quarter compared with the same quarter in 2025 should be seen as volatility between individual quarters.

Net sales increased organically by 64% compared with the same period the previous year. The gross margin strengthened to reach 51.9% (46.0) and reflects the progress we have made with our sales mix in recent years. Excluding non-recurring items, EBITA increased by SEK 75 million compared with the corresponding period in 2025, which in turn was equivalent to a margin of 15.8% (6.5). The free cash flow during the first six months of the year improved by SEK 208 million in absolute numbers and earnings per share increased from SEK 0.19 to SEK 2.75 compared with the same period the previous year. It is worth repeating that MilDef operates in an industry where order intake and sales are typically volatile over individual quarters. For this reason, when assessing the Company's financial development it is important to do so from a long-term perspective.

During the second quarter, operations were characterized by a high level of activity and a strong focus on expanding capacity to meet long-term demand. The Company's rate of investment in increased delivery capacity remains at a high level. The expansion mainly consists of increasing the head count and creating more production space. A process of extensive reinforcement within the organization continues and is expected to have a positive impact on multiple levels over time. The previously communicated expansion of the Company's current headquarter facilities in Helsingborg is progressing well. This is an investment that will enable continuing increases in production capacity and sustained growth, and will equip us to meet rising demand among our customers. The expansion is expected to be ready no later than autumn 2027 and, once complete, will double MilDef's production capacity in Helsingborg.

An important milestone in the second quarter was that we signed a new strategic framework agreement with the Swedish Defence Materiel Administration. The agreement will accelerate the installation of MilDef's software for the Swedish Armed Forces – a solution that is already in use in some other Nordic countries. The installation software known as OneCIS™ enables efficient and secure communication and ensures interoperability in tactical cooperation between units in NATO. The framework agreement covers the entire lifecycle – from concept and development to production, operation and end-of-life. Under the agreement, MilDef can supply hardware, software, system solutions, integration, maintenance, sustainment and training, as well as technical and logistical preparedness support.

The agreement is worth up to SEK 1.5 billion and the first order was placed in connection with its signing. This contract is evidence of MilDef's capacity to deliver in-demand military IT solutions and strengthens the Company's position as an important supplier in this area. We are seeing a clear trend where our customers are increasingly demanding proven system solutions, rather than individual products. This works in our favor because we are one of the few actors able to offer complete and comprehensive solutions, the effectiveness of which is field-proven.

There are continued challenges in the supply chains for electronic components – in terms of both lead times and price levels – but we continue to be proactive to ensure access to critical components. This involves a variety of actions, such as selective inventory build-up, working closely with suppliers to ensure deliveries, and frequent dialogue with customers regarding degrees of price absorption.

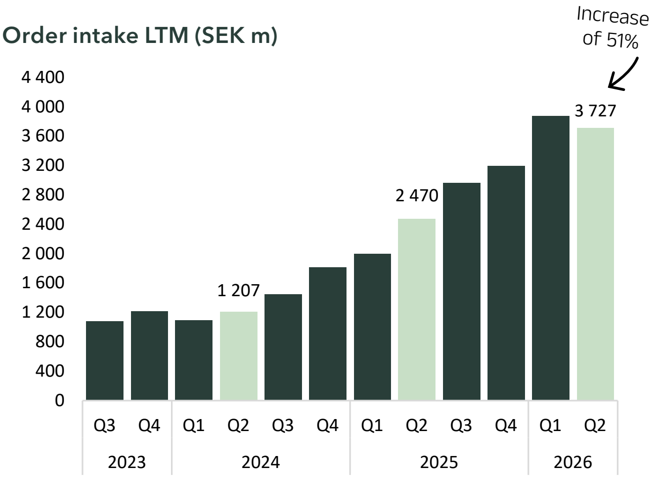
In conclusion, it is fair to say that in light of the uncertain geopolitical situation, security and defense issues remain a high priority – both nationally and internationally, for both the short and the long term. A well-filled order backlog combined with an active market is creating the right conditions for a strong second half of the year. The investments made in recent years, a broader product portfolio and strengthened delivery capacity have together equipped us to take advantage of growing demand and to win new business opportunities. All in all this makes us optimistic about the second half of 2026.

Daniel Ljunggren,
President & CEO

MilDef's financial development

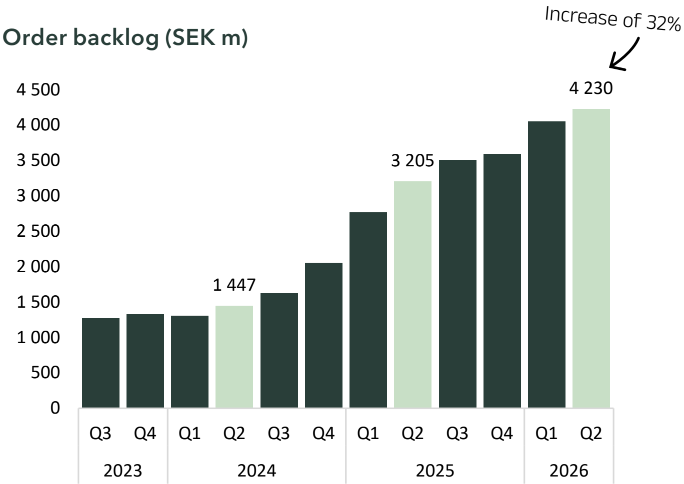
Order status

Order intake LTM (SEK m)



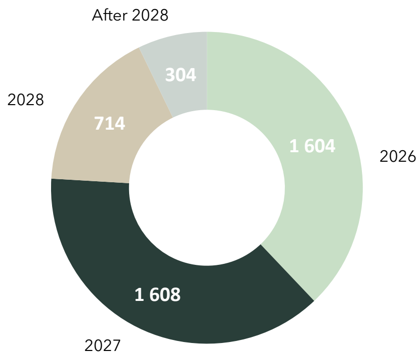
The columns in the chart show MilDef's order intake over the last 12 months (LTM) in SEK million. Order intake is the total orders received during the period in question.

Order backlog (SEK m)



The columns in the chart show MilDef's order backlog at the end of each calendar quarter in SEK million. Delivery may take place over a number of years.

Order backlog by planned deliveries (SEK m)



The pie chart shows future planned deliveries by year in SEK million and is based on MilDef's order backlog at the end of the period.
The diagram above should not be seen as a guideline for 2026 because, in addition to the existing order backlog, additional orders will be invoiced during the year. In addition, the actual outcome may differ significantly from the above planned deliveries, mainly due to postponements.

Change in order backlog January–June 2026 (SEK m)

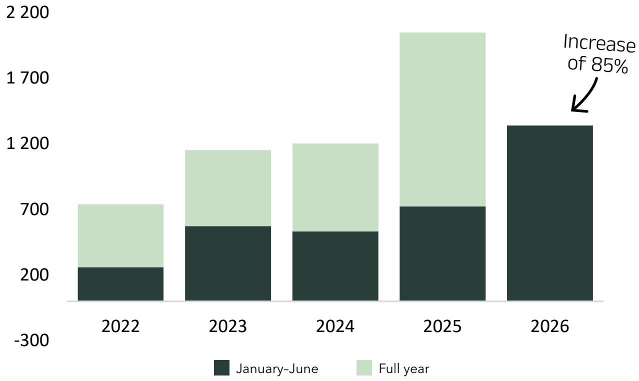
Order backlog as of January 1, 2026	**3,595**
Order intake January–June 2026	1,816
Sales January–June 2026	-1,338
Sales January–June 2026 not impacting order backlog	44
Currency effect in order backlog during the period	113
Order backlog as of June 30, 2026	**4,230**

The table presents the development of MilDef's order backlog in SEK million during the first half of the year, and the size of the components included to arrive at the difference in the order backlog as of June 30, 2026 in comparison with January 1, 2026.

MilDef's financial development

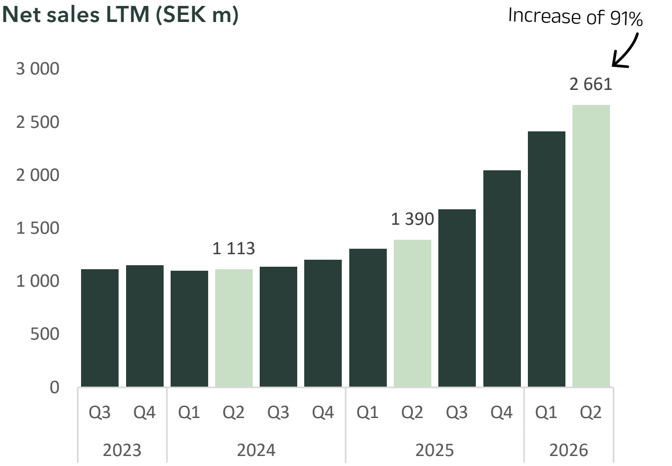
Net sales

Net sales (SEK m)



The columns above show MilDef's net sales for full years 2022–2025 and for January–June 2022–2026.

