



Full steam ahead to **grow** **our business**



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Important information

This presentation may contain forward-looking statements which reflect Saab AB's current view on future events and financial and operational development. Words such as "intend", "expect", "anticipate", "may", "believe", "plan", "estimate" and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

Highlights

- Strong start to the year and high market interest for Saab
- EU initiatives to strengthen European defence industry and support for Ukraine
- Sweden NATO accession finalised and integration ongoing
- Saab capacity ramp-up efforts progressing well
- Delivery of first 340 AEW aircraft to Poland in Q1 and 4th GlobalEye to UAE in April
- Strengthened employer attractiveness and 725 new employees recruited

Key figures Q1 2024

Growth in medium-sized and small orders

Order intake, BSEK

18.5

9% increase y-o-y

Sales growth in all business areas and Combitech

Sales, BSEK

14.2

24% organic growth

EBIT margin improvement to 8.4% (8.1)

EBIT, BSEK

1.2

28% EBIT growth

Negative due to investments, inventory and timing of payments

Operational cash flow, BSEK

-2.0

(Q1 23: 3.1 BSEK)

Orders Q1 2024

Total orders

18.5

SEK billion
(17.0)

International orders

13.8

SEK billion
(13.9)

Order backlog

158

SEK billion
(19% increase y-o-y)

Key orders

- Short-range air defence system RBS 70 NG to Canada
- GlobalEye support contract to UAE
- Gripen C fighters for Hungary
- Arexis sensor suite to Airbus for German Eurofighters
- Carl-Gustaf order from NATO's Support and Procurement Agency
- Future fighter concept studies for Sweden

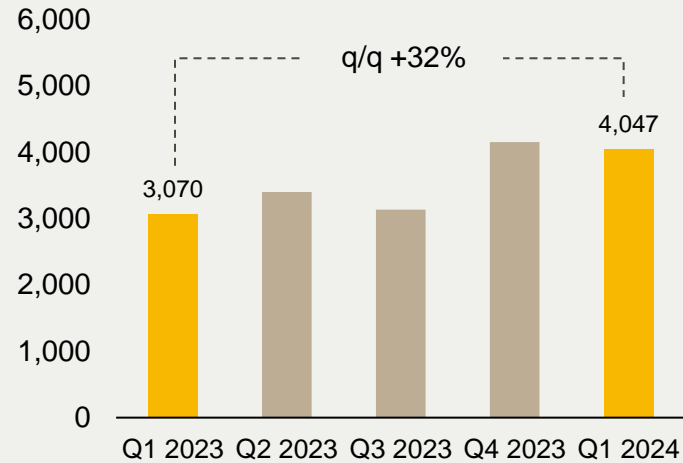
Aeronautics

- Strong sales growth driven by Gripen Hungary, Sweden and Brazil programmes
- Improved profitability driven by the higher sales volumes, partly offset by T-7 under-absorption
- Saab tasked for future fighter concept studies for Sweden
- Fighter campaigns in Thailand, Philippines and Colombia

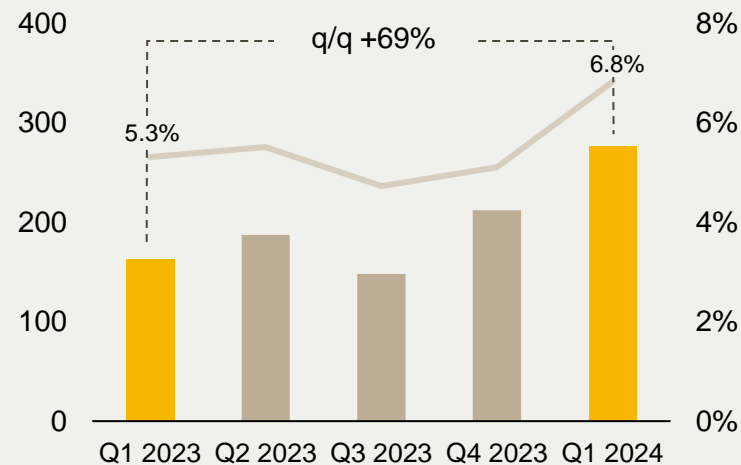
Order intake
5.1
BSEK

Order backlog
48.1
BSEK

Sales, SEK million



EBIT and EBIT margin, SEK million and %



Dynamics

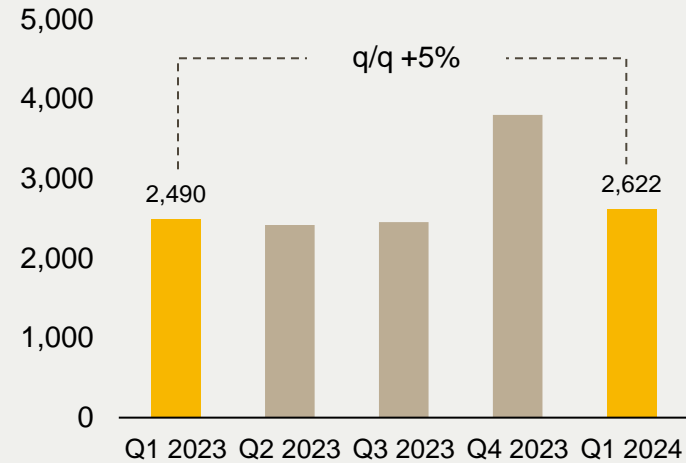
- Sales growth and margin impacted by lower deliveries in Ground Combat, higher shipping volumes expected from Q2
- Strong development in Training & Simulation
- Construction start of Saab's manufacturing site in India and site selection in the U.S. initiated
- Major Carl-Gustaf M4 system, ammo and training order received from Poland of 12.9 BSEK, expected to be booked in Q2

