



KONGSBERG

# Quarterly report

## 2nd quarter / 1st half

### 2024

#protectingpeopleandplanet



**Geir Håøy,**  
**President & CEO**

## KONGSBERG

“In the second quarter, we continued to build momentum by securing significant orders that position us for further growth. The demand related to sustainability and security is stronger than ever. However, it’s crucial to remember that the overall context remains serious. Amidst ongoing conflicts and global turmoil, there’s a growing recognition of the urgent need to shift resource utilization toward sustainability. At KONGSBERG, we’re committed to providing solutions to address these challenges.

In the latest quarter, we achieved robust results. Operating revenues rose, and profitability was on track. The demand for our solutions remains substantial, spanning both civilian and defense customers. Kongsberg Maritime has solidified its role as a catalyst for more environmentally friendly shipping. Kongsberg Discovery’s cutting-edge subsea technologies are highly sought after by both commercial and defense customers. Through the Yara contract, Kongsberg Digital has expanded into new industries with its digital twin solution. Kongsberg Defence & Aerospace signed an important agreement with the United States Air Force (USAF) for the delivery of the Joint Strike Missile (JSM). The USAF is by far the largest customer for the F-35 program and their choice of JSM could be a significant revenue driver for the defense area in the years to come.

In June, we hosted our Capital Markets Day. Our markets are experiencing substantial growth and restructuring, and our market positions have never been stronger. Recognizing the stability in our current company portfolio and the long-term demand outlook, we’ve set an ambitious goal: to triple our current revenue over the next decade. While this objective is ambitious, our commitment to evolution and adaptability makes it a realistic target.

As we navigate this growth phase, our capacity becomes crucial. Over the past few years, we’ve made substantial investments in new hires, facilities, and process development. Notably, in June, we inaugurated Nexus—the new missile factory in Kongsberg. Nexus is poised to elevate missile production by handling large volumes. With a robust order backlog and strong demand for our missile technology, we are confident that Nexus will remain highly active for years to come.

KONGSBERG is well positioned with solutions that contribute to increased safety and a more sustainable society. We have a record-high order backlog, and our market activity has never been higher. This provides a solid foundation for continued growth.”

# Highlights in the quarter



## Financial

- MNOK 11 589 in operating revenues, corresponding to 21 per cent growth from Q2 2023
- All business areas contributed to the growth
- Positive growth in both EBIT and EBIT margin. The substantial growth was driven by the two largest business areas, while margin increase was driven by Kongsberg Maritime

## Market and order intake

- In second quarter, the Group's market- and business activity resulted in a book/bill ratio of 1.49
- Two significant NASAMS orders signed by Kongsberg Defence & Aerospace
- Breakthrough for Joint Strike Missile with contract with United States Air Force

## Other

- In June, we inaugurated a new missile factory that significantly enhances our production capacity
- The Norwegian Armed Forces' Long-Term Plan for 2025-2036 approved by the Norwegian Parliament. This is relevant to several of our Group's business areas



	Q2					Year to date				
	Operating revenues	EBITDA	EBIT	Order intake	Order backlog	Operating revenues	EBITDA	EBIT	Order intake	Order backlog
<b>MNOK</b>										
Kongsberg Maritime	5 980	861	729	6 131	19 733	11 383	1 749	1 482	12 288	19 733
Kongsberg Defence & Aerospace	4 425	856	703	10 257	71 506	9 342	1 703	1 403	15 447	71 506
Kongsberg Discovery	1 012	169	143	839	2 925	2 064	308	258	1 997	2 925
Kongsberg Digital	406	(62)	(125)	363	2 171	799	(92)	(218)	895	2 171
Other/eliminations	(233)	(9)	(3)	(313)	(774)	(548)	(32)	(15)	(602)	(774)
<b>Kongsberg Gruppen</b>	<b>11 589</b>	<b>1 815</b>	<b>1 448</b>	<b>17 278</b>	<b>95 561</b>	<b>23 039</b>	<b>3 635</b>	<b>2 910</b>	<b>30 024</b>	<b>95 561</b>

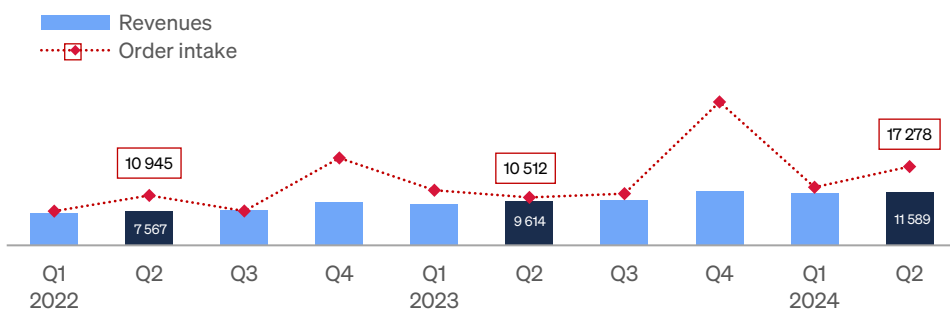
# Key figures

MNOK	1.4 - 30.6		1.1 - 30.6		1.1-31.12
	2024	2023	2024	2023	2023
Operating revenues	11 589	9 614	23 039	18 703	40 617
EBITDA	1 815	1 381	3 635	2 738	6 037
EBITDA (%)	15,7	14,4	15,8	14,6	14,9
EBIT	1 448	1 038	2 910	2 057	4 600
EBIT (%)	12,5	10,8	12,6	11,0	11,3
Share of net income from associated companies	97	21	134	33	358
Earnings before tax	1 487	984	2 920	1 973	4 675
Earnings after tax	1 179	777	2 302	1 547	3 715
EPS (NOK)	6,79	4,38	13,15	8,60	21,08
Order Intake	17 278	10 512	30 024	22 602	65 401

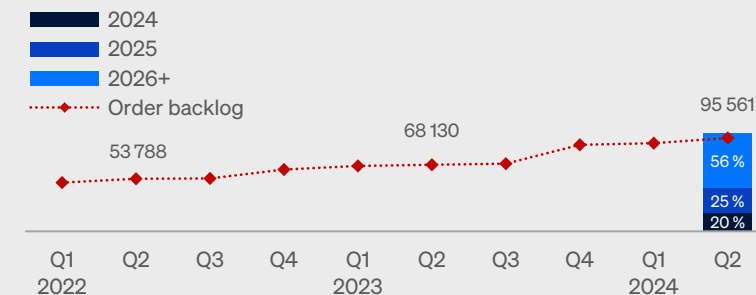
MNOK	30.6	31.3	31.12
	2024	2024	2023
Equity ratio (%)	29,3	32,0	30,9
Net interest-bearing debt <sup>1)</sup>	(1 324)	(1 474)	(1 085)
Working Capital <sup>2)</sup>	(316)	40	(445)
ROACE (%) <sup>3)</sup>	34,9	35,5	30,3
Order backlog	95 561	90 204	88 550
Net interest-bearing debt/EBITDA <sup>4)</sup>	(0,2)	(0,2)	(0,2)
No. of employees	13 898	13 602	13 341

- 1) Net interest-bearing debt is the net amount of the accounting lines "Cash and cash equivalents" and "Short- and long-term interest-bearing liabilities"  
 2) Current assets (except cash and cash equivalents) minus non-interest-bearing liabilities (except taxes payable). Financial instruments recognised at fair value are not included in working capital.  
 3) 12-month rolling EBIT divided by the 12-month mean of recognised equity and net interest-bearing debt.  
 4) 12-month rolling EBITDA

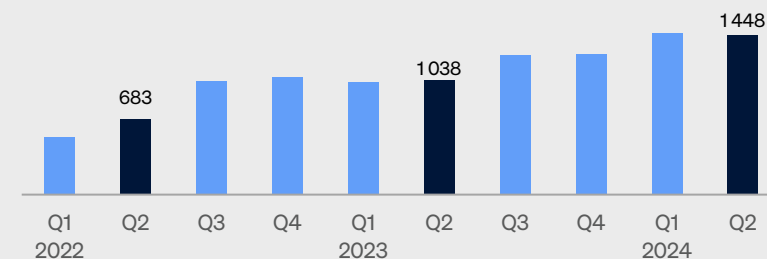
## Operating revenues and order intake



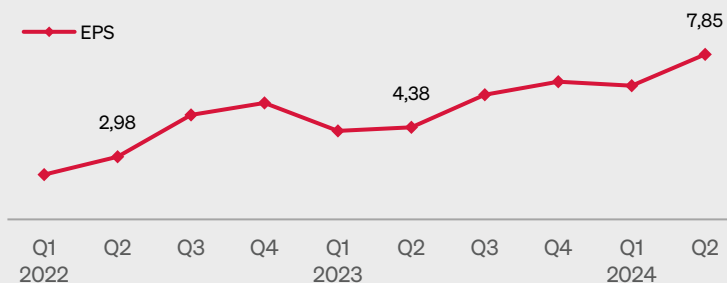
## Order backlog



## EBIT



## EPS



# KONGSBERG



## Performance and order intake

MNOK	1.4 - 30.6		1.1 - 30.6		1.1-31.12
	2024	2023	2024	2023	2023
Operating	11 589	9 614	23 039	18 703	40 617
EBITDA	1 815	1 381	3 635	2 738	6 037
EBITDA (%)	15,7	14,4	15,8	14,6	14,9
EBIT	1 448	1 038	2 910	2 057	4 600
EBIT (%)	12,5	10,8	12,6	11,0	11,3
Order Intake	17 278	10 512	30 024	22 602	65 401
Order backlog	95 561	68 130	95 561	68 130	88 550

**Operating revenues in Q2 was MNOK 11 589**, compared to MNOK 9 614 in the same quarter last year, an increase of 21 per cent. In comparison to Q2 2023, all business areas experienced substantial growth. Kongsberg Defence & Aerospace maintained growth, particularly driven by missiles and weapon stations. Additionally, there was significant activity related to deliveries for the CROWS program. Kongsberg Maritime had increased activity in both the newbuilding and aftermarket segments. Growth in Kongsberg Discovery was mainly driven by deliveries of mapping and positioning systems to commercial and public sector customers. In Kongsberg Digital, operating revenues and recurring operating revenues increased as a result of the roll-out of systems and an increase in the

number of users of the solutions. Accumulated operating revenues in H1 2024 was MNOK 23 039, up 23 per cent from MNOK 18 704 in H1 last year.