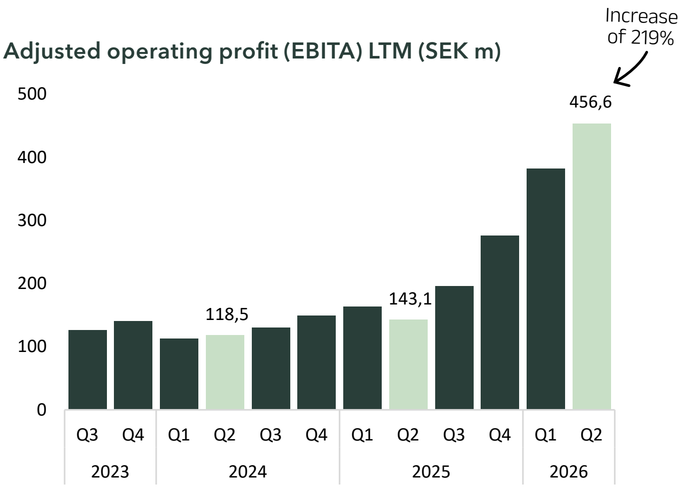
Net sales LTM (SEK m)



The diagram's columns show MilDef's net sales over the last 12 months (LTM) in SEK million.

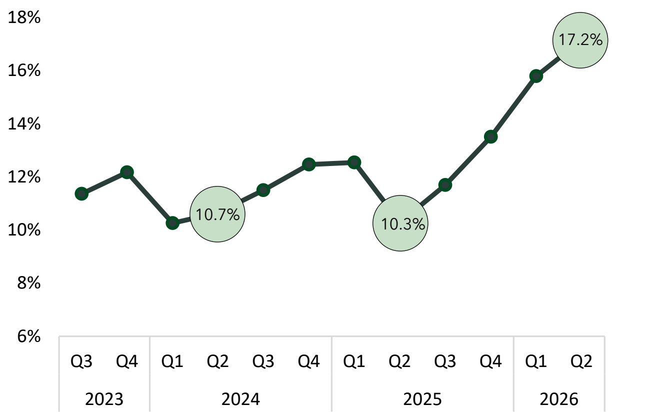
Adjusted operating profit (EBITA) and adjusted operating margin (EBITA)

Adjusted operating profit (EBITA) LTM (SEK m)



Each column shows MilDef's operating profit (EBITA) over the last 12 months (LTM) in SEK million, adjusted for non-recurring items.

Adjusted operating margin (EBITA) LTM (%)



The chart shows MilDef's operating margin (EBITA) over the last 12 months (LTM) as a percentage, adjusted for non-recurring items. The adjusted EBITA margin is stated as a percentage of net sales. MilDef considers the adjusted EBITA margin to be a useful indicator to measure the Group's operational efficiency.

Financial overview

Profit/loss items and cash flow are compared with the corresponding period the previous year. The balance sheet items refer to the end of the period and are compared with the corresponding date the previous year.

Second quarter: April–June 2026

Order status

Order intake for the quarter amounted to SEK 731 million (878), equivalent to a reduction of 17%. The order intake has historically been volatile between individual quarters. The decrease in this quarter is therefore not an underlying trend but should instead be seen as volatility between quarters. The order backlog grew by 4% in the second quarter.

Net sales

Net sales increased in the second quarter by 64% compared with the same quarter the previous year and amounted to SEK 630 million (383). Growth in the quarter was exclusively organic.

Good growth was evident in all geographies during the quarter, with the markets in Sweden and the rest of the Nordics making the strongest contribution. Among the various revenue categories, hardware has grown the most in absolute numbers, while system and integration solutions, closely followed by software, are growing the most in percentage terms.

Gross profit

Gross profit amounted to SEK 327 million (177), equivalent to a gross margin of 51.9% (46.0). The Company's gross profit may vary quarter-on-quarter depending on sales volumes, and the gross margin may vary based on the product and customer mix. The sales mix that drove revenue in the quarter is showing higher growth for system and integration solutions and software than in hardware, which has benefitted the quarter's gross margin. A highlight of the quarter is that we have recognized revenue for OneCIS™ licenses for the Swedish Defence Materiel Administration under the framework agreement signed in the latter part of the quarter.

Operating expenses

Operating expenses amounted to SEK 246 million (171) in the quarter, SEK -7.8 million (7.9) of which consisted of revaluation-related currency effects. The increase in operating expenses during the quarter was 44%, and 39% (45) as a percentage of sales.

Within the Norwegian operations there were non-recurring costs during the quarter in connection with termination of employment. This is part of a strategy to further refine the Group's operations to focus on the defense domain and to discontinue targeted activities in other business segments. The costs during the quarter are estimated at around SEK 12 million, which is exclusively attributable to personnel costs. No additional costs for these activities are expected to arise. The effect on the Group's sales resulting from this is considered immaterial.

Corrected for this non-recurring effect and currency effects, the increase for the quarter amounts to 27%.

The quarter-on-quarter increase from the first quarter of 2026, corrected for this non-recurring effect and currency effects, is 10%.

Non-recurring items

No non-recurring items were reported during the second quarter.

Operating profit (EBIT)

Operating profit (EBIT) in the second quarter of 2026 amounted to SEK 80.6 million (5.9). This is equivalent to an operating margin of 12.8% (1.5). MilDef's sales and profits are also affected by volume variations between periods.

Adjusted operating profit (EBITA)

Adjusted operating profit before amortization and impairment of intangible non-current assets amounted to SEK 99.7 million (25.1), equivalent to a margin of 15.8% (6.5). Amortization and impairment of intangible non-current assets amounted to SEK 19.1 million (19.5), with amortization of acquired intangible non-current assets relating to roda included for the second quarter and the comparison period.

Financial items

Financial items for the quarter amounted SEK -8.4 million (10.9) net. The increased interest costs resulting from the roda acquisition as well as unrealized exchange losses explain the change compared with the comparison quarter.

Tax

The tax effect in the second quarter of 2026 impacted net profit in the amount of SEK -13.6 million (-7.6). This makes the effective tax rate 18.8% (45.3).

Net profit

Profit after tax amounted to SEK 58.7 million (9.2). Earnings per share before dilution was SEK 1.25 (0.20) and earnings per share after dilution SEK 1.25 (0.20).

Cash flow

Cash flow for the quarter was recognized at SEK -47 million (-10). Free cash flow for the period amounted to SEK 7 million (33).

Cash flow from operating activities amounted to SEK 20 million (36). The cash flow was negatively impacted by the change in working capital of SEK -76 million (-13). The increased tied-up capital is mainly to guarantee deliveries in upcoming quarters.

Financial overview

Cash flow from investing activities amounted to SEK -13 million (-3). The increase in investments in property, plant and equipment is primarily related to additional facilities in Stockholm and Helsingborg.

Cash flow from financing activities amounted to SEK -54 million (-42). Repayment instalments on the credit facility for the acquisition of roda amounted to EUR 1 million, and instalments on a past credit facility obtained in connection with the acquisition of Handheld in September 2022 amounted to SEK 3.3 million for the period. Dividends totaling SEK 35 million (24) were paid out to the Group's shareholders during the quarter. As of the end of the second quarter of 2026 the revolving credit facility had not been utilized.

First half of the year: January–June 2026

Order status

The order intake for the first half of the year increased by 42% to SEK 1,816 million, compared with the corresponding period the previous year when it was SEK 1,282 million. From March 1, 2026 roda was included as organic growth and was therefore not recognized separately. Both roda and the rest of MilDef's business developed well during the period.

The order backlog as of June 30 amounted to SEK 4,230 million (3,205).

Net sales

Net sales increased in the first half by 85% compared with the same period the previous year and amounted to SEK 1,338 million (723). Good growth was evident in all geographies during the period, with the markets in Sweden and Germany making the strongest contribution in absolute numbers. Among the various income categories, hardware made the main contribution to the Company's solid sales growth. System and integration solutions also saw good growth during the period.

Gross profit

Gross profit amounted to SEK 641 million (340), equivalent to a gross margin of 47.9% (47.0). The Company's gross profit may vary quarter-on-quarter depending on sales volumes, and the gross margin may vary based on the product and customer mix. The sales mix that drove revenue in the second quarter contributed to positive margin development in the first half of the year as well.

