



KONGSBERG

Capital markets day

02/06/2022

Gyrid Skalleberg Ingerø, EVP & Group CFO



KONGSBERG

DISCLAIMER

CAPITAL
MARKETS
DAY 2022

This presentation contains certain forward-looking information and statements. Such forward-looking information and statements are based on the current, estimates and projections of the Company or assumptions based on information currently available to the Company. Such forward-looking information and statements reflect current views with respect to future events and are subject to risks, uncertainties and assumptions. The Company cannot give assurance to the correctness of such information and statements. These forward-looking information and statements can generally be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use terminology such as "targets", "believes", "expects", "aims", "assumes", "intends", "plans", "seeks", "will", "may", "anticipates", "would", "could", "continues", "estimate", "milestone" or other words of similar meaning and similar expressions or the negatives thereof.

By their nature, forward-looking information and statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements that may be expressed or implied by the forward-looking information and statements in this presentation. Should one or more of these risks or uncertainties materialize, or should any underlying assumptions prove to be incorrect, the Company's actual financial condition or results of operations could differ materially from that or those described herein as anticipated, believed, estimated or expected.

Any forward-looking information or statements in this presentation speak only as at the date of this presentation. Except as required by the Oslo Stock Exchange rules or applicable law, the Company does not intend, and expressly disclaims any obligation or undertaking, to publicly update, correct or revise any of the information included in this presentation, including forward-looking information and statements, whether to reflect changes in the Company's expectations with regard thereto or as a result of new information, future events, changes in conditions or circumstances or otherwise on which any statement in this presentation is based.

Given the aforementioned uncertainties, prospective investors are cautioned not to place undue reliance on any of these forward-looking statements

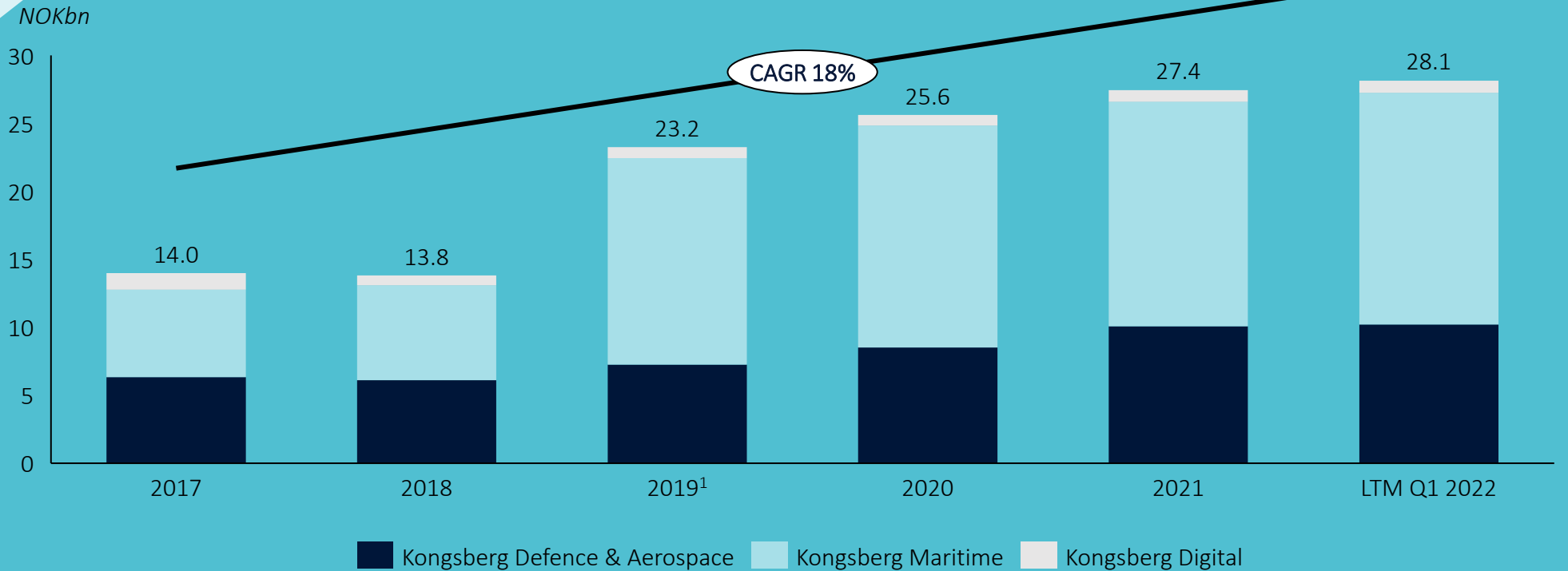


KONGSBERG

Solid revenue growth

CAPITAL
MARKETS
DAY 2022

Revenue 2017 –
LTM Q1 2022
(NOKbn)



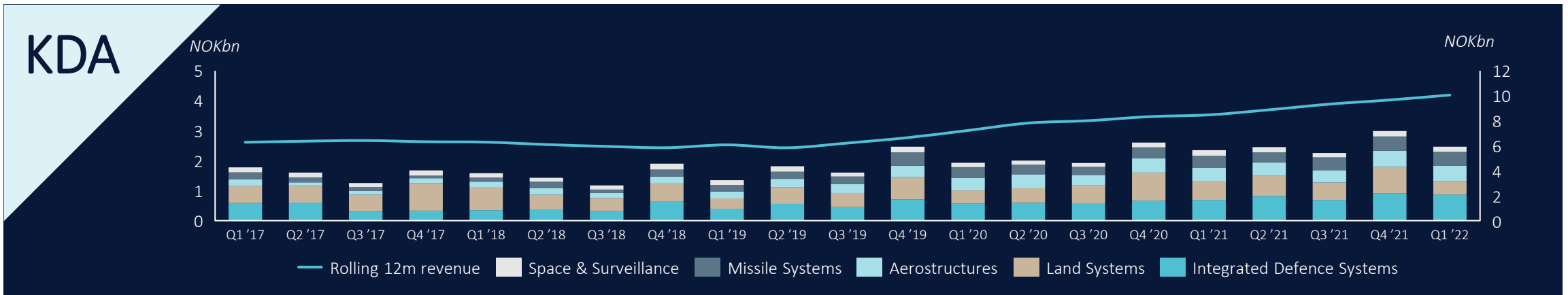
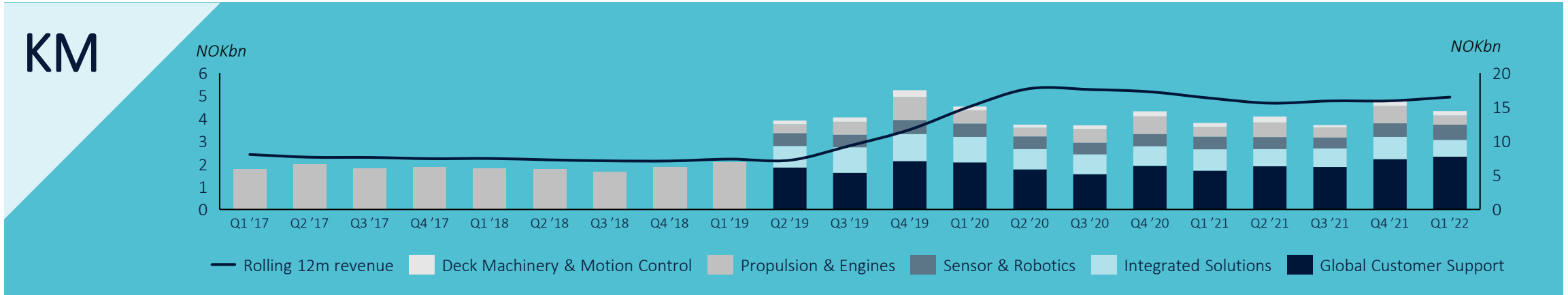
1) Included Rolls-Royce Commercial from April 2019 and Kongsberg Aviation Maintenance from June 2019