**EBIT in Q2 was MNOK 1 448, corresponding to an EBIT margin of 12.5 per cent** compared to MNOK 1 038 (10.8 per cent) in the same quarter last year. The improved margin can be attributed to a favourable project mix, volume effects, and efficient project execution. Total EBIT in H1 2024 was MNOK 2 910, corresponding to an EBIT margin of 12.6 per cent, an increase from MNOK 2 057 with an 11.0 per cent margin in the same period in 2023.

**Order intake in Q2 was MNOK 17 278**, compared to MNOK 10 512 in the same quarter last year. This gave a book/bill for the quarter of 1.49. Order intake can vary significantly between quarters. The largest individual contracts were signed in Kongsberg Defence & Aerospace.

**The order backlog at the end of H1 2024 was MNOK 95 561**, an increase of MNOK 5 357 in the quarter and MNOK 27 431 since Q2 2023.

## Cash flow

The Group had MNOK 5 938 in cash and cash equivalents at the end of Q2 compared to MNOK 6 581 at the end of Q1 2024, a decrease of MNOK 643 in the quarter. Cash flow in the quarter was mainly impacted by dividend payments and repayment of KOG13 bond offset by a positive EBITDA.

Net cash flow from operating activities was MNOK 1 913, driven by a positive EBITDA of MNOK 1 815 and reduced working capital partly offset by taxes paid. The improvement in working capital is mainly influenced by customer payments on projects in Kongsberg Defence & Aerospace.

The Group's cash flow from investment activities was MNOK -475. KONGSBERG is investing significantly in increased capacity and product development.

Cash flow from financing activities was MNOK -1 982, primarily due to payment of the first tranche of the approved dividend and the repayment of the KOG13 bond.

So far this year, KONGSBERG has had a net reduction in cash and cash equivalents of MNOK 38. The largest negative cash flows were related to dividend payments, repayment of KOG13 bonds and investments in production facilities and associated equipment.

## Balance sheet

MNOK	30.6	31.3	31.12
	2024	2024	2023
Equity	16 297	17 791	16 465
Equity ratio (%)	29,3	32,0	30,9
Total assets	55 542	55 660	53 222
Working capital <sup>1)</sup>	(316)	40	(445)
Gross interest-bearing debt	2 500	3 000	3 000
Cash and cash equivalents	5 938	6 581	5 975
Net interest bearing debt <sup>1)</sup>	(1 324)	(1 474)	(1 085)
Net interest bearing debt/EBITDA <sup>1)</sup>	(0,2)	(0,2)	(0,2)

<sup>1)</sup> See definition note 12

At the end of the quarter, the Group had interest-bearing debt of total MNOK 2 500. The debt consisted of three bonds, see Note 7 for further information. The KOG13 bond of NOK 500 million was redeemed in June 2024.

Net interest-bearing debt at the end of Q2 was MNOK -1 324, compared to MNOK -3 581 at the end of Q1 2024 and MNOK -2 975 at the end of 2023.

The Group has a syndicated and committed loan facility of MNOK 2 500, as well as an overdraft facility of MNOK 1 500.

KONGSBERG has a long-term issuer rating of A- with a «stable prospect» awarded by the credit rating agency Nordic Credit Rating. The standalone credit assessment is BBB+. The rating was last updated on 19 April 2024 and can be found on [www.nordiccreditrating.com](http://www.nordiccreditrating.com).

## Product development

KONGSBERG invests continuously in product development, through self- and customer-financed programmes. Total self-financed product development and maintenance amounted to MNOK 663 in the quarter and MNOK 1 324 in the first half of the year, of which MNOK 79 and MNOK 163 were activated. Activated development in the quarter was mainly related to projects in Kongsberg Digital and Kongsberg Defence & Aerospace. See table in Note 8 to the financial accounts.

In the balance sheet as of Q2, the largest activated projects were related to the development of the digital platform Kognifai with associated applications, missile technology, weapon stations, communication solutions and remote-controlled control towers for airports.

In addition, customer-financed development, either as part of a project or as a specified development assignment. The total scope of product development and maintenance accounts for about ten per cent of operating revenues over time.

## Employees

The company had **13 898 employees** at the end of Q2 2024, corresponding to an increase of 296 during the quarter and 1 062 over the past year. All business areas in KONGSBERG are growing and capacity will continue to increase in the future to meet this growth. As of 1 January 2024, just over 200 employees in the Group's IT organisation were transferred from Kongsberg Defence & Aerospace to Group functions, which are reported under other activities. Historical figures in tables have been revised and reflect this.



**Kongsberg  
Maritime**

**6 866**



**Kongsberg Defence  
& Aerospace**

**4 378**



**Kongsberg  
Discovery**

**1 149**

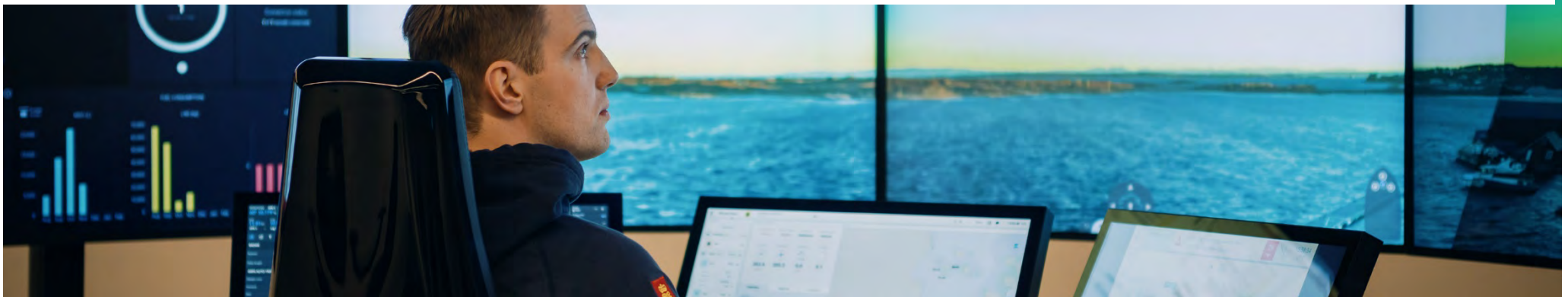


**Kongsberg  
Digital**

**1 186**

Number of employees by business area

# Kongsberg Maritime

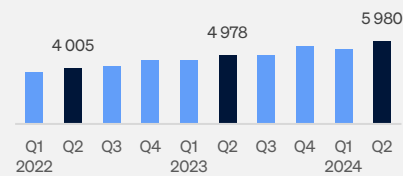


## Key figures

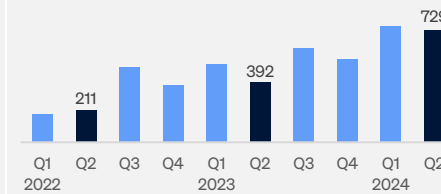
MNOK	1.4 - 30.6		1.1 - 30.6		1.1-31.12
	2024	2023	2024	2023	2023
Operating revenues	5 980	4 978	11 383	9 602	20 180
EBITDA	861	529	1 749	1 169	2 601
EBITDA (%)	14,4	10,6	15,4	12,2	12,9
EBIT	729	392	1 482	900	2 053
EBIT (%)	12,2	7,9	13,0	9,4	10,2
Order Intake	6 131	5 077	12 288	12 076	22 408

MNOK	30.6	31.3	31.12
	2024	2024	2023
Order backlog	19 733	20 053	19 097
No. of employees	6 866	6 771	6 643

## Operating revenues

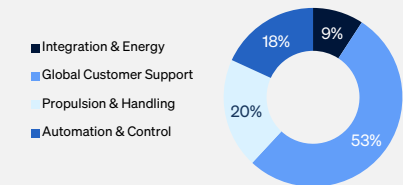


## EBIT

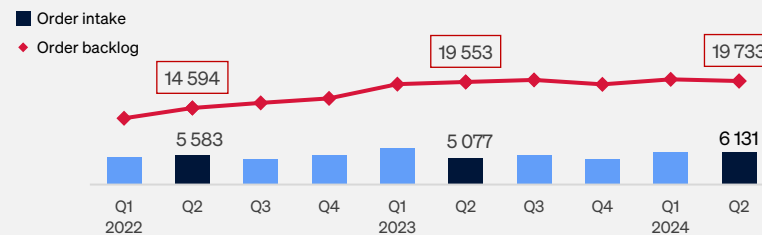


## Operating revenues

YTD per division

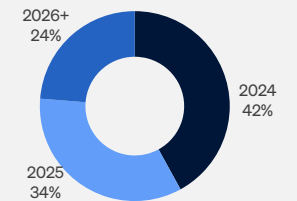


## Orders



## Order backlog

Breakdown by delivery date





## Results

**Operating revenues was MNOK 5 980 in Q2**, an increase of 20 per cent compared to the same quarter last year. All divisions increased operating revenues, and there was significant activity in delivering to both the existing fleet and new vessels. Activity in the aftermarket increased 13 percent compared to the same quarter in 2023. In the aftermarket, there has still been a high level of activity related to the sale of spare parts and upgrades. Accumulated for H1 2024, operating revenues was MNOK 11 383, corresponding to a growth of 19 per cent compared with H1 2023.