Operating expenses

Operating expenses amounted to SEK 457 million (327), SEK -12.4 million (-5.2) of which consisted of revaluation-related currency effects. The increase in operating expenses during the period was 40%, and 34% (45) as a percentage of sales.

Within the Norwegian operations there were non-recurring costs in the period in connection with termination of employment. This is part of a strategy to further refine the Group's operations to focus on the defense domain and to discontinue targeted activities in other business segments. The costs during the period are estimated at around SEK 12 million, which is exclusively attributable to personnel costs. No additional costs for these activities are expected to arise. The effect on the Group's sales resulting from this is considered immaterial.

Corrected for this non-recurring effect as well as currency effects, the increase for the first half of the year amounts to 35%.

Non-recurring items

No non-recurring items were reported during the first half of 2026.

Operating profit (EBIT)

Operating profit (EBIT) in the first half amounted to SEK 183.4 million (14.6). This is equivalent to an operating margin of 13.7% (2.0). MilDef's sales and profits are also affected by volume variations between periods.

Adjusted operating profit (EBITA)

Adjusted operating profit before amortization and impairment of intangible non-current assets amounted to SEK 221.2 million (42.9), equivalent to a margin of 16.5% (5.7). Amortization and impairment of intangible non-current assets amounted to SEK 37.8 million (28.3), with amortization of acquired intangible non-current assets relating to roda accounting for most of the increase.

Financial items

Net financial expense for the period amounted to SEK -21.0 million (-2.0). The increased interest expenses resulting from the roda acquisition are the main reason for the increase. Currency revaluation has not been as favorable in 2026 as in the first half of 2025.

Tax

The tax effect for the first half of 2026 impacted net profit in the amount of SEK -32.9 million (-3.5). This makes the effective tax rate 20.2% (28.1). The change is attributable to improved handling of tax positions since the roda acquisition.

Net profit

Profit after tax amounted to SEK 129.6 million (9.1). Earnings per share before dilution was SEK 2.75 (0.20) and earnings per share after dilution SEK 2.75 (0.19).

Cash flow

Cash flow reported for the period amounted to SEK 44 million (-328). Free cash flow for the period amounted to SEK 167 million (-42).

Cash flow from operating activities amounted to SEK 193 million (-34). The cash flow was affected by the change in working capital of SEK -34 million (-84), mainly due to inventory build-up to meet delivery obligations in upcoming quarters.

Financial overview

Cash flow from investing activities amounted to SEK -26 million (-671). The change is mainly due to the acquisition of roda, which had an impact on cash flow from investing activities in 2025. The increase in investments in property, plant and equipment is primarily related to additional facilities in Stockholm and Helsingborg.

Cash flow from financing activities amounted to SEK -123 million (377). Repayment instalments on the credit facility for the acquisition of roda amounted to EUR 2 million, and instalments on a past credit facility obtained in connection with the acquisition of Handheld in September 2022 amounted to SEK 6.6 million for the period. The revolving credit facility had not been utilized as of the end of the first half of 2026.

Equity

The Group's equity amounted to SEK 1,658 million (1,388) at the end of the period. The equity/assets ratio as of June 30, 2026 was 52% (52).

The 2025 Annual General Meeting voted in favor of the Board's proposal for a performance-based long-term incentive program (LTIP 2025/2028) for MilDef's Management Team comprising six employees. The total cost of the share-based remuneration amounted to SEK 0.4 million during the period, with an equivalent increase reported directly in equity. In addition to this, social security contributions have been expensed at SEK 0.2 million and an equivalent liability for the contributions was the same amount.

Net working capital

Net working capital amounted to SEK 683 million (528) at the end of the period. Compared with the same date the previous year, net working capital in relation to net sales decreased to 25.7% (38.0). The roda acquisition increased working capital – both in absolute numbers and in relation to net sales. The Group developed in a positive direction during the period when growth was strong and took place without the addition of working capital to the same extent.

The position compared to the previous quarter remained steady with the first quarter reported at 25.8%.

SEK m	June 30, 2026	June 30, 2025	Dec. 31, 2025
Inventories	771.9	530.7	531.8
Accounts receivable	427.6	255.2	513.9
Other current receivables	214.5	131.2	140.0
Accounts payable	-343.8	-125.7	-169.8
Other current liabilities	-386.9	-263.2	-328.2
Net working capital	**683.2**	**528.2**	**687.7**
as a percentage of net sales LTM (%)	*25.7%*	*38.0%*	*33.6%*

Net debt and cash and cash equivalents

The net debt including lease liabilities amounted to SEK 496 million (519) at the end of the period. Cash and cash equivalents as of June 30 amounted to SEK 196 million (200). At the end of the period there was an unutilized revolving overdraft facility of SEK 120 million (120). Net debt at the end of the period in relation to adjusted operating profit (EBITDA) over the last 12-month period, excluding the effects of IFRS 16 Leases, amounted to 0.6 (2.1). Calculated including the effects of IFRS 16, the net debt/equity ratio was 1.0 (2.9).

SEK m	June 30, 2026	June 30, 2025	Dec. 31, 2025
Other interest-bearing liabilities	489.9	564.6	550.3
Lease liabilities	202.8	153.8	222.5
Cash and cash equivalents	-196.3	-199.9	-148.6
Net debt incl. IFRS 16	**496.5**	**518.5**	**624.3**
relative to adjusted operating profit (EBITDA) LTM, times	*1.0*	*2.9*	*2.0*

Other information

Parent Company

The operations of MilDef Group AB (corp. reg. no. 556893-5414), registered office in Helsingborg, Sweden, are primarily focused on the Group's strategic development and Group-wide functions such as HR, IT, finance, etc. Most of the funds from the Group's external financing are held within the Parent Company. As of the end of the period the Company had 65 employees.

MilDef Group AB's share

MilDef Group AB (publ) has been listed on NASDAQ Stockholm since June 4, 2021 in the Industrial Goods and Services sector. The share's ISIN code is SE0016074249. The share is traded under the ticker MILDEF. A trading unit is one (1) share. As of January 1, 2023 the share is being traded on NASDAQ Stockholm in the Mid Cap Index.

Share capital and number of shares

The total number of shares as of June 30, 2026 was 47,114,895 (47,114,895) and the share capital was SEK 11,778.723.75 (11,778,723.75). All of the shares are ordinary shares carrying the same voting rights. The shares have a quota value of SEK 0.25. At the end of the period the closing price was SEK 184.65 and the market capitalization was SEK 8,700 million. The total number of shareholders at the end of the period was 42,593.

Repurchased shares

Repurchased shares include the acquisition cost of treasury shares held by the Parent Company. As of June 30, 2026 the Group held 20,000 (0) treasury shares. Repurchase of treasury shares is recognized as a deduction from equity. Proceeds from the divestment of these types of equity instruments are recognized as an increase in unrestricted equity. Any transaction costs are recognized directly in equity.

Accounting principles

MilDef prepares its consolidated accounts in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities, and the Annual Accounts Act. The accounting principles applied correspond to the accounting and valuation principles presented in the 2025 Annual Report. The 2025 Annual Report has been available at www.mildef.com since April 15, 2026.

Judgements and estimates in the financial statements

Preparation of the financial statements in accordance with IFRS requires the Management Team to make judgements and estimates that affect the application of the accounting principles and the carrying amounts of assets, liabilities, revenue and expenses. The actual outcomes may deviate from these estimates and judgements. Estimates and assumptions are reviewed on a regular basis. Changes in estimates are reported in the period the change is made if the change has only affected that period, or in the period the change is made and in future periods if the change affects both the current period and future periods.

Alternative performance measures

MilDef applies the guidelines for alternative performance measures issued by ESMA, the European Securities and Markets Authority. Alterative performance measures are financial metrics that cannot be directly derived or deduced from the financial statements. These financial metrics are intended to facilitate the Management Team's and investors' analysis of the Group's development. Investors should not regard these alternative performance measures as substitutes for the financial statements prepared in accordance with IFRS, but rather as complements to the statements. Definitions of the alternative performance measures are presented on page 24.

Segments

MilDef's operations are treated as one segment as this reflects the Group's business, financial monitoring and management structure. MilDef's CEO, who is the chief operating decision-maker, monitors and analyzes results and financial position for the Group as a whole. The CEO thus also decides on allocation of resources and takes strategic decisions based on consolidation as a whole. Based on IFRS 8, the analysis concludes that the MilDef Group consists of only one reporting segment.

Volatility between periods

MilDef's sales and profits are affected by quarter-on-quarter volatility. Year-on-year comparisons between quarters can be made. The Group's strongest quarter in terms of sales and profits is normally the fourth quarter.