KONGSBERG

Revenue development in KM & KDA

CAPITAL
MARKETS
DAY 2022



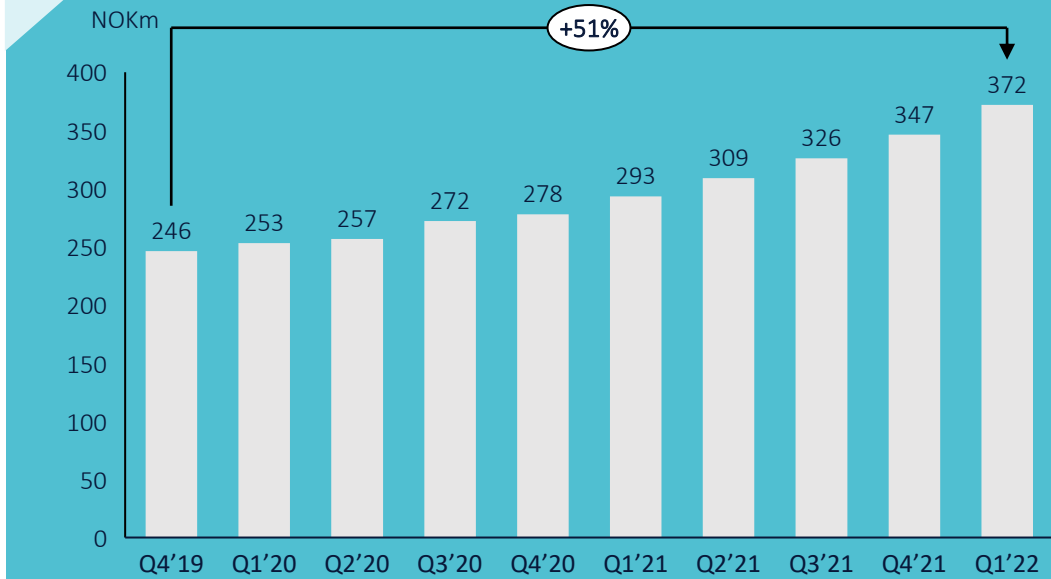


KONGSBERG

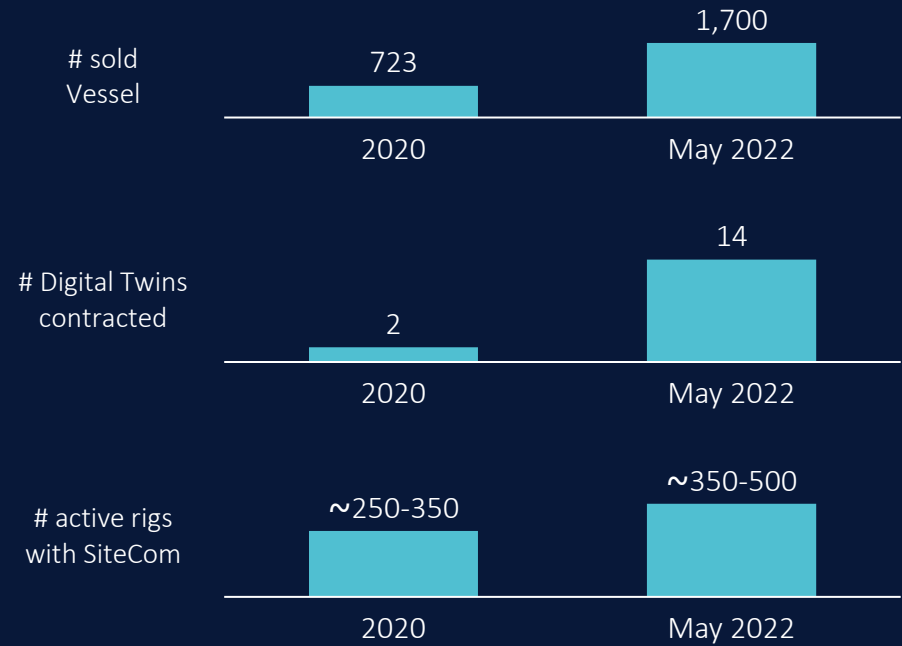
Kongsberg Digital

CAPITAL
MARKETS
DAY 2022

Rolling 12m recurring revenue



Operational KPIs

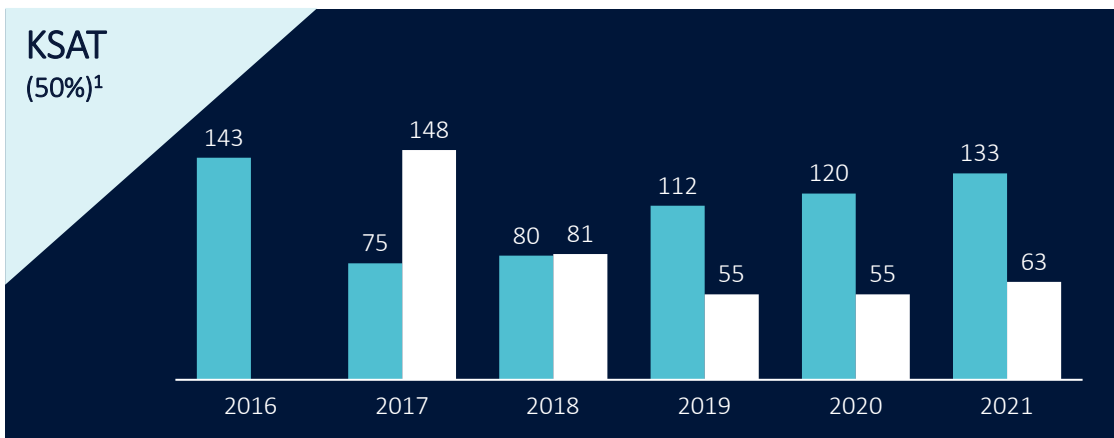
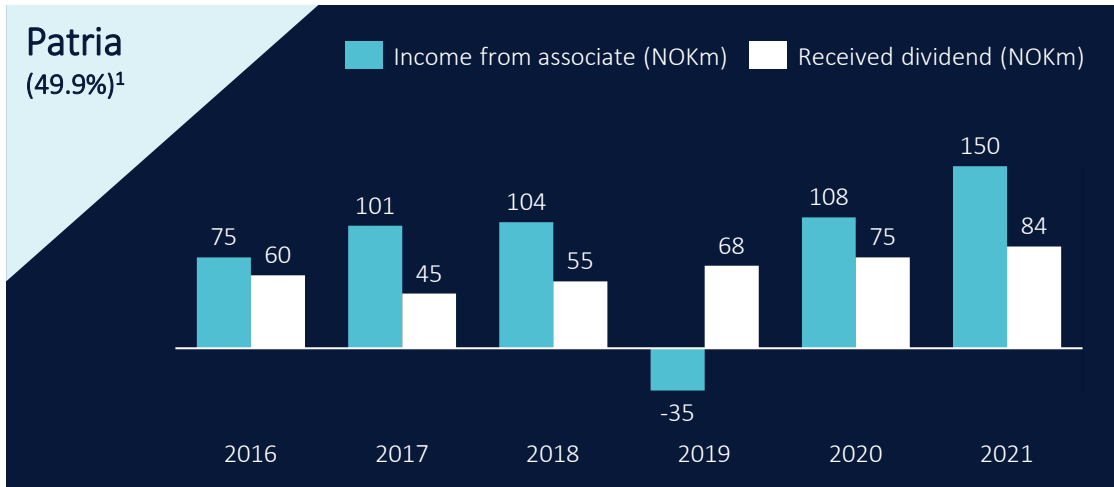




