

INNOVATION & SECURITY FOR A STRONGER DEFENCE



Q4 2025 Presentation

March 2026

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Today's presenters



Markus Selme

Group CEO

- Founder and entrepreneur who has run several companies in the security, defence and aerospace industries. Largest owner of Argo Defence Group AB



Mariem Butler

CEO Swedish Net Air & Defence

- +20 years of experience in business development. Extensive international experience and work with procurements for the UN and multilateral development banks

Source: Company information.



A growth-oriented defence group



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INTRODUCTION TO ARGO DEFENCE

BUSINESS AREAS

Q4 2025 HIGHLIGHTS

STRATEGY AND FUTURE GROWTH

APPENDIX

First quarter as a listed company

Status update



First report

- Successfully delivered on communicated targets
- Strong initial report on a revenue and EBITDA basis for full year 2025



M&A

- Acquisition of rapidly growing (44% YoY 2025E vs. 2024A) and profitable **Poseidon Diving Systems**, a company with a **long history** and a **strong product portfolio**
 - ISP approved, transfer of ownership March 2, 2026
- Closing of Zel-Aaren and LPG Trafikmarkeringar



Strong order flow

- Order of **SEK 54m** in February 2026 for customized containers
- Together with previously received orders, the total order backlog amounts to **SEK 131m** with delivery scheduled for 2026



Successfully delivered on the 2025 guidance

Revenue guidance 2025
of SEK 150-165m

EBITDA guidance 2025 of
SEK 18-23m

Revenue 2025 (Proforma)

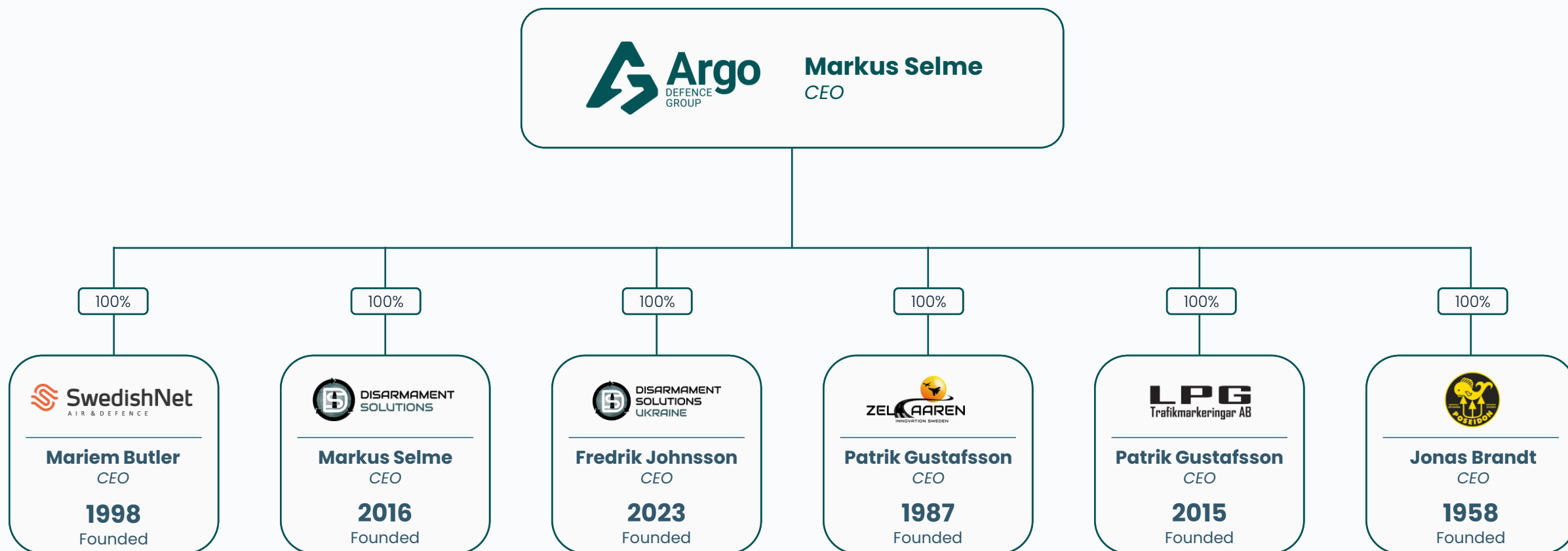
SEK 163.0m

EBITDA 2025 (Proforma)

SEK 18.7m

Source: Company information.

Overview of the current legal structure



Source: Company information.

