INVESTOR PRESENTATION

Q4 2020

Geir Håøy, President & CEO
Gyrid Skalleberg Ingerø, EVP & Group CFO
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Highlights 2020

- Book/Bill of 1.13 and record-high order backlog
- BNOK 25.6 in revenues and BNOK 3.3 in EBITDA
- Solid operational performance and high degree of adaptability throughout the organization
- Successful divestment of Hydroid Inc.
- “Value Capture” program delivered above target
- Strong momentum on Dynamic Digital Twin®
- Proposed dividends of NOK 3 + 5 per share and MNOK 400 share buy back
Highlights fourth quarter 2020
- Strong order intake in defence and key milestones achieved

- 11.4 BNOK order intake, book/bill of 1.59
  - major defence orders
  - record-high order backlog entering 2021

- BNOK 7.1 in revenues and BNOK 0.95 in EBITDA

- Challenging newbuild market and COVID continue to affect order intake and revenue in maritime

- Ramp-up in digital and defence

- RWS # 20.000 delivered
Important contracts signed in the quarter

NASAMS to Hungary

Remote Weapon Stations (RWS) to the British Army MIV program

JSM to Japan

Propeller systems for five F110 frigates to Spanish Navy

Pile Gripper Guidance System (PGGS) for the OHT Alfa Lift to MacGregor

Remote Tower System for Air Traffic Control at Menorca Airport
Business update fourth quarter

Decreased revenues in Maritime offset by improved project mix and reduced cost
- Market continues to be challenging with low contracting of new vessels
- Improved project mix
- Cost focus and solid contribution from “Value capture” improves KM’s competitiveness

High order intake in Defence and continued solid operations
- Significant order intake results in “All-time-high” backlog
- Good progress and solid execution of projects, minimal COVID-19 effects
- MRO initiatives continue to grow and increase profitability

Dynamic digital twin® and SaaS business continue to gain momentum
- Continued roll-out and seize new opportunities for dynamic digital twin Kognitwin®
- Positive development for SaaS business and real time drilling software, SiteCom®
- Increased interest for e-learning solution K-SIM® connect
Financial status

Gyrid Skalleberg Ingerø, EVP & Group CFO
2020 order intake support book/bill above 1

**Strong order intake**

- **Book/bill**
- **Order intake (BNOK)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Book/bill</th>
<th>Order intake (BNOK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>15.88</td>
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<tr>
<td>2019</td>
<td>31.41</td>
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<tr>
<td>2020</td>
<td>28.82</td>
<td></td>
</tr>
</tbody>
</table>

- Decrease: 8%

**All-time-high backlog**

- **Book/bill**
- **Order intake (BNOK)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Book/bill</th>
<th>Order intake (BNOK)</th>
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<tbody>
<tr>
<td>2018</td>
<td>16.71</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>32.35</td>
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<tr>
<td>2020</td>
<td>35.95</td>
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</tbody>
</table>

- Increase: +11%

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WORLD CLASS – Through people, technology and dedication

KONGSBERG PROPRIETARY - See Statement of Proprietary information
Order intake 2020

Kongsberg Maritime

- Total order intake: BNOK 15.9
- After market: 44%
- OPU: 6%
- LNG: 4%
- Naval: 6%
- Fishery and Special Purpose Vessels: 6%
- Offshore: 9%
- Seaborne & Pax: 17%
- Other: 6%

Kongsberg Defence & Aerospace

- Total order intake: BNOK 11.9
- Air Defence: 38%
- Missiles: 13%
- Space & surveillance: 6%
- F-35: 6%
- RWS: 23%
- Other: 14%
2020; Revenue growth and increased profitability

- Revenue growth driven by growth in defence segment
- Growth in all business areas

- Increased EBITDA in all business areas driven by:
  - Strong project execution
  - Favourable project mix
  - Significant synergies from “Value Capture”

- Stable nominal level of depreciation and amortisation expected going forward
- Including gain from sale of Hydroid Inc. EAT is BNOK 2.9
Q4; Strong order intake and margins

Order intake and backlog
- Order intake 2020 BNOK 28.82 (-8.8%)

Revenues
- 2020 BNOK 25.61 (+10.2%)

EBITDA
- 2020 BNOK 3.25 (+53.8%)

EBIT
- 2020 BNOK 1.91 (+85.1%)
Cashflow 2020

Strong cashflow from operations and from divestment of Hydroid Inc.

- Cash 31.12
- 0.10
- 7.42

Cash 1.1
- EBITDA: 3.29
- Tax paid: (0.17)
- Change in working capital + other: (0.31)

Dividends from associates: 0.13
Investing activities: (0.78)
Hydroid: 3.04
Interest & payments on leasing obligations: (0.59)
Dividend and share buy back: (2.28)
Treasury shares: (0.05)
Repayment of debt: (0.62)
Translation differences: 0.10

Cash from operating activities: 5.65
Cash from investing activities: (0.17)
Cash from financing activities: (0.31)
Net Working Capital

Net Working Capital by Business Area

**Net Working Capital – Kongsberg Maritime**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Working Capital (BNOK)</th>
<th>NWC in % of LTM revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 18</td>
<td>0.66</td>
<td>9.4%</td>
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<tr>
<td>Q1 19</td>
<td>0.54</td>
<td>7.5%</td>
</tr>
<tr>
<td>Q2 19</td>
<td>1.14</td>
<td>7.2%*</td>
</tr>
<tr>
<td>Q3 19</td>
<td>1.28</td>
<td>7.9%*</td>
</tr>
<tr>
<td>Q4 19</td>
<td>0.90</td>
<td>5.3%*</td>
</tr>
<tr>
<td>Q1 20</td>
<td>1.14</td>
<td>6.4%</td>
</tr>
<tr>
<td>Q2 20</td>
<td>1.20</td>
<td>6.8%</td>
</tr>
<tr>
<td>Q3 20</td>
<td>1.62</td>
<td>9.4%</td>
</tr>
<tr>
<td>Q4 20</td>
<td>1.53</td>
<td>9.3%</td>
</tr>
</tbody>
</table>

*inc. proforma CM

**Net Working Capital – Kongsberg Defence & Aerospace**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Working Capital (BNOK)</th>
<th>NWC in % of LTM revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 18</td>
<td>(0.73)</td>
<td>(11.9%)</td>
</tr>
<tr>
<td>Q1 19</td>
<td>(0.84)</td>
<td>(14.3%)</td>
</tr>
<tr>
<td>Q2 19</td>
<td>(0.64)</td>
<td>(10.2%)</td>
</tr>
<tr>
<td>Q3 19</td>
<td>0.24</td>
<td>3.6%</td>
</tr>
<tr>
<td>Q4 19</td>
<td>(1.07)</td>
<td>(14.7%)</td>
</tr>
<tr>
<td>Q1 20</td>
<td>(1.97)</td>
<td>(25.2%)</td>
</tr>
<tr>
<td>Q2 20</td>
<td>(1.30)</td>
<td>(16.2%)</td>
</tr>
<tr>
<td>Q3 20</td>
<td>(1.14)</td>
<td>(13.7%)</td>
</tr>
<tr>
<td>Q4 20</td>
<td>(2.01)</td>
<td>(23.6%)</td>
</tr>
</tbody>
</table>

*inc. proforma CM
KM order intake and backlog

Order intake and book-to-bill

Order backlog

2020 order intake BNOK 19.5 (book-to-bill 0.98)

Book-to-bill
Order intake (BNOK)

2023 → 2022
2021

WORLD CLASS – Through people, technology and dedication
Reduced volume but increased margins in KM

**Revenues**
- 2020 BNOK 16.32 (+10.4%)

**EBITDA**
- 2020 BNOK 1.53 (+52.4%)

**EBIT**
- 2020 BNOK 0.72 (+101.7%)
## Program summary

- Realized cost savings of MNOK 640 in 2020, MNOK 195 in Q4
- Deck Machinery restructured and turned profitable
- Consolidation and optimization of combined organization, footprint and product portfolio
- Headcount reductions of 485 FTEs
- Strong basis for continued efficiency initiatives
- Program concluded, with results above target

## Realized cost savings

<table>
<thead>
<tr>
<th>FY19: Target</th>
<th>Realized savings</th>
<th>FY20: Target</th>
<th>Realized savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>200</td>
<td>260</td>
<td>500</td>
<td>640</td>
</tr>
</tbody>
</table>

P&L effect relative to 2018, MNOK
KDA Backlog supports growth

Order intake (BNOK)

- Q4 19: 2.81
- Q1 20: 7.35
- Q2 20: 19.98
- Q3 20: 20.15
- Q4 20: 23.48

Book-to-bill

Order backlog (BNOK)

- Q4 19: 20.15
- Q1 20: 19.98
- Q2 20: 19.66
- Q3 20: 18.76
- Q4 20: 23.48

2020 Order intake BNOK 11.89 (book-to-bill 1.40)
Revenue growth and strong EBITDA in KDA

Revenues

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 19</td>
<td>2.47</td>
<td>2.62</td>
<td>+6%</td>
</tr>
</tbody>
</table>

EBITDA

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 19</td>
<td>18.1%</td>
<td>19.6%</td>
<td>+15%</td>
</tr>
<tr>
<td>Q1 20</td>
<td>0.45</td>
<td>0.51</td>
<td>+15%</td>
</tr>
<tr>
<td>Q2 20</td>
<td>0.34</td>
<td>0.39</td>
<td>+15%</td>
</tr>
<tr>
<td>Q3 20</td>
<td>0.34</td>
<td>0.39</td>
<td>+15%</td>
</tr>
<tr>
<td>Q4 20</td>
<td>0.34</td>
<td>0.39</td>
<td>+15%</td>
</tr>
</tbody>
</table>

EBIT

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019</th>
<th>2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 19</td>
<td>13.6%</td>
<td>14.8%</td>
<td>+15%</td>
</tr>
<tr>
<td>Q1 20</td>
<td>0.34</td>
<td>0.39</td>
<td>+15%</td>
</tr>
<tr>
<td>Q2 20</td>
<td>0.34</td>
<td>0.39</td>
<td>+15%</td>
</tr>
<tr>
<td>Q3 20</td>
<td>0.34</td>
<td>0.39</td>
<td>+15%</td>
</tr>
<tr>
<td>Q4 20</td>
<td>0.34</td>
<td>0.39</td>
<td>+15%</td>
</tr>
</tbody>
</table>
• ~3.5 BNOK in backlog
• Demand related to microsatellites continues to increase
• ~50k satellites passes in Dec. 2020 (up from ~40k Dec. 2019)

• ~1 500 EURm in backlog
• Results from “close the gap” programme in 2020 has positive impact on the financials
# Proposed dividends and share buyback

<table>
<thead>
<tr>
<th></th>
<th>Total remuneration</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total MNOk NOK/share</td>
<td>Last day including: 06 May 2021</td>
</tr>
<tr>
<td>Ordinary dividend</td>
<td>~540</td>
<td>Ex. dividend date: 07 May 2021</td>
</tr>
<tr>
<td>Special dividend</td>
<td>900</td>
<td>Record date: 10 May 2021</td>
</tr>
<tr>
<td>Share buy-back</td>
<td>400</td>
<td>Payment date: 20 May 2021 (&quot;on or about&quot;)</td>
</tr>
<tr>
<td>Total</td>
<td>1,840</td>
<td></td>
</tr>
</tbody>
</table>

- Ordinary dividend: 3.00 NOK/share
- Special dividend: 5.00 NOK/share
- Share buy-back: ~2.23 NOK/share
- Total: ~10.23 NOK/share
OUTLOOK

KONGSBERG DEFENCE & AEROSPACE

Current backlog secure growth in 2021
Efficient operations and increased scale found confidence to EBITDA target

KONGSBERG MARITIME

New building market expected to remain challenging
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 35.9 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
INVESTOR PRESENTATION

Q&A
Appendix
# 195 MNOK savings realized in Q4 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>Q3 '20</th>
<th>Q4 '20</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>45</td>
<td>59</td>
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<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>86</td>
<td>111</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>19</td>
<td>24</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>150</td>
<td>195</td>
</tr>
</tbody>
</table>

**Comments to realized savings**

- Effects of co-locations, production facility shutdowns and restructuring of delivery organizations
- Cost efficient set-up of support and sales functions, as well as harmonization of terms and benefits
- Mainly related to streamlining of digital marine spending (Ship Intelligence)

**2020 FY savings of 640 MNOK**
# Cashflow fourth quarter

## Positive cashflow from operations and improved working capital

<table>
<thead>
<tr>
<th>(BNOK)</th>
<th>8.10</th>
<th>0.95</th>
<th>0.73</th>
<th>(0.17)</th>
<th>(0.14)</th>
<th>(0.16)</th>
<th>(1.83)</th>
<th>(0.07)</th>
<th>7.42</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash 1.10</td>
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<tr>
<td>EBITDA</td>
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<tr>
<td>Change in working capital + other</td>
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<td>Investing activities</td>
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<tr>
<td>Hydroid</td>
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<tr>
<td>Interest &amp; payments on leasing obligations</td>
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<td>Dividend and share buy back</td>
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<tr>
<td>Translation differences cash</td>
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<tr>
<td>Cash from operating activities</td>
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<tr>
<td>Cash from investing activities</td>
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<tr>
<td>Cash from financing activities</td>
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</tbody>
</table>

## Comments
- Positive cashflow from operations and working capital
- Improvement in working capital mainly due to prepayment from defence customers
- “Hydroid” tax related to divestment of Hydroid Inc.
- Additional dividend of NOK 10/share paid out in November