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Q3 2025

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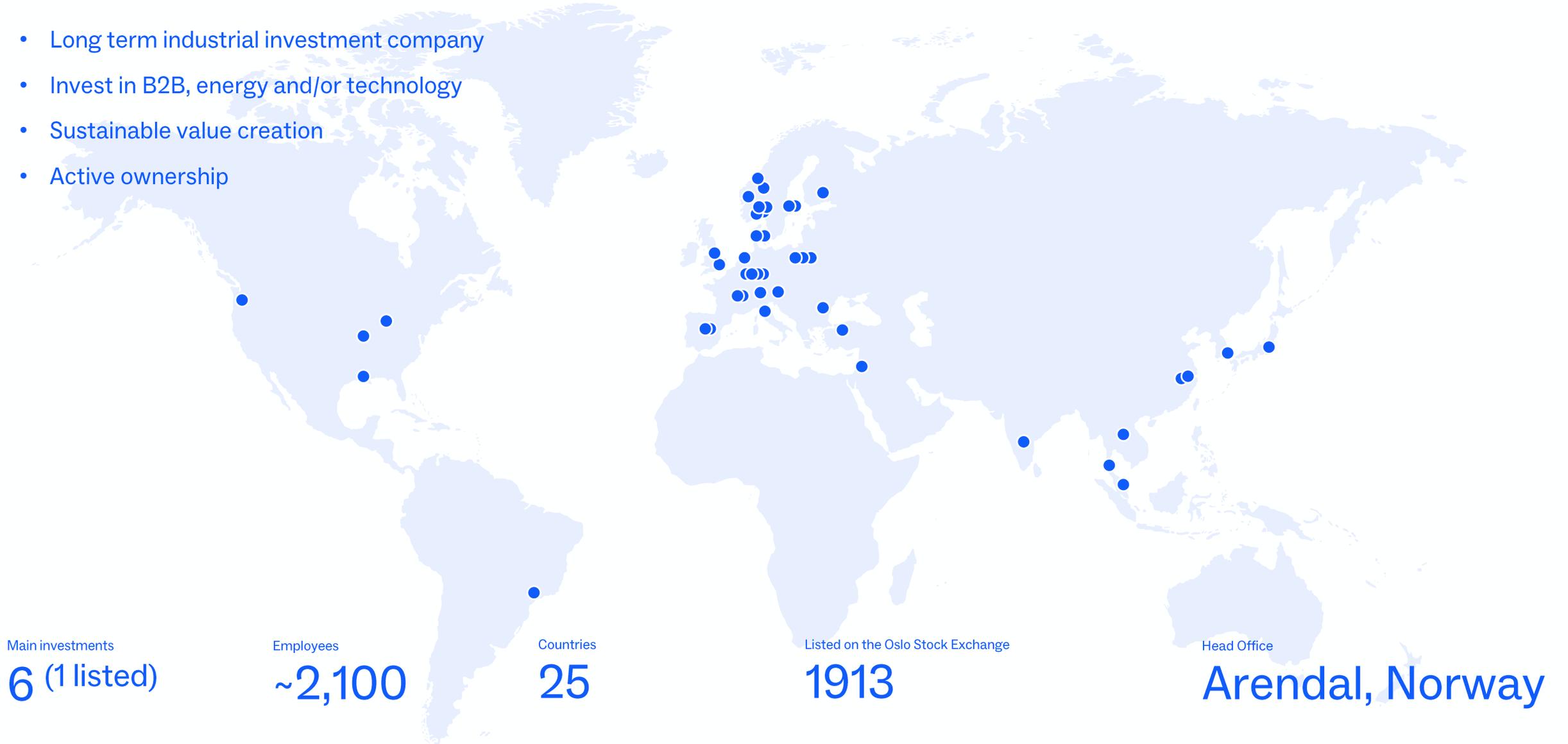
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Arendals Fossekompani Q3 Interim Report 2025

7 November 2025

Arendals Fossekompani

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



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 (30.09) 540 MNOK Listed at Oslo Børs



