

THIRD QUARTER REPORT

2022



KONGSBERG
AUTOMOTIVE

CONTENT

Third quarter 2022 at glance	3
Group financials	4
Segment reporting	7
Powertrain and Chassis.....	7
Specialty Products	8
Condensed consolidated financial statements	9
Notes to the consolidated financial statements	13
Alternative performance measures (APM)	20
Other company information	23

THIRD QUARTER 2022 AT GLANCE

- > Revenue from continuing operation amounted to **MEUR 246.0** in Q3 2022, MEUR 53.2 (+27.6%) higher than last year's third quarter, including positive currency translation effects of MEUR 19.7. Furthermore, this increase includes customers' reimbursements of MEUR 2.7 for increased material and energy costs as well as a reimbursement of MEUR 8.2 for spot-buy costs incurred in prior periods.
- > Adjusted EBIT amounted to **MEUR 12.9**, exceeding Q3 2021 by MEUR 4.8. While benefitting from the customers' reimbursements, adjusted EBIT is still heavily impacted by the high material and energy costs in most countries in which KA operates. A self-declaration for customs resulted in an accrual of MEUR 2.5. These negative effects continued to be mitigated by customer price increases achieved in addition to reimbursements.
- > Lifetime revenues business wins in the third quarter 2022 amounted to **MEUR 128.8** (MEUR 44.3 in annualized revenue).
- > On October 3, 2022, Kongsberg Automotive has successfully completed the sale of part of the Off-Highway business, located in Canada, to Bombardier Recreational Products (BRP) for an enterprise value of MCAD 136.0 (MEUR 104.0). Based on the initial purchase price proceeds, the gain after tax on this sale transaction amounts to MCAD 46.6 (MEUR 36.2) which is subsequently accounted for in Q4 2022.

KEY FIGURES

(MEUR)	Q3 2022	Q3 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Revenues	246.0	192.8	690.3	625.7	831.4
EBITDA	18.1	14.8	45.0	64.2	79.6
<i>in % revenues</i>	7.4%	7.7%	6.5%	10.3%	9.6%
Adjusted EBIT¹	12.9	8.1	24.6	42.5	50.7
<i>in % revenues</i>	5.2%	4.2%	3.6%	6.8%	6.1%
Operating profit / EBIT	9.2	6.3	19.2	40.6	47.5
<i>in % revenues</i>	3.7%	3.2%	2.8%	6.5%	5.7%
Net profit / (loss) from continuing operation	8.5	4.5	7.6	29.3	28.5
Net profit / (loss) from discontinued operation	(1.8)	(4.1)	16.1	(15.2)	(23.0)
Net profit / (loss)	6.7	0.4	23.7	14.1	5.5
NIBD / Adjusted EBITDA (LTM) ²	2.0	3.1	2.0	3.1	3.8
<i>excluding IFRS 16</i>	1.1	2.4	1.1	2.4	3.3
Equity ratio ³	35.9%	29.0%	35.9%	29.0%	27.0%
<i>excluding IFRS 16</i>	39.2%	32.3%	39.2%	32.3%	30.4%

¹ adjusted for restructuring costs and impairment losses (see APM section)

² includes all items classified as discontinued business and assets and liabilities held for sale as of December 31, 2021

³ includes assets and liabilities held for sale as of September 30, 2022, and December 31, 2021

- > The adjusted gearing ratio (NIBD/adj. EBITDA) on LTM basis for continuing operation improved to 2.0 compared to 3.1 in Q3 2021. This is due to the proceeds received from the divestures completed in previous quarters amounting to MEUR 204.0.
- > The equity ratio increased from 29.0% as of September 30, 2021, to 35.9% as of the end of the third quarter of 2022. This was caused by the ICS and LDC sale as well as the subsequent redemption of bond notes at MEUR 75.0 and repayment of RCF at MEUR 20.0.

