



ANALYST & **INVESTOR** **DAY** 2019

Welcome

**Navigation & communication innovation
that enables a mobile world**



Forward-looking Statements

This presentation contains forward-looking statements that involve risks and uncertainties. For example, forward-looking statements include statements regarding the size of market opportunities that may be available to us in future years, potential market share, anticipated areas of revenue growth, future average retail prices per unit (ARPU), anticipated orders for inertial navigation products, anticipated future performance and cost of our photonic chip, anticipated manufacturing scalability, anticipated margin growth, anticipated recurrence of subscription revenue, anticipated positive cash flows for AgilePlans subscriptions, and other plans and goals. Actual results could differ materially from the forward-looking statements made in this presentation. Factors that might cause these differences include, but are not limited to: unanticipated changes or disruptions in our markets; new competitive entrants in our markets; the introduction of competitive technology; technological breakthroughs by competitors; changes in customer priorities or preferences; potential customer terminations; unanticipated liabilities; the potential that competitors will design around or invalidate our intellectual property rights; a history and expectation of continuing losses as we increase investments in various initiatives; the uncertain duration of the initial adverse impact on our overall revenues of our new AgilePlans and KVH Watch, under which we recognize no revenue for product sales, either at the time of shipment or over the contract term; increased costs arising from the new HTS network; the uncertain impact of tax reform, federal budget deficits, government shutdowns and Congressional deadlock; the uncertain impact of changes in trade policy, including actual and potential new or higher tariffs and trade barriers, as well as trade wars with other countries; unanticipated obstacles in our photonic chip and other product and service development, cost engineering and manufacturing efforts; delays in the receipt of anticipated orders for our products and services, including significant orders for TACNAV products, or the potential failure of such orders to occur at all; continued adverse impacts of currency fluctuations; risks associated with the impact of Brexit on sales and operations in the U.K. and Europe and on the overall global economy; our ability to successfully commercialize our new initiatives without unanticipated additional expenses or delays; potential reduced sales to companies in or dependent upon the turbulent oil and gas industry; continued substantial fluctuations in military sales, including to foreign customers; the unpredictability of defense budget priorities as well as the order timing, purchasing schedules, and priorities for defense products, including possible order cancellations; the uncertain impact of potential budget cuts by government customers; the impact of extended economic weakness on the sale and use of marine vessels and recreational vehicles; the potential inability to increase or maintain our market share in the market for airtime services; the need to increase sales of the TracPhone V-HTS series products and related services to maintain and improve airtime gross margins; the need for, or delays in, qualification of products to customer or regulatory standards; potential declines or changes in customer demand, due to economic, weather-related, seasonal, and other factors, particularly with respect to the TracPhone V-HTS series, including with respect to new pricing models; increased price and service competition in the mobile connectivity market; and export restrictions, delays in procuring export licenses, and other international risks. These and other factors are discussed in more detail in our most recent Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission. We do not assume any obligation to update our forward-looking statements to reflect new information and developments.

Today's Objectives

- **Meet KVH's leaders**
- **Experience our superior innovations**
- **Learn more about strategic growth plans**

Agenda

- **9:00-11:00** **Management Presentations plus Q&A**
- **11:00-12:30** **Demos & Tours**
- **12:30-1:30** **Lunch**



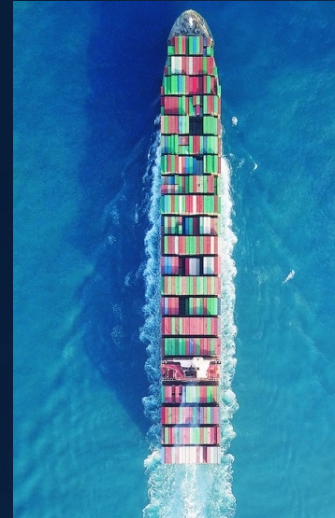
KVH Value Proposition

KVH at a Glance



KVH: Focused on Large, Growing Markets

- **Mobile Connectivity**
 - Satellite broadband connections for maritime
 - Value-added services
- **Inertial Navigation**
 - High-performance navigation for mobile platforms
 - Military tactical navigation systems
- **Innovative technology and business model**
 - Disruptive subscription models building robust recurring revenue stream



Strong Performance on Strategic Initiatives

- **Launched new HTS network and products**
- **Pioneered new service-driven business model**
- **Accelerated growth in key markets globally**
- **Key technological breakthrough in photonics**

Industry-leading VSAT + High-margin Service

**Transitioned to an
all-HTS product line**

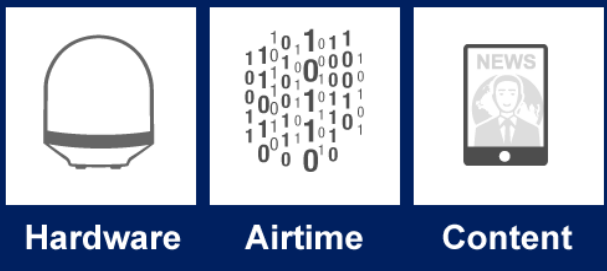


**High-margin,
value-added services**



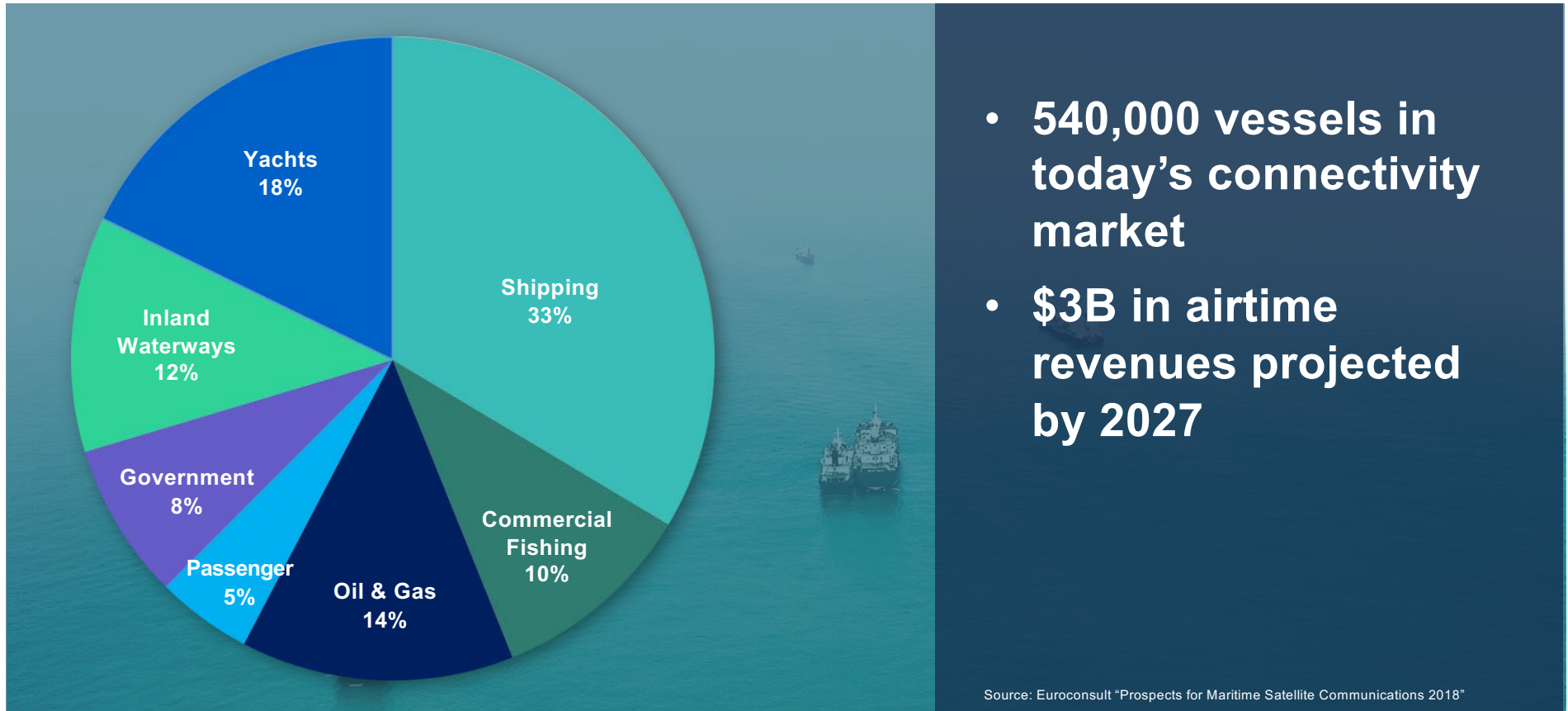
Pioneered Connectivity as a Service

AgilePlans® Subscription Model



- Creating value via business model innovation
- Subscription model with one monthly fee
- Installation and maintenance included

Maritime Connectivity Market



What's Next?

- **IT/Communications is the current focus of our VSAT service**
- **IoT next strategic target**

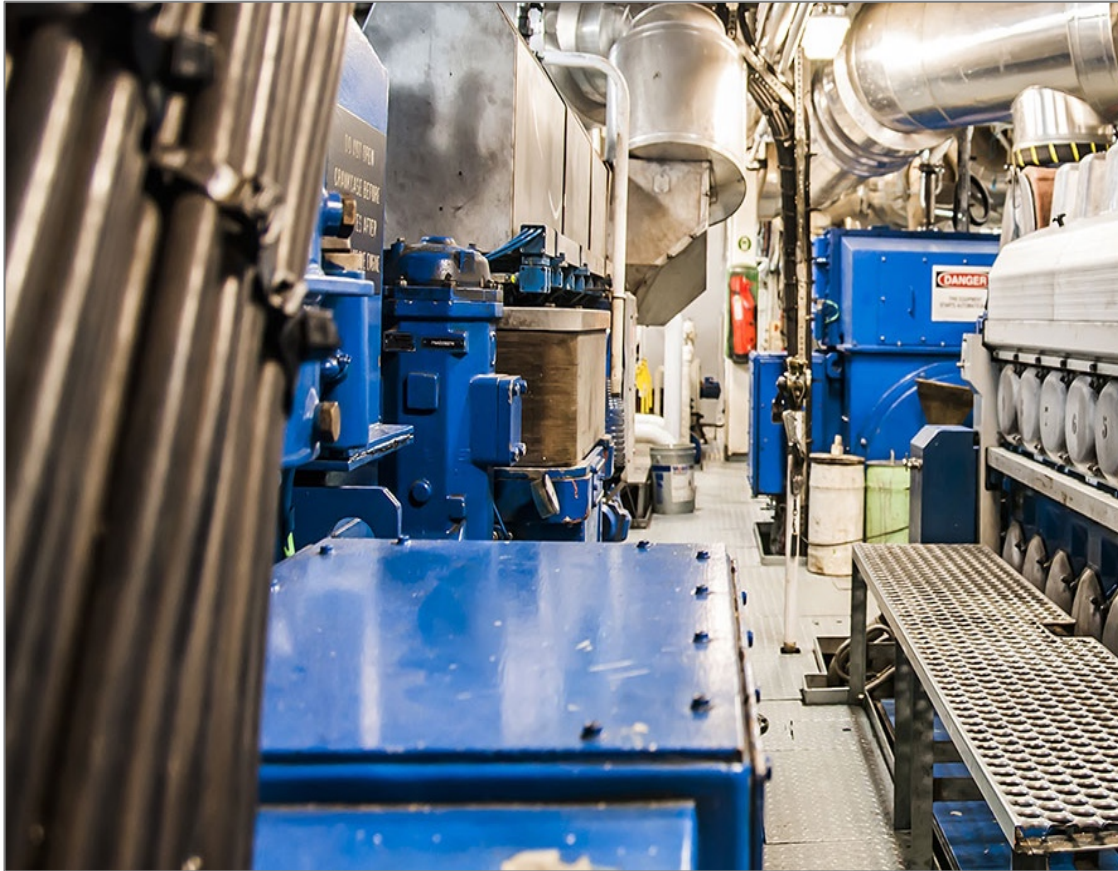


Commercial Vessels Prime Candidates for IoT



- **Complex, expensive machinery being run in the middle of the ocean**
- **Few skilled crew: unable to manage everything**
- **Multiple use cases for cost savings**
 - Equipment health monitoring
 - Preventative maintenance
 - Performance optimization
 - Remote expert support from engineers on shore

IoT Opportunity Large and Growing



- **Maritime IoT includes more than 2.5 million equipment systems**

Source: Merchant Vessel Count from Euroconsult, "Prospects for Maritime Satellite Communications" 2019 x estimate of 30 pieces of equipment per vessel.

KVH Watch™

IoT Connectivity as a Service



Remote Monitoring and Intervention



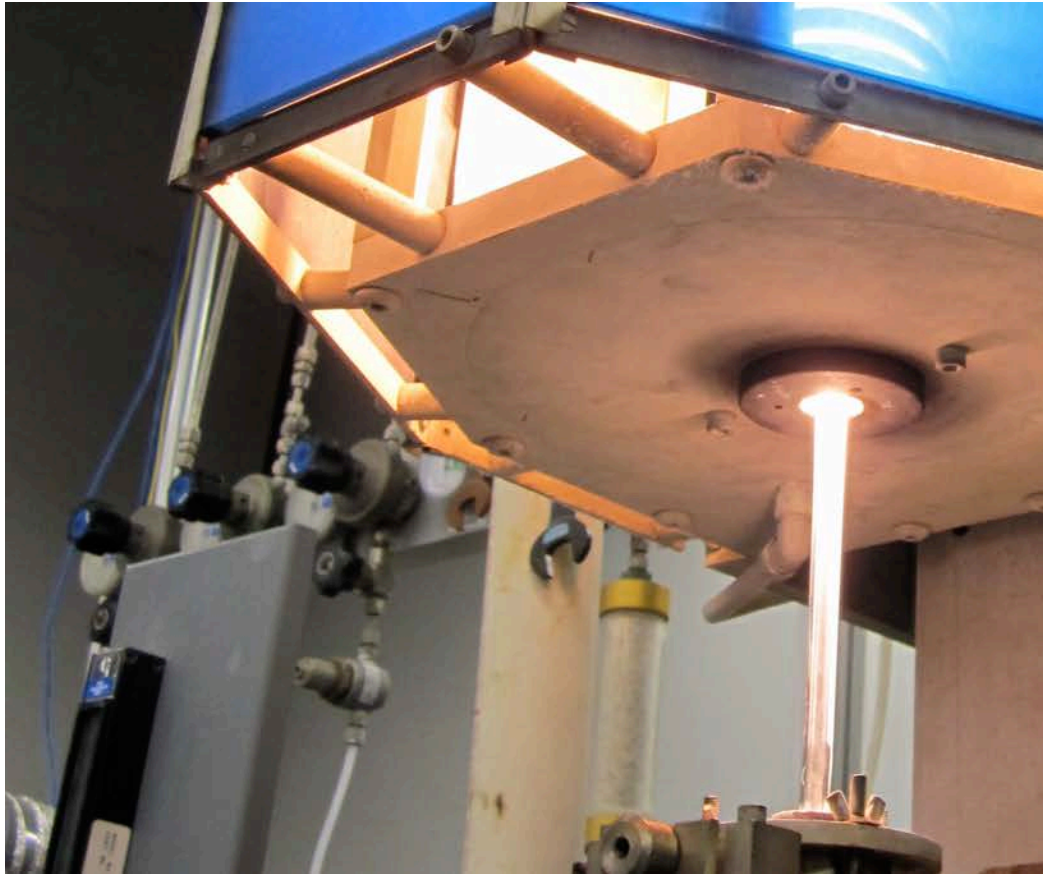
- **KVH Watch**
 - IoT Connectivity as a Service
 - Watch Flow
 - Watch Intervention
- **Designed for maritime equipment manufacturers**
- **Significant maintenance & performance cost savings**