Order intake
5.6
BSEK

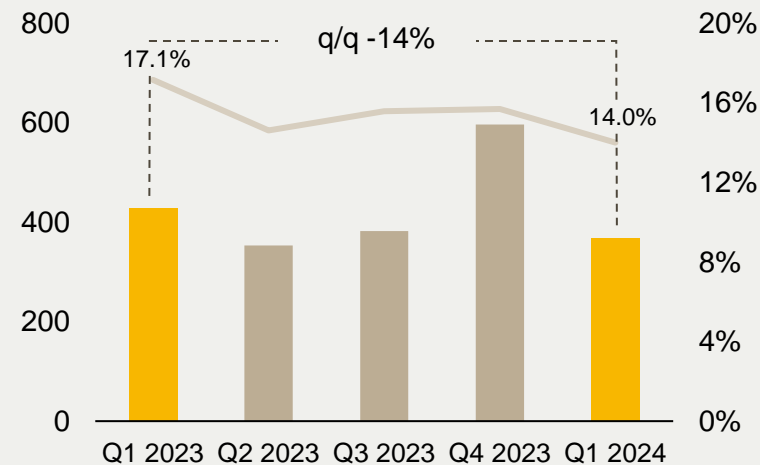
Order backlog
46.2
BSEK



Sales, SEK million



EBIT and EBIT margin, SEK million and %



Surveillance

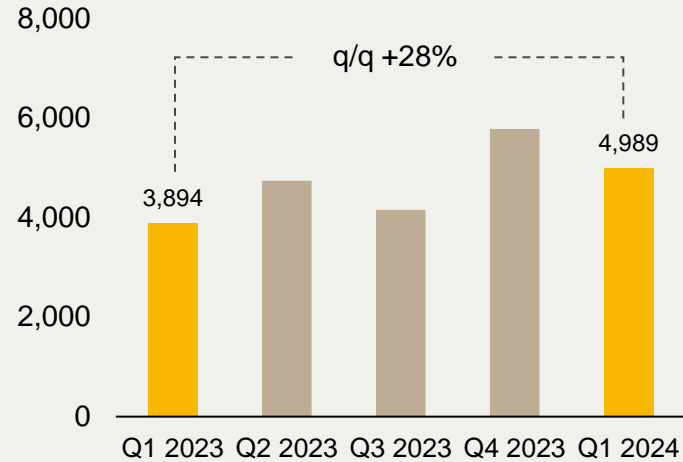
- Good order growth of 22% following strong Q1 last year - market interest in all areas
- Sales growth driven by high pace in programme execution
- Underlying profitability improvement driven by scale effects
- Delivered the first 340 AEW aircraft to Poland in Q1 and the 4th GlobalEye to UAE in April