**EBIT was MNOK 729 in Q2, corresponding to an EBIT margin of 12.2 per cent** compared to MNOK 392 (7.9 per cent) in the same quarter last year. The EBIT improvement came from a combination of a favorable project mix, increased volume and efficient project execution.

## Market and orders

**Order intake in the quarter was MNOK 6 131, corresponding to a book/bill of 1.03.** Order intake in Q2 2023 was MNOK 5 077. Accumulated order intake in H1 2024 was MNOK 12 288, corresponding to a book/bill of 1.08.

Order intake was higher than in the corresponding quarter in 2023 from both the newbuilding and aftermarket segments. The growth in orders from newbuildings was more than 25 per cent and accounted for more than half of the business area's order intake. Orders from new LNG and marine vessels accounted for more than 30 per cent of the order intake. There was also a good order intake for deliveries to traditional merchant navy vessels, offshore wind and traditional offshore.

The business area is witnessing significant demand for emission-reducing and emission-free solutions, catering to both newbuilds and existing vessels. In order to be a good partner for customers through the energy transformation, the business area has strengthened its position as a total integrator. Kongsberg Maritime currently has a wide range of integrated solutions that will ensure energy-efficient solutions that meet increasing regulatory requirements.

The focus on decarbonization extends across market segments and imposes higher requirements on technological solutions. The growing demand for technology to enhance vessel efficiency has led to an expansion in the scope and content of deliveries.” An example of this was a contract for deliveries to a shuttle tanker worth over MNOK 100 that was signed in Q2. This is about ten times the value of Kongsberg Maritime's contract value for delivery to this type of vessel a few years ago.

The average age of the world fleet has increased significantly over the past ten years. At the same time, the world's shipping faces significant requirements and expectations related to reduced emissions and increased energy efficiency. Kongsberg Maritime has delivered solutions related to safety and streamlining vessel operations for decades. Close cooperation with shipyards, vessel owners and operators has given the business area a unique domain knowledge that provides an advantage in both existing and new markets. This provides a good basis for significant demand for Kongsberg Maritime's solutions in both the short and long term.

At the end of H1 2024, Kongsberg Maritime had an order backlog of MNOK 19 733.



# Kongsberg Defence & Aerospace



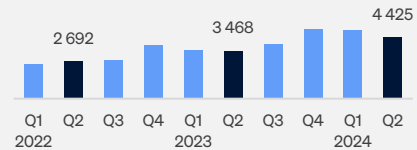
## Key figures

MNOK	1.4 - 30.6		1.1 - 30.6		1.1-31.12
	2024	2023	2024	2023	2023
Operating revenues	4 425	3 468	9 342	6 992	15 949
EBITDA <sup>1)</sup>	856	664	1 703	1 353	3 005
EBITDA (%)	19,4	19,1	18,2	19,3	18,8
EBIT <sup>1)</sup>	703	514	1 403	1 056	2 397
EBIT (%)	15,9	14,8	15,0	15,1	15,0
Share of netincome associated companies	96	56	133	68	406
Order Intake	10 257	4 438	15 447	8 286	37 771

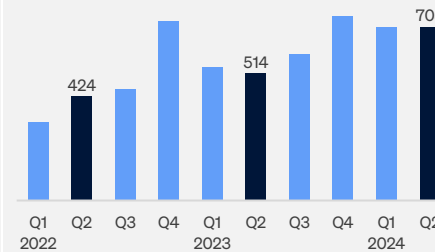
<sup>1)</sup> EBITDA and EBIT for 2023 are restated due to Kongsberg IT being reported as part of other from 2024.

MNOK	30.6	31.3	31.12
	2024	2024	2023
Order backlog	71 506	65 667	65 377
No. of employees	4 378	4 270	4 129

## Operating revenues



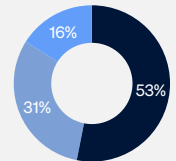
## EBIT



## Operating revenues

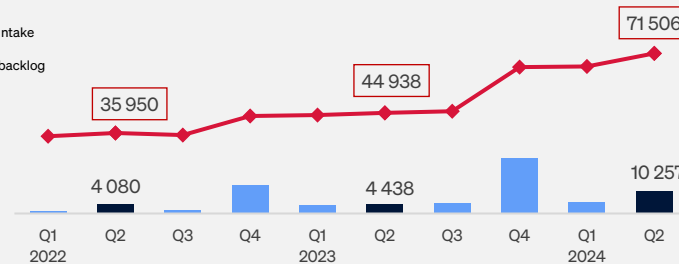
YTD per division

- Defence Systems
- Missile & Space
- Aerostructures & MRO



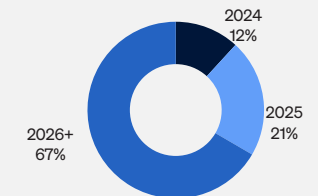
## Orders

- Order intake
- Order backlog



## Order backlog

Breakdown by delivery date





## Results

**Operating revenues was MNOK 4 425 in Q2**, up 28 per cent from the same quarter last year. There was positive revenue growth in all divisions. There was a high level of activity in air defence and missile deliveries in the quarter. Weapon station deliveries to the US CROWS programme were the single programme with the highest activity in the quarter. The business area is currently delivering on the CROWS V framework agreement, which has a value of up to MUSD 1 500 and was signed in the autumn of 2022. Accumulated operating revenues so far in 2024 was MNOK 9 342, up 34 per cent compared to H1 2023.

**EBIT ended at MNOK 703 in Q2, corresponding to an EBIT margin of 15.9 per cent** compared to MNOK 514 (14.8 per cent) in the same quarter last year. The EBIT margin in the business area may vary somewhat due to the projects on which it is delivered. Increased volume contributes to scale effects. Accumulated for the first half of the year, EBIT was MNOK 1 403 compared to MNOK 1 056 in the same period in 2023.

**The share of profit from associated companies** was MNOK 96 (MNOK 56) in the quarter. See also note 5.

## Market and Orders

**Order intake was MNOK 10 257 in Q2, corresponding to a book/bill of 2.32.** Accumulated order intake in H1 2024 was MNOK 15 447 compared to MNOK 8 286 in H1 2023. At the end of the quarter, the business area had an order backlog of MNOK 71 506, an increase of MNOK 5 839 during the quarter.

Largest contracts in the quarter:

- In April, Spain's government decided to modernize its air defence system through the purchase of additional NASAMS units. The contract has a value of approximately MEUR 410. Spain was the first international NASAMS customer and has been using NASAMS for more than 20 years.
- In June, the business area was awarded an "Undefined Contract Action" with the United States Air Force for the delivery of the Joint Strike Missile for their F-35A fighter jets. The contract has a value of up to MUSD 141.

- Through the new long-term plan for the Armed Forces, the Norwegian Government has been clear about the need for more air defence capacity. In June, a contract worth MNOK 2 300 was awarded for new multi-missile launchers and fire control centers for NASAMS to replace equipment previously donated to Ukraine. The contract also includes a fixed-price option of MNOK 2 500, which means that the total value of the contract can reach MNOK 4 800. The fixed-price option is valid until January 2025.

There is considerable market activity in all divisions of the business area. Demand for air defence and missiles is high, at the same time as many nations, including Norway, have signaled greater investment in naval defence.

## Other factors

Kongsberg Defence & Aerospace has almost half of its order backlog hedged against inflation through escalation clauses in its contracts. For the part of the order backlog that is not secured, long-term agreements with the supply chain are used to create a predictable cost picture throughout the delivery process.

On 20 June, the new missile factory, Nexus, opened in Kongsberg. The transfer of missile production to the new and modern facilities is well underway. KONGSBERG has an order backlog for missile deliveries of more than NOK 33 billion, which paves the way for continued significant growth going forward. The transfer to a new facility, as well as a natural phasing in the contract portfolio, will slow growth somewhat in the next quarter before growth picks up again.

In Q2 2024, changes were made to the divisional structure of the business area. Kongsberg Defence & Aerospace now consists of three divisions: Missile & Space, Aerostructures & MRO and Defence Systems. Defence Systems is a merger of the two former divisions Integrated Defence Systems and Land Systems. Missile & Space is a merger of the two former divisions Missile Systems and Space & Surveillance. The purpose of the reorganization is to an even greater extent to be able to handle the growth and streamline the organization.