GROUP FINANCIALS

SELECTED FINANCIAL INFORMATION – PROFIT AND LOSS (CONTINUING OPERATION)

(MEUR)	Q3 2022	Q3 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Revenues	246.0	192.8	690.4	625.7	831.4
OPEX	(227.9)	(177.9)	(645.4)	(561.5)	(751.9)
EBITDA	18.1	14.8	45.0	64.2	79.6
<i>in % revenues</i>	<i>7.4%</i>	<i>7.7%</i>	<i>6.5%</i>	<i>10.3%</i>	<i>9.6%</i>
Depreciation and amortization	(8.9)	(8.6)	(25.9)	(23.6)	(32.1)
Operating profit / EBIT	9.2	6.3	19.2	40.6	47.5
<i>in % revenues</i>	<i>3.7%</i>	<i>3.2%</i>	<i>2.8%</i>	<i>6.5%</i>	<i>5.7%</i>
Adjusted EBIT¹	12.9	8.1	24.6	42.5	50.7
<i>in % revenues</i>	<i>5.2%</i>	<i>4.2%</i>	<i>3.6%</i>	<i>6.8%</i>	<i>6.1%</i>
Net financial items	0.0	(5.0)	(9.2)	(8.9)	(9.5)
Profit / (loss) before taxes	9.2	1.3	10.0	31.7	38.0
Income taxes	(0.7)	3.2	(2.4)	(2.4)	(9.5)
Net profit / (loss) from continuing operation	8.5	4.5	7.6	29.3	28.5

¹ See APM section for the reconciliation

REVENUES

Group revenues from continuing operation amounted to MEUR 246.0 in the third quarter of 2022, exceeding the revenues in the third quarter of 2021 by MEUR 53.2 (+27.6%), including positive currency translation effects of MEUR 19.7. Furthermore, this increase includes customers' reimbursements of MEUR 2.7 for increased material and energy costs as well as a reimbursement of MEUR 8.2 for spot-buy costs incurred in prior periods.

Revenues generated in the passenger car market amounted to MEUR 53.5, respectively MEUR 48.7 at constant currencies, a decrease of MEUR 3.9 (-7.3%) compared to Q3 2021. The highest growth was reported in North America, where revenues increased by MEUR 4.3 (+30.4%) to MEUR 21.8. The overall market in this region grew by 25.3%. Revenues in China amounted to MEUR 16.9, a decrease of MEUR 8.7 (-36.3%) compared to Q3 2021 at constant currency, whereas the market in China grew by 24.6%. Revenues in Europe remained relatively stable in Q3 2022 and amounted to MEUR 14.2, whereas the passenger car market in this region grew by 22.4%.

The revenues in the commercial vehicles market amounted to MEUR 91.4, respectively MEUR 85.8 at constant currencies, which was higher by MEUR 10.8 (+14.4%) than in Q3 2021. In Europe the revenues were MEUR 50.2 (including positive translation effects of MEUR 0.2), exceeding the revenues of Q3 2021 by MEUR 10.0 (+25.2%) at constant currencies. Kongsberg Automotive was able to outperform the market in this region which grew by 18.0%. Whilst revenues in China decreased by MEUR 3.3 (-43.7%) compared to Q3 2021 at constant currencies, the market in this region also shrank by 23.9% compared to Q3 2021. Revenues in North America amounted to MEUR 32.3, an increase of MEUR 1.5 (+5.8%) compared to Q3 2021 at constant currency, whereas the market in this region grew by 18.6%.

The revenues generated in other markets amounted to MEUR 101.1 in Q3 2022, including positive translation effects of MEUR 9.3, compared to MEUR 65.2 in Q3 2021.

ADJUSTED EBIT / EBIT

Adjusted EBIT from continuing operation was MEUR 12.9 in the third quarter 2022, exceeding Q3 2021 result by MEUR 4.8. It included positive effects related to the reimbursements of MEUR 8.2 for spot-buy costs incurred in prior periods and customers' reimbursements of MEUR 2.7 for increased material and energy costs. In addition to this, price increases were successfully negotiated with customers to cover the increased material cost and indirect costs, such as labor, energy, freight costs that were negatively impacting the overall positive operational performance.

Operating profit in Q3 2022 amounted to MEUR 9.2, compared to the operating profit of MEUR 6.3 in Q3 2021.

