

Q2²⁰²⁵

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Arendals Fossekompani Q2 and Half-Year Interim Report

29 August 2025

Arendals Fossekompani

- Long term industrial investment company
- Invest in B2B, energy and/or technology
- Sustainable value creation
- Active ownership

Main investments
6 (1 listed)

Employees
~2,300

Countries
25

Listed on the Oslo Stock Exchange
1913

Head Office
Arendal, Norway

Our portfolio

Diversified portfolio within energy and technology



value

Software solutions for the energy transition

Ownership 40% Head office Oslo, Norway



ENRX

Leading international company within induction technology

AFK ownership 95% Head office Skien, Norway



TEKNA

Global technology driven powder producer for 3D printing and microelectronics

Ownership 69.5% Headquarter Sherbrooke, Canada

Market cap (30.06) 637 MNOK Listed at Oslo Børs



NSSLGlobal

Cyber secure satellite communication services anywhere

Ownership 80% Head office London, UK



AFK VANKRAFT

500 GWh hydropower production providing steady cash flow

Ownership 100% Head office Arendal, Norway



AFK | Property

Portfolio of property investments and development projects

Ownership 100% Head office Arendal, Norway



Other investments

veyt KONTALI

Factlines. Utel Collect

An attractive and diversified portfolio

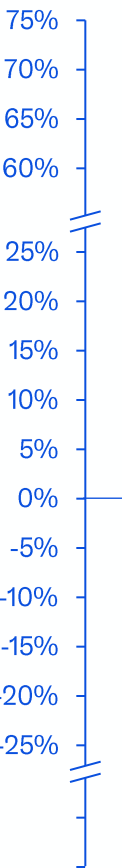
A portfolio containing both stabile cash flow generating companies and growth prospects

The Start-ups

Venture-like. Focus on maximizing risk adjusted return

Invest

EBIT LTM



Utel
Factlines.
Collect
KONTALI
veyt

The Growth-focused

PE-like. Focused on scaling (organic and inorganic), industrialization and improving cost efficiency

Grow

value*

ENRX

TEKNA

The Mature

Cash and dividend generating. Focused on long-term strategy and maintaining position and profitability.

Harvest

NSSLGlobal

AFK Property

AFK VANKRAFT

Highlights Q2 2025

FINANCIAL

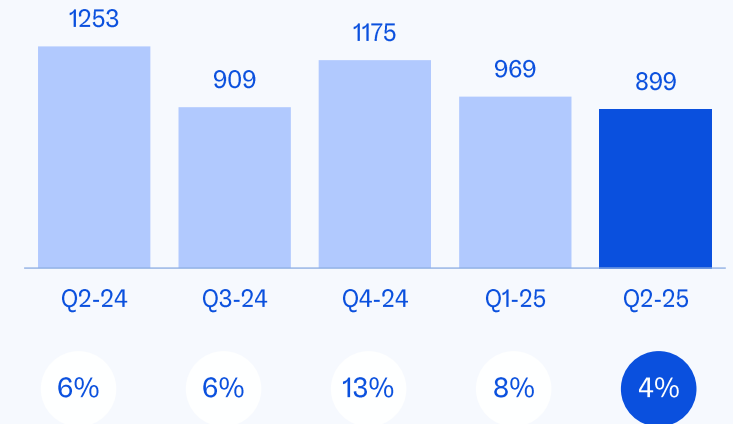
- Group revenue: NOK 899 m (1,253m). Majority of YoY difference driven by revenue recognition of apartment complex in AFK Eiendom in Q2 2024
- Group operating profit (EBIT): NOK 32m (73m), margin 4% (6%)

PORTFOLIO HIGHLIGHTS

- **Value:** 22% ARR growth and Cash EBITDA margin of 19% (7%)
- **ENRX:** Heat business; 5% revenue growth and operating margin of 7% (6%)
- **Tekna:** Weak topline. Order intake up 42% YoY. Positive cash flow from operations.
- **NSSLGlobal:** Continued high activity levels within airtime and governmental & maritime projects. Operating margin of 20% (19%)
- **AFK Vannkraft:** Low production during dry summer months

