



KONGSBERG

INVESTOR PRESENTATION

**Q1 2021**

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Gyrid Skalleberg Ingerø, EVP & Group CFO



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# Highlights first quarter 2021

- Order intake: BNOK 7.64
- Book/bill: 1.20
- EBITDA: BNOK 0.88 (13.9%)
- Increased cross-sales from KM/CM portfolio
- Norway and Germany signed cooperation agreement for new submarines





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# Important contracts signed



Wind Turbine Installation Vessel (WTIV) to Dominion Energy



New agreement with Lockheed Martin for deliveries to the F-35 program



Refit package to reduce emission to MS Gann



Innovative low-emission Live Fish Carrier (LFC) Vessel to Sølvtans



Upgrade of Norway's NASAMS Air Defence system



Four autonomous vessels to the Institute of Marine Research



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# Business update 1<sup>st</sup> quarter

## Kongsberg Maritime

- Green upgrades and products launches
- Collaborative solutions for more efficient and greener drilling operation
- Efficiency improvements



## Kongsberg Defence & Aerospace

- “Call-off” on OTH framework agreement
- KAMS awarded F-16 contract to maintain and make “ready for sale”
- Ramp-up capacity to meet growth in backlog



## Kongsberg Digital

- Continued ramp-up to deliver on new opportunities and existing commitments
- Signed fleet contract with Dorian LPG for delivery of Vessel Insight
- Continued roll-out of KOGNITWIN® both under Shell agreement, and pilots for other customers





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# Financial status

Gyrid Skalleberg Ingerø, EVP & Group CFO

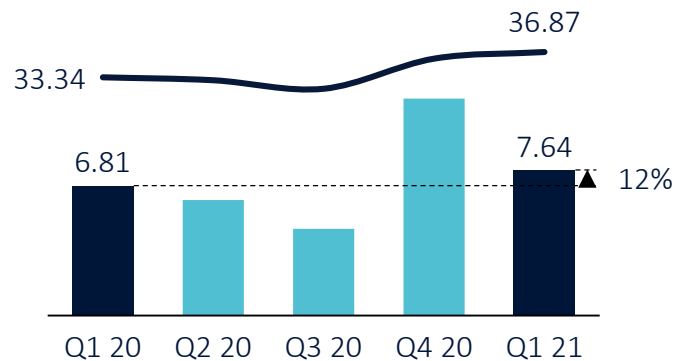


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# Increased order intake and improved EBITDA

## Order intake and backlog

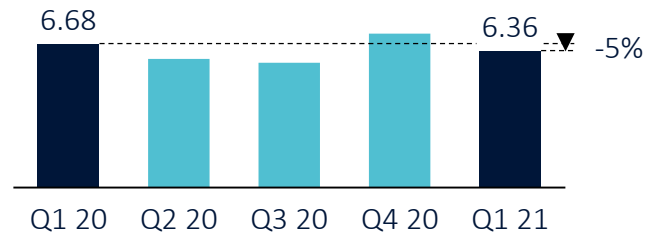
(BNOK)



- Book/bill of 1.20 compared to book/bill of 1.02 in Q1 '20
- Backlog increased with 11% from Q1 '20
- Increased order intake driven by KDA

## Revenues

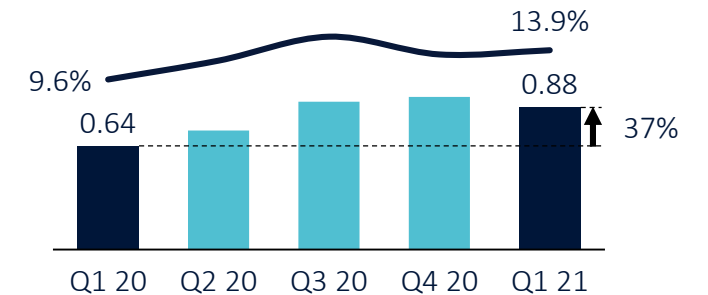
(BNOK)