NET FINANCIAL ITEMS

Net financial items amount to MEUR 0.0 in the third quarter of 2022, compared to an expense of MEUR 5.0 in the same period in 2021. This change was mainly driven by the higher foreign exchange gains in Q3 2022 than in Q3 2021, supported by the lower interest expenses due to the partial repayment of the bond notes in March 2022 (see Note 5).

PROFIT (LOSS) BEFORE TAXES / NET PROFIT (LOSS)

Profit before taxes amounted to MEUR 9.2 in the third quarter of 2022, compared to the profit before taxes of MEUR 1.3 in the same quarter of 2021. Net profit amounted to MEUR 8.5 in Q3 2022, compared to the net profit of MEUR 4.5 in Q3 2021. The effective tax rate was 24%.

GROUP FINANCIALS

SELECTED FINANCIAL INFORMATION - CASH FLOW

(MEUR)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Operating activities (Continuing operation)	7.5	28.1	14.6	66.6	56.7
Operating activities (Discontinued operation)	1.5	(4.8)	35.7	(3.9)	(20.6)
Cash flow - Operating activities	9.0	23.3	50.3	62.7	36.1
Investing activities (Continuing operation)	(7.0)	(5.4)	(16.1)	(16.3)	(26.7)
Investing activities (Discontinued operation)	0.0	(2.4)	162.8	(6.8)	(16.6)
Cash flow - Investing activities	(7.0)	(7.8)	146.7	(23.1)	(43.2)
Financing activities (Continuing operation)	(18.2)	(11.8)	(135.3)	(26.4)	(11.1)
Financing activities (Discontinued operation)	0.0	(2.0)	(1.8)	(6.0)	(9.1)
Cash flow - Financing activities	(18.2)	(13.8)	(137.1)	(32.4)	(20.3)
Currency and translation effects on cash flow	7.0	4.4	16.8	6.7	18.3
Change in cash	(9.1)	6.1	76.7	13.9	(9.1)
Cash as of beginning of period	144.1	75.2	58.3	67.4	67.4
Cash as of end of period	135.0	81.3	135.0	81.3	58.3

CASH FLOW FROM (USED BY) OPERATING ACTIVITIES

Cash flow from operating activities amounted to MEUR 9.0 in Q3 2022, compared to MEUR 23.3 in Q3 2021. This included a negative change in net working capital of MEUR 10.6 in Q3 2022, compared to a positive change of MEUR 3.7 in Q3 2021. Positive cash inflows resulting from price increase negotiations are expected primarily from Q4 2022 onwards.

CASH FLOW FROM (USED BY) INVESTING ACTIVITIES

Cash flow used by investing activities for continuing operation amounted to MEUR 7.0 which was higher by MEUR 1.5 compared to the third quarter of 2022. Proceeds from the true-up of the ICS divestment were received in October 2022.

CASH FLOW USED BY FINANCING ACTIVITIES

Cash flow used by financing activities was MEUR 18.2 in the third quarter of 2022, compared to MEUR 13.8 in the same quarter last year. The difference was mainly driven by the share buy-back in the amount of MEUR 9.9, partially offset by the lower repayment

of lease liabilities and payments for interests on lease liabilities in comparison to Q3 2021.

The repayment of lease liabilities amounted to MEUR 2.2 in Q3 2022 versus MEUR 3.3 in Q3 2021. Total payment for interests on lease liabilities was at MEUR 0.9.

CHANGE IN CASH

The change in cash in the first nine months of 2022 for the whole Group amounted to MEUR 76.7 compared to the balance as of December 31, 2021. The cash position was MEUR 135.0 at the end of the quarter.

LIQUIDITY RESERVE

The liquidity reserve was MEUR 209.5 (excluding the restricted cash of MEUR 0.5) at the end of the third quarter, compared to MEUR 140.9 as of December 31, 2021. The unutilized RCF as of September 30, 2022, amounted to MEUR 50.0. The unutilized Securitization facility was MEUR 25.0.