Transforming Business at Sea



- **Leverage AgilePlans business model and technical platform**
- **KVH Watch software already deployed on thousands of VSATs**
- **Leverages multi-tenancy & designed to be as disruptive as AgilePlans**

Innovation Driving Inertial Navigation Solutions



- **Market leader in precision gyros and inertial systems with patented IP**
- **Industry-leading price/performance**
 - Higher performance vs. MEMS
 - Lower cost vs. closed loop technology
- **Vertically integrated manufacturer**

Product Line of High-precision Systems

- **Fiber Optic Gyros (FOGs)**
 - Compact, rugged, solid-state systems with ultra-high bandwidth
- **Inertial Measurement Units (IMUs)**
 - Combines three axes of FOGs and three accelerometers
- **Military tactical navigation systems**
 - Key military technology for Assured Position, Navigation, and Timing (A-PNT)



Global Leader in Assured Navigation

- **Fielded 22,000+ TACNAV® systems worldwide**
- **Military recognizes GPS vulnerabilities**
 - Drives need for A-PNT
- **TACNAV systems are unjammable**
- **Significant opportunities within the U.S. Army and allied militaries**
 - Expecting long-term growth to return to this part of our business



Growing “Autonomous Everything” Market

- **KVH innovation driving growth in our FOG business**
- **Autonomous market: 5-year CAGR projected at 34%**
- **Commercial applications**
 - Drones, camera, and LIDAR stabilization
 - Robotics, autonomous vehicles

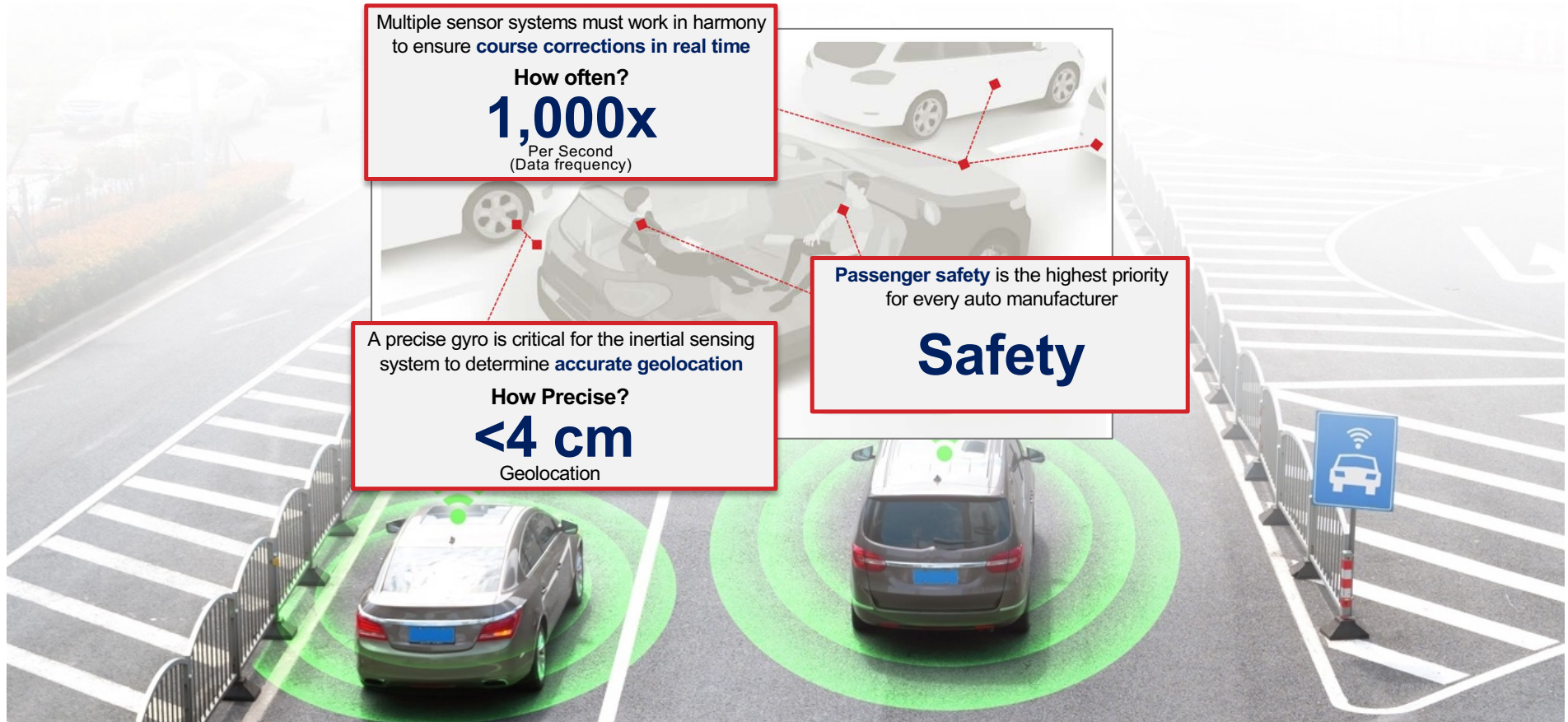
Source: Yole Report 2018



Inertial Sensors Integral to Self-driving Success



Why are High-precision Gyros Needed?



Sources: KVH Management; United States Department of Transportation (2017)

Photonic Integrated Chip (PIC) Technology

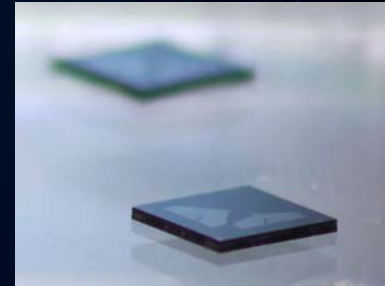


Leverageable Business Model

- **Revenue growth is key**
- **Margins improve due to fixed costs**
- **Recurring subscription revenue**
- **Need growth to achieve scale**
- **Focus on core business**

Focus on Profitable Growth of Key Initiatives

- **Accelerate AgilePlans**
- **Invest in KVH Watch IoT**
- **Integrate photonic chip**





A Robust Financial Foundation

Don Reilly, CFO

Strong Financial Foundation

- No net debt
- Cash proceeds from Videotel sale available to invest in strategic initiatives

Balance Sheet as of Sept. 30, 2019

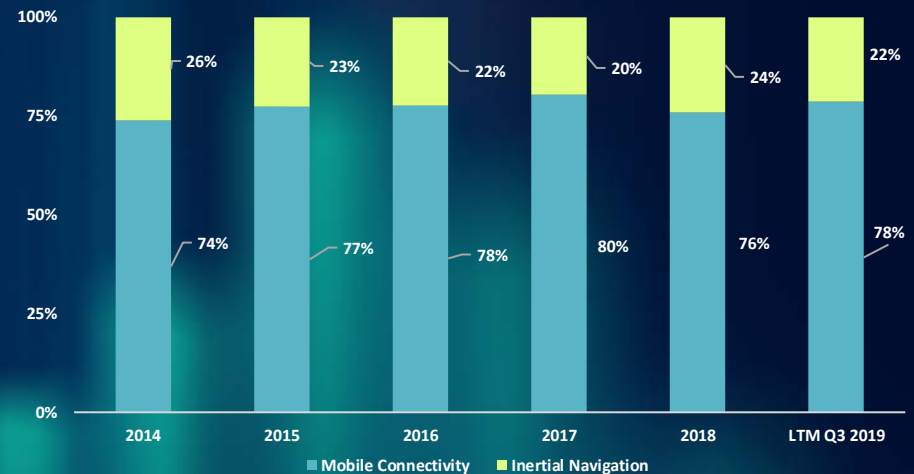
Cash		\$ 55.6
Net working capital	(1)	<u>27.4</u>
Net current assets		83.0
Non-current assets		<u>88.8</u>
Total assets		<u><u>\$ 171.8</u></u>
Long term debt		\$ -
Other liabilities		20.1
Equity		<u>151.7</u>
Liabilities and equity		<u><u>\$ 171.8</u></u>

(1) Comprised of inventory and other current assets, less accounts payable and accrued expenses

Amounts in millions

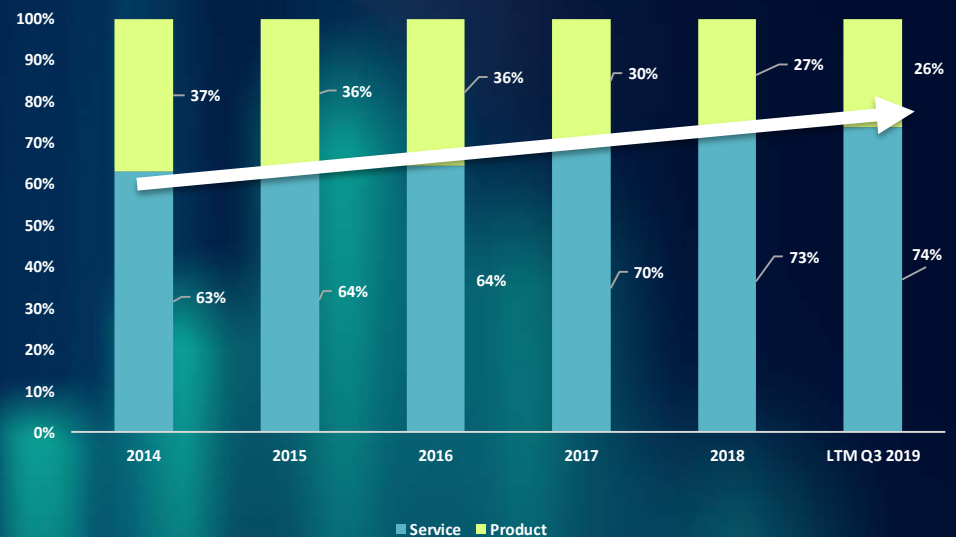
Overall Revenue Split

- Revenue by segment fairly consistent in recent past
- Mobile connectivity is >75% of total revenue
- Inertial navigation the balance



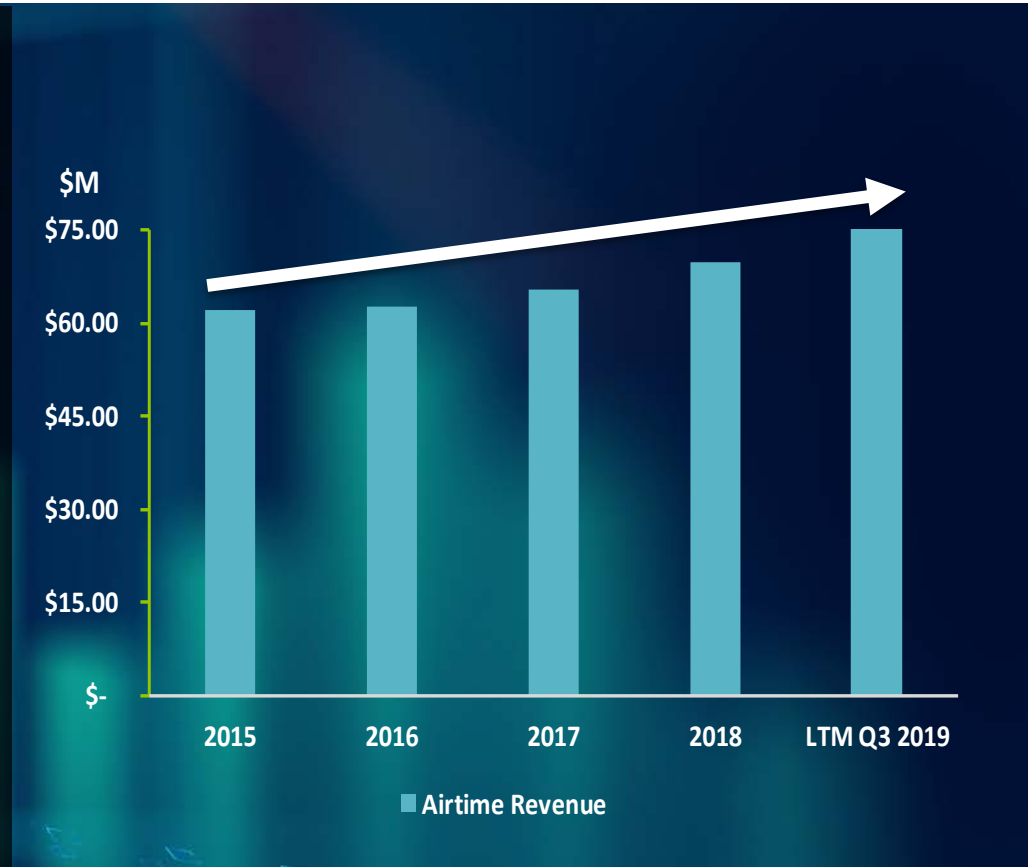
Mobile Connectivity

- Increasing *recurring* service revenue
- Service revenues in Q3 74% of total and growing



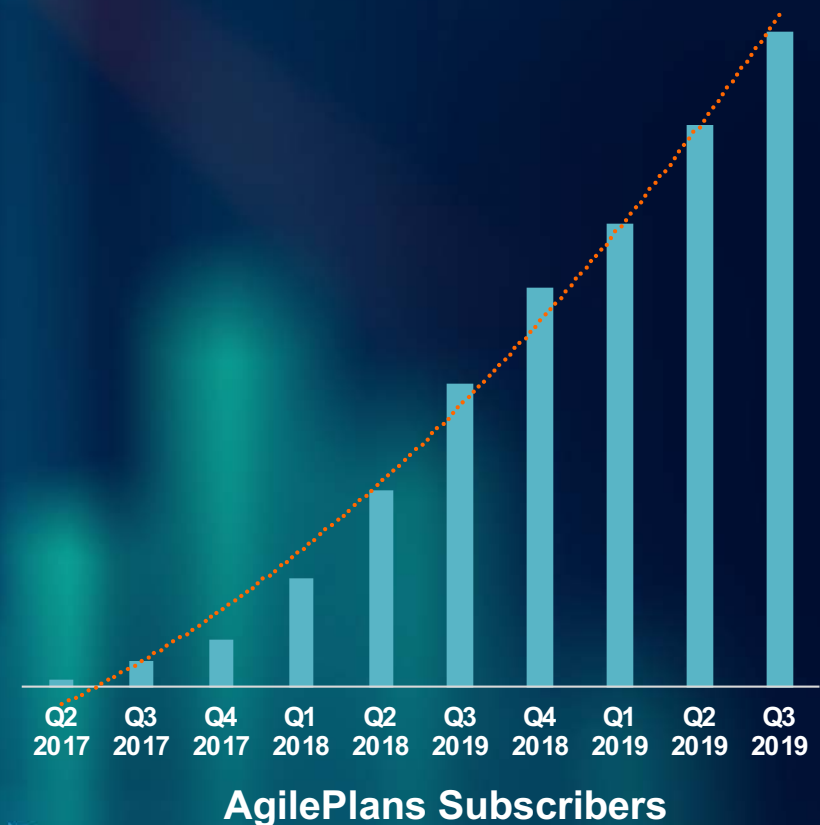
Mobile Connectivity

- **Growing airtime revenue**
- **New initiatives continue to accelerate growth plans**
 - AgilePlans
 - HTS launch
- **Airtime gross margins improving**
 - Expected to increase to approximately 40% run rate entering 2020