- Increased revenues in KDA (~21%), and decreased revenues KM (~16%)
- Revenue growth in all KDA divisions

## EBITDA

(BNOK, %)



- KM and KDA contribute to improved EBITDA
- Cost discipline and solid operations drive increased EBITDA margins
- Lower cost level partly explained by "COVID-19 effects"

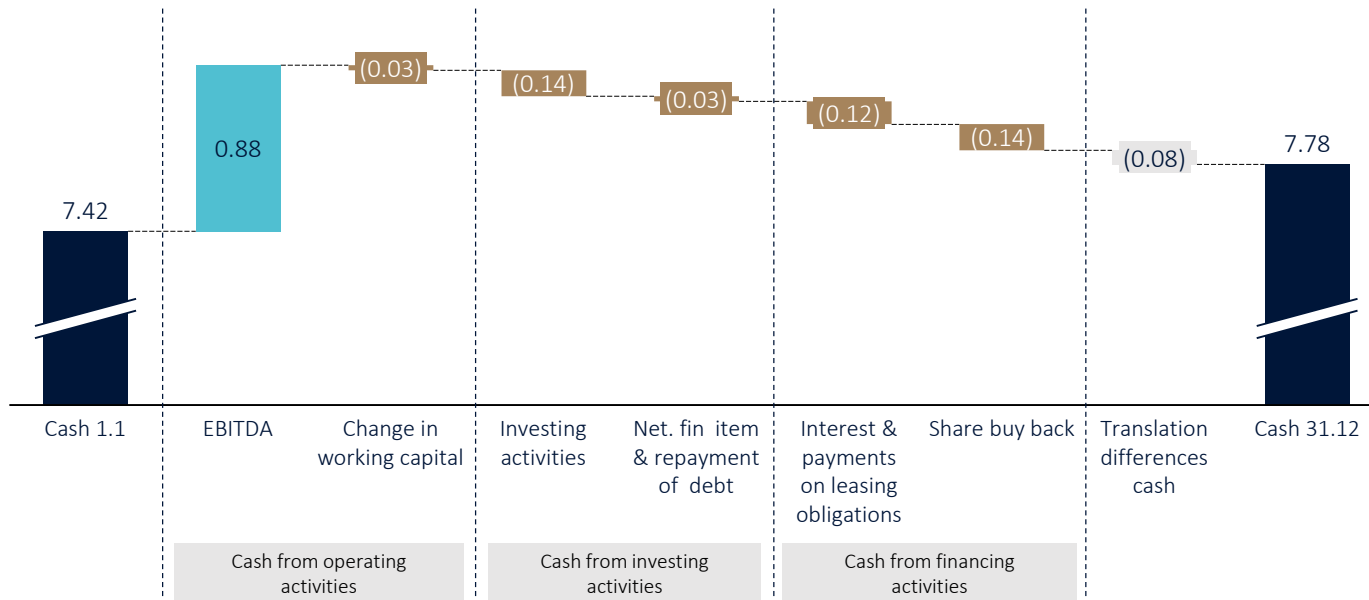


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# Cashflow 1<sup>st</sup> quarter 2021

~BNOK 0.36 in positive cashflow 1<sup>st</sup> quarter

(BNOK)



## Comments

- Positive cashflow from operations
- Share buy back includes both shares purchased under the buyback program and employee share program
- Currency effects result in negative translation effects of MNOK 75





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# Solid credit rating confirming financial policy

## Updated bond maturity profile



\* Adjusted to reflect that KONGSBERG holds MNOK 505 out of the BNOK 1 aggregate amount for KOG08.