Argo Defence in brief

Company overview

- Argo is a defence company rooted in mission-critical operations
- Primarily focuses on the design, production, and delivery of defence products and materiel
- Extensive history with underlying operations having existed since the 1950s
- Generally long-term contracts and framework agreements ensuring operational stability with great insight into future earnings
- Significant management ownership – Group CEO Markus Selme, CEO Swedish Net Air & Defence Mariem Butler, CEO Disarmament Ukraine Fredrik Johnsson, and CEO Zel-Aaren and LPG Patrik Gustafsson

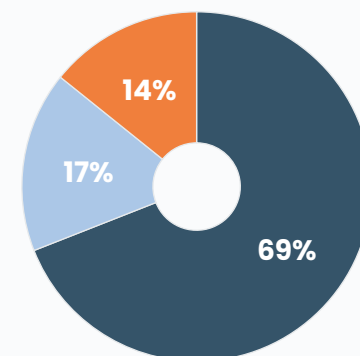
Selected customers



Source: Company information.

Notes: 1) Prior to group effects and internal eliminations

Proforma revenue 2025¹ split



■ Defence Material ■ Counter-Explosive Risk Solutions
■ Airfield Operations

Financial targets (mid-term)

GROWTH

>20%

Organic revenue CAGR

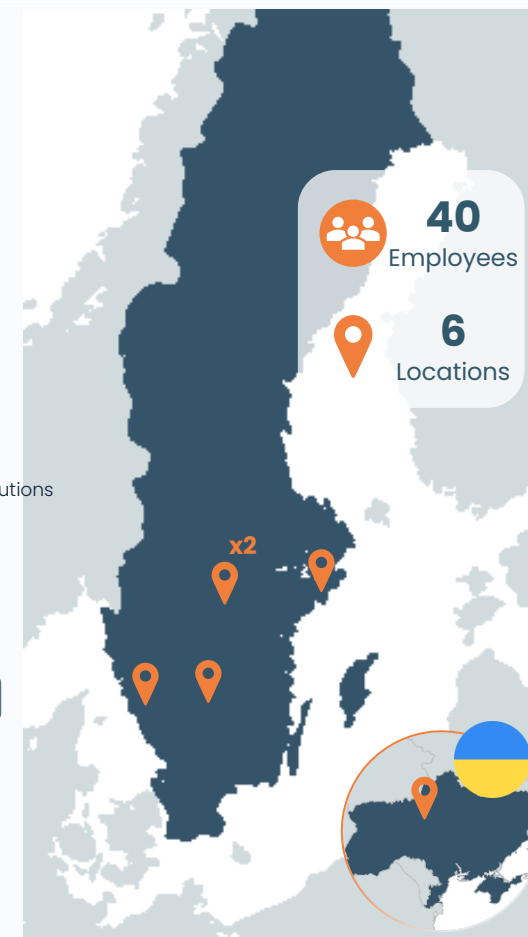
With individual years potentially affected positively or negatively by the timing of customer orders

MARGIN

>15%

EBITDA margin

With individual years potentially affected positively or negatively by the timing of customer orders

