

THEON presents its H1 2025 Trading Update

Bloomberg (THEON:NA) / Reuters (THEON.AS)

28 July 2025 - [Theon International Plc \(THEON\)](#) (AMS: THEON) is today providing its H1 2025 Trading Update ahead of publishing its H1 2025 Report on 2 September 2025. H1 2025 performance was characterised by robust order intake, achievement of financial targets and solid progress in THEON's growth strategy.

Financial Summary

(Amounts in €)	H1 2025	H1 2024	Change
Order intake	167.9 m	77.0 m	+118.1%
Revenue	183.7 m	152.4 m	+20.6%
Adjusted EBIT ¹	47.4 m (45.9 m)	38.1 m (36.9 m)	+24.4%
Adjusted EBIT margin ¹	25.8% (25.0%)	25.0% (24.2%)	+0.8 p.p.
Earnings per share	0.48	0.41	+17.1%
Capex	6.7 m	5.1 m	+31.4%

(Amounts in €)	Jun 2025	Mar 2025	Change
Soft backlog	622.2 m	668.6 m	-6.9%
Net working capital	165.4 m	160.0 m	+3.4%
Net cash	38.1 m	61.2 m	-37.7%

¹ Reflects a change in accounting policy to include the Group's share of profits from core equity-accounted investees within operating profit. The Group reassessed its presentation approach and reclassified its equity-accounted investments into core and non-core categories. Core investments, those aligned with the Group's strategic operations, are now included within operating profit. This change provides a more relevant reflection of the Group's performance and aligns with industry practice among listed defense peers. The share of profits from non-core investees continues to be reported below operating profit. Numbers in brackets are before the accounting policy change.

Financial Highlights

- Strong order intake continued with new orders reaching €167.9 million in H1 2025, 118% higher than in H1 2024, and coming from multiple countries worldwide. Order intake represents a book-to-bill ratio of 0.9x. On top of that, more than €100 million of options have been added, which come with a very high probability of conversion to backlog.
- Soft backlog of €622.2 million at the end of H1 2025, 45% higher than in H1 2024, provides solid visibility for the year ahead with an additional €378.2 million of

contractual options providing further headroom for growth. Already experiencing strong traction in Q3 with additional orders expected to be announced shortly and more than replace orders invoiced in H1 as well as those expected to be invoiced in H2 2025.

- Revenue reached €183.7 million in H1 2025, representing the strongest H1 top-line performance in THEON's 28-year history, and continued strong confidence in reaching the current guidance of €430 million, which was revised upwards in June 2025.
- Adjusted EBIT of €47.4 million, 24.4% higher vs H1 2024, with an Adjusted EBIT margin of 25.8% (25.0% in H1 2024) demonstrating industry leading margins and in line with the mid-twenties guidance.
- Earnings per share reached €0.48 in H1 2025, increasing by 17% vs H1 2024, with focus on operating leverage and efficiency as volumes continue to build, including contribution from the product diversification strategy.
- Capex rising to €6.7 million, in line with the guided Capex of €20 million for FY 2025, to support the acceleration of the growth strategy (detailed below). This amount includes investment in capacity expansion of Harder Digital and development of new men-portable and platform-based products, leveraging THEON'S c.80 in-house engineers working on Design and Development.
- Net working capital of €165.4 million (c.43% LTM Revenues), stable on Q1 2025, with unwinding towards the mid-term target of 35% expected over the coming quarters.
- Net cash position decreased to €38.1 million, primarily as a result of dividend payment of €23.8 million in June (35% of the Net Income of FY 2024, in line with the IPO prospectus and guidance).

Operational and Strategic Highlights

- Several recent contract wins for THEON's market-leading Night Vision products as well as its new digital products to an increasingly diversified customer base in many countries around the globe.
- Currently active in several tender processes, with demand for digital products expected to accelerate in H2 2025, as advanced armed forces seek to enhance their situational awareness capabilities and maintain a competitive edge.

- The first new production line of Harder Digital has been fully deployed and is in the process of scaling up production output, increasing the yield.
- THEON Korea also commenced product assembly following the revamp of the production line, enabling faster delivery of APAC region orders and improving logistics efficiency.
- Plans announced to expand THEON's global footprint through a strategic investment in Latvia, via the local subsidiary of Harder Digital, to establish a state-of-the-art manufacturing facility focused on the production of critical Image Intensifier Tube (IIT) components. The facility will also provide essential assembly and maintenance services for THEON's end-products destined for the broader Baltic region.
- THEON's majority shareholder completed a second placement in June 2025 and increased free float to 30% solely to address further demand by the investor community, broadening THEON's investor base and improving stock liquidity.
- Discussions and visible progress made with several identified acquisition targets, with the aim to provide THEON with access to leading technologies and adjacent products as well as support global expansion. THEON is also on track to complete additional investments in new technologies.