NSSLGlobal

Cyber secure satellite communication services anywhere

Ownership 80% Head office London, UK



VANKRAFT

500 GWh hydropower production providing steady cash flow

Ownership 100% Head office Arendal, Norway



Property

Portfolio of property investments and development projects

Ownership 100% Head office Arendal, Norway



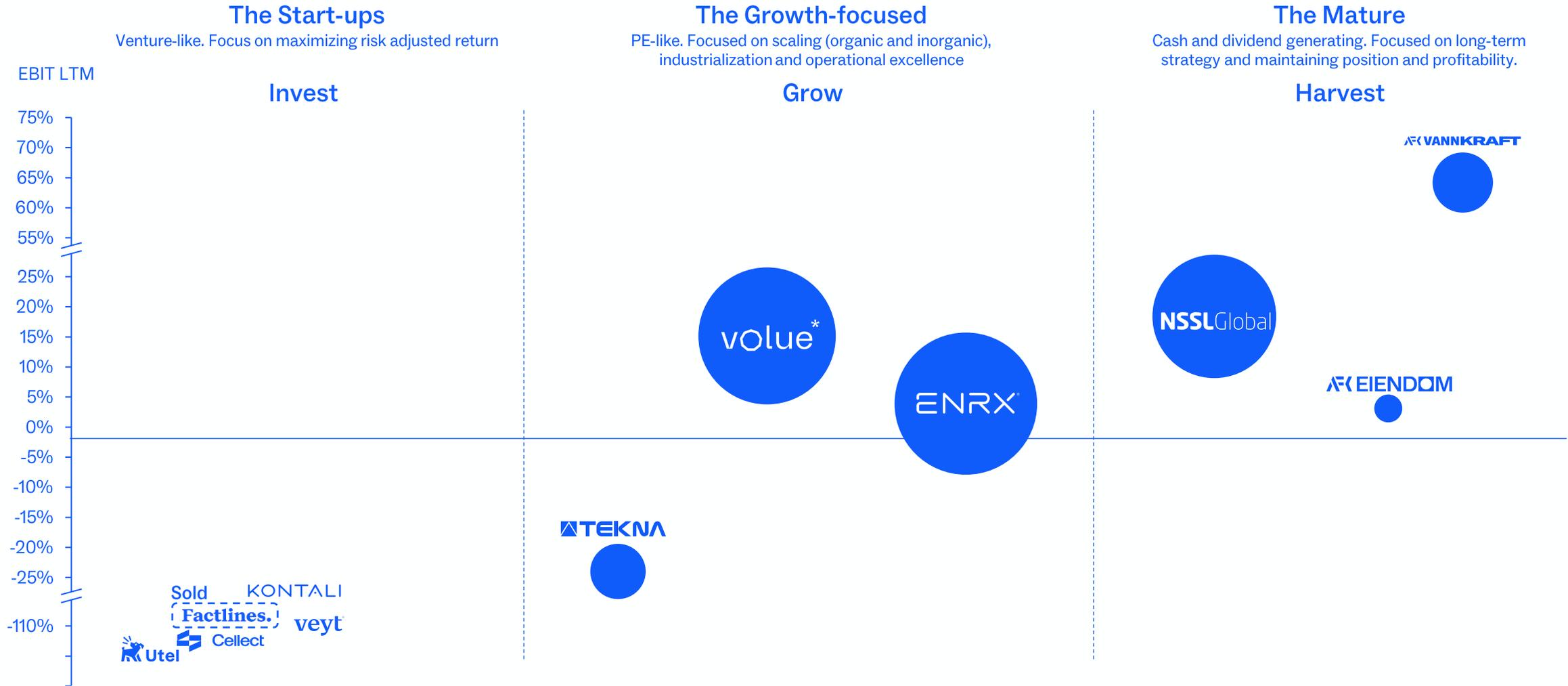
Other investments

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Utel Collect

An attractive and diversified portfolio

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



Highlights Q3 2025

Financial

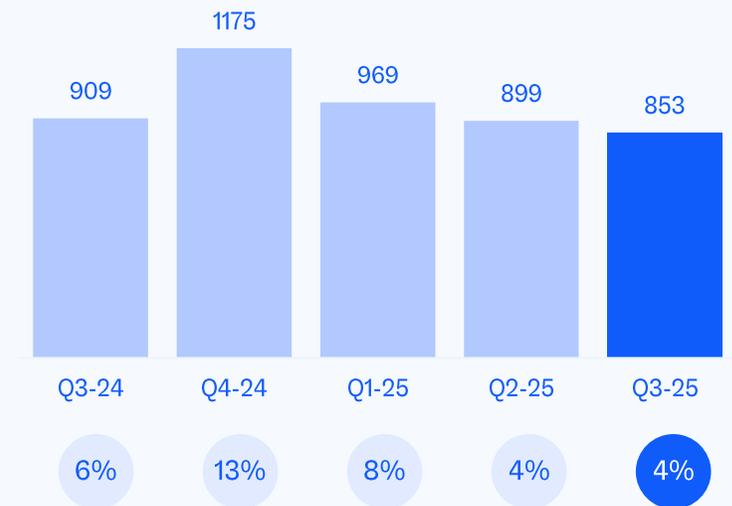
- **Group revenue:** Down 6% YoY, mainly due to ENRX and lower hydropower production
- **Group operating profit (EBIT):** NOK 33 million (51 million), margin 4% (6%)
- **Earnings after tax (EAT):** NOK 733m (-25m), due to financial gain in Volue