Development last 5 quarters

Revenue and other income (MNOK) and operating margin





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Q2 2025

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Q2 2025

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Portfolio company highlights

value

AFK ownership
40%

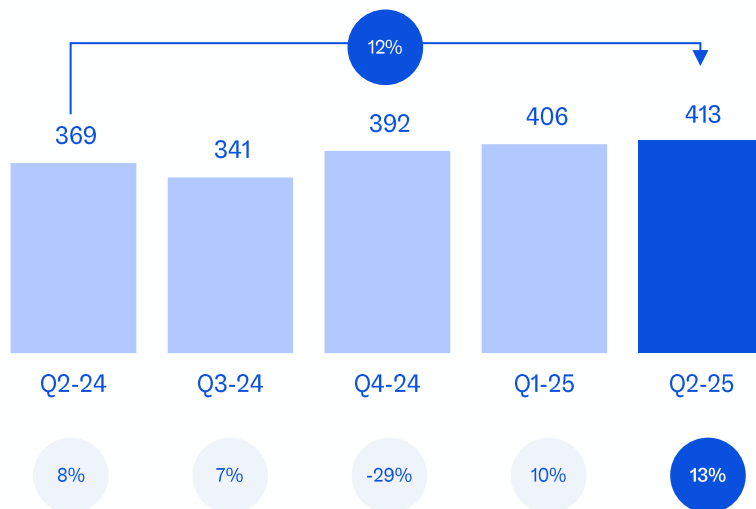
Head office
Oslo, Norway

Q2 update

Growth & margin expansion

Development last 5 quarters

Revenue and other income (MNOK) and operating margin

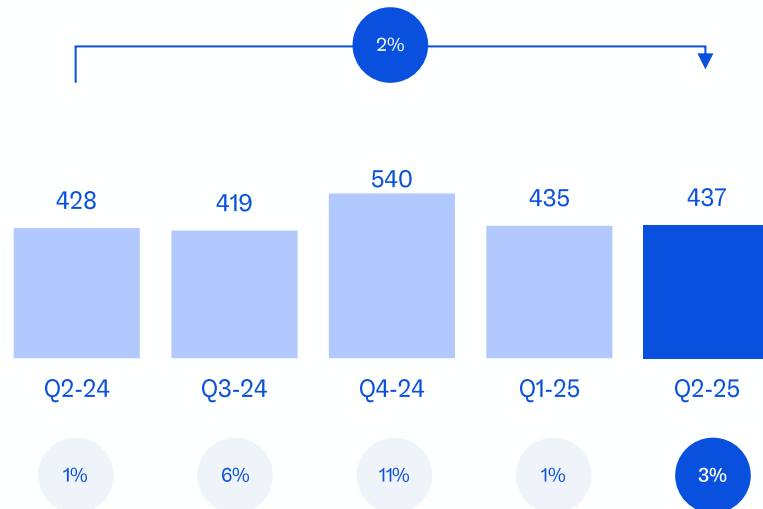


- Total revenue growth of 12% YoY
 - ARR: NOK 328m (268m), 22% growth YoY, 79% of total revenue
 - SaaS revenue: NOK 195m, 44% growth YoY, 47% of total revenue
- Cash-EBITDA margin expanded to 19% (7%), realizing the effects of strong ARR growth, as well as the significant cost reductions done in past quarters
- Announced divestment of Infrastructure business in Q2, in line with strategy to focus on its core segments; Energy and Power Grid
- Going forward, Value expects organic growth of around 15% continued margin expansion and an active M&A agenda within its core segments