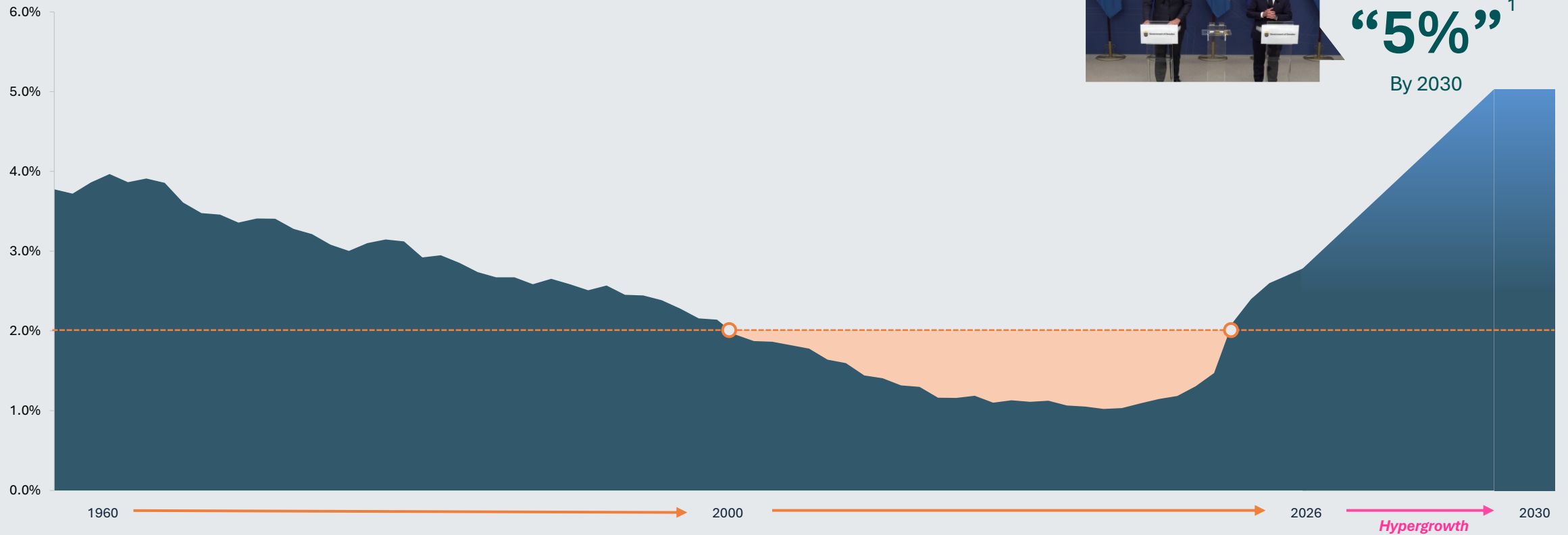


Sweden's defence spending drives growth in military procurement

Investments in equipment and personnel create opportunities for suppliers like Argo Defence

Two decades of underspending in Swedish military expenditure...

Swedish military spending (% of GDP)



Source: Company information.

Notes: 1) On 13 June 2025, Ulf Kristersson stated at a press conference with Mark Rutte that Sweden aims to reach defense and security expenditures equivalent to 5% of GDP by 2030.



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Example of products

- **An in-house product portfolio** that the company has developed and acquired over time, which will continue to be expanded
- **Focus** also on developing off-the-shelf technical products and adapting them for military environments
- **Prioritises** the domestic (Swedish) market and the Ukrainian market due to the current geopolitical situation



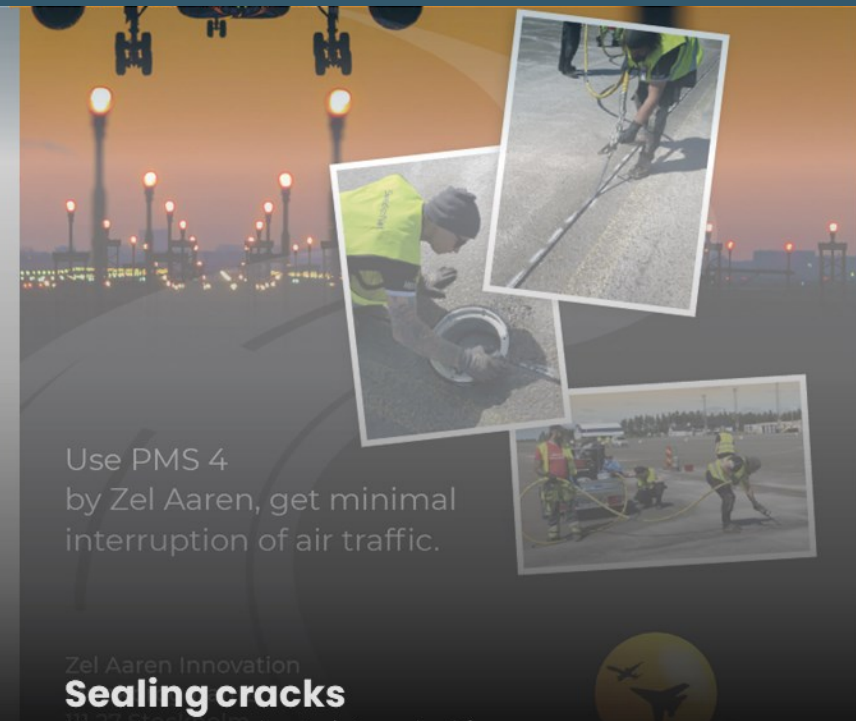
Antennas

Uses off-the-shelf antennas and applies a proprietary infrared-signature-reducing coating, making the antennas harder to detect in darkness. This specialized protective layer reduces infrared visibility



Diving equipment

Designs and manufactures its own diving equipment, developed specifically to meet demanding military requirements. The equipment is engineered for reliability, low detectability and performance in harsh operational environments



Use PMS 4 by Zel Aaren, get minimal interruption of air traffic.