Portfolio highlights

- **Volue:** Revenue up 24% YoY. Cash EBITDA margin 19% (3%). SmartPulse acquired
- **NSSLGlobal:** High airtime and defense activity. Margin 19% (18%)
- **Tekna:** First positive EBITDA since IPO. Materials revenue up 28% YoY. Rights issue announced
- **AFK Vannkraft:** Low production (83 GWh vs. 162 GWh) partly offset by higher power prices
- **ENRX:** Challenging market conditions. Margin -3%. Adapting cost base.

Development last 5 quarters

Revenue and other income (MNOK) and operating margin



Portfolio company highlights

Q3 2025

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Q3 2025

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Continued strong execution

Development last 5 quarters

Revenue and other income (MNOK) and operating margin



- Revenue: Up 24% YoY driven by increased demand for SaaS solutions
 - ARR: NOK 263m, +22% YoY, 75% of total
 - SaaS revenue up 30%, now 43% of total
- Cash EBITDA* margin: 18,6% (3,2%), reflecting efficiency gains and recurring growth
- Reported EBITDA includes one-off cost of NOK 64m
- Divestment of Infrastructure completed, generating NOK 1.8bn gain, creating a pure-play Energy and Power Grid software company
- Acquisition of SmartPulse accelerates expansion into Central and Southern Europe
- Outlook: ~15% organic growth, continued margin uplift and active M&A agenda



AFK ownership
95%

Head office
Skien, Norway

Q3 update

A challenging quarter

Development last 5 quarters

Revenue and other income (MNOK) and operating margin



- Revenue: EUR 31.2 m (35.5 m), -12% YoY driven by
 - Heat unit: Decline YoY driven by China, USA
 - Charge unit: Decline due to delays in booking
- Operating profit (EBIT): EUR -0.9 m (2.1m), due to revenue decline
- Cost: Short- and long-term actions to adapt to the challenging market conditions. New cost reduction measures in Q4'25 with run-rate effect in Q1'26
- Order intake: EUR 30.8 m (34.1 m)
- Order backlog: EUR 61 m (77 m) after strong Q4'24 deliveries.
- Outlook: Competitive position remains solid, but political and tariff uncertainty continues to affect customer confidence.

Development last 5 quarters
Revenue and other income (MNOK) and operating margin



- Revenue: GBP 24.9m (23.7m), 5% YoY, due to high airtime traffic and project completions
- High airtime activity fueled by geopolitical conditions
- Operating profit (EBIT): GBP 4.6m (4.1m), margin 19% (18%)
- New contracts and contract extensions of GBP 16.8m across corporate, government, and maritime sectors
- Product lines FusionIPLEO and SnapTV continue to be highly attractive for existing and new customers
- Outlook: 2025 revenue and operating profit to be lower than in 2024 due to one large EUR 15 million project being completed in 2024, which will not reoccur in 2025, as well as timing delay of certain government projects which are expected in 2026



AFK ownership
70%

Head office
Sherbrooke, Canada

Market cap (30.09)
NOK 540 million

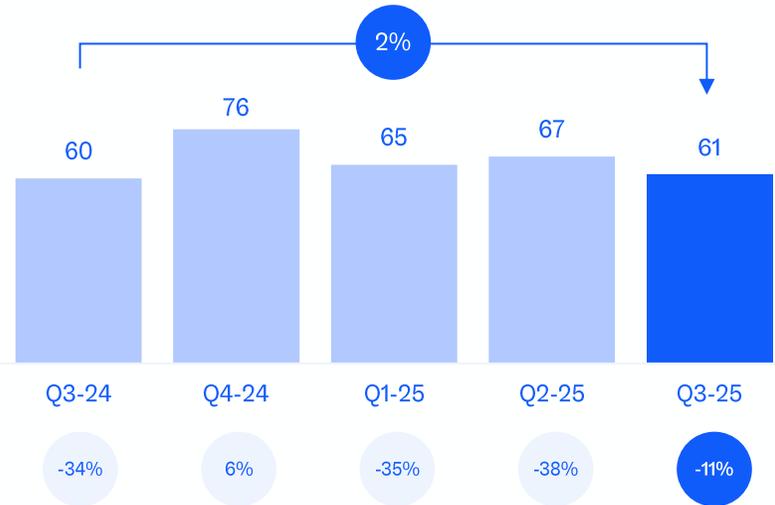
Listed at
Oslo Børs

Q3 update

First quarter with positive EBITDA since IPO

Development last 5 quarters

Revenue and other income (MNOK) and operating margin



Currency rates (NOK/CAD)