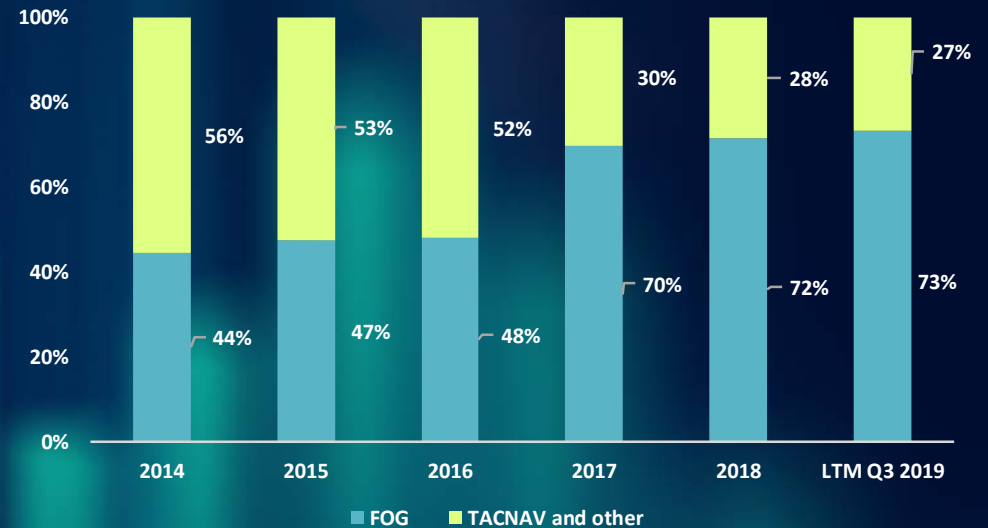
Rapid Uptake of New Business Model

- **Drove record VSAT shipments in 2018 and 2019**
 - Key driver in 10,000th VSAT milestone
 - AgilePlans 70% of Commercial VSAT shipments in Q3 2019
 - AgilePlans Q3 revenues up 100% YOY
- **Total subscribers up 15% in Q3 2019 vs. Q3 2018**
- **Monthly ARPUs and margins are generally higher than traditional sales**



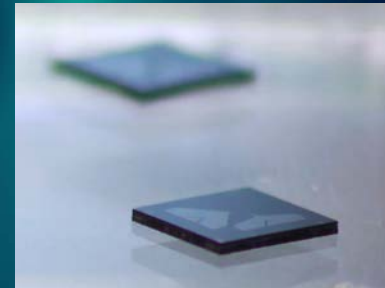
Inertial Navigation

- **FOG** remains robust as a percentage of total revenue
- **TACNAV** sales cycle longer but very profitable
- **Multi-year contracts** anticipated to provide more predictable revenue streams



Capital Investment Focused on Growth Potential

- **AgilePlans: Cash flow positive in Q4**
- **KVH Watch: Leveraging AgilePlans business model plus multi-tenancy**
- **PIC: Focus on multi-year contracts, will price for performance**





Driving Value in Large & Growing Markets

Brent Bruun, COO

Mobile Connectivity: How Did We Get Here



- **KVH has done what we said we would do**
- **Transformed mobile connectivity from hardware to a services business**
- **Disrupted the market and now cited as VSAT market leader**

Source: Euroconsult "Prospects for Maritime Satellite Communications 2018"

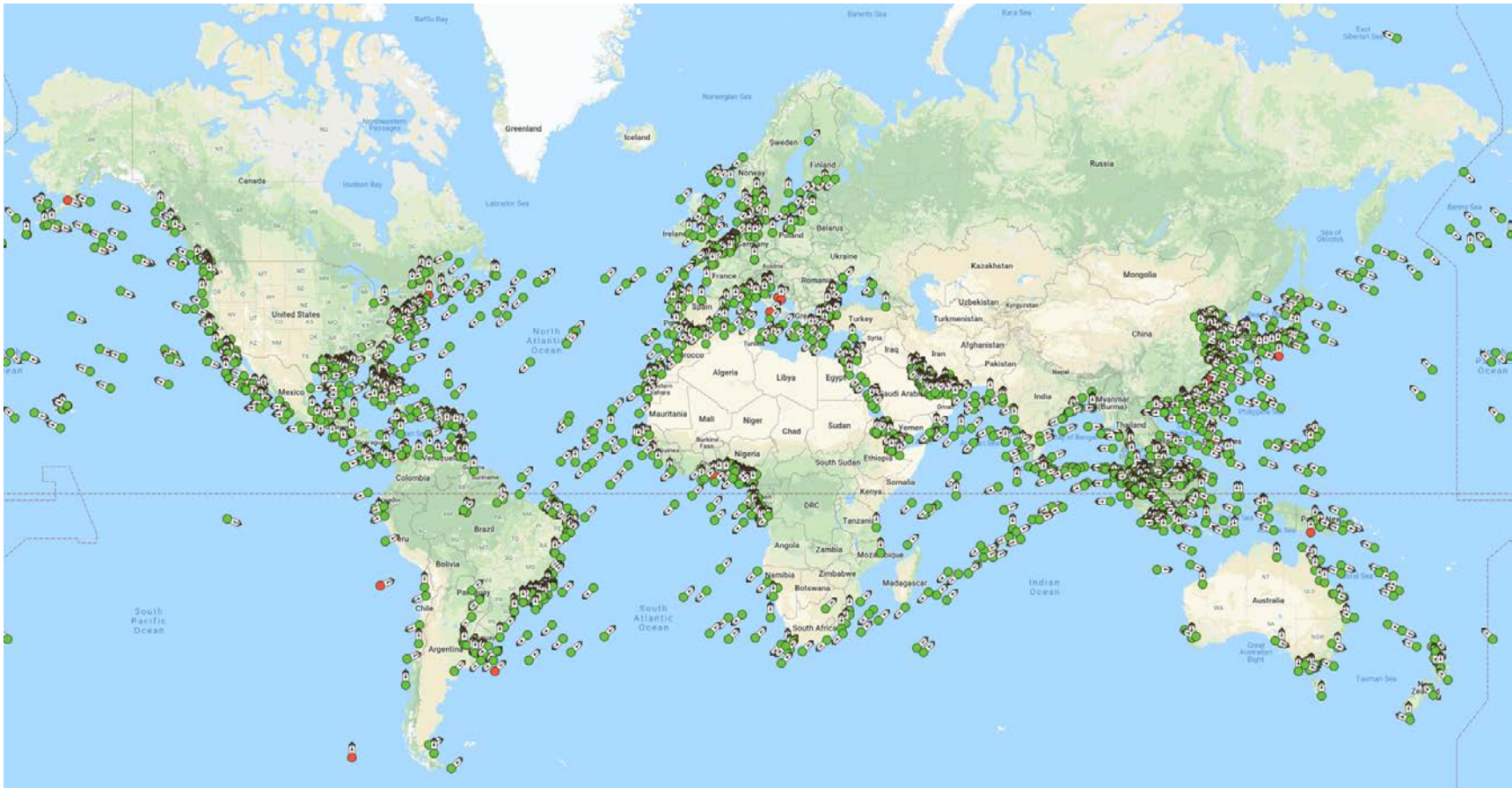
Growth with Leading Global Partners



- Sound global satellite network business model
- Partnership with Intelsat and SP-JSAT contributing to increased market share



mini-VSAT Broadband HTS Network Success



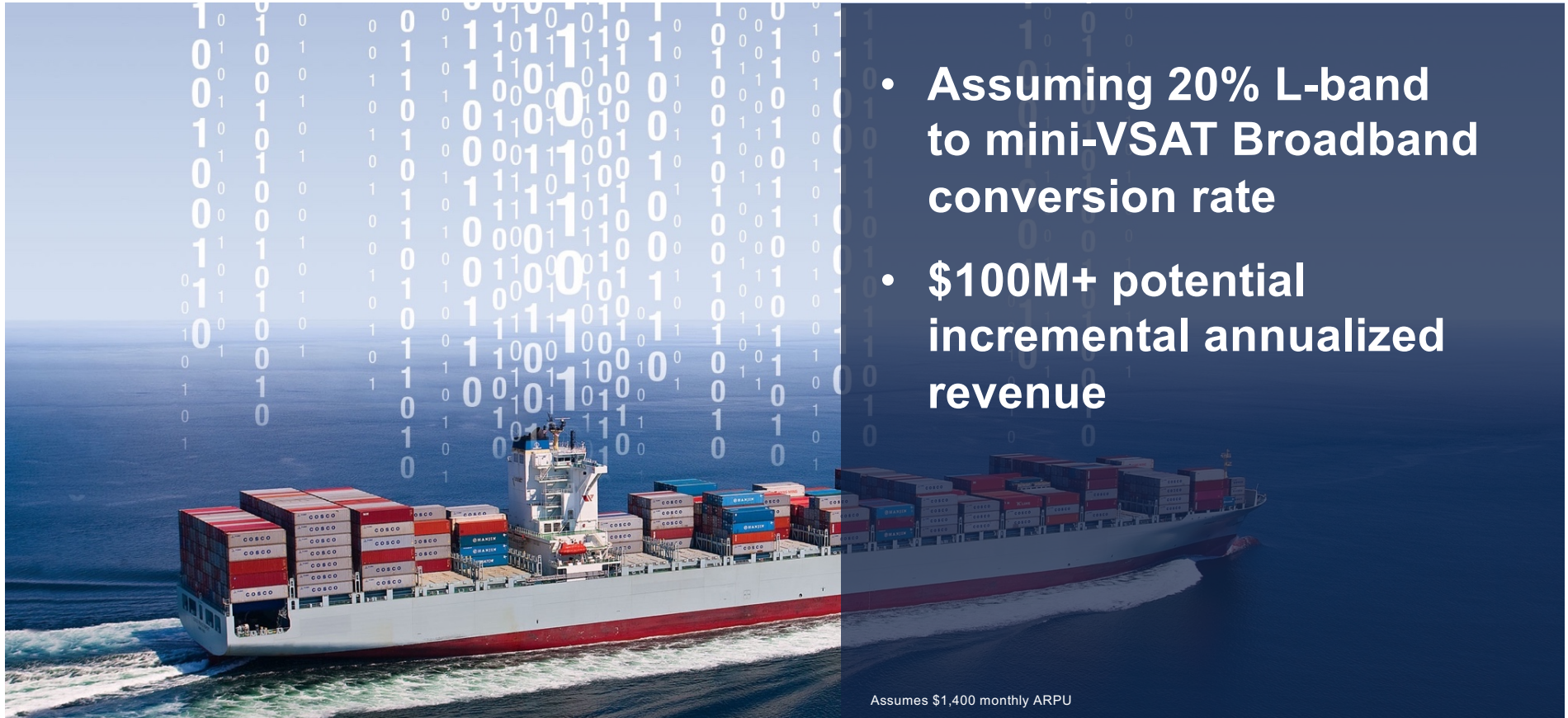
Commercial Market Driving Significant Growth



- **Largest maritime segment**
- **Major upgrade cycle underway**
- **Penetration rate for VSAT accelerating**
 - Less than 10% have VSAT today
- **30,000+ L-band systems in service**
- **Represents an excellent conversion opportunity**

Source: Euroconsult, "Prospects for Maritime Satellite Communications" 2019

Commercial Business Poised for Growth



- Assuming 20% L-band to mini-VSAT Broadband conversion rate
- \$100M+ potential incremental annualized revenue

Assumes \$1,400 monthly ARPU

Leisure Market Driving Significant Growth



- **ARPUs in the Leisure marine market anticipated to nearly double over the coming years**
- **Much of this growth is due to streaming services**

Source: Euroconsult, "Prospects for Maritime Satellite Communications" 2019

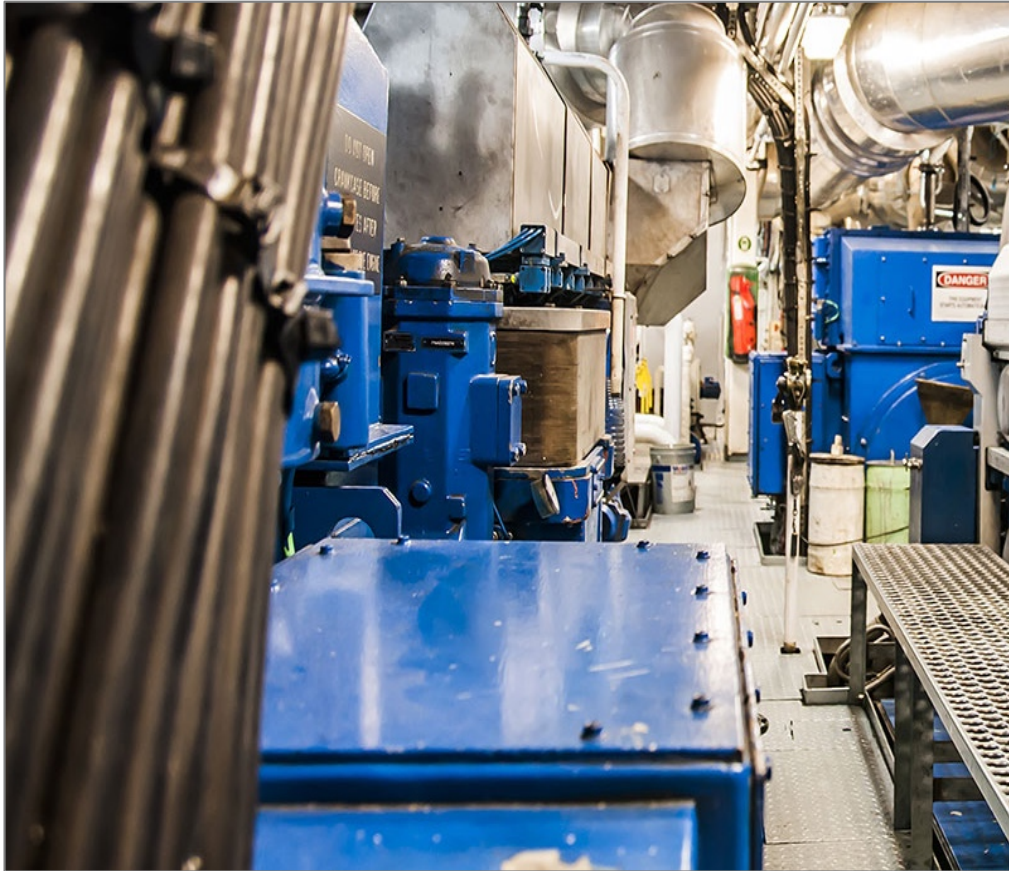
Leisure Business Poised for Growth



- Streaming services could generate \$50-100K of incremental annual revenue per vessel
- 200+ superyachts on KVH's streaming service would represent \$10-20M incremental annual revenue