Order intake
6.0
BSEK

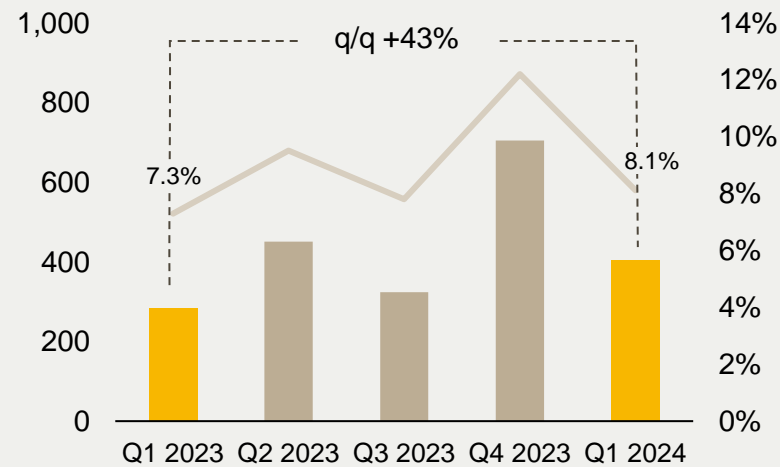
Order backlog
47.2
BSEK



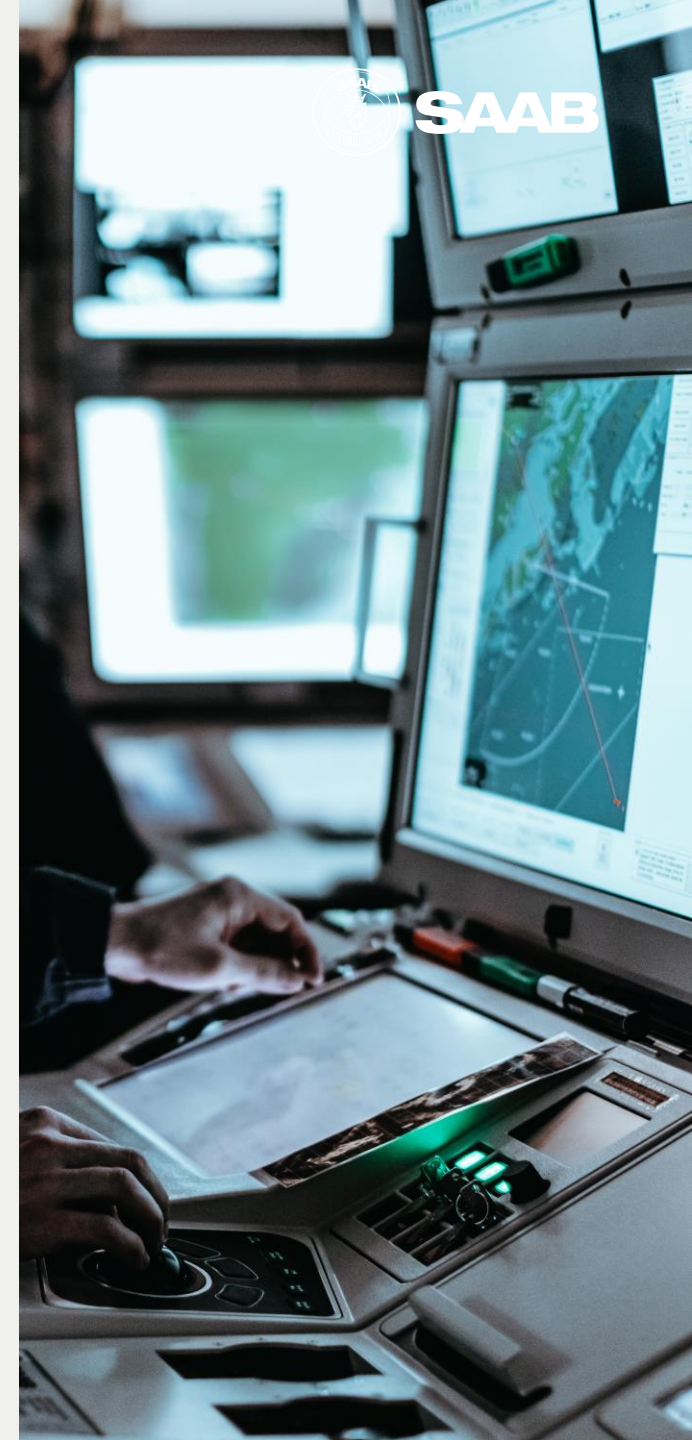
Sales, SEK million



EBIT and EBIT margin, SEK million and %



Q1 2023 adjusted for items affecting comparability



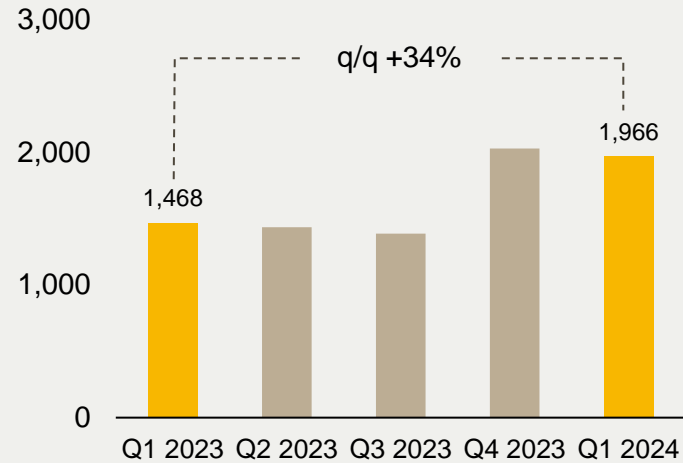
Kockums

- Strong growth driven by high project activity
- Improved margins as a result of high volumes and share of international projects
- Entering design phase of the new future Luleå-class surface ships for Sweden
- Synergy activities initiated following the transfer of Underwater Systems from Dynamics to Kockums