Zel Aaren Innovation Sealing cracks

Develops products intended for usage on airfields, bridges and roads. The products are for example used for joint sealants, concrete repair, cable moulding or fixing of inset light bases

Business area

Defence materiel

- Focuses on developing and delivering defence systems and equipment, including deliveries for civil defence
- Great earnings visibility through framework agreements, procurements and direct contracts
- High hit-rate when tendering
- Developed a strong product portfolio
- Further strengthening the backlog with several medium-sized orders
- Sales growth driven by increased deliveries and capacity expansion
- Having reached critical mass, Argo has since participated in several larger tenders in Defence materiel during Q4 2025



Power solutions



Medical equipment for intensive care & training



Radio linked antennas



Technical spaces and cabinets



Cold storage within healthcare



Counter-explosive risk solutions

- Products and solutions for mine clearance and safe ammunition and weapon disposal, as well as safety and risk assessments in relation to explosive hazards
- The company has +30 years of expertise, including leading positions at the Swedish EOD and Demining Centre (SWEDEC); acting as advisor to multiple countries, including Ukraine
- Direct sales (commercial contracts)
- Strong Ukraine presence
- Generally lower hit rate on bids within this segment compared to defence materiel
- Visibly larger tenders out in the market during Q4 and beyond



Sensors



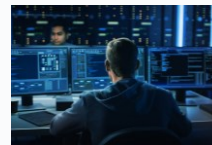
De-mining kit



Diving kits for underwater clearance



Ammunitions and explosives disposal



Advisory for explosive risk management



Airfield operations

- Covers airport system design, international sales of airfield products, and construction of high security facilities
- Project deliveries (performs electrical installations, systems, runways, antennas and instrument landing systems)
- >50% of projects military related
- The aviation sector is recovering post-COVID, with significant pent-up demand for civil and military airport upgrades expected to drive increased project activity in coming years
- Stable operations with civil and military airport stock in need of renovation in Sweden, driving increased tendering activity for Swedish Net Air & Defence, LPG and Zel-Aaren



Airport Ground Lighting (AGL)



Instrument Landing Systems (ILS)



Air Traffic Control (ATC)



Airfield surface works



PMS-4 Moulding system



Quick Seal A comp + B comp



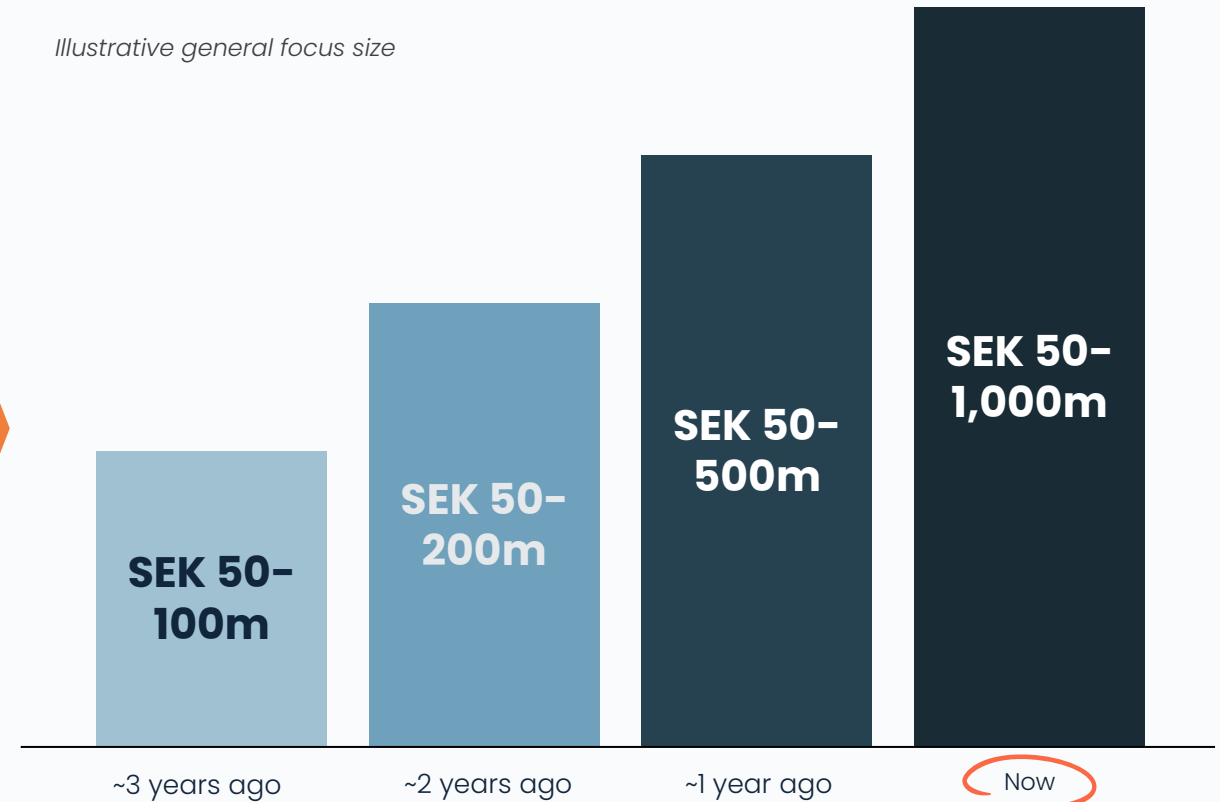
Argo tendering competitively on much larger projects, enabled by larger size and established suppliers

