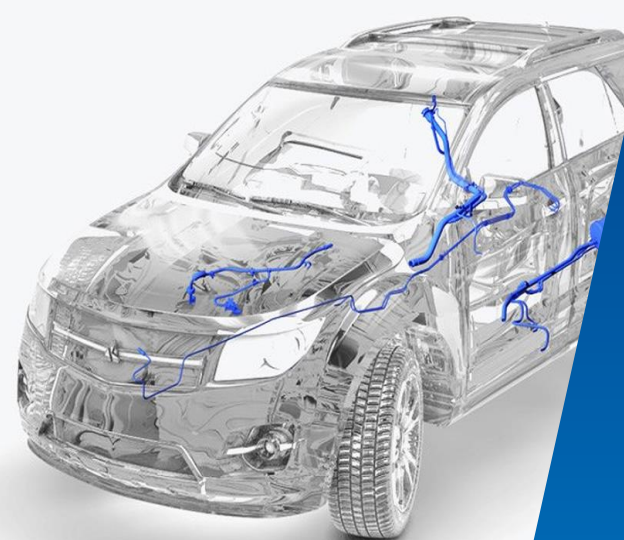




Kongsberg Automotive Update to Investor Presentation

April 27, 2020

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Non-IFRS Measures

Where we have used non-IFRS financial measures, reconciliations to the most comparable IFRS measure are provided, along with a disclosure on the usefulness of the non-IFRS measure, in the annual report.

Update to the Investor presentation based on recent events

- Since initiating the roadshow and publishing the investor presentation, there are some recent events that deserve an update to the investor presentation:
 - April revenues are firming up at slightly higher levels than assumed under all the scenarios (Low, medium and High).
 - We have succeeded in being approved for and have received government grants from various countries
 - We have made good progress in the negotiations for the non-equity based liquidity sources.
- The combination of the above factors obviously has some favorable effects on our expected liquidity need under the various scenarios for 2020 and 2021.
 - These effects are outlined on the following slides.
- We are particularly satisfied with the revenue development in April as they come as a confirmation that the OEMs are slowly, but securely, restarting their operations. This is compatible with what we hear from our customers.

Revenue Update – based on MTD April performance

- Fundamentally speaking, no changes have been made to the “High case”. For the Medium and Low cases. Revenues have been adjusted in April, May, June and (only for “Low case” July).
- No changes have been made to 2021

Revenues	High case	Medium Case	Low case
2019 (for reference)	€1,161 million	€1,161 million	€1,161 million
2020	€ 914.6 million This assumes shutdowns as we currently experience through April with a quick ramp up in the first two weeks of May.	€877.9 million This assumes shutdowns as we currently experience through April with a slow ramp up in May and the first week of June.	€818.2 million This assumes shutdowns as we currently experience through May with a slow ramp up in June and the first week of July.
2021	€1,091 million This assumes 2021 revenue levels of around 6% less than in 2019.	€1,068 million This assumes 2021 revenue levels of around 8% less than in 2019.	€1,043 million This assumes 2021 revenue levels of around 10% less than in 2019.

- The revenue adjustments have been made on the basis of April MTD (month to date) shipments/invoices that have been generated. **As of Saturday April 25th, we had already surpassed the anticipated revenue levels in the previous investor presentation.**
- The main reason for this is the timed ramp up we are already seeing from various OEMs. This means that the month with the worst anticipated revenue effects from the widespread shutdowns, April, will have a revenue shortfall vs. 2019 of 68%, rather than the 73% shortfall previously assumed.
- The changes made to the revenue assumptions in this update are summarized below..