MilDef's markets are characterized by substantial procurements at irregular intervals. The lead times are often long due to extensive administrative processes and long sales cycles. Both order intake and sales may fluctuate significantly between the quarters. The Company's development should therefore be evaluated in a longer perspective and not based on an individual quarter or year.

Significant events during the second quarter of 2026

MilDef signed a 7-year framework agreement with the Swedish Defence Materiel Administration for delivery of hardware and OneCIS™ software, for an amount up to SEK 1.5 billion. This framework provides the Swedish Armed Forces with a comprehensive solution for management support systems for increased interoperability and connectivity. Upon signing of the contract a first order was placed regarding a licensing agreement for OneCIS.

To meet the increased demand, an expansion of the headquarter facilities in Helsingborg known as "The Fortress" began during the quarter. The property will grow by 6,000 square meters in an investment that includes office, production, warehouse and showroom spaces. The new combined floorspace exceeds 10,000 square meters and is expected to be ready no later than autumn 2027.

Other information

Acquisitions and acquisition analysis

On the acquisition date a preliminary acquisition analysis is performed based on estimates and judgments that are as accurate as possible. This analysis may, however, need to be adjusted at some point in the future. All acquisition analysis is subject to final adjustments no later than twelve months after the acquisition date.

Employees

The number of employees in the Group, recalculated to full-time equivalents (FTEs), was 553 (470) at the end of the period. 407 (345) of the employees were men and 146 (125) were women. The average number of FTEs during the period was 541, compared with 468 in the same period the previous year.

Research and development

MilDef conducts extensive research and development. This is considered a critical factor for continued organic growth and to penetrate new markets. It is important to quickly identify changing customer requirements and transform them into the best solutions for every given market situation.

Around 6% of MilDef's employees work in R&D-related positions. Further resources were added in 2026 to the R&D department – both contracted staff and MilDef employees – to handle an increased number of projects, many of which are highly complex.

Significant risks and factors of uncertainty

MilDef's operations and profits are affected by a number of external and internal factors. A constant process is under way to identify all of the risks that occur and to assess how to manage each risk. MilDef's risks can be divided into market-related, operational and financial risk. For a more detailed description of financial risk, see pages 79–81 in the Company's 2025 Annual and Sustainability Report. No other material financial risks, other than those described there, have been identified.

Transactions with related parties

No board member or senior executive has or has had any direct or indirect participation in any business transactions with Group companies during the current or previous financial years on terms that are or were unusual in nature. Nor has any Group company provided loans or guarantees to, or entered into any surety agreement for, any of the members of the Board or senior executives.

Contingent liabilities

There have been no changes in the Group's contingent liabilities during the period which are described in more detail on page 111 in Note 21 of the 2025 Annual and Sustainability Report.

Disputes

The Company was not a party in any material dispute as of the end of the period.

Annual General Meeting 2026

The Annual General Meeting on May 21, 2026 decided to re-elect board members Björn Karlsson, Charlotte Darth, Carl Mellander, Lennart Pihl and Elisabeth Åbom. Åsa Sundberg and Nicolas Hassbjerr were elected as new members. Björn Karlsson was re-elected as Chair of the Board.

At the subsequent statutory board meeting Björn Karlsson (Chair) and Nicolas Hassbjer were elected as members of the Remuneration Committee until the next statutory board meeting. For the same period, Carl Mellander (chair), Charlotte Darth and Åsa Sundberg were elected as members of the Audit Committee.

Öhrlings PricewaterhouseCoopers AB with Eric Salander as Auditor-in-Charge was re-elected as the Company's auditor for a term of one year. Auditors' fees are payable as invoiced.

The AGM voted to approve the Board's proposed dividend to shareholders of SEK 0.75 per share for the 2025 financial year.

In accordance with the Board's proposal, the AGM voted in favor of a performance-based and cash-based incentive program (LTIP 2026/2029) for MilDef's Management Team of circa six (6) employees, with a three-year vesting period. LTIP 2026/2029 is performance-based and linked to development of the Company's earnings per share (EPS) as well as MilDef's EcoVadis sustainability rating. The maximum cash remuneration is 50% of the participants' fixed annual cash salary during the vesting period. Payout is also contingent upon the Company's total return on the share exceeding development on OMX Stockholm Mid Cap Gross Index during the measurement period.

Provided that performance goals are met, payout will take place in June 2029 and is contingent upon the participant being employed throughout the vesting period. The participants undertake to reinvest a minimum of 50% of the net amount paid out in shares in MilDef, which must be retained for at least twelve (12) months. With the maximum outcome, the total cost of LTIP 2026/2029 is estimated to be SEK 21 million before tax, including social security contributions and administrative costs. The program is cash-based and will not result in any dilution for existing shareholders.

The meeting also authorized the Board of Directors, on one or more occasions in the period up to the next Annual General Meeting, to decide to issue new shares, with or without waiver of shareholders' preferential rights. The authorization includes the right to decide to issue new shares for payment in kind or by offset or otherwise subject to terms in accordance with the Swedish Companies Act. Further to a decision pursuant to the authorization, the number of shares may be increased by a number equivalent to a maximum of ten (10) per cent of the total number of shares outstanding in the Company at the time the Board first exercises the authorization. The total number of shares comprised by such new issues is to be within the limits on the share capital set out in the Articles of Association. The aim of the authorization, and the reasons for any waiver of shareholders' preferential rights, is to enable the Company to

Other information

finance the acquisition of entities or activities, or to strengthen the Company's capital base and equity/assets ratio. If shareholders' preferential rights are waived, new share issues pursuant to the authorization must be effected on market terms. The Board of Directors is further authorized, in observance of the above terms, to decide on such other terms as the Board may consider necessary to carry out the share issues.

Forward-looking statements

This report may contain forward-looking statements based on the Management Team's current expectations. Even though management considers the expectations expressed in such forward-looking statements to be reasonable, there can be no guarantee that these expectations will prove to be correct. Consequently, future outcomes may vary significantly compared with those expressed in the forward-looking statements, depending on factors such as changed conditions in the market for MilDef's products and more general changes in, for example, the economy, markets and competition, legal requirements and other political measures, and fluctuations in exchange rates.

Audit review

This report has not been reviewed by the Company's auditors.

Significant events after the end of the period

MilDef won a hardware contract with a European NATO member country, worth approximately 553 MSEK. The contract involves the digitization of the country's army and is the single largest hardware order MilDef has ever received. Deliveries are expected to take place in 2027.

Condensed consolidated statement of comprehensive income

		April 1–June 30		January 1–June 30		Rolling 12 months	Full year
SEK m	Note	2026	2025	2026	2025	July 2025–June 2026	2025
Net sales	1	630.4	383.3	1,338.2	722.8	2,660.7	2,045.2
Cost of goods sold		-303.4	-206.9	-697.4	-383.1	-1,439.4	-1,125.1
Gross profit		**327.0**	**176.5**	**640.9**	**339.7**	**1,221.3**	**920.1**
Selling expenses		-149.0	-116.7	-279.5	-208.3	-528.7	-457.6
Administrative expenses		-48.7	-36.3	-89.0	-66.9	-160.5	-138.4
Research and development expenses		-40.9	-25.7	-76.5	-46.6	-141.9	-112.0
Acquisition costs	2	-	-2.5	0.0	-3.5	-	-3.5
Restructuring costs	2, 3	-	2.8	0.0	5.4	3.4	8.9
Other operating income/expenses		-7.8	7.9	-12.4	-5.2	-10.4	-3.1
Operating profit		**80.6**	**5.9**	**183.4**	**14.6**	**383.2**	**214.4**
Net financial items		-8.4	10.9	-21.0	-2.0	-61.8	-42.8
Profit after financial items		**72.2**	**16.8**	**162.4**	**12.6**	**321.4**	**171.6**
Income tax		-13.6	-7.6	-32.9	-3.5	-52.9	-23.6
Profit for the period		**58.7**	**9.2**	**129.6**	**9.1**	**268.6**	**148.0**
Attributable to:							
MilDef Group AB shareholders		56.7	9.2	127.8	9.1	266.5	147.7
Non-controlling interests		2.0	0.0	1.8	0.0	2.1	0.3
Other comprehensive income for the Group							
Items that may be reclassified subsequently to profit or loss							
Translation differences		19.3	-8.7	43.7	-20.7	39.5	-24.9
Other comprehensive income for the period		**19.3**	**-8.7**	**43.7**	**-20.7**	**39.5**	**-24.9**
Comprehensive income for the period		**78.0**	**0.5**	**173.3**	**-11.7**	**308.1**	**123.1**
Attributable to:							
MilDef Group AB shareholders		76.0	0.5	171.5	-11.7	306.0	122.8
Non-controlling interests		2.0	0.0	1.8	0.0	2.1	0.3