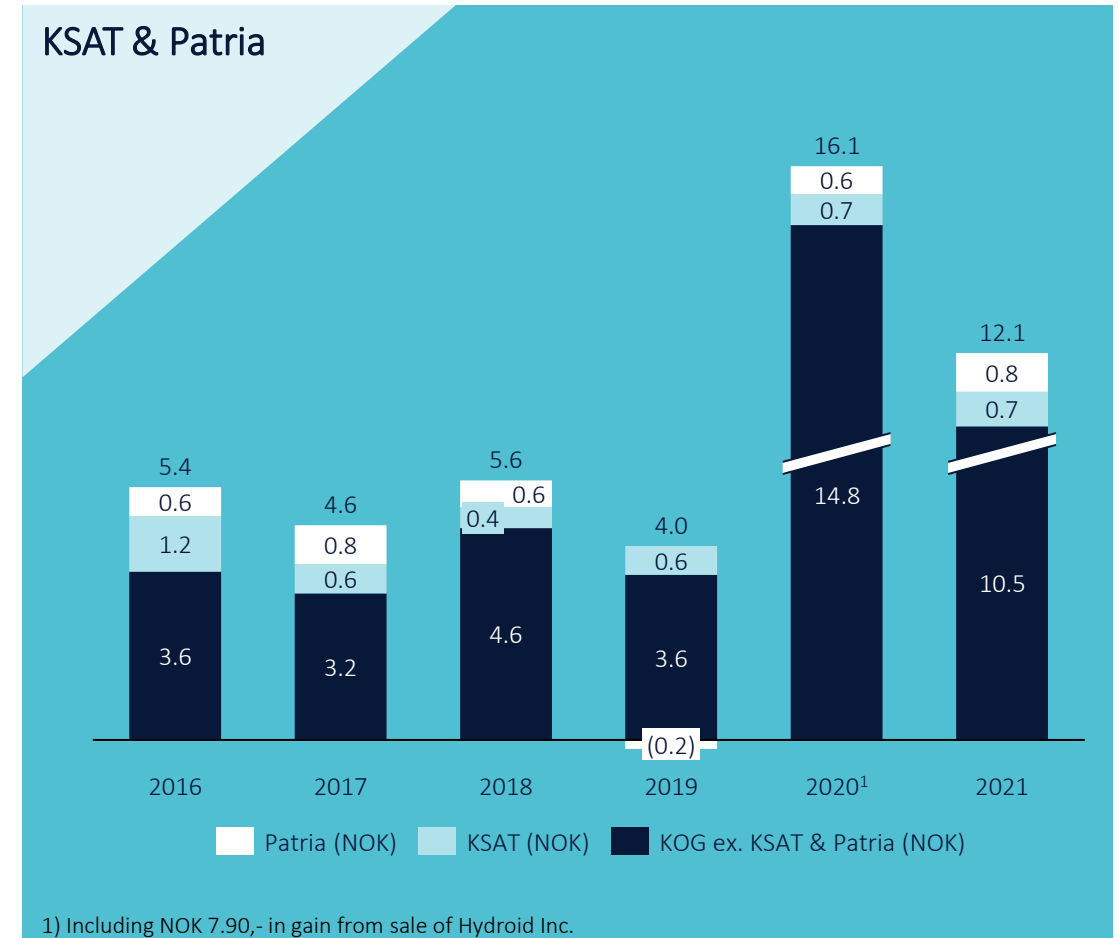
KONGSBERG

Associated companies

Dividend and income from associates



Earnings per share



1) Kongsberg's ownership share in Patria and Kongsberg Satellite Services



KONGSBERG

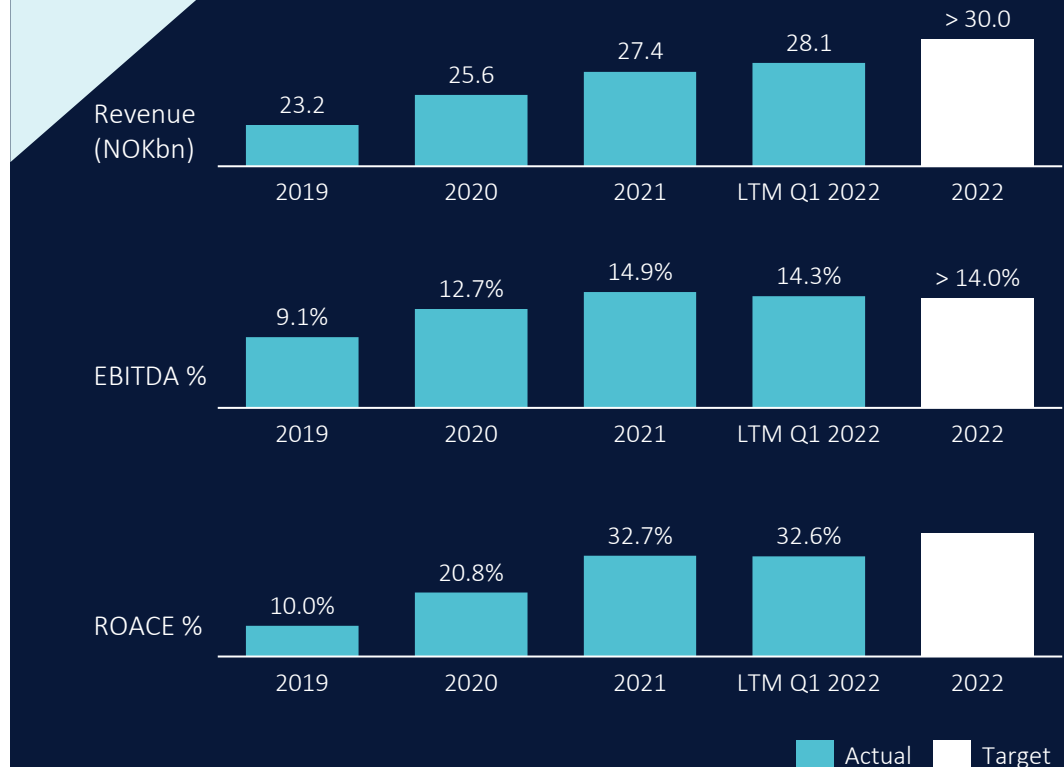
Committed to deliver on 2022 targets

CAPITAL
MARKETS
DAY 2022

Capital Markets Day 2019



Status first quarter 2022

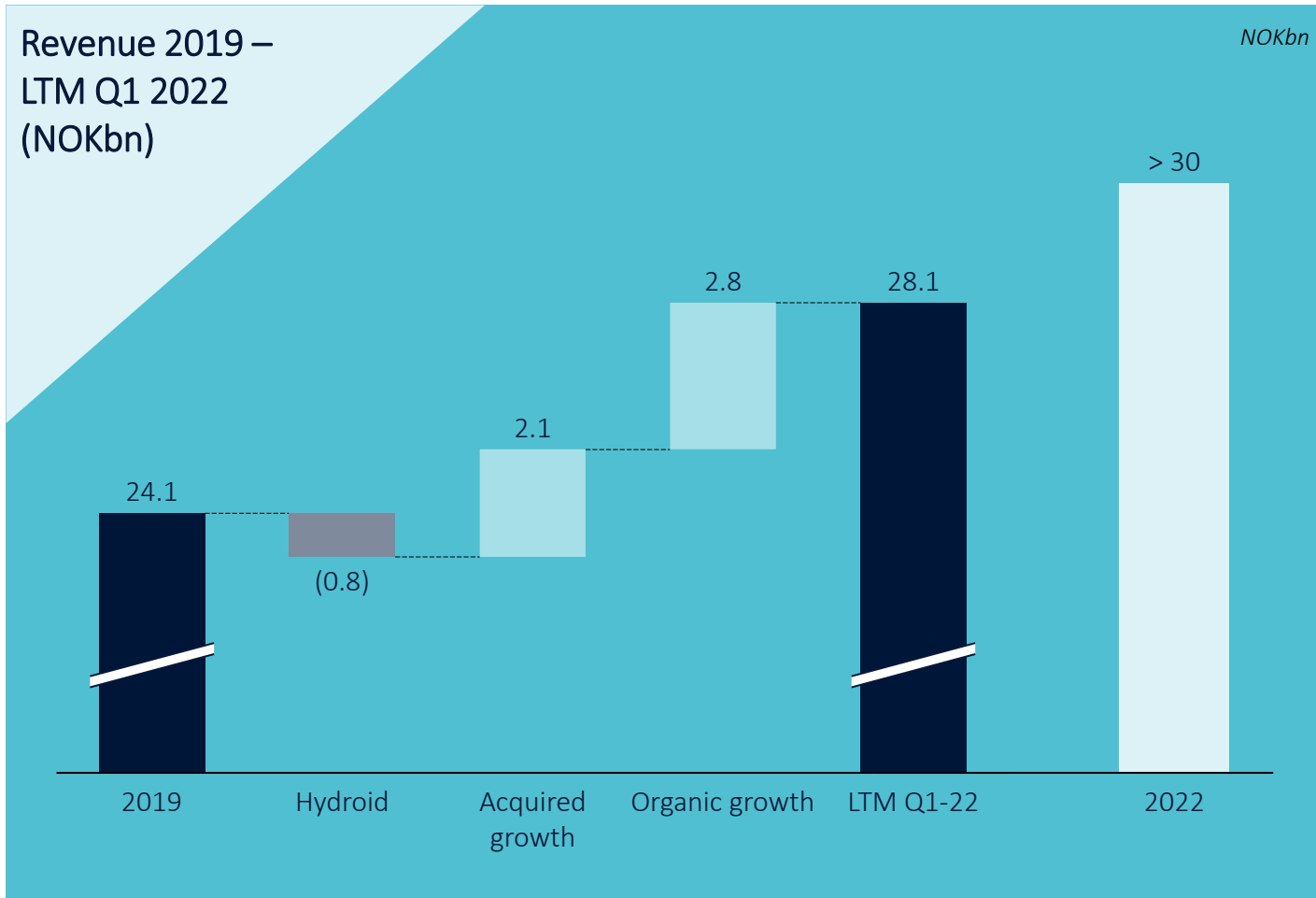