Heat business uplift

Development last 5 quarters

Revenue and other income (MNOK) and operating margin

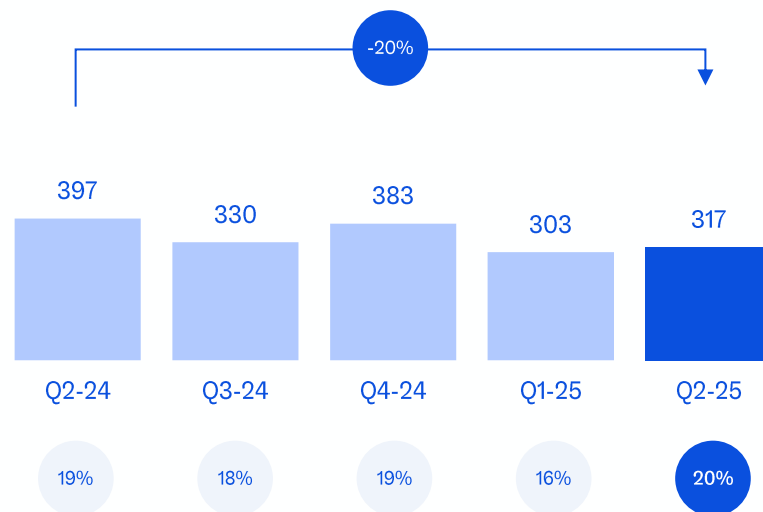


- Total revenue growth of 2% YoY
 - Heat unit: 5% revenue growth YoY
 - Charge unit: drop YoY driven by non-repeat project rev in Q2-24
- Operating profit (EBIT): EUR 1.2m (0.2m). Heat margin of 7.2% (5.7%)
- Company-wide cost program ongoing. 2% opex reduction YoY in Q2
- Order intake: EUR 37.5m (40.3m) implying at Book-to-bill of 1,0
- Order backlog: EUR 62m (76m). High deliveries in Q4-24, in combination with reduced order intake.
- ENRX competitive position in industrial heating remains robust. Political turmoil and unstable tariff schemes expected to continue to drive uncertainty for ENRX's customers.

Contract wins and strong margins

Development last 5 quarters

Revenue and other income (MNOK) and operating margin



- Revenue: GBP 23.0m (29.3m). Continued high airtime and high activity level within governmental projects. A large project in Q2 2024, which was not repeated in Q2 2025 explaining drop of 20% YoY
- Operating profit (EBIT): GBP 4.6m (5.5m), margin of 20% (19%)
- Won contracts of GBP 8.4m across the corporate, government and maritime sectors
- Contract win with FCDO Services to provide satellite hardware, airtime and training to support UK diplomatic, development, consular and disaster response communications
- Ongoing shift in airtime revenue model expected to impact relative margins going forward (increased capacity at lower price per gigabyte). Significant growth opportunities within its Projects division in the coming years



AFK ownership
70%

Head office
Sherbrooke, Canada

Market cap (30.06)
NOK 637 million

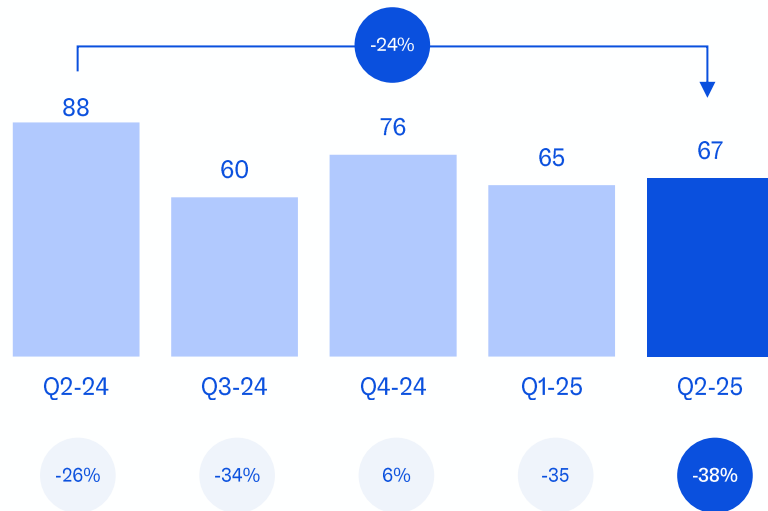
Listed at
Oslo Børs

Q2 update

Positive operating cash flow, strong order intake

Development last 5 quarters

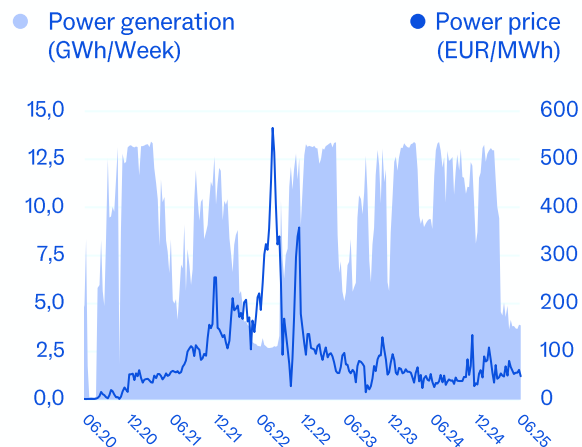
Revenue and other income (MNOK) and operating margin