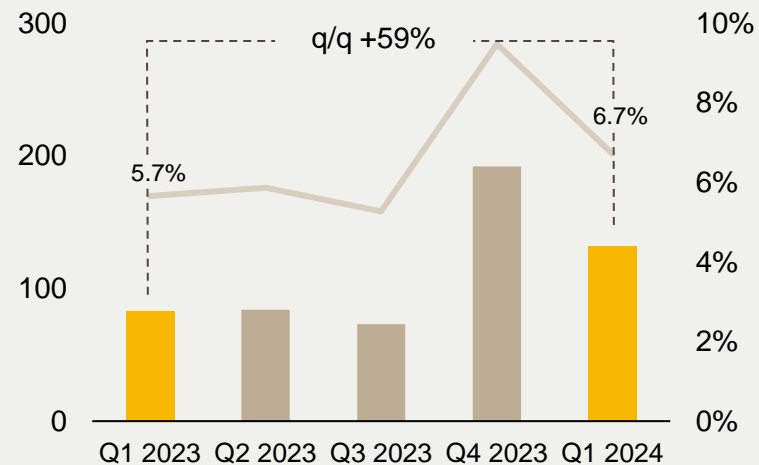
Order intake
1.4
BSEK

Order backlog
16.5
BSEK

Sales, SEK million



EBIT and EBIT margin, SEK million and %



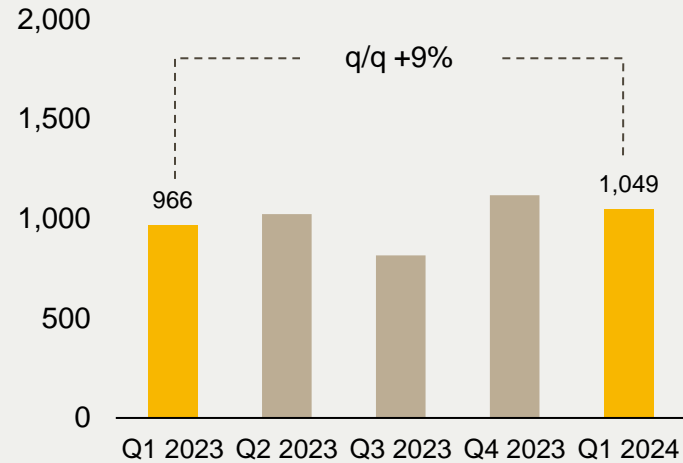
Combitech

- Benefitting from growing demand in defence and security segments
- Extended framework agreement with the Swedish Defence Materiel Administration for communications equipment support
- Contracts with Kongsberg and Swedish Civil Aviation Administration in the quarter
- Positive impact on sales and EBIT from favourable mix and utilisation across most business segments

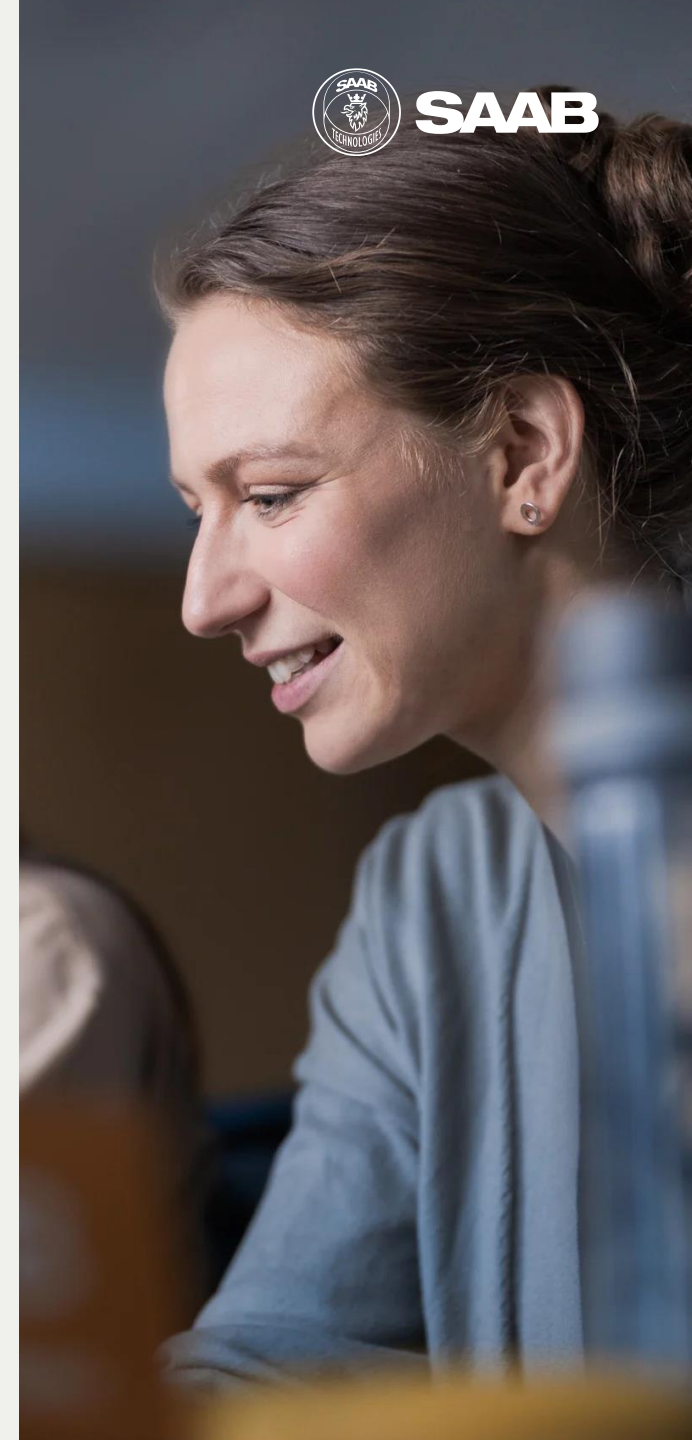
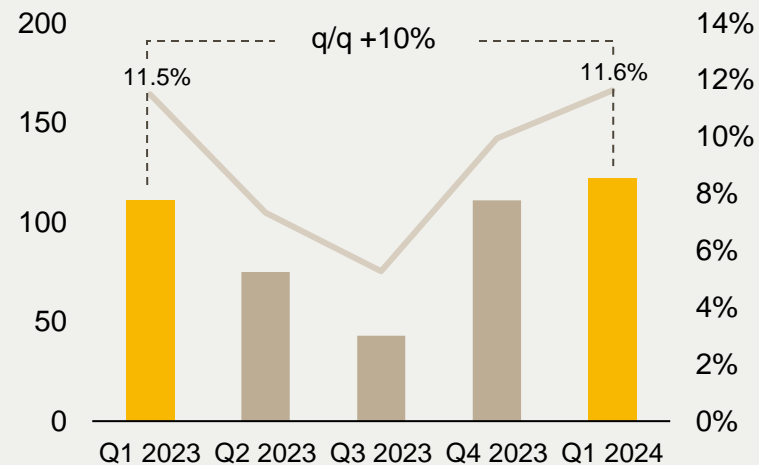
Order intake
1.1
BSEK

