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Given the aforementioned uncertainties, prospective investors are cautioned not to place undue reliance on any of these forward-looking statements.
Highlights second quarter 2020

- Order intake of BNOK 6.07 with book/bill of 1,01
- BNOK 5.98 in revenue
- Solid profitability with EBITDA of MNOK 772 (12.9%)
- Cost focus and cost reduction initiatives
- Value capture and integration of CM on track
- Several important agreements
- Strategic acquisitions
Good order intake in a challenging period

- RWS to the Canadian army
- MCT - 30 to the United States Marine Corps
- Real-time software service
- Strong order intake from the F-35 program
- Realised multiple cross sales opportunities
- Book bill above 1 in KM
Solid performance in all business areas

Maritime deliver good financial results, despite a challenging market
- Aftermarket impacted by COVID-19
- Cost initiatives and solid operations
- Market continues to be challenging with;
  - low contracting of new vessels
  - oil price
  - intensified cost focus

Increased interest in our digital product portfolio
- Continue to gain momentum in energy segment
- Significant increased number of users on the Nyhamna Dynamic Digital Twin
- Complement the product offering through bolt-on acquisition

Defence continues to sign strategic contracts and delivers on operations
- Signed strategic agreements
- Increased footprint in MRO through bolt-on acquisition
- Good project execution
- Recruiting campaign
COACH Solutions

- Entry-level vessel performance systems
- Increases installed based with ~600 vessels
- Complementary to KDI’s product offering

Patria Helicopters

- Strengthens KDA’s positions in the MRO segment and ability to support the NH-90 helicopters
- Transaction completed 1. July
COVID-19 Update

Our #1 priority remain: Safeguard our employees, deliver to our customers, and secure financial strength

Less strict travel restrictions and gradual “return to office” in certain regions

Continue to work with governments to promote value creating activities

Position KONGSBERG for “the new normal”

Cost focused and agile with regards to the market situation
Financial status

Gyrid Skalleberg Ingerø, CFO
KONGSBERG financial results
Stable revenues and solid profitability

Order intake

<table>
<thead>
<tr>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.30</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

-35%

Revenues

<table>
<thead>
<tr>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.01</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

0%

EBITDA

<table>
<thead>
<tr>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.4%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

12.9%

69%

EBIT

<table>
<thead>
<tr>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
<th>Q1 20</th>
<th>Q2 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

7.7%

264%

Financial highlights

- Lower order intake in both KM and KDA compared to a strong Q2 2019
- Decreased revenue in KM offset by increased revenue in KDA
- Solid EBITDA in the quarter attributable to;
  - extraordinary efforts from all employees
  - strict cost focus and COVID initiatives
  - strong execution of air defence contracts
  - lower integration cost
- Good quarter in KDI;
  - Increased demand for digital solutions
  - Book-to-bill above 2
Order backlog and order intake

Order intake continue to support a book/bill above 1 (BNOK)

Stable order backlog throughout second quarter (BNOK)

H1 ‘20; BNOK 12.88
H1 ‘19; BNOK 12.96
Cashflow development

Cashflow impacted by changes in working capital and currency effects

- Positive impact from operations offset by changes in working capital
- Increase in working capital offset by reduced trade receivables
- CF from investments due to expansion of aerostructure factory and acquisition
- Dividends payment NOK 2.50 per share paid out in May
Net Working Capital – Kongsberg Maritime

<table>
<thead>
<tr>
<th>Quarter</th>
<th>NWC in % of LTM revenue</th>
<th>Working capital (BNOK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 18</td>
<td>11.8%</td>
<td>0.81</td>
</tr>
<tr>
<td>Q3 18</td>
<td>12.7%</td>
<td>0.87</td>
</tr>
<tr>
<td>Q4 18</td>
<td>9.4%</td>
<td>0.66</td>
</tr>
<tr>
<td>Q1 19</td>
<td>7.5%</td>
<td>0.54</td>
</tr>
<tr>
<td>Q2 19</td>
<td>7.2%*</td>
<td>1.14</td>
</tr>
<tr>
<td>Q3 19</td>
<td>7.9%*</td>
<td>1.28</td>
</tr>
<tr>
<td>Q4 19</td>
<td>5.3%*</td>
<td>0.90</td>
</tr>
<tr>
<td>Q1 20</td>
<td>6.4%</td>
<td>1.14</td>
</tr>
<tr>
<td>Q2 20</td>
<td>6.8%</td>
<td>1.20</td>
</tr>
</tbody>
</table>