- Total revenue decline of 20% YoY (in CAD)
 - Materials: CAD 6.6m (7.8m), short term fluctuations in order timing
 - Systems: CAD 2.4m (3.4m), uncertainty around public funding and tariffs
- Adjusted EBITDA: CAD-2.0m (-1.5m), product mix, volumes, FX
- Positive operating cash flow of CAD 0.4m (0.1m) driven by reduction in working capital and cost reductions
- Order intake: CAD 9.1m (6.4m), up 42% YoY Q2 and 59% YoY H1
- Backlog: CAD 20.9m (18.2m). Materials backlog up 30% YoY
- Well positioned in defense supply chain in NA and EU and exempt from US tariffs under United States-Mexico Canada Agreement (USMCA)

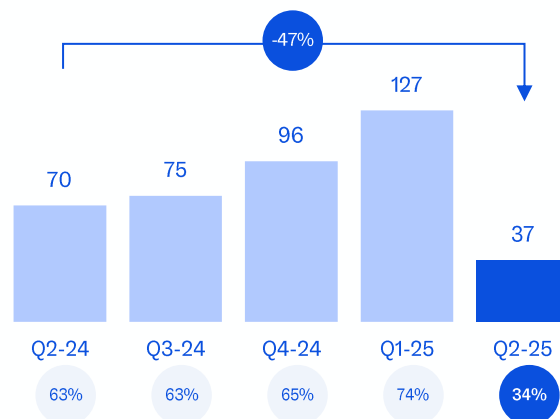
Low production

Price and power generation*



Development last 5 quarters

Revenue and other income (MNOK) and operating margin



- Total revenue: NOK 37m (70m)
- Operating profit (EBIT): NOK 13m (44m), margin 34% (63%)
- Low hydropower production: 58.6 GWh (135.2 GWh).
- Average electricity prices (NO2 region): EUR 58.4/MWh (44.8 EUR/MWh)
- Rehabilitation of Flatenfoss Dam ongoing

Q2 update

Other investments – double digit growth across the board

veyt

ARR: NOK 23 million (16 million), corresponding to a growth of 45% YoY. Partnership agreement with Kayrros in Q2.

KONTALI

ARR: NOK 21 million (18 million), corresponding to a growth of 16% YoY.

Factlines.