Earnings per share

	April 1–June 30		January 1–June 30		Rolling 12 months	Full year
	2026	2025	2026	2025	July 2025–June 2026	2025
Number of shares at the end of the period	47,114,895	47,114,895	47,114,895	47,114,895	47,114,895	47,114,895
Weighted average number of shares in the period before dilution	47,114,895	47,043,241	47,114,895	46,510,119	47,114,895	46,814,993
Weighted average number of shares in the period after dilution	47,114,895	47,109,950	47,114,895	46,624,072	47,114,895	46,871,500
Earnings per share before dilution (SEK)	**1.25**	**0.20**	**2.75**	**0.20**	**5.70**	**3.16**
Earnings per share after dilution (SEK)	**1.25**	**0.20**	**2.75**	**0.19**	**5.70**	**3.16**

Condensed consolidated balance sheet

SEK m	Note	June 30, 2026	Dec. 31, 2025	June 30, 2025
ASSETS				
Non-current assets				
Capitalized product development expenses		6.5	8.4	10.7
Acquisition-related intangible assets		1,256.5	1,263.8	1,304.3
Other intangible non-current assets		0.5	0.7	1.1
Right-of-use assets		189.2	211.6	136.3
Other property, plant and equipment		60.7	43.0	39.3
Deferred tax assets		64.6	41.5	34.1
Other financial non-current assets		1.5	3.4	1.6
Total non-current assets		**1,579.5**	**1,572.5**	**1,527.6**
Inventories		771.9	531.8	530.7
Accounts receivable		427.6	513.9	255.2
Other current receivables		214.5	140.0	131.2
Cash and cash equivalents		196.3	148.6	199.9
Total current assets		**1,610.2**	**1,334.3**	**1,117.0**
TOTAL ASSETS		**3,189.7**	**2,906.8**	**2,644.6**
EQUITY AND LIABILITIES				
Equity*		**1,657.8**	**1,519.3**	**1,387.8**
Non-current liabilities				
Lease liabilities		163.0	182.8	120.8
Non-current interest-bearing liabilities		432.3	452.3	491.8
Deferred tax liabilities		98.4	105.0	132.8
Total non-current liabilities		**693.7**	**740.1**	**745.4**
Current liabilities				
Current interest-bearing liabilities		57.6	98.0	72.8
Lease liabilities		39.8	39.7	33.0
Accounts payable		343.8	169.8	125.7
Other provisions	3	10.0	11.6	16.7
Other current liabilities		386.9	328.2	263.2
Total current liabilities		**838.2**	**647.4**	**511.5**
TOTAL EQUITY AND LIABILITIES		**3,189.7**	**2,906.8**	**2,644.6**

*Equity attributable to MilDef Group AB shareholders amounted to SEK 1,648.7 million and to non-controlling interests, SEK 9.1 million.

Condensed consolidated statement of changes in equity

SEK m	June 30, 2026	Dec. 31, 2025	June 30, 2025
Equity, opening balance	1,519.3	1,101.7	1,101.7
Comprehensive income for the period	173.3	123.1	-11.7
New share issues	-	321.3	321.3
Repurchase of treasury shares	-	-3.8	-
Share-based remuneration	0.5	0.5	-
Dividend	-35.3	-23.5	-23.5
Equity, closing balance*	**1,657.7**	**1,519.3**	**1,387.8**

*Equity attributable to MilDef Group AB shareholders amounted to SEK 1,648.7 million and to non-controlling interests, SEK 9.1 million.

Condensed consolidated cash flow statement

	April 1–June 30		January 1–June 30		Rolling 12 months	Full year
SEK m	2026	2025	2026	2025	July 2025–June 2026	2025
Cash flow from operating activities						
Operating profit	80.6	5.9	183.4	14.6	383.2	214.4
Reversal of depreciation, amortization and impairment	32.3	30.2	63.7	47.3	126.6	110.3
Other non-cash items	-1.5	-8.9	14.1	-11.8	37.7	11.8
Net financial items	-7.8	10.9	-20.4	-2.0	-61.2	-42.8
Income taxes paid	-7.8	10.7	-13.8	2.3	-30.0	-13.9
Change in working capital	-75.5	-12.7	-34.3	-84.3	-232.9	-282.8
Cash flow from operating activities	**20.4**	**36.0**	**192.8**	**-33.8**	**223.5**	**-3.0**
Cash flow from investing activities						
Investments in intangible non-current assets	-	-	-	-	-2.0	-2.0
Investments in property, plant and equipment	-12.1	-3.3	-25.1	-7.8	-45.9	-28.6
Acquisition of subsidiaries, net of acquired cash and cash equivalents	-	-	-	-663.2	-37.8	-701.0
Change in other non-current receivables	-0.9	-	-0.9	-	-0.9	-
Cash flow from investing activities	**-13.1**	**-3.3**	**-26.0**	**-671.0**	**-86.5**	**-731.5**
Cash flow from financing activities						
Dividend	-35.3	-23.5	-35.3	-23.5	-35.3	-23.5
New share issues, net	-0.2	2.9	-	6.6	-	6.6
Repurchase of treasury shares	-	-	-	-	-3.8	-3.8
Increase in liabilities to credit institutions	-	-	-41.0	435.3	-2.1	474.2
Repayment of interest-bearing liabilities	-9.7	-14.4	-20.0	-28.6	-56.5	-65.1
Repayment of lease liabilities	-8.6	-7.4	-26.3	-12.9	-42.2	-28.9
Cash flow from financing activities	**-53.9**	**-42.5**	**-122.6**	**377.0**	**-139.8**	**359.7**
Total cash flow for the period	**-46.6**	**-9.7**	**44.1**	**-327.9**	**-2.8**	**-374.8**
Change in cash and cash equivalents						
Cash and cash equivalents at beginning of period	241.4	207.9	148.6	530.4	199.9	530.4
Exchange rate difference in cash and cash equivalents	1.4	1.7	3.6	-2.6	-0.8	-7.0
Cash and cash equivalents at end of period	**196.3**	**199.9**	**196.3**	**199.9**	**196.3**	**148.6**

Quarterly overview for the Group

	2026		2025				2024		
SEK m	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net sales	630.4	707.8	782.7	539.7	383.3	339.5	417.5	249.9	301.5
Cost of goods sold	-303.4	-394.0	-445.4	-296.6	-206.9	-176.3	-219.8	-125.0	-147.5
Gross profit	**327.0**	**313.9**	**337.3**	**243.1**	**176.5**	**163.2**	**197.8**	**124.9**	**154.0**
Operating expenses	-246.4	-211.1	-205.7	-175.0	-170.6	-154.5	-455.8	-103.1	-120.0
Operating profit	**80.6**	**102.8**	**131.6**	**68.1**	**5.9**	**8.7**	**-258.0**	**21.8**	**34.1**
Net financial items	-8.4	-12.6	-24.4	-16.5	10.9	-12.9	-1.7	-0.5	-5.0
Profit before tax	**72.2**	**90.2**	**107.3**	**51.7**	**16.8**	**-4.2**	**-259.7**	**21.4**	**29.0**
Income tax on profit for the period	-13.6	-19.3	-13.8	-6.2	-7.6	4.1	10.2	-4.1	-5.7
Profit for the period	**58.7**	**70.9**	**93.5**	**45.4**	**9.2**	**-0.1**	**-249.5**	**17.2**	**23.3**

Multi-year overview for the Group

	2025	2024	2023	2022	2021
Net sales, SEK m	2,045	1,201	1,151	739	470
Gross margin	45.0%	49.0%	48.3%	47.7%	44.7%
Adjusted operating margin (EBITA)	13.5%	12.5%	12.2%	6.1%	4.2%
Adjusted operating margin (EBIT)	10.2%	9.3%	9.4%	4.0%	1.8%
Adjusted profit margin (EBT)	8.1%	8.2%	7.7%	2.6%	1.3%
Earnings per share before dilution, SEK	3.16	-5.43	1.73	0.38	-0.03
Earnings per share after dilution, SEK	3.16	-5.37	1.71	0.37	-0.03
Cash and cash equivalents, SEK m	148.6	530.4	81.5	59.9	169.2
Cash flow from operating activities, SEK m	-3.0	144.4	54.5	-76.8	-55.5
Total assets, SEK m	2,907	1,684	1,526	1,394	808
Equity, SEK m	1,519	1,102	845	788	568
Equity/assets ratio	52.3%	65.4%	55.4%	56.5%	70.3%
Return on capital employed	12.6%	-15.7%	10.1%	3.4%	0.0%
Return on equity	11.3%	-22.6%	8.5%	2.1%	-0.2%
Equity per share, SEK	32.25	24.17	21.19	19.77	15.61
Dividend per share, SEK	0.75	0.50	0.50	-	0.75
Number of employees at year-end	479	327	309	291	188
Average number of employees	443	319	302	233	154