Source: Euroconsult, "Prospects for Maritime Satellite Communications" 2019

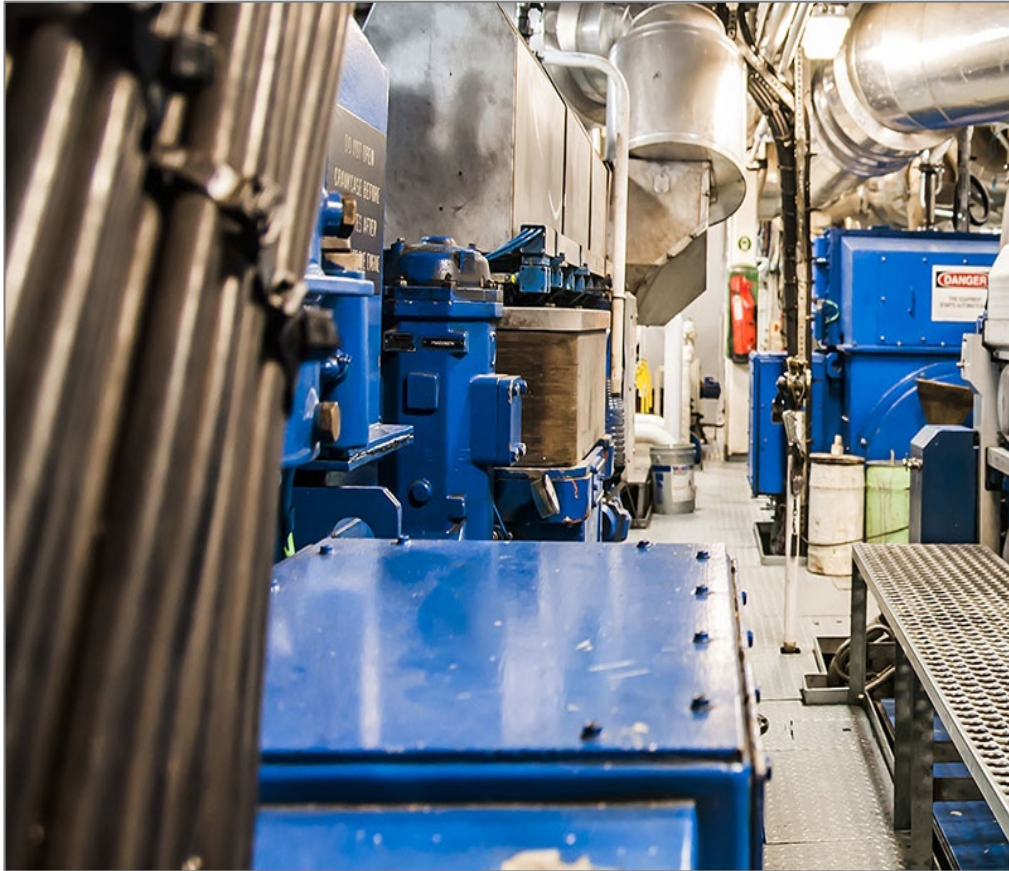
IoT Opportunity Large and Growing



- IoT market is the most nascent maritime connectivity segment
- ~85,000 merchant vessels
- ~30 equipment manufacturers per vessel
- Maritime IoT includes more than 2.5 million equipment systems

Source: Euroconsult, "Prospects for Maritime Satellite Communications" 2019

KVH Watch IoT Business Poised for Growth



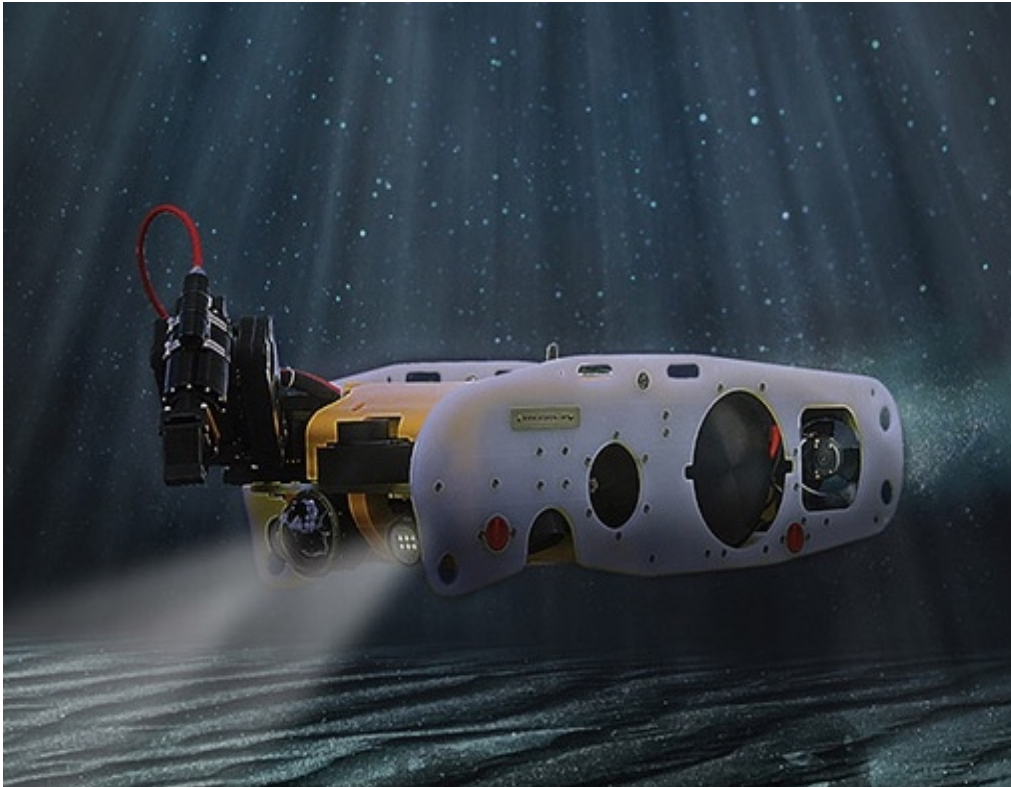
- Assume five tenants per vessel with each generating an ARPU of \$400
- Each vessel could generate \$24,000 per year; total potential incremental revenue:
 - 1,000 vessels = \$24M
 - 2,500 vessels = \$60M
 - 5,000 vessels = \$120M

Inertial Navigation: How Did We Get Here



- KVH has done what we said we would do
- Transitioned to high-value integrated inertial systems
- Delivered 120K+ sensors for diversified applications
- KVH FOG and inertial systems currently being evaluated in 30+ autonomous vehicle platforms

Autonomous Markets Represent Large Opportunities for High-precision Gyros



- **KVH's "Autonomous Everything" addressable market is expected to grow to \$600+ million by 2022 (34% CAGR)**
- **Applications range from airborne to ground vehicles, robotics to subsea systems**

Source: Yole, "High-end Inertial Sensors for Defense, Aerospace, and Industrial Applications," 2017", CAGR calculated 2018-2022

Autonomous Vehicles Level 3-5 Growth Rate



Source: Market Source: Yole Developpement – MEMS & Sensors for Automotive Report (2017); Raymond James Equity Research; Assumes average of one sensor per vehicle.

- Self-driving cars in development with strong investment
- People movers, shuttles, geo-fenced applications leading the way

Military/Gov't Market Demands Performance



- **\$1.3+ billion market by 2022**
 - Total value of *inertial sensor* market for military/government applications relevant to KVH, including both FOG and TACNAV products
- **140K+ U.S. Army vehicles are planned for the A-PNT program**

Source: Yole, "High-end Inertial Sensors for Defense, Aerospace, and Industrial Applications"
December 2017

Synergy of the Business



- **Top VSAT provider for USCG and other allied navies and coast guards**
- **Gyros integrated into high-performance marine solutions**
- **PIC targeting high-end marine navigation, the company's first product**



Break

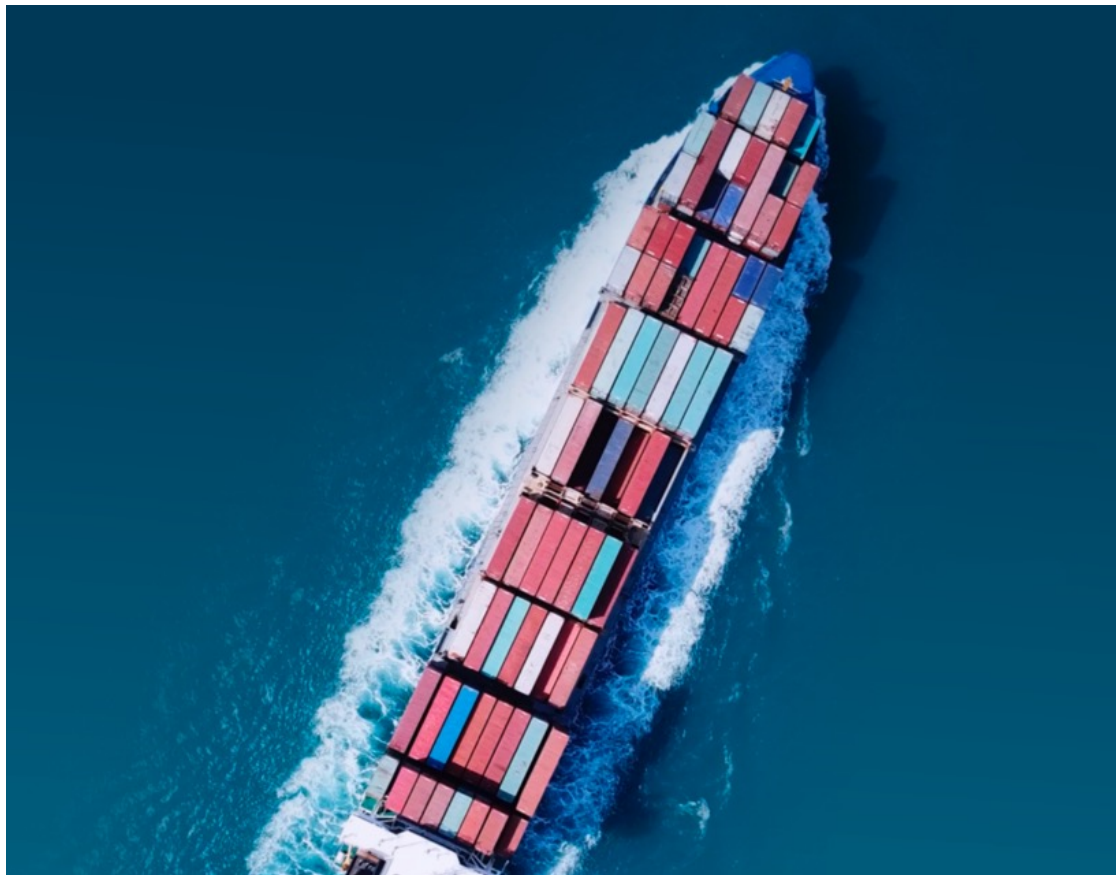
The presentations will resume in 10 minutes

A background network diagram consisting of white dots (nodes) connected by thin white lines (edges) on a light gray gradient background. The nodes are distributed across the slide, with a higher density in the lower-left and upper-right areas.

Creating Value by Accelerating Connectivity Worldwide

**Mark Woodhead
EVP Mobile Connectivity**

VSAT Market Accelerating



- **Fast data speeds essential**
- **Uninterrupted connectivity required**
- **Legacy L-band vessels migrating to VSAT**

AgilePlans Dominating



- Innovative, disruptive model for reducing barriers to VSAT adoption

AgilePlans Dominating: Speed of Network



- **HTS technology**
 - Making the high-speed revolution possible
 - Redundant beams for seamless connectivity
 - Coverage with 16 satellites
- **HTS-series antenna systems**
 - KVH's TracPhone® V7HTS and TracPhone V11HTS

AgilePlans Dominating: Speed of Deployment



- **Installation and shipping included**
 - In as many as 4,000 ports and locations around the world
- **Content**
- **Support**


AgilePlans Dominating: Speed of Growth



- **Shipped 10,000 VSAT systems**
 - Fastest SATCOM growth in company history
- **70% of our commercial maritime VSAT shipments are AgilePlans***

*Shipments during Q3 2019

AgilePlans Dominating: Strategic Initiative



- **Revenues evenly split among Americas, EMEA, and APAC**
 - Double-digit growth from EMEA and APAC
- **Continued focus on gaining market share**
- **Migration to HTS**

Spotlight: Zeaborn Shipping

“We chose KVH for the fast data speed, the reliable data management, the global coverage, and our experience with KVH as a trusted and proven professional service provider. We see the very nature and flexibility of KVH’s AgilePlans program as a great benefit to our business.”

Christoph Werner
Director of Marine & Quality
Zeaborn Shipping
60+ vessels – TracPhone V7_{HTS}

Spotlight: BW Group

“With our vessels transiting the oceans, it is extremely important to have a connectivity provider like KVH, which has the technical and service capability to address issues immediately and ensure that our fleet is always benefiting from uninterrupted connectivity.”

Juzer Vasi

Senior Manager – Business Solutions Fleet

BW Group

65+ vessels – TracPhone V7_{HTS} & V11_{HTS}

Crew Welfare Going Digital



- Demand for always-on connectivity
- Content is king



Positive Impact of Content



- **Decades of experience**
 - From reel-to-reel movie night on deck of ship
 - To NEWSlink™ on a personal device in seafarer's cabin

Challenge of Content Delivery



- **Multimedia content meets vessel logistics**
- **Cybersecurity makes delivery method more important than ever**

Innovative Content Delivery Method



- **IP-MobileCast®**
 - Delivers TV and print news, movies, music, TV, and sports highlights to common area TVs and crew personal devices
- **linkHUB™**
 - Multimedia content for vessels without KVH VSAT

Shipping Companies as Media Developers



- **KVH's YOURlink™ makes it easy for fleet operators to inform crew and enhance relations worldwide**

Spotlight: YOURlink

“We’ve recognized that as younger and younger people come onboard, we need to communicate in a very different way. With audio, video, multimedia, the information is absorbed much better. Having everyone get the video at the same time via KVH YOURlink is key to the business objective.”


Rebecca Clarke

Corporate Communications Director

Seaspan

100+ vessels – TracPhone V7_{HTS} & V11_{HTS}

Mobile Connectivity Key Differentiators



- **AgilePlans - CaaS**
 - No CapEx
 - No commitment
 - Free installation in 4,000 ports
 - Free shipping to 4,000 ports
 - No maintenance costs
- **All inclusive of:**
 - Hardware
 - Airtime
 - News and training
 - 24/7 support

KVH Setting the Pace for Maritime Innovation

Or so people say...

“...what [KVH] did was creative...they’re an aggressive, imaginative organization...[they] have done a great job”

– Rupert Pearce, CEO, Inmarsat



A background graphic consisting of a network of white dots connected by thin white lines, forming a complex web-like structure over a light gray gradient.

Creating Value with Precise Navigation for an Autonomous World

Dan Conway
EVP Inertial Navigation

KVH has a Proven History of Leadership



- **Fielded 22,000 TACNAV systems to U.S. and foreign armies**
- **Delivered 120K+ FOG sensors for diversified applications**
- **KVH FOGs being evaluated in 30+ autonomous vehicle platforms**
- **\$470M revenue in the prior 10 years**

A-PNT is Vital to Avoid Jamming and Spoofing



- **A-PNT systems mitigate threat to GPS operation**
- **Vital to mission capability to know position, navigate, and communicate**
- **Inertial-based sensors can't be spoofed or jammed**

TACNAV Opportunities



- **Significant international opportunities**
- **U.S. Army**
 - Armored Multi-Purpose Vehicle (AMPV): TACNAV onboard initial production
 - A-PNT: ongoing efforts with prime contractors to provide INS/IMU solutions for mass fielding

FOG Business, Autonomous Everything



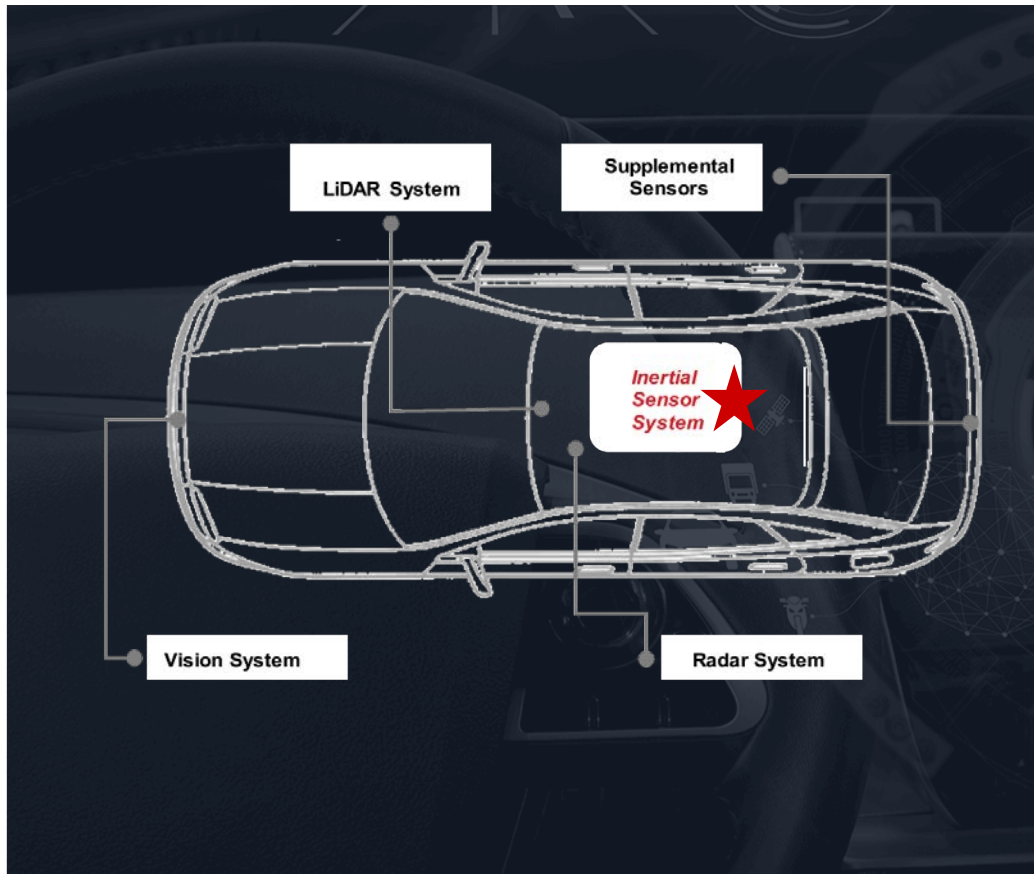
- **Current Programs:**

- Remote Weapons Systems (RWS), unmanned aerial & subsea platforms, precision mapping, railroad track monitoring, industrial robotics, etc.