Average Q3 2025: 7.49. Average Q3 2024: 7.83. End Q3 2025: 7.17. End Q3 2024: 7.77.

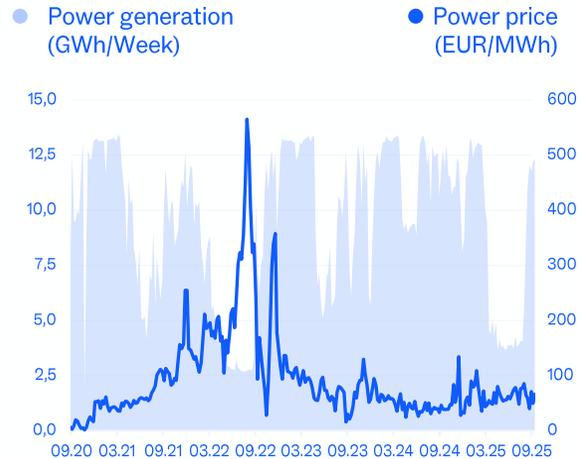
* Trailing twelve Months

- Revenue: CAD 8.3m (7.6m), +9% YoY, driven by growth in Materials (+28% YoY)
- Adjusted EBITDA: CAD 0.5m (-1.4m), due to Materials, product mix, cost reductions
- Operating cash flow: CAD -0.3m (-0.6m), supported by lower working capital and cost discipline
- Order intake TTM*: Overall CAD 36.8m, 20% YoY. Materials CAD 32.5m, 40% YoY
- Total backlog up 10% YoY to CAD 18.2m
- Outlook:
 - Scale Materials production, improve Systems profitability.
 - Execute refinancing plan including fully underwritten rights issue and new financing agreement with Scotiabank

Q3 update

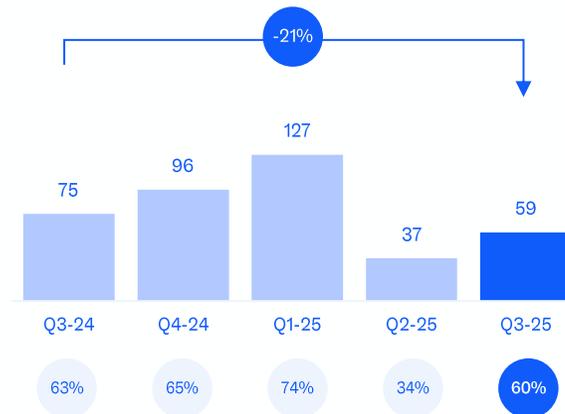
Low production, partly offset by prices

Price and power generation*



Development last 5 quarters

Revenue and other income (MNOK) and operating margin



- Revenue: NOK 59m (75m)
- Operating profit (EBIT): NOK 36m (48m), margin 60% (63%)
- Production: 83.4 GWh (161.7 GWh), down 48% YoY
- Power prices: Average EUR 67.4/MWh (37.8), driven by lower total reservoir levels compared to 2024
- Proposed resource rent tax on small-scale hydropower plants will have a negative financial impact on Kilandsfoss if implemented

Q3 update

Other investments: momentum across early phase portfolio

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- Matthew Watson new Chief Executive Officer.
- ARR: NOK 23.9m (18.1m), +32% YoY growth.
- Strengthened focus on the short-term trading segment in the EU ETS market & preparations for the upcoming EU ETS2 market

