

FULL-YEAR RESULTS IN LINE WITH GUIDANCE DESPITE STRONG HEADWINDS FROM GLOBAL SUPPLY-CHAIN SITUATION

REVENUES AND EARNINGS BOTH REDUCED BY CONTINUING SEMICONDUCTOR AND RAW MATERIALS SUPPLY CHAIN SITUATION, OFFSET BY THE “SHIFT GEAR” IMPROVEMENT PROGRAM AND GROWTH IN HIGH-MARGIN SPECIALTY PRODUCTS SEGMENT

Zurich, 15 March, 2022: Kongsberg Automotive ASA (“Kongsberg Automotive”) has today published its results for the fourth quarter and full year 2021. The results are in line with the most recent guidance and show resilience in the face of difficult market conditions. The following highlights represent the continuing operations of the company, as the ICS and LDC business are classed as held for sale and accounted for separately as discontinued operations:

- Revenues for the fourth quarter came in at €205.7 million, a reduction of 1.6% from the same period last year – the decline was mainly driven by the Powertrain & Chassis business unit
- Both passenger and commercial vehicle quarterly revenues were reduced, by €5.9 million and €1.2 million respectively, while other product types increased by €3.7 million – representing a market outperformance in China for passenger vehicles and across all markets for commercial vehicles
- Adjusted EBIT was reduced to €8.3 million in the fourth quarter, as our strong operational performance was offset by increased cost of raw material, electronic components and resulting freight due to the significant disruptions in the supply chain throughout the automotive sector
- The performance for the full year 2021 was in line with the updated guidance, both revenues and earnings beating slightly at €831.4 million and €50.7 million respectively, while free cash flow increased year on year by €37.2 million, to €19.1 million.

Comment from the CEO:

“The fourth quarter – and indeed the whole year – has been both challenging and transformational for our company. We are pleased to see that the performance improvements we have implemented as the first gear of our Shift Gear program have allowed us to weather the storm of supply chain disruptions, and to achieve the guidance which we gave last year,” said CEO Jörg Buchheim.

“We have also begun the second gear of the program, with the divestments of our Interior Comfort Systems and Light Duty Cables divisions – this leaves us better able to invest in and focus on our higher margin niche businesses. At the same time, our former colleagues in these divisions are joining strong organizations which can provide good new homes for these businesses” added Mr. Buchheim.

“Due to the geopolitical and economic uncertainty, KA will not issue a FY 2022 guidance at this time. Absent this uncertainty, we would have expected further revenue growth in 2022 with a similar or slightly lower adjusted EBIT than in 2021, depending on the availability and cost of supply. KA will closely monitor the development of the situation, and publish guidance as soon as this can be done in a clear and reliable manner,” concluded Mr. Buchheim.

Key figures for the fourth quarter and full-year 2021:

GROUP (MEUR)	Q4 2021	Q4 2020 (Restated)	FY 2021	FY 2020 (Restated)
Revenues	205,7	209,1	831,4	686,9
EBITDA	15,2	25,1	79,6	15,4
in % revenues	7,4%	12,0%	9,6%	2,2%
Impairment losses	0,0	0,1	0,0	(30,3)
Adjusted EBIT¹	8,3	18,1	50,7	15,6
in % revenues	4,0%	8,7%	6,1%	2,3%
Operating profit / EBIT	6,8	17,6	47,5	(18,0)
in % revenues	3,3%	8,4%	5,7%	-2,6%
Net profit / (loss) from continuing operation	0,5	6,1	28,5	(58,5)
Net profit / (loss) from discontinued operation	(9,1)	3,0	(23,0)	(59,5)
Net profit / (loss)	(8,6)	9,1	5,5	(118,0)
NIBD / Adjusted EBITDA (LTM) ²	3,8	5,4	3,8	5,4
excluding IFRS 16	3,3	5,1	3,3	5,1
Equity ratio ³	27,0%	27,3%	27,0%	27,3%
excluding IFRS 16	30,4%	30,9%	30,4%	30,9%

Note regarding discontinued operations

On October 28, 2021, two separate Sale and Purchase Agreements were signed to sell the Interior Comfort System business and the Light Duty Cable business with the cable-related part of Off-Highway business. Thus, these businesses are reported as discontinued operations and prior periods are restated accordingly. All impacted balance sheet items are classified as Assets held for sale and Liabilities associated with assets held for sale respectively.

Financial highlights

REVENUES

Group revenues from the continuing operation amounted to MEUR 205.7 in the fourth quarter of 2021, being lower than the revenues in the fourth quarter of 2020 by MEUR 3.4 (-1,6%), despite positive currency translation effects of MEUR 9.2. This decline was mainly driven by Powertrain & Chassis, partially offset by the increase in revenues of Specialty Products. For the full year, the group revenue from the continuing operation was MEUR 831.4, an increase of 21% over 2020. The growth over 2020 revenues was strong across the business, with Powertrain & Chassis growing at 15.4%, but especially so for Specialty Products, which grew at 28.4%.

ADJUSTED EBIT / EBIT

Adjusted EBIT from the continuing operation for the Group was MEUR 8.3 in the fourth quarter 2021, which was MEUR 9.8 lower than in Q4 2020. The overall positive operational performance was notably offset by increased raw material costs (resin, brass, and steel), electronic components and associated freight costs resulting from the significant disruptions in the supply chain throughout the automotive sector. Operating profit in Q4 2021 amounted to MEUR 6.8, compared to the operating profit of MEUR 17.6 in Q4 2020.

CASH AND LIQUIDITY

The change in cash in Q4 2021 attributable to the continued business amounted to MEUR 6.5. For the total year 2021 it amounted to MEUR 37.2. The cash position attributable to continuing business was MEUR 51.3 at the end of the quarter, compared to the balance of MEUR 67.4 at the end of Q4 2020. Cash of MEUR 6.9 has been classified as

Assets held for sale. The liquidity reserve was MEUR 140.9 at the end of the fourth quarter, compared to MEUR 197.0 in Q4 2020. This includes an unused RCF of MEUR 30.0 and an unused Securitization facility of MEUR 60.0.

Earnings presentation – conference call

The company will hold an earnings conference call at 09:00 CEST on March 15th, 2022. Conference call registration is available at the company's webpage or the following link:

https://channel.royalcast.com/landingpage/hegnarmedia/20220315_5/

About Kongsberg Automotive ASA

Kongsberg Automotive provides cutting-edge technology to the global vehicle industry. We drive the global transition to sustainable mobility by putting engineering, sustainability, and innovation into practice. Our product portfolio includes driver and motion control systems, fluid assemblies, and industrial driver interface products. Find out more at www.kongsbergautomotive.com.

For further information, please contact:

Media contact:

Therese Sjoborg Skurdal

therese.skurdal@ka-group.com

+47 982 14 059

Investor relations contact:

Jakob Bronebakk

jakob.bronebakk@ka-group.com

+47 906 39 637