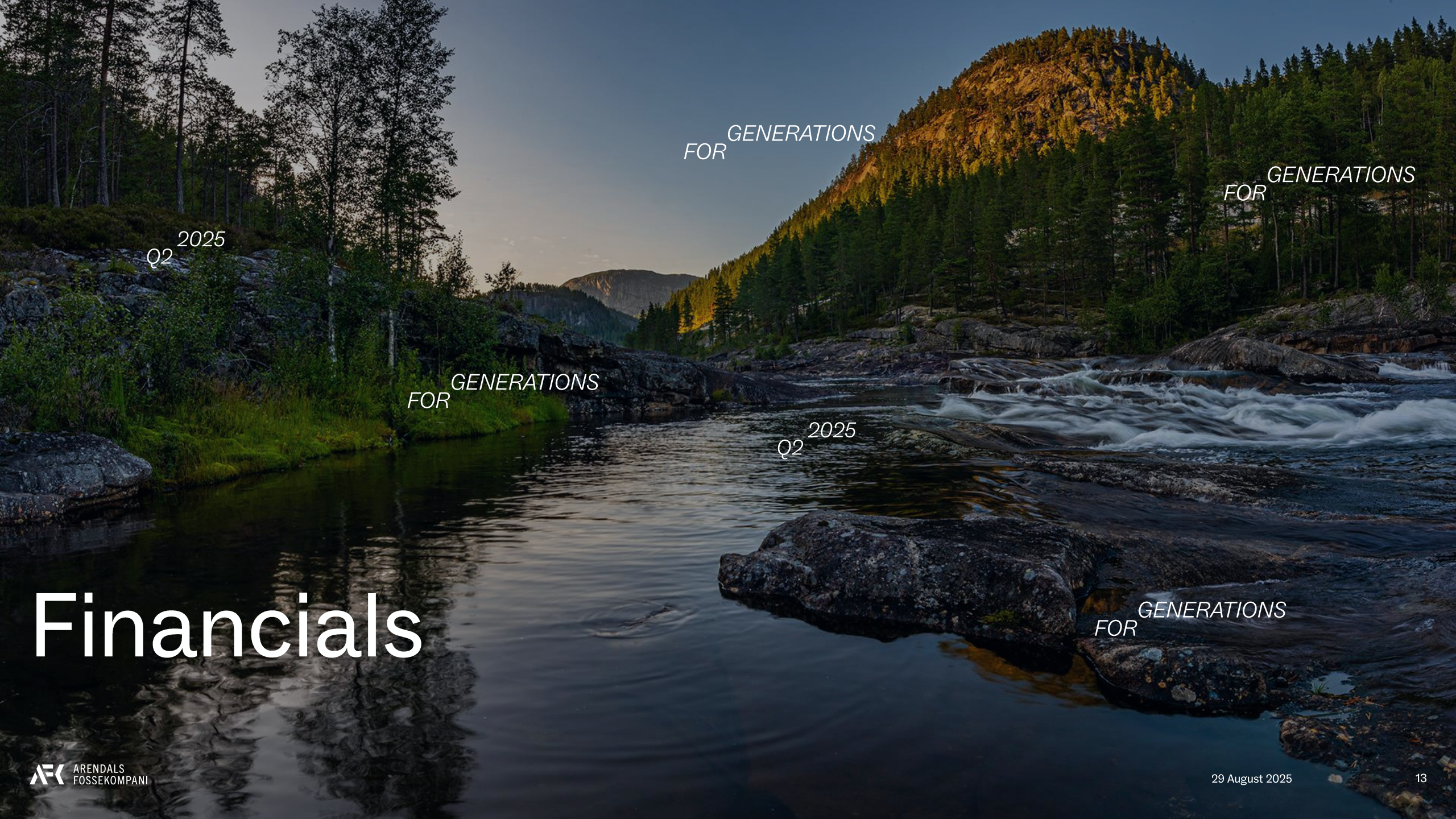
NOK 13 million (11 million), corresponding to a growth of 25% YoY.



ARR: NOK 5 million (4 million), corresponding to a growth of 47% YoY. Partnership agreement with Ayscom, strengthening commercial outreach.



Advanced talks with a handful of European Energy Storage players, and 3 contracted on Collect's asset management platform.



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2025
Q2

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2025
Q2

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Financials

Strong Volue performance, but AFK group result impacted by low power production and non-recurring effects in Property

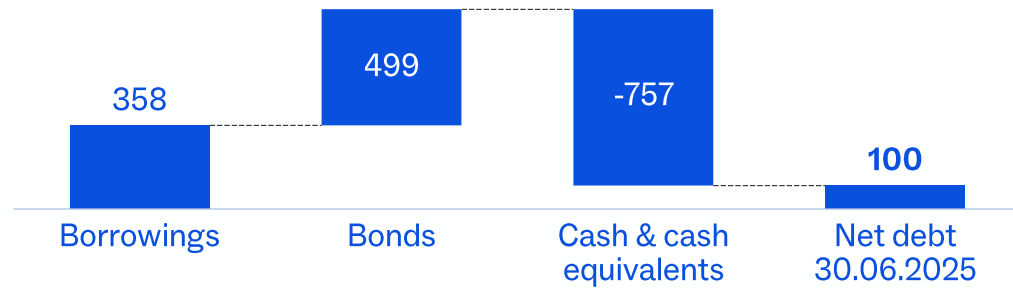
Q2

- Adjusted EBITDA improvement in Volue and divestment of non-core Infrastructure business
- Reduced top line and operating profit from hydropower and property
- NSSLGlobal operating profit reduction impacted by a large non-recurring project in Q2 2024
- Earnings after tax improvement on the back of reduced interest bearing debt, and positive contribution from financial investments

