



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	927 020 629
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	KONGSBERG DIGITAL HOLDING ASA
Forretningsadresse:	Lysaker torg 35 1366 LYSAKER

### Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024
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### Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

### Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Bjarte Petersen
Dato for fastsettelse av årsregnskapet:	21.03.2025

### Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert  
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 12.08.2025



## Resultatregnskap

Beløp i: NOK	Note	2024	2023
<b>RESULTATREGNSKAP</b>			
<b>Kostnader</b>			
Annen driftskostnad	2	522 000	213 000
<b>Sum kostnader</b>		<b>522 000</b>	<b>213 000</b>
<b>Driftsresultat</b>		<b>-522 000</b>	<b>-213 000</b>
<b>Finansinntekter og finanskostnader</b>			
Annen finansinntekt		8 633 000	2 500 000
<b>Sum finansinntekter</b>		<b>8 633 000</b>	<b>2 500 000</b>
Finanskostnader		6 287 000	155 000
<b>Sum finanskostnader</b>		<b>6 287 000</b>	<b>155 000</b>
<b>Netto finans</b>		<b>2 346 000</b>	<b>2 345 000</b>
<b>Resultat før skattekostnad</b>		<b>1 824 000</b>	<b>2 132 000</b>
Skattekostnad		401 000	469 000
<b>Årsresultat</b>		<b>1 423 000</b>	<b>1 663 000</b>
<b>Overføringer og disponeringer</b>			
Overføring annen innskutt egenkapital	8	1 423 000	1 663 000
<b>Sum overføringer og disponeringer</b>		<b>1 423 000</b>	<b>1 663 000</b>



### Balanse

Beløp i: NOK	Note	2024	2023
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	4	1 685 042 000	1 239 962 000
<b>Sum finansielle anleggsmidler</b>		<b>1 685 042 000</b>	<b>1 239 962 000</b>
<b>Sum anleggsmidler</b>		<b>1 685 042 000</b>	<b>1 239 962 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Bankinnskudd, kontanter og lignende</b>			
Betalingsmidler			457 000
Kortsiktige fordringer i konsernkontoordning		56 378 000	178 870 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>56 378 000</b>	<b>179 327 000</b>
<b>Sum omløpsmidler</b>		<b>56 378 000</b>	<b>179 327 000</b>
<b>SUM EIENDELER</b>		<b>1 741 420 000</b>	<b>1 419 289 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	7,8	13 740 000	13 200 000
Overkurs	8	1 403 934 000	1 403 934 000
Annen innskutt egenkapital		273 035 000	1 683 000
<b>Sum innskutt egenkapital</b>		<b>1 690 709 000</b>	<b>1 418 817 000</b>
<b>Sum egenkapital</b>		<b>1 690 709 000</b>	<b>1 418 817 000</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	5	2 000	2 000
Betalbar skatt		401 000	469 000
Annen kortsiktig gjeld rentebærende		50 000 000	
Annen kortsiktig gjeld		308 000	1 000
<b>Sum kortsiktig gjeld</b>		<b>50 711 000</b>	<b>472 000</b>
<b>Sum gjeld</b>		<b>50 711 000</b>	<b>472 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>1 741 420 000</b>	<b>1 419 289 000</b>



## Konsernets resultatregnskap

Beløp i: NOK	Note	2024	2023
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Driftsinntekter	6,7,8	972 000 000	834 000 000
<b>Sum inntekter</b>		<b>972 000 000</b>	<b>834 000 000</b>
<b>Kostnader</b>			
Kostnad solgte varer	9,10	359 000 000	348 000 000
Amortisering og nedskrivning immaterielle eiendeler	9,16	137 000 000	112 000 000
Produktutvikling og vedlikeholdskostnader	9,10	199 000 000	196 000 000
Generelle og admin.kost, salg og markedskost	9,10	614 000 000	491 000 000
<b>Sum kostnader</b>		<b>1 309 000 000</b>	<b>1 147 000 000</b>
<b>Driftsresultat</b>		<b>-337 000 000</b>	<b>-313 000 000</b>
<b>Finansinntekter og finanskostnader</b>			
Resultatandel felleskontrollerte virksomheter	12	1 000 000	1 000 000
Finansinntekt	13	21 000 000	9 000 000
<b>Sum finansinntekter</b>		<b>22 000 000</b>	<b>10 000 000</b>
Finanskostnader	13,8	23 000 000	18 000 000
Renter på leasingforpliktelse	17,13	6 000 000	6 000 000
<b>Sum finanskostnader</b>		<b>29 000 000</b>	<b>24 000 000</b>
<b>Netto finans</b>		<b>-7 000 000</b>	<b>-14 000 000</b>
<b>Resultat før skattekostnad</b>		<b>-344 000 000</b>	<b>-327 000 000</b>
Skattekostnad	14	-44 000 000	-47 000 000
<b>Årsresultat</b>		<b>-300 000 000</b>	<b>-280 000 000</b>
Omregningsdifferanser valuta		20 000 000	7 000 000
Estimatavvik pensjoner	11	-2 000 000	-1 000 000
Sum resultatkomponenter for IFRS-foretak		18 000 000	6 000 000
<b>Totalresultat</b>		<b>-282 000 000</b>	<b>-274 000 000</b>
<b>Overføringer og disponeringer</b>			



## Konsernets resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
Overføring til fra anne egenkapital		-303 000 000	-416 000 000
Ikke-kontrollerte interesser		-6 000 000	-8 000 000
<b>Sum overføringer og disponeringer</b>		<b>-309 000 000</b>	<b>-424 000 000</b>



## Konsernets balanse

Beløp i: NOK	Note	2024	2023
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Andre immaterielle eiendeler	16	571 000 000	705 000 000
Utsatt skattefordel	14	152 000 000	120 000 000
Goodwill	16,18	282 000 000	397 000 000
<b>Sum immaterielle eiendeler</b>		<b>1 005 000 000</b>	<b>1 222 000 000</b>
<b>Varige driftsmidler</b>			
Eiendom, anlegg og utstyr		15 000 000	26 000 000
Leasingeiendeler	17	65 000 000	140 000 000
<b>Sum varige driftsmidler</b>		<b>80 000 000</b>	<b>166 000 000</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i tilknyttet selskap	12	21 000 000	20 000 000
Andre langsiktige eiendeler	19	12 000 000	11 000 000
<b>Sum finansielle anleggsmidler</b>		<b>33 000 000</b>	<b>31 000 000</b>
<b>Sum anleggsmidler</b>		<b>1 118 000 000</b>	<b>1 419 000 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varelager	20		33 000 000
<b>Sum varer</b>			<b>33 000 000</b>
<b>Fordringer</b>			
Kundefordringer	21,8	192 000 000	333 000 000
Kundekontrakt, eiendel	7	182 000 000	307 000 000
Kortsiktige fordringer i konsernkontoordning	23,8		164 000 000
Kortsiktige fordringer	21,8	10 000 000	18 000 000
Eiendeler holdt for salg	34	926 000 000	
<b>Sum fordringer</b>		<b>1 310 000 000</b>	<b>822 000 000</b>
<b>Investeringer</b>			
Finansielle derivater	22 A	17 000 000	27 000 000
<b>Sum investeringer</b>		<b>17 000 000</b>	<b>27 000 000</b>



### Konsernets balanse

Beløp i: NOK	Note	2024	2023
<b>Bankinnskudd, kontanter og lignende</b>			
Betalingsmidler	23,8	92 000 000	142 000 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>92 000 000</b>	<b>142 000 000</b>
<b>Sum omløpsmidler</b>		<b>1 419 000 000</b>	<b>1 024 000 000</b>
<b>SUM EIENDELER</b>		<b>2 537 000 000</b>	<b>2 443 000 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Innskutt egenkapital		2 405 000 000	2 133 000 000
<b>Sum innskutt egenkapital</b>		<b>2 405 000 000</b>	<b>2 133 000 000</b>
<b>Opptjent egenkapital</b>			
Opptjent egenkapital		-997 000 000	-712 000 000
Ikke-kontrollerende interesser		-16 000 000	-8 000 000
<b>Sum opptjent egenkapital</b>		<b>-1 013 000 000</b>	<b>-720 000 000</b>
<b>Sum egenkapital</b>		<b>1 392 000 000</b>	<b>1 413 000 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelse	11	6 000 000	4 000 000
<b>Sum avsetninger for forpliktelse</b>		<b>6 000 000</b>	<b>4 000 000</b>
<b>Annen langsiktig gjeld</b>			
Langsiktig leasingforpliktelse	17,8	51 000 000	121 000 000
Andre langsiktige forpliktelse		2 000 000	3 000 000
<b>Sum annen langsiktig gjeld</b>		<b>53 000 000</b>	<b>124 000 000</b>
<b>Sum langsiktig gjeld</b>		<b>59 000 000</b>	<b>128 000 000</b>
<b>Kortsiktig gjeld</b>			
Kundekontrakter, forpliktelse	7	189 000 000	457 000 000
Finansielle derivater	22 A	39 000 000	16 000 000



## Konsernets balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
Avsetninger	25	3 000 000	6 000 000
Kortsiktig rentebærende lån	22 C	50 000 000	3 000 000
Kortsiktig leasingforpliktelser	17,8	29 000 000	39 000 000
Kortsiktig gjeld i konsernkontoordning	23,8	66 000 000	
Andre kortsiktige forpliktelser og avsetninger	26,8	241 000 000	381 000 000
Gjeld i forbindelse med holdt for salg	34	469 000 000	
<b>Sum kortsiktig gjeld</b>		<b>1 086 000 000</b>	<b>902 000 000</b>
<b>Sum gjeld</b>		<b>1 145 000 000</b>	<b>1 030 000 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>2 537 000 000</b>	<b>2 443 000 000</b>



Statsautoriserte revisorer  
Ernst & Young AS  
Stortorvet 7, 0155 Oslo  
Postboks 1156 Sentrum, 0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA  
Tlf: +47 24 00 24 00  
www.ey.no  
Medlemmer av Den norske Revisorforening

To the General Meeting in Kongsberg Digital Holding ASA

## INDEPENDENT AUDITOR'S REPORT

### Opinion

We have audited the financial statements of Kongsberg Digital Holding ASA (the Company) which comprise:

- The financial statements of the Company, which comprise statement of financial position as at 31 December 2024 and statement of comprehensive income and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise consolidated statement of financial position as at 31 December 2024, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors and CEO (management) are responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report otherwise appears to be materially



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misstated. We are required to report that fact if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

### **Responsibilities of management for the financial statements**

Management is responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if

Independent auditor's report - Kongsberg Digital Holding ASA 2024

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such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Oslo, 21 March 2025  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Anders Gøbel  
State Authorised Public Accountant (Norway)

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

## Gøbel, Anders

Statsautorisert revisor

På vegne av: Ernst & Young AS

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KONGSBERG

ANNUAL REPORT  
KONGSBERG DIGITAL  
HOLDING (GROUP) 2024



## Directors' Report 2024

Kongsberg Digital provides a comprehensive suite of products and solutions through our Industrial Work Surface, specifically designed for heavy-asset industries. Our technology enables customers to enhance decision-making and work execution at all levels, from executives to frontline workers. By consolidating data from various sources into one single work surface, we make information accessible and meaningful for both humans and machines. This ensures that every worker has immediate access to the same data, facilitating faster and more informed decision-making across functions, geographies, and assets.

Our solution also automates workflows, simplifies user complexity, and enhances operational performance throughout the lifecycle of any asset – spanning planning, design, construction, operations, and maintenance.

Kongsberg Digital's offers products that assist customers throughout their transformation journey, providing scalable digital solutions for both assets and enterprises. Our partner ecosystem ensures seamless implementation and maximises return on investments. With our deep industry expertise, we enhance the entire value chain and streamline workflows for our customers.

Our Industrial Work Surface is powered by the following products and technologies:

- **Energy Simulators:** Our Energy Simulators are designed to help understand process behaviour and optimise design and operations. They include a process simulator for performance modelling, known as K-Spice and an advanced multiphase flow simulator, called LedaFlow. LedaFlow ensures the optimal flow of oil and gas from the reservoir to the processing facilities.
- **FieldTwin -** Early-stage design and visualisation platform that enables cost-efficient exploration of design options for heavy asset developments.
- **Kognitwin:** A digital twin that transforms asset operation and maintenance. This solution provides a comprehensive digital replica of your asset, integrating industrial data and operations into a single platform for executing work. It supports end-to-end work processes, from identifying and scoping tasks to execution.
- **SiteCom -** A comprehensive ecosystem for safer and more reliable drilling and wells operations. It generates and contextualises real-time drilling data, minimising non-productive time and reducing HSE incidents.

Kongsberg Digital was established in 2016 as a subsidiary of Kongsberg Group. The company integrates decades of asset lifecycle expertise with innovative technology solutions across heavy-asset industries. Headquartered in Norway, Kongsberg Digital is owned by Kongsberg Group, Shell Ventures and Idékapital. It operates internationally, with offices located in Lysaker (Norway), Houston Texas (USA), Beijing (China), and Bangalore (India), as well as additional employees in smaller hubs across the UAE, Brazil, UK, Australia and Singapore.



For nearly a decade, customers have relied on Kongsberg Digital's technology to drive industrial transformation and explore new possibilities. Our solutions empower thousands of users across various industries by maximising the potential of industrial data. Some of the largest and most successful companies globally utilise our Industrial Work Surface to optimise workflows, enhance efficiency, support training, and provide expert advisory solutions across their global fleet of assets in sectors such as oil and gas, chemicals, and utilities.

Together with our customers and partners, we shape the future of work by transforming how industries operate.

## Highlights from 2024

2024 has been another eventful year for Kongsberg Digital, with several significant customer contracts signed, ongoing investment in our product lines and efforts to streamline our operations.

In early February, Kongsberg Digital and Yara signed a two-year contract to digitalise the ammonia, nitric acid and fertiliser plants at Herøya in Porsgrunn, Norway, as well as the Carbon Capture and Storage (CCS) project at the Sluiskil site in the Netherlands. The contract is initially set for two years, with the possibility of extension in both duration and number of sites involved. This milestone demonstrates the applicability of Kognitwin in a new heavy-asset industry: the chemical sector.

Additionally, Vår Energi, a leading independent upstream oil and gas company operating on the Norwegian Continental Shelf, selected Kognitwin for deployment on an offshore platform in the Barents Sea. This contract was later expanded to include the Goliat asset in the same region. Kongsberg Digital is now actively delivering Kognitwin, Energy Simulation, SiteCom, and FutureOn services to Vår Energi, which is one of the fastest-growing exploration and production companies in the world.

In addition to acquiring new customers, our delivery team has continued to roll out Kognitwin to our two largest customers, Shell and Chevron, achieving a total of 54 digital twins in operation at the end of the year.

In 2024, the Energy simulators achieved significant product enhancements and commercial advancements. LedaFlow now enables the simulation of the entire carbon capture and storage (CCS) value chain, starting with CO<sub>2</sub> capture through K-Spice, and extending to transport and injection for reservoir storage. K-Spice has made significant improvements in workflow automation, digital twin integration, and electric power simulation, strengthening its role in digitalization of the energy industry and positioning it towards NetZero applications. In November, Aker BP became the third operator to contract Kognitwin Simulation, marking a shift in the business model from Simulator Software towards a Subscription model.

SiteCom successfully launched its new Live visualisation platform, full migration of customers to the new platform, with further set to follow early 2025. SiteCom Live is a modern application that caters to both



experts and generalist users in various oil and service companies worldwide. In 2024, it celebrated an impressive milestone of 48 months without any downtime for one of the largest operators in the world, supporting almost 250 concurrent well operations through a single system.

In 2024, significant advancements in AI development emerged, particularly in multimodal models, real-time reasoning, and enhancing efficiency. These improvements have made AI more intuitive and adaptable across various industries. This progress has been a driving force behind the development of Kongsberg Digital's product portfolio and its central theme of the 2024 edition of the Tomorrow Show – Kongsberg Digital's signature event for customer and industry engagement. Over 400 attendees engaged in discussions about AI and how its impact on the future.

Kongsberg Digital's Maritime operations, including Maritime Simulations, Vessel Insight and Coach Solutions, has achieved 36% revenue growth in 2024. Growth has been primarily driven by an improved market for maritime simulators, supported by improved commercial performance and an increase in Vessel Insight installations. In 2024, 300 new vessels subscribed for Vessel Insight, and our solutions for Vessel Performance aimed at fuel optimisation were rolled out to customers. By the end of the year, our maritime operations had approximately 2300 vessels subscribed to our solutions.

On December 19th, Kongsberg Digital agreed to sell its Maritime operations to Kongsberg Maritime for NOK 1,800 million on a cash and debt free basis and normalized working capital. The business being transferred generated revenues of NOK 760 million in 2024 and includes approximately 500 employees located across 14 countries. The transaction is expected to be completed in the first half of 2025, and encompasses the product lines Maritime Simulation, Vessel Insight, Coach Solutions, and the Software Development hub ICB in Bulgaria. This transaction will enable Kongsberg Digital to concentrate on a more focused strategy aimed at transforming how the heavy-asset industry designs, builds, operates, and maintains its assets. After signing the agreement, the company has initiated a process for streamlining its remaining operations, which will affect roles and employees globally.

After the balance sheet date, the general meeting decided to reduce the company's share capital of NOK 2,600,889 by redeeming 2,128 shares. The total redemption amount is NOK 1,300 million and expected to be completed in second quarter of 2025.

## Comments to the financial statements

As a result of the divestiture of Kongsberg Digital's maritime operations, these product lines are categorised as discontinued operations in the financial statements. The discontinued operations, along with the related assets and liabilities held for sale are presented as separate line items in the income statement, cash flow statement, and balance sheet.

In 2024, Kongsberg Digital continued to make substantial investments in product development, delivery, and sales capacity to meet customer expectations and drive growth. Our investments are primarily



focused on our Digital twin technology, where Kongsberg Digital has established a leading global position in the energy market for industrial software.

Operating revenues from continuous operations in 2024 reached NOK 972 million, representing a 17% year-over-year growth. Recurring revenues from these operations experienced an impressive 30% year-over-year growth, culminating in a total of NOK 617 million. This growth was primarily driven by a remarkable 65% increase in recurring revenue growth from Kognitwin, alongside a strong contribution from Energy Simulation. Additionally, FutureOn, which was acquired in 2023, achieved a 42% year-over-year growth in 2024.

Gross Profit from continuous operations reached NOK 613 million, increasing by NOK 127 million compared to 2023. The positive development in gross profit is primarily driven by scaling effects on recurring revenue growth and solid project deliveries within Energy Simulation.

Operating expenses from continuous operations totalled NOK 812 million, an increase of NOK 126 million compared to 2023. The main reason for this increase is the investments in sales and marketing for Kognitwin and FutureOn.

Operating loss from continuous operations (EBIT) increased from NOK -313 million in 2023 to NOK -337 million in 2024. This increase can be attributed to higher gross profits and operating expenses, along with a NOK 25 million increase in the cost of amortisation and impairment related to capitalised product development.

Net income from continuing operations for 2024 was NOK -300 million, reflecting a decrease of NOK 20 million. In contrast, net income from discontinued operations was NOK -9 million, representing an increase of NOK 135 million. This growth was driven by increased revenue and margins in both Maritime Simulation and Vessel Insight, along with cost reductions in Vessel Insight. Overall, the combined net income after tax amounted to NOK -309 million, compared to NOK -424 million in the previous year.

At the end of 2024, total assets from continued operations amounted to NOK 1,616 million, with NOK 1,118 million classified as fixed assets and NOK 493 as current assets. Current assets include NOK 92 million in cash and cash equivalents. The total assets held for sale amount to NOK 926 million. Total equity for the group decreased from NOK 1,414 million in 2023 to NOK 1,392 million in 2024, primarily due to negative earnings after tax, which was partly offset by a capital increase from shareholders of NOK 270 million. Total liabilities from continuous operations were NOK 676 million at the end of 2024, which includes a short-term loan from shareholders of NOK 50 million. Total liabilities from disposal group held for sale were NOK 469 million.

Kongsberg Digital recorded a net operational cash flow of NOK -196 million in 2024, where EBITDA accounted for NOK -71 million, and the change in net current assets and taxes paid was negative with NOK 125 million. Cash flow from investment activities was NOK 299 million, where NOK 223 million was



capitalised internal development in the continuing operation. Cash flow from financing activities reached NOK 492 million in 2024. This included NOK 270 million in capital contribution from shareholders, a drawdown of NOK 146 million from Kongsberg Group's cash pool and proceeds from an interest-bearing loan from a shareholder of NOK 50 million. Cash and cash equivalents at the end of the period were NOK 92 million.

## Outlook for 2025

Kongsberg Digital will continue to invest in our core markets and industries in close collaboration with our customers and partners. We will further invest in new industry verticals and product enhancements, including AI solutions and visualization. We expect continued growth in 2025 for Kognitwin supported by strong commitments and relationships with existing and new customers. We expect the market for energy simulation solutions in upstream oil & gas to continue to grow in 2025 and foresee another solid year for our energy simulators, while we expect our deliveries for SiteCom to be stable. The overall cost base from continued operations is expected to increase but at a slower pace than in 2024. We will continue to invest in product development and scale out new use cases, like our AI Asset Co-Pilot, to enhance end-user experience and customer value. An improved EBITDA is anticipated, fuelled by further growth in revenue and abating cost increases. Total product investments being capitalized are expected at a level of around NOK 270 million for the continuing operations. The need for financing is planned to be met by proceeds from divesting the maritime operations, and loans and capital increases from our shareholders.

## Strategy and priorities

Technological change has reshaped the workplace continually over the past two centuries since the Industrial Revolution, but the speed with which automation technologies are developing today, and the scale at which they could disrupt the world of work, are largely without precedent.

We have embarked on an ambitious journey to become a global leader in work tech software that supports the entire asset lifecycle, from concept and design to maintenance and operations in the heavy asset industry. Our product empowers users to make both faster and better decisions, with less time wasted searching for the right information.

Built on an agnostic, scalable, and open technology foundation with artificial intelligence at its core, we are making significant progress. Our people are at the forefront with the unique combination of solid industry knowledge and technology expertise, fuelled by a strong determination to succeed.

While we lean in to meet our targets, we are also committed to taking an active role in the transition to a more sustainable society. Our intention is clearly expressed through our purpose "Shaping the future of work for a better tomorrow". As a company, we depend on safe and stable societies, along with a thriving environment to succeed. Our purpose drives us to innovate and develop software solutions that we believe are critical to addressing global challenges.

To achieve our desired business outcome, we will invest in and develop our products and technology to enhance customer value. We are committed to ensuring scalable and profitable growth through our



unique and world-class organisation. We have identified four strategic focus areas that represent our priorities in delivering on these ambitions.

### ***Strengthen Customer Value***

We will invest in and develop attractive products for the heavy asset industry that promote user adoption through a market-leading user experience and design—fuelled by seamless integration with DataOps and AI. Our products and solutions distinguish us from competitors thanks to our human-centric UX combined with deep industrial expertise and simulation capabilities that facilitate better decision-making and streamline end-to-end processes. Additionally, we will focus on harmonising the branding of our product portfolio and technology to strengthen our brand identity and visibility.

### ***Secure Profitable Growth***

Invest in marketing and sales that are driven by insights and considered best-in-class. We will focus on large global customers across EMEA, APAC, and the Americas, particularly in sectors with high operational complexity. Our strategy aims to strengthen our position in the oil and gas industry while also expanding into new and adjacent sectors such as Chemicals, Carbon Capture and Storage (CCS), and Offshore Wind.

We prioritize these industries due to their significant and growing demand for our products, driven by regulatory requirements and positive market developments. The total addressable market is not only large but also fast-growing, with an observable willingness to pay for our products and solutions. Moreover, our offerings are well-aligned with our existing product portfolio and industry expertise.

### ***Scalability & Quality in Delivery***

Invest in technology and AI supported tools to further industrialise our delivery process to ensure high quality and efficient rollout and deployment of our products. Accelerating time to value for our customers and reducing the time to revenue are essential for improving scalability and fostering faster growth. Additionally, we aim to empower our System Integrator partners and customers, enabling them to work seamlessly with our product to expand our reach. Prioritising cyber security and adhering to the highest operational standards are crucial for maintain our licence to operate.

### ***Be the Employer of Choice***

Our goal is to attract, develop, and retain world-class talent by investing in learning and development programs, fostering a stimulating work culture, and providing attractive working conditions. We aim to retain and attract top performers by investing in technology that supports efficient people processes. This will allow us to focus more on leadership development, career mapping, and enhancing our employer brand, ensuring we stay ahead of the competition.



This strategy reflects our commitment to being a dynamic force in digitization and industrial software, leading the transformation of global heavy asset industries. We look forward to a period of significant growth, innovation, and positive impact.

## Risk factors and risk management

Kongsberg Digital faces various forms of risk, which the Board monitors continuously. The Board believes there is a healthy balance between the overall risk and the Company's ability to manage these risks. The administration prepares monthly operating reports and quarterly risk reports that are reviewed and considered by the Board. Furthermore, the administration conducts risk analyses for significant investments, customer contacts, strategic initiatives and acquisitions and divestments. The Board also receives regular updates on compliance issues, internal controls and risk management as part of the compliance processes.

Our activities are international and focus on developing and delivering software products and solutions. Our primary customers are in the energy sector. Fluctuations in energy prices significantly drive market risks, and changes in technology and the competitive landscape also play a crucial role.

To achieve the Company's goals, it is essential for us to attract and retain employees with the right skills and experience necessary for maintaining, further developing and commercialising our products, including management, is essential in achieving the Company's targets. Kongsberg Digital is investing in product development tailored for heavy asset industries, and implementing our products requires effective change management for our customers. The maturity levels of the industries we operate in, as well as that of the players within them, vary, impacting the predictability and pace of sales cycles. The Company's international presence, along with our global customers and dependencies, makes us vulnerable to factors affecting international trade, currency fluctuations, and the overall global economy.

We are exposed to financial uncertainty due to currency, interest, credit, and liquidity risks. Our goal is to minimise these financial risks and enhance the Company's predictability. Financial risks are managed according to central guidelines established by the Board, which are incorporated into the Company's financial policy. Further details on financial risk management can be found in Note 5 of the financial statements under "Management of Capital and Financial Risks."

Kongsberg Digital serves a diverse customer base among larger private companies across multiple countries. Historically, the Company has experienced low losses on receivables. We continuously implement measures to limit risk exposure as deemed necessary by the administration. Our liquidity risk is managed centrally through liquidity forecasts and available capital from our shareholders.

Given that a significant portion of our net income is derived from currencies other than the Norwegian krone, we are exposed to fluctuations in foreign exchange markets. To mitigate currency risk, we adhere to our financial policy, which stipulates that contracts above a certain size must be hedged upon signing.



These contracts are primarily hedged using forward contracts (fair value hedges). In exceptional circumstances, we may utilize forward contracts as cash flow hedges.

Additionally, deferred tax benefits have been recorded based on tax losses that depend on future taxable earnings for utilisation.

In collaboration with Kongsberg Gruppen ASA, Kongsberg Digital has established and developed its compliance functions. We have implemented regulations, monitoring and reporting systems to manage risks related to human rights, anti-corruption, export controls and sanctions, supply chains and whistleblowing. Training in ethics and compliance is conducted across the entire organisation, both in Norway and internationally. We perform periodic evaluations of our compliance and anti-corruption program. In 2023, an external review of the anti-corruption program confirmed that it meets national and international laws and expectations. The Board believes that the compliance program is effective. Additionally, the compliance and anti-corruption program is periodically reviewed.

As an industrial software company, we often encounter cybersecurity threats and face pressure from external entities. We are at risk of data breaches, virus attacks, hacking attempts, social engineering, phishing scams, and compromised products that could affect our customers. The Board and executive management prioritise and focus on monitoring and implementing measures to prevent such compromises. To strengthen our defences against these threats, Kongsberg Digital has established a Cyber Security organisation that leverages the capabilities and resources within Kongsberg Gruppen's Cyber Security Center. Kongsberg Gruppen ASA collaborates closely with the National Security Authority and several leading centres of expertise. This commitment, together with a high focus and priority on product security, development of secure products, and providing employees with information and training, helps to ensure that the Company continuously improves its ability to withstand these threats.

Climate change is widely recognised as the most important global environmental and societal issue of our time. It can negatively impact our operations and extensive supply chain. Effectively managing these impacts while seizing opportunities to assist both traditional energy customers, as well as supporting customers and partners in the energy transition is an integrated part of our strategy.

Kongsberg Digital has limited exposure to physical climate risks since the Company possesses few physical assets, and our locations are not considered to be significantly exposed to the effects of climate change. Kongsberg Digital is exposed to transitional risks related to climate change given that a vast majority of our customers operate within the oil and gas industry. In the short and medium term, we consider our products highly relevant for our customers to manage and enable them to reach their climate targets as part of transitioning to a low-carbon society. In the long term, we are well positioned to grasp

opportunities within the renewable energy market and opportunities within new market verticals such as the chemical industry.



Export control regulations and sanctions may result in uncertainty about market opportunities. In the last couple of years, we have seen increased attention on the restriction of exports of technology products through export control regulations combined with the ongoing trade war between the U.S. and China. Recent developments suggest that Europe could also be directly affected by future trade wars.

Pandemics are a smaller uncertainty factor for the business now than previously. However, new outbreaks, virus mutations, and government reactions such as lockdowns and travel restrictions could negatively affect customers, suppliers, and companies' ability to provide products. Kongsberg Digital has implemented and will continue implementing new preventive measures according to the relevant authorities' applicable guidelines. This is to protect our own employees and business connections and as far as possible, ensure normal operations.

## Personnel and organisation

In Kongsberg Digital we have an ambition of being an employer of choice. Attracting, developing, and retaining relevant expertise, building leaders to be inspired by, and working in a stimulating, diverse, growth culture and fit-for-purpose work environment are all elements of being an employer of choice. Kongsberg Digital's engagement score is a measurement of our success.

Our engagement score, measured by the WinningTemp tool, has increased significantly during 2024. The increase in the score is attributed to the active attention to engagement, as demonstrated by leaders and teams throughout the year. Examples of actions directly derived from employee input in WinningTemp include our focus on building inspiring leaders and opportunities for personal development.

In 2024, we launched the "Leading in Business" leadership development program, targeting 100 selected leaders in the company. This program aims to help both new and experienced leaders excel in their roles and provides participants with the mindsets, tools, and methods to excel in their leadership roles. In addition to the investments made in developing our leaders, close to 100 courses were launched in our online training tool. Courses spanning from compliance training, intercultural learning, product insight, mental health, diversity, and general training to make work life in Kongsberg Digital easier for all our employees.

Another significant investment in 2024 was our focus on pay transparency. Kongsberg Digital has implemented the Korn Ferry job architecture as the foundation for job levels and the use of external market benchmarks. This initiative is the first step to creating transparency around pay structure and ensuring equal pay for women and men in equal positions and with comparable competence and experience, an ambition stipulated in our global compensation guideline.

By the end of 2024, we had 1204 people, and 93% of our employees had college or university-level education. We have colleagues in 21 countries, with 52 nationalities, 24% women, and 76% men. We closely monitor diversity and inclusion, recognising that diverse experiences and perspectives foster creativity and innovation.



Our personnel policy ensures equal possibilities and rights, and we work actively to prevent biases by providing awareness and training regarding unconscious biases and by ensuring solid performance and talent processes. To the extent possible, we seek to adapt working conditions so that Kongsberg Digital can employ people with disabilities. See Kongsberg Gruppen ASA's sustainability report and annual report for Kongsberg Digital AS for complementary information related to equality. Kongsberg Digital is included in Kongsberg Gruppen ASA's statement according to the Transparency Act.

## Health, safety and environment

Health, safety, and environment (HSE) must be managed to promote job satisfaction, well-being, and a sound working environment. Health, safety, and environment are essential to our operating license, our customers, and our employees. It is a responsibility we own but also a competitive advantage. In Kongsberg Digital, we work risk-based with our HSE work, focusing our efforts on our top three risks: mental health, ergonomics, and travel security.

One basic principle is that HSE work should be preventive. We work with awareness and campaigns throughout the year to address our risks. As a digital company, we aim to be data driven. Based on this, we launched Synergi Life in January 2024. Synergi Life is a reporting tool for QHSE and audits. In Kongsberg Digital we use it to report incidents, non-conformities, near misses, observations, and improvement suggestions. With the implementation of Synergi Life, we have seen an improvement in reporting of HSE incidents, near misses, and observations. In 2024, we had 3 incidents that caused lost time or medical treatment, with a total of 8 workdays lost.

Employee satisfaction and well-being are continuously measured using Winningtemp.

Sick leave is another important indicator, and for 2024, our Norwegian organization had a sick leave of 2.7%. This is slightly above our target, and we will continue to monitor closely. Globally, our sick leave was 1.7%.

Kongsberg Digital is certified according to ISO45001 and 14001, which supports us in continuous improvement within HSE.

## Insurance for the Board and CEO

Kongsberg Gruppen ASA has purchased and maintained Directors' and Officers' Liability Insurance on behalf of the members of the Board of Directors and CEO. The insurance additionally covers any employee acting in a managerial capacity and includes subsidiaries owned by more than 50 per cent. A reputable, specialised insurer issues the insurance policy with an appropriate rating.



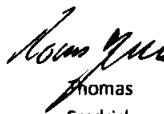
### Allocation of profit & losses

In 2024, the group had earnings after tax (loss) of NOK -309 million. Profit after tax of the Parent Company, Kongsberg Digital Holding ASA, was positive with NOK 1.4 million. The Board proposes that profit after tax for the Parent Company is allocated against other equity.

### Going concern

In compliance with Section 4-5 of the Norwegian Accounting Act, it is confirmed that the going concern assumptions continue to apply. This is based on forecasts for future profits and the Company's long-term strategic prognoses. Kongsberg Digital is in a healthy economic and financial position.

Lysaker, 21 March 2025

								
Thomas Fredrick Borgen	Karen Grottheim Algaard	Christian Thraning Karde	Mette Toft Bjørgen	Geert-Peter Van Giessel	Kristin Tandberg Haugsjå	Hanne- Sofie Strømberg	Sigmund Ivar Bakke	Shane McArdle
Chairman	Director	Director	Director	Director	Director	Director	Director	President



## Consolidated statement of income

KONGSBERG DIGITAL HOLDING (GROUP)

<i>MNOK</i>	<i>Note</i>	<i>2024</i>	<i>2023</i>
Operating revenues	6,7,8	972	834
Total Revenues		972	834
Cost of sales	9,10	359	348
Gross profit		613	486
Product development and maintenance cost	9,10	199	196
General and administration, sales and marketing cost	9,10	613	489
Total operating expenses	9	812	686
Amortisation and impairment of intangible assets	9,16	137	112
Operating profit	6	(337)	(313)
Share of net income from associated companies	12	1	1
Financial income	13	21	9
Financial expenses	13,8	24	17
Interest on leasing liabilities	17,13	6	6
Income before tax		(344)	(327)
Income tax expense	14	44	47
Net income from continuing operations		(300)	(280)
Net income from discontinued operations	34	(9)	(144)
Net income after tax		(309)	(424)
Profit for the year attributable to:			
Equity holders of the parent company		(304)	(416)
Non-controlling interests		(6)	(8)
Net income per share (EPS) / EPS diluted in NOK from continued operations	15	(26,938)	(42,002)



## Consolidated statement of comprehensive income

KONGSBERG DIGITAL HOLDING (GROUP)

<i>MNOK</i>	<i>Note</i>	<i>2024</i>	<i>2023</i>
Net income after tax		(309)	(424)
Specification of other comprehensive income for the year:			
<i>Items to be reclassified to profit or loss in subsequent periods:</i>			
Change in fair value, financial instruments			
Translation differences currency		20	7
Total items to be reclassified to profit or loss in subsequent periods		20	7
<i>Items not to be reclassified to profit or loss:</i>			
Actuarial gains/losses pensions	11	(2)	(1)
Tax effect on actuarial gain/loss on pension	14	(0)	(0)
Total items not to be reclassified to profit or loss		(2)	(2)
Other comprehensive income for the period		18	5
Total comprehensive income after tax for the period		(291)	(419)
Equity holder of the parent		(285)	(410)
Non-controlling interests		(6)	(8)



## Consolidated statement of financial position

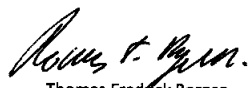
KONGSBERG DIGITAL HOLDING (GROUP)

<i>MNOK</i>	<i>Note</i>	<i>2024</i>	<i>2023</i>
<i>Assets</i>			
<i>Non-current assets</i>			
Property, plant and equipment		15	26
Leased assets	17	65	140
Goodwill	16,18	282	397
Other-intangible assets	16	571	705
Deferred tax asset	14	152	120
Shares in associated companies	12	21	20
Other non-current assets	19	12	11
Total non-current assets		1,118	1,419
<i>Current assets</i>			
Inventories	20	(0)	33
Trade receivables	21,8	192	333
Customer contracts, asset	7	182	307
Derivatives	22 A	16	27
Other short-term receivables	21,8	10	18
Receivables group cash pool	23,8	-	164
Cash and cash equivalents	23,8	92	142
Total current assets		493	1,024
Assets held for sale	34	926	-
Total assets		2,537	2,443



<i>Equity</i>			
Issued capital		2,405	2,133
Retained earnings		(997)	(712)
Non-controlling interests		(14)	(8)
Total equity	24	1,392	1,414
<i>Non-current liabilities</i>			
Long-term leasing liabilities	17,8	51	121
Pension liabilities	11	6	4
Other non-current liabilities		2	3
Total non-current liabilities		59	128
<i>Current liabilities</i>			
Customer contracts, liabilities	7	189	457
Derivatives	22 A	39	16
Provisions	25	3	6
Short-term interest-bearing loans	22 C	50	3
Short-term leasing liabilities	17,8	29	39
Liabilities group cash pool	23,8	66	-
Other current liabilities	26,8	241	384
Total current liabilities		617	905
Total liabilities		676	1,033
Liabilities directly associated with the assets held for sale	34	469	-
Total equity and liabilities		2,537	2,443

Lysaker, 21. March 2025

  
Thomas Fredrick Borgen  
Chairman

  
Mette Toft Borgen  
Board Member

  
Hanne Sofie Strømberg  
Board Member

  
Kristin Tandberg Haugsjø  
Board Member

  
Geert-Peter Van Giessel  
Board Member

  
Sigmund Ivar Bakke  
Board Member

  
Christian Thraning Karde  
Board Member

  
Karen Grøttheim Algaard  
Board Member

  
Shane McArdle  
CEO



## Consolidated statement of changes in equity

KONGSBERG DIGITAL HOLDING (GROUP)

	<i>Share capital</i>	<i>Share Premium</i>	<i>Other issued capital</i>	<i>Translation difference</i>	<i>Retained earnings</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
<i>MNOK</i>							
Equity as of 1.1.23	10	431	437	4	(304)	-	578
Net income after tax	-	-	-	-	(416)	(8)	(424)
Other comprehensive income	-	-	-	7	(1)	-	6
Other changes	-	-	-	-	(1)	-	(1)
Capital increase	3	973	-	-	-	-	976
Group contribution	-	-	281	-	-	-	281
Equity as of 31.12.23	13	1,404	718	11	(723)	(8)	1,414
Equity as of 1.1.24	13	1,404	718	11	(723)	(8)	1,414
Net income after tax					(304)	(6)	(309)
Other comprehensive income				18			18
Capital increase	1	269					270
Equity as of 31.12.24	14	1,673	718	29	(1,026)	(14)	1,392



## Consolidated statement of cash flow

KONGSBERG DIGITAL HOLDING (GROUP)

<i>MNOK</i>	<i>Note</i>	<i>2024</i>	<i>2023</i>
Net income after tax		(309)	(424)
Depreciation/impairment of property, plant and equipment		13	9
Depreciation of leased assets		41	39
Amortisation/Impairment of intangible assets		206	179
Share of net income from associated companies		(1)	(1)
Net finance items		17	35
Income taxes		(38)	(89)
Net income before interest, taxes, depreciation and amortisation (EBITDA)		(71)	(252)
<i>Adjusted for</i>			
Change in customer contracts, assets		(48)	71
Change in other current liabilities		(68)	73
Change in inventories		(21)	3
Change in trade receivables		4	(98)
Change in other current receivables		1	13
Change in trade payables		26	(2)
Change in provisions and other accruals		1	(23)
Change in other non-current liabilities		(1)	(26)
Change in pension liabilities		2	3
Income tax paid		(22)	(32)
Change in net current assets and other operations-related items		(125)	(17)
Net cash flows from operating activities		(196)	(269)
<i>Cash from investing activities</i>			
Proceeds from sale of property, plant and equipment		-	1
Purchase of property, plant and equipment		(8)	(8)
Capitalised internal developed intangible assets		(291)	(279)
Acquisition of subsidiaries, net of cash acquired		-	(193)
Net cash flow from investing activities		(299)	(479)



<i>Cash flow from financing activities</i>		
Proceeds from interest-bearing loans	210	-
Repayment of interest-bearing loans	(160)	(13)
Payment of principal portion of lease liabilities	(45)	(39)
Capital increase	270	976
Interest paid	(1)	(11)
Interest paid on leasing liabilities	(16)	(9)
Interest income	4	9
Contribution received	-	361
Changes in Group cash pool	230	(480)
Net cash flow from financing activities	492	794
<b>Total cash flow</b>	<b>(4)</b>	<b>46</b>
Effect of changes in exchange rates on cash and cash equivalents	21	(2)
Net change in cash and cash equivalents	17	44
Cash and cash equivalents at 1 January	142	98
Cash and cash equivalents at 31 December	159	142
Cash and cash equivalents - Assets held for sale	67	
Cash and cash equivalents at 31 December - Continuing business	91	142



## Note 1 General information

### KONGSBERG DIGITAL HOLDING (GROUP)

Kongsberg Digital Holding is a subgroup of the KONGSBERG Group ASA (KONGSBERG). Kongsberg Digital Holding is headquartered in Lysaker, Norway. The Board approved Kongsberg Digital Holding's consolidated financial statements for the accounting year 2024 at its meeting on 21 March 2025. The consolidated financial statements for 2024 include the parent company and subsidiaries (collectively referred to as "KDI" or "the Group"), as well as the Group's investments in associates.

## Note 2 Basis for the preparation of the consolidated financial statements

Kongsberg Digital Holding ASA was established in 2021 and was in 2021 new parent of the Kongsberg Digital Holding Group. The share transfer of the shares in Kongsberg Digital AS to Kongsberg Digital Holding ASA was accounted by using the continuity method.

The consolidated financial statements are presented in Norwegian kroner (NOK), and all figures have been rounded to the nearest million, except when otherwise indicated. Due to rounding, the numbers in one or more lines or columns in the consolidated financial statements may not be summed to the total in the line or column.

The consolidated financial statements have been prepared in accordance with IFRS<sup>®</sup> Accounting Standards (IFRS) as adopted by the European Union (EU) and related interpretations, in addition to the Norwegian disclosure requirements according to the Accounting Act applicable. The consolidated financial statements have been prepared on a historical cost basis except for the following assets and liabilities:

- Financial derivatives (forward exchange contracts, currency options and interest swap agreements), measured at fair value
- Certain financial assets measured at fair value

### Estimate uncertainty and accounting judgements

During the preparation of the financial statements, the company's management has applied its best estimates and assumptions considered to be realistic based on experience and market conditions. Situations can arise which alter the estimates and assumptions, which will affect the company's assets, liabilities, revenues and expenses. The estimates are reviewed on an ongoing basis and are recognised in the period in which they occur. In the preparation of the consolidated financial statements, management has made some significant judgements relating to the application of accounting policies.

For more detailed information on estimation uncertainty and areas for application of judgement that could have a significant impact on the amounts recognised in the following financial period, please see the following notes:

- Note 7 "Revenue recognition customer contracts"
- Note 16 "Intangible assets"
- Note 18 "Impairment testing of goodwill"
- Note 21 "Receivables and credit risk"
- Note 22 "Financial Instruments"
- Note 25 "Provisions"

## Note 3 Summary of significant accounting policies

### Accounting policies

Descriptions of accounting principles are generally included in the various notes to the financial statements. The general principles relating to foreign currency translation, Property, plant and equipment and impairment of non-financial assets are described below

### Foreign currency

The Group's consolidated financial statements are presented in NOK (Norwegian kroner), which is also the parent company's functional currency. Each entity in the Group determines its own functional currency, and all transactions in the accounts of the individual entities are measured at their functional currency. Foreign currency transactions are measured in the functional currency on the date of the transaction.

Customer contracts in currencies different from the exposed unit's functional currency are hedged and recognised on the basis of the hedged exchange rate. Any unhedged receivables and other liabilities in non-functional currencies are translated with the exchange rate at the balance sheet date, and currency differences are recognised in the income statement. Gains and losses related to foreign exchange items in the normal operating cycle are included in the operating profit before depreciation and amortisation. Other gains and losses related to items in non-functional currency are classified as financial income or costs.

### Translation – foreign subsidiaries

Assets and liabilities in foreign subsidiaries applying functional currencies other than NOK are generally translated into NOK at the exchange rates at the balance sheet date. Revenues and expenses are translated into NOK at the average exchange rates on a monthly basis. Translation differences are recognised in other comprehensive income. When a foreign subsidiary is disposed of with the result that Kongsberg Digital no longer has control, the accumulated translation differences are recognised in the income statement and at the same time reversed in other comprehensive income.

### Property, plant and equipment

Property, plant and equipment are recognised at acquisition cost, net of accumulated depreciation and/or any accumulated impairment losses. Such cost includes expenses that are directly attributable to the acquisition of the assets. Property, plant and equipment are depreciated on a straight-line basis over their expected useful life. When individual parts of a property, a plant or equipment have different useful lives, and the cost is significant in relation to total cost, these are depreciated separately. Any expected residual value is taken into account when stipulating the depreciation schedule.

The remaining expected useful life and expected residual value are reviewed annually. Gains or losses on the disposal of property, plant and equipment are the difference between the sales price and the carrying amount of the unit and are recognised at net value in the income statement. Expenses incurred after the asset is in use, e.g., day-to-day maintenance costs, are expensed as they are incurred. Other expenses expected to result in future economic benefits and that can be reliably measured, are recognised in the statement of financial position.

### Impairment of non-financial assets

All non-financial assets are reviewed for each reporting period to determine whether there are any indications of impairment. If this is the case, recoverable amounts are calculated.



The recoverable amount of an asset or cash-generating unit is the higher of its value in use or fair value less net costs to sell. Value in use is calculated as the net present value of future cash flows.

The discount rates are based on a weighted average cost of capital (WACC) method, whereby the cost of equity and the cost of liabilities are weighted according to an estimated capital structure. The discount rate before tax reflects current market assessments of the time value of money and the risks specific to the asset. The pre-tax discount rate has been calculated using an iterative method.

Impairment is recognised if the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group that generates a cash inflow that is largely independent of other assets or groups. Impairment related to cash-generating units primarily reduces the carrying amount of any goodwill allocated to the unit and then the carrying amount of the other assets in the unit on a pro rata basis. These assets normally constitute property, plant and equipment, and other intangible assets. In the event that an individual asset does not generate independent cash inflows, the asset is grouped with other assets that generate independent cash inflows.

Non-financial assets that are subject to impairment losses are reviewed during each period to determine whether there are indications that the impairment loss has been reduced or no longer exists. Reversals of previous impairment are limited to the carrying value the asset would have had after depreciation and amortisation, if no impairment loss had been recognised.

#### Changed standards in IFRS that have not yet been implemented

There are no changes in IFRS standards or interpretations that are not yet effective that would be expected to have a material impact on the consolidated statement for Kongsberg Digital.

## Note 4 Fair value

The Group's accounting principles and disclosures require the measurement of fair value on certain financial and non-financial assets and liabilities. For both measurement and disclosure purposes, fair value has been estimated as described in the disclosures below. Where relevant, further disclosures will be provided in the notes regarding the assumptions used to calculate fair value on the individual assets and liabilities.

#### Intangible assets

The fair value of intangible assets, e.g., technology, software and customer relations acquired through acquisitions, is calculated at the net present value of the estimated future cash flow from the asset, discounted by a risk-adjusted discount rate.

The fair value of customer relations is based on the discounted net excess earnings on the related asset.

#### Property, plant and equipment

At acquisitions, Kongsberg Digital measures property, plant and equipment at fair value. The fair value is equivalent to its market value. The market value of property is based on what the property could be sold for on the day of valuation agreed by a willing buyer and seller in an "arm's length transaction". The market value of the plant and equipment is based on assessments obtained from independent appraisers.



## Leases

Leases are recognised at fair value at the time the agreement is signed. When acquisition of businesses lease contracts are measured at fair value on the date of acquisition. The market value is determined using the implicit interest rate in the lease contract or the incremental borrowing rate. For lease of property yield obtained from external parties is used.

## Inventories

The fair value of inventories acquired through acquisitions is based on an estimated selling price for ordinary operations less selling costs and a reasonable profit for the sales efforts.

## Derivatives

The fair value of forward exchange contracts is based on observable market data. Kongsberg Digital uses prices from Thomson Reuters for the various forward exchange contracts. In turn, these are based on supply and demand from several market participants. Fair value is referring to the net present value of the variance between the revaluated forward rate at the balance sheet date and at the time of entering the forward exchange contract. Fair value of any interest rate swap agreements, basis swaps and currency options are assessed based on market prices from Thomson Reuters or updated valuations from the transaction counterpart.

## Non-current liabilities

Fair value of interest-bearing loans, see Note 22 F "Financial instruments – Summary of financial assets and liabilities", is calculated using estimates of the interest curve and credit margin at the balance sheet date. Estimated cash flows are discounted by the interest rate Kongsberg Digital would expect to pay for equivalent funding at the balance sheet date. The reference market interest rate is 3M NIBOR and the credit margin is then estimated for Kongsberg Digital for respective tenors.

## Note 5 Management of capital and financial risks

KONGSBERG has a centralized treasury department (Group Treasury). The centralized department is responsible for the Kongsberg Digital's financing, capital structure, currency risk, interest rate risk, credit risk, liquidity management, trade finance, guaranties issued and insurance schemes. Kongsberg Digital has with that limited opportunities to establish independent funding or assume financial risk. The Board of KONGSBERG has adopted guidelines for financial risk management which have been included in the KONGSBERG's financial policy.

### Funding and capital management

KONGSBERG's policy is to allocate capital according to the following principles and sequence:

1. Maintain a solid statement of financial position
2. Invest for organic growth
3. Ensure competitive direct returns for shareholders
4. Active management of the company's business portfolio

The capital structure of the Group consists only of equity which is primarily attributable to the shareholders of Kongsberg Digital Holding ASA. The Group's equity as of 31.12.2024 was NOK 1 392 millions, which corresponds to 54,8 per cent of total assets.



Kongsberg Digital has no external financing and is only exposed for changes in the interest rate set by Group Treasury in Kongsberg Gruppen ASA.

## Note 6 Operating segments

Kongsberg Digital is focused on taking up new and strengthening existing positions related to digitalisation within the oil and gas, wind and merchant marine markets.

Management monitors the operating segments' EBITDAs on a regular basis and uses this information to analyse the various operating segments' performance and to make decisions regarding allocation of resources. The operating segments' performance is assessed based on EBITDA and return on capital employed.

For 2024 the Kongsberg Digital Group is organized into business areas based on the industries in which the Group operates. As of 31 December 2024, reporting requirements apply to the following two main operating segments KDI BA and Maritime Simulations. In December 2024, Kongsberg Digital and Kongsberg Maritime signed an agreement to transfer the Maritime operations of Kongsberg Digital to Kongsberg Maritime which is presented as discontinued operations.

### KDI BA

Digital Wells (SiteCom) offers systems for data acquisition and visualisation of drilling operations in real time, in addition to applications for operations analysis and advanced decision support.

Digital Energy (Kognitwin and Energy Simulators) offers advanced dynamic digital twins that enable substantial reductions in operating costs, improvement and streamlining of work processes, contributes to reduce emission and increased production of energy. Furthermore, the division offers solutions that increase production efficiency by utilising real-time simulation for design, multiphase flow and operator training.

Digital Ocean offers a standardised vessel-to-cloud infrastructure and a digital ecosystem for the maritime sector where the customer get access to applications and solutions to reduce costs and emission, increase the efficiency of, automatize and optimize operations. Furthermore, the division delivers market leading simulator solutions which ensure the authentic and thorough training of personnel and students in maritime, naval and offshore markets.

Other business consists of software development and group departments. Software development organises all the development resources in the Group and supports the other divisions in customer contracts and development projects.

### Maritime Simulations

Maritime Simulation offers a standardised vessel-to-cloud infrastructure and a digital ecosystem for the maritime sector where the customer get access to applications and solutions to reduce costs and emission, increase the efficiency of, automatize and optimize operations. Furthermore, the division delivers market leading simulator solutions which ensure the authentic and thorough training of personnel and students in maritime, naval and offshore markets.

The division figures are reported to the management without IFRS 16 effects.



Information on the Group's operating segments is presented below.

MNOK	Continued Operations			Discontinued Operations				
	KDI BA	IFRS16	Total	Maritime				
				KDI BA	Simulation	IFRS16	Total	Total
2024								
Operating revenue from external customers	972			267	496			
Total revenues	972		972	267	496		764	1,735
Net income before interest, taxes, depreciation and amortisation (EBITDA)	(200)	31	(169)		74	23	97	(72)
Depreciation		35	35			19	19	54
Amortisation	137		137		69		69	206
Operating profit (EBIT)	(337)		(337)		5		5	(332)
2023								
Operating revenue from external customers	834			238	362			
Total revenues	834		834	238	362		600	1,432
Net income before interest, taxes, depreciation and amortisation (EBITDA)	(202)	26	(176)		(94)	18	(76)	(252)
Depreciation	(7)	(23)	(30)	(1)	(1)	(16)	(18)	(48)
Impairment of property, plant and equipment					(39)		(39)	(39)
Amortisation	112		112		67		67	179
Operating profit (EBIT)	(313)		(313)		(166)		(166)	(479)

Kognitwin is included in the division KDI BA and constitute NOK 356 million in 2024 (NOK 266.3 million in 2023) of the revenues in the division.

There are no differences between the measurement methods used at the segment level and those applied to the consolidated financial statements. The different operating segments' EBITs include income and expenses from transactions with other operating segments within the Group. Transactions between the segments are based on market prices. Intra-group transactions between the different segments are eliminated upon consolidation.

## Geographical information

In presenting information by geographical segments, earnings are distributed based on the customers' geographical location, while the data on fixed assets are based on the location of the physical investment or relationship to the relevant acquisition. The Group's activities are generally divided into Norway, the rest of Europe, America and Asia. Fixed assets include property, plant and equipment, intangible assets and goodwill.



(Financial instruments, deferred tax benefits, pension funds and rights following from insurance agreements are not included.)

<i>MNOK</i>	<i>Norway</i>	<i>Europe</i>	<i>North America</i>	<i>South America</i>	<i>Asia</i>	<i>Oceania</i>	<i>Africa</i>	<i>Total</i>
2024								
Operating revenue from external customers	239	157	293	44	217	7	15	972
Operating revenues as % of the total	25%	16%	30%	4%	22%	1%	2%	
Fixed assets <sup>1)</sup>	996	-	7	-	28	-	-	1,031

<i>MNOK</i>	<i>Norway</i>	<i>Europe</i>	<i>North America</i>	<i>South America</i>	<i>Asia</i>	<i>Oceania</i>	<i>Africa</i>	<i>Total</i>
2023								
Operating revenue from external customers	319	116	215	34	136	13	1	834
Operating revenues as % of the total	38%	14%	26%	4%	16%	1%	0%	
Fixed assets <sup>1)</sup>	974	14	15	-	34	-	-	1,037

1) Fixed assets in this report comprises of property, plant and equipment, leasing assets, goodwill and other intangible assets.

## Note 7 Revenue recognition customer contracts

Revenue recognition of customer contracts consists of five steps that must be assessed to determine the correct revenue recognition of customer contracts.

Step 1: Identifying customer contracts

Step 2: Identifying separate performance obligations

Step 3: Determining the transaction price

Step 4: Allocating the transaction price

Step 5: Recognition when the performance obligation is fulfilled

### Step 1: Identifying customer contracts

The first step in the evaluation model specifies main criteria for the existence of a customer contract. The contract must have commercial substance, and key terms of delivery must be agreed between the parties (the parties' rights and obligations, terms of payment etc.). It must also be probable that Kongsberg Digital will receive settlement for the delivery.

### Step 2: Identifying separate performance obligations

The accounting standard also requires that an assessment must be made for all goods and services that the seller is committed to by the contract, in relation to those that are processed as separate performance obligations or reported together in connection with revenue recognition. The assessments consider whether



goods and services in the agreement are suitable for separate delivery, and whether the contract gives the customer a stand-alone value for individual goods and services. The latter is assessed on the basis of specific contractual conditions. A series of more or less identical deliveries in the same contract is considered as a single performance obligation.

Examples of contracts that are normally divided into parts are various products in a single contract that are used by the customer independently of one another, goods with service agreements, licenses and services.

### Step 3: Determining the transaction price

The third step is to determine the transaction price, which is equivalent to the expected consideration from the customer. This amount will in most cases be easy to determine as the Group's customer contracts often apply fixed prices. However, there are certain cases which need to be assessed. This largely applies to different forms of discounts and incentive schemes, financing items in the contracts and options. Best estimate is used as basis for discounts and incentives schemes when determining the transaction price. For contracts with a significant financing item expanding more than a year, the interest component will be separated out from the contract revenue. There may also be cases involving revenue reduction as a result of financial penalties for delays. When determining the transaction price, these must only be taken into consideration if it is highly likely that they will occur.

### Step 4: Allocating the transaction price

When the transaction price has been determined, it will be allocated to each individual performance obligation as identified under step 2, based on the stand-alone selling price. The stand-alone selling price is normally the price of the product when it is sold separately, less any discounts that are to be distributed. If this price cannot be observed directly, it must be estimated. This will often apply to the allocation of revenues between licences and services, but also to the distribution of revenues between different products that are supplied as an integrated solution. Integrated solutions are mainly considered as a single performance obligation under step 2. This is because the systems operate together and because the delivery is usually approved as a whole. Nevertheless, a performance obligation can be allocated different prices for different parts of the customer contract. This is done according to the stand-alone principles described above. This means that the level of earning in different phases of a customer contract may vary depending on which parts are to be transferred to the customer's control.

### Step 5: Recognition when the performance obligation is fulfilled

The final step of the model states when revenue is to be recognised, where performance obligations that are recognised at a point in time are distinguished from those that are recognised over time. In Kongsberg Digital, revenue recognition is often based on the progress of the projects. The principle stated in IFRS 15 is that control over the asset will then be transferred to the customer before Kongsberg Digital can recognise revenue. Control normally means that the customer can use an asset directly, is able to achieve most of the remaining benefits of an asset and is able to prevent other parties from using or achieving benefits of an asset. This is considered for each individual performance obligation. Furthermore, IFRS 15 specifies three cases where the seller is to recognise revenue over time:

- a) The seller produces an asset that is controlled by the customer, for example if the seller builds an asset on the customer's property.
- b) The customer receives and consumes goods/services from the seller under a performance obligation over time. This will apply to most services.
- c) The seller develops an asset that doesn't have an alternative area of use for the seller, and the seller is contractually entitled to be paid for work up to a point in time (costs incurred plus margin). In relation to alternative areas of use, it is the end product that is to be considered.

As stated in the above items, transfer of control does not have to be physical (items a and b) but can also be contractually based (item c). Most of Kongsberg Digital's contracts are recognised according to level of progress (over time) in category c, where the physical handover of the products is not done on an ongoing basis, but



when the products are completed and often towards the end of the contract period. Assessments are based on different criteria depending on the product and project. However, the most important ones are:

- Various degrees of customer-specific adaptations
- There is a limited market for similar products
- The systems are installed/integrated on the customer's property on an ongoing basis or at the end of the project, and
- Remanufacturing the products for another customer requires considerable work

The Group has contracts that give a legal right to coverage of costs incurred plus a margin in the event that the customer terminates the contract without sufficient reasons.

### "Customer contracts, assets", and "customer contracts, liabilities"

On the line "Customer contracts, assets", Kongsberg Digital has collected all asset items associated with customer contracts, except trade receivables. This includes accrued, non-invoiced revenue, prepayments to subcontractors, goods which have been purchased or allocated to customer contracts, but which have not been altered or led to progress being made on the project, and work in progress for projects that are recognised upon delivery.

The carrying value of customer contracts in the statement of financial position is based on an assessment of the financial status of each individual customer contract. The classification is determined on a contract-to-contract basis unless netting has been agreed. If this is the case, the contracts can be considered together. In the consolidated financial statement, all balances are netted for each customer contract in the Group accounts and presented on one line in the statement of financial position, with the exception of trade receivables (presented on the line "Receivables"). Individual customer contracts are then presented as either "customer contracts, assets" or "customer contracts, liabilities".

Most of Kongsberg Digital's customer projects that are recognised over time apply cost-to-cost as a measure of progress. Cost-to-cost is calculated comparing the actual costs with the estimated total costs of the projects. This means estimation of total hours or total costs of the projects where the revenue recognition is based on incurred costs compared to the estimated total costs.

In some cases, advances are received from customers or customers are invoiced before control is transferred. This is presented as a "customer contract, liability". "Customer contract, liability" will also arise as a result of cost accruals performed during the fulfilment of the customer contracts. With the exception of trade payables, all liabilities relating to customer contracts are collected together on this line. In the same way as with assets, balance sheet items for customer contracts that are recognised according to progress are presented together with assets that are recognised upon delivery.

Recognised accrued contract profit is a proportional share of the estimated total contract profit based on the percentage of completion. If the profit on a contract cannot be estimated reliably, the project will be recognised without a profit until reliable estimates are available. Recognised accrued contract profit is classified as "customer contracts, assets" in the balance sheet. When the customer is invoiced the "customer contracts, assets" are reclassified to trade receivables.

In special cases, work on projects will commence and expenses incurred before a contract has been signed with the customer. This requires a high probability that the contract will be signed. Capitalised costs of this kind are classified as inventories until a contract has been signed.

### Onerous contracts

An onerous contract is defined as a contract where unavoidable costs in connection with the fulfilment of the contract exceed the economic benefits that are expected to be received, which means that there must be an actual loss rather than just a reduction in profit. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.



When a customer contract is expected to result in a loss, the loss is recognised in its entirety immediately. A customer contract is expected to result in a loss when expected costs exceed expected revenues in the contract. Net allocated provision for onerous contracts are classified in the statement of financial position as "customer contracts, liabilities".

Recurring and non-recurring revenues:

<i>MNOK</i>	2024	2023
Total recurring revenues	885	735
Total non-recurring revenues	850	699
Total revenues	1,735	1,433
Total recurring revenues continuing operations	617	492
Total non-recurring revenues continuing operations	355	341
Total revenues continuing operations	972	834

Recurring revenues: The Group sells software solutions and services through subscription- and lease models where the customer receives access to services or software owned by the Group or a third party. In addition, the Group has revenues from maintenance and user support on the software solutions.

Non-recurring revenues: The Group has customer contracts where development of customer specific software and hardware are delivered. The Group's project deliveries include development of services and hardware on custom solutions. Other revenues includes amongst others sale of licenses and support on custom solutions.

Revenues disaggregated by timing of transfer of goods and services

<i>MNOK</i>	2024	2023
Revenue recognition over time	1,683	1,385
Revenue recognition upon delivery	52	49
Revenue from rental of property, plant and equipment	0	0
Total external revenues from customer contracts	1,735	1,433
Gains from sale of property, plant and equipment	0	0
Gains from sale of business	0	0
Total external revenues	1,735	1,433
Revenue recognition over time continuing operations	965	805
Revenue recognition upon delivery continuing operations	8	29
Total external revenues from customer contracts continuing operations	972	834



The table shows the anticipated date on which remaining performance obligations as of 31 December 2024 are recognised as income:

MNOK	2024				2023			
	Date of revenue recognition				Date of revenue recognition			
	Order backlog 31.12.24	31/12/25	31/12/26	2027 and later	Order backlog 31.12.23	31/12/24	31/12/25	2026 and later
Kongsberg Digital	1,953	1,131	550	273	2,033	1,144	568	322
Sum	1,953	1,131	550	273	2,033	1,144	568	322
Order Backlog continuing operations	1,147	727	157	264	1,227	458	240	302

Large parts of Kongsberg Digital's revenue are projects where the delivery is services for providing a customer specific solution based on a software license. These deliveries are recognised as revenue over time. This is because the deliveries are extensively customized and have no alternative area of use for Kongsberg Digital. The measure of progress regarding revenue recognition can be based on costs, hours or milestones. Subscription/Saas, lease and maintenance & user support are recurring revenues. These performance obligations are recognised over time, as the customer receives and consumes the service as Kongsberg Digital performs.

Kongsberg Digital also has a proportion of deliveries where the revenues are recognised upon delivery. This particularly applies to licenses that are separate performance obligations and gives the customer a right to use the software as it exists at the point in time at which the license is granted.

Customer contracts have different payment terms, depending on the product, market and negotiations with the customer. Many customer contracts that are recognised over time include an advance paid by the customer upon contract signing, followed by payments as milestones are achieved. There are considerable differences between the contracts. For goods and service deliveries customers are primarily invoiced upon delivery and payment takes place after an agreed credit period, which depends on the individual agreement.



## Specification of net contract balances at end of year

MNOK	2024	2023
Customer contracts in progress	238	224
Prepayments received from customers	(304)	(338)
Accrued assets, customer contracts	124	40
Accrued liabilities, customer contracts	(57)	(76)
Net contract balances	2	(150)
Customer contracts in progress continuing operations	109	
Prepayment received from customers continuing operations	(121)	
Accrued asset, customer contracts continuing operations	59	
Accrued liabilities, customer contract continuing operations	(53)	
Net contract balances continuing operations	(7)	

The table above shows the gross amounts before netting between the income- and the expense side of the customer contracts. The numbers as of 31 December 24 are reclassified amongst the lines.

The table below shows balance sheet items for each customer contract, with the exception of trade receivables netted and presented on the corresponding balance sheet line. Each contract is represented by one debit or one credit amount.

MNOK	2024	2023
Customer contracts, assets	405	307
Customer contracts, liabilities	(403)	(457)
Net contract balances	2	(150)
Customer contracts, assets continuing operations	182	
Customer contracts, liabilities continuing operations	(189)	
Net contract balance continuing operations	(7)	

## Contract balances

### *“Customer contracts, assets”*

“Customer contracts, assets” primarily consists of completed, non-invoiced work and accrued assets related to customer contracts. Accrued assets include components which are to be used in customer contracts, but which have not yet been installed in the projects, prepayments to suppliers and cost accruals.

### *“Customer contracts, liabilities”*

For many customer contracts, advances are agreed with customers or invoicing takes place in accordance with a payment schedule before control is transferred to the customer. This is presented as an advance from the customer and is recognised under “Customer contracts, liabilities”. “Customer contracts, liabilities” will also arise as a result of cost accruals under the contracts. Included in the cost accrual are provisions for onerous contracts.



Revenue recognition from customer contracts includes:

MNOK	31. Dec.2024	31. Dec.2023	
Prepayments from customers included in customer contracts, Obligation at the beginning of the year			
		261	141
Revenue from performance obligation completed before the financial year		13	13
Prepayments from customers included in customer contracts, Obligation at the beginning of the year continuing operations			
		59	
Revenue from performance obligation completed before the financial year continuing operations		11	

## Estimate uncertainty related to customer contracts

The recognition of customer contracts is associated with uncertainty as regards the determination of the type of performance obligation and the transaction price. The type of performance obligation will impact on the timing of revenue recognition, while in cases where the transaction price must be estimated, estimates will impact on the size of the consideration that is to be recognised as revenue. Contract revenue is normally in accordance with the agreement. Variable considerations and financial penalties for delays can impact on the transaction price but are rare. Uncertainty related to the probability that variable considerations or financial penalties for delays will occur and also regards the estimation of the magnitude of these.

For performance obligations that are recognised as revenue over time, revenue recognition will take place in line with estimated progress. Progress of completion is normally calculated on the basis of costs incurred compared to total expected costs or incurred hours measured against the expected time consumption. Expected total costs are estimated, based on a combination of experience-based estimates, systematic estimation procedures and follow-up of efficiency metrics and good judgement. Normally, a high proportion of the total costs will relate to the number of hours remaining that employees must spend developing or completing the project. Uncertainty in the estimates is affected by the project's duration and technical complexity. Principles have been established for categorizing projects in terms of technological complexity and degree of development. This forms the basis for an assessment of risk and recognition of revenue in the projects.



## Note 8 Parter Transactions with related parties

Transactions with companies in KONGSBERG.

Kongsberg Digital is a subgroup of the KONGSBERG Group. All companies in KONGSBERG are thereby related parties to Kongsberg Digital.

The following overview lists transactions and outstanding balances with related parties in KONGSBERG:

### Transactions

<i>MNOK</i>	2024	2023
Revenues	169	107
Material cost	42	37
Other expenses	114	107
Financial income	17	5
Financial expenses	33	6
Revenues Continuing operations	43	57
Material cost Continuing operations	9	-
Other expenses Continuing operations	68	5
Financial income Continuing operations	15	5
Financial expenses Continuing operations	29	3

### Outstanding balances

<i>MNOK</i>	2024	2023
Trade receivables	60	30
Other short-term receivables		-
Deposit cash pool		164
Total current receivables	60	194
Long-term interest-bearing loans		-
Long-term leasing liabilities		88
Total non-current liabilities	-	88
Trade payables	83	71
Short-term leasing liabilities	50	20
Other current liabilities	4	12
Draft cash pool	66	-
Total current liabilities	203	103
Trade Receivables Continuing operations	28	



Sum Trade Receivables Continuing operations	28
Trade Payables Continuing operations	25
Short-term leasing obligations Continuing operations	40
Other current liabilities Continuing operations	3
Draft cash pool Continuing operations	66
Sum current liabilities Continuing operations	134

The Norwegian State as represented by the Ministry of Trade, Industry and Fisheries is KONGSBERG's largest owner (50.0041). State-owned companies are thereby related parties to Kongsberg Digital. Amounts below excludes transactions with other Kongsberg Gruppen ASA entities.

As of 31 December, 2024, Kongsberg Digital had an outstanding balance from state-owned customers of NOK 6,2 million.

In 2024, Kongsberg Digital issued invoices to state customers for a total of NOK 42 million. Goods and services purchased from state suppliers in 2024, amounted to NOK 2 million.

#### Transactions with the associated companies

As of 31 December, 2024, Kongsberg Digital had trade payables for associated companies of NOK 0,011 million. In 2024, Kongsberg Digital issued invoices to associated companies for a total of NOK 1,1 million. Goods and services purchased from state suppliers in 2024, amounted to NOK 8,2 million.



## Note 9 Cost by nature

Cost of sales consists of material, personnel and other operating costs incurred for projects, products and services delivered.

Product development and product maintenance cost:

Product development and maintenance costs consists of material, personnel and other operating costs for research and development activities as well as product and system maintenance activities.

General and administration, sales and marketing cost:

General and administrative costs consist of personnel and other operating costs for governance, general management, finance and administrative departments for legal entities including the business area level. Sales and marketing costs consists of personnel and other operating costs for sales and marketing departments including activities to promote and sell products such as sales support and bid activities, market communication, exhibitions, advertising, brochures etc.

<i>MNOK</i>	<i>Note</i>	<i>2024</i>	<i>2023</i>
Material cost	20	23	15
Personnel expenses	10	661	666
Other operating expenses		450	322
Depreciation		11	6
Depreciation, leasing assets	17	26	25
Amortisation	16	137	111
Impairment of intangible assets	16	1	1
Total costs by nature		1,308	1,147

## Note 10 Personnel expenses

Salaries and other personnel expenses represent expenses associated with the remuneration of personnel employed by the Group.

<i>MNOK</i>	<i>Note</i>	<i>2024</i>	<i>2023</i>
Salaries		649	624
Employer's National Insurance contributions on salaries		77	68
Pension expenses, defined benefit plan		10	10
Pension expenses, defined contribution pension schemes		35	33
Other benefits		37	45
Capitalized development		(174)	(205)
Total personnel expenses	9	634	575
Average no. of FTEs (full-time equivalents)		750	747



## Note 11 Pensions

The Group has a service pension plan that complies with legislation and consists of a defined contribution plan and a closed defined benefit plan. The service pension plans include all employees of the Group in Norway. As of 2024 approximately 503 employees in Norway are covered by the plan. The employees outside Norway are also mainly covered by service pension plans.

### Defined contribution pension scheme (ITP)

The Group have a defined contribution pension scheme for all employees in Norway with some exemptions. The contribution rates are 5 per cent of salary up to 7.1G, and 11 per cent of salary from 7.1G up to 12G. The employees can influence the way the funds are managed by choosing between three investment options: with either 50, 80 or 100 per cent of their shares in the portfolio. Special terms and conditions apply for executives. The supplementary plan has the same investment choices as the main plan. Kongsberg Digital's companies abroad generally have defined contribution plans. The contributions are expensed as incurred.

### The defined benefit plan (YTP)

The board decided in 2022 to convert the defined benefit plan, implemented in 2023. This implies that all members of the scheme have been issued paid-up policies and that active members are transferred to the defined contribution scheme. The one-time effect was recognised as net gain on settlement of the pension scheme in 2022.

Kongsberg Digital Software & Services Private Ltd in India has a defined benefit plan for 303 employees. The increase in pension liability is related to this.

### Risk coverage

Disability pension from the Group will provide an addition to the estimated disability benefits from national insurance. National insurance will cover 66 per cent of the pension basis up to 6G, while the Group plan covers 66 per cent of the pension basis between 6G and 12G. The Group plan also provides an additional 3 per cent of the pension basis from 0G to 12G, a pay increase of 25 per cent of G and any child supplement of 4 per cent per child (maximum 3 children). The disability pension is a one-year risk cover and the premiums will be expensed as they accrue. The risk pensions for the share of salary that exceeds 12G are expensed as incurred. In practice this implies that the Group is self-insurer for the risk pension for future periods.



## Pension assumptions

For assumptions regarding the calculation of future pensions in the benefits plan in Norway see the annual report for 2023.

Change in net pension liabilities recognised in the statement of financial position.

MNOK	2024			2023		
	Funded	Unfunded	Total	Funded	Unfunded	Total
<i>Changes in gross pension liabilities</i>						
Gross pension liabilities as of 1 January	4	-	4	0	1	1
Additions through acquisition	-	-	-	-	-	-
Present value of current year's contribution	3	-	3	5	-	5
Interest expenses on pension liabilities	-	-	-	-	-	-
Actuarial losses/gains	-	-	-	-	-	-
Settlement of pension scheme	-	-	-	-	-	-
Payments of pensions/paid-up policies	(1)	-	(1)	(1)	(1)	(2)
Net change in social security expenses	-	-	-	-	-	-
Translation differences	-	-	-	-	-	-
Gross pension liabilities as of 31 December	6	-	6	4	(0)	4
<i>Changes in gross pension fund assets</i>						
Fair value, pension plan assets as of 1 January	-	-	-	-	-	-
Additions through acquisition	-	-	-	-	-	-
Expected return on pension funds	-	-	-	-	-	-
Actuarial losses/gains	(1)	-	(1)	(1)	-	(1)
Premium payments	2	-	2	2	-	2
Payments of pensions/paid-up policies	(1)	-	(1)	(1)	-	(1)
Fair value, pension plan assets as of 31 December	-	-	-	-	-	-
Net capitalised pension liabilities as of 31 December	6	-	6	4	(0)	4

## Contractual early retirement plan

The Group's general contractual early retirement plan gives a life-long supplement to the ordinary pension. Employees can choose to draw on the new plan from the age of 62, even if they continue to work. The new plan is a defined benefit multi-employer pension plan, and it is funded through premiums established as a percentage of wages. For the moment, there is no reliable measurement or allocation of liabilities and funding as regards the plan. For accounting purposes, the plan is therefore considered to be a defined contribution pension scheme in which premium payments are expensed against income on an ongoing basis, and no provisions are made in the financial statements. A premium is paid to the new plan of the total payments made between 1G and 7.1G to the Group's employees. For 2024, the premium was 2.6 per cent, and the same rate was set for 2022 (estimated at NOK 7.1 million). There is no accumulation of capital in the plan and further increases in the premium level are expected over the coming years.



## Note 12 Shares in joint arrangements and associated companies

Associates are entities in which the Group has significant influence but not control over financial and operating policies (typically a stake from 20 to 50 per cent). A significant influence is the power to participate in the financial and operating policy decisions of the company, but where Kongsberg Digital does not have control or joint control over those policies. Where the stake is less than 20 per cent, it must be clearly demonstrated that significant influence exists, for example, through shareholder agreements. The consolidated financial statement includes the Group's percentage of the profit/loss from associates using the equity method of accounting from the date on which significant influence is achieved and until such an influence ceases.

When the Group's percentage for a loss exceeds the value of the investment, the carrying amount of the investment is reduced to zero and no further losses are recognised. The exceptions are cases where the Group has an obligation to cover the losses.

Kongsberg Digital have investments in the associated company Ledaflow Technologies DA (LTDA). Shares in Konciv AS are decreased to 17 per cent and are reclassified to Other non-current assets.

MNOK	2024			2023		
	LTDA	Konciv AS	Total	LTDA	Konciv AS	Total
Net holding 1.1	20	-	20	19	7	26
Acquisitions/sale during the period		-		-	(7)	(7)
Share of net income during the period <sup>1)</sup>	1	-	1	1	(0)	1
Dividends received		-		-	-	-
Comprehensive income during the period		-		-	-	-
Net holding 31.12	21	-	21	20	(0)	20



## Note 13 Financial income and financial expenses

Financial income consists of interest income, dividends, currency gains, gain on realisation of "Assets at fair value through profit and loss" and other financial income. Interest income is recognised as it accrues using effective interest, while dividends are recognised on the date when the Annual General Meeting approves them.

Financial expenses consist of interest expenses, including interest on leasing liabilities, foreign currency losses, currency gains, losses on realisation of "Assets at fair value through profit and loss" and other financial costs. Interest expenses are recognised as they accrue using effective interest.

<i>MNOK</i>	2024	2023
Interest income from assets at amortised cost	12	7
Foreign exchange gain	9	2
Other financial income	-	0
Financial income	21	9
Interest expense from liabilities at amortised cost	17	6
Foreign exchange loss	6	5
Discounts of non-current provisions	-	-
Other financial expenses	1	5
Financial expenses	24	17
Interest on leasing liabilities	6	6
Net finance item recognised in income statement	(9)	(14)



## Note 14 Income tax

Income tax expense in the financial statements includes tax payable and the change in deferred tax for the period. Assets and liabilities from deferred tax are calculated by taking a starting point in the temporary differences between the accounting and tax balance sheet values at period end (liability method). Deferred tax is calculated on net tax-increasing temporary differences between the values used for accounting purposes and those used for taxation purposes, adjusted for deductible temporary tax-reducing differences and tax losses carried forward if this satisfies the requirements in IAS 12.71.

Revenue from customer contracts that is recognised over time is not recognised for tax purposes until the control and risk have been transferred to the customer, and KONGSBERG is entitled to the consideration in the contract. Due to Kongsberg Digital's volume of large, long-term contracts, there are considerable temporary differences.

Deferred tax assets are only recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred tax assets are assessed for each period and will be derecognised if it is no longer probable that the deferred tax asset will be utilised.

Deferred tax is recognised net within the same tax regime for entities within the same tax group.

### Income tax expense

<i>MNOK</i>	2024	2023
Current tax on profits for the year (incl WHT)	37	24
Adjustment in respect of prior years - current tax	(1)	6
Total current income tax	36	30
Current year change in deferred tax	(64)	(115)
Adjustment in respect of prior periods	(10)	(3)
Total deferred income tax	(74)	(118)
Income tax from discontinued operations	(6)	42
Total income tax	(44)	(47)



## Effective tax rate

The table below reconcile the reported income tax expenses to the tax expenses if the tax rate of 22 % in Norway was applied:

MNOK	2024		2023	
	MNOK	Percent	MNOK	Percent
Earnings before tax	(344)		(289)	-
Expected tax calculated at Norwegian tax rate of 22 %	(76)	22.0 %	(64)	22.0 %
Tax effects of:			-	0.0 %
Adjustments in respect of prior years	(11)	3.2 %	2	-0.5 %
Previously unrecognised tax losses used to reduce payable tax	(10)	2.9 %		
Tax effect on net income from joint arrangements and associated companies	-	0.0 %	-	0.0 %
Previous years losses carried forward	47	-13.7 %	21	-4.0 %
Effect of different tax rates abroad	(48)	14.0 %	(4)	0.9 %
Effect of withholding tax	18	-5.2 %	4	-0.7 %
Other permanent differences	43	-12.5 %	6	-1.2 %
Other	(6)	0.9 %	(12)	0.4 %
Income tax expense and effective tax rate	(44)	11.8 %	(47)	17.4 %

## Taxes paid

MNOK	Note	Total	Norway	Abroad
Corporate income tax		28	-	28
Withholding tax		-	-	-
Total 2024		28	-	28
Corporate income tax		29	-	29
Withholding tax		3	-	3
Total 2023		32	-	32



## Recognised deferred tax assets and liabilities

<i>MNOK</i>	<i>Opening Balance</i>	<i>Tax recognised in income statement</i>	<i>Foreign exchange and reclassifications</i>	<i>Closing Balance</i>
Property, plant and equipment and intangibles	12	(2)	0	10
Intangible assets	-	-	-	-
Pension	-	-	-	-
Provisions / currency	11	(1)	-	10
Losses carried forward	141	57	-	199
Derivatives assets	-	-	-	-
Derivatives liability	(7)	5	-	(2)
Contracts under construction	(39)	8	-	(31)
Carried forward interest deductions	2	(1)	-	1
Other	1	5	-	6
Net deferred tax assets / (Liability)	120	71	-	193
Net deferred tax assets / (Liability) - Held for sale	-	-	-	41
Net deferred tax assets / (Liability) - Continued operations	-	-	-	152

## Customer contracts / temporary differences

For customer contracts that are recognised over time, fiscal revenue recognition will occur when the control and risk has been transferred to the customer. This has no effect on the tax expense in the income statement, but as a consequence, tax payable will fluctuate over time.

## Deferred Tax

<i>MNOK</i>	<i>2024</i>	<i>2023</i>
Deferred tax asset	193	120
Deferred tax asset - held for sale	41	-
Deferred tax liability	-	-
Net deferred tax	152	120



## Tax loss carry-forwards (gross amounts)

<i>MNOK</i>	<i>Norge</i>	<i>Europe</i>	<i>Other</i>	<i>Total</i>
Less than five years	-	-	42	42
5-10 years	-	-	-	0
10-20 years	-	-	-	0
Without time limit	432	55	42	529
Total	432	55	84	571

The tax losses carried-forward relate to tax losses in previous years that can be used as tax credits in payable taxes in the future. Kongsberg Digital do not capitalize tax losses carried-forward related to the acquired company FutureOn.

## Note 15 Earnings per share

<i>MNOK</i>	<i>Note</i>	<i>2024</i>	<i>2023</i>
<i>Earning attributable to the ordinary shareholders</i>			
Earnings after tax		(309)	(424)
Non-controlling interests		(6)	(8)
Earnings for the year/diluted earnings attributable to the ordinary shareholders		(304)	(416)
<i>Number of shares</i>			
		<i>2024</i>	<i>2023</i>
Number of shares outstanding as of 1 January	24	10,800	1,000
Number of shares as of 31 December	24	11,242	10,800
Average number of shares throughout the year		10,927	6,477
		<i>2024</i>	<i>2023</i>
Earnings for the year per share		(27,777)	(64,191)
Earnings per share for the year, diluted		(27,777)	(64,191)
Earnings per share for the year, diluted from continued operations		(26,938)	(42,002)

Earnings per share for 2024 and 2023 is calculated based on the number of shares in Kongsberg Digital Holding ASA which was an established parent company in 2021.

The Group presents annual earnings per share and diluted earnings per share. Annual earnings per share are calculated as the ratio of net profit/(loss) attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding.

The diluted earnings per share is the profit attributable to the ordinary shareholders, and the weighted number of shares outstanding, adjusted for all diluting effects related to share options



## Note 16 Intangible assets

<i>MNOK</i>	<i>Goodwill</i>	<i>Technology</i>	<i>Capitalised internal development</i>	<i>Other intangible assets</i>	<i>Total</i>
<i>2024</i>					
<i>Acquisition cost</i>					
Acquisition cost as of 1 January 2024	397	182	1,041	41	1,660
Reclassification	-	(20)	15	-	(5)
Additions through acquisition	-	-	5	-	5
Additions	-	-	291	-	291
Acquisition cost as of 31 December 2024	397	162	1,352	41	1,951
<i>Accumulated amortisation and impairment</i>					
Total accumulated amortisation and impairment as of 1 January 2024	-	145	377	37	558
Reclassification	-	-	-	3	3
Amortisation	-	8	187	-	195
Impairment	-	-	8	-	8
Total accumulated amortisation and impairment as of 31 December 2024	-	153	571	40	765
Carrying amount as of 31 December 2024	397	8	781	1	1,187
Fixed Assets continuing Operations	282	8	561	1	852
Fixed assets held for sales	115	-	-	220	335

<i>MNOK</i>	<i>Goodwill</i>	<i>Technology</i>	<i>Capitalised internal development</i>	<i>Other intangible assets</i>	<i>Total</i>
<i>2023</i>					
<i>Acquisition cost</i>					
Acquisition cost as of 1 January 2023	201	155	762	41	1,159
Additions through acquisition	196	28	-	-	223
Additions	-	-	279	-	279
Acquisition cost as of 31 December 2023	397	182	1,041	41	1,659
<i>Accumulated amortisation and impairment</i>					
Total accumulated amortisation and impairment as of 1 January 2023	-	129	219	34	382



Amortisation	-	18	119	3	140
Impairment	-	-	39	-	39
Total accumulated amortisation and impairment as of 31 December 2023	-	147	376	37	558
Carrying amount as of 31 December 2023	397	36	664	5	1,102

## Product maintenance, research and development recognised in profit and loss

	2024			2023		
	<i>Product Main- tenance</i>	<i>Research and develop- ment costs</i>	<i>Total</i>	<i>Product Main- tenance</i>	<i>Research and develop- ment costs</i>	<i>Total</i>
<i>MNOK</i>						
Kongsberg Digital	49	166	215	59	240	299
Sum	49	166	215	59	240	299
Recognised in P&L as continuing operations	35	164	199	34	164	196
Recognised in P&L as discontinued operations	14	2	16	25	76	101

## Capitalisation of development projects

Capitalised internally financed development is related to infrastructure in an open ecosystem, vessel-to-cloud infrastructure, solutions for digital twins and other commercial solutions the Group offers. During the development phase in an internally financed project, the decision is taken whether to complete development and begin capitalisation based on technical success and market conditions. Development projects financed by customers are not capitalised, but KDI seeks to obtain ownership rights to the developed products.

## Estimation uncertainty

Capitalised development costs are amortised according to the estimated lifetime. Estimated lifetime may change over time. This is considered annually, and the amortisation is adjusted when considered necessary. When testing the value of capitalised development costs, the Group applies the same principles and methods as used for impairment testing of goodwill. Regarding estimate uncertainty associated with this matter, see Note 18 "Impairment testing of goodwill".

## Impairment

There have been indication of impairment due to some products that have been stopped for further development. These products are no longer in use, and there are no ongoing plans to commercialize these products in the budget or in 5-year plans. The value of these assets is fully impaired with NOK 8 million in 2024.

## Note 17 Leases

The Group recognises the value of leases as leasing assets and leasing liabilities if it is considered that the lease contains a right to control the use of the asset. The Group applies a single recognition and measurement approach for all leases, except in the case of short-term leases and leases where the underlying assets is of low value. Kongsberg Digital applies the recognition exemption to leases that have a lease term of less than 12 months and leases of low value assets. Other performances in the leases such as shared costs related to leasing of property or service agreements concerning vehicles and leases concerning intangible assets are not recognised in accordance with the rules in IFRS 16.

### Leasing asset

Leasing assets are recognised from the date the underlying assets are made available for use to Kongsberg Digital. Leasing assets are recognised at cost less accumulated depreciation and impairment losses and are also adjusted for any remeasurements of the leasing liability. The acquisition cost includes recognised leasing liabilities, lease payments made before commencement day, cost related to restoring the underlying asset to the condition required by the terms and condition of the lease and initial direct costs. Initial direct costs are expenses which the company would not have incurred if the lease had not been established. Leasing assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful life of the asset. Leasing assets are considered for impairment according to the principles described in Note 3.

### Leasing liabilities

Leasing liabilities are recognised from the date the underlying assets are made available for use. Leasing liabilities are measured at the present value of the agreed, not already paid lease payments. Lease payments can include:

- Fixed payments
- Variable lease payments that depend on an index or interest rate
- Payments for withdrawing from the lease, if it is reasonably certain that the Group will terminate the agreement

The present value is calculated by discounting the lease payments using the interest rate implicit in the lease at the commencement date if this is readily determinable. This is not normally readily determinable and the incremental borrowing rate for loans with similar risk is then used or yield for property leases. After the commencement date, the leasing liability is increased to reflect the accretion of interest and reduced by the lease payments made. The leasing liability is remeasured if there is a change in the lease term, changes to future payments resulting from a change in an index or a change in the assessment of an option to purchase the underlying asset.

The lease term includes the non-cancellable period of a lease. In addition, periods covered by extension options are also included if it is reasonably certain that Kongsberg Digital will exercise the option and termination options if they most likely will not be exercised.

### Short-term leases and leases of low- value assets

Kongsberg Digital applies the recognition exemption to leases that have a lease term of less than 12 months for property, machinery, vehicles and equipment. Kongsberg Digital applies the recognition exemption to leases of low-value assets primarily on office equipment. Lease payments related to the abovementioned leases are recognised as expense on a straight-line basis over the lease term and are therefore not recognised in the consolidated statement of financial position.



<i>MNOK</i>	<i>Real property</i>	<i>Total</i>
<i>2024</i>		
<i>Acquisition cost</i>		
1 January 2024	243	243
Reclassification	-	-
Additions through acquisition	-	-
Additions	11	11
Disposals	(9)	(9)
Translation differences	10	10
Acquisition cost as of 31 December 2023	255	255
<i>Accumulated depreciation and impairment</i>		
1 January 2024	104	104
Depreciation for the year	41	41
Impairment for the year	-	-
Accumulated depreciation through disposal	(7)	(7)
Translation differences	6	6
Total accumulated depreciation and impairment as of 31 December 2024	143	143
Carrying amount as of 31 December 2024	113	113
Lease Assets continuing operation	65	65
Lease Assets held for sale	48	48
<i>MNOK</i>	<i>Real property</i>	<i>Total</i>
<i>2023</i>		
<i>Acquisition cost</i>		
2023	209	209
Reclassification	-	-
Additions through acquisition	3	3
Additions	36	36
Disposals	(7)	(7)
Translation differences	3	3
2023	244	244
<i>Accumulated depreciation and impairment</i>		
2023	71	71
Depreciation for the year	39	39
Impairment for the year	-	-
Accumulated depreciation through disposal	(6)	(6)
Translation differences	-	-
Total accumulated depreciation and impairment as of 31 December 2023	104	104
Carrying amount as of 31 December 2023	140	140



Lease term	1-12 years
Depreciation period	Linear

## Leasing liabilities

<i>MNOK</i>	2024	2023
Opening balance	160	155
Additions through acquisition		3
Additions	11	36
Disposal	(2)	(2)
Interest on leasing liabilities	9	9
Lease payments	(49)	(43)
Translation differences	5	3
Carrying amount as of 31 December 2019	134	160
Current leasing liabilities	20	39
Long-term leasing liabilities	20	121
Lease liabilities continuing operations 31.12.2024	80	
Lease liabilities Held for sales 31.12.2024	55	
Non-current lease liability continuing operations	10	
Non-current lease liability Held for sales	10	
current lease liability continuing operations	14	
current lease liability Held for sales	6	

The total outgoing cash flows for leases was NOK 52 million in 2024 (NOK 46 million in 2023). 2024 cash outflows for leases continuing operation is MNOK 34, held for sale cash outflows for leases is MNOK 18.

## Recognised in the income statement

<i>MNOK</i>	2024	2023
Depreciation on leases during the year	19	39
Interest expense on leasing liabilities	4	9
Costs related to short-term leases and leases on assets of low value	3	3
Total recognised in profit/loss	26	51
Recognized in Profit/loss continuing operations	34	
Recognized in Profit/loss held for sales	19	

For information on due dates for lease payments, see Note 22.

## Note 18 | Impairment testing of goodwill

### Goodwill

Goodwill obtained through acquisitions is allocated to the Group's operating segments and followed up and tested collectively for the group of cash-generating units that constitute the operating segment.

Goodwill arises at the acquisition of a business (business combination) and is not depreciated. Goodwill is recognised in the statement of financial position at acquisition cost less any accumulated impairment losses. Goodwill does not generate cash flows independent of other assets or groups of assets, and is allocated to the cash-generating units that are expected to gain financial benefits from the synergies that arise from the business combination from which the goodwill is derived. Cash-generating units that are allocated goodwill are tested for impairment (loss) annually at the end of the year, or more frequently if there is any indication of impairment.

Goodwill is tested for impairment by estimating the recoverable amount for the individual cash-generating unit or group of cash-generating units that are allocated goodwill and followed up by management. The group of cash-generating units is nevertheless not larger than an operating segment as defined by IFRS 8 Operating segments.

Impairment is calculated by comparing the recoverable amount with the individual cash-generating unit's carrying amount. The recoverable amount is the higher of the value in use or net realisable value. The Group uses the value in use to determine the recoverable amount of the cash-generating units. In determining the value in use, the expected future cash flows are discounted to net present value using a discount rate before tax that reflects the market's target for a return on investments for the cash-generating unit in question. If the value in use of the cash-generating unit is less than the carrying amount, impairment reduces the carrying value of goodwill and then the carrying value of the unit's other assets on a pro rata basis, based on the carrying value of the individual assets. Impairment on goodwill is not reversed in a subsequent reporting period even if the recoverable amount of the cash-generating unit increases. Any impairment will be recognised through profit and loss in the financial statements.

Goodwill is allocated to the operating segments as follows:

<i>MNOK</i>	<i>31.12.24</i>	<i>31.12.23</i>
KDI BA	368	158
Maritime Simulations	28	62
Not allocated	0	196
Goodwill included in disposal group held for sale	115	0
Total goodwill in balance sheet	282	397

Goodwill that was not allocated at year end 2023 was related to the acquisition of FutureOn AS and was allocated in 2024 in accordance with IAS 36.84 and was entirely allocated to KDI BA.

The Group tests goodwill for impairment annually, or more frequently if there are indications of impairment.

The Group has used value in use to determine recoverable amounts for the cash flow-generating entities. Value in use is determined by using the discounted cash flow method. The expected cash flow is based on the business areas' budgets and long-term plans, which are approved by the Group's executive management and



Board. Budgets and long-term plans cover a five-year period (explicit prognosis period). Approved budgets and long-term plans are adjusted for cash flows related to investments, restructuring, future product improvements and new development, if the elements are considered significant for the impairment test. After the five years of explicit plans, the units' cash flows are stipulated by extrapolation. At the beginning of the extrapolation period, the entity is assumed to be in a steady state. To calculate value in use, the Group has used anticipated cash flows after tax and, correspondingly, discount rates after tax. The recoverable amount would not have been significantly different if cash flows before tax and the discount rate before tax had been used. The discount rate before tax has been stipulated using an iterative method and is shown in a separate table.

The assumptions are based on historical results and observable market data.

Key assumptions:

#### Discount rate

The discount rates are based on a weighted average cost of capital (WACC) method, whereby the cost of equity and the cost of liabilities are weighted according to an estimated capital structure. The discount rates reflect the market's required return on investment at the time of the test and in the industry to which the cash-generating unit belongs. The estimated capital structure is based on the average capital structure in the industry in which the cash generating unit operates and an assessment of what is a reasonable and prudent long-term capital structure. The CAPM model is used to estimate the cost of equity. In accordance with the CAPM model, the cost of equity consists of risk-free interest as well as an individual risk premium. The risk premium is the entity's systematic risk (beta), multiplied by the market's risk premium. The risk-free interest is estimated on a 10-year Norwegian government bond interest rate and is based on all cash flows being translated to NOK. The cost of liabilities represents an expected long-term after-tax interest rate for comparable liabilities and consists of risk-free interest and an interest spread.

#### Profit margin (EBITDA)

The profit margin is reviewed for each of the cash flow-generating entities that are based on expectations of future development. This gives the Group good prospects for order intake and is a solid basis for long-term growth. The major restructurings that have been carried out are expected to contribute to increased profitability for the Group as a whole. The explicit 5-year period is based on moderate growth.

#### Growth rate

Growth rates in the explicit prognosis period are based on management's expectations of market trends in the markets in which the undertaking operates. The Group uses stable growth rates to extrapolate cash flows in excess of five years. The long-term growth rate beyond five years is not higher than the expected long-term growth rate in the industry in which the undertaking operates.

#### Market shares

For entities operating in markets where it is relevant to measure market shares, it is expected that established positions in general will be maintained, but there could be increases and setbacks in certain areas.

Key assumptions per cash flow-generating unit

The same key assumptions are used for each cash flow-generating unit in Kongsberg Digital.

#### *Key assumptions in %*

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Discount rate before tax	11,1
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Discount rate after tax	8,64
Long-term nominal growth rate	2,00
Inflation	2,00

## Sensitivity analysis

In connection with impairment tests of goodwill, sensitivity analyses are carried out for each individual cash generating unit.

For Kongsberg Digital, there will not be an impairment situation before relatively large changes in the key assumptions, and these changes are considered to be outside the reasonable outcome.

## Estimation uncertainty

There will always be uncertainty related to the estimate of value in use. The assessments are based on key assumptions as described above and are to a large degree influenced by market data for comparable companies, interest rates and other risk conditions. These calculations are based on discounted future cash flows, in which judgement was used as regards future profit and operation.

Significant changes in the cash flows may affect the value of goodwill.

## Note 19 Other non-current assets

<i>MNOK</i>	<i>31 Dec 24</i>	<i>31 Dec 23</i>
Shares at fair value through profit and loss <sup>1)</sup>	7	7
Loans to employees	-	-
Prepaid land rental	-	-
Long-term loans to customers	-	-
Long-term loans, associated companies	-	-
Other non-current assets	5	5
Total other non-current assets	12	11



## Note 20 Inventories

Goods are defined by Kongsberg Digital as inventories of raw materials, work in progress and finished products that are not related to specific customer contracts. Inventories are measured at the lower of acquisition cost and net realisable value. For raw materials and work in progress, net realisable value is calculated as the estimated selling price in ordinary operations of finished products less remaining production costs and the costs of the sale. For finished goods, net realisable value is the estimated selling price in ordinary operations less estimated costs of completion of the sale. For work in progress and finished products, the acquisition cost is calculated as direct and indirect costs. Inventories are valued based on the average acquisition cost.

The Group's total inventories include the following:

<i>MNOK</i>	<i>Note</i>	<i>31 Dec 24</i>	<i>31 Dec 23</i>
Raw materials		1	1
Work in progress		1	2
Finished products		52	30
Total		54	33
Recognised changes in value for inventories		-	-
Total cost of goods in year amounts to	9	143	99

The total amount of inventories is related to Maritime Simulation and are Held for Sale.



## Note 21 Receivables and credit risk

### Credit risk

Trade receivables and other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such financial assets are measured at amortised cost using the effective interest method, but due to the brief term to maturity, accounts receivable and other receivables will in practice be recognised at their nominal values less impairment. Trade receivable in foreign currencies are recognised at the exchange rates at the balance sheet date.

### Exposure to credit risk

For an explanation of KDI's credit risk and the handling of this, see Note 5 "Management of capital and financial risk". Carrying value of financial assets represents the maximum credit exposure:

<i>MNOK</i>	<i>Note</i>	<i>31/12/24</i>	<i>31/12/23</i>
Trade receivable		192	149
Other short-term receivables		10	13
Customer contracts in progress <sup>1)</sup>	7	214	183
Other non-current assets	19	4	4
Deposits cash pool	23	-	164
Cash and cash equivalents	23	159	142
Forward contracts and interest rate swaps are used as currency hedging	22A	22	27
Total exposure to credit risk		601	682

<i>MNOK</i>	<i>31/12/24</i>	<i>31/12/23</i>
Trade receivables	192	149
Provision for bad debts	(2)	(1)
Net trade receivables	190	148
Other receivables	10	13
Net receivables	200	161

### Trade receivables distributed by region

<i>MNOK</i>	<i>31/12/24</i>	<i>31/12/23</i>
Norway	48	57
Europe	31	21
North America	58	39
South America	1	6
Asia	42	24



Other countries	12	2
Total	192	149

## Trade receivables distributed by customer type

MNOK	31/12/24	31/12/23
Public	31	48
Private	161	101
Total	192	149

## Credit exposure on the Group trade receivables

MNOK	31/12/24		31/12/23	
	Gross	Provision for bad debts	Gross	Provision for bad debts
Not due	129	(1)	93	-
Due 1–30 days	32		30	-
Due 31-90 days	14		11	-
Due 91-180 days	5		5	-
Due more than 180 days	12	(1)	10	(1)
Total	192	(2)	149	(1)

## Changes in provision for bad debts

MNOK	31/12/24	31/12/23
Provisions as of 1 January	(1)	(1)
Adjustment to opening balance	-	-
Additions through acquisition	-	-
Actual losses	-	-
Allocation	(1)	-
Dissolved	-	-
Provision as of 31 December	(2)	(1)

## Estimation uncertainty

The provision for bad debts is determined by an assessment of the probability of loss on a receivable or a group of receivables. Judgement and assumptions that can change over time are applied for the assessments. The provision for bad debts is, to a large degree, influenced by the market situation and the financial standing of the counterparty.



## Note 22 - Financial instruments

### Financial assets and liabilities

Financial assets and liabilities consist of derivatives, investments in shares, accounts receivable and other receivables, customer contracts in progress, cash and cash equivalents, interest-bearing debt, accounts payable and other liabilities. A financial instrument is recognised when the Group becomes party to the instrument's contractual provisions. Upon initial recognition, financial assets and liabilities are assessed at fair value plus directly attributable expenses. The exception is financial instruments, where changes in fair value are recognised through profit and loss or through other comprehensive income, and attributable costs are expensed directly or through other comprehensive income. An ordinary purchase or sale of financial assets is recognised and derecognised from the time an agreement is signed. Financial assets are derecognised when the Group's contractual rights to receive cash flows from the assets expire, or when the Group transfers the asset to another party and transfers all risks and rewards associated with the asset. Financial liabilities are derecognised when the Group's contractual obligation has been satisfied, discharged or cancelled.

### Classification

The Group classifies assets and liabilities upon initial recognition based on the type of instrument and the intended purpose of the instrument. These are classified in the following categories:

- i. Fair value through profit and loss
- ii. Financial assets measured at amortised cost
- iii. Derivatives earmarked as hedging instruments measured at fair value
- iv. Financial liabilities measured at amortised cost

### Financial assets at fair value with changes in value in the profit and loss statement

Except for investments in subsidiaries or associated companies in the statement of financial position, all shares are defined as fair value through profit and loss. Note 4 "Fair value" has a more detailed description of how fair value is measured for financial assets and liabilities.

### Financial assets measured at amortised cost

The Group measures financial assets at amortised cost provided the following conditions have been met:

- The financial asset is part of a business model where the intention is to receive contractual cash flows, and
- the contractual terms for the financial asset give rise to cash flows solely consisting of the payment of principal and interest on given dates.

Subsequent measurement of financial assets measured at amortised cost is performed using the effective interest method and is subject to loss provisions. Profits and losses are recognised when the asset has been derecognised, modified or written down.

Receivables related to operations are measured at their amortised cost, which in practice implies their nominal value and provision for expected losses.



## Derivatives earmarked as hedging instruments measured at fair value

Derivatives are recognised in the statement of financial position at fair value. Changes in the value of fair value hedges are recognised against foreign currency assets or liabilities in the statement of financial position.

## Financial liabilities measured at amortized cost

The company's financial liabilities are recognised at amortised cost, except for financial derivatives, which are recognised at fair value through comprehensive income.

## Impairment of financial assets

Kongsberg Digital makes provision for expected credit losses on all financial instruments not classified as fair value through profit and loss. Expected credit loss is calculated based on the present value of all cash flows over the remaining expected useful life, i.e. the difference between the contractual cash flows and the cash flow that the Group expects to receive, discounted by the effective interest rate applicable to the instrument. The expected cash flows shall include cash flows from the sale of collateral or other credit enhancements integrated into the contract terms.

The Group uses the simplified method to calculate bad debts for accounts receivable and contract assets. The Group thus measures loss provision based on expected credit loss over the lifetime of each reporting period. The provision for bad debts is based on historical credit losses, adjusted for future customer-specific factors and the general economic situation. Accounts receivables are subject to individual assessments.

## Derivatives

Derivatives in Kongsberg Digital comprise of forward currency exchange contracts. Upon initial recognition, derivatives are measured at fair value, and identifiable transaction costs are recognised through profit and loss as incurred. Kongsberg Digital applies the rules for hedge accounting to the extent that the requirements of IFRS 9 are fulfilled. Changes in the fair value of derivatives are recognised through profit and loss if they do not qualify for hedge accounting.

## Hedging

The Group's financial policy states that contracts above a certain threshold must be hedged upon establishment, and these are primarily hedged using currency forward exchange contracts (fair value hedges). In special cases, the Group uses forward contracts or currency options as cash flow hedges, e.g. in connection with large tenders where there is a high probability of contract award.

Before hedge accounting can be used, Kongsberg Digital documents all qualification criteria for the use of hedge accounting. These include the identification of hedging instruments and objects, the risk to be hedged, and how the Group will assess whether the hedging arrangement meets the requirements for hedging efficiency.

Hedging efficiency requirements are listed below:

- There is an economic relationship between the hedged object and the hedging instrument.
- The effect of credit risk does not have a dominant effect on the changes in value of the hedging instrument and the hedged object included in the hedging relationship.
- The hedge ratio, which is the relationship between the volume of the hedging instrument and the volume of the hedged object corresponds to the actual volumes used by the Group in risk management.

Furthermore, Kongsberg Digital determines whether a derivative (or another financial instrument) should be used to:



- i. Hedge the fair value of a firm commitment (fair value hedges)
- ii. Hedge a future cash flow of a recognised asset or liability, or an identified highly probable forecast transaction (cash flow hedges)

Kongsberg Digital has no cash flow hedges during the actual reported accounting years.

## (i) Fair value hedges

The change in fair value of fair value hedges is recognised against the hedged items. For currency hedges of future contractual transactions, this implies that the changes in value of the future transaction due to changes in the exchange rate are recognised in the statement of financial position. Since the hedging instrument is also recognised at fair value, this entails symmetrical recognition of the hedged item and the hedging instrument. For customer contracts, this implies that revenue is recognised at the hedged exchange rate.

Hedge accounting discontinues in the event of:

- a. The hedging instrument expires and is discontinued, terminated, exercised or sold, or
- b. The hedge no longer satisfies the above-mentioned hedge accounting criteria

In connection with fair value hedges of financial assets or liabilities recognised at amortised cost, the change in the value of the hedging instrument is amortised during the remaining period up to maturity of the hedged item.

## Follow-up of hedging effectiveness

Kongsberg Digital rolls forward exchange contracts in cases where receipts/payments occur later (or earlier) than originally anticipated. At shorter time differences between the maturity of the forward contracts and the receipts/payments, Kongsberg Digital uses bank accounts in foreign currency. As a result, the exchange of foreign currency from the foreign currency bank account takes place in the same period as the final maturity of the forward contract or the receipts/payments. Hedging effectiveness will therefore be very high throughout the entire contractual period.

### A) Fair value, derivatives

<i>MNOK</i>	<i>Note</i>	<i>31 Dec 24</i>	<i>31 Dec 23</i>
<i>Current assets</i>			
Forward exchange contracts, fair value hedges		16	27
Total derivatives, current assets		16	27
<i>Current liabilities</i>			
Forward exchange contracts, fair value hedges		39	16
Total derivatives, current liabilities		39	16



B) Currency risk and currency hedging

Currency risk and currency risk management are described in note 5 “Management of capital and financial risk”. Forward exchange contracts as fair value hedges shall hedge contractual currency flows. This means that the forward exchange contracts hedge capitalised receivables and outstanding invoicing on committed contracts in currencies other than the exposed unit's functional currency. Kongsberg Digital is exposed to multiple currencies, but these are less significant compared to the exposure in USD and EUR versus NOK.

	Average exchange rate		Spot rate as of 31 Dec	
	2024	2023	2024	2023
USD	10.74	10.56	11.37	10.14
EUR	11.63	11.42	11.77	11.19
CAD	7.84	7.82	7.90	7.65

Currency hedging

As of 31 December, the group had the following hedges of net sales in foreign currencies, listed by hedge category:

	2024							
	Value in NOK on agreed rates	Fair value in NOK 31 Dec 24	Total hedged amount in USD 31 Dec 24	Average hedged rate in USD 31 Dec 24 <sup>1</sup>	Total hedged amount in EUR 31 Dec 24	Average hedged rate in EUR 31 Dec 24	Total hedged amount in CAD 31 Dec 24	Average hedged rate in CAD 31 Dec 24
<i>Hedge category</i>								
Forward exchange contracts, fair value hedges	254	-23	24	10.39	0	11.95	0	0.00
Total	254	-23	24		0		0	



2023

<i>Amounts in million</i>	<i>Value in NOK on agreed rates</i>	<i>Fair value in NOK 31 Dec 23</i>	<i>Total hedged amount in USD 31 Dec 23</i>	<i>Average hedged rate in USD 31 Dec 23</i>	<i>Total hedged amount in EUR 31 Dec 23</i>	<i>Average hedged rate in EUR 31 Dec 23</i>	<i>Total hedged amount in CAD 31 Dec 23</i>	<i>Average hedged rate in CAD 31 Dec 23</i>
<i>Hedge category</i>								
Forward exchange contracts, fair value hedges	897	11	58	10.26	15	11.60	5	7.80
Total	897	11	58		15		5	

Fair value is referring to the net present value of the variance between the revaluated forward rate at 31 December and the forward rate at the time of entering the forward exchange contract.

Values in the table related to value in NOK on agreed rates and fair value in NOK also include other currencies.

### Due date profile, hedges

As of 31 December, the group had the following hedges of net sales in foreign currencies, listed by hedge category:

<i>Amounts in million</i>	<i>Nominal currency amount</i>	<i>Due in 2025</i>	<i>Due in 2026 or later</i>
<i>Hedge category</i>			
<i>Forward exchange contracts, fair value hedges</i>			
USD	23.75	17.07	6.68
EUR	0.42	0.42	-

### Hedge ineffectiveness

Ineffective fair value hedges may occur due to changes in milestones for currency inflow or outflow. This is intercepted through normal operating routines, and opposite foreign exchange transactions are carried out to reduce the currency risk and maintain hedge effectiveness.

The total change in value of hedged projects is MNOK 477 during 2023. Derivatives used for hedging projects do at 100 per cent hedge effectiveness carry equivalent negative value through the year. Change in fair value is recognised in accounts receivable and as construction contracts in progress (assets and liabilities).

There is not recognised any hedge ineffectiveness in 2024.



## C) Interest rate risk on loans and changes in interest bearing loans

Kongsberg Digital Holding AS received a short term a loan of MNOK 160 in April 2024 from Kongsberg Gruppen ASA. The loan was repaid in total in August 2024. A new loan of MNOK 50 was issued from Kongsberg Gruppen ASA in December 2024 and is expected to be repaid in April 2025

<i>MNOK</i>	2024	2023
Loans as of 1 January	-	3
Repayment of interest-bearing loans	(160)	(3)
Interest-bearing loan acquired subsidiary	-	-
Loans converted to equity	-	-
Loans as of 31.12.	50	-



## D) Liquidity risk

The table shows due dates in accordance with the contract for financial liabilities, including interest payments. Liabilities such as government fees and taxes are not financial liabilities and are therefore not included. The same applies to prepayments by customers and project accruals.

MNOK	2024						2029 and later
	Carrying amount	Contractual cash flows	2025	2026	2027	2028	
<i>Financial liabilities that are not derivatives</i>							
Leasing liabilities	134	(152)	(52)	(49)	(16)	(15)	(21)
Accounts payable	96	(96)	(96)	-	-	-	-
<i>Financial liabilities that are derivatives</i>							
Currency derivatives	(39)	(39)	(35)	(4)	-	-	-
Total	191	(288)	(183)	(53)	(16)	(15)	(21)

MNOK	2023						2028 and later
	Carrying amount	Contractual cash flows	2024	2025	2026	2027	
<i>Financial liabilities that are not derivatives</i>							
Leasing liabilities	160	(185)	(48)	(48)	(42)	(14)	(33)
Accounts payable	70	(70)	(70)	-	-	-	-
<i>Financial liabilities that are derivatives</i>							
Currency derivatives	16	(16)	(15)	(1)	(0)	(0)	(0)
Total	246	(271)	(133)	(49)	(42)	(14)	(33)



## E) List of financial assets and liabilities

Financial assets and liabilities divided into different categories for accounting purposes as of 31 December 2024:

2024				
MNOK	Amortised cost	Hedge derivatives	Total	Fair value
<i>Assets - non-current assets</i>				
Other non-current assets	12	0	12	12
<i>Assets- current assets</i>				
Derivatives	0	16	16	16
Receivables	306	0	306	306
Customer contracts in progress	119	0	119	119
Cash and cash equivalents	91	0	91	91
Receivables group cash pool	0	0	0	0
<i>Financial liabilities - non-current</i>				
Interest-bearing loans	0	0	0	0
Leasing liabilities	114	0	114	114
Other non-current liabilities	2	0	2	2
<i>Financial liabilities - current</i>				
Interest-bearing loans	50	0	50	50
Leasing liabilities	20	0	20	20
Derivatives	0	39	39	39
Accounts payable	96	0	96	96
Liabilities group cash pool	-66	0	-66	-66



MNOK	2023			
	Amortised cost	Hedge derivatives	Total	Fair value
<i>Assets - non-current assets</i>				
Other non-current assets	11	0	11	11
<i>Assets - current assets</i>				
Derivatives	0	27	27	27
Receivables	351	0	351	351
Customer contracts in progress	224	0	224	224
Cash and cash equivalents	142	0	142	142
Receivables group cash pool	164	0	164	164
<i>Financial liabilities - non-current</i>				
Interest-bearing loans	0	0	0	0
Leasing liabilities	151	0	151	151
Other non-current liabilities	3	0	3	3
<i>Financial liabilities - current</i>				
Interest-bearing loans	0	0	0	0
Leasing liabilities	39	0	39	39
Derivatives	0	16	16	16
Accounts payable	70	0	70	70
Liabilities group cash pool	0	0	0	0



## F) Assessment of fair value

The following table lists the Group's assets and liabilities measured at fair value

MNOK	2024			2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Assets</b>						
Shares at fair value through profit and loss	0	0	13	0	0	-1
Derivatives	0	16	0	0	27	0
Total assets at fair value	0	16	13	0	27	-1
<b>Liabilities</b>						
Derivatives	0	39	0	0	16	0
Total liabilities at fair value	0	39	0	0	16	0

The levels are defined as follows:

Level 1: Fair value is measured by using quoted prices from active markets for identical financial instruments. No adjustment is made with respect to these prices.

Level 2: Fair value is measured based on data other than the list prices covered by the level 1, but which is based on observable market data either directly or indirectly. These methods have some uncertainty in the determination of fair value.

Level 3: Fair value is measured using models that substantially employ non-observable market data. This involves more uncertainty connected to the determination of fair value.

Refer to note 4 "Fair value" for further details on the measuring of fair value.

## G) Estimate uncertainty

The Group has a range of financial instruments that are recognised at fair value. When market prices cannot be observed directly through traded prices, fair value is estimated by using different models that either build on internal estimates or information from professional counterparties or market players. The assumptions for such assessments may include spot prices, forward prices or interest rate curves.

The assessments are always based on the Group's best estimates, but it is still likely that the observable market information and assumptions will change over time. Such changes can affect the calculated values of financial instruments considerably and thereby result in gains and losses that will affect future periods' income statements. How such changes affect the income statement depends on the type of instrument and whether it is included in a hedge relation.



## Note 23 Cash and cash equivalents

<i>Nominal amounts in MNOK</i>	2024	2023
Bank deposits	92	142
Total	92	142

Bank deposits are cash and bank deposits outside the cash pool system. Kongsberg Digital has in addition deposits and/or drafts in KONGSBERG's cash pool system which are presented as receivables group cash pool and/or liabilities group cash pool in the cash pool system in the statement of financial position. As of 31. December Kongsberg Digital has liabilities in the cash pool system with the amount of NOK 66 million (Receivables NOK 164 million in 2023 )

Bank guarantees have been furnished for funds related to withholding tax for employees of NOK 45 million (NOK 25 million in 2023)

The Group's liquidity management is handled by the Group Treasury department in KONGSBERG who provide sufficient available liquidity for Kongsberg Digital including drawing rights in the cash pool system. Excess liquidity is mainly placed in the cash pool.



## Note 24 Share capital

As of 31 December 2024 share capital consists of 11 242 shares, 9000 ordinary and 2 242 preference shares, each with a nominal value of NOK 1 222. Total share capital is NOK 13,7 million. Each share has one vote.

Kongsberg Digital Holding ASA was established in 2021 and was in 2021 the new parent company of the Kongsberg Digital Group.

List of major shareholders as of 31.12.24

<i>Shareholders</i>	<i>Type</i>	<i>Number of shares</i>	<i>%-share</i>
Kongsberg Gruppen ASA	Ordinary	9,000	80.06%
Kongsberg Gruppen ASA	Preference	356	3.17%
Shell Ventures B.V	Preference	1,145	10.19%
Zeus Holdco AS	Preference	741	6.59%
Total number of shares		11,242	100.00%

After the balance sheet date, the general meeting decided to reduce the company's share capital of NOK 2,600,889 by redeeming 2,128 shares in Kongsberg Digital Holding ASA. The total redemption amount is NOK 1,300 million and expected to be completed in second quarter of 2025.



## Note 25 Provisions

### Current provisions

<i>MNOK</i>	<i>Warranty</i>	<i>Other</i>	<i>Total</i>
31 Dec 23	6	-	6
Adjustment connected to final purchase allocation	-	-	0
Reclassified from customer contracts, liability	-	-	0
Provisions used	-	-	0
Allocation	-	2	2
Disposals from sale of business	-	-	0
Dissolved	-	-	0
Currency	-	-	0
Provisions presented as held for sale	(4)	(1)	(5)
31 Dec 24	6	2	3

### Warranty provisions

Warranty provisions are provisions for warranty costs on completed deliveries. Unused warranty provisions are dissolved upon the expiration of the warranty period. Warranty provisions are estimated based on a combination of experience figures, specific calculations and judgement. The warranty period usually extends from one to five years.

### Other provisions

"Provisions are recognised when the Group has an obligation as a result of a past event, and when it is probable that there will be a financial settlement as a result of this obligation and the amount can be reliably measured.

Provisions apply to conditions where there is disagreement between contractual parties, uncertainty related to product liability or products that are in an early life-cycle phase. "

### Estimation uncertainty

Assessments are based on a combination of experience figures, technical evaluations and judgement. Evaluations of the estimates are made each quarter. There is significant uncertainty related to these provisions with respect to amounts and times.



## Note 26 Other current liabilities

<i>MNOK</i>	<i>31 Dec 24</i>	<i>31 Dec 23</i>
Accounts payable	170	70
Public charges owing	25	39
Calculated income tax payable	1	4
Accrued holiday pay	60	56
Other accruals <sup>1)</sup>	157	215
Total Other current liabilities	413	384
Accounts payables continuing operations	82	
Public charges continuing operations	11	
Income Tax payable continuing operations	(3)	
Accrued holiday pay continuing operations	39	
Other accruals continuing operations 1)	112	
Sum other current liabilities continuing operations	241	

1) Other accruals relate to costs incurred for which invoices have not yet been received, withholding tax owed for employees, salaries owed to employees and other non-interest-bearing liabilities.

## Note 27 Assets pledged as collateral and guarantees

### Prepayment and completion guarantees

Kongsberg Digital has liabilities of NOK 66 million (Receivables NOK 164 million in 2023) in Kongsberg Gruppen's cash pool system. Kongsberg Digital has not assets pledged as collateral or guarantees. Banks, insurance companies and the ultimate parent company KONGSBERG Gruppen ASA have provided guarantees for prepayments and completion guarantees for Kongsberg Digital related to contracts and obligations and these are specified below.

<i>MNOK</i>	<i>31 Dec 24</i>	<i>31 Dec 23</i>
Guarantees issued by banks and insurance companies	57	37
Guarantees issued by Kongsberg Gruppen ASA (parent company)	44	44
Prepayments from and completion guarantees to customers	101	81

Kongsberg Gruppen ASA has non-committed framework agreements for guarantees with banks and insurance companies which are available for use for Kongsberg Digital.



## Note 28 Remuneration for executive management

Remuneration specified for members of the Executive Management for 2024 and 2023<sup>1</sup>

Amounts in TNOK	Year	Salary paid including holiday pay	Other benefits reported during the financial year 2)	Accrued long-term incentive plan (LTI) 3)	Accrued performance-related pay during the financial year 4)	Pension accrual during the year	Long-term incentive plan (LTI) paid out	Outstanding amount, to the LTI scheme	Shares acquired during the year linked to the LTI incentive plan (LTI)	Shares acquired this year related to long-term incentive plan (LTI)	Total number of shares inc. LTI as of 31 Dec
	2024	3,990	711		4,630	109				402	2,348
	2023	3,210	437	0	1,330	104	0	0	0	486	1,656

<sup>1</sup>) Compensation and other benefits to the president are based on their time served as part of corporate management.

2) Benefits other than cash refers to expensed discounts on shares in connection with the share programme for all employees, communication, car arrangements and compensation for the taxable share of pensions and insurance, as well as other taxable benefits.

3) Accrued LTI including tax compensation is, for accounting purposes, accrued on a linear basis over three years since the shares can be managed freely only after three years.

4) Accrued performance-based part of salary in the financial year. To be paid out when the accounts for the relevant year have been approved by the Board.

5) LTI with tax-compensation paid out the following year, net amount is to be invested in KONGSBERG Shares

Chairman Thomas Borgen and Director Mimi Berdal have in 2024 received NOK 593 thousand and NOK 169 thousand respectively for work performed related to the Board in 2024. The rest of the Board are employed in KONGSBERG Gruppen ASA and do not have any additional compensation for the board position in Kongsberg Digital.

## Note 29 Statement on remuneration of the Group CEO and Executive Management

### Statement on remuneration of the Group CEO and Executive Management

Kongsberg Digital is a subsidiary of the Kongsberg Group (KONGSBERG). KONGSBERG's compensation models and principles apply to Kongsberg Digital, these models and principles are described below. The CEO in Kongsberg Digital reports to the board of Kongsberg Digital with external board members, and compensation for leading personnel in Kongsberg Digital is determined by the board in Kongsberg Digital in consultation with the CEO in KONGSBERG. The board of Kongsberg Digital has its own Compensation Committee.



## Main principles for the company's executive salary policy

The principles and systems for remuneration of executive management are determined by the KONGSBERG Board. The KONGSBERG Board performs an annual evaluation of the CEO's salary and conditions, as well as the Group's profit-related pay scheme for management. The Kongsberg Digital's Compensation Committee determines the compensation for the executive management of Kongsberg Digital after consultation with the CEO of KONGSBERG.

Management salaries at Kongsberg Gruppen ASA and Group companies ("KONGSBERG") are determined by the following principles:

- Executive management's salaries should be competitive, but not market leading, and within this framework support general moderation in executive management salary developments – the company should attract and retain talented management.
- Executive management salaries should be motivating – the salary should be such that it motivates extra effort for the continual improvement of the business and the company's results.
- The salary system should be understandable, meaningful and acceptable both internally at KONGSBERG and externally.
- The salary system should be flexible, so that changes can be made when necessary.
- The salary system should promote cooperation

Remuneration to Group executive management should reflect their responsibility for administration, results and sustainable development of KONGSBERG, and take into account the size of the organisation and its complexity. The schemes should otherwise be transparent and in line with principles that promote good corporate governance.

Other companies in the Group must follow the main executive management salary policy principles. The company's objective is to coordinate salary policy within the Group as well as variable benefit schemes.

## Elements of executive management salaries — fixed salaries and variable benefits

The starting point for determination of salary is the total level of fixed salary and variable benefits. Fixed salary consists of the base salary as well as fixed benefits in kind and pension agreements. Variable benefits consist of the profit-related pay and long time share incentive scheme (LTI). Regular measurement is made against relevant markets to ensure that the total compensation is competitive, but not leading.

### Base salary

The base salary should normally be the main element of the executive managements' payroll. It is assessed once per year.

### Fixed benefits in kind

Leading employees will normally be assigned benefits in kind that are common for comparable positions, such as free communication, newspapers, and car arrangements. There are no special limitations with regards to the benefits in kind that can be agreed.

### Pension schemes

Executive management should normally have pension schemes that ensure a pension payout that is in line with salaries. This is mainly covered by membership of KONGSBERG's collective main pension scheme for salaries up to 12G.



The group's collective main pension scheme is a defined contribution scheme. The group introduced a defined contribution pension scheme as of 1.1.08. Employees who were 52 years of age or older at the time of conversion remained in the closed defined benefit plan. The deposits are 5% of salary from 0G to 7.1G and 11% of salary from 7.1G to 12G. The investment profiles were changed from 1.11.21. The funds can optionally be invested in one of three alternative profiles with 50, 80 and 100% shareholdings, respectively, with either active or index management and with or without weighting from 57 years.

KONGSBERG will not enter into new early retirement agreements for executive management, but executive management who had such arrangements prior to 1 October 2015 will have them continued.

None of the members of executive management in Kongsberg Digital have an early retirement agreement. The head of Kongsberg Digital has a defined contribution pension scheme of 30% for the part of the salary that exceeds 12G. Savings, including returns, are paid at retirement age or at the end of employment. The other members of Kongsberg Digital's executive management have a defined contribution pension scheme in line with KONGSBERG salary policy.

## Long-term incentive (LTI)

As of 2012, the board introduced an LTI scheme for the CEO and other group management. As of 2018, the LTI scheme was further expanded to include the management groups in the business areas, as well as some key positions.

The rationale for the scheme is to be competitive with comparable companies and in addition create long-term incentives for managers in KONGSBERG.

LTI is an incentive scheme for senior executives where the participant receives, when certain criteria are met, shares for a percentage of the executive person's salary after deduction of tax.

The LTI scheme amounts to a maximum of 30% of basic salary for the CEO and 25% for others in the group management, 15% for the management groups in the business areas and 10% for certain key positions.

The criteria for achieving LTI is that if EBIT is greater than 0 it qualifies for 1/2 of the maximum allotment, if ROACE is equal to or greater than 10% it gives another 1/2 of the maximum allotment. The participants in the scheme is obliged to invest the net amount after tax in KONGSBERG shares. These are bought in the market and owned with a lock-in period of three years. Participants who on their own initiative leave the company will, for shares that do not meet the three-year requirement, have to repay an amount corresponding to share value after tax at the time of termination.

## Profit-related pay scheme

KONGSBERG's executive management and most important decision makers, including the executive management of Kongsberg Digital, should have their own economic interests directly related to the development and improvement of KONGSBERG. For this purpose, the Board of Kongsberg Gruppen adopted a profit-related pay scheme in 2006 which includes approximately 210 managers. The objective of the scheme is for managers who perform well over time to achieve an average profit-related pay of 20-30 per cent of base salary. For 2019, the scheme was adjusted with regards to which components we measure, and the profit-related pay reserve was wound up.

The profit-related pay scheme for executive management in Kongsberg Digital in 2023 can at a maximum constitute 50% of the base salary and is based on four components:

1. Improvement in recurring revenue, 15 %
2. EBITDA minus CAPEX, 5% Growth in revenues in KONGSBERG: 5%
3. ROACE in KONGSBERG: 5%
4. Personal Goals: 20%



The individual component is achieved by meeting the individual's personal goals with connection to the important KPIs for the individual manager. This can be both financial and non-financial. The individual component can at a maximum constitute 20% of the base salary.

Kongsberg Digital also has performance-based salaries for certain middle managers, key personnel and salespeople that are linked to operational and financial goal achievement.

The profit-related pay scheme does not provide a basis for pension. The profit-related pay scheme is assessed annually by the Compensation Committee and the Board to ensure that it works as intended and ensure that necessary adjustments are made.

Upon completion of special major projects, demanding turnaround operations and acquisitions that require a short-term decline in profits as well as larger strategic investments, individual agreements can be entered into with the Chief Executive Officer. In such cases, the ordinary scheme for profit-related pay would be removed and replaced by a separate agreement capped at 40 percent of base salary.

#### Remuneration connected to shares or share price development

Executive management have the opportunity to participate fully in KONGSBERG's discounted share saving scheme on the same terms as all Group employees. KONGSBERG has no scheme for allocation of share options or other instruments connected to the company's shares. There are no plans to introduce such schemes.

#### Severance arrangements

In order to safeguard KONGSBERG's requirement for ensuring at any time that the composition of its managers is in accordance with its business needs, agreements for severance arrangements can be, and have been entered into. Severance arrangements are designed to be acceptable both internally and externally, and agreements signed from 2011 are not entitled to severance payments whose value exceeds the equivalent of salary and benefits for more than six months. This scheme has been continued in 2023. Such agreements have been entered into for members of the executive management within the framework of the Working Environment Act.



## Note 30 Audit fees

TNOK	2024				2023			
	Parent company	Sub-sidiaries in Norway	Sub-sidiaries outside Norway	Total	Parent company	Sub-sidiaries in Norway	Sub-sidiaries outside Norway	Total
<i>Group auditor EY</i>								
Statutory audit	0	0	0	0	292	905	593	1,790
Other assurance services	0	0	0	0	40	272	0	312
Tax consultancy	0	0	0	0	0	0	0	0
Other non-audit services	0	0	0	0	0	65	0	65
Total fees, EY	0	0	0	0	332	1,242	593	2,167
<i>Other auditors</i>								
Audit fees	0	0	0	0	0	0	458	458

## Note 31 List of Group companies

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its influence on the entity. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary.

On initial recognition, subsidiaries are measured at their fair value on the date of acquisition. Fair value is allocated to the identified assets, liabilities and contingent liabilities. Added value that cannot be allocated to identified assets is recognised as goodwill. When new subsidiaries are acquired, the results, assets and liabilities are recognised in the consolidated accounts from date of acquisition. The date of acquisition is the date when Kongsberg Digital obtains control of the acquired company. Normally, control will be achieved when all the terms of the agreement are satisfied. Examples of terms include approval of the Board, the General Meeting or approval from the competition authorities. For business combinations achieved in stages, the financial statements are based on the values at the time when the Group obtained control. Goodwill is calculated at the date control is obtained.

The following companies have been consolidated:

Name of company	Country of origin	Ownership stake	
		31.12.24	31.12.23
Kongsberg Digital Holding ASA	Norway	100	100
Kongsberg Digital AS	Norway	100	100
Coach Solutions ApS	Denmark	100	100
Kongsberg Digital Simulation Ltd.	Canada	100	100
Kongsberg Digital Simulation Inc.	USA	100	100
Kongsberg Digital Inc.	USA	100	100
Kongsberg Digital Private Ltd.	India	100	100
Kongsberg Digital Software & Services Private Ltd.	India	100	100
Kongsberg Digital Pte. Ltd.	Singapore	100	100
Kongsberg Digital Technology Service (Beijing) Co., Ltd	China	100	100
Interconsult Bulgaria Ltd.	Bulgaria	100	100
FutureOn AS	Norway	89.8	83.4
FutureOn LLC	USA	89.8	83.4
FutureOn Limited	UK	89.8	83.4
FutureOn AS Pty. Ltd.	Australia	89.8	83.4
FutureOn Software and Services Ltda.	Brazil	89.8	83.4



## Note 32 Definitions and abbreviations

### Definitions

Kongsberg Digital 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 Digital 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". EBIT is the abbreviation of "Earnings Before Interest and Taxes. Kongsberg Digital uses EBITDA and EBIT in the income statement as a summation line for other accounting lines.

Recurring revenues: The Group sells software solutions and services through subscription- and lease models where the customer receives access to services or software owned by the Group or a third party. In addition, the Group has revenues from maintenance and user support on the softwaresolutions. Recurring revenues consist of Software as a Service revenues, Software Leases and Software Maintenance & User Support.

Restructuring costs consist of salaries and social security tax upon termination of employment (such as severance and gratuity) in connection with workforce reductions.

KONGSBERG is the Group that the Kongsberg Digital Group is a part of. KONGSBERG consists of the business areas Kongsberg Maritime, Kongsberg Defence & Aerospace, Kongsberg Discovery and Kongsberg Digital. The parent company in KONGSBERG is Kongsberg Gruppen ASA which is a public limited company headquartered in Kongsberg, Norway. The company's shares are traded on the Oslo Stock Exchange. Kongsberg Gruppen ASA is the ultimate parent of the KDI Group.

## Note 33 Events after balance date

There are no events after the balance date which have a significant impact on the consolidated statements.



## Note 34 Discontinued operations

To position both KDI and KM for future demands and capitalize on technological advancements in the maritime industry, the maritime portfolio in KDI – Vessel Insight, Maritime Simulation, ICB and Coach Solutions – will be integrated into Kongsberg Maritime as of Q1 2025 where new organisations will be created. The structural change is regulated as a Transfer of Undertakings.

The maritime portfolio is consequently classified as a disposal group held for sale in the balance sheet and presented as discontinued operations in the income statements as of 31.12.2024. The comparative condensed consolidated income statement has been restated to show the discontinued operations separately from the continuing operations.

Summary of the financial data for discontinued operations

<i>MNOK</i>	2024	2023
Operating revenues	764	600
Total Revenues	764	600
Cost of sales	445	364
Gross profit	319	235
Product development and maintenance cost	16	101
General and administration, sales and marketing cost	229	233
Total operating expenses	245	336
Amortisation and impairment of intangible assets	69	67
Operating profit (EBIT)	5	(166)
Financial income	6	2
Financial expenses	11	20
Interest on leasing liabilities	3	3
Earnings before tax (EBT)	(3)	(186)
Income tax expense	(6)	42
Net Income from discontinued operations	(9)	(144)



## Summary of the financial data for discontinued operations held for sale

<i>MNOK</i>	<i>2024</i>
<i>Assets</i>	
<i>Non-current assets</i>	
Property, plant and equipment	7
Leased assets	48
Goodwill	115
Other intangible assets	220
Deferred tax asset	41
Total non-current assets	430
<i>Current assets</i>	
Inventories	54
Trade receivables	137
Customer contracts, asset	222
Derivatives	6
Other short-term receivables	10
Cash and cash equivalents	67
Total current assets	496
Total assets	926
<i>Non-current liabilities</i>	
Long-term leasing liabilities	39
Total non-current liabilities	39
<i>Current liabilities</i>	
Customer contracts, liabilities	214
Derivatives	24
Provisions	5
Short-term leasing liabilities	16
Other current liabilities	171
Total current liabilities	431
Total liabilities	469
Total equity and liabilities	469



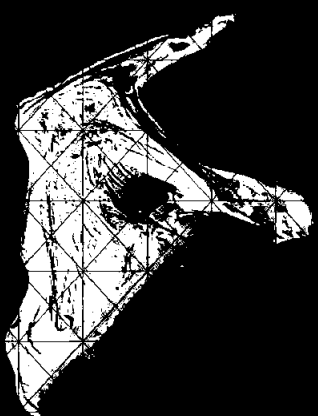
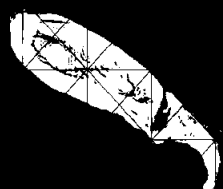
Cashflow from Discontinued operations

<i>MNOK</i>	2024	2023
Net cash flows from operating activities	(24)	(121)
Net cash flow from investing activities	(72)	(82)
Net cash flow from financing activities	84	85
Net change in cash and cash equivalents	(13)	(118)
Earnings per share from discontinued operations	2,024	2,023
Basic, profit/(loss) for the year from discontinued operations	(838)	(22,189)
Diluted, profit/(loss) for the year from discontinued operations	(838)	(22,189)



KONGSBERG

ANNUAL STATEMENT  
KONGSBERG DIGITAL  
HOLDING ASA 2024





## Statement of comprehensive income

KONGSBERG DIGITAL HOLDING ASA

<i>MNOK</i>	<i>Note</i>	<u>2024</u>	<u>2023</u>
Personnel expenses	2	-	-
Other operating expenses		522	213
Earnings before interest tax depreciation and amortisation (EBITDA)		(522)	(213)
Earnings before interest and taxes (EBIT)		(522)	(213)
Financial income		8,633	2,500
Financial expenses		6,287	155
Net financial items		2,346	2,345
Earnings before tax from continuing operations (EBT)		1,824	2,132
Income tax expense	3	401	469
Earnings after tax/ comprehensive income		1,423	1,663
Profit for the year attributable to:			
Transferred to equity	8	1,423	1,663

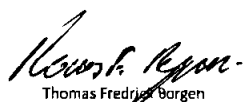


## Statement of financial position as of 31 December

KONGSBERG DIGITAL HOLDING ASA

MNOK	Note	2024	2023
<b>Assets</b>			
<i>Financial Non-current assets</i>			
Investement i subsidiaries	4	1,685,042	1,239,962
Total financial non-current assets		1,685,042	1,239,962
Total non-current assets		1,685,042	1,239,962
<b>Current assets</b>			
Receivables in cash pool	6	56,378	178,870
Bank deposits	6		457
Total current assets		56,378	179,327
Total assets		1,741,420	1,419,289
<b>Equity, liabilities and provisions</b>			
<i>Equity</i>			
Share capital	7,8	13,740	13,200
Premiums	8	1,403,934	1,403,934
Other reserves	8	273,035	1,683
Total paid in capital		1,690,709	1,418,817
Total equity	8	1,690,709	1,418,817
<i>Current liabilities</i>			
Accounts payable	5	2	2
Short-term interest-bearing loans		50,000	
Other current liabilities		308	1
Tax payable		401	469
Total current liabilities and provisions		50,711	472
Total liabilities		50,711	472
Total equity and liabilities		1,741,420	1,419,289

Lysaker, 21. March 2025

  
Thomas Fredriksen Borgen

Chairman

  
Mette Toft Bjarne

Board Member

  
Hanne Sofie Strømberg


Board Member

  
Kristin Tandberg Haugsjå

Board Member

  
Geart-Peter Van Giessel

Board Member

  
Sigmund Ivar Bakke

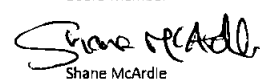
Board Member

  
Christian Thraning Karde

Board Member

  
Karen Grøttheim Algaard

Board Member

  
Shane McArdie

CEO



## Statement of cash flow

KONGSBERG DIGITAL HOLDING ASA

TNOK	Note	2024	2023
<i>Cash flow from operating activities</i>			
Earning after tax		1,423	1,663
Income tax expense	3	401	469
Change in other current balance items		307	(154)
Net cash flows from operating activities		2,131	1,978
<i>Cash from investing activities</i>			
Net cash flow from investing activities		(445,080)	(800,000)
<i>Cash flow from financing activities</i>			
Proceeds from incorporation and capital increase	-	270,000	976,162
Short term interest bearing liabilities		50,000	-
Company registration expenses	-	-	407
Changes in Cash pool		122,950	(178,870)
Net cash flow from financing activities		442,035	797,699
Total cash flow		(914)	(323)
Net change in cash and cash equivalents		(457)	(323)
Cash and cash equivalents at the beginning of the period		457	781
Cash and cash equivalents at the end of the period	8	-	457



## Note 1 Accounting policies

The financial statements for Kongsberg Digital Holding ASA have been prepared in accordance with the Norwegian Accounting Act, generally accepted accounting practices in Norway including the Norwegian accounting regulations for a simplified application of IFRS.

Consolidated financial statements have been prepared for Kongsberg Digital Holding ASA and subsidiaries. The group is also included in the consolidated financial statements for Kongsberg Gruppen ASA.

During 2021 the company has received all the shares in Kongsberg Digital AS from the parent company Kongsberg Gruppen ASA as a contribution in kind.

The financial statements have been prepared on a historic cost basis and is presented in Norwegian kroner (NOK). All amounts are rounded to NOK thousands except where otherwise described.

### Subsidiaries

Subsidiaries are measured at cost in the statutory accounts. The investment is evaluated at acquisition cost less any impairment. Such assets are written down to fair value when a decrease in value cannot be considered to be temporary and is required pursuant to generally accepted accounting principles. Impairments are reversed when the basis for the impairment no longer applies.

### Classification and valuation of statement of financial position items

Current assets and current liabilities include items due for payment within one year after the date of acquisition. Other items are classified as non-current assets/non-current liabilities. Current assets are measured at the lower of cost and fair value. Current liabilities are recorded at their nominal values on the date of acquisition. Fixed assets are measured at acquisition cost less depreciation but are written down when a decrease in value is not expected to be of temporary nature. Non-current liabilities are measured at nominal value at the date they are incurred.

### Foreign currency

Monetary items in a foreign currency are assessed using the exchange rate applicable at year-end. Gains and losses related to items in a foreign currency and that are part of the operating cycle are included in the operating profit/loss. Other gains and losses related to items in foreign currency are classified as financial income or costs.

### Income tax

Income tax expense in the financial statements includes tax payable and the change in deferred tax for the period. Deferred tax/tax assets are calculated at 22 per cent on all temporary differences between the book value and tax value of assets and liabilities, and loss carried forward at the end of the reporting period. Taxable and deductible temporary differences that reverse or may reverse in the same period are offset. Deferred tax assets are recognised when it is probable that the company will have adequate profit for tax purposes in subsequent periods to utilise the tax asset.

### Statement of cash flow

The cash flow statement is prepared using the indirect method. Cash and cash equivalents comprise cash reserves, bank deposits and other short-term liquid investments.



## Note 2 Personnel expenses, number of employees, loans to employees and auditor's fee

The company has not employees.

During 2023 group management have been employed in the subsidiary Kongsberg Digital AS. Remuneration to group executives and board of directors is presented in note 29 to the consolidated financial statements.

The company is not required to have a pension plan.

Auditor fees have been expensed as follows:	2024	2023
Other Services	522	213

VAT is included in the auditor expenses.

## Note 3 Income tax

Income tax expense

TNOK	2024	2023
Change in deferred tax	-	-
Total income tax	-	-

Tax base estimation

TNOK	2024	2023
Earnings before tax	1 824	2 132
Tax base	1 824	2 132
Group contribution	-	-
Tax base	1 824	2 132

The company has no temporary differences.



## Note 4 Shares in subsidiaries

### Subsidiaries

<i>TNOK</i>					
<i>Company</i>	<i>Office</i>	<i>Ownership</i>	<i>Earnings before tax</i>	<i>Equity as of 31.12</i>	<i>Carrying value as of 31.12</i>
Kongsberg Digital AS	Bærum, Norge	100%	(192 018)*	1 436 110*	1 685
K-SIM AS	Bærum, Norge	100%	-	30	80

\*Currently the Annual Statement for KDI AS is not complete. Numbers are interim.

## Note 5 Intercompany balance group companies

### Outstanding balances

<i>TNOK</i>	<i>2024</i>	<i>2023</i>
<i>Receivables</i>		
Group contribution		
Receivables in cash pool	56	179
<i>Liabilities</i>		
Accounts payable	2	2



## Note 6 | Bank deposits

Bank Deposits 2024

Bank Deposits -  
Total

Bank deposits are cash and bank deposits outside the cash pool system. Kongsberg Digital Holding ASA has in addition deposits and/or drafts in KONGSBERG's cashpool system which are presented as receivables group cash pool and/or liabilities group cash pool in the cash pool system in the statement of financial position. As of 31. December Kongsberg Digital Holding ASA has receivables in the cash pool system with the amount of NOK 56 378 thousands.

## Note 7 Share capital and shareholder information

As of 31 December 2024, share capital consists of 10 800 shares, each with a nominal value of NOK 1 222. Total share capital is NOK 13,7 million. Kongsberg Digital Holding ASA was established in 2021.

List of shareholders as of 31.12.24

<i>Shareholders</i>	<i>Type</i>	<i>Number of shares</i>	<i>%-share</i>
Kongsberg Gruppen ASA	Ordinary	9,000	80.06%
Kongsberg Gruppen ASA	Preference	356	3.17%
Shell Ventures B.V	Preference	1,145	10.19%
Zeus Holdco AS	Preference	741	6.59%
Total number of shares		11,242	100.00%



## Note 8 Equity

<i>MNOK</i>	<i>Note</i>	<i>Share capital</i>	<i>Share Premium</i>	<i>Other issued capital</i>	<i>Total equity</i>
Equity as of 1 January 1.1.23		13 200	1 403 934	1 683	1 418 817
Correction opening balance				470	470
Earnings after tax		-	-	1 423	1 423
Capital increase		540	-	269 459	270 000
Equity as of 31 December 2024		13 740	1 403 934	273 035	1 690 709

After the balance sheet date, the general meeting decided to reduce the company's share capital of NOK 2,600,889 by redeeming 2,128 shares. The total redemption amount is NOK 1,300 million and expected to be completed in second quarter of 2025.

## Note 9 | Events after balance date

The board is not aware of events after balance date that have material impact on the financial statements for 2024.



Skatteetaten

Vår dato 04.09.2024	Din/Deres dato	Saksbehandler Robin Ingebrigtsen
800 80 000 Skatteetaten.no	Din/Deres referanse	Telefon 99778267
Org.nr 974761076	Vår referanse 2024/5317038	Postadresse Postboks 9200 Grønland 0134 OSLO

KONGSBERG DIGITAL HOLDING ASA

Lysaker torg 35  
1366 LYSAKER  
Norge

## Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til Kongsberg Digital Holding ASA (org.nr. 927 020 629) sin søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

I søknaden vises det blant annet til at selskapet eies av Kongsberg Gruppen ASA og to andre selskaper som består av profesjonelle/institusjonelle aksjonærer fra flere land. Arbeidsspråket til Kongsberg Digital Holding ASA er engelsk. Kundene er i hovedsak internasjonale selskaper samt interne konsernselskaper. Bransjen Kongsberg Digital Holding ASA opererer i er energisektoren, prosessindustrien og maritim industri. Dette er internasjonale bransjer hvor både arbeidsspråket i selskapene og kommunikasjonen hovedsakelig foregår på engelsk.

### Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*



I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *“informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at kommunikasjon med de fleste av kunder og leverandører skjer på engelsk. Flere av selskapets eiere er engelskspråklige og vil ikke ha mulighet for å forstå årsregnskap og årsberetning på norsk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Magrit Kilen Støebner  
underdirektør  
Innsats, storbedrift  
Skatteetaten

Robin Ingebrigtsen



*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*