- **Emerging Programs:**

- Classified programs, missile programs, LIDAR mobile mapping for UAVs, long-wall mining platforms, drop-in competitive replacements

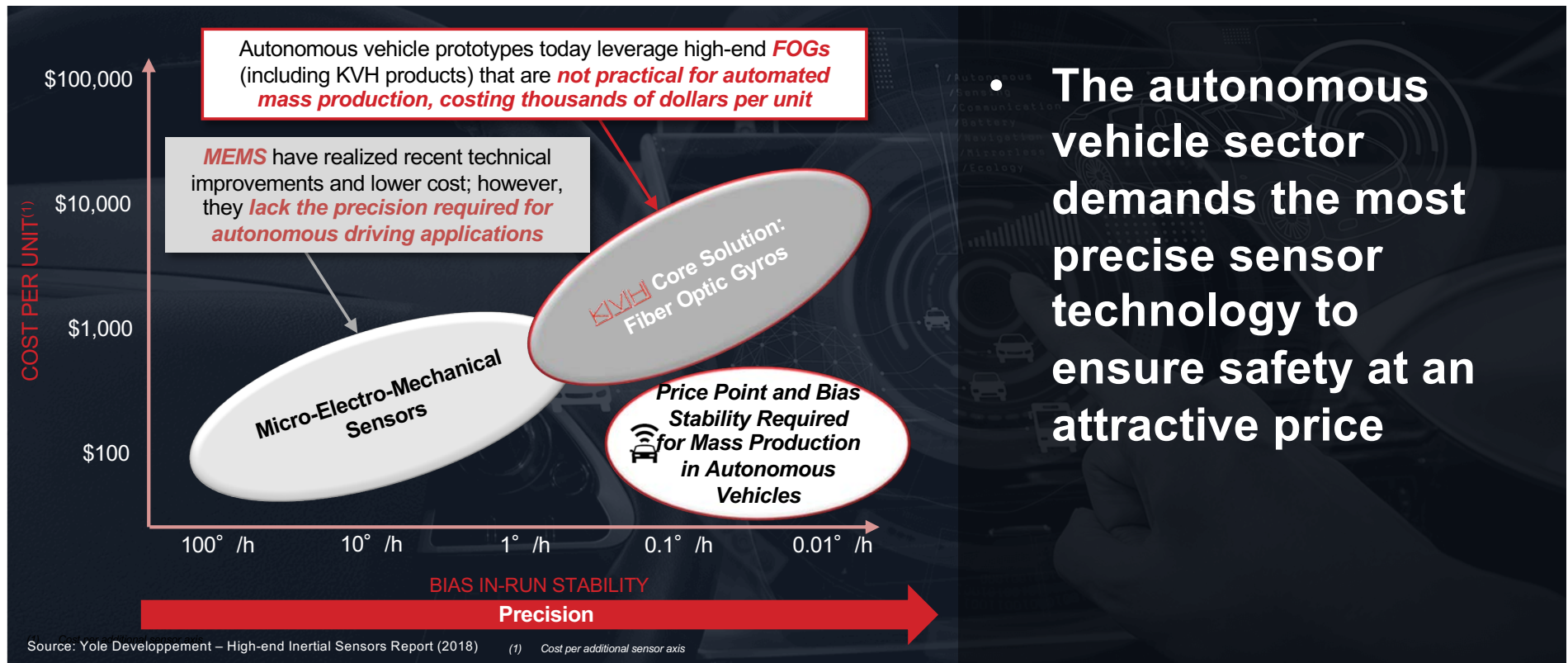
Inertial Sensors Critical to Autonomous Platforms



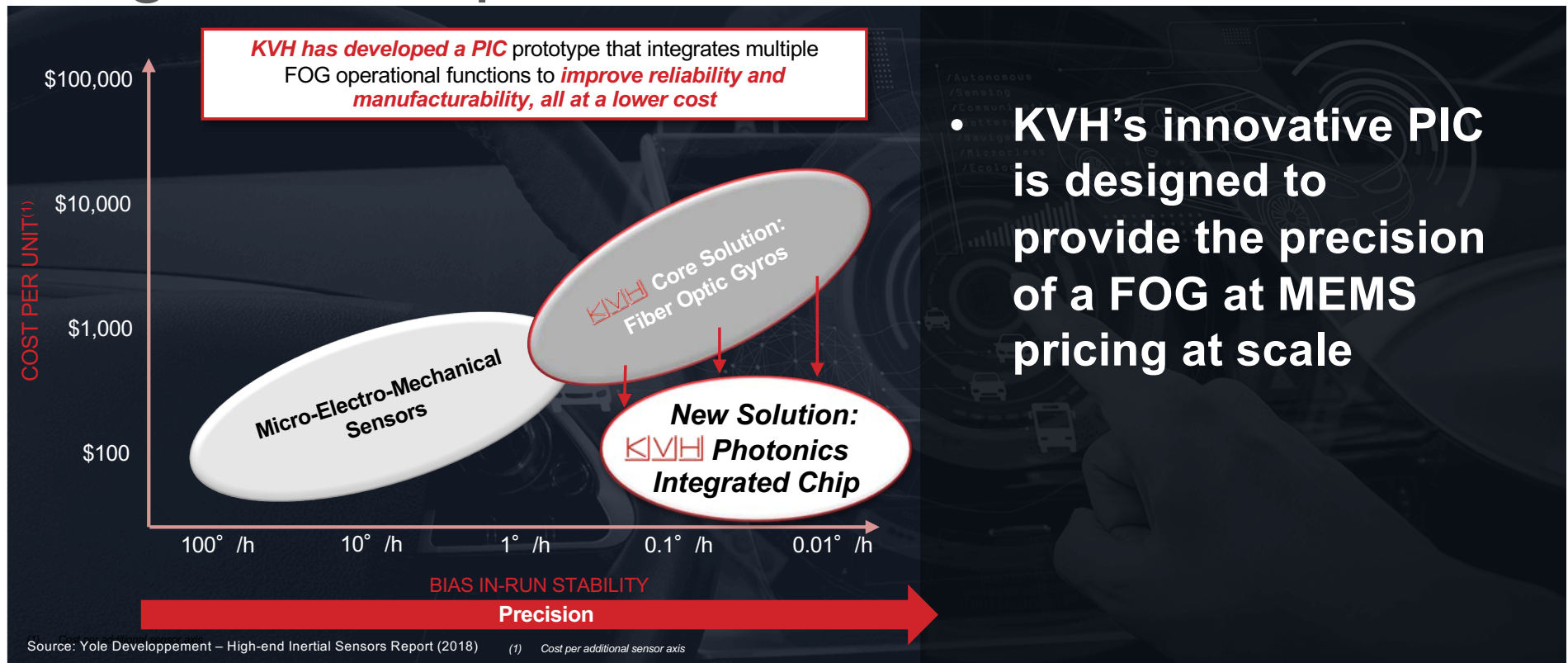
- **Level 3-5 autonomous vehicles rely on the sensor fusion to provide pinpoint navigational precision that MEMS do not deliver**
- **Autonomous vehicles use high-precision inertial sensors to avoid GPS degradation**

(1) Relative assessment at today's pricing

Significant Market Need for Low-cost, Precise Inertial Sensors

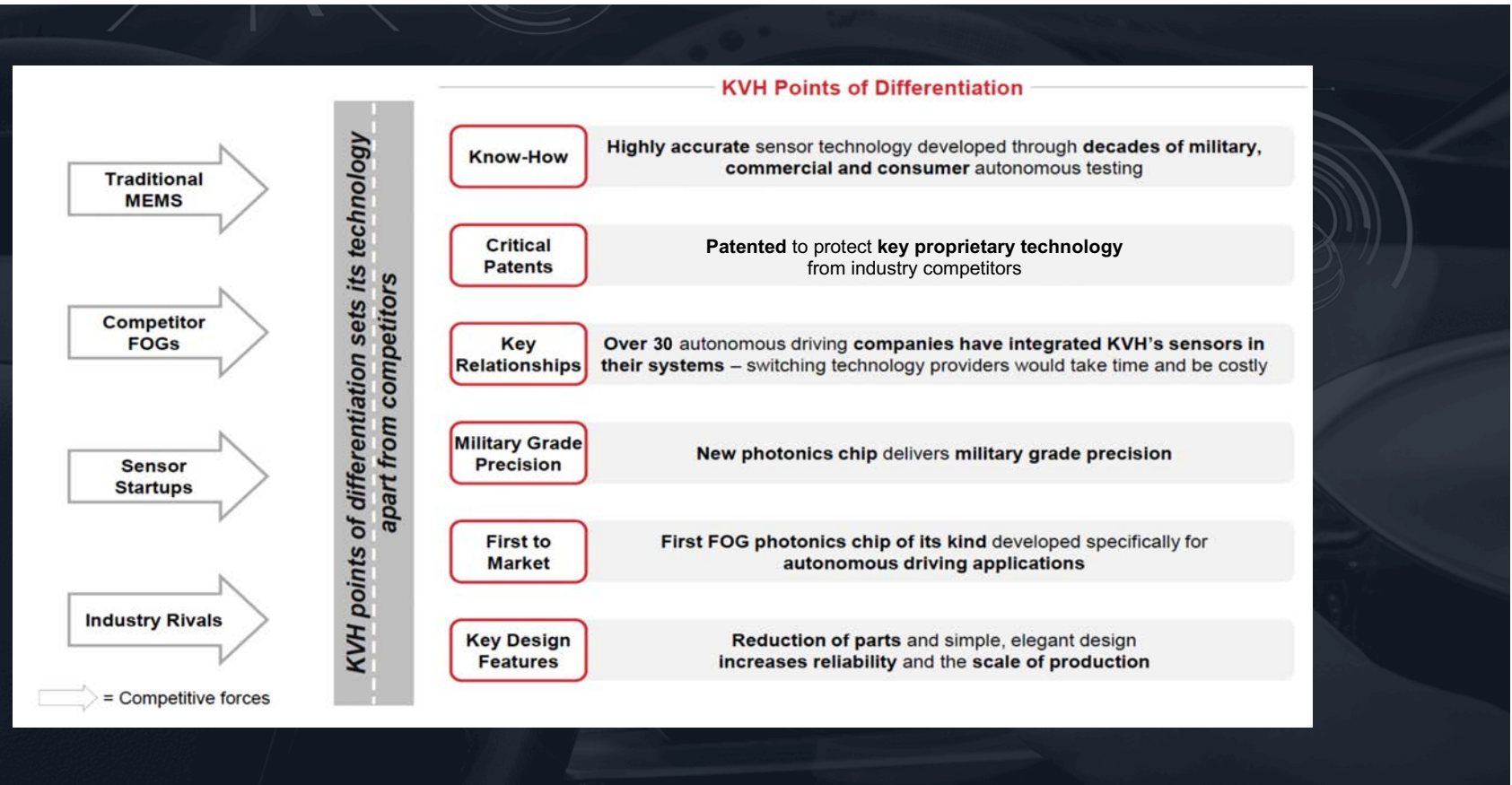


KVH Developing a Breakthrough Photonic Integrated Chip



- KVH's innovative PIC is designed to provide the precision of a FOG at MEMS pricing at scale

KVH's Innovation Has Strong Barriers to Entry



KVH Gyros Deployed on Diverse Platforms



- **Broad market opportunity**
 - Traditional car manufacturers
 - Traditional Tier 1 suppliers
 - New entrant car companies
- **PIC cost targets align with autonomous market mass production**

Inertial Navigation Key Differentiators

KVH is well positioned to gain market share from competition

	KVH	Competition
Performance	Offers superior price to performance value	Lower performance in critical specs for autonomous and unmanned navigation, guidance & control
Ease of integration	Flexible designs, Developer's Kit, and hands-on engineering support	Self-service videos and FAQs only
Value	Excellent balance of performance and price for diverse applications	Low-cost MEMS cannot deliver performance; more expensive technologies break the budget
Lead times to delivery	Available within 6-8 weeks of order	12-18 weeks lead time typical
Technology	Field-proven FOG performance in a wide range of demanding environments	Can't deliver the performance specs, or are too expensive compared to the platform value
Manufacturing	Vertically integrated	Less control over purchased components including fiber quality

- **FOG/IMU**

- Excellent price to performance value
- Ideal for sensor fusion solutions with numerous installation and performance options

- **TACNAV**

- Leader in accurate navigation in GPS-denied environments (always key to our offering)
- Positioning to bring the high-performance, low-cost PIC technology to support A-PNT mass fielding requirements

A background graphic featuring a network of white dots connected by thin white lines, set against a light gray gradient. The dots are of varying sizes and are distributed across the upper and middle portions of the slide, creating a sense of interconnectedness and technology.