# Kongsberg Discovery

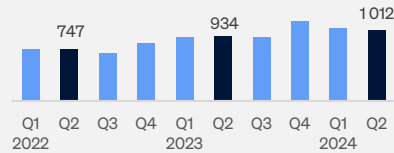


## Key Figures

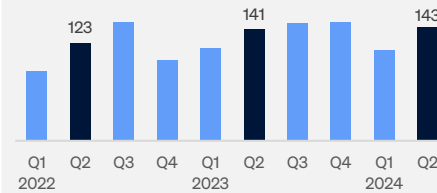
MNOK	1.4 - 30.6		1.1 - 30.6		1.1-31.12
	2024	2023	2024	2023	2023
Operating revenues	1 012	934	2 064	1 844	3 913
EBITDA	169	168	308	312	646
EBITDA (%)	16,7	18,0	14,9	16,9	16,5
EBIT	143	141	258	258	556
EBIT (%)	14,2	15,1	12,5	14,0	14,2
Order Intake	839	835	1 997	1 876	4 305

MNOK	30.6	31.3	31.12
	2024	2024	2023
Order backlog	2 925	3 110	2 948
No. of employees	1 149	1 108	1 074

## Operating revenues



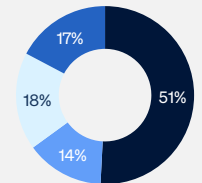
## EBIT



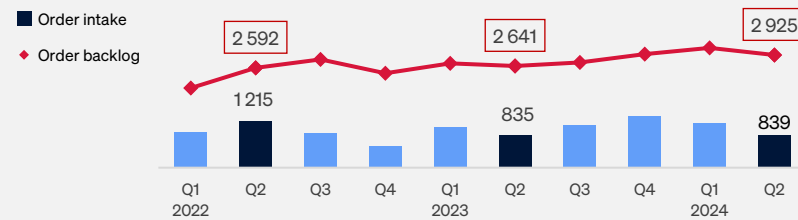
## Operating revenues

YTD per division

- Ocean Technologies
- Marine Life Technologies
- Uncrewed platforms
- Seatex

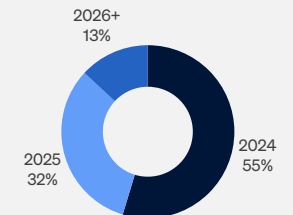


## Order



## Order backlog

Breakdown by delivery date





## Results

**Operating revenues in was MNOK 1 012 in Q2**, an increase of 8 per cent compared to the same quarter last year. The most important drivers for the increased turnover were deliveries of mapping and positioning systems to commercial and public customers.

Cumulatively for the first half of the year, Kongsberg Discovery increased its operating revenues by 12 per cent to MNOK 2 064 compared with H1 2023.

**EBIT was MNOK 143 in Q2, corresponding to an EBIT margin of 14.2 per cent** compared to MNOK 141 (15.1 per cent) in the same quarter last year. Accumulated for H1 2024, EBIT was MNOK 258, on a par with the corresponding period in 2023.

## Market and Orders

**Order intake in Q2 was MNOK 839, corresponding to a book/bill of 0.83.** Order intake was MNOK 835 in Q2 2023. Order intake in Kongsberg Discovery may vary between quarters as a result of larger individual orders. In Q2, a new contract was signed for a Hugin Superior. In addition to this contract, the order intake consisted of many smaller contracts. The volume of this part of the order intake was as expected.

The most important overarching drivers for Kongsberg Discovery are sustainability and safety. The business area is exposed to these drivers in major market segments such as offshore energy generation, commercial fishing, seabed mapping, security, and critical infrastructure monitoring. The demand for solutions from commercial actors, public administration and defence customers is increasing. Sustainable management of subsea resources is also an important driver for several of the business area's divisions and segments.

Sensor technology monitors and maps areas that are often difficult to access, such as along the seabed and in the water column. Protecting and monitoring critical infrastructure is high on the agenda of both international and national actors. Kongsberg Discovery has a broad product portfolio that is relevant to the area and is experiencing great interest in this. Together with other parts of the Group, Kongsberg Discovery delivers comprehensive solutions that secure critical infrastructure.

At the end of H1 2024, Kongsberg Discovery had an order backlog of MNOK 2 925.

# Kongsberg Digital

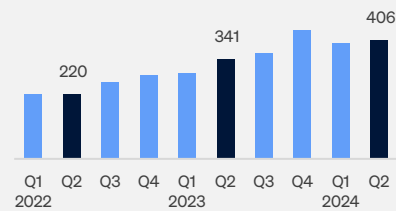


## Key Figures

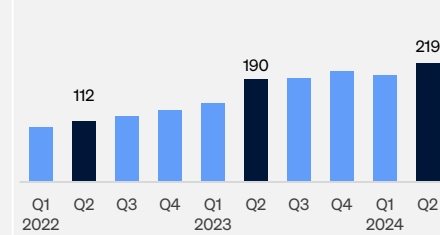
MNOK	1.4 - 30.6		1.1 - 30.6		1.1-31.12
	2024	2023	2024	2023	2023
Operating revenues	406	341	799	634	1433
of this Recurring revenues*	219	190	418	336	735
EBITDA	(62)	(68)	(92)	(151)	(252)
EBITDA (%)	(15,3)	(19,9)	(11,6)	(23,8)	(17,6)
EBIT	(125)	(114)	(218)	(241)	(479)
EBIT (%)	(30,8)	(33,5)	(27,3)	(38,0)	(33,4)
Order Intake	363	411	895	964	2 285

MNOK	30.6	31.3	31.12
	2024	2024	2023
Order backlog	2 171	2 224	2 034
No. of employees	1 186	1 138	1 188

## Operating revenues

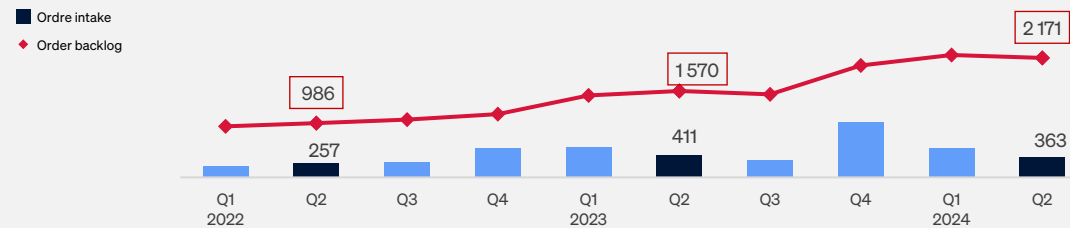


## Recurring revenues



\*Recurring revenues (RR) consist of revenues from Software as a Service, Software Leases and Software Maintenance & User Support

## Orders





## Results

**Operating revenues was MNOK 406 in Q2**, up 19 per cent from the same period in 2023. Recurring operating revenues were MNOK 219 in the quarter, up from MNOK 199 in Q1 2024. The growth compared to Q2 last year was mainly driven by higher activity in the simulation business as well as an increased user base on the dynamic digital twin solution Kognitwin. The latter was also the main driver of the growth in recurring income. Operating revenues in the first half of the year were MNOK 799, an increase of 26 per cent from the same period last year. Of the operating revenues, MNOK 418 was recurring. This is an increase of 25 percent compared to H1 2023.

**EBIT in the quarter was MNOK -125** compared to MNOK -114 in the same quarter last year. The negative operating profit was due to investments in product development and sales and marketing activities. Accumulated EBIT in H1 2024 was MNOK -218 compared to MNOK -241 in the same period in 2023.

## Market and order intake

**Order intake was MNOK 363 in Q2, corresponding to a book/bill of 0.89.** At the end of the quarter, the business area had an order backlog of MNOK 2,171.

With the dynamic digital twin solution Kognitwin, Kongsberg Digital has become a leading player in the digitalisation of industrial and process plants. The solution has previously mainly been sold to customers in the energy industry, but Kongsberg Digital has also generated attention to the solution from other industries. In May, a collaboration with the Norwegian fertilizer company Yara was announced. Here, Kongsberg Digital will develop digital twin technology for two of Yara's factories, one in Norway and one in the Netherlands. The solution will enable further optimisation of Yara's operations. At the end of Q2 2024, Kongsberg Digital had 47 digital twins in operation.

Kongsberg Digital's digital solution for "ship to cloud" infrastructure, Vessel Insight, has been sold to about 2 700 vessels, represented by a significant number of shipowners.

Since Kongsberg Digital was established in 2016, the business area has established itself as a leading supplier of digital solutions to the energy sector and the maritime industry. Digitalization is an important contributor to increased efficiency and reduction in greenhouse gas emissions in these industries. Software as a Service

(SaaS) solutions are the key drivers of growth. In recent years, positioning in the market has been in focus, and Kongsberg Digital has therefore increased its capacity related to development, sales and delivery during this period. There is good and growing interest, especially related to Kognitwin, where the number of twins in surgery has more than doubled in the past year.

KONGSBERG has high growth ambitions for Kongsberg Digital, and significant investments are being made in scaling and rolling out new solutions and applications.

# Outlook

Over the past few years, KONGSBERG has shown positive development, adaptability, and delivered substantial growth and results.

At the end of H1 2024, the Group had an order backlog of NOK 95.6 billion, of which NOK 18.8 billion will be delivered during H2 2024. Order intake from the aftermarket is to a lesser extent included in the order backlog. Framework agreements are only included in the order backlog when orders under the framework are received.