Net Working Capital – Kongsberg Defence & Aerospace

<table>
<thead>
<tr>
<th>Quarter</th>
<th>NWC in % of LTM revenue</th>
<th>Working capital (BNOK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 18</td>
<td>3.1%</td>
<td>0.18</td>
</tr>
<tr>
<td>Q3 18</td>
<td>(1.6%)</td>
<td>-0.09</td>
</tr>
<tr>
<td>Q4 18</td>
<td>(11.9%)</td>
<td>-0.73</td>
</tr>
<tr>
<td>Q1 19</td>
<td>(14.3%)</td>
<td>-0.84</td>
</tr>
<tr>
<td>Q2 19</td>
<td>(10.2%)</td>
<td>-0.64</td>
</tr>
<tr>
<td>Q3 19</td>
<td>3.6%</td>
<td>0.24</td>
</tr>
<tr>
<td>Q4 19</td>
<td>(14.7%)</td>
<td>-1.07</td>
</tr>
<tr>
<td>Q1 20</td>
<td>(25.2%)</td>
<td>-1.97</td>
</tr>
<tr>
<td>Q2 20</td>
<td>(16.2%)</td>
<td>-1.30</td>
</tr>
</tbody>
</table>
Order intake down, while backlog remain stable

Order intake down ~22% vs. Q2 2019

Order backlog remain stable

H1 ’20; BNOK 8.67
H1 ’19; BNOK 7.22
Decrease in revenue offset by good operating performance with increased profit and margins.

Revenue (BNOK)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 19</td>
<td>3.99</td>
</tr>
<tr>
<td>Q3 19</td>
<td>4.11</td>
</tr>
<tr>
<td>Q4 19</td>
<td>3.76</td>
</tr>
<tr>
<td>Q1 20</td>
<td>3.76</td>
</tr>
<tr>
<td>Q2 20</td>
<td>3.76</td>
</tr>
</tbody>
</table>

EBITDA (BNOK) and EBITDA margin (%)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EBITDA</th>
<th>EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 19</td>
<td>0.17</td>
<td>4.2%</td>
</tr>
<tr>
<td>Q3 19</td>
<td>0.23</td>
<td>7.1%</td>
</tr>
<tr>
<td>Q4 19</td>
<td>0.27</td>
<td>7.1%</td>
</tr>
<tr>
<td>Q1 20</td>
<td>0.27</td>
<td>59%</td>
</tr>
<tr>
<td>Q2 20</td>
<td>0.27</td>
<td>59%</td>
</tr>
</tbody>
</table>

EBIT (BNOK) and EBIT margin (%)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EBIT</th>
<th>EBIT Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 19</td>
<td>0.05</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Q3 19</td>
<td>0.05</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Q4 19</td>
<td>0.05</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Q1 20</td>
<td>0.09</td>
<td>2.2%</td>
</tr>
<tr>
<td>Q2 20</td>
<td>0.08</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

H1 ’20; BNOK 8.31
H1 ’19; BNOK 5.89

H1 ’20; EBITDA 0.66 (7.9%)
H1 ’19; EBITDA 0.37 (6.3%)

H1 ’20; EBIT 0.09 (3.1%)
H1 ’19; EBIT 0.26 (1.5%)
Value Capture program continued with strong progress

**Key figures**

P&L effect of cost savings relative to 2018, MNOK

**Quarterly effects**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Realized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 '19</td>
<td>15</td>
</tr>
<tr>
<td>Q2 '19</td>
<td>72</td>
</tr>
<tr>
<td>Q3 '19</td>
<td>83</td>
</tr>
<tr>
<td>Q4 '19</td>
<td>90</td>
</tr>
<tr>
<td>Q1 '20</td>
<td>135</td>
</tr>
<tr>
<td>Q2 '20</td>
<td>160</td>
</tr>
</tbody>
</table>

**Annual effects**

<table>
<thead>
<tr>
<th>Year</th>
<th>Realized</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 '20</td>
<td>260</td>
<td>295</td>
</tr>
<tr>
<td>H2 '20</td>
<td>500</td>
<td>500</td>
</tr>
</tbody>
</table>