Creating Value With Innovative Technology

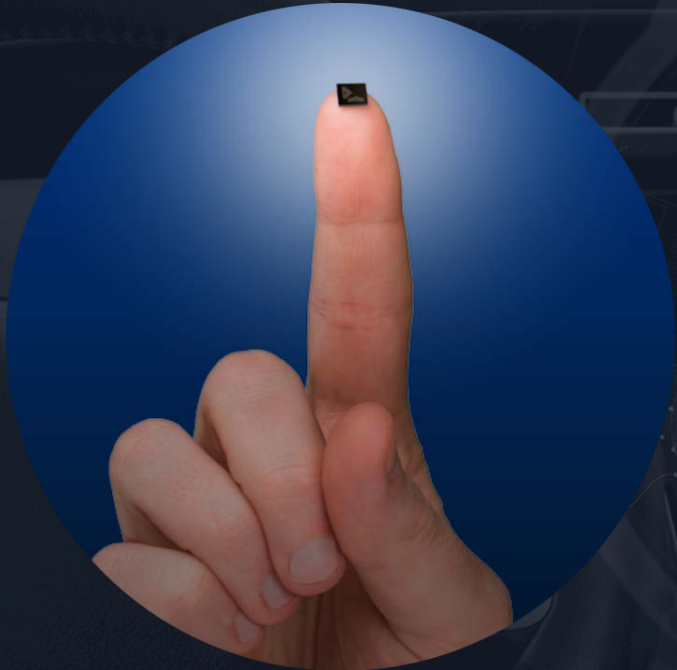
Bob Balog
Chief Technology Officer

KVH is Disrupting Inertial Sensor Market



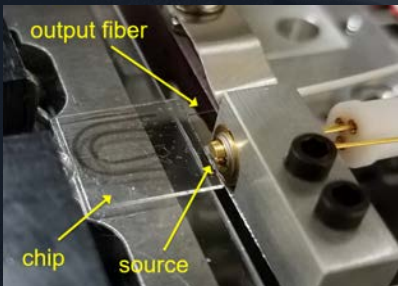
- **Disrupting the inertial marketplace with photonic chip technology**
- **Global commitment with best in class engineering resources**

PIC Technology



- **Development of custom photonic chip technology**
 - Replaces individual fiber optic components with planar optical chip
 - Performance improvement and major cost reduction
- **KVH delivered Photonic Gyro prototypes demonstrating required performance**

PIC Technology Integration into Full Portfolio

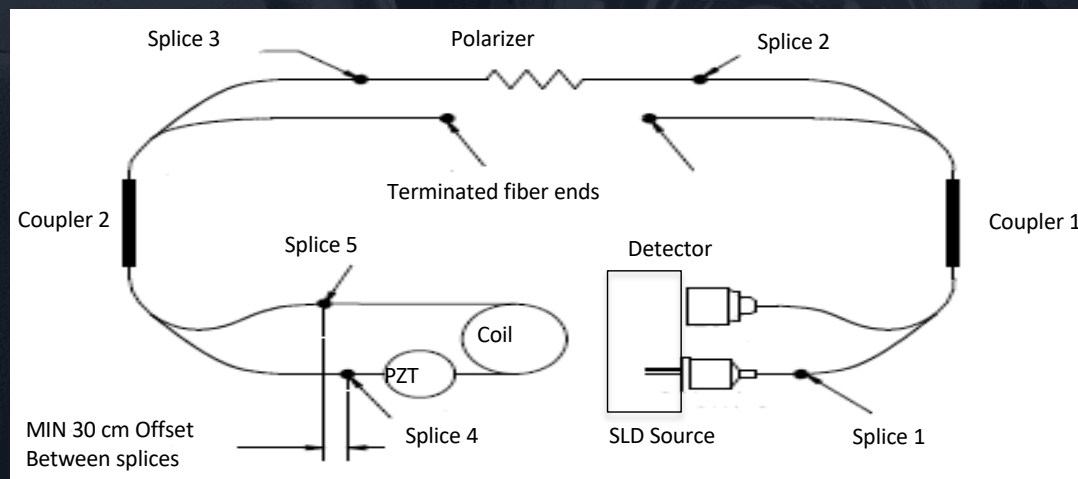


- **Accelerate integration of PIC technology through automation**
 - Drive performance and cost improvements for entire product portfolio
- **Standardize scalable modular gyro designs**
 - Maximize full range of performance, size, and hybrid solutions

Existing FOG Technology

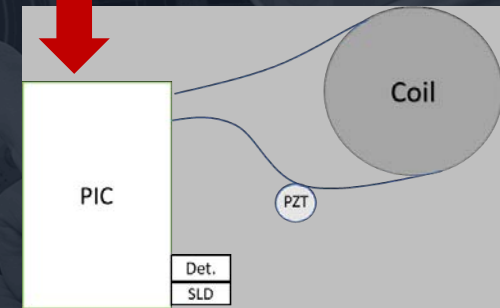
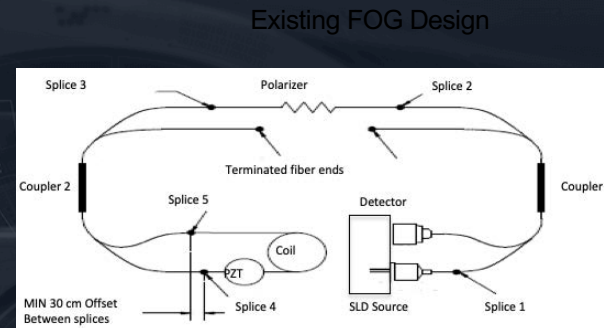
- **Sagnac Interferometer Model (Existing Design)**

- Beam of light is split and routed in opposite directions around a fiber optic coil
- If the coil is not rotating, the clockwise and counterclockwise beams transit the coil in the same amount of time and arrive in phase at a photodetector
- If the coil is rotating, the beam in the direction of rotation will arrive at the photodetector after the beam travelling in the opposite direction of the coil rotation; this phase difference is measurable



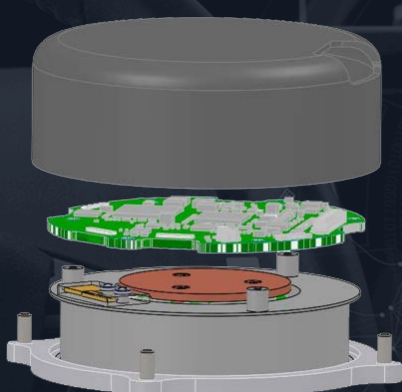
Core Reliability Focus of Photonic Gyro

- **Photonic chip**
 - Consolidating multiple discrete components
- **Eliminate:**
 - Optical splices
 - Discrete polarizer
 - Discrete couplers
- **Reduce optical loss**
 - Low SLD current density (increased lifetime)



Reliability requirement of <1 ppm/year

Strategy to Build Scalable Platforms



Reliability

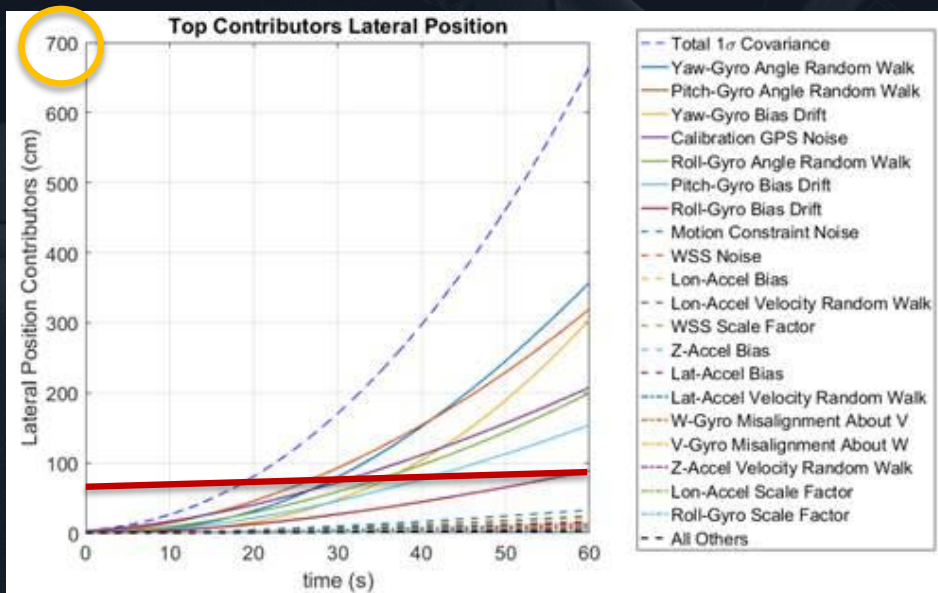
Performance

Scalability

- **Focus on core components and processes to provide a world-class, low-cost FOG for high volume markets**

KVH IMU Error is less than 1/10th MEMS IMU

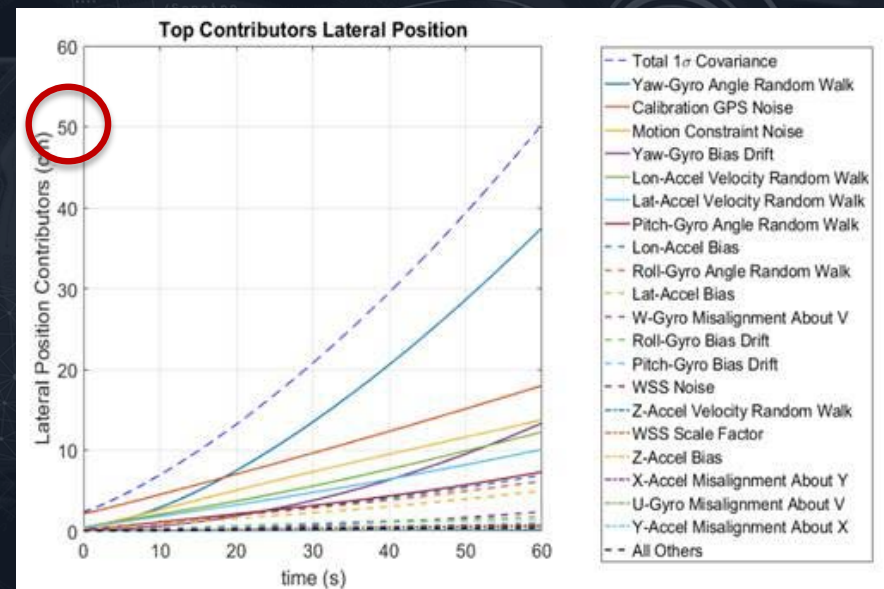
MEMS IMU



7 meters off after 60 seconds

Source: Draper Labs

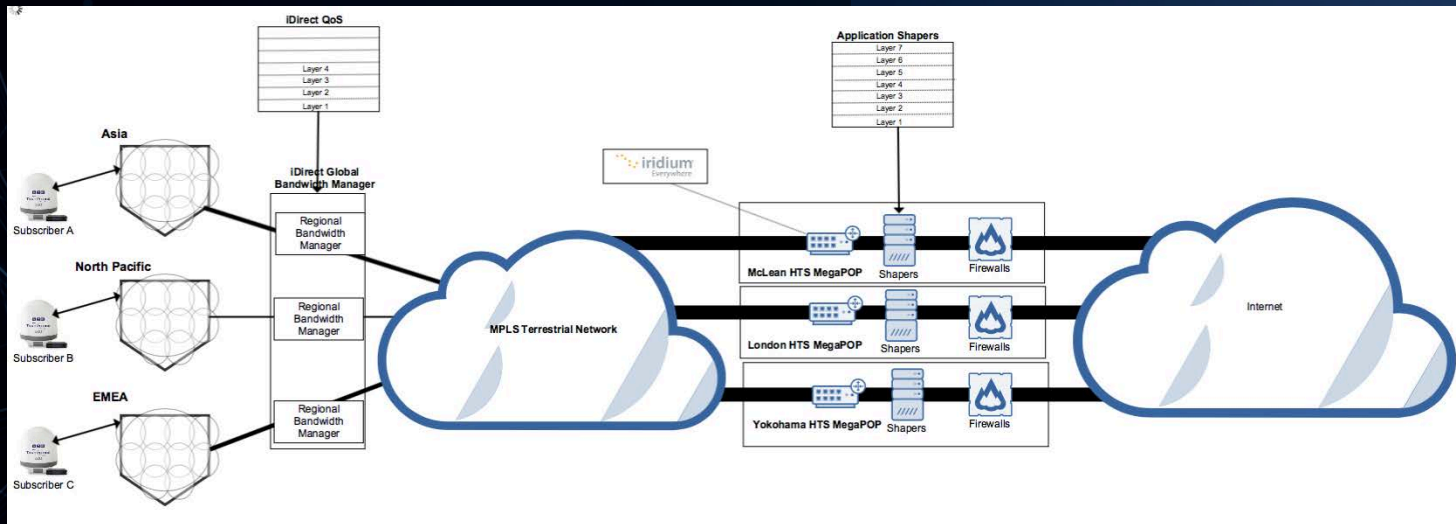
KVH 1750 IMU



0.5 meters off after 60 seconds

KVH is Disrupting Mobile Connectivity

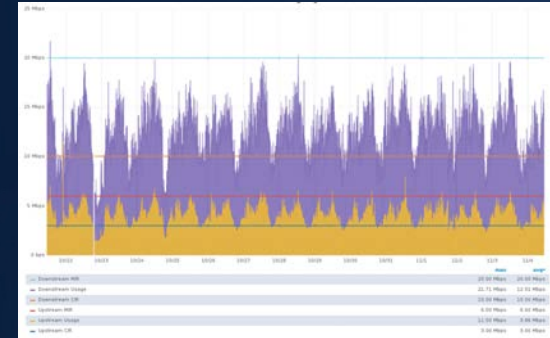
- Only KVH delivers end-to-end fully integrated hardware, network, and services



Delivering Advanced Satellite Technology

- **KVH deploys, monitors, and supports customers 24/7/365**

- 28 satellites (29 next month)
- Network Operations Center
- 3 MegaPOPs
- Terrestrial network
- Proactive monitoring of 150+ performance and health parameters
- Application-aware shapers
- Cybersecurity safeguards



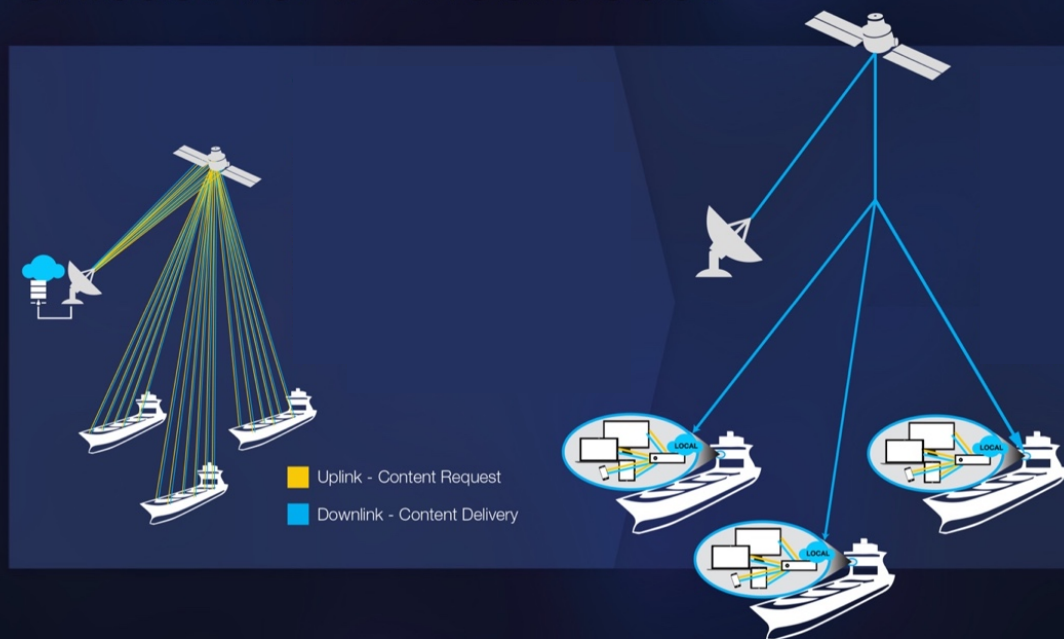
Delivering Advanced Satellite Technology

- **VSAT HTS products deliver fastest worldwide speeds in their class**
 - As fast as 20 Mbps/3 Mbps (down/up)
 - Fully integrated systems
 - Advanced controls for transparency and user self-service
- **New satellite TV technology for 4K UHD programming**
- **Commercial-grade designs**



Scalable IP-MobileCast Content Delivery

Unicast vs. IP-MobileCast



- **Simultaneous data delivered to multiple terminals**
- **Error correction assures bit-for-bit accuracy**
- **Patented technology delivers content without impact data usage**