Order backlog
1.6
BSEK

Sales, SEK million



EBIT and EBIT margin, SEK million and %



Launch of 'Skapa' initiative

- Skapa is a new initiative by Saab in the U.S. to accelerate cutting-edge technologies in cooperation with customers and partners on new projects
- Focus on new technologies to deliver capabilities across Saab's portfolio and domains within:
 - Naval Autonomy
 - Digital and AI
 - Maritime Domain Awareness
- A new facility in San Diego opened on April 24 with significant interest from customers and potential partners
- First contracts signed including a project focused on Naval Autonomy through Saab's Enforcer 3.1 platform, based on combat boat 90
- Saab to leverage CrowdAI technologies and platforms



Sustainability Q1 highlights

- Focus on implementation of the updated sustainability strategy towards the new targets on long-, medium- and short-term
- For the first time, Saab secured a place on the CDP's "A list" for 2023, proving strong governance and long-term performance
- Increase in share of women managers to 28% from 27%
- Scope 1 and 2 emission increased 18% y-o-y mainly due to aircraft deliveries and a higher level of flight testing, however, emissions decreased 23% compared to base year 2020



Upgraded sales growth outlook

Based on improved visibility on deliveries and capacity increases during the year, we upgrade our organic sales growth outlook for 2024.

Previous:

Organic sales growth between **12-16%**

New:

Organic sales growth between **15-20%**

Priorities going forward

- EU and NATO initiatives and future collaborations
- Customer commitments and meeting the strong demand
- Ongoing capacity and production ramp-up
- Workforce onboarding and upskilling
- R&D investments and future technologies
- Mitigating supply chain risks

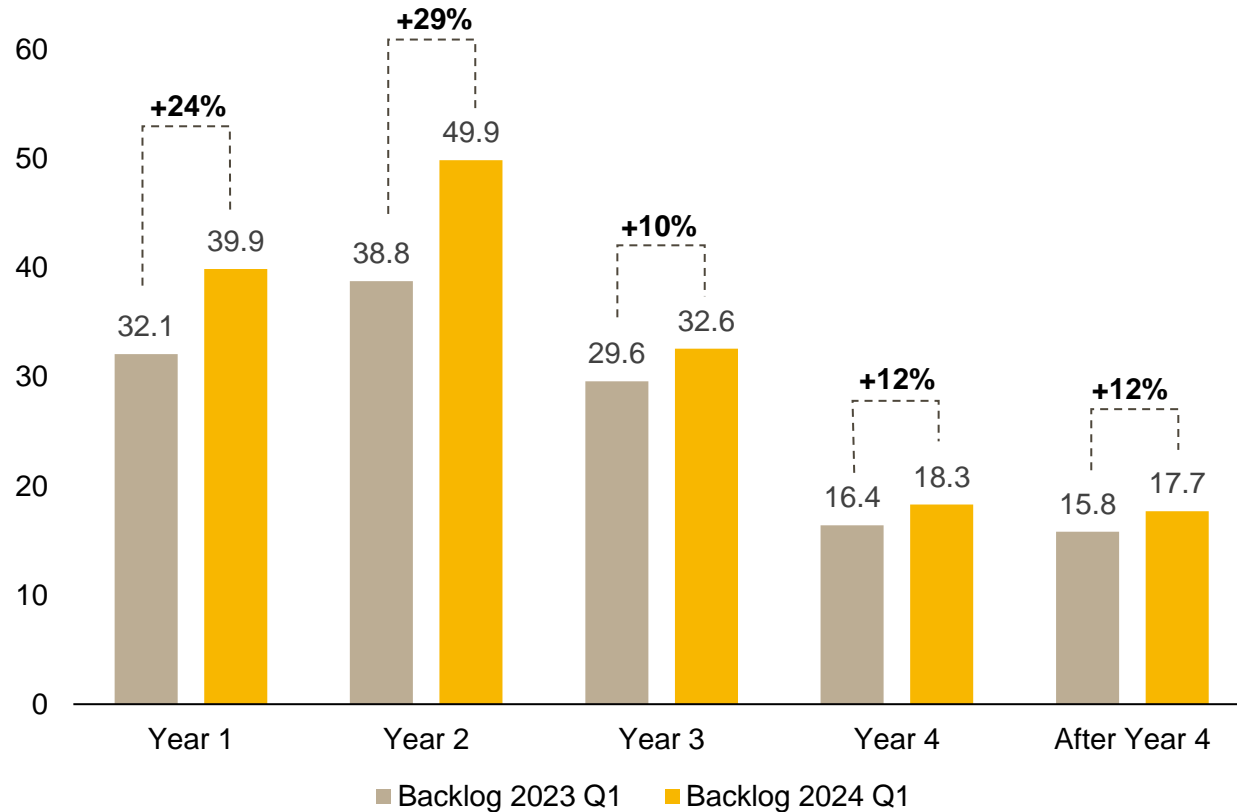
Financial Summary



Christian Luiga, CFO and Deputy CEO

Strong order momentum

Order backlog duration, SEK billion



Q1 2024

75%

Order bookings from international markets
(81% in Q1 2023)