KONGSBERG

Trending towards > NOK30bn revenues

CAPITAL
MARKETS
DAY 2022



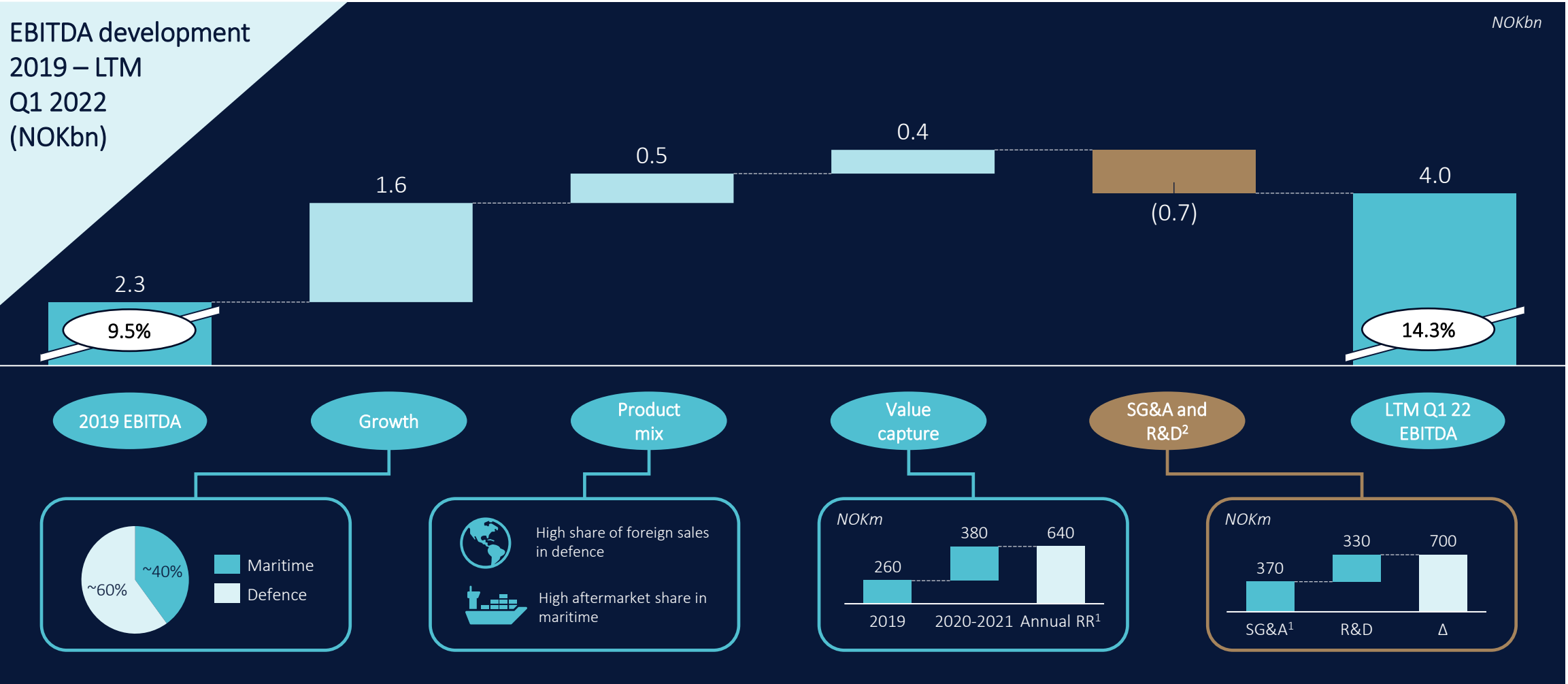
- Hydroid divested in February 2020
- Full year effects from Rolls-Royce commercial marine and KAMS from 2020
- Organic growth mainly from defence business
- Target >NOK30bn despite impact from;
 - Sanctions against Russia
 - Termination of Bergen Engines agreement in April 2022