Medium case - Revenues vs. 2019	Apr 2020	May 2020	June 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020
Previous Presentation	-73%	-66%	-40%	-16%	-14%	-11%	-9%	-9%	-9%
Updated presentation	-68%	-63%	-37%	-16%	-14%	-11%	-9%	-9%	-9%
Δ to old assumptions in % points	4%	4%	2%	0%	0%	0%	0%	0%	0%
Low case - Revenues vs. 2019	Apr 2020	May 2020	June 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020
Previous Presentation	-73%	-74%	-65%	-39%	-16%	-15%	-11%	-9%	-9%
Updated presentation	-68%	-69%	-61%	-36%	-16%	-15%	-11%	-9%	-9%
Δ to old assumptions in % points	4%	5%	4%	2%	0%	0%	0%	0%	0%

Further developments:

Government grants, progress in negotiations with non-equity based liquidity sources

- Late in the week of April 21st, we succeeded in being approved for and have received government grants from various countries. The amount granted amounts to €2.3 million, most of which has already been paid to us.
 - This has been reflected as income in the following financial update slide.
- During the last weeks, we have made good progress in the negotiations for the factoring programs in North America and Europe and other non equity based sources of liquidity.
 - We now estimate with a high level of confidence that we will be able to execute a combined North American/European factoring program in the amount of at least € 60 million.
- Consequently, we have updated our “Potentially likely sources of Funds ” table as illustrated below:

Potentially likely sources of Funds in € 000:			
Capital raise	Gross amount: 90,000-110,000	95,000	expenses deducted, middle of range selected
Government loan Program (CH + smaller amounts from others)		3,000	potential for more
Loan backed with Guarantor Assets		17,250	under negotiation - term sheet stage
Supply Chain financing net		7,900	under negotiation
Factoring NA		40,000	under negotiation – term sheet stage
Factoring EMEA		20,000	following NA - term sheet stage
<u>Total "likely" Funding sources</u>		<u>183,150</u>	

- Note that the Capital raise amount has been changed to a level which we believe will fully and adequately fund Kongsberg Automotive through 2020 and 2021. For further background, see the next slide.
 - The Government loan programs represent additional funding we believe we will receive.
- With the anticipated Capital Raise of €90-110 million, we believe we will be fully funded for the Corona related downturn and the following expected recession, according to the model parameters.

KPI and liquidity need impact for Kongsberg Automotive

- The below table provides the updated expected liquidity needs from the High and Medium cases:

(Euro 000)	2020 Medium	2021 Medium	2020 Low	2021 Low
Revenues	887,884	1,068,169	832,508	1,043,000
EBITDA	4,441	81,721	-19,530	72,642
EBITDA%	0.5%	7.7%	-2.3%	7.0%
Adj. EBIT	-47,946	26,099	-71,917	17,020
Adj EBIT %	-5.4%	2.4%	-8.6%	1.6%
Net Income	-88,178	-421	-112,149	-9,501
EBITDA	4,441	81,721	-19,530	72,642
Δ Net Working Capital	12,000	15,000	9,000	21,000
Capex	-63,000	-58,000	-61,000	-55,000
Taxes & Interest	-25,000	-25,000	-25,000	-25,000
Other non CF EBITDA items incl IFRS 16	-28,000	-20,000	-28,000	-20,000
Cash Flow (all in)	-99,559	-6,279	-124,530	-6,358
<u>Highest cumulative liquidity need in period</u>	<u>-90,000</u>	<u>-109,000</u>	<u>-116,000</u>	<u>-129,000</u>

- With reference to the previous investor presentation, the anticipated “Highest cumulative liquidity needs in period” were:

(Euro 000)	2020 Medium	2021 Medium	2020 Low	2021 Low
<u>Highest cumulative liquidity need in period</u>	<u>-100,000</u>	<u>-116,000</u>	<u>-126,000</u>	<u>-136,000</u>
- In other words, the “Highest cumulative liquidity needs in period” declined by around € 10 million in 2020 and € 7 million in 2021.
- This leads us to revise the estimates originally made in order to fully fund the Corona related downturn and the following expected recession, according to the model parameters. According to the new parameters, based on April MTD figures, we believe we need to secure additional liquidity of around €120-145 million.
- In combination with the improved funding and government support compared to the original case, this leads us to estimate the need for funding through the capital raise to be €90-110 million.
 - Compared to the “Potentially likely sources of Funds” from the previous slide, this leads to a liquidity safety buffer of around €30-40 million.
- Compared to the previous investor presentation, our overall liquidity need has been reduced from €150 million to €140 million driven by the improved business sentiment and the receipt of government grants. At the same time, we have progressed in the negotiations for the factoring and other arrangements.**
- In total, this leads to a slightly lower overall liquidity need of which a smaller share needs to be funded by equity compared to the previous investor presentation.**