GROUP FINANCIALS

SELECTED FINANCIAL INFORMATION – FINANCIAL POSITION

(MEUR)	30.09.22	30.09.21	31.12.21
Non-current assets	329.3	460.8	332.1
Cash and cash equivalents	135.0	81.3	51.3
Other current assets	335.8	390.3	363.2
Assets held for sale	40.9	0.0	238.2
Total assets	841.0	932.4	984.8
Equity	302.0	270.1	265.5
Interest-bearing liabilities	267.6	368.5	367.1
Other liabilities	267.9	293.8	281.4
Liabilities directly associated with the assets held for sale	3.5	0.0	70.8
Total equity and liabilities	841.0	932.4	984.8
NIBD ¹	132.6	287.2	316.4
Equity ratio ²	35.9%	29.0%	27.0%

¹ excludes assets and liabilities held for sale as of December 31, 2021

² includes assets and liabilities held for sale as of September 30, 2022, and December 31, 2021

ASSETS

Total assets were MEUR 841.0 at the end of the third quarter, of which MEUR 40.9 were classified as Assets held for sale. It consists mainly of non-current assets of MEUR 20.4 and inventory of MEUR 18.6. The reclassification of the inventory to Assets held for sale is the main reason for the decrease of the other current assets. All assets and liabilities held for sale as of September 30, 2022, are related to the sale of part of the Off-Highway business to Bombardier Recreational Products (BRP) which was subsequently completed on October 3, 2022.

EQUITY

Equity as of September 30, 2022, increased by MEUR 36.5 (+13.5%) to MEUR 302.0 in comparison with December 31, 2021.

During the third quarter of 2022, the net profit of MEUR 6.7 and other comprehensive income of MEUR 10.8 resulted in total comprehensive income of MEUR 17.5. The share-based compensation of MEUR 1.3 contributed to the change of the equity as of September 30, 2022. In addition, the Share Buy-back program initiated in May 2022 led to an increase of treasury shares in the amount of MEUR 9.9 in Q3 to total treasury shares of MEUR 14.1 as of September 30, 2022.

INTEREST BEARING LIABILITIES

Total interest-bearing liabilities amounted to MEUR 267.6 consisting mainly of the issued bond of MEUR 200.0 (MEUR 197.7 after netted with the capitalized fees of MEUR 2.3) and IFRS 16 lease interest-bearing liabilities of MEUR 70.0.

As of September 30, 2022, long-term interest-bearing debt amounted to MEUR 257.9.

NET INTEREST BEARING DEBT

At the end of the third quarter 2022, net interest-bearing debt amounted to MEUR 132.6, a decrease of MEUR 183.8 compared to year-end 2021, driven by the receipt of the final proceeds from the ICS sale transaction of MEUR 170.2 and the initial proceeds from the LDC sale transaction of MEUR 38.1. In Q1 2022 the proceeds were used to partially repay the bond notes of MEUR 75.0 and to repay the drawn Revolving Credit Facility of MEUR 20.0.

POWERTRAIN & CHASSIS

SEGMENT REPORTING

Powertrain & Chassis is a global Tier 1 supplier of driver control and driveline products into the passenger and commercial vehicle automotive markets. The portfolio includes custom-engineered cable controls and complete shift systems, clutch actuation systems, vehicle dynamics, shift cables and shift towers for transmissions.

Powertrain & Chassis serves the passenger car and the commercial vehicle markets, with particularly strong positions in Europe and the Americas. With a global footprint, Powertrain & Chassis can support customers worldwide. Key customers include Ford, General Motors, Stellantis, Volvo, Scania, DAF, John Deere, Renault-Nissan and Geely.

KEY FIGURES

(MEUR)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Revenues	118.4	102.1	343.3	321.6	429.9
Adjusted EBITDA <i>in % revenues</i>	6.0 5.0%	10.0 9.8%	20.9 6.1%	32.1 10.0%	42.8 10.0%
Adjusted EBIT <i>in % revenues</i>	1.3 1.1%	5.0 4.9%	7.3 2.1%	19.1 5.9%	25.2 5.9%
Restructuring	(0.6)	(0.3)	(0.7)	(0.4)	(0.4)
Operating profit / EBIT <i>in % revenues</i>	0.7 0.6%	4.7 4.6%	6.6 1.9%	18.7 5.8%	24.8 5.8%
Investments	(4.2)	(1.7)	(8.9)	(6.2)	(10.3)
Capital employed ¹	187.0	165.0	187.0	165.0	196.0