KONGSBERG

On track to deliver on EBITDA target

CAPITAL MARKETS DAY 2022



WORLD CLASS – Through people, technology and dedication

KONGSBERG PROPRIETARY - See Statement of Proprietary information

1) Run rate 2) including other



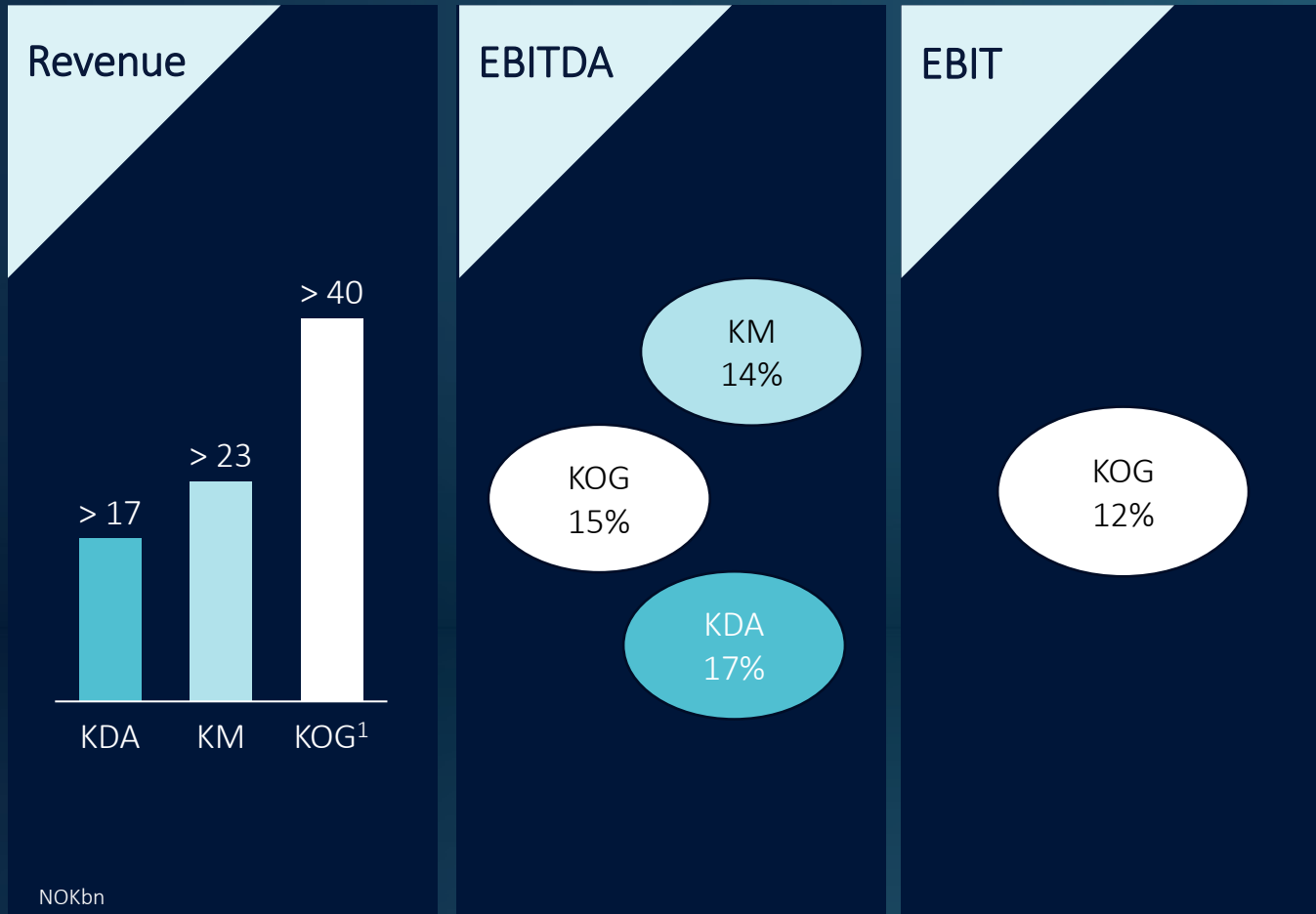
KONGSBERG

Financial targets for 2025

Excluding Kongsberg Digital

CAPITAL
MARKETS
DAY

2022



Growth

Backlog

1) Excluding Kongsberg Digital



KONGSBERG

Maintaining capital allocation priorities

CAPITAL
MARKETS
DAY

2022

Capital allocation priorities

1. Solid balance sheet
2. Invest for organic growth
3. Shareholder remuneration
4. Portfolio management

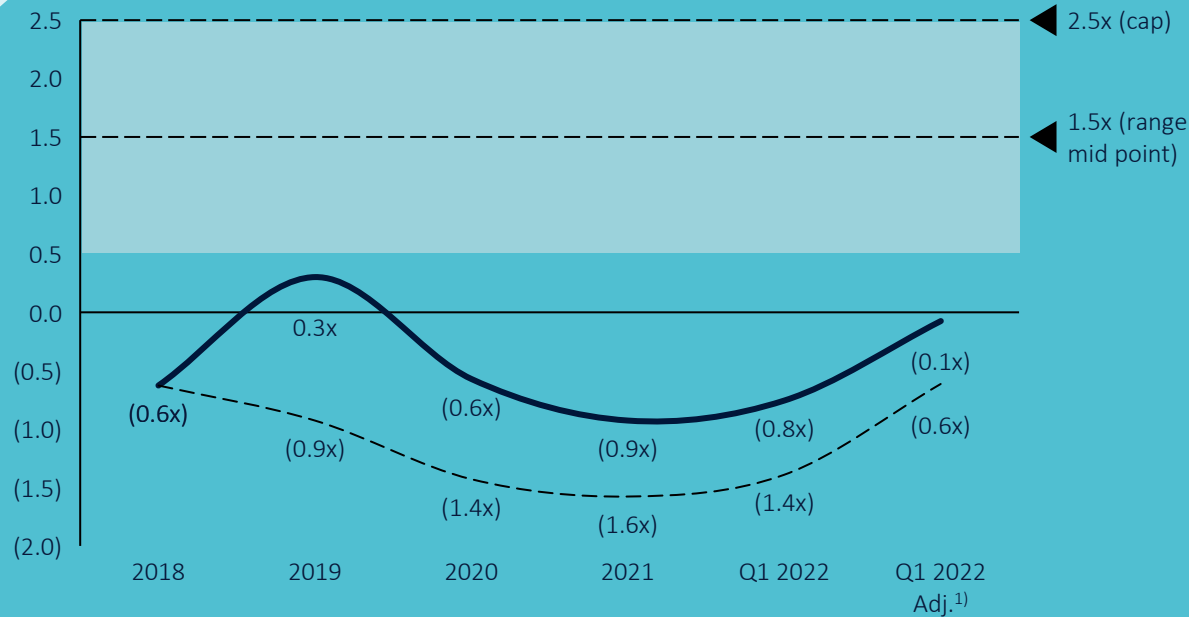




KONGSBERG

Solid balance sheet & debt capacity

Net debt/EBITDA
2018-LTM
Q1 2022



— Net debt/EBITDA including IFRS16 - - Net debt/EBITDA excluding IFRS16 ■ Target range including IFRS16

- Long-term target of Net debt / EBITDA of 1.5x +/-1.0x
- Net debt/EBITDA of below 2.5x securing
 - Access to funding
 - Customer confidence
 - Financial flexibility
- Credit rating from Nordic Credit Rating; A-
- Capacity to invest in both organic and inorganic growth initiatives