Also driven by a more extensive product offering through three complementary areas, unlike most competitors limited to only one area



Tendering project size development

Illustrative general focus size





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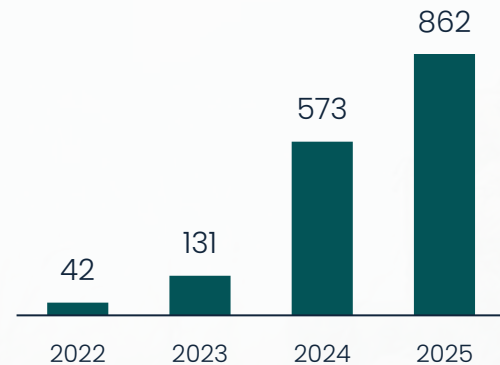
Significant growth in framework agreements with good earnings visibility forward

Framework agreements and orderstock

SEK 32.4m

Net sales in Q4'2025¹

SEK 862m



Current framework agreement value

SEK 663m

Remaining framework agreement value

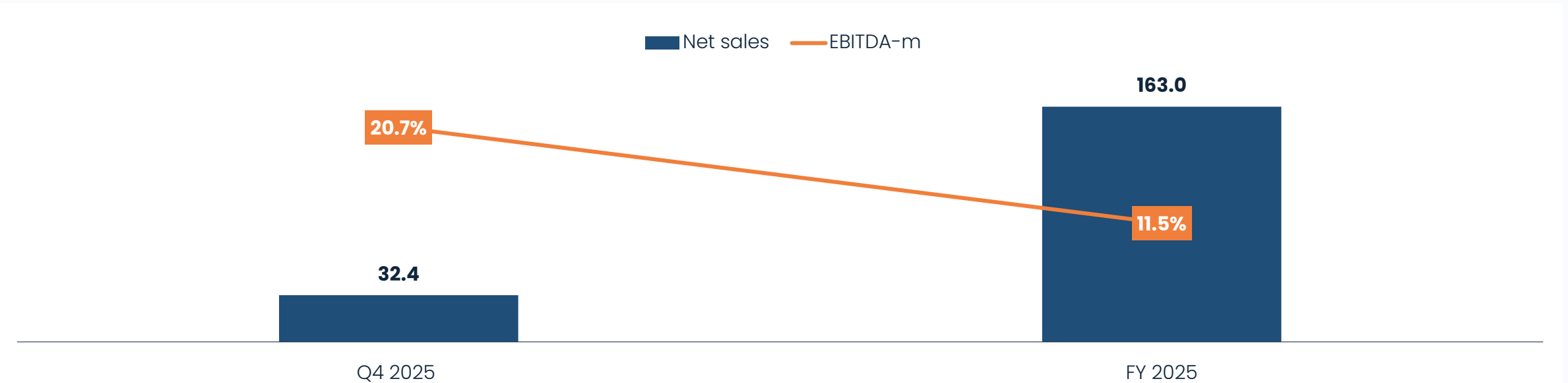
SEK 70m

Orderstock

SEK 131m
As per publishing

Q4 performance in line with full-year guidance

Reviewed¹ proforma figures



- On proforma basis, Q4 2025's profitability was higher than FY 2025PF, primarily driven by lower net sales in Q4 due to a reclassification adjustment, see next slide.

Strong underlying EBITDA-margin in Q4

Illustrative example and explanation of reclassification effects and impact on proforma net sales and EBITDA-margin

SEK 32.4m

Proforma Net sales Q4 2025



SEK +8.4m²

Donations adjustment

- During **Q1-Q3 2025**, donations in Argo Defence were booked as “Net sales”, during Q4 2025, this was changed and to be booked as “Other operating income”.
- To adjust for the months prior, an adjustment of negative **SEK 8.4m** was made to the topline of Q4 2025.