Condensed Parent Company income statement

	April 1–June 30		January 1–June 30		Rolling 12 months	Full year
SEK m	2026	2025	2026	2025	July 2025–June 2026	2025
Net sales	45.9	33.2	91.4	65.3	185.4	159.3
Selling expenses	-17.6	-11.9	-32.7	-22.8	-64.6	-54.7
Administrative expenses	-21.5	-17.9	-39.3	-30.8	-71.5	-63.0
Research and development expenses	-11.9	-8.2	-23.2	-16.5	-45.9	-39.3
Acquisition costs	-	-	-	-	-	-
Restructuring costs	-	-	-	-	1.4	1.4
Other operating income/expenses	0.1	-10.2	0.4	-20.2	6.2	-14.3
Operating profit	**-5.0**	**-15.1**	**-3.4**	**-24.9**	**11.0**	**-10.5**
Net financial items	81.7	13.2	91.0	0.8	113.8	23.7
Profit after financial items	**76.6**	**-1.9**	**87.6**	**-24.1**	**124.8**	**13.1**
Year-end appropriations	-	-	-	-	84.9	84.9
Profit before tax	**76.6**	**-1.9**	**87.6**	**-24.1**	**209.7**	**98.0**
Income tax	-15.8	0.7	-18.0	5.4	-43.1	-19.7
Profit for the period	**60.8**	**-1.2**	**69.5**	**-18.7**	**166.6**	**78.4**
Other comprehensive income						
Profit for the period	**60.8**	**-1.2**	**69.5**	**-18.7**	**166.6**	**78.4**
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss	-	-	-	-	-	-
Other comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**-**
Comprehensive income for the period	**60.8**	**-1.2**	**69.5**	**-18.7**	**166.6**	**78.4**

Condensed Parent Company balance sheet

SEK m	June 30, 2026	Dec. 31, 2025	June 30, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	10.8	8.0	5.9
Holdings in Group companies	542.6	542.6	548.0
Non-current receivables from Group companies	1,131.7	1,118.7	-
Total non-current assets	**1,685.1**	**1,669.3**	**553.8**
Current receivables from Group companies	371.0	437.1	1,423.8
Other current receivables	28.0	24.6	27.4
Cash and cash equivalents	116.7	1.2	52.5
Total current assets	**515.6**	**463.0**	**1,503.7**
TOTAL ASSETS	**2,200.7**	**2,132.3**	**2,057.6**
EQUITY, PROVISIONS AND LIABILITIES			
Equity	**1,410.8**	**1,376.2**	**1,282.4**
Untaxed reserves	**4.7**	**4.7**	**3.6**
Provisions			
Charitable contributions	0.8	1.6	1.4
Restructuring reserve	0.0	0.4	2.7
Total provisions	**0.9**	**2.0**	**4.1**
Non-current liabilities			
Non-current interest-bearing liabilities	432.2	452.2	491.6
Deferred tax liabilities	-	-	-
Total non-current liabilities	**432.2**	**452.2**	**491.6**
Current liabilities			
Current interest-bearing liabilities	57.6	98.0	57.8
Current liabilities to Group companies	219.1	146.0	190.1
Accounts payable	15.0	12.7	9.4
Other current liabilities	60.4	40.5	18.6
Total current liabilities	**352.1**	**297.2**	**275.9**
TOTAL EQUITY, PROVISIONS AND LIABILITIES	**2,200.7**	**2,132.3**	**2,057.6**

Condensed Parent Company statement of changes in equity

SEK m	June 30, 2026	Dec. 31, 2025	June 30, 2025
Equity, opening balance	1,376.2	1,003.2	1,003.2
Comprehensive income for the period	69.5	78.4	-18.7
New share issues	-	321.3	321.3
Repurchase of treasury shares	-	-3.8	-
Share-based remuneration	0.5	0.5	-
Dividend	-35.3	-23.5	-23.5
Equity, closing balance	**1,410.8**	**1,376.2**	**1,282.4**

Notes

Note 1. Net sales

Geographical breakdown	April 1–June 30		January 1–June 30		Rolling 12 months	Full year
SEK m	2026	2025	2026	2025	July 2025–June 2026	2025
Sweden	231	86	459	187	852	579
Nordics (excl. Sweden)	110	52	191	135	414	358
Germany	172	153	395	208	795	608
Europe (excl. Nordics & Germany)	61	33	158	75	346	263
North America	24	22	93	62	184	153
Other countries	32	37	42	56	70	84
Total revenue	**630**	**383**	**1,338**	**723**	**2,661**	**2,045**

Revenue categories	SEK m	Percentages	SEK m	Percentages	SEK m	Percentages	SEK m	Percentages
SEK m	April 1–June 30, 2026		April 1–June 30, 2025		January 1–June 30, 2026		January 1–June 30, 2025	
Hardware sales (specific point in time)	416	66%	286	75%	975	73%	514	71%
Software sales (specific point in time)	31	5%	16	4%	47	4%	33	5%
Sales of system and integration solutions (over time)	183	29%	81	21%	316	24%	176	24%
Total	**630**	**100%**	**383**	**100%**	**1,338**	**100%**	**723**	**100%**

Note 2. Non-recurring items

	April 1–June 30		January 1–June 30		Rolling 12 months	Full year
SEK m	2026	2025	2026	2025	July 2025–June 2026	2025
Acquisition-related expenses	-	2.5	-	3.5	-	3.5
Restructuring costs	-	-2.8	-	-5.4	-3.4	-8.9
Total	**-**	**-0.3**	**-**	**-1.9**	**-3.4**	**-5.3**

Note 3. Provisions

	April 1–June 30		January 1–June 30		Rolling 12 months	Full year
SEK m	2026	2025	2026	2025	July 2025–June 2026	2025
Charitable contributions	0.8	1.4	0.8	1.4	1.1	1.6
Restructuring costs	0.0	5.7	0.0	5.7	-5.3	0.4
Warranty expenses	9.2	9.7	9.2	9.7	9.1	9.6
Total	**10.0**	**16.7**	**10.0**	**16.7**	**5.0**	**11.6**

Charitable contributions

For many years MilDef has been donating around 1% of its operating profit to charitable causes. The causes to which the Group donates span everything from protecting victims of domestic violence to giving hope to people with substance abuse problems, offering a safe and dry place to sleep and get a meal, helping young students to finish school, and giving underserved people the chance to take part in sport. Quite simply, actions that make things a little easier and restore hope to those who have lost hope.

Restructuring costs

In the fourth quarter of 2024 MilDef decided to focus fully on its business in the defense and security domain. Accordingly, the Company intends to integrate the defense industry products of its Handheld subsidiary into the rest of the business and to cease operations in Handheld's other sales segments. Consequently, MilDef has reported an initial restructuring reserve of SEK 310 million.

These costs were recognized in the income statement for the fourth quarter of 2024.

Outstanding provisions as of June 30, 2026 amounted to SEK 0.0 million.

Warranty expenses

A provision has been made to assess the warranty costs for products that have been sold where warranties were still in effect as of the end of the financial year. The warranties are expected to be adjusted in the upcoming financial year.

Alternative performance measures

The Group's performance measures are detailed below. Some of these are defined in accordance with IFRS. Other than these, the Group has identified certain additional performance measures that provide the Company's investors and management with supplementary information to facilitate the assessment of relevant trends as well as the Company's performance. Since not all companies calculate financial measures in the same way, these are not always comparable with measures used by other companies. These financial measures are therefore to be seen as supplementing the performance measures defined according to IFRS.