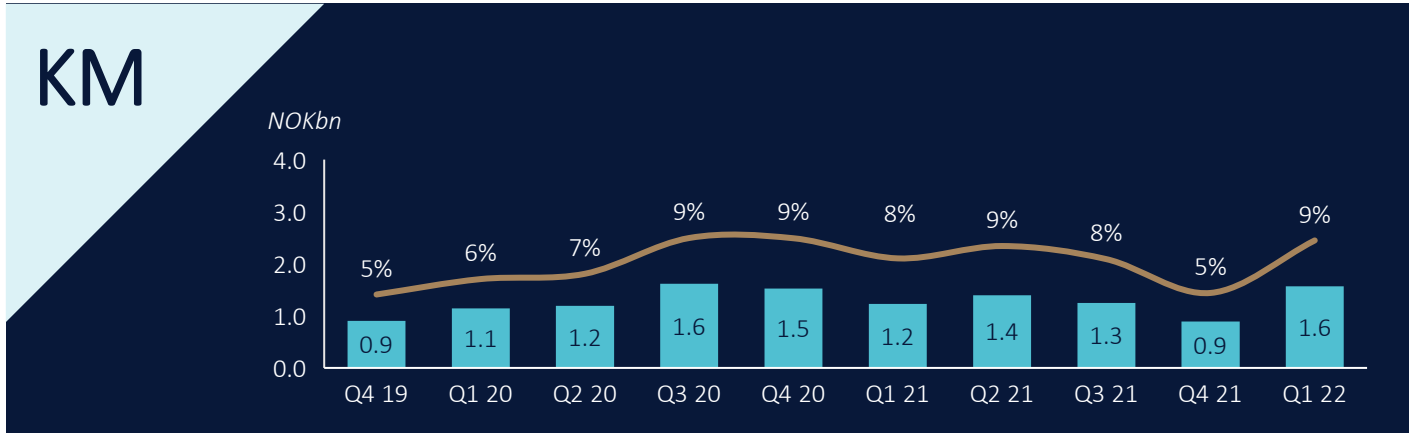
1) Adjusted for NOK2.7bn in dividend paid out in May



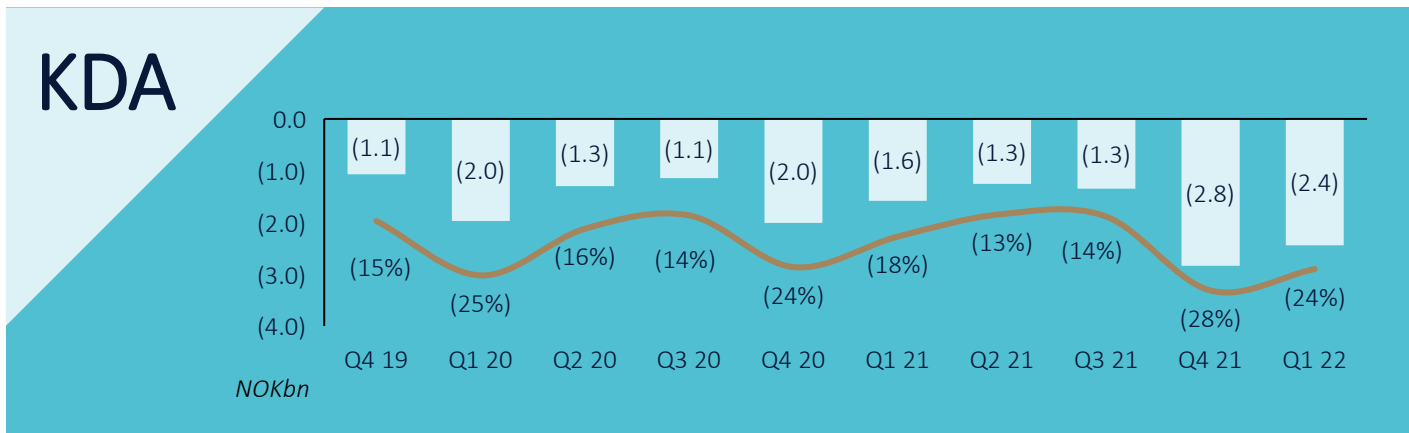
KONGSBERG

Net working capital development

CAPITAL
MARKETS
DAY 2022



- Net working capital largely driven by project mix
- Aiming for net working capital at or around Q1 2022 level



- Significant fluctuations in net working capital driven by:
 - Payment structure from customer
 - Project timeline within large projects

— NWC % of Itrm revenue ■ NWC Kongsberg Maritime ■ NWC Kongsberg Defence & Aerospace



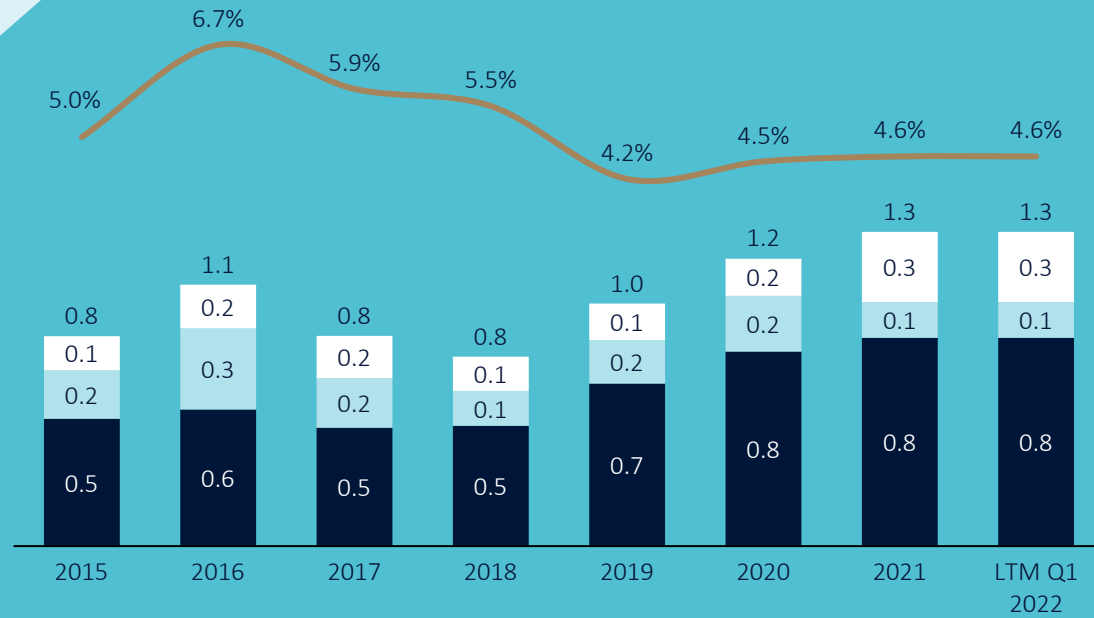
KONGSBERG

Technology development securing our positions

CAPITAL
MARKETS
DAY 2022

Self-funded R&D
2015 – LTM
Q1 2022
(NOKbn)

NOKbn



— % Share of revenue ■ Kongsberg Maritime ■ Kongsberg Defence & Aerospace ■ Kongsberg Digital