- Solid order intake resulting in Q1 book-to-bill of 1.5x (R12M)
- Book-to-bill >1x for 6 consecutive quarters
- Order backlog of 158 BSEK (up 19% y/y) supporting good long-term growth
- 66% of backlog outside Sweden

Financial summary

Q1 2024



Saab Group, SEK million unless otherwise stated

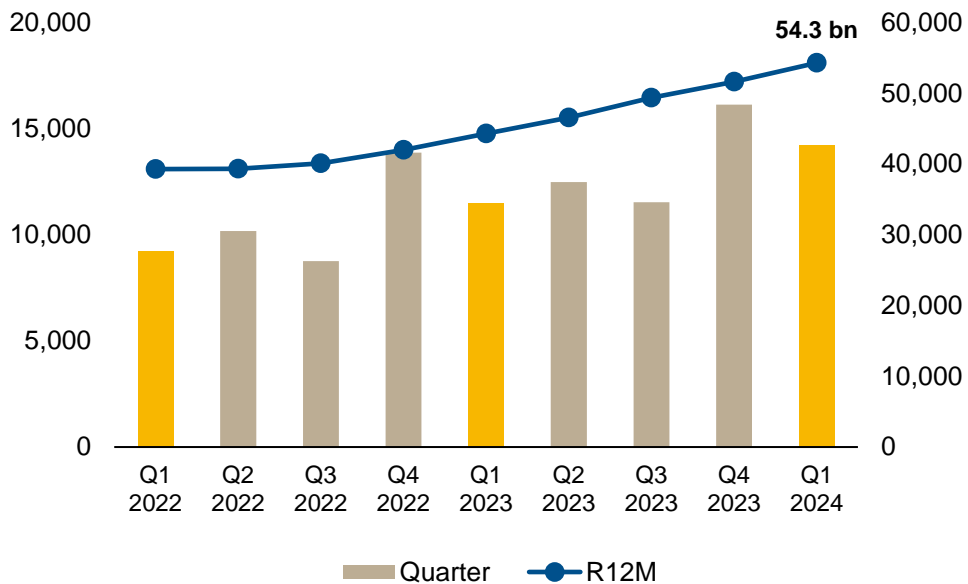
	Q1 2024	Q1 2023	Change	FY 2023
Sales	14,185	11,485	24%	51,609
Gross Income	3,085	2,502	23%	11,260
<i>Gross margin</i>	<i>21.7%</i>	<i>21.8%</i>		<i>21.8%</i>
EBITDA	1,819	1,484	23%	6,558
<i>EBITDA margin</i>	<i>12.8%</i>	<i>12.9%</i>		<i>12.7%</i>
EBIT	1,191	928	28%	4,272
<i>EBIT margin</i>	<i>8.4%</i>	<i>8.1%</i>		<i>8.3%</i>
Financial net	-182	2		146
<i>Tax rate</i>	<i>22.3%</i>	<i>21.0%</i>		<i>22.1%</i>
Net income	784	735	7%	3,443
EPS (SEK)	5.71	5.45	5%	25.16

Comments

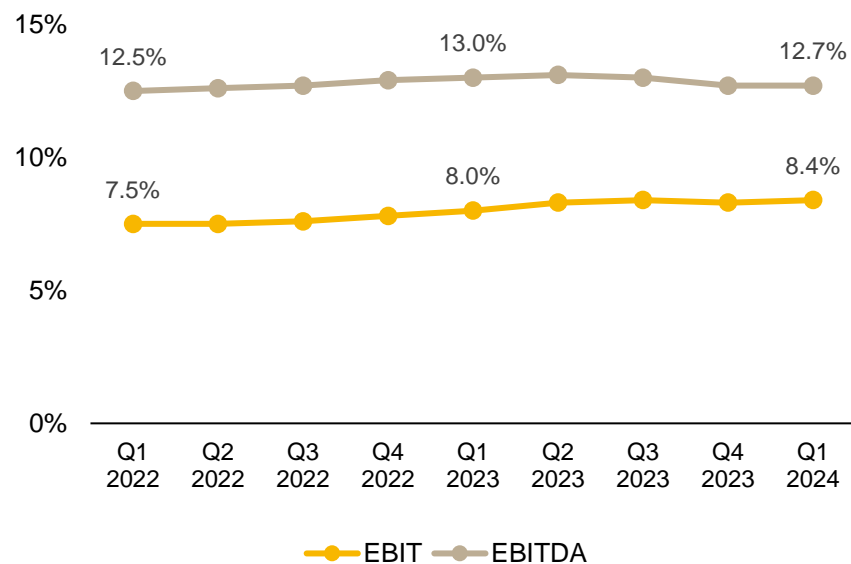
- Reported sales growth of 23.5%, of which 24.0% organic, -0.3% currency and -0.2% M&A
- Increased gross income driven by the higher sales volumes, gross margin flat due to BA mix
- EBIT growth of 28.3% driven by higher sales volumes and scale effects on OPEX
- Financial net impacted by unfavourable currency effects on tender portfolio as a result of SEK depreciation in the quarter
- Tax at normal run rate of 21-23%
- Net income and EPS driven by EBIT growth but impacted by the negative financial net