¹ Includes PP&E, intangible assets, inventories, trade receivables and trade payables

FINANCIAL UPDATE

Revenues in Powertrain & Chassis increased by MEUR 16.3 (+16.0%) to MEUR 118.4 in the third quarter 2022 compared to the same quarter in 2021, including positive currency translation effects of MEUR 9.3. On a constant currency basis, revenues in Q3 2022 increased by MEUR 7.0 compared to Q3 2021, which was mainly driven by increases in the European commercial vehicles end markets of MEUR 8.9 and in the passenger car end market in Americas of MEUR 4.3. This was partially offset by the decrease of revenues in the passenger car end market and the commercial vehicles end market in China, which declined by MEUR 8.7 and MEUR 2.8, respectively. The Headrest business in Sweden, which had previously been part of the Interior segment, contributed the additional revenues of MEUR 2.1 in Q3 2022 to the total revenues of the segment.

Adjusted EBIT was MEUR 1.3 in the third quarter 2022, a significant decline of MEUR 3.7 (-74.0%) compared to the

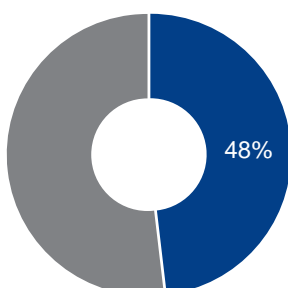
adjusted EBIT in Q3 last year. On top of the continuing high cost of materials and energy, a provision for custom claims of MEUR 2.5 adversely impacted this quarter's adjusted EBIT. On the other hand, this was partially offset by the customers' reimbursements of MEUR 2.7 for increased material and energy costs as well as successfully negotiated price increases.

COMMERCIAL AND OPERATIONAL UPDATE

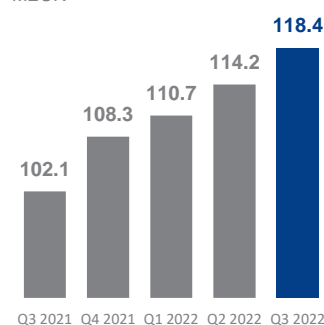
Business wins amounted to MEUR 94.0 of lifetime revenues (MEUR 23.3 in annualized revenues) in the third quarter of 2022.

Within the quarter, P&C was awarded two significant contracts: to supply electronic actuators and shift by wire to a Chinese manufacturer (MEUR 30.7 expected lifetime revenue, MEUR 6.1 expected annual revenue) and to supply gear shift systems to an American manufacturer (MEUR 32.6 expected lifetime revenue, MEUR 6.5 expected annual revenue).

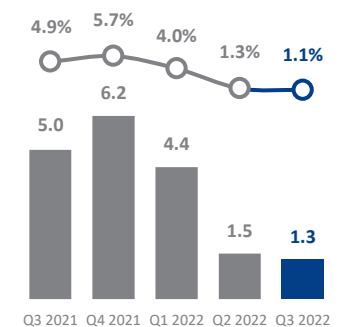
Group revenue share
Q3 2022



Revenues
MEUR



Adjusted EBIT
MEUR and in % revenues



SPECIALTY PRODUCTS

SEGMENT REPORTING

Specialty Products designs and manufactures fluid handling systems for both the automotive and commercial vehicle markets, couplings systems for compressed-air circuits in heavy-duty vehicles, operator control systems for power sports construction, agriculture, outdoor power equipment and power electronics-based products.

Key customers include Volvo Trucks/Group, Scania, Navistar, Paccar/DAF, Ford, Jaguar Land Rover, Club Car, John Deere, CAT, Husqvarna, CNH, BRP and several Tier 1 customers in addition to an industrial customer base.