Kongsberg Maritime is exposed to newbuilds and aftermarkets in a wide range of segments, from traditional merchant fleets to more advanced vessels performing complex marine operations. A generally ageing vessel fleet and stricter requirements related to emissions create a need for fleet renewal, which underpins long-term demand for the business area's solutions. However, the renewal of the maritime fleet will take time, as the capacity of the shipyards limits the number of new vessels being built. Technology is the key to succeeding in creating a more environmentally friendly maritime fleet, and Kongsberg Maritime's ambition is to be a leader in this development.

Kongsberg Defence & Aerospace has grown continuously in recent years and has an order backlog of NOK 71.5 billion at the end of H1 2024. The business area is well positioned for several significant orders in the short and medium term, which gives expectations of a further increase in the order backlog over the next few years. Profitability varies between different product groups and different geographies. The mix of projects in our deliveries significantly impacts profitability, and this can vary from one quarter to another. To meet existing orders and address the substantial demand, we've invested in expanding missile production capacity, among other initiatives.

Kongsberg Discovery has a broad, world-leading technology portfolio combined with deep domain knowledge and software. This is important in fisheries, marine research, marine operations, ocean-based energy production and monitoring of critical infrastructure. There is a significant demand for technology in all these segments.

Kongsberg Digital has increased operating revenues and recurring operating revenues significantly in recent years. The market is highly interested in the area's digital solutions, both for operational efficiency and from a climate standpoint. Investments will be made in the development and roll-out of digital solutions in 2024 as well. KONGSBERG's ambition is for Kongsberg Digital to deliver positive EBITDA during H2 2024.

The current global perspective remains uncertain and unpredictable. At the same time, there's a significant demand for increased energy efficiency, environmentally friendly energy sources, and enhanced security and monitoring. KONGSBERG has products and systems that can help solve these challenges. This, in addition to a strong order backlog and a solid financial position, provides a good foundation for further growth in 2024.

Kongsberg, 9 July 2024

The Board of Directors of Kongsberg Gruppen ASA



KONGSBERG



# Numbers & Notes



# Key figures by quarter

KONGSBERG MNOK	2024			2023					2022				
	2024	Q2	Q1	2023	Q4	Q3	Q2	Q1	2022	Q4	Q3	Q2	Q1
Operating revenues	23 039	11 589	11 450	40 617	11 936	9 978	9 614	9 090	31 803	9 444	7 745	7 567	7 046
EBITDA	3 635	1 815	1 820	6 037	1 672	1 626	1 381	1 357	4 602	1 401	1 360	1 012	829
EBITDA (%)	15,8	15,7	15,9	14,9	14,0	16,3	14,4	14,9	14,5	14,8	17,6	13,4	11,8
EBIT	2 910	1 448	1 463	4 600	1 273	1 270	1 038	1 019	3 309	1 068	1 035	683	522
EBIT (%)	12,6	12,5	12,8	11,3	10,7	12,7	10,8	11,2	10,4	11,3	13,4	9,0	7,4
Share of net income associated companies	134	97	37	358	177	148	21	12	387	174	144	47	23
Order intake	30 024	17 278	12 746	65 401	31 461	11 339	10 512	12 089	45 150	19 166	7 535	10 945	7 503
Order backlog	95 561	95 561	90 204	88 550	88 550	69 233	68 130	66 927	63 256	63 256	54 127	53 788	49 903

KONGSBERG MARITIME MNOK	2024			2023					2022				
	2024	Q2	Q1	2023	Q4	Q3	Q2	Q1	2022	Q4	Q3	Q2	Q1
Operating revenues	11 383	5 980	5 402	20 180	5 589	4 990	4 978	4 624	16 486	4 608	4 136	4 005	3 737
EBITDA	1 749	861	888	2 601	671	762	529	640	1 825	531	622	360	312
EBITDA (%)	15,4	14,4	16,4	12,9	12,0	15,3	10,6	13,8	11,1	11,6	15,1	9,0	8,4
EBIT	1 482	729	753	2 053	538	615	392	508	1 255	374	486	211	185
EBIT (%)	13,0	12,2	13,9	10,2	9,6	12,3	7,9	11,0	7,6	8,2	11,8	5,3	5,0
Order intake	12 288	6 131	6 157	22 408	4 798	5 534	5 077	6 999	21 335	5 672	4 931	5 583	5 149
Order backlog	19 733	19 733	20 053	19 097	19 097	19 942	19 553	19 135	16 423	16 423	15 565	14 594	12 633

KONGSBERG DEFENCE AEROSPACE MNOK	2024			2023					2022				
	2024	Q2	Q1	2023	Q4	Q3	Q2	Q1	2022	Q4	Q3	Q2	Q1
Operating revenues	9 342	4 425	4 917	15 949	5 017	3 940	3 468	3 523	11 860	3 894	2 802	2 692	2 472
EBITDA <sup>1)</sup>	1 703	856	846	3 005	900	752	664	689	2 463	874	588	554	447
EBITDA (%)	18,2	19,4	17,2	18,8	17,9	19,1	19,1	19,6	20,8	22,5	21,0	20,6	18,1
EBIT <sup>1)</sup>	1 403	703	700	2 397	748	594	514	541	1 919	727	452	424	316
EBIT (%)	15,0	15,9	14,2	15,0	14,9	15,1	14,8	15,4	16,2	18,8	16,2	15,8	12,8
Share of net income associated companies	133	96	37	406	191	147	56	12	330	172	74	61	24
Order intake	15 447	10 257	5 190	37 771	24 839	4 646	4 438	3 849	19 560	12 530	1 619	4 080	1 331
Order backlog	71 506	71 506	65 667	65 377	65 377	45 667	44 938	43 964	43 540	43 540	35 027	35 950	34 504

<sup>1)</sup> EBITDA and EBIT for 2023 and 2022 are restated due to Kongsberg IT being reported as a part of other from 2024.

# Key figures by quarter continued

KONGSBERG DISCOVERY	2024			2023					2022				
	2024	Q2	Q1	2023	Q4	Q3	Q2	Q1	2022	Q4	Q3	Q2	Q1
<b>MNOK</b>													
Operating revenues	2 064	1 012	1 052	3 913	1 145	924	934	911	2 998	827	685	747	739
EBITDA	308	169	139	646	174	160	168	144	565	131	173	147	113
EBITDA (%)	14,9	16,7	13,2	16,5	15,2	17,3	18,0	15,8	18,8	15,8	25,3	19,7	15,4
EBIT	258	143	114	556	150	149	141	117	464	102	151	123	88
EBIT (%)	12,5	14,2	10,9	14,2	13,1	16,1	15,1	12,8	15,5	12,3	22,0	16,5	12,0
Order intake	1 997	839	1 157	4 305	1 326	1 103	835	1 041	3 575	550	885	1 215	926
Order backlog	2 925	2 925	3 110	2 948	2 948	2 732	2 641	2 708	2 452	2 452	2 811	2 592	2 068
<b>KONGSBERG DIGITAL</b>													
KONGSBERG DIGITAL	2024			2023					2022				
	2024	Q2	Q1	2023	Q4	Q3	Q2	Q1	2022	Q4	Q3	Q2	Q1
<b>MNOK</b>													
Operating revenues	799	406	393	1 433	439	360	341	293	989	285	262	220	221
-of this recurring revenues	418	219	199	735	206	193	190	145	469	132	122	112	102
EBITDA	(92)	(62)	(30)	(252)	(64)	(36)	(68)	(83)	(259)	(109)	(52)	(50)	(48)
EBITDA (%)	(11,6)	(15,3)	(7,7)	(17,6)	(14,7)	(10,1)	(19,9)	(28,4)	(26,2)	(38,1)	(19,6)	(22,9)	(21,7)
EBIT	(218)	(125)	(93)	(479)	(153)	(84)	(114)	(127)	(380)	(146)	(83)	(79)	(73)
EBIT (%)	(27,3)	(30,8)	(23,6)	(33,4)	(34,8)	(23,5)	(33,5)	(43,3)	(38,4)	(51,1)	(31,5)	(36,0)	(32,8)
Order intake	895	363	531	2 285	1 001	321	411	553	1 275	523	286	257	209
Order backlog	2 171	2 171	2 224	2 034	2 034	1 509	1 570	1 489	1 150	1 150	1 050	986	928

Due to eliminations and that Property, Kongsberg IT and Corporate functions are not included, the sum of Business Areas does not add up to Group.

