



## **Kongsberg Automotive updates its long-term financial ambitions**

**Zurich, May 12, 2024:** Kongsberg Automotive's (KA) Board of Directors, along with the CEO and Executive Management, have updated its long-term financial goals and established new ambitions for the year 2028.

In the recent months, the Board of Directors, the CEO and Executive Management, have made a thorough analysis of the company's operational and financial prospects. The current short-term focus is to reduce structural costs and increase KA's operational efficiency. The objective is to secure positive earnings and positive cash flow. The guidance for 2024 is that KA will deliver earnings growth, absolute positive earnings, and positive cash flow despite flat revenues. This guidance was given on March 12 when the annual report was published and reiterated on May 8 when the Q1 results 2024 were published.

Going beyond 2024 the focus is on organic growth and improved profitability. KA has successfully won numerous long-term contracts with well-reputed automotive brand names. This portfolio of contracts ensures that we have a platform for growth. Albeit our Driveline business – now labelled “non-core” – is set to decrease, we are confident that KA will deliver sustained organic growth in its core business. Once a solid earnings platform has been established KA may consider bolt-on acquisitions as a means to further enhance its growth.

By 2028 we expect that min 70% of our revenues will be linked to commercial vehicles. At the same time our non-core business will be insignificant in terms of revenue.

Continued focus on cost control, optimised operational footprint, and higher sales will lead to improved earnings performance. The ambition is to lift the EBIT-margin to at least 8.5 % bringing KA in line with best-in-class suppliers to the automotive industry.

The long-term financial ambitions towards 2028 are as follows (replacing all previous financial goals that were given at the Capital Markets Day in 2021):

- **Revenues, above EUR 1.0bn**
  - By organic growth, representing a double-digit % CAGR for the core-business: this being higher than the expected industry growth.
- **EBIT margin at or above 8.5%**
  - Annually improve our earnings performance to reach and maintain an EBIT-margin of at least 8.5 %.

“KA is seeking to become a technology and market leader within its core business areas, offering its customers world-class mobility solutions for the future, creating lasting value for all stakeholders” says KA’s President & CEO Linda Nyquist-Evenrud, adding, “we are optimizing our operations for a more effective and cost-efficient structure to best serve our customers and to build a more competitive position in areas we excel.

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**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](http://kongsbergautomotive.com)