	April 1–June 30		January 1–June 30		Rolling 12 months	Full year
SEK m	2026	2025	2026	2025	July 2025–June 2026	2025
Operating profit (EBIT)	**80.6**	**5.9**	**183.4**	**14.6**	**383.2**	**214.4**
Restructuring costs	-	-2.8	-	-5.4	-3.4	-8.9
Acquisition-related expenses	-	2.5	-	3.5	0.0	3.5
Adjusted operating profit (EBIT)	**80.6**	**5.6**	**183.4**	**12.7**	**379.8**	**209.0**
Adjusted operating profit (EBIT)	**80.6**	**5.6**	**183.4**	**12.7**	**379.8**	**209.0**
Net sales	630	383	1,338	723	2,661	2,045
Adjusted operating margin (EBIT), %	**12.8%**	**1.5%**	**13.7%**	**1.8%**	**14.3%**	**10.2%**
Operating profit (EBITA), SEK m						
Operating profit (EBIT)	80.6	5.9	183.4	14.6	383.2	214.4
Amortization of intangible non-current assets	19.1	19.5	37.8	28.3	76.8	67.3
Operating profit (EBITA)	**99.7**	**25.4**	**221.2**	**42.9**	**460.0**	**281.7**
Adjusted operating profit (EBITA), SEK m						
Operating profit (EBITA)	99.7	25.4	221.2	42.9	460.0	281.7
Restructuring costs	-	-2.8	-	-5.4	-3.4	-8.9
Acquisition-related expenses	-	2.5	-	3.5	0.0	3.5
Adjusted operating profit (EBITA)	**99.7**	**25.1**	**221.2**	**41.0**	**456.6**	**276.3**
Adjusted operating profit (EBITA)	**99.7**	**25.1**	**221.2**	**41.0**	**456.6**	**276.3**
Net sales	630	383	1,338	723	2,661	2,045
Adjusted operating margin (EBITA), %	**15.8%**	**6.5%**	**16.5%**	**5.7%**	**17.2%**	**13.5%**
Operating profit (EBITDA), SEK m						
Operating profit (EBIT)	80.6	5.9	183.4	14.6	383.2	214.4
Depreciation/amortization	32.3	30.1	63.7	47.3	127.2	110.7
Operating profit (EBITDA)	**112.9**	**36.0**	**247.1**	**61.8**	**510.3**	**325.1**
Adjusted operating profit (EBITDA), SEK m						
Operating profit (EBITDA)	112.9	36.0	247.1	61.8	510.3	325.1
Restructuring costs	-	-2.8	-	-5.4	-3.4	-8.9
Acquisition-related expenses	-	2.5	-	3.5	0.0	3.5
Adjusted operating profit (EBITDA)	**112.9**	**35.7**	**247.1**	**59.9**	**506.9**	**319.8**
Adjusted operating profit (EBITDA)	**112.9**	**35.7**	**247.1**	**59.9**	**506.9**	**319.8**
Net sales	630	383	1,338	723	2,661	2,045
Adjusted operating margin (EBITDA), %	**17.9%**	**9.3%**	**18.5%**	**8.3%**	**19.1%**	**15.6%**

Available cash and cash equivalents

SEK m	June 30, 2026	March 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025
Cash and bank balances	196.3	241.4	148.6	118.1	199.9
Unutilized overdraft facility	120.0	120.0	78.1	84.4	120.0
Available cash and cash equivalents	**316.3**	**361.4**	**226.7**	**202.5**	**319.9**

Working capital including cash and bank balances

SEK m	June 30, 2026	March 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025
Total current assets excluding cash and bank balances	1,413.9	1,209.0	1,185.7	1,116.8	917.1
Cash and bank balances	196.3	241.4	148.6	118.1	199.9
Current liabilities, non-interest-bearing	-730.7	-587.0	-498.1	-463.3	-389.0
Working capital including cash and bank balances	**879.5**	**863.5**	**836.3**	**771.7**	**728.1**
Net sales last 12 months	2,661	2,414	2,045	1,680	1,390
Working capital including cash and bank balances in relation to net sales, %	**33.1%**	**35.8%**	**40.9%**	**45.9%**	**52.4%**

Working capital excluding cash and bank balances

SEK m	June 30, 2026	March 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025
Inventories	771.9	566.5	531.8	620.2	530.7
Current receivables	642.0	642.6	653.9	496.6	386.4
Current liabilities, non-interest-bearing	-730.7	-587.0	-498.1	-463.3	-389.0
Working capital excluding cash and bank balances	**683.2**	**622.1**	**687.7**	**653.6**	**528.2**
Net sales last 12 months	2,661	2,414	2,045	1,680	1,390
Working capital excluding cash and bank balances in relation to net sales, %	**25.7%**	**25.8%**	**33.6%**	**38.9%**	**38.0%**

Return on capital employed

SEK m	June 30, 2026	March 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025
Profit after financial items, last 12 months	321.4	266.0	171.6	-195.4	-225.7
Financial expense, last 12 months*	-195.3	-115.5	-55.6	-32.3	-25.0
Of which unrealized exchange rate recalculations	-137.3	-68.8	-15.9	6.1	1.4
Profit before financial expense, last 12 months	516.7	381.4	227.2	-163.0	-200.6
Capital employed at beginning of period	2,106	2,115	1,322	1,117	1,215
Capital employed at end of period	2,350	2,322	2,292	2,147	2,106
Average capital employed	2,228	2,219	1,807	1,632	1,661
Return on capital employed, %	**23.2%**	**17.2%**	**12.6%**	**-10.0%**	**-12.1%**

*Includes (from Q1 2026) unrealized exchange rate recalculations previous recognized as other operating expenses.

Return on equity

SEK m	June 30, 2026	March 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025
Profit after tax, last 12 months	268.6	219.0	148.0	-195.0	-223.2
Equity at beginning of period	1,388	1,408	1,102	852	840
Equity at end of period	1,658	1,615	1,519	1,432	1,388
Average equity	1,523	1,511	1,311	1,142	1,114
Return on equity, %	**17.6%**	**14.5%**	**11.3%**	**-17.1%**	**-20.0%**

Net debt/EBITDA

SEK m	June 30, 2026	March 31, 2026	Dec. 31, 2025	Sept. 30, 2025	June 30, 2025
Non-current liabilities, interest-bearing	595.3	611.1	635.1	590.2	612.6
Current liabilities, interest-bearing	97.4	96.2	137.8	125.5	105.8
Cash and bank balances	-196.3	-241.4	-148.6	-118.1	-199.9
Net debt incl. IFRS 16	**496.5**	**465.9**	**624.3**	**597.6**	**518.5**
Operating profit, last 12 months	383.2	308.4	214.4	-175.3	-221.6
Depreciation, amortization and impairment, last 12 months	127.2	125.9	110.7	93.2	79.2
Non-recurring items, last 12 months	-3.4	-3.7	-5.4	315.5	318.9
Adjusted EBITDA, last 12 months	506.9	430.6	319.8	233.4	176.5
Net debt/EBITDA, multiple	**1.0**	**1.1**	**2.0**	**2.6**	**2.9**

Board of Directors’ assurance

Board of Directors’ assurance

The Board of Directors and CEO hereby provide an assurance that this interim report presents fairly the operations, position and results of the Parent Company and the Group, and describes material risks and uncertainties faced by the Parent Company and the other companies included in the Group.

MilDef Group AB (publ)
Helsingborg, July 16, 2026

Björn Karlsson
Chair

Elisabeth Åbom
Board member

Carl Mellander
Board member

Charlotte Darth
Board member

Lennart Pihl
Board member

Nicolas Hassbjer
Board member

Åsa Sundberg
Board member

Daniel Ljunggren
Chief Executive Officer

Definitions

Number of shares outstanding

Number of registered shares less repurchased shares, held by the Company.

Return on equity

Profit after tax attributable to owners of the parent as a percentage of average equity.

Return on capital employed

Profit before tax after reversal of financial expense, on a last 12-month basis, expressed as a percentage of average capital employed.

EBIT

Earnings before interest and taxes according to the income statement.

EBITA

Operating profit excluding amortization of intangible non-current assets.

EBITDA

Earnings before interest, taxes, depreciation and amortization of property, plant and equipment and intangible non-current assets.

Free cash flow

Cash flow from operating activities and cash flow from investing activities excluding acquisitions and divestments of intangible non-current assets and of property, plant and equipment.

Adjusted profit margin (EBT)

Earnings after financial items adjusted for non-recurring items in relation to net sales.

Non-recurring items

Non-recurring items are specific material items that are reported separately because of their size or frequency, e.g. restructuring costs, impairment, divestments and acquisition costs.

Net debt

Long-term and short-term interest-bearing liabilities less income-bearing financial assets.

Organic growth

Annual growth in net sales excluding acquisition-related net sales, calculated as increase in net sales excluding acquisition-related net sales compared with the previous year, expressed as a percentage.

Earnings per share before dilution

Profit after tax attributable to owners of the parent as a percentage of the average number of outstanding shares.

Earnings per share after dilution

Profit after tax attributable to owners of the parent as a percentage of average number of outstanding shares plus average number of shares added upon conversion of outstanding convertibles and warrants.

Working capital

Current assets, excluding cash and cash equivalents and current tax assets, minus interest-free current liabilities, excluding current tax liabilities.

Operating margin

Operating profit as a percentage of net sales.

Equity/assets ratio

Equity as a percentage of total assets.

Capital employed

Average total assets less non-interest-bearing liabilities and provisions.