## Condensed income statement

MNOK	Note	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
		2024	2023	2024	2023	2023
Operating revenues	4	11 589	9 614	23 039	18 703	40 617
Operating expenses	8	(9 774)	(8 232)	(19 404)	(15 965)	(34 581)
<b>EBITDA</b>	<b>4</b>	<b>1 815</b>	<b>1 381</b>	<b>3 635</b>	<b>2 738</b>	<b>6 037</b>
Depreciation		(135)	(116)	(265)	(235)	(479)
Depreciation, leasing assets	6	(118)	(121)	(237)	(235)	(493)
Impairment of property, plant and equipment		-	-	-	-	(4)
Amortisation		(109)	(106)	(218)	(211)	(422)
Impairment of intangible assets		(6)	-	(6)	-	(39)
<b>EBIT</b>	<b>4</b>	<b>1 448</b>	<b>1 038</b>	<b>2 910</b>	<b>2 057</b>	<b>4 600</b>
Share of net income from joint arrangements and associated companies	5	97	21	134	33	358
Interest on leasing liabilities	6	(35)	(34)	(71)	(67)	(136)
Net financial items	7	(22)	(40)	(53)	(51)	(147)
<b>Earnings before tax (EBT)</b>		<b>1 487</b>	<b>984</b>	<b>2 920</b>	<b>1 973</b>	<b>4 675</b>
Income tax expense	11	(308)	(208)	(618)	(425)	(959)
<b>Earnings after tax (EAT)</b>		<b>1 179</b>	<b>777</b>	<b>2 302</b>	<b>1 547</b>	<b>3 715</b>
<b>Attributable to:</b>						
Equity holders of the parent		1 195	773	2 313	1 516	3 712
Non-controlling interests		(15)	4	(11)	32	4
<b>Earnings per share (EPS) / EPS diluted in NOK</b>						
-Earnings per share		6,79	4,38	13,15	8,60	21,08
-Earnings per share, diluted		6,79	4,38	13,15	8,60	21,08

## Condensed statement of comprehensive income

MNOK	Note	1.1 - 31.3		1.1 - 31.3		1.1-31.12
		2024	2023	2024	2023	2023
<b>Earnings after tax</b>		<b>1 179</b>	<b>777</b>	<b>2 302</b>	<b>1 547</b>	<b>3 715</b>
Specification of other comprehensive income for the period:						
Items to be reclassified to profit or loss in subsequent periods:						
Change in fair value, financial instruments						
-Cash flow hedges and cross-currency swaps	7	(40)	121	(167)	(206)	93
Tax effect cash flow hedges		9	(27)	37	45	(20)
Translation differences currency		(177)	324	136	755	426
<b>Total items to be reclassified to profit or loss in subsequent periods</b>		<b>(208)</b>	<b>418</b>	<b>6</b>	<b>594</b>	<b>499</b>
Items not to be reclassified to profit or loss in subsequent periods:						
Actuarial gains/losses pensions		-	-	-	-	(53)
Tax effect on actuarial gain/loss on pension		-	-	-	-	11
<b>Total items not to be reclassified to profit or loss</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(42)</b>
<b>Comprehensive income</b>		<b>971</b>	<b>1 195</b>	<b>2 308</b>	<b>2 141</b>	<b>4 173</b>

# Condensed statement of financial position

MNOK	Note	30.6	31.3	31.12
		2024	2024	2023
<b>Assets</b>				
Property, plant and equipment		6 261	5 955	5 588
Leasing assets	6	1 889	1 879	1 668
Intangible assets	8	5 923	5 936	5 952
Shares in joint arrangements and associated companies	5	4 340	4 386	4 259
Other non-current assets		905	901	871
<b>Total non-current assets</b>		<b>19 318</b>	<b>19 057</b>	<b>18 338</b>
Inventories		7 003	6 971	6 848
Trade receivables		8 546	8 420	8 722
Customer contracts, asset	7	12 297	12 244	10 500
Derivatives	7	1 391	1 336	1 887
Other short-term receivables		1 048	1 052	951
Cash and cash equivalents		5 938	6 581	5 975
<b>Total current assets</b>		<b>36 223</b>	<b>36 603</b>	<b>34 884</b>
<b>Total assets</b>		<b>55 542</b>	<b>55 660</b>	<b>53 222</b>

MNOK	Note	30.6	31.3	31.12
		2024	2024	2023
<b>Equity, liabilities and provisions</b>				
Issued capital		5 928	5 928	5 928
Retained earnings		8 676	9 964	8 855
Other reserves		1 188	1 396	1 185
Non-controlling interests		504	504	497
<b>Total equity</b>		<b>16 297</b>	<b>17 791</b>	<b>16 465</b>
Long-term interest-bearing loans	7	2 500	2 500	2 500
Long-term leasing liabilities	6	1 690	1 678	1 457
Other non-current liabilities and provisions	3	2 076	2 091	2 111
<b>Total non-current liabilities and provisions</b>		<b>6 266</b>	<b>6 269</b>	<b>6 068</b>
Customer contracts, liabilities	7	20 999	19 598	19 825
Derivatives	7	1 590	2 697	1 929
Short-term interest-bearing loans	7	-	500	500
Short-term leasing liabilities	6	422	428	433
Other current liabilities and provisions	3	8 691	8 376	8 001
<b>Total current liabilities and provisions</b>		<b>32 979</b>	<b>31 599</b>	<b>30 689</b>
<b>Total equity, liabilities and provisions</b>		<b>55 542</b>	<b>55 660</b>	<b>53 222</b>
Equity ratio (%)		29,3	32,0	30,9
Net interest-bearing debt		(1 324)	(1 474)	(1 085)

## Condensed statement of changes in equity

MNOK	Note	30.6	31.3	31.12
		2024	2024	2023
Equity opening balance		16 465	16 465	13 744
Total comprehensive income		2 308	1 337	4 173
Dividends		(2 463)	-	(2 115)
Share buy-back related to share buy-back programme		(13)	(10)	(265)
Transactions with treasury shares related to employee share programme		-	-	4
Capital reduction		-	-	(2)
Purchase/sale, in non-controlling interests		(1)	(1)	927
<b>Equity closing balance</b>		<b>16 297</b>	<b>17 791</b>	<b>16 465</b>

# Condensed cash flow statement

MNOK	Note	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
		2024	2023	2024	2023	2023
<b>Earnings after tax</b>		<b>1 179</b>	<b>777</b>	<b>2 302</b>	<b>1 547</b>	<b>3 715</b>
Depreciation/impairment of property, plant and equipment		135	117	265	235	483
Depreciation, leasing assets		118	121	237	235	493
Amortisation/impairment of intangible assets		115	106	223	211	461
Share of net income from joint ventures and associated companies		(97)	(21)	(134)	(33)	(358)
Net finance items		57	74	124	117	283
Income taxes		308	208	618	425	959
Gain on sale of business		-	-	-	-	(135)
Change in net current assets and other operatings-related items		98	(1 046)	(594)	(2 280)	(74)
<b>Net cash flow from operating activities</b>		<b>1 913</b>	<b>336</b>	<b>3 041</b>	<b>458</b>	<b>5 827</b>
Dividend from joint arrangements and associated companies	5	159	170	159	170	170
Purchase/disposal of property, plant and equipment		(493)	(495)	(910)	(816)	(1 931)
Investment in subsidiaries and associated companies		-	(153)	(9)	(153)	(163)
Interest received		74	18	138	55	120
Sale of business and investment i subsidiaries		-	936	-	936	1 115
Capitalised internal developed and other intangible assets		(106)	(96)	(195)	(197)	(403)
Settlement of cross-currency swaps		(109)	(43)	(109)	(72)	(59)
<b>Net cash flow from investing activities</b>		<b>(475)</b>	<b>338</b>	<b>(927)</b>	<b>(77)</b>	<b>(1 153)</b>

MNOK	Note	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
		2024	2023	2024	2023	2023
Net change interest-bearing loans		(500)	1 000	(500)	997	537
Payment of principal portion of lease liabilities	6	(119)	(116)	(235)	(225)	(477)
Interest paid		(51)	(39)	(103)	(80)	(222)
Interest paid on leasing liabilities	6	(35)	(34)	(71)	(67)	(136)
Net payment related to employee share programme		(90)	(80)	(100)	(80)	(80)
Share buy-back related to share buy-back programme		-	(250)	-	(267)	(266)
Dividends paid to equity holders of the parent		(1 187)	(2 128)	(1 187)	(2 128)	(2 128)
- of which dividends from treasury shares		-	13	-	13	13
<b>Net cash flow from financing activities</b>		<b>(1 982)</b>	<b>(1 634)</b>	<b>(2 196)</b>	<b>(1 836)</b>	<b>(2 759)</b>
Effect of changes in exchange rates on cash and cash equivalents		(98)	79	44	279	128
<b>Net change in cash and cash equivalents</b>		<b>(643)</b>	<b>(882)</b>	<b>(38)</b>	<b>(1 175)</b>	<b>2 043</b>
Cash and cash equivalents at the beginning of the period		6 581	3 639	5 975	3 932	3 932
<b>Cash and cash equivalents at the end of the period</b>		<b>5 938</b>	<b>2 757</b>	<b>5 938</b>	<b>2 757</b>	<b>5 975</b>

*General information*

The consolidated financial statement for Q2 (interim financial statement) covers Kongsberg Gruppen ASA, its subsidiaries and shares in joint arrangements and associated companies that are included according to the equity method.

*Principles*

Interim financial statements are compiled in accordance with IAS 34 (interim reporting), stock exchange regulations and the additional requirements of the Securities Trading Act. Interim financial statements do not include the same amount of information as the full financial statements and should be read in the context of the consolidated financial statements for 2023. The consolidated financial statements for 2023 were prepared in compliance with the Norwegian Accounting Act and international standards for financial reporting (IFRS) established by the EU.

The consolidated financial statements for 2023 are available on [www.kongsberg.com](http://www.kongsberg.com).

*The interim financial statement has not been audited.*

The accounting principles used in the quarterly report are the same principles as those applied to the consolidated financial statements for 2023, with the exception of changes to IFRS 16 “Leases”, IAS 1 “Presentation of Financial Statements”, IFRS 7 “Financial Instruments – disclosure” and IAS 7 “Statement of Cash Flows” which were implemented 1 January 2024.

The implementation of the changes has not had any significant effect on the consolidated financial statements.

The amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments to IAS 1 clarify how covenants affect the classification of liabilities as current and non-current and the related disclosure requirements. The amendments specify that if the entity's right to defer settlement of a liability is subject to the entity complying with the required covenants only at a date subsequent to the reporting period (“future covenants”) the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or a later date. An entity must provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The disclosure must include information about the covenants and the related liabilities as well as any facts and circumstances that indicate the entity may have difficulty complying with the covenants. The amendments in IFRS 7 and IAS 7 concern new disclosure requirements regarding supplier finance arrangements. The requirements regard arrangements where the entity achieve deferred payment or that the supplier achieve pay in advance compared to the agreed terms and conditions between the entity and the supplier.

Preparing the interim financial statement involves assessments, estimates and assumptions that affect the use of accounting principles and posted amounts for assets and obligations, revenues and expenses. Actual results may deviate from these estimates. The key considerations in connection with the application of the Group's accounting principles and the major sources of uncertainty remain the same as when the 2023 consolidated financial statements was compiled.

MNOK	Operating revenues					EBITDA					EBIT				
	1.4 - 30.6		1.1 - 30.6		1.1-31.12	1.4 - 30.6		1.1 - 30.6		1.1-31.12	1.4 - 30.6		1.1 - 30.6		1.1-31.12
	2024	2023	2024	2023	2023	2024	2023	2024	2023	2023	2024	2023	2024	2023	2023
Kongsberg Maritime	5 980	4 978	11 383	9 602	20 180	861	529	1 749	1 169	2 601	729	392	1 482	900	2 053
Kongsberg Defence & Aerospace <sup>2)</sup>	4 425	3 468	9 342	6 992	15 949	856	664	1 703	1 353	3 005	703	514	1 403	1 056	2 397
Kongsberg Discovery	1 012	934	2 064	1 844	3 913	169	168	308	312	646	143	141	258	258	556
Other <sup>1)2)</sup>	173	233	251	265	575	(71)	21	(124)	(95)	(215)	(128)	(10)	(233)	(156)	(407)
<b>Group</b>	<b>11 589</b>	<b>9 614</b>	<b>23 039</b>	<b>18 703</b>	<b>40 617</b>	<b>1 815</b>	<b>1 381</b>	<b>3 635</b>	<b>2 738</b>	<b>6 037</b>	<b>1 448</b>	<b>1 038</b>	<b>2 910</b>	<b>2 057</b>	<b>4 600</b>

1) Other activities consist of Kongsberg Digital, Kongsberg IT, property, corporate functions and eliminations. For information about Kongsberg Digital see separate section.

2) The EBITDA and EBIT for 2023 is restated due to Kongsberg IT from 2024 is reported as part of other.

Operating revenues YTD by division:

MNOK	2024	2023
<i>Divisions</i>		
Global Customer Support	6 396	5 621
Integration & Energy	1 114	790
Propulsion & Handling	2 419	1 901
Automation & Control	2 203	1 859
Other/elimination	(750)	(569)
<b>Kongsberg Maritime</b>	<b>11 383</b>	<b>9 602</b>

MNOK	2024	2023
<i>Divisions</i>		
Defence Systems	5 277	3 910
Missile & Space	3 069	2 151
Aerostructures & MRO	1 592	1 261
Other/elimination	(596)	(331)
<b>Kongsberg Defence &amp; Aerospace<sup>1)</sup></b>	<b>9 342</b>	<b>6 992</b>

1) The 2023 figures are restated according to the new division structure in Kongsberg Defence & Aerospace.

MNOK	2024	2023
<i>Divisions</i>		
Ocean Technologies	1 080	761
Marine Life Technologies	301	355
Uncrewed Platforms	377	435
Seatex	367	324
Annet/eliminerer	(62)	(31)
<b>Kongsberg Discovery</b>	<b>2 064</b>	<b>1 844</b>
Other/elimination	251	265
<b>Total revenues</b>	<b>23 039</b>	<b>18 703</b>

The table shows the anticipated date on which remaining performance obligations as of 30 June 2024 are recognised as income:

MNOK	2024				2023			
	Date of revenue recognition				Date of revenue recognition			
	Order backlog 30.6.24	2024	2025	2026 and later	Order backlog 30.6.23	2023	2024	2025 and later
Kongsberg Maritime	19 733	8 289	6 758	4 686	19 553	6 892	7 862	4 800
Kongsberg Defence & Aerospace	71 506	8 445	15 436	47 625	44 938	7 668	12 989	24 281
Kongsberg Discovery	2 925	1 609	947	369	2 641	1 368	890	382
Other/elimination	1 397	415	451	530	999	363	505	131
<b>Total</b>	<b>95 561</b>	<b>18 759</b>	<b>23 593</b>	<b>53 209</b>	<b>68 130</b>	<b>16 291</b>	<b>22 247</b>	<b>29 593</b>



Specification of movement in the balance sheet line "Shares in joint arrangements and associated companies" 1 January to 30 June

MNOK	Ownership	Carrying amount 1.1	Additions/ disposals	Dividends received	Share of net income <sup>1)</sup>	Other items and comprehensive income	Carrying amount 30.6	Share of net income 1.4 - 30.6
Patria Oyj	49,9%	3 331	-	(159)	47	89	3 309	59
Kongsberg Satellite Services AS	50,0%	855	-	-	76	-	931	38
Other shares		72	17	-	10	-	100	(0)
<b>Total</b>		<b>4 259</b>	<b>17</b>	<b>(159)</b>	<b>134</b>	<b>89</b>	<b>4 340</b>	<b>97</b>

<sup>1)</sup> The share of net income is included after tax and amortisation of excess value.

Share of net result from Patria:

MNOK	1.4 - 30.6		1.1 - 30.6		1.1-31.12
	2024	2023	2024	2023	2023
KONGSBERG's share (49,9%) <sup>1)</sup>	62	16	52	(8)	244
Amortisation of excess values after tax	(3)	(3)	(4)	(4)	(10)
<b>Share of net income recognised in KDA for the period</b>	<b>59</b>	<b>13</b>	<b>47</b>	<b>(12)</b>	<b>233</b>

<sup>1)</sup> Share of Patria's net income after tax adjusted for non-controlling interests and net income from KAMS. Share of net income from Patria is recognised as follows during the quarters: Q1: Jan-Feb, Q2: Mar-May, Q3: Jun-Aug and Q4: Sep-Des.

Share of net income and dividend from associated companies per business area:

MNOK	Share of net income					Dividend				
	1.4 - 30.6		1.1 - 30.6		1.1-31.12	1.4 - 30.6		1.1 - 30.6		1.1-31.12
	2024	2023	2024	2023	2023	2024	2023	2024	2023	2023
Kongsberg Maritime	-	-	-	-	(14)	-	-	-	-	-
Kongsberg Defence & Aerospace	96	56	133	68	406	159	170	159	170	170
Kongsberg Discovery	-	(35)	-	(35)	(35)	-	-	-	-	-
Other	1	-	1	-	1	-	-	-	-	-
<b>Group</b>	<b>97</b>	<b>21</b>	<b>134</b>	<b>33</b>	<b>358</b>	<b>159</b>	<b>170</b>	<b>159</b>	<b>170</b>	<b>170</b>

KONGSBERG has leases that are primarily related to land and buildings, as well as leases for machinery, vehicles and equipment.

*IFRS 16 effects on condensed statement of financial position:*

Opening balance 1 January 2024	1 668
Addition	363
Disposal	(55)
Depreciation Q1	(119)
<b>Translation differences</b>	<b>22</b>
Opening balance 1 April 2024	1 879
Addition	144
Disposal	(2)
Depreciation Q2	(118)
<b>Translation differences</b>	<b>(14)</b>
Closing balance 30 June 2024	1 889

*Leasing assets and leasing liabilities recognised in the financial position:*

	30.6.2024	31.3.2024	31.12.2023
Leasing assets	1 889	1 879	1 668
Long-term leasing liabilities	1 690	1 678	1 457
Short-term leasing liabilities	422	428	433

*IFRS 16 effects on condensed income statement in the period:*

	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
	2024	2023	2024	2023	2023
Returned rental cost earlier included in EBITDA	154	151	306	292	613
Profit/Loss on disposed leases	0	-	2	1	1
<b>Increased EBITDA in the period</b>	<b>154</b>	<b>151</b>	<b>308</b>	<b>292</b>	<b>614</b>
Depreciation on leases	(118)	(121)	(237)	(235)	(493)
<b>Increased EBIT in the period</b>	<b>36</b>	<b>30</b>	<b>71</b>	<b>57</b>	<b>121</b>
Interest cost on leasing liabilities for the period	(35)	(34)	(71)	(67)	(136)
<b>Reduced EBT in the period</b>	<b>1</b>	<b>(4)</b>	<b>(0)</b>	<b>(10)</b>	<b>(15)</b>

*Loans and credit facilities*

The group has three bond loans amounting to a total of MNOK 2 500. The loans are classified as long-term loans. The maturity dates of the long-term bond loans range from the 26<sup>th</sup> of February 2026 to the 31<sup>st</sup> of May 2030. KOG13 was paid at 6<sup>th</sup> of June. In addition, the group has a syndicated credit facility of MNOK 2,500 and an overdraft credit facility of MNOK 1,500. Neither were utilized at the end of the quarter.