Growth Strategy and Capital Markets Day

THEON's success to-date has been delivered by its market-leading Night Vision products. From FY 2026 THEON expects to start realising increasingly material contributions from its product diversification strategy outside Night Vision and new product launches.

The revenue contribution from its A.R.M.E.D. and Thermal Imaging products is expected to more than double to approximately 20% in FY 2026, continuing to increase thereafter, as evidenced by expressed interest following product demonstrations. In addition, THEON expects to also start achieving material sales of its new Platform-based products from FY 2027, supporting a mid-term target of achieving 50% of revenues from products outside of Night Vision.

The new products, with A.R.M.E.D series already beginning to gain strong commercial traction amongst existing and new customers globally as evidenced by recent tender wins and direct purchase orders, significantly increases THEON's overall addressable market. The addressable market for THEON's market-leading Goggles products is currently estimated at above €1 billion in FY 2025 (Source: RSA, July 2025). Demand is

expected to remain high, driven by still-low penetration rates for Night Vision equipment in THEON’s core markets. After equipping soldiers with NVGs, armies will accelerate purchases of digital products with additional capabilities including fused vision, interconnectivity and smart targeting capabilities. The introduction of these new products more than doubles THEON’s overall addressable market, projected to reach €2.8 billion by 2030 (Source: RSA, July 2025), not including platform-based products. This supports a material growth trajectory for THEON over the coming years as it delivers on its ambition of becoming the trusted market leader in next generation optronics.

THEON intends to host a Capital Markets Day (CMD) in Q4 2025 where it will announce and provide details on the THEON NEXT Vision & Strategy. The Strategy is a continuum and enhancement of the current strategy, involving: i) organic growth and investment; ii) M&A, strategic and commercial agreements; iii) ongoing product innovation and traction for its new products including its A.R.M.E.D. ecosystem of products; all combining to establish THEON’s status in the modern warfare era. Details of the CMD event will be provided during August 2025.

Guidance and Current Activity

The current performance to-date in FY 2025 provides THEON with strong confidence that it will deliver FY 2025 results in line with guidance, with revenue as previously announced at the top-end of the originally provided guidance of €410-430 m. The Company is actively participating in several larger tenders, the outcomes of which should be known over the coming weeks and months. Following that, THEON will provide specific guidance for FY 2026.

The relatively low capital requirements of the business model, even accounting for the increased investment to support the growth strategy, also allows for shareholder returns in the form of dividends as included in THEON’s guidance communications.

	FY 2025	Medium - Term
Revenue	€430 m	Organic growth >15% ²
Adjusted EBIT margin	Mid-twenties	
Capex	€20 m	3.5% of revenue
Dividend (% of Net Income)	30 – 40%	

² Expected annual growth in defence spending of the major NATO states (Source: Renaissance Strategic Advisors, July 2025)

Dimitris Parthenis, CFO of THEON, commented: “Our half-year performance demonstrates strong financial discipline and our commitment to delivering a best-in-class mid-twenties EBIT margin, along with resilient order intake from a diversified customer base. We expect an acceleration in the second half of 2025, in line with normal

order activity, with backlog expansion providing even greater visibility into future performance. We also expect to continue growing faster than the increase in defence spending of the NATO states in our addressable market. Specific guidance for FY 2026 will be provided by the end of November 2025.”

H1 2025 Report Publication

Theon will publish its H1 2025 Report on Tuesday, 2 September 2025 after market close, and hold a webcast for analysts and investors shortly after. Webcast details will be provided closer to the date, and on the Company’s website.

For further information, please contact:

Investor Relations:

Nikos Malesiotis

E-Mail: ir@theon.com

Tel: +30 210 6772290

Media contact:

Elli Michou

E-Mail: press@theon.com

Tel: +30 210 6728610

About THEON GROUP

THEON GROUP of companies develops and manufactures cutting-edge night vision and thermal imaging systems for Defense and Security applications with a global footprint. THEON GROUP started its operations in 1997 from Greece and today occupies a leading role in the sector thanks to its international presence through subsidiaries and production facilities in Greece, Cyprus, Germany, the Baltics, the United States, the Gulf States, Switzerland, Denmark, Belgium, Singapore and South Korea. THEON GROUP has more than 220,000 systems in service with Armed and Special Forces in 71 countries around the world, 26 of which are NATO countries. THEON INTERNATIONAL PLC has been listed on Euronext Amsterdam (AMS: THEON) since February 2024.

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