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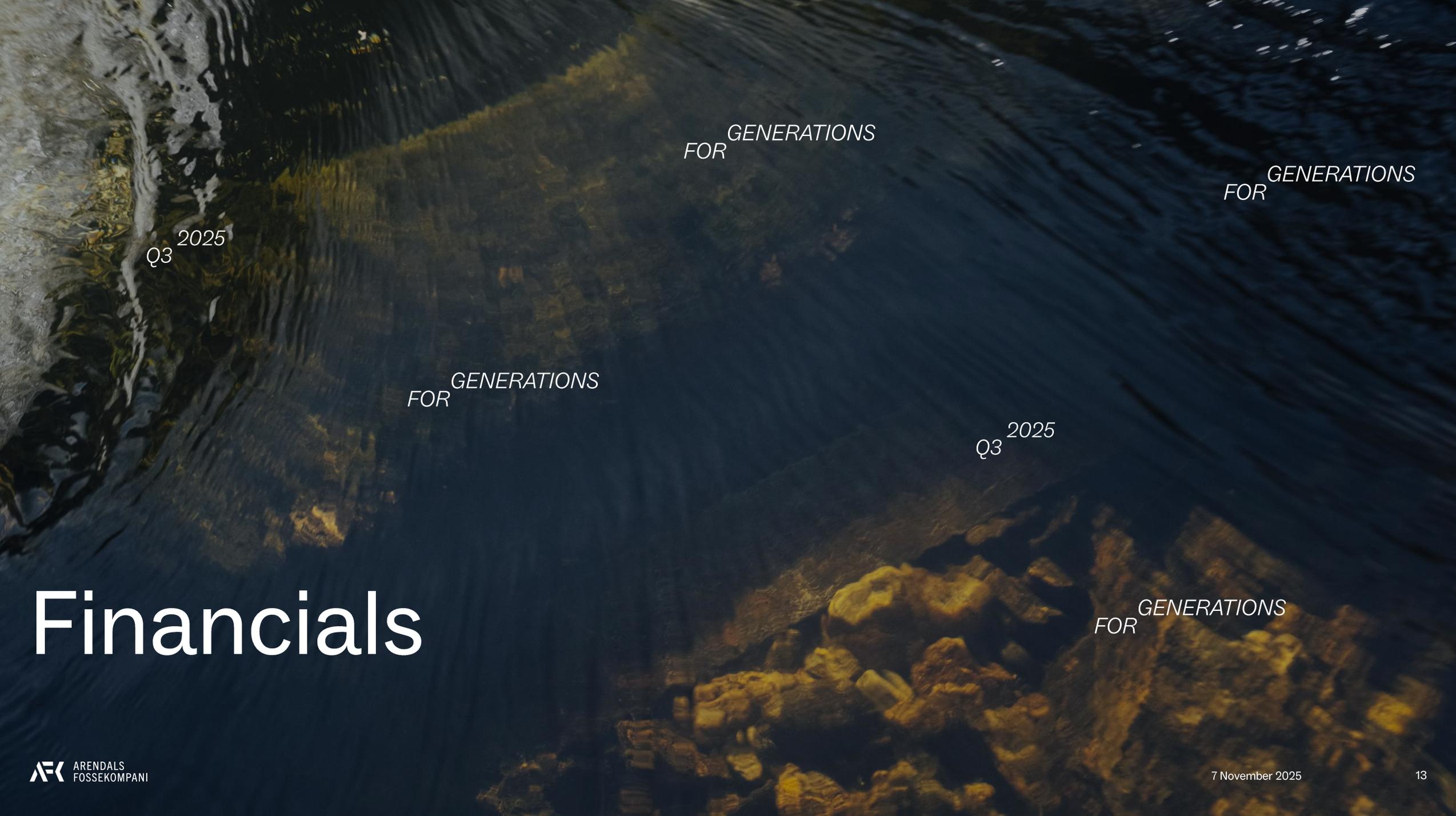
- ARR: NOK 20.8m (19.1m), +8.9% YoY growth.
- Continued growth in both consulting revenue and active users on the insight platform.

 **Utels**

- ARR: NOK 5.8m (3.7m), +56% YoY, supported by new customer wins
- New partnership with Bell Integration expanding commercial reach
- Continued focus on product scalability and international distribution.

 **Collect**

- Continued development of asset management platform for the energy storage sector.
- Three new European clients onboarded in Q3; several in advanced contract negotiations.
- Positioned to benefit from accelerating growth in distributed energy storage.