R&D process

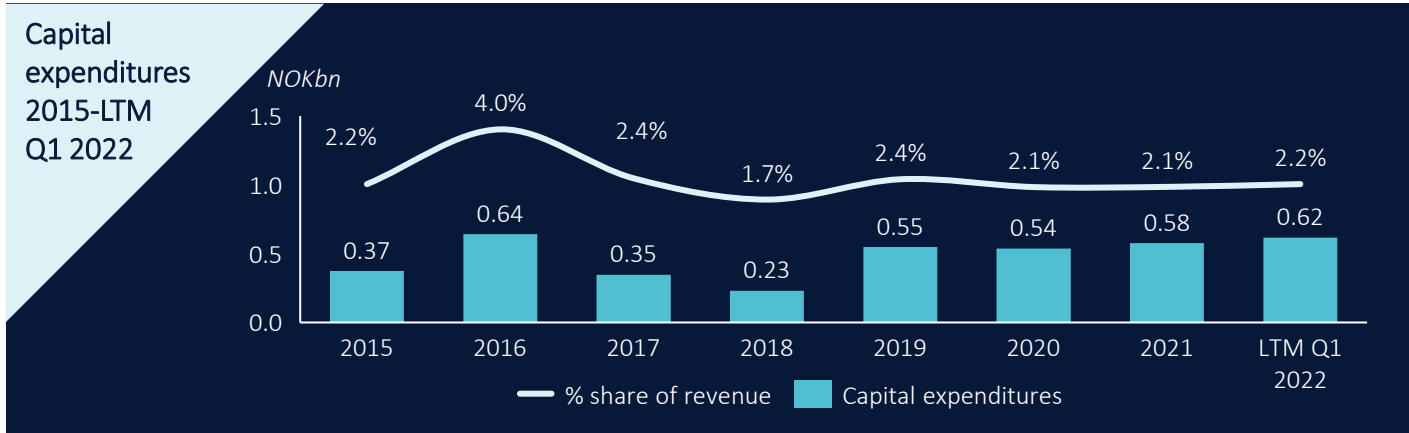




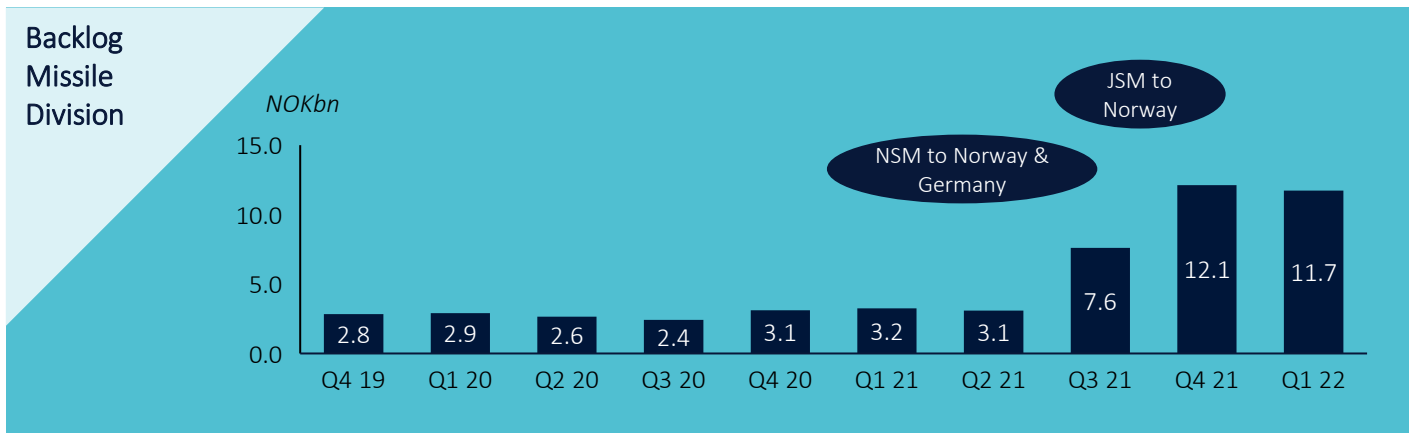
KONGSBERG

Ramping up production capacity to meet demand

CAPITAL MARKETS DAY 2022



- Investments in property, plant and equipment averaging 2.4% of revenues last 7 years
- Will invest ~NOK 1.5bn in new production facilities and equipment's during 2022-2024 to meet solid demand
- New missile facilities will provide cost synergies and reduce unit costs due to streamlining and increased efficiency

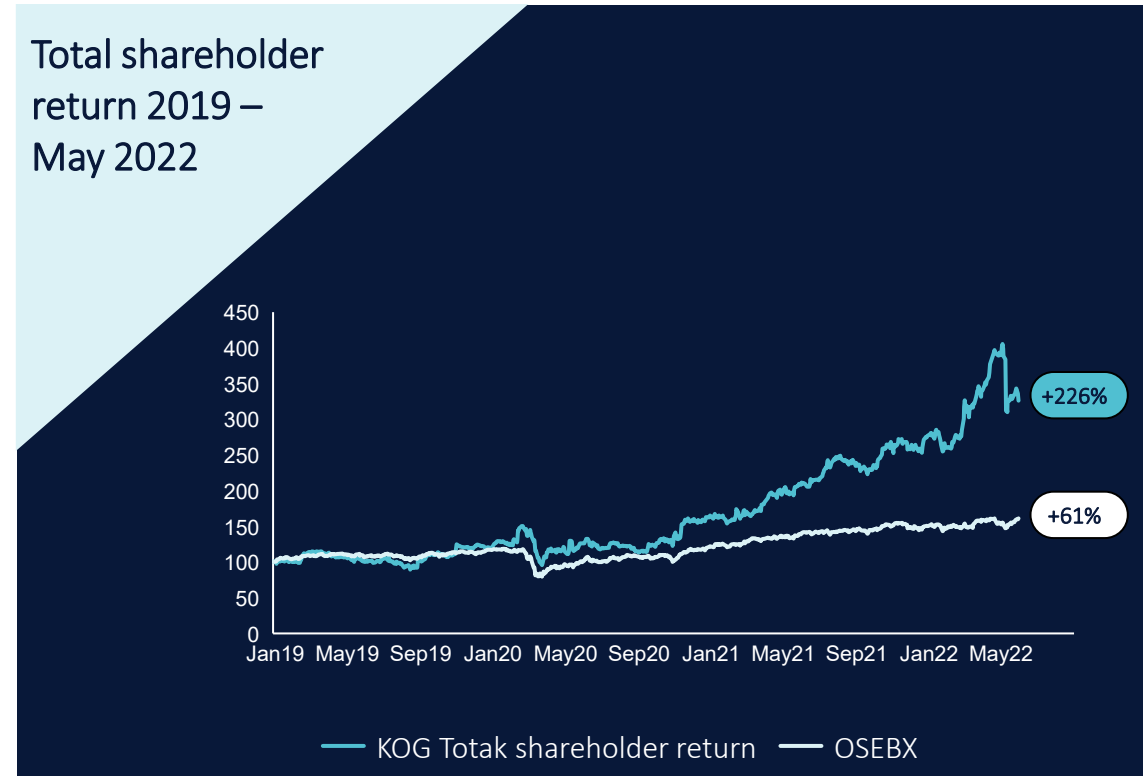
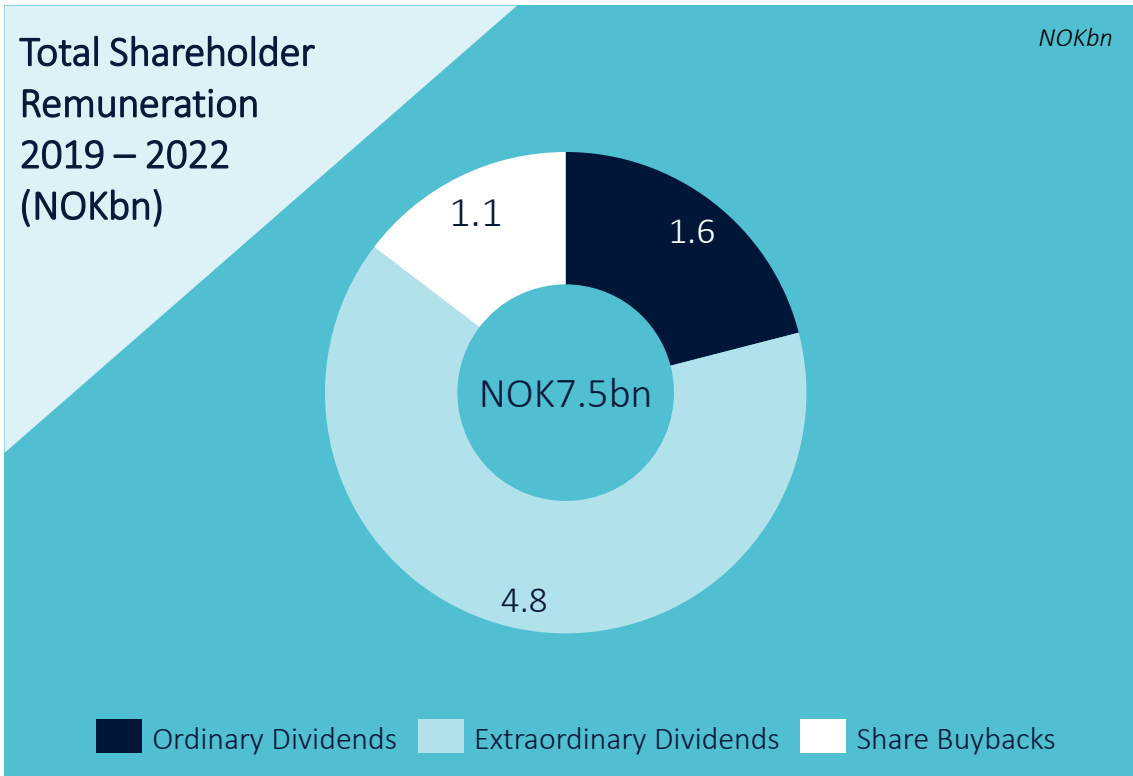




