

Dear shareholders,

This statement is in reference to the concerns regarding the development, strategy and governance of Kongsberg Automotive (KOA), raised by certain shareholders in Norwegian media prior to the upcoming Annual General Meeting, on June 6, 2023.

The Board of Directors (Board) appreciates the involvement of shareholders, and has noted the information shared.

Shareholder Arild Christoffersen, along with other shareholders, has publicly stated that the Board and management have intentionally worked to lower the share price of the company to enable an acquisition by a third party at a low valuation. This statement has been reiterated on several occasions, and escalated following KOA's announcement of a strategic review conducted by reputable financial advisors.

This statement holds no merit, and directly contradicts the Board's dedication to creating shareholder value, all while making little economic sense, as the interests of the Board are aligned with a higher KOA share price. To be clear: The Board of KOA represents all shareholders, and not individual institutions. While the Chairman of the Board is affiliated with the main shareholder, he is elected to represent all shareholders. All other members of the Board of KOA are independent from the main shareholder.

Mr. Christoffersen has further stated that the Board and management are actively manipulating financial numbers to achieve a low share price. KOA reports according to IFRS accounting principles in close collaboration with the company's reputable auditor and in accordance with all applicable requirements as a listed company, and has no history of ever violating statutory rules or continued obligations under the Oslo Stock Exchange.

Mr. Christoffersen has announced his candidacy as a board director, and he has more recently declared to the media that he and his shareholder group aim to overthrow and replace the entire Board of KOA. In keeping with the recommendations set by the Norwegian Code of Corporate Governance, KOA has a Nomination Committee, which is the appropriate corporate body to address proposed changes to the Board. The Board has been informed that the Nomination Committee, despite having issued a recommendation to not make further changes to the board before the completion of the strategic review, has nevertheless diligently considered the inputs and views of Mr. Christoffersen and other shareholders on the composition of the board. Given the limited time leading up to the general meeting, the Nomination Committee has not been able to conclude a proposal facilitating the preferences of the relevant stakeholders. An effective recommendation must take into consideration the views of other shareholders, existing board members, the proposed candidates themselves, in addition to statutory requirements as to gender representation, and the skills and competences required on the board.

On the business front, the Board has worked closely with management over the last several years to improve the company's operations, and develop a strategy to enhance the intrinsic



value of the company. The company has also taken several steps to strengthen the robustness of the business and its profitability in recent years with the Shift Gear transformation program, focusing on the higher-margin current and future products, including the EV segment, as well as addressing the impact of recent global supply chain challenges.

The Board understands the expressed frustration of shareholders in relation to the development of the share price. This frustration is shared by all shareholders, including our largest shareholder. The company completed a share buy-back program to create shareholder value and increase liquidity in the share. The Board has also initiated a strategic review aiming to evaluate options and maximize the value of the company.

The Board reiterates that the company appreciates a constructive dialogue with its shareholders and has noted the concerns that have been raised. At this stage, however, it remains unclear what plans this group of shareholders and their proposed board have for KOA, and we trust that this matter will be clarified in the near future.

We welcome all shareholders to the AGM tomorrow on June 6, 2023.

Best regards,

The Board of Directors of Kongsberg Automotive ASA, June 5, 2023

Firas Abi-Nassif Ellen M. Hanetho Emese Weissenbacher

Rolf Breidenbach Mark Wilhelms Knut Magne Alfsvåg

Siw Reidun Wærås Bjørn Ivan Ødegård

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 more information at: [kongsbergautomotive.com](https://www.kongsbergautomotive.com)