*Interest-bearing loans:*

<i>MNOK</i>	<i>Due date</i>	<i>Nominal interest rate</i>	30.6.2024	31.12.2023
			<i>Value<sup>1)</sup></i>	<i>Value<sup>1)</sup></i>
<i>Long-term loans:</i>				
Bond issue KOG09 - fixed interest rate	2.6.26	3,20%	1 000	1 000
Bond issue KOG14 - floating interest rate	26.2.26	5,56%	500	500
Bond issue KOG15 - fixed interest rate	31.5.30	4,85%	1 000	1 000
Other long-term loans			-	-
<b>Total long-term loans</b>			<b>2 500</b>	<b>2 500</b>
<i>Short-term loans:</i>				
Bond issue KOG13 - floating interest rate	6.6.24	5,90%	-	500
Overdraft facility			-	-
<b>Total short-term loans</b>			<b>-</b>	<b>500</b>
<b>Total interest-bearing loans</b>			<b>2 500</b>	<b>3 000</b>
Syndicated credit facility (unutilised credit limit)	22.3.29		2 500	2 500
Overdraft facility (max credit limit)			1 500	1 500

<sup>1)</sup> Value is equal to nominal amount.

#### Forward exchange contracts

Fair value of balances classified as cash flow hedges, as shown in the condensed statement of comprehensive income, decreased by MNOK 167 before tax during the period 1 January – 30 June 2024. The fair value of unrealized forward exchange contracts increased by MNOK 126 during the period. The total change in net fair value of fair value hedges represented a decrease of MNOK 332 from the end of last year. The end-of-quarter spot rates were USD/NOK 10.56, EUR/NOK 11.28 and GBP/NOK 13.35.

#### Forward exchange contracts classified as cash flow hedges:

MNOK	Due in 2024		Due in 2025 or later		Total		
	Value in NOK on agreed rates	Fair value at 30.6.24	Value in NOK on agreed rates	Fair value at 30.6.24	Value in NOK on agreed rates	Change in fair value from 31.12.23	Fair value at 30.6.24
USD	(833)	-	2 155	(180)	1 321	148	(180)
EUR	(4)	10	(102)	(2)	(106)	(22)	8
Other	7	12	(25)	-	(18)	-	13
Total	(830)	22	2 027	(182)	1 197	126	(159)
Roll-over of currency futures		23		93		(233)	116
<b>Total</b>	<b>(830)</b>	<b>46</b>	<b>2 027</b>	<b>(89)</b>	<b>1 197</b>	<b>(107)</b>	<b>(43)</b>
Forward exchange contracts cash flow hedges, assets							247
Forward exchange contracts cash flow hedges, liabilities							407
<b>Net forward exchange contracts cash flow hedges</b>							<b>(159)</b>

Fair value is referring to the net present value of the variance between the forward rate as of 30 June 2024 and the forward rate at the time of entering the forward exchange contract. The change in the fair value of cash flow hedges recognised in the statement of comprehensive income is MNOK -167, while the table above show a change in fair value of MNOK -107. The difference between these two amounts of MNOK -60 was ascribable to a change in fair value of cross-currency swaps.

#### Forward exchange contracts classified as fair value hedges:

MNOK	Due in 2024		Due in 2025 or later		Total		
	Value in NOK on agreed rates	Fair value at 30.6.24	Value in NOK on agreed rates	Fair value at 30.6.24	Value in NOK on agreed rates	Change in fair value from 31.12.23	Fair value at 30.6.24
USD	4 710	(93)	2 310	(107)	7 020	(412)	(200)
EUR	4 520	79	11 527	178	16 047	150	257
GBP	179	(4)	220	(29)	399	(37)	(33)
Other	381	(23)	304	(17)	685	(34)	(40)
<b>Total</b>	<b>9 789</b>	<b>(40)</b>	<b>14 360</b>	<b>24</b>	<b>24 150</b>	<b>(332)</b>	<b>(16)</b>
Forward exchange contracts fair value hedges, assets							1 144
Forward exchange contracts fair value hedges, liabilities							1 160
<b>Net forward exchange contracts fair value hedges</b>							<b>(16)</b>

The net value of fair value hedges which are mainly recognized as derivatives in the statement of financial position, offset against customer contracts, assets by MNOK 420 (decrease) and customer contracts, liabilities by MNOK -462 (decrease).

Specification of derivatives:

	30.6	31.3	31.12
MNOK	2024	2024	2023
Forward exchange contracts, cash flow hedges (a)	247	431	238
Forward exchange contracts, fair value hedges (b)	1144	882	1617
Cross-currency swaps	-	23	32
<b>Total derivatives, current assets</b>	<b>1391</b>	<b>1336</b>	<b>1887</b>
Forward exchange contracts, cash flow hedges (c)	407	828	524
Forward exchange contracts, fair value hedges (d)	1160	1734	1301
Cross-currency swaps	23	134	105
<b>Total derivatives, current liabilities</b>	<b>1590</b>	<b>2 697</b>	<b>1929</b>
Net forward exchange contracts, cash flow hedges (a) - (c)	(159)	(398)	(286)
Net forward exchange contracts, fair value hedges (b) - (d)	(16)	(852)	316
<b>Total net forward exchange contracts</b>	<b>(176)</b>	<b>(1 250)</b>	<b>30</b>

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Product development

Product maintenance cost and development recognised in the income statement during the period:

	1.4 - 30.6		1.1 - 30.6		1.1-31.12
MNOK	2024	2023	2024	2023	2023
Product maintenance	145	130	297	275	569
Development cost	439	364	863	716	1513
<b>Total</b>	<b>584</b>	<b>494</b>	<b>1 161</b>	<b>991</b>	<b>2 082</b>

Capitalised development recognised during the period:

	1.4 - 30.6		1.1 - 30.6		1.1-31.12
MNOK	2024	2023	2024	2023	2023
Capitalised development	79	83	163	180	340

In the consolidated statement of financial position at the end of the second quarter the largest capitalised projects were related to the development of the digital platform Kognifai and associated applications, missile technology, medium-calibre weapon station (MCT and RWS), communication solutions and remote towers for airports.

The Board is not aware of any changes or transactions in the 2nd quarter associated with related parties that in any significant way have an impact on the Group's financial position and profit for the period.

KONGSBERG's risk management is described in the 2023 annual report. No new risk and uncertainty factors emerged during this quarter.

The income tax expense per 2nd quarter was calculated to be 21.2 per cent of earnings before tax. The income tax expense was mainly affected by income from associates recognized after tax.

# Alternative performance measures and definitions

KONGSBERG uses terms in the consolidated financial statements that are not anchored in the IFRS accounting standards. Our definitions and explanations of these terms follow below.

KONGSBERG considers **EBITDA and EBIT** to be normal accounting terms, but they are not included in the IFRS accounting standards. EBITDA is the abbreviation of “Earnings Before Interest, Taxes, Depreciation and Amortisation”. KONGSBERG uses EBITDA in the income statement as a summation line for other accounting lines. These accounting lines are defined in our accounting principles, which are part of the 2023 financial statements. The same applies to EBIT.

**Restructuring costs** consist of salaries and social security tax upon termination of employment (such as severance and gratuity) in connection with workforce reductions. In addition to this are rent and other related costs and any one-off payments in the event of the premature termination of tenancy agreements for premises that are not in use.

**Net interest-bearing debt** is the net amount of the accounting lines “Cash and cash equivalents” and “Short- and long-term interest-bearing liabilities”.

**Return on Average Capital Employed (ROACE)** is defined as the 12-month rolling EBIT including share of net income from joint arrangements and associated companies, divided by the 12-month mean of recognised equity and net interest-bearing debt.

**Net interest-bearing debt/EBITDA** is defined as net interest-bearing debt incl. leasing liabilities divided by 12-month rolling EBITDA.

**Working capital** is defined as current assets (except cash and cash equivalents) minus non-interest-bearing liabilities (except taxes payable). Financial instruments classified as cash flow hedges are not included in working capital.

Working capital is calculated as follow:

	30.6	31.3	31.12
<b>MNOK</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>
Current assets	36 223	36 603	34 884
Current liabilities and provisions	(32 979)	(31 599)	(30 689)
<i>Adjusted for:</i>			
Cash and cash equivalents	(5 938)	(6 581)	(5 975)
Unpaid dividend	1 276	-	-
Short-term interest-bearing loans	0	500	500
Short-term leasing liabilities	422	428	433
Net tax payable	611	553	393
Financial instruments classified as cash flow hedges	67	136	8
<b>Working capital</b>	<b>(316)</b>	<b>40</b>	<b>(445)</b>

**Book/bill** is order intake divided by operating revenues.

**Recurring revenues** consist of revenues from Software as a Service, Software Leases and Software Maintenance & User Support.

**Organic growth** is change in operating revenues exclusive acquired companies.

# Statement from the Board of Directors and CEO

We hereby confirm that, to the best of our conviction, the H1 accounts for 1 January to 30 June 2024 have been prepared in compliance with IAS 34 – Interim Reporting, and that the information disclosed in the H1 accounts gives an accurate picture of the Group's assets, liabilities, financial position and performance as a whole, and gives an accurate picture of the information mentioned in § 5-6, fourth subsection, of Norway's Securities Trading Act.

Kongsberg, 9. July 2024

**Eivind Reiten**  
Chairman

**Per A. Sørli**  
Deputy Chair

**Merete Hverven**  
Director

**Morten Henriksen**  
Director

**Kristin Færøvik**  
Director

**Rune Fanøy**  
Director

**Oda Linn A. Ellingsen**  
Director

**Kjersti Rød**  
Director

**Geir Håøy**  
President and CEO





KONGSBERG

Disclaimer: In the event of any discrepancy between the Norwegian and English versions of KONGSBERG's quarterly reports, the Norwegian version is the authoritative one.