## Comments

- Assigned “A-” credit rating with “stable outlook” by Nordic Credit Rating in April
- Rating supports financial policy of having a solid balance sheet
- Half of MNOK 1 000 June ‘21 debt maturity refinanced in February
  - Repurchased MNOK 505 of KOG08
  - Issued new MNOK 500 bond (KOG14)
  - Prospectus to be issued



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# KONGSBERG MARITIME



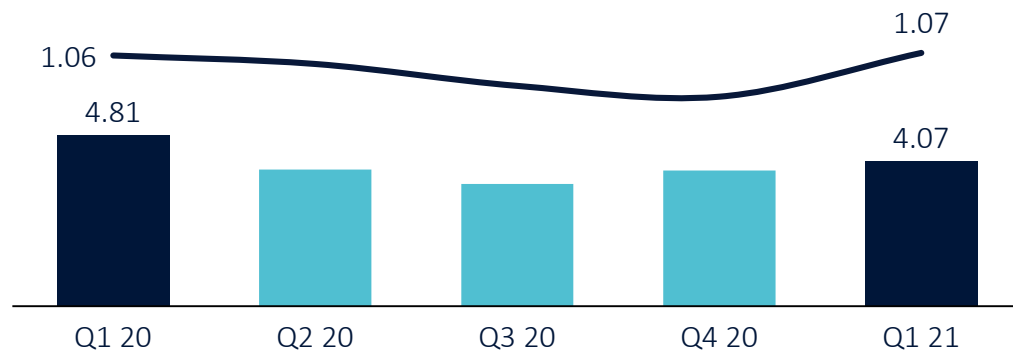


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# Book/bill of 1.07 for KM in 1<sup>st</sup> quarter

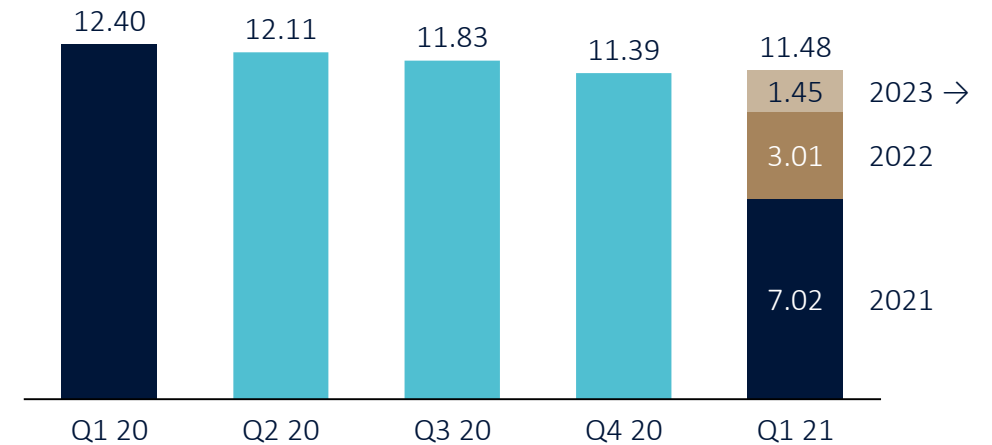
## Order intake and book/bill

(BNOK)



## Order backlog

(BNOK)



— Book-to-bill    ■ Order intake (BNOK)