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2025
Q3

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2025
Q3

Financials

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Portfolio performance

Q3 summary

- **Group EBIT:** NOK 33m (51m), reflecting reduced revenue levels in ENRX and AFK Vannkraft.
- **Volue** delivered strong improvement in adjusted EBITDA following cost measures and Infrastructure divestment.
- **NSSLGlobal** maintained solid margin of 18.6% (17.5%)
- **ENRX** impacted by weaker market conditions, resulting in negative result in the quarter
- **Tekna** with positive EBITDA, backed by strong Materials growth and cost discipline
- **AFK Vannkraft** impacted by low hydropower output during dry first.
- **Earnings after tax:** NOK 733m (-25m), driven by AFK share of result in Volue, which was impacted by financial gain on Infrastructure divestment

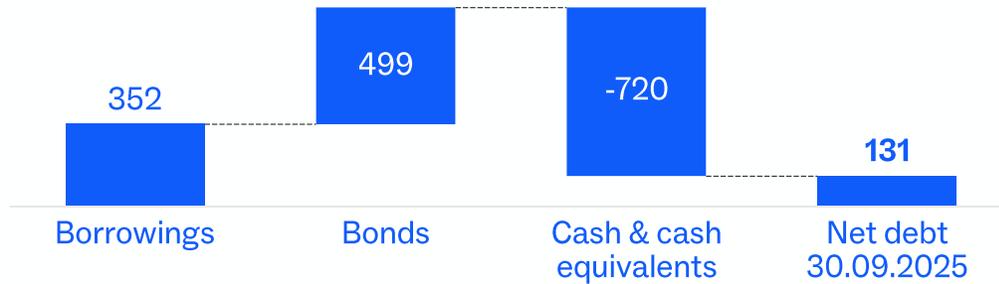
Operating Profit (MNOK)	Q3 2025	Q3 2024	Difference	YTD 2025	YTD 2024	Difference
ENRX ¹	-10	24	-34	7	72	-65
NSSLGlobal	63	58	+5	174	190	-16
AFK VANNKRAFT	16	31	-15	84	130	-46
TEKNA	-7	-21	+14	-55	-67	+12
AFK EIENDOM	1	-1	+2	0	10	-10
Other ¹	-29	-38	+9	-67	-94	+27
Arendals Fossekompani Consolidated	33	51	-18	140	239	-99
volue ²	75	5	+70	166	42	+124
Earnings after tax (MNOK)	Q3 2025	Q3 2024	Difference	YTD 2025	YTD 2024	Difference
Arendals Fossekompani Consolidated	733	-25	+758	771	-44	+815

¹ Other includes Group Management, Other investments and eliminations

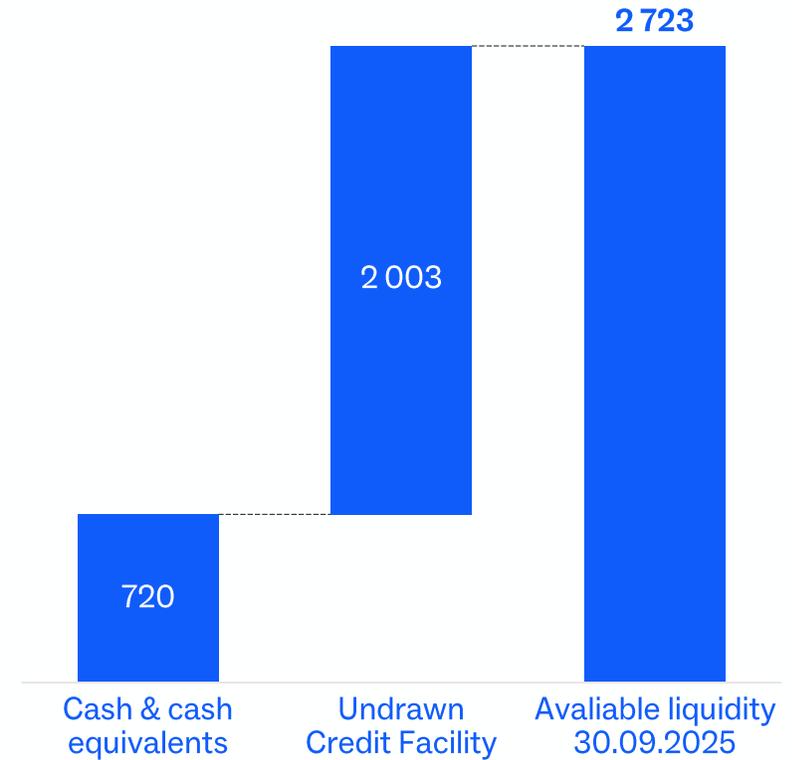
² Volue is an associated company, and as such, not reflected in the consolidated group financials. Volue operating profit is adjusted for non-recurring items and reflecting continued operations