KVH Watch – IoT Connectivity as a Service



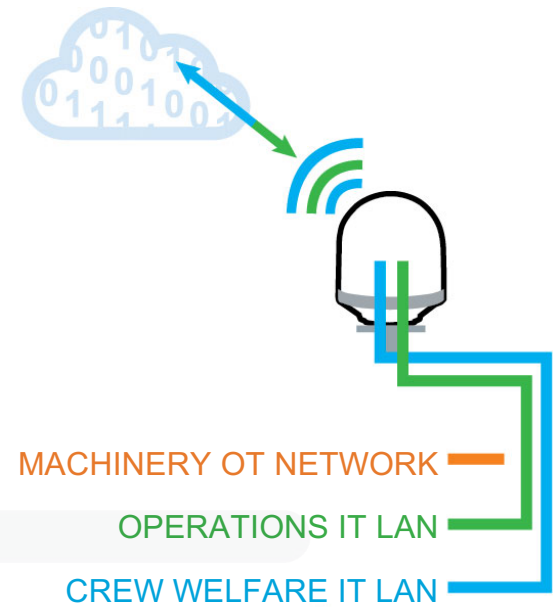
- **Dedicated air-gapped antenna system just for equipment**
 - Dedicated terminal, LAN, data channel
- **KVH dual-mode design ideal for IoT connectivity:**
 - Flow
 - Intervention

KVH Watch and Cybersecurity

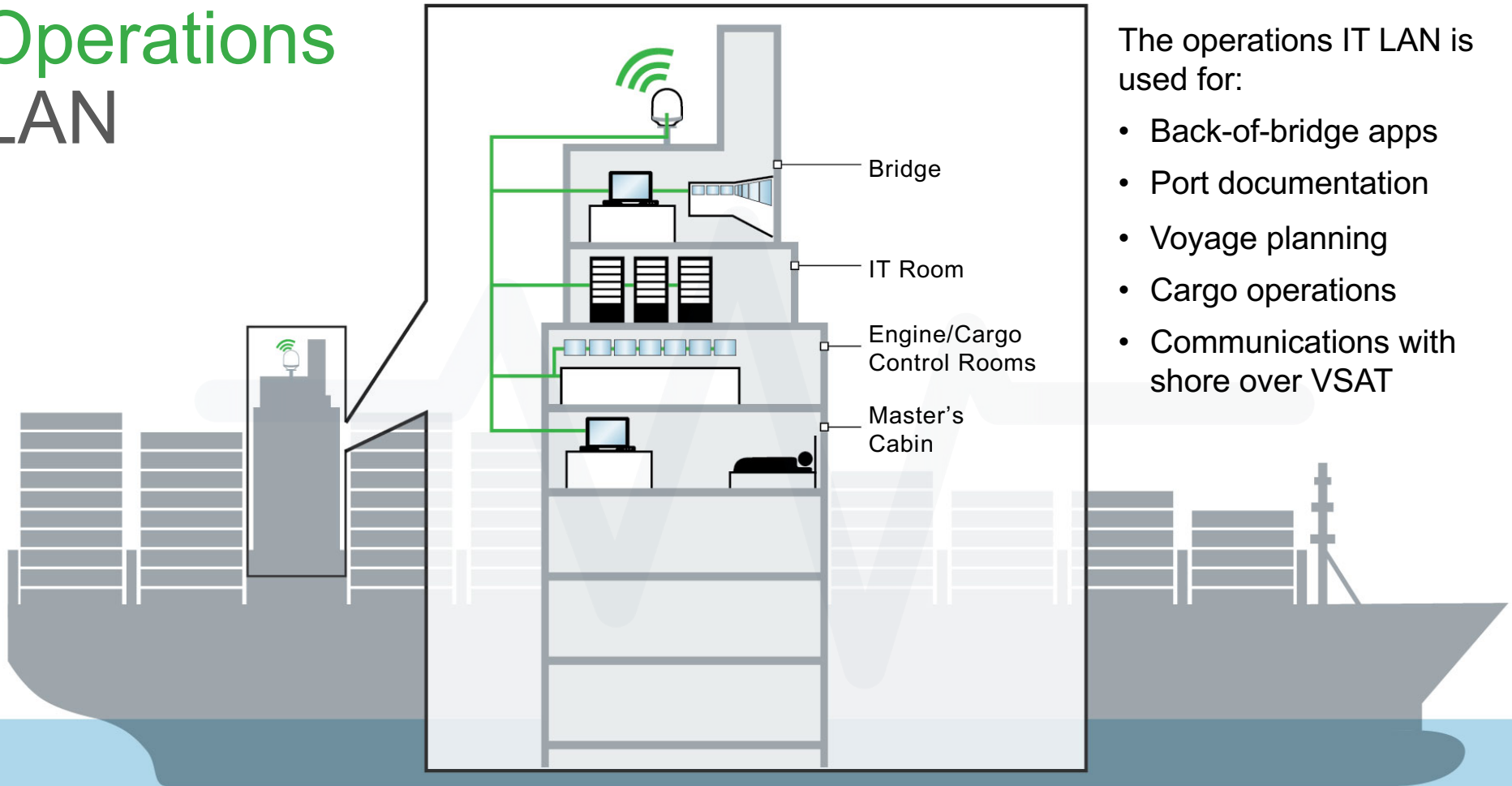


- Isolated from primary VSAT
- Identity management, authentication, and access control
- Multi-layered cybersecurity protocols
- Offers compatibility with manufacturer VPNs

Vessel Networks & KVH Watch



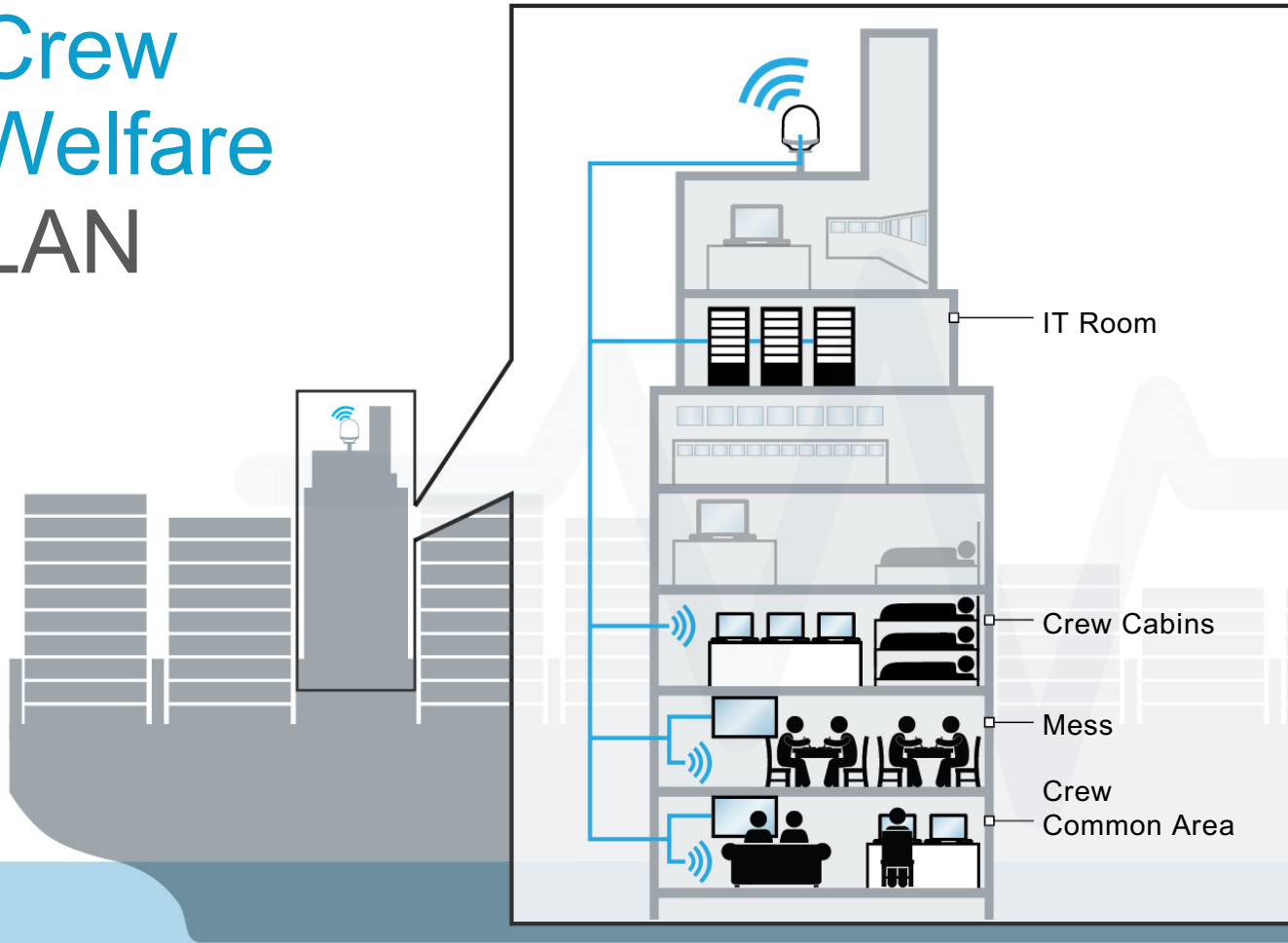
Operations LAN



The operations IT LAN is used for:

- Back-of-bridge apps
- Port documentation
- Voyage planning
- Cargo operations
- Communications with shore over VSAT

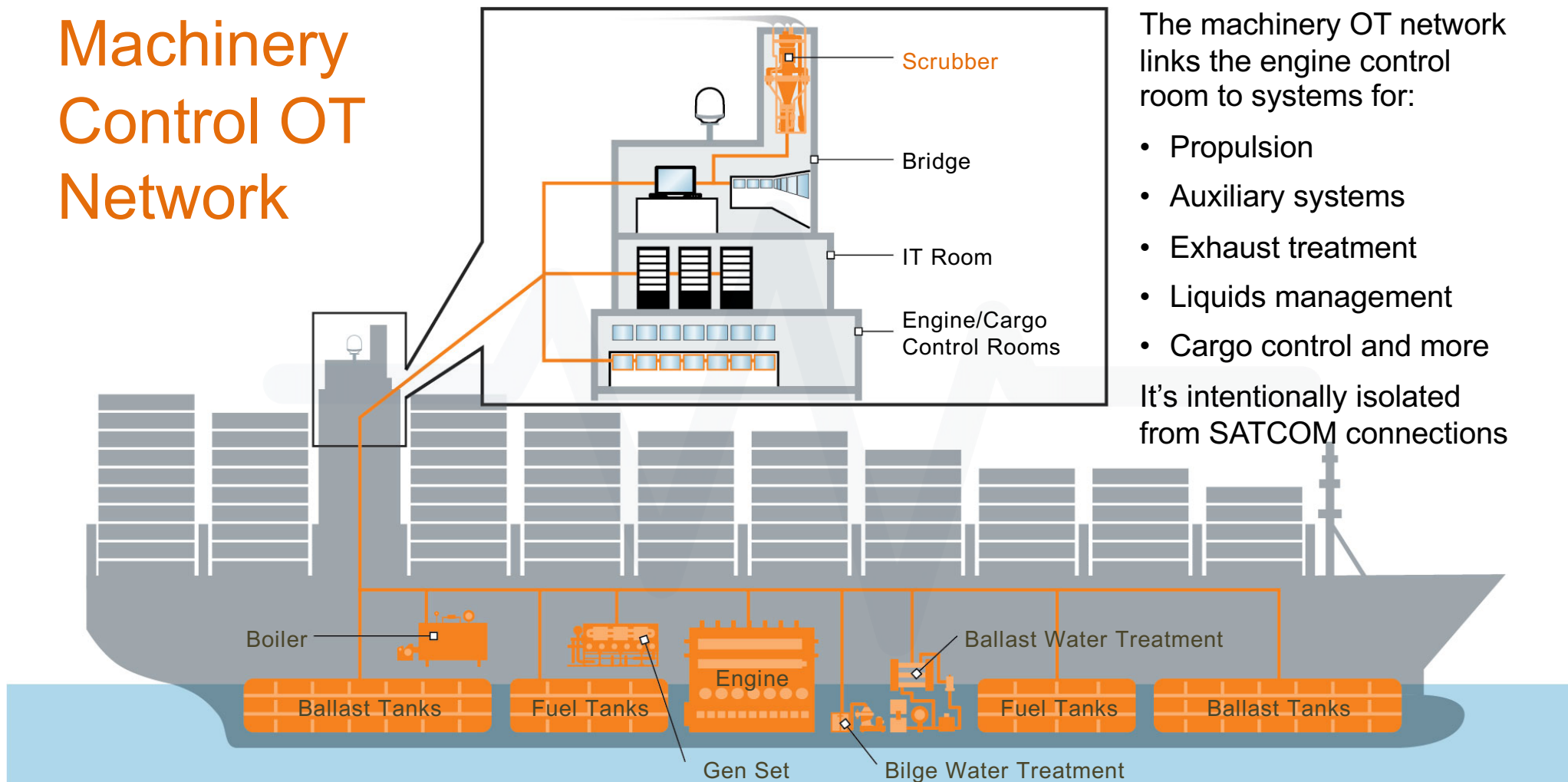
Crew Welfare LAN



The Crew Welfare IT LAN is also connected to shore by VSAT and is used for:

- Entertainment
- Internet access
- Email
- Computer-based training
- VoIP

Machinery Control OT Network



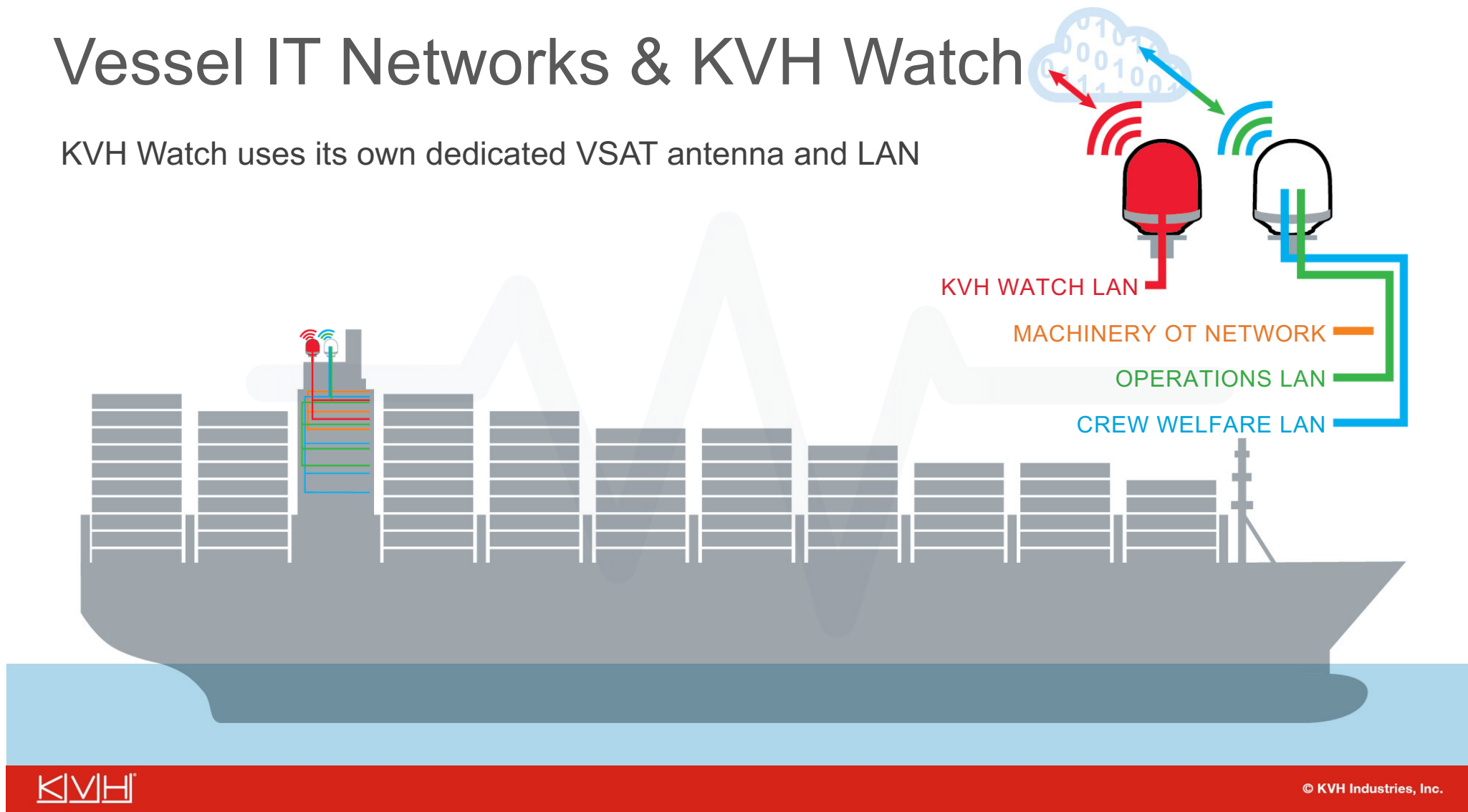
The machinery OT network links the engine control room to systems for:

- Propulsion
- Auxiliary systems
- Exhaust treatment
- Liquids management
- Cargo control and more

It's intentionally isolated from SATCOM connections

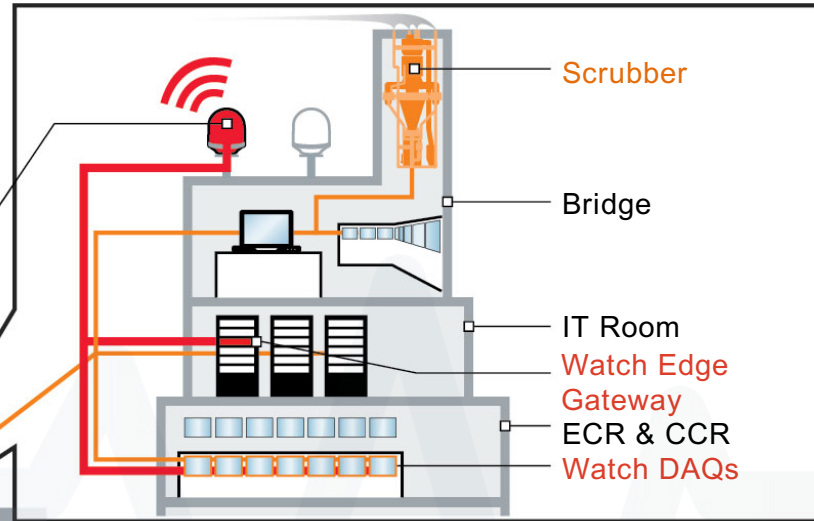
Vessel IT Networks & KVH Watch

KVH Watch uses its own dedicated VSAT antenna and LAN



KVH Watch LAN

DEDICATED WATCH
HTS ANTENNA



The KVH Watch LAN
delivers data from the
machinery OT network to
the manufacturer IoT
application

Boiler

Ballast Tanks

Fuel Tanks

Engine

Gen Set

Ballast Water Treatment

Fuel Tanks

Ballast Tanks

Bilge Water Treatment

KVH Watch & Kongsberg Kognifai



- KVH providing IoT connectivity for Kognifai Vessel Insight
- Pilot program begins this month on research vessel Simrad Echo

A background graphic featuring a network of white dots connected by thin white lines, forming a complex web-like structure. The dots are of varying sizes and are distributed across the slide, with some larger dots acting as central nodes. The lines connect these nodes in a non-uniform, organic pattern, suggesting a network or interconnected system. The overall color scheme is light gray and white, with the text and footer in red.

Establishing KVH as an Innovative Market Leader

**Elizabeth Jackson
CMO & SVP Strategy**

Marketing Strategy to Accelerate Growth



Commercial



Leisure/Superyacht



Inertial Navigation

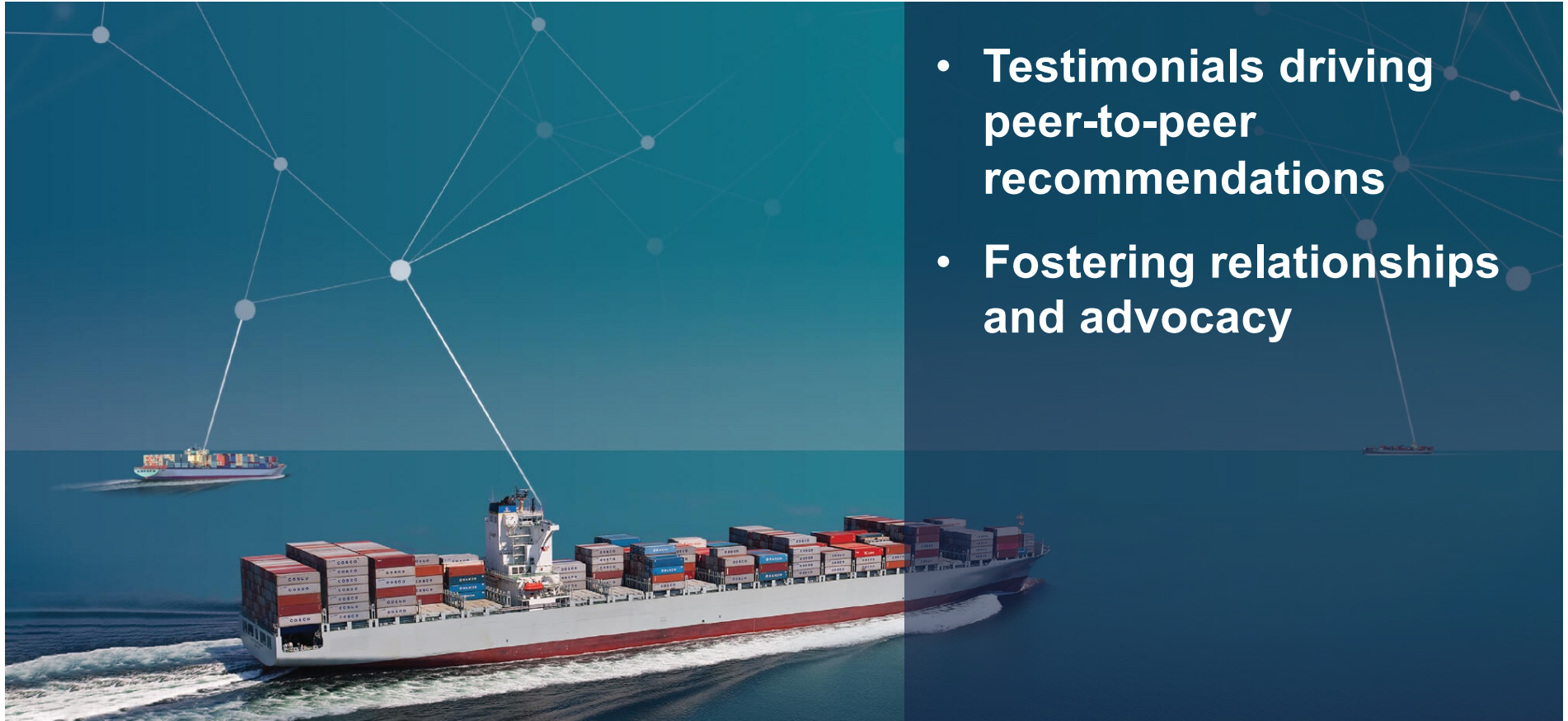


Autonomous Vehicles

Our Strategy

- **Win with relationships**
- **Win with superior products**
- **Win with customer success**

Driving AgilePlans Acceleration



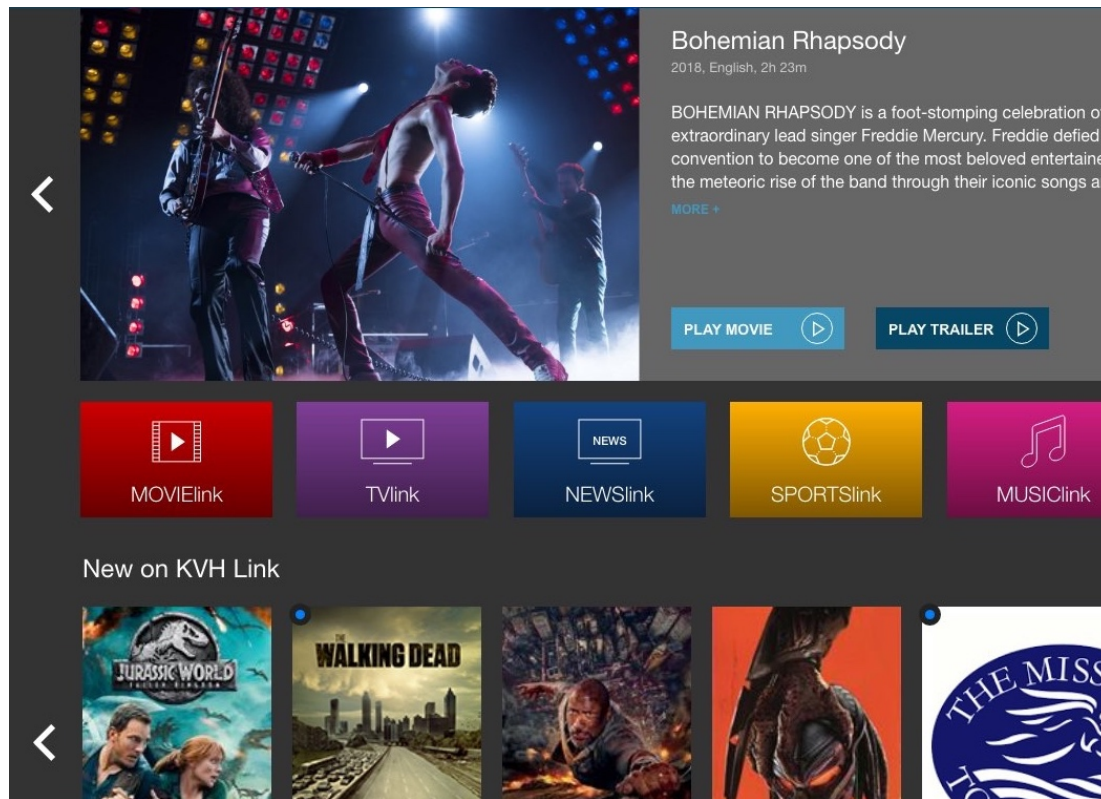
Spotlight: Nordic Hamburg

“The fact that everything is included is the reason we chose KVH AgilePlans: connectivity, content, hardware, installation, and maintenance.”



Jacobus Varossieau
Sr. Operations Manager
Nordic Hamburg

Innovation in Customer Experience Delivering Content



- **Over-the-air activation**
- **NEWSlink™ TV**
 - News from home
- **All-new content bundles**
 - Movies, TV, Podcasts
 - Karaoke
 - Viral videos
 - Sports

~30 Equipment Manufacturers per Vessel



Focus on Case Studies

Pain: Field Service Costs

“We are overwhelmed by claims disputes. We need data to defend ourselves, and to improve our product.”

We budget \$5,000 for each service visit to a ship. The visits should be fewer and more productive.”

Program Manager, Connectivity
SOx Scrubber manufacturer

Opportunity: Service Revenue

“We plan to sell a Managed Boiler Service in the next five years, and significantly increase revenues from services.”

Our usage recommendation reports save shipowners 5% of the annual boiler fuel cost, or about \$15-20K per year.”

Head of Digital Services
Boiler manufacturer

Streaming Performance for Superyachts



- **New unlimited streaming service**
- **Better coverage**
- **No new equipment required, over-the-air activation**
- **High ARPU**

Integrating Connectivity & Inertial Solutions



- Official American Magic sponsor
- TracPhone V3HTS & LTE-1 on chase boats
- FOG-based IMUs for race boat
- Global campaign for next 18 months

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Award-winning Year over Year



- NMEA award winner
22 years in a row



The KVH Advantage: The Power of One®

Only KVH offers end-to-end hardware, airtime, content, and service



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Acquiring & Servicing Customers at Scale



- Low cost of acquisition, payback at first unit purchase or within 3 months of AgilePlans
- Global service organization
- AgilePlans installation and service offered at 4,000 ports

Autonomous Everything Focus on Testimonials



- Case studies are a key source of lead generation for inertial systems

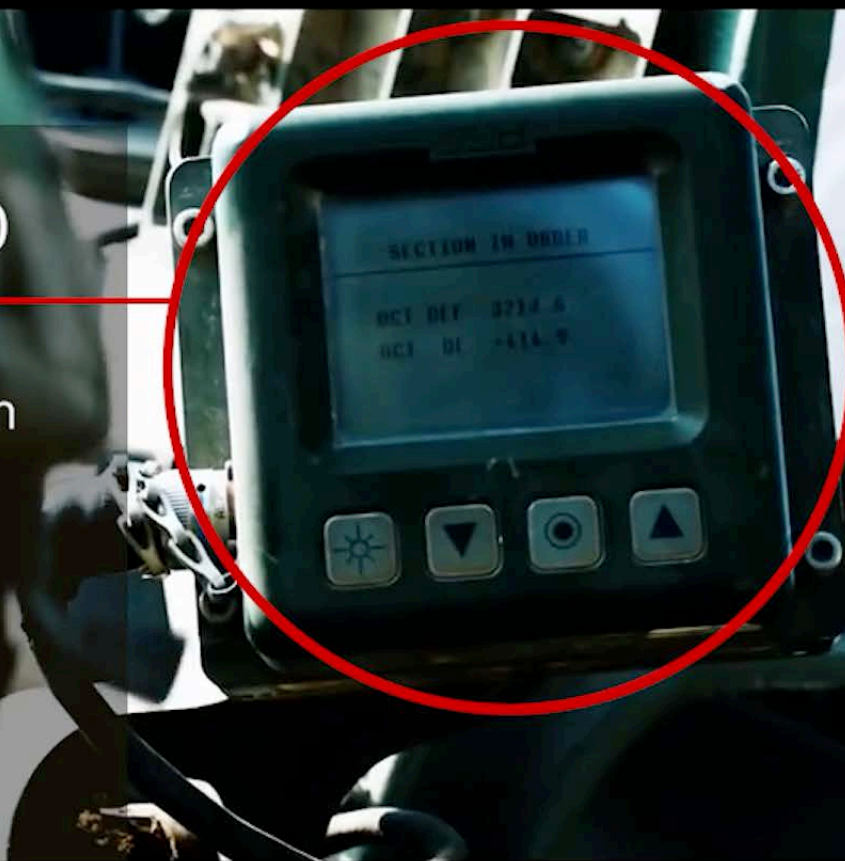
New Precise Navigational Sensor



Safety is the top requirement

KVH TACNAV UMD

Compass-based tactical
navigation and far target location
system for turreted forces





Accelerating Value with Focus on Strategic Initiatives

Martin Kits van Heyningen, CEO

Path for Growth 2020 and Beyond

- **AgilePlans with new HTS network is well positioned**
- **IoT offers significant opportunity**
- **New self-driving cars and “autonomous everything” need inertial precision**
- **On the horizon – military TACNAV deployment**
- **Poised for further success in 2020**

KVH®



Q&A

A background graphic featuring a network of white dots connected by thin white lines, set against a light gray gradient. The dots are of varying sizes and are distributed across the upper and middle portions of the slide, creating a web-like structure.

This concludes the webcast
www.kvh.com



Discover KVH



ANALYST & **INVESTOR** **DAY** 2019