Sales and EBIT development

Group Sales, SEK million



Group EBIT and EBITDA margin, %R12M



- Rolling 12 month Sales CAGR of 14% over the last 3 years and last 12 months sales CAGR of 23%
- Strong sales development across several business areas driven by high level of project volumes
- Growth in most regions in Q1, driven by Europe

- Scale drives EBIT growth, OPEX growth of 20% vs. sales growth of 24% in Q1
- High OPEX increase in quarter from international expansion, scale-up (e.g. HR and IT) and consolidation of minority
- Depreciation increases less than other OPEX

Key figures per business area

SEK million unless otherwise stated

Aeronautics	Q1 2024	Q1 2023	Change
Sales	4,047	3,070	32%
Operating income	276	163	69%
Operating margin	6.8%	5.3%	+1.5 pp
Operational cash flow	-824	82	

Dynamics	Q1 2024	Q1 2023	Change
Sales	2,622	2,490	5%
Operating income	367	427	-14%
Operating margin	14.0%	17.1%	-3.1 pp
Operational cash flow	-996	1,914	

Comments

- Strong sales contribution from Aeronautics, Surveillance and Kockums in the quarter
- Dynamics' margins impacted by lower delivery volumes in Q1, higher volumes expected from Q2
- Surveillance margins adjusted for IAC capital gain of 270 MSEK in Q123
- Weak cash flow from increased investments, inventory and fewer customer payments

Surveillance	Q1 2024	Q1 2023	Change
Sales	4,989	3,894	28%
Operating income	405	284*	43%
Operating margin	8.1%	7.3%*	+0.8 pp
Operational cash flow	-436	745	

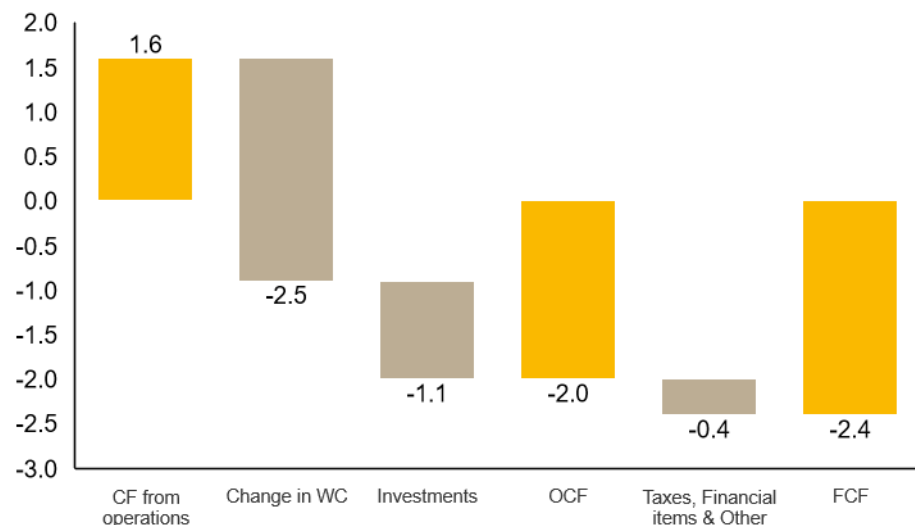
Kockums	Q1 2024	Q1 2023	Change
Sales	1,966	1,468	34%
Operating income	132	83	59%
Operating margin	6.7%	5.7%	+1.0 pp
Operational cash flow	920	703	

Combitech	Q1 2024	Q1 2023	Change
Sales	1,049	966	9%
Operating income	122	111	10%
Operating margin	11.6%	11.5%	+0.1 pp
Operational cash flow	135	138	

*adjusted for items affecting comparability

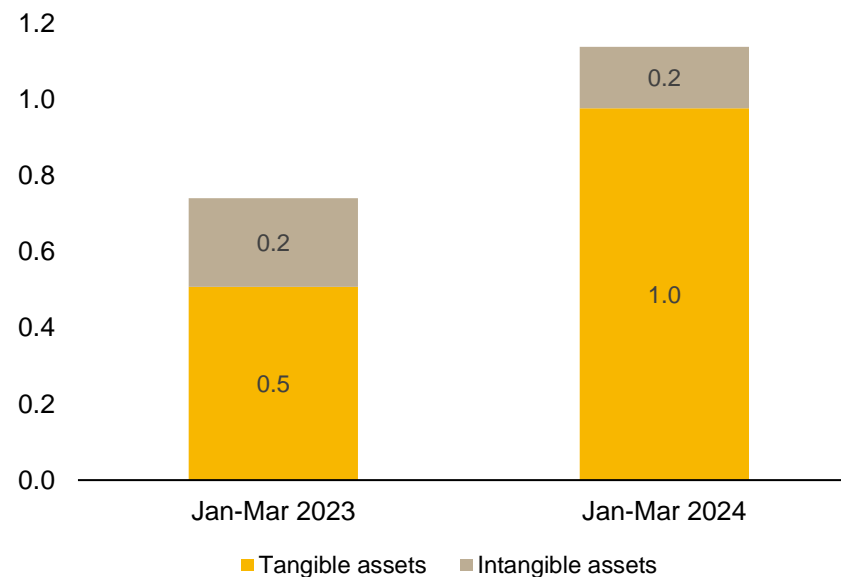
Cash flow and investments

Group Cash Flow YTD, SEK billion



- Negative impact from timing of customer payments in Aeronautics
- Inventory build-up in Dynamics and Surveillance, partly due to lower deliveries