NIBD of NOK 131m and NOK 2,8bn in liquidity

Net debt
NOK million



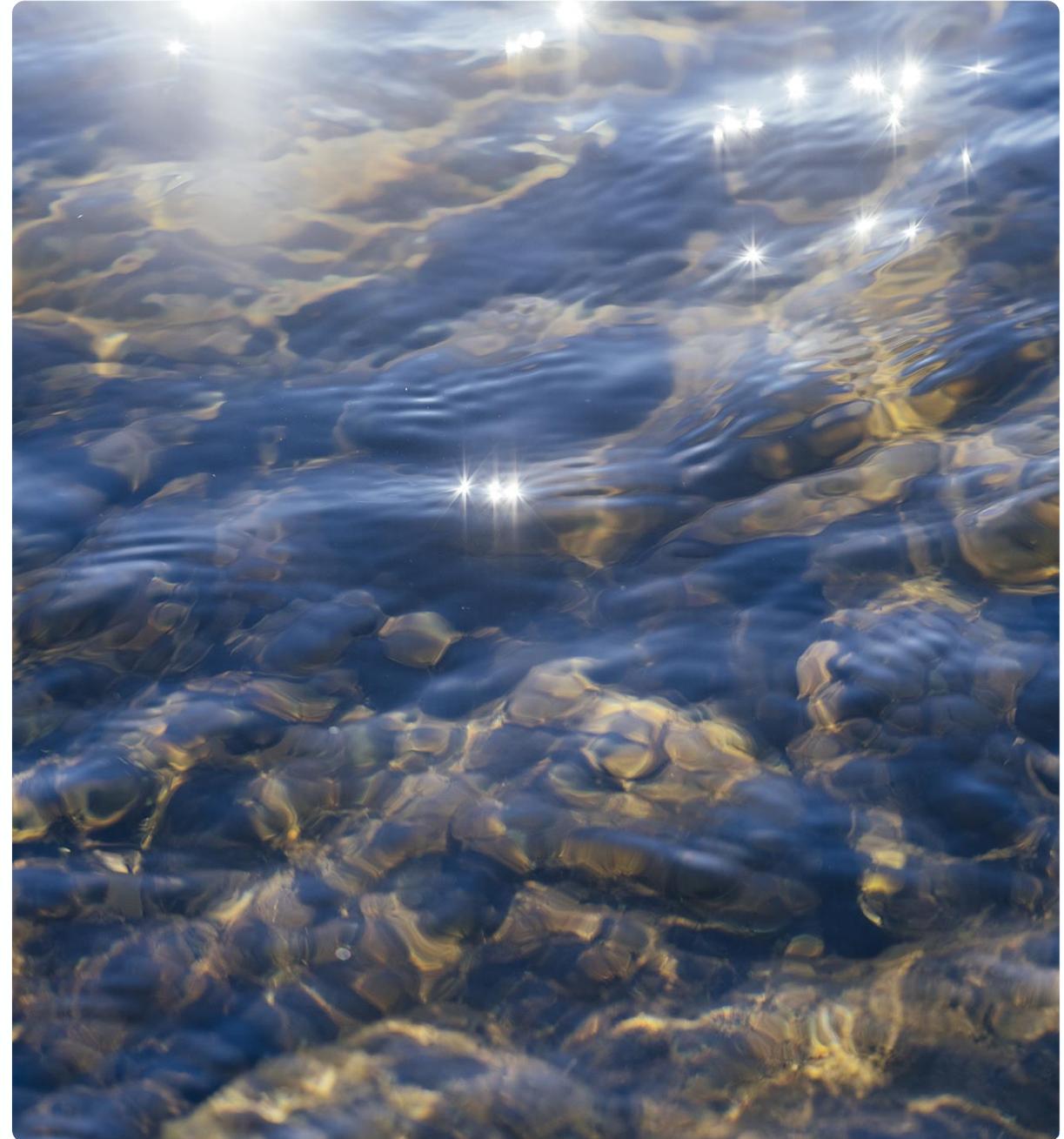
Liquidity
NOK million



Outlook

Arendals Fossekompagni Group operating profit in 2025 is expected to be lower than 2024 primarily driven by ENRX and NSSLGlobal.