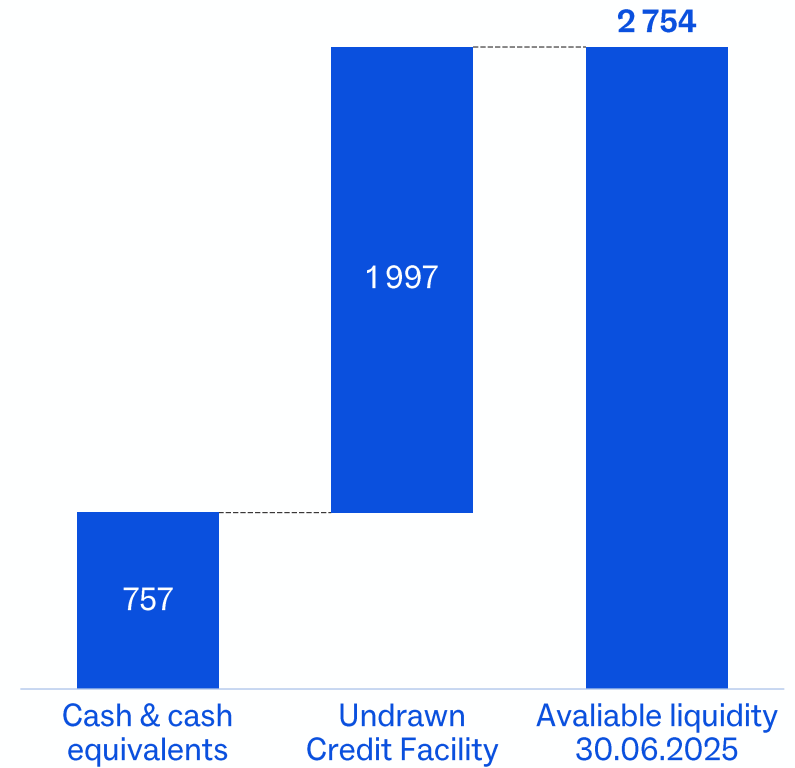
Operating Profit (MNOK)	Q2 2025	Q2 2024	Difference	YTD 2025	YTD 2024	Difference
ENRX ¹	13	2	+11	17	48	-31
NSSLGlobal	63	74	-11	110	132	-22
AFK VANNKRAFT	13	44	-31	106	140	-34
TEKNA	-26	-23	-3	-48	-47	-2
AFK Property	-1	15	-16	-1	11	-12
Other ¹	-30	-40	+10	-79	-97	+18
Arendals Fossekompani Consolidated	32	73	-41	106	188	-82
Volue ²	56	30	+25	95	55	+39
Earnings after tax (MNOK)	Q2 2025	Q2 2024	Difference	YTD 2025	YTD 2024	Difference
Arendals Fossekompani Consolidated	42	-55	+97	38	-19	+57

NIBD of NOK 100m and NOK 2,8bn in liquidity

Net debt
NOK million



Liquidity
NOK million



Outlook

Total revenue and operating profit from Arendals Fossekompani Group in 2025 is expected to be lower than 2024.

The decline is driven mainly by forecasted lower power production in AFK Vannkraft and expected reduction in operating profit from NSSLGlobal.

- **ENRX** expects revenue and operating profit in 2025 to be in line with 2024
- **NSSLGlobal** expects 2025 revenue and operating profit to be lower than in 2024
- **Tekna** expects revenue to be lower in 2025 than in 2024, and operating profit in line with 2024
- **AFK Vannkraft** expects revenue and operating profit to be lower in 2025 compared to 2024, driven by lower production levels
- **Value** expects revenue and operating profit to be higher in 2025 compared to 2024.



Our priorities

Develop value
in our existing
portfolio companies

Optimize our portfolio
to maximize risk adjusted return
while balancing the capital cycle

Capture structural opportunities
both on portfolio level
and on parent level

Ensure strong balance sheet and financial flexibility



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Q&A

Thank you!

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