KONGSBERG

NOK7.5bn in shareholder remuneration

CAPITAL
MARKETS
DAY 2022



- NOK 42 per share returned to shareholders for FY 2019-2021 (including share buy back)
- Flat or growing ordinary dividend per share, with special dividends and/or share buybacks as potential supplements

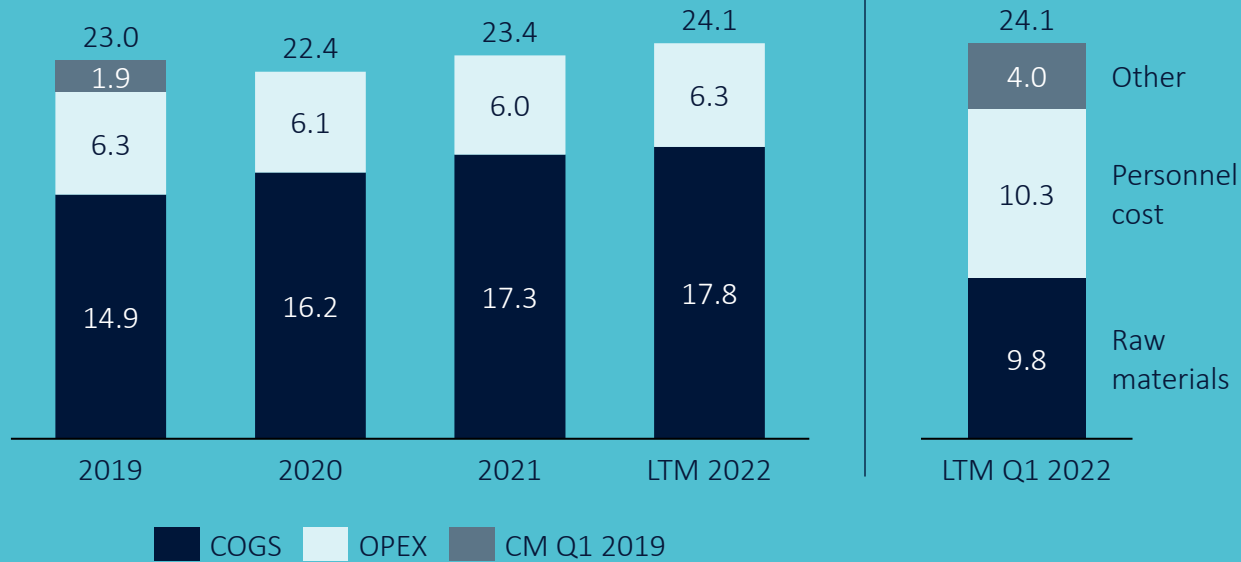


KONGSBERG

Cost base development

Cost development
2019 – LTM
Q1 2022
(NOKbn)

NOKbn



- Approximately 75% of cost base is COGS
- About 85% of cost base is related to raw materials and personnel cost
- About 50% of KM revenues are from aftermarket sales
- Between 40 - 50% of order backlog in KDA has escalation clauses to compensate for increased costs



KONGSBERG

EU Taxonomy

CAPITAL
MARKETS
DAY

2022

All KONGSERG
revenues
(NOK 28bn)

“Eligible”
activities
($<$ NOK 1.5 bn.)

“Aligned”
activities

MAINTENANCE
REDUCTION

43%

reduction of engine
running hours

FUEL SAVINGS

20%

reduction in fuel
consumption



Golden Energy Offshore

MAINTENANCE
REDUCTION

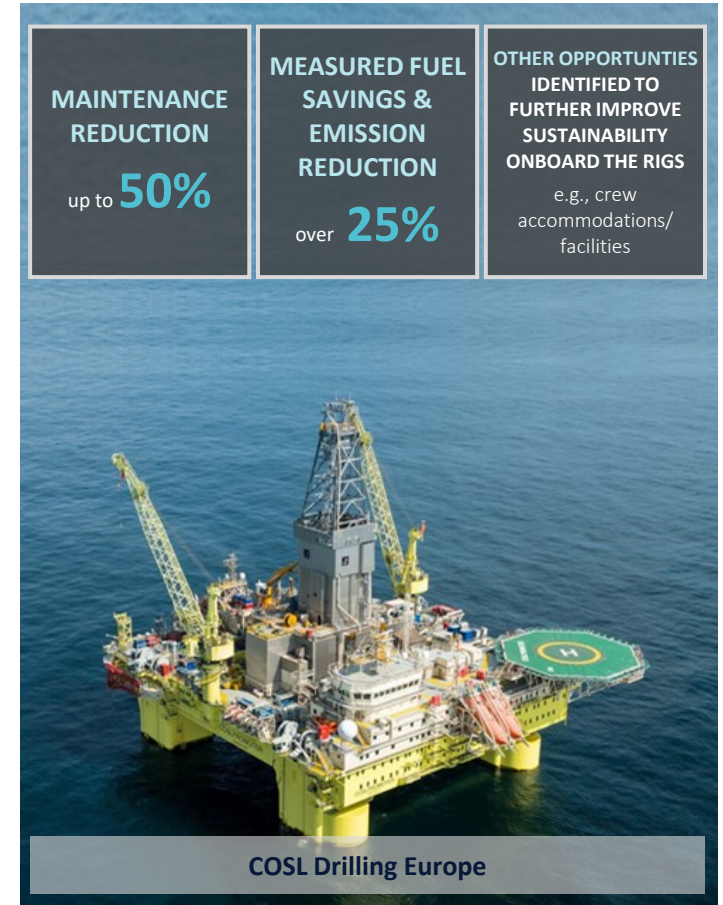
up to **50%**

MEASURED FUEL
SAVINGS &
EMISSION
REDUCTION

over **25%**

OTHER OPPORTUNITIES
IDENTIFIED TO
FURTHER IMPROVE
SUSTAINABILITY
ONBOARD THE RIGS

e.g., crew
accommodations/
facilities



COSL Drilling Europe

Active management of business portfolio

Portfolio
management





KONGSBERG

Financial priorities towards 2025

CAPITAL
MARKETS
DAY

2022



Secure
growth



Secure
competitiveness



Prioritize and
allocate capital



KONGSBERG

CAPITAL
MARKETS
DAY

2022