KEY FIGURES

(MEUR)	Q3 2022	Q3 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Revenues	127.5	89.1	346.8	298.0	393.2
Adjusted EBITDA	24.0	14.1	50.8	52.3	61.1
<i>in % revenues</i>	18.8%	15.8%	14.6%	17.5%	15.5%
Adjusted EBIT	20.2	11.0	39.9	43.2	48.4
<i>in % revenues</i>	15.8%	12.3%	11.5%	14.5%	12.3%
Restructuring	(0.6)	0.0	(0.9)	0.0	0.0
Operating profit / EBIT	19.6	11.0	39.0	43.2	48.4
<i>in % revenues</i>	15.3%	12.3%	11.3%	14.5%	12.3%
Investments	(3.0)	(3.7)	(7.8)	(10.2)	(16.5)
Capital employed ¹	249.1	211.4	249.1	211.4	217.1

¹ Includes PP&E, intangible assets, inventories, trade receivables and trade payables

FINANCIAL UPDATE

Revenues in Specialty Products increased by MEUR 38.4 (+43.1%) to MEUR 127.5 compared to the third quarter of 2021, including positive currency translation effects of MEUR 10.4. On the constant currency basis, revenues of the Off-Highway business grew by MEUR 19.1 compared to Q3 2021. This amount included a reimbursement of MEUR 8.2 for spot-buy costs incurred in prior periods. Furthermore, on the constant currency basis, the increase of segment's revenue was driven by the growth of the Fluid Transfer Systems' and Couplings' revenues of MEUR 6.8 and MEUR 2.1, respectively, versus the third quarter of previous year.

Adjusted EBIT was MEUR 20.2 in the third quarter of 2022, an increase of MEUR 9.2 (+83.9%) compared to the same quarter of last year. Adjusted EBIT was negatively impacted by increased raw material cost (mainly resin and steel) as well as energy cost.

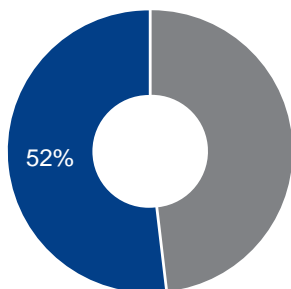
However, this negative impact was offset by a reimbursement of MEUR 8.2 for spot-buy costs incurred in prior periods.

COMMERCIAL AND OPERATIONAL UPDATE

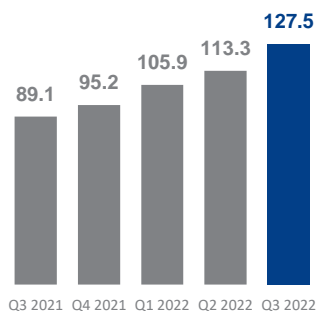
During the third quarter 2022, total business wins amounted to MEUR 34.8 of lifetime revenues (MEUR 21.0 in annualized revenues).

Within the quarter, Couplings (COU) was awarded a contract with a European trailer manufacturer (MEUR 2.7 expected annual revenues and MEUR 8.1 expected annual revenue). Fluid Transfer Systems (FTS) secured a contract with a large European manufacturer that totals MEUR 1.0 in expected annual revenue and MEUR 4.0 in expected lifetime revenue.