SEK 40.9m

Like-for-like proforma net sales Q4 2025

SEK 40.9m

Like-for-like proforma net sales Q4 2025



SEK 6.7m

Proforma EBITDA Q4

SEK 7.4m

Proforma Adjusted EBITDA Q4



16.4%

Proforma EBITDA margin Q4

18.1%

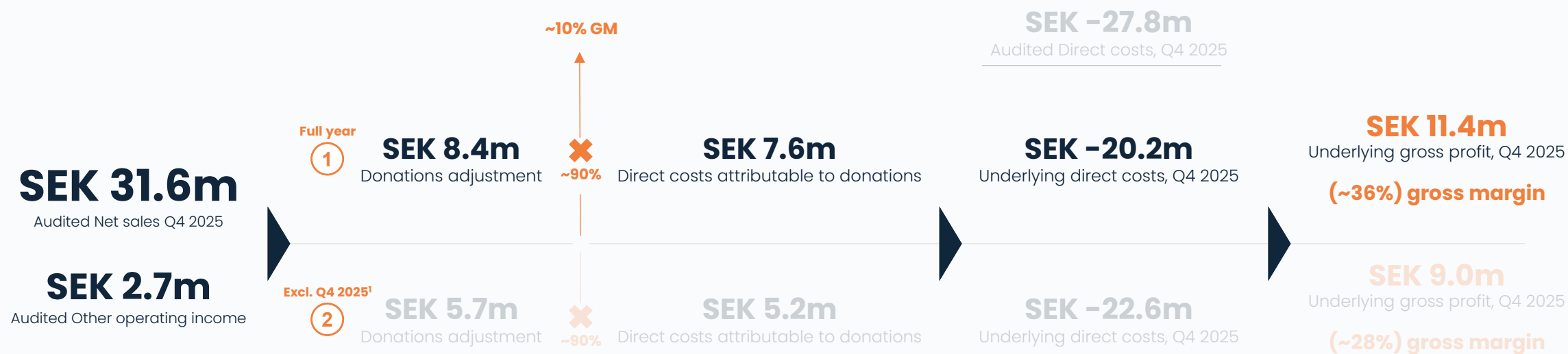
Proforma Adjusted EBITDA¹ margin Q4

Source: Company information.

Notes: 1) EBITDA adjusted for items affecting comparability that are not considered to be recurring in the ordinary course of business, such as listing-related costs, 2) SEK 8.4 million from Other operating income used as proxy for donations, certain deviations may occur.

Underlying gross margin illustration

Illustrative example and explanation of reclassification effects and impact on audited direct costs and gross profit



Source: Company information.

Notes: 1) Excluding Q4 2025, as other operating income was booked "correctly"; however, the associated costs are still included in direct costs, which distorts the gross margin and makes it non-representative.

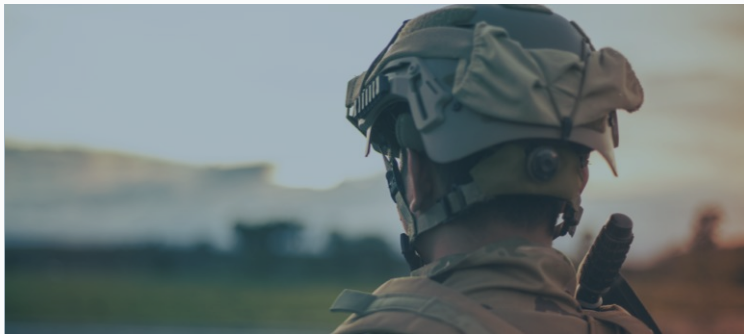


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Established a platform for continued growth

Entering the phase of hypergrowth in military expenditures, opportunities to grow organically are highly present

Defence materiel



- Compete in larger tenders, having reached critical mass
- Tender in heavier materiel, such as e.g., vehicles

Counter-explosive risk solutions



- Compete in larger tenders, having reached critical mass
- After organizational investments in Ukraine, robust group in place to capitalize on increased demand

Airfield operations



- Compete in larger tenders, having reached critical mass
- Further capitalize on good momentum in Zel-Aaren

M&A

Argo maintains a flexible strategic approach, with the capacity to pursue selective, opportunistic acquisitions of vertically complementary product companies where attractive opportunities arise

Case study: Poseidon



Founded in 1958, perfect fit into Argo with proprietary and category leading proucts

Superior in cold water

Poseidon regulators are engineered for extreme cold-water performance, delivering reliable airflow and freeze resistance in conditions where standard regulators struggle

Mechanically regulator

Poseidon regulators provide stable, low-effort breathing through mechanical and servo-assisted design that automatically compensates for depth, pressure, gas mix, and orientation without manual adjustment.