MilDef in brief

Brief facts

MilDef's shares are listed on the NASDAQ Stockholm Mid Cap Index. Ticker: MILDEF.

- Supplier of tactical IT solutions
- Founded in 1997
- Stock exchange listing on June 4, 2021
- Around 550 employees
- Key markets: Nordics, Europe and selected NATO nations
- Customers: Security and defense
- Product portfolio: Hardware, software and services

Vision

Your number one choice for tactical IT.

Mission

In an ever-changing and increasingly digitalized world, there is an urgent need for tactical IT systems – systems that are robust, fit for purpose and produce the desired effect. MilDef will provide unique solutions to meet those needs with high quality, speed and accuracy.

Business concept

MilDef's business concept is to develop, offer and deliver tactical IT products and services for operations and functions that are critical for society. MilDef customizes solutions to meet the customers' specific requirements in the demanding environments in which they are used. MilDef's hardware and software products are combined with services to deliver effective digitalization. MilDef operates in the international security and defense market and within other areas that are critical for society.

Financial targets

Growth

MilDef's target is to grow sales over time by at least 25% per year, including acquisitions.

Profitability

MilDef's target is an operating margin (EBITA) over time of at least 15%.

Capital structure

MilDef's target is for interest-bearing net debt not to exceed 2.5 times operating profit (EBITDA), other than temporarily.

Dividend policy

MilDef's target is to pay out an annual dividend of 20–40% of profit after tax. MilDef will, however, take long-term development, capital structure and prevailing market conditions into account.

Growth strategies

MilDef's growth strategy is based on three prioritized areas.

Organic growth

In established markets MilDef is aiming to increase the share of long-term contracts and framework agreements. A long-term presence, strong position and proven delivery capability increase the opportunities to win large contracts in markets that are already established.

Acquisitions

MilDef has a structured acquisition strategy to support market entry and add complementary technologies to its portfolio where the Company's strong international distribution channels can be reused. Based on implemented acquisitions, MilDef has created a structured model to identify potential acquisition candidates, address and evaluate these and, once the transaction is complete, integrate them.

Expanded customer offering

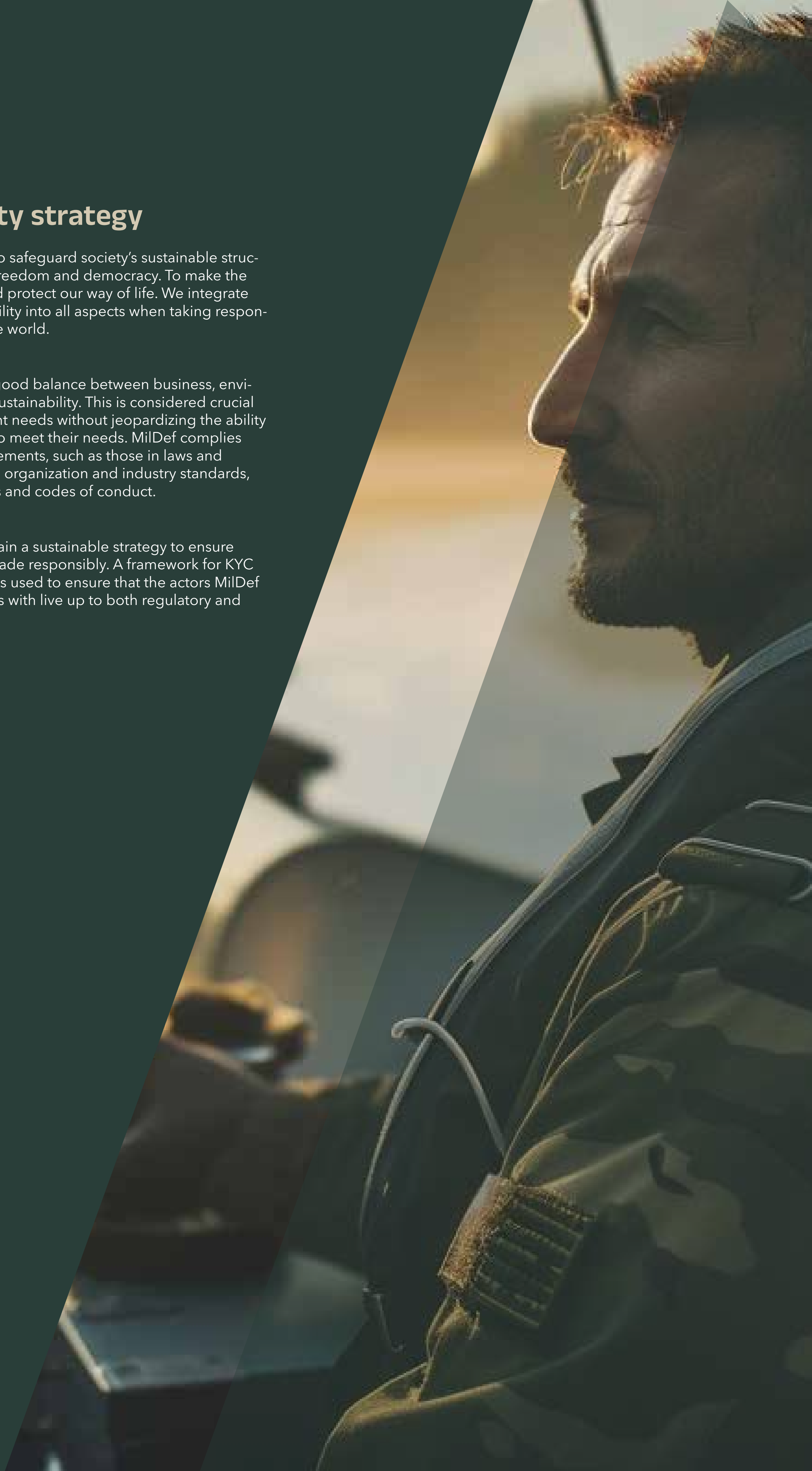
MilDef has expanded its customer offering, which in the past was mainly focused on hardware, to also include services and software. Complete solutions for a strong defense and increased safety.

Sustainability strategy

Our reason to exist is to safeguard society's sustainable structures. To stand up for freedom and democracy. To make the world a safer place and protect our way of life. We integrate our focus on sustainability into all aspects when taking responsibility for a sustainable world.

We aim to maintain a good balance between business, environmental and social sustainability. This is considered crucial in order to meet current needs without jeopardizing the ability of future generations to meet their needs. MilDef complies with mandatory requirements, such as those in laws and regulations, applicable organization and industry standards, contractual obligations and codes of conduct.

MilDef strives to maintain a sustainable strategy to ensure that investments are made responsibly. A framework for KYC (know your customer) is used to ensure that the actors MilDef chooses to do business with live up to both regulatory and ethical standards.



Invitation to a presentation of MilDef's interim report for January–June 2026

The presentation will be held in English and will conclude with a Q&A. The meeting will start at 10:00 CEST on July 16, 2026 and last for about 45 minutes. The report will be made available at www.mildef.com the same morning.

Connecting to the meeting

Connect to the meeting either by clicking on this Teams link or by calling the relevant telephone number below (audio only).

Telephone numbers:

+46 8 502 413 79 (Sweden)
+47 23 52 52 25 (Norway)
+45 32 73 03 21 (Denmark)
+358 9 23106849 (Finland)
+44 20 3855 6017 (UK)
+1 323 486 4735 (USA)

Enter conference ID: **482 113 306#**

Financial calendar

Interim Report Q3 2026	October 22, 2026
Year-End Report 2026	February 4, 2027

The Company's financial reports are made available via MFN and on MilDef's website, www.mildef.com.

This information is the information that MilDef Group AB (publ) is required to publish in accordance with the EU market abuse regulation and the Swedish Securities Market Act. The information was submitted, through the agency of the contact persons set out below, for publication at 08:00 CEST on July 16, 2026.

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Important information

This interim report may contain forward-looking information that reflects MilDef's current view of future events, as well as financial and operative development. Words such as "intends," "sees," "expects," "may," "assesses," "plans," "considers," "estimates" and other expressions that convey indications or predictions regarding future development or trends, and that are not based on historical fact, constitute forward-looking information. Forward-looking information is by nature associated with both known and unknown risks and factors of uncertainty because it depends on future events and circumstances. Forward-looking information does not offer any guarantee regarding future performance or development, and actual outcomes may differ materially from those expressed in forward-looking information.

MILDEF

MilDef provides rugged IT solutions, systems integration and services for the defense industry. Our systems are proven in real conditions and built to stand firm in every detail. We safeguard more than equipment, we safeguard the mission itself.

mildef.com

WE ARMOR IT.™