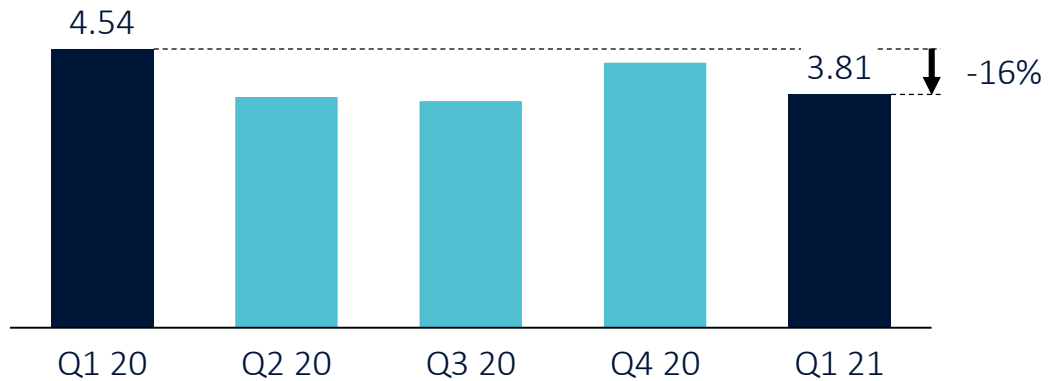


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# Cost reductions and improved margins offset reductions in revenues

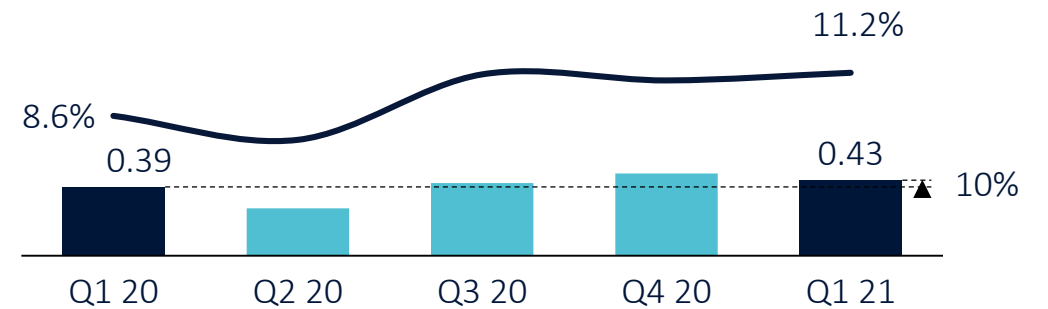
## Revenues

(BNOK)



## EBITDA

(BNOK, %)





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# KONGSBERG DEFENCE & AEROSPACE

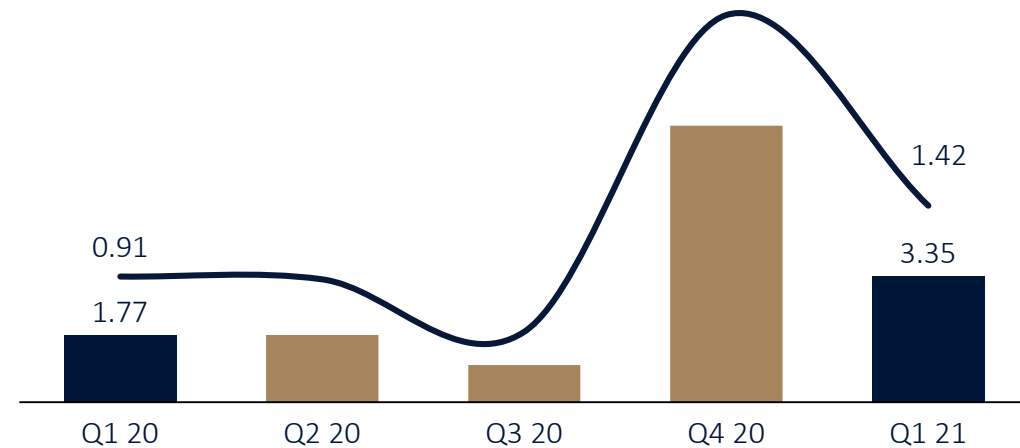


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# KDA backlog supports growth