Emergency solution

Poseidon's emergency breathing solutions ensure immediate and reliable access to breathing gas in critical situations, supporting safe air sharing and controlled ascent.

Enterprise value

SEK 56m

EBITDA

SEK 6.7m

EV/EBITDA (LFY)

8.4x

Revenue growth (LFY)

44%



Source: Company information.

Case – summary



① Sustained long-term market growth supported by rising defence spending

② Strategically positioned product portfolio and market presence

③ Proven ability to identify, participate in, and win complex procurements

④ Scalable cost base with stable fixed costs for each tender, even as the company wins larger procurements

⑤ Unique investment opportunity with strong potential for organic growth through current and larger framework wins, complemented by selective acquisitions



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Q&A

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Board of directors & Management team

Board of Directors

<p>Lars Granbom Chairman of the board</p>  <p>Astor APWAVES CHALMERS</p>	<p>Anna Höjer Board Member</p>  <p>SAAB transdev the mobility company L</p>	<p>Magnus Ericsson Board Member</p>  <p>SWEROCK PEAB SVENSKT NÄRINGSLIV</p>	<p>Mariem Butler Board Member</p>  <p>BUSINESS SWEDEN UPPSALA UNIVERSITET SwedishNet AIR & DEFENCE</p>	<p>Markus Selme Board Member</p>  <p>DISARMAMENT SOLUTIONS SwedishNet AIR & DEFENCE</p>
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Management team

<p>Markus Selme Board Member</p>  <p>DISARMAMENT SOLUTIONS SwedishNet AIR & DEFENCE</p>	<p>Mariem Butler CEO Swedish Net Air & Defence</p>  <p>BUSINESS SWEDEN UPPSALA UNIVERSITET SwedishNet AIR & DEFENCE</p>	<p>Fredrik Johnsson CEO Disarmament Ukraine</p>  <p>DISARMAMENT SOLUTIONS UKRAINE LUND UNIVERSITY</p>	<p>Isabelle Stiernstedt Head of IR & Coms</p>  <p>SÖDERTÖRN UNIVERSITY STOCKHOLM SwedishNet AIR & DEFENCE</p>	<p>Nicklas Karlbom Interim CFO</p>  <p>Stockholm University FRILANS FINANS Deutsche Leasing</p>	<p>Mikaela Rosén Group Finance Manager</p>  <p>DISARMAMENT SOLUTIONS SwedishNet AIR & DEFENCE</p>
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Source: Company information.

Income Statement

KSEK	2025-10-01 - 2025-12-31	2025-04-29 - 2025-12-31
Operating income		
Net sales	31,600	62,970
Other operating income	2,711	4,243
Total operating income	34,310	67,213
Operating expenses		
Direct costs	(27,788)	(50,892)
Other external costs	(1,586)	(3,347)
Personnel costs	(3,375)	(7,249)
Depreciation and amortization of tangible and intangible assets	(7,775)	(13,275)
Other operating expenses	1	1
Total operating expenses	(40,523)	(74,762)
Operating profit (loss)	(6,212)	(7,549)
Net financial items		
Interest income and similar income items	509	509
Interest expenses and similar expense items	(357)	(615)
Total net financial items	153	(106)
Profit (loss) before tax	(6,060)	(7,655)
Tax	412	308
PROFIT (LOSS) FOR THE PERIOD	(5,648)	(7,347)

Source: Company information.

Balance Sheet

KSEK	2025-12-31
Non-current assets	
Intangible assets	
Goodwill	75,698
Capitalized development expenditure	637
Total intangible assets	76,335
Tangible assets	
Buildings and land	2,725
Machinery, equipment and installations	2,499
Total tangible assets	5,224
Financial assets	
Deferred tax assets	1,112
Total financial assets	1,112
Total non-current assets	82,670
Current assets	
Inventory	
Inventory	8,292
Total inventory	8,292
Short-term receivables	
Accounts receivable	13,956
Current tax receivables	334
Other receivables	2,769
Accrued income not yet invoiced	4,664
Prepaid expenses and accrued income	28,758
Total short-term receivables	50,482
Cash and bank	36,286
Total cash and bank	36,286
Total current assets	95,060
TOTAL ASSETS	177,730

Source: Company information.

KSEK	2025-12-31
Equity	
Share capital	693
Other equity, including profit for the year	126,494
Total equity	127,187
Non-current liabilities	
Liabilities to credit institutions	20,152
Total non-current liabilities	20,152
Current liabilities	
Liabilities to credit institutions	3,527
Accounts payable	3,725
Current tax liabilities	1,326
Other current liabilities	5,171
Accrued expenses and deferred income	16,643
Total current liabilities	30,391
TOTAL EQUITY AND LIABILITIES	177,730

Cash Flow Statement

KSEK	2025-10-01 - 2025-12-31	2025-04-29 - 2025-12-31
Operating activities		
Operating profit (loss)	(6,212)	(7,549)
Adjustments for depreciation and amortization	7,775	13,275
Adjustments for items not included in cash flow	139	312
Interest received	509	509
Interest paid	(218)	(303)
Income tax paid	(124)	(165)
Cash flow from operating activities before changes in working capital	1,869	6,079
Cash flow from changes in working capital		
Change in inventories	(6,532)	(8,292)
Change in accounts receivable	(13,167)	(13,956)
Change in other short-term receivables	(29,171)	(36,191)
Change in accounts payable	1,400	3,725
Change in other short-term liabilities	13,368	23,140
Acquisition of working capital (reclassified to investing activities)	12,926	13,025
Cash flow from operating activities	(19,307)	(12,470)
Investing activities		
Investments and disposals of tangible assets	0	(365)
Acquisition of subsidiaries	(11,722)	(25,272)
Cash flow from investing activities	(11,722)	(25,637)
Financing activities		
Share issue	55,000	58,250
Share issue costs	(7,648)	(7,648)
Options	112	112
New borrowings	18,179	23,679
Cash flow from financing activities	65,643	74,393
Cash flow for the period	34,614	36,286
Cash and cash equivalents at beginning of period	1,672	0
Cash and cash equivalents at end of period	36,286	36,286

Source: Company information.

Pro forma income statement

Reviewed¹

KSEK	2023	2024	2025
Operating income			
Net sales	24,072	126,956	162,978
Other operating income	7,284	13,629	8,449
Total operating income	31,355	140,585	171,427
Operating expenses			
Direct costs	(14,868)	(104,776)	(127,821)
External costs	(15,615)	(14,101)	(11,660)
Personnel costs	(5,584)	(6,704)	(13,283)
Depreciation and amortization of tangible and intangible assets	(19,564)	(21,137)	(24,328)
Total operating expenses	(55,632)	(146,718)	(177,092)
Operating profit (loss)	(24,276)	(6,133)	(5,665)
Net financial items			
Interest income and similar income items	0	0	1,727
Interest expenses and similar expense items	(1,263)	(1,162)	(1,051)
Total net financial items	(1,263)	(1,162)	676
Earnings before tax	(25,539)	(7,295)	(4,989)
EBITDA	(4,712)	15,004	18,663

Source: Company information.
Notes: 1) Sw. Översiktligt granskad.

Balance Sheet

Reviewed¹

KSEK	2023-12-31	2024-12-31	2025-12-31
Non-current assets			
Goodwill	73,519	55,021	36,735
Intangible assets	7,816	5,828	637
Buildings and land	0	0	2,725
Tangible assets	2,585	3,697	2,499
Financial assets	1,835	1,878	1,906
Total non-current assets	85,755	66,423	44,500
Current assets			
Inventory	1,845	3,463	8,292
Accounts receivable	116	5,612	13,956
Other receivables	9,523	16,172	3,033
Prepaid expenses and accrued income	1,323	14,996	33,422
Total short-term receivables	12,807	40,242	58,704
Cash and bank	2,233	5,698	36,286
Total current assets	14,981	45,940	94,990
TOTAL ASSETS	100,794	112,364	139,491

KSEK	2023-12-31	2024-12-31	2025-12-31
Equity			
Share capital	551	551	551
Reserve for development expenditure	7,836	5,930	5,951
Retained earnings incl. share premium reserve	96,672	76,528	87,117
Share capital	(24,765)	(8,227)	(5,713)
Total equity	80,294	74,782	87,905
Untaxed reserves			
Excess depreciation	0	1,126	0
Accrual funds	695	815	0
	695	1,941	0
Non-current liabilities			
Liabilities to credit institutions	5,812	3,710	20,152
Other non-current liabilities	89	1,384	0
Total non-current liabilities	5,901	5,094	20,152
Current liabilities			
Liabilities to credit institutions	0	0	3,527
Accounts payable	4137	18376	3,725
Tax liabilities	0	144	2,366
Other current liabilities	9132	11329	5,173
Accrued expenses and deferred income	635	697	16,643
Total current liabilities	13,904	30,547	31,434
TOTAL EQUITY AND LIABILITIES	100,794	112,364	139,491

Source: Company information.
Notes: 1) Sw. Översiktligt granskad.



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