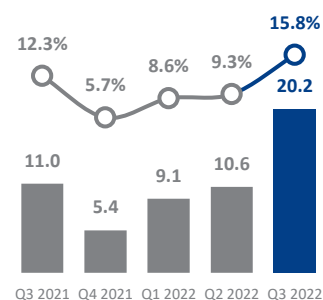
Group revenue share
Q3 2022



Revenues
MEUR



Adjusted EBIT
MEUR and in % revenues



CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

(MEUR)	Q3 2022	Q3 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Revenues	246.0	192.8	690.4	625.7	831.4
OPEX	(227.9)	(177.9)	(645.4)	(561.5)	(751.9)
EBITDA	18.1	14.8	45.0	64.2	79.6
<i>in % revenues</i>	7.4%	7.7%	6.5%	10.3%	9.6%
Depreciation and amortization	(8.9)	(8.6)	(25.9)	(23.6)	(32.1)
Operating profit / EBIT	9.2	6.3	19.2	40.6	47.5
<i>in % revenues</i>	3.7%	3.2%	2.8%	6.5%	5.7%
Adjusted EBIT¹	12.9	8.1	24.6	42.5	50.7
<i>in % revenues</i>	5.2%	4.2%	3.6%	6.8%	6.1%
Net financial items	0.0	(5.0)	(9.2)	(8.9)	(9.5)
Profit / (loss) before taxes	9.2	1.3	10.0	31.7	38.0
Income taxes	(0.7)	3.2	(2.4)	(2.4)	(9.5)
Net profit / (loss) from continuing operation	8.5	4.5	7.6	29.3	28.5
Discontinued operation					
Net profit / (loss) from discontinued operation	(1.8)	(4.1)	16.1	(15.2)	(23.0)
Net profit / (loss)	6.7	0.4	23.7	14.1	5.5
<i>Other comprehensive income (items that may be reclassified to profit or loss in subsequent periods):</i>					
Translation differences on foreign operations	21.5	2.5	53.2	(6.7)	(7.5)
<i>Other comprehensive income (items that will not be reclassified to profit or loss in subsequent periods):</i>					
Translation differences on non-foreign operations	(10.7)	0.4	(27.6)	16.0	20.9
Remeasurement of net pension benefit obligation	0.0	0.0	0.0	0.0	0.2
Tax on net pension benefit obligation remeasurement	0.0	0.0	0.0	0.0	0.0
Other comprehensive income	10.8	2.9	25.6	9.3	13.6
Total comprehensive income	17.5	3.3	49.3	23.4	19.1
Net profit attributable to:					
Equity holders (parent company)	6.6	0.4	23.4	13.6	5.1
Non-controlling interests	0.1	0.1	0.2	0.4	0.4
Total	6.7	0.4	23.7	14.1	5.5
Total comprehensive income attributable to:					
Equity holders (parent company)	17.4	3.0	49.0	22.7	18.3
Non-controlling interests	0.1	0.4	0.3	0.7	0.8
Total	17.5	3.3	49.3	23.4	19.1
Earnings per share (EUR):					
Basic earnings per share	0.01	0.00	0.02	0.01	0.00
Diluted earnings per share	0.01	0.00	0.02	0.01	0.00
Earnings per share (EUR) - Continuing operation:					
Basic earnings per share	0.01	0.00	0.01	0.03	0.03
Diluted earnings per share	0.01	0.00	0.01	0.03	0.03

¹ Adjusted for restructuring costs, see APM section for the reconciliation

Restatement relates entirely to the requirement of IFRS 5 to present the discontinued operation separately from the continuing operation in the comparative periods.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

<i>(MEUR)</i>	30.09.22	30.09.21	31.12.21
Intangible assets	82.7	95.3	90.0
Property, plant and equipment	135.6	232.0	140.7
Right-of-use assets	61.2	87.4	66.6
Deferred tax assets	47.3	34.7	31.3
Other non-current assets	2.5	11.4	3.5
Non-current assets	329.3	460.8	332.1
Inventories	103.3	131.2	94.1
Accounts receivable	191.3	214.4	229.6
Other short-term receivables	41.2	44.7	39.5
Cash and cash equivalents	135.0	81.3	51.3
Assets held for sale	40.9	0.0	238.2
Current assets	511.7	471.6	652.7
Total assets	841.0	932.4	984.8
Share capital	94.4	105.3	105.6
Share premium reserve	197.6	218.0	217.8
Other equity	5.4	(57.6)	(62.1)
Non-controlling interests	4.6	4.4	4.2
Total equity	302.0	270.1	265.5
Long-term interest-bearing liabilities	257.9	354.2	338.7
Deferred tax liabilities	30.6	18.5	27.0
Other long-term liabilities	22.5	19.7	20.0
Non-current liabilities	311.0	392.4	385.7
Bank overdraft	0.6	0.0	0.6
Other current interest-bearing liabilities	0.0	0.0	20.0
Current lease liabilities	9.1	14.3	8.4
Current income tax liabilities	9.5	4.2	4.2
Trade and other payables	205.3	251.4	229.6
Liabilities directly associated with the assets held for sale	3.5	0.0	70.8
Current liabilities	228.0	269.9	333.6
Total liabilities	539.0	662.3	719.3
Total equity and liabilities	841.0	932.4	984.8

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF CHANGE IN EQUITY

<i>(MEUR)</i>	30.09.22	30.09.21	31.12.21
Equity as of start of period	265.5	245.5	245.5
Net profit / (loss) for the period	23.7	14.1	5.5
Translation differences	25.6	9.3	13.4
Remeