

KEBNI RELEASES QUARTERLY REPORT FOR Q3 2021, JULY - SEPTEMBER

KebNi tightens the arc.

During the third quarter of the year, KebNi took its starting point in the future. In parallel with deliveries to our customer in Israel and thus a stabilized cash flow, as well as further focus on sales work with more customer visits and quotation deliveries, intensive strategy work has been done during the quarter. Within that work, we have seen great opportunities and have paved the way to reach them. KebNi plans to grow both organically and through acquisitions. The organic part of the business plan states that KebNi aims to:

- Grow SATCOM faster than the addressable market over the next 5 years (Market growth SatCom Maritime ~ 20% and Land ~ 4%).
- Inertial Sensing and SATCOM will be equal product areas in 2025.
- The ambition is to achieve a positive operating profit during the second half of 2023, and to achieve a positive cash flow during 2024

Key figures for the period (previous year)

- Net sales for Q3 amounted to SEK 7.3 MSEK (8.1 MSEK)
- Operating profit for the period (EBITDA) amounted to SEK -7.4 MSEK (- 4.5 MSEK)
- Profit for the period (EBIT) amounted to SEK -7.3 MSEK (- 5.4 MSEK)
- Cash flow for the period from operating activities amounted to SEK -6.9 MSEK (- 6.1 MSEK)
- The number of employees at the end of the period increased to 18 (17)

CEO's comment

Over the past four months, a great deal of work has been put into developing a strategy for the next five years. Large parts of the company have in various ways been involved in the work, which aims to indicate the direction for the coming five-year period. At the same time, we ensure that today's work and priorities are in line with future goals.

With its two product areas, SATCOM & Inertial Sensing, KebNi is very well positioned in a growing market where three ongoing technology trends "SPACE", "AUTOMATION" and "CONNECTIVITY" are in focus. KebNi has gathered a unique mix of technology skills under one roof, which will be appreciated by our customers in an increasingly mobile and connected world.

An important part of the strategy within the business plan period consists of acquisitions, primarily focused on complementing KebNi's established technologies, products, and product areas. Clear synergies are sought to increase economies of scale regarding existing processes and resource areas such as development, sales and administration.

Despite travel restrictions, we have worked closely with our customer in Israel during September and October to be able to carry out inspections of a large number of spare parts, both through video conferencing and factory visits. As entry restrictions are now eased in both Europe and Israel, we look forward to the effects of the COVID pandemic continuing to diminish regarding future deliveries.

Another effect of the COVID pandemic has been that many of our potential customers have been prevented from working due to national quarantine regulations. We can now see this loosening up more and more, which for us means that we are noticing more concrete procurements that we can begin to process. We are now working on several procurement projects in Asia as well as projects that are being defined in Europe.

KebNi participated in November in GLOBAL MILSATCOM 2021. An annual conference in London with participants from all over the world, but this year mainly from Europe and the USA. The major topics of discussion today are how to take advantage of the new GEO, LEO and MEO satellite constellations that will be established in the coming

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years until around 2030. The need for increasingly advanced satellite terminals is clear and we see that our satellite products are well positioned and can be adapted to handle the new demands that end users will make. The development of the upcoming IMU product family SensAltion, formerly referred to as "NG IMU", has followed the plan well during Q3 despite the global shortage of semiconductors.

More details will be released soon, but SensAltion will be a high-performance-multisensor platform available in several functional levels to meet a wide range of different needs and applications while maintaining cost efficiency for the customer.

We receive repeated positive feedback from potential customers when we describe SensAltion and it will definitely put pressure on our competitors. It was recently verified that the rugged house meets IP68 underwater requirements, which is highly competitive. We have high hopes of selling units even before the first prototypes are available.

In addition to the upcoming product family SensAltion, the development project for Saab Dynamics is running well and according to plan. The first prototypes delivered earlier this year have been successfully tested by the customer, regarding integration and interface. Tests in the operational environment have been completed successfully.

KebNi's recently presented strategy shows our plans to develop two more IMU platforms, Tactical and Navigational, which will be customer financed and with higher level performance. These are of great interest, and we are already working with potential partners to realize our strategy.

The scaffolding project's sensor system is progressing positively. The patent process is ongoing, prototypes are on the way, and we are talking to various stakeholders. In addition to this application, we intend to release one application per year until 2026. Future applications are based on the structure we develop for the Scaffolding project and thereby shorten the time to the finished product.

Questions are answered by the company's CEO, Torbjörn Saxmo, on telephone 070-916 14 82

About KebNi AB (publ)

KebNi has a long history and extensive experience in maritime and land-based satellite antenna solutions as well as solutions for inertial sensor systems for motion detection. The company, headquartered in Stockholm, is focused on becoming a leading supplier of reliable technology, products and solutions for satellite communications, security, positioning and stabilization. KebNi's products and solutions are aimed at government, military, and commercial customers. The company operates in a global market, directly and through a network of resellers.

KebNi currently has operations in two different product areas - satellite communication and inertial sensors. These are described in detail at www.kebni.com.

KebNi "brings stability to a world in motion".

The company's share (KEBNI B) is traded on the Nasdaq First North Growth Market. Certified Adviser is G&W Fondkommission, e-mail: ca@gwkapital.se, telephone: 08-503 000 50.

This is transparency information that KebNi AB is obliged to publish in accordance with the EU Market Abuse Regulation (MAR). The information was submitted, according to the above contact person, for publication on November 18, 2021 at 08:30 CET.

This report has not been subject to review by the company's auditors.