**Status per Q2**

- Realized savings of 160 MNOK in Q2
- 295 MNOK realized YTD; well positioned to reach target of 500 MNOK annual savings
- Deck Machinery restructuring progressing well
- Optimization program in Propulsion & Engines initiated
- Headcount reductions of ~485 FTEs
Backlog remains strong

Order intake

Order backlog remains strong

(BNOK)

Q2 19 | Q3 19 | Q4 19 | Q1 20 | Q2 20
---|---|---|---|---
2.27 | 4.16 | 1.79 | 0.89 | -57%

H1 '20; BNOK 3.56
H1 '19; BNOK 5.28

Q2 19 | Q3 19 | Q4 19 | Q1 20 | Q2 20
---|---|---|---|---
13.43 | 20.03 | 20.15 | 19.98 | 19.66

2021 → 2022

4.56 | 7.44 | 7.66

H2 2020
Revenue growth and strong operational performance

Revenue

Revenue (BNOK)

H1 '20; BNO 3.95  
H1 '19; BNO 3.20

Q2 19  Q3 19  Q4 19  Q1 20  Q2 20

1.83  2.01

10%

EBITDA

EBITDA (BNOK) and EBITDA margin (%)

H1 '20; BNO 0.72 (18.1%)  
H1 '19; BNO 0.46 (14.4%)

Q2 19  Q3 19  Q4 19  Q1 20  Q2 20

0.29  0.47

23.6%

63%

EBIT

EBIT (BNOK) and EBIT margin (%)

H1 '20; BNO 0.48 (12.1%)  
H1 '19; BNO 0.28 (8.6%)

Q2 19  Q3 19  Q4 19  Q1 20  Q2 20

0.20  0.35

10.7%

17.5%

79%
Outlook – solid operations, but continued uncertainty

**KDA**
Current backlog secure growth in 2020
Solid margins due to good project execution
Possible delays in certain programs due to COVID-19

**KM**
Good order backlog coverage and stable lifecycle business, although expected impacted from COVID-19
New build market expected to remain challenging
International trade development may further impact activity level

**KDI**
Increased interest and demand for KONGSBERG’s digital solutions
Certain segments challenging due to COVID-19
Reduced investment levels among O&G companies may impact order intake
Order intake distribution

Order intake KM Q2 2020: MNOK 3 850
Order intake KM Q2 2019: MNOK 4 917

*Global Customer Support does not include Sensors & Robotics aftermarket
**Sensors and Robotics also includes aftermarket
Order intake distribution

Order intake KDA Q2 2020: MNOK 1,788
Order intake KDA Q2 2019: MNOK 4,160
160 MNOK savings realized in Q2 2020

Realized cost savings

**P&L effect of cost savings relative to 2018, MNOK**

<table>
<thead>
<tr>
<th>Area</th>
<th>Q1 ‘19</th>
<th>Q2 ‘19</th>
<th>Q3 ‘19</th>
<th>Q4 ‘19</th>
<th>Q1 ‘20</th>
<th>Q2 ‘20</th>
<th>Comments to realized savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Footprint &amp; delivery streamlining</td>
<td>3</td>
<td>11</td>
<td>12</td>
<td>15</td>
<td>34</td>
<td>45</td>
<td>Effects of co-locations, production facility shutdowns and restructuring of delivery organizations</td>
</tr>
<tr>
<td>SG&amp;A savings and synergies</td>
<td>9</td>
<td>52</td>
<td>58</td>
<td>60</td>
<td>81</td>
<td>93</td>
<td>Savings driven by more cost efficient set-up of support and sales functions, as well as harmonization of terms and benefits</td>
</tr>
<tr>
<td>Product portfolio optimization</td>
<td>4</td>
<td>8</td>
<td>13</td>
<td>15</td>
<td>20</td>
<td>22</td>
<td>Savings mainly related to streamlining of digital marine spending (Ship Intelligence)</td>
</tr>
<tr>
<td>Total</td>
<td>15</td>
<td>72</td>
<td>83</td>
<td>90</td>
<td>135</td>
<td>160</td>
<td>Ahead of schedule for FY20 savings target of 500 MNOK</td>
</tr>
</tbody>
</table>
Strong cash balance and positive development in ROACE

Net debt and cash development

Cash and net debt (BNOK)

Positive development in ROACE due to strong performance

Average capital employed (BNOK) and ROACE (%)