- **ENRX:** Revenue and operating profit expected to be lower than in 2024
- **NSSLGlobal:** Revenue and operating profit expected to be lower than in 2024
- **Tekna:** Revenue expected lower, operating profit in line with 2024
- **AFK Vannkraft:** Revenue in line with 2024, operating profit expected to be lower than 2024
- **Volue:** Revenue and operating profit expected higher than in 2024



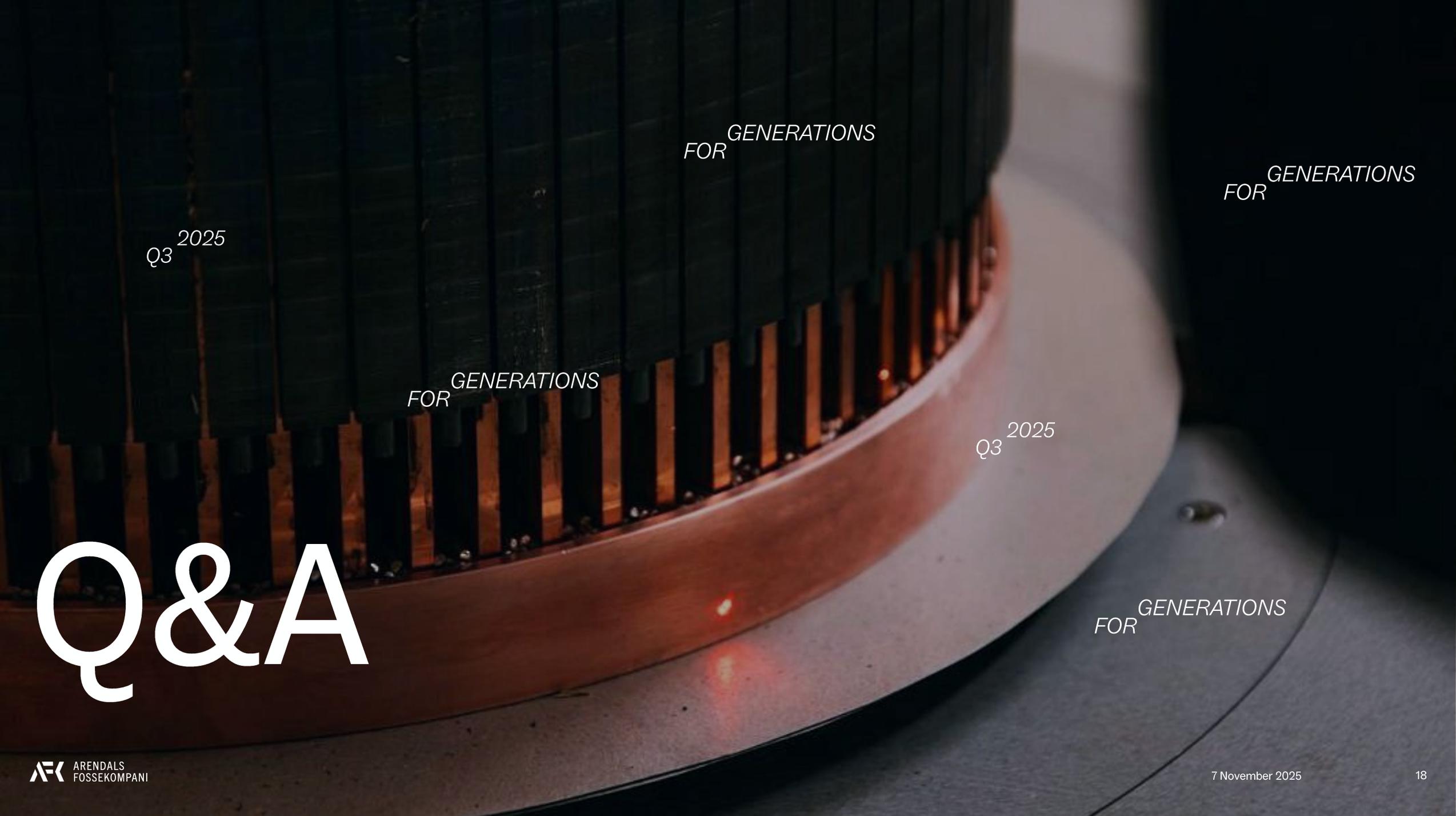
Our priorities

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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Q3 2025

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Q3 2025

Q&A

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Disclaimer

This Presentation includes and is based on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ from the projected results. These statements and this Presentation are based on current expectations, estimates and projections about global economic conditions and the economic conditions of the regions and industries that compose major markets for the businesses of Arendals Fossekompani ASA and its subsidiaries and affiliates (the "AFK Group"). These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions.

Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for the businesses of the AFK Group, energy prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time in the Presentation. Although the AFK Group believes that its expectations and the Presentation are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in the Presentation.

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Thank you!

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