Investments, SEK billion



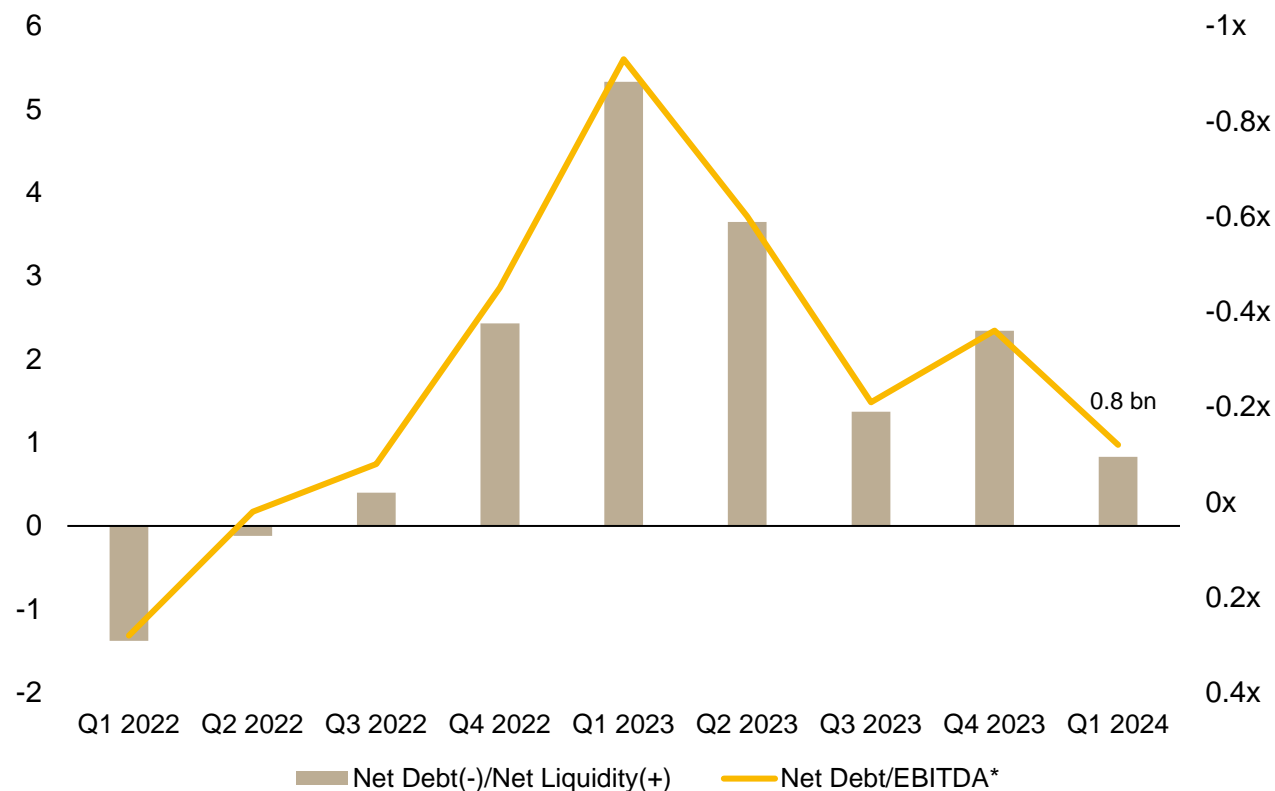
- Increase mainly driven by capacity investments in Dynamics and Surveillance
- Capitalised R&D in line with last year

Q1 2024
10.9
 Return on equity, %
 (9.5% in Q1 2023)

Q1 2024
12.6
 Return on capital employed, %
 (9.6% in Q1 2023)

Solid balance sheet

Liquidity/debt position, SEK billion



Q1 2024
-0.12x
 Net debt/EBITDA*

Q1 2024
39.7%
 Equity/Asset ratio

Q1 2024
10.8
 Cash and short term investments, SEK bn

Q1 2024
6.0
 Unutilised Revolving Credit Facilities, SEK bn

*EBITDA rolling 12 months, adjusted for items affecting comparability

Outlook and targets



Organic sales growth

Operating income

Cash flow

Outlook 2024

New:
Organic sales growth
between 15-20%

Previous:
*Organic sales growth
between 12-16%*

Operating income growth
higher than organic
sales growth

Positive operational
cash flow

Medium term 2023-2027

~15% CAGR*

Operating income growth
higher than organic
sales growth

>70% cash conversion**
(cumulative 5 yrs)

*CAGR base year 2022, **Cash conversion = Operational cash flow / Operating income

Q&A