## Order intake

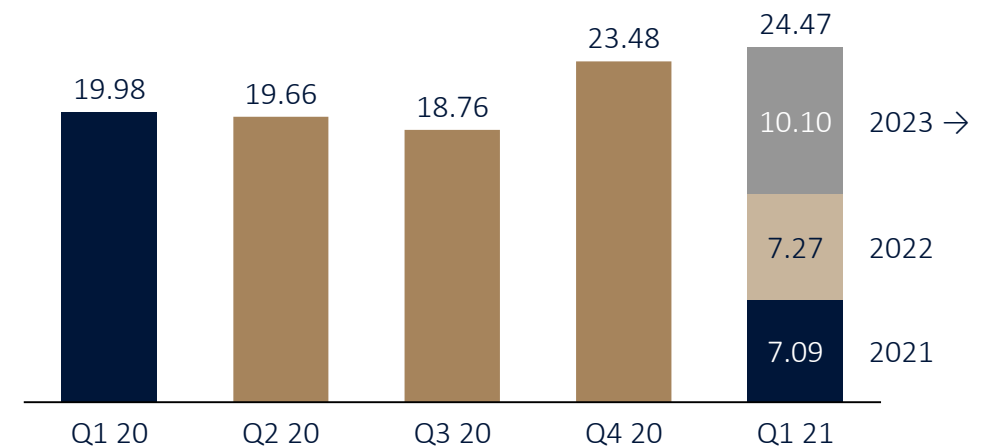
(BNOK)



— Book-to-bill

## Order backlog

(BNOK)



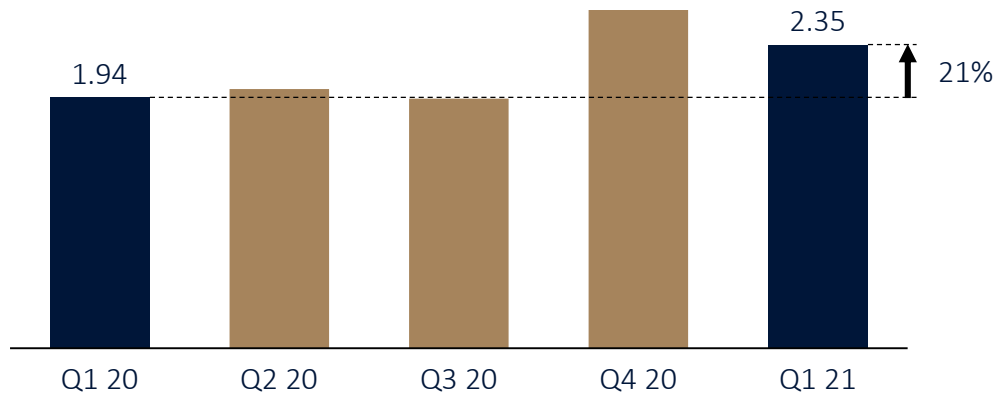


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# Revenue growth and solid EBITDA in KDA

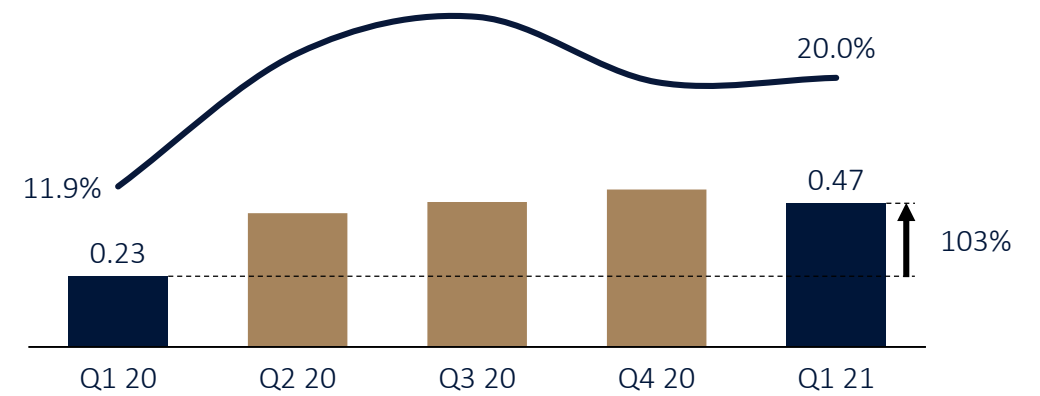
## Revenues

(BNOK)



