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SAAB Nordic Defence Industries A/S

Stenholm 11
9400 Nørresundby
CVR No. 18032430

Annual report 2024

The Annual General Meeting adopted the
annual report on 18.06.2025

Niclas Kolmodin
Chairman of the General Meeting

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Entity details

Entity

SAAB Nordic Defence Industries A/S

Stenholm 11

9400 Nørresundby

Business Registration No.: 18032430

Registered office: Aalborg

Financial year: 01.01.2024 - 31.12.2024

Board of Directors

Heino Lundgren

Nils Christian Wang

Niclas Christer Kolmodin

Executive Board

Henrik Nøjgaard, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Østre Havnepromenade 26, 4th floor

9000 Aalborg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of SAAB Nordic Defence Industries A/S for the financial year 01.01.2024 - 31.12.2024.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aalborg, 18.06.2025

Executive Board

Henrik Nøjgaard
CEO

Board of Directors

Heino Lundgren

Nils Christian Wang

Niclas Christer Kolmodin

Independent auditor's extended review report

To the shareholders of SAAB Nordic Defence Industries A/S

Conclusion

We have performed an extended review of the financial statements of SAAB Nordic Defence Industries A/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of Management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our conclusion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aalborg, 18.06.2025

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Lars Birner Sørensen

State Authorised Public Accountant

Identification No (MNE) mne11671

Management commentary

Primary activities

The company activities include production, product development, maintenance, marketing, and sales primarily of sea mine disposal charges.

Description of material changes in activities and finances

The significant increase in the number on incoming orders in the existing portfolio, as well as production of test- and prototype units for new products ordered by other Saab business units continues, the latter albeit with a very low margin.

The investments in setting up a completely new supply chain as well as recruiting and training new personnel to produce a new sea mine disposal charge continue at a high pace. However, serial production at an industrial level, which was planned to commence mid- to late 2024 has been further delayed, with an estimated commencement late 2025.

Due to the war in Ukraine, energetic materials are still in extremely short supply, and competent fillers in Europe are unable to accept new orders. The 2022 warranty case is there for still unsolved and will remain so until late 2025 or early 2026. This has had a large negative impact on the 2024 result, which is not acceptable.

Mergers

The company merged with its subsidiaries Combitech A/S in 2024. The merger took place with accounting effect from 1 January 2024, with Saab Nordic Defence Industries A/S as the continuing company. Comparative figures have been adjusted.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2024

	Notes	2024 DKK	2023 DKK
Gross profit/loss		85,065	1,568,394
Staff costs	1	(6,156,994)	(4,818,127)
Depreciation, amortisation and impairment losses		(105,852)	(92,021)
Operating profit/loss		(6,177,781)	(3,341,754)
Other financial income		51,556	19,648
Financial expenses from group enterprises		(2,600,458)	(567,625)
Other financial expenses		(800)	(42,112)
Profit/loss before tax		(8,727,483)	(3,931,843)
Tax on profit/loss for the year	2	(2,171,307)	758,382
Profit/loss for the year		(10,898,790)	(3,173,461)
Proposed distribution of profit and loss			
Retained earnings		(10,898,790)	(3,173,461)
Proposed distribution of profit and loss		(10,898,790)	(3,173,461)

Balance sheet at 31.12.2024

Assets

	Notes	2024 DKK	2023 DKK
Other fixtures and fittings, tools and equipment		278,150	95,888
Leasehold improvements		0	0
Property, plant and equipment	3	278,150	95,888
Fixed assets		278,150	95,888
Raw materials and consumables		20,142,005	12,814,235
Inventories		20,142,005	12,814,235
Trade receivables		1,187,409	5,096,409
Receivables from group enterprises		2,777,226	0
Deferred tax		0	2,280,934
Other receivables		266,284	468,753
Prepayments		292,268	295,909
Receivables		4,523,187	8,142,005
Cash		34,427,410	58,325,464
Current assets		59,092,602	79,281,704
Assets		59,370,752	79,377,592

Equity and liabilities

	Notes	2024 DKK	2023 DKK
Contributed capital		26,000,000	1,000,000
Retained earnings		(7,413,324)	4,816,086
Equity		18,586,676	5,816,086
Payables to group enterprises		0	33,000,000
Other payables		512,731	512,731
Non-current liabilities other than provisions		512,731	33,512,731
Trade payables		1,257,059	1,144,992
Payables to group enterprises		38,143,034	35,113,205
Other payables		871,252	3,790,578
Current liabilities other than provisions		40,271,345	40,048,775
Liabilities other than provisions		40,784,076	73,561,506
Equity and liabilities		59,370,752	79,377,592
Unrecognised rental and lease commitments	4		
Contingent liabilities	5		
Group relations	6		

Statement of changes in equity for 2024

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,000,000	3,485,466	4,485,466
Capital increase by debt conversion	25,000,000	0	25,000,000
Profit/loss for the year	0	(10,898,790)	(10,898,790)
Equity end of year	26,000,000	(7,413,324)	18,586,676

Notes

1 Staff costs

	2024	2023
	DKK	DKK
Wages and salaries	5,481,505	4,278,227
Pension costs	609,329	456,926
Other social security costs	66,160	82,974
	6,156,994	4,818,127
Average number of full-time employees	11	8

2 Tax on profit/loss for the year

	2024	2023
	DKK	DKK
Change in deferred tax	2,280,934	(758,382)
Adjustment concerning previous years	(109,627)	0
	2,171,307	(758,382)

3 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	1,612,740	568,027
Additions	288,114	0
Cost end of year	1,900,854	568,027
Depreciation and impairment losses beginning of year	(1,516,852)	(568,027)
Depreciation for the year	(105,852)	0
Depreciation and impairment losses end of year	(1,622,704)	(568,027)
Carrying amount end of year	278,150	0

4 Unrecognised rental and lease commitments

	2024	2023
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	598,037	483,668

5 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Saab Danmark A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the

withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

6 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
SAAB AB (publ.), P.O. Box 12062, SE-102 22 Stockholm, Sweden

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Business combinations

The modified uniting-of-interests method is applied to vertical mergers in which the participating entities are subject to the Parent's control. Under this method, assets and liabilities of the participating entities are recognised at the amounts at which they are recognised in the consolidated financial statements of the parent forming part of the merger. The comparative figures are restated back to the date when the entities first formed part of the Group.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary

refunds.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and normal writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including xpenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Other financial income

Other financial income comprises interest income.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc. from payables to group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, net capital or exchange losses on securities, payables and transactions in foreign currencies,.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-7 years
Leasehold improvements	7 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.