## EBITDA

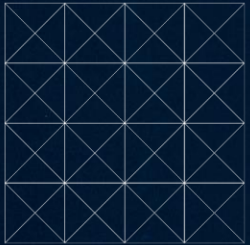
(BNOK, %)





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# KONGSBERG DIGITAL





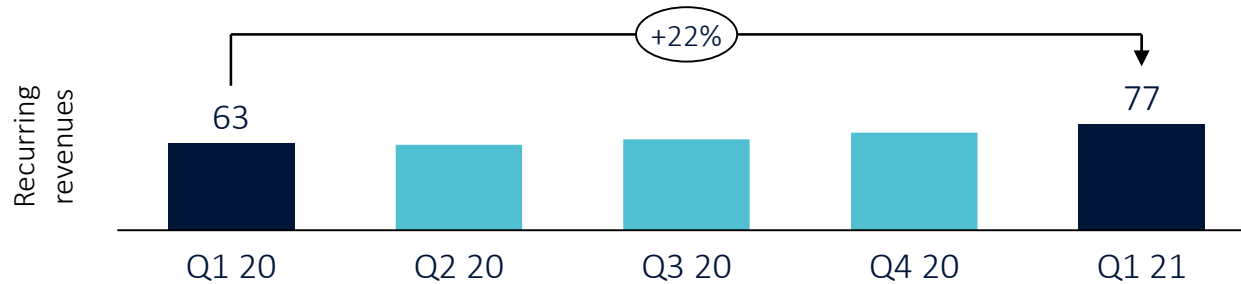
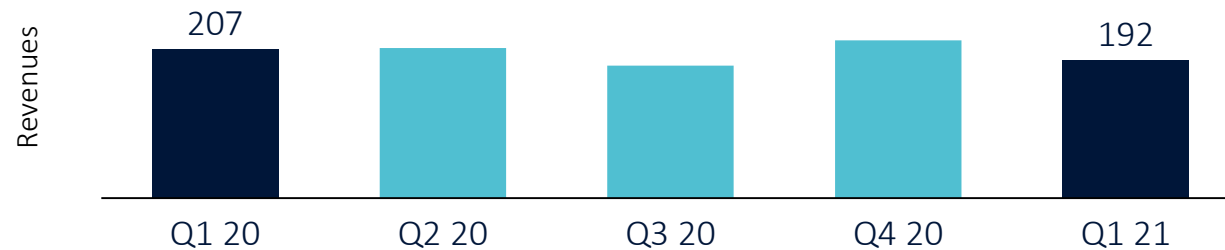


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# Kongsberg Digital

## Key figures

(MNOK)



## Highlights

- Recurring revenues increased with 22% in Q1 2021 compared to Q1 2020
- ~BNOK 1 in order backlog, 11% increase compared to Q1 2020
- High investments and roll-out of new applications and solutions

*KDI's current state makes it natural to assess both future partner models and other models in order to fully realise the potential KONGSBERG sees in KDI. Going forward this could also include a stock exchange listing*



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# OUTLOOK



## KONGSBERG DEFENCE & AEROSPACE

Current backlog secures growth in 2021

Efficient operations, project mix and increased scale found confidence to EBITDA target



## KONGSBERG MARITIME

New-building market expected to remain challenging, however some positive signals in the market

Healthy order backlog coverage and stable lifecycle business



## KONGSBERG DIGITAL

Continued roll-out of KOGNITWIN® and Vessel Insight

Focus on growth both organic through SaaS revenues and inorganic

Solid balance sheet and BNOK 36.9 in order backlog, whereof BNOK 17.9 for delivery in 2021

KDA growth to support continued growth for KONGSBERG, some growth in KDI, KM expected at or around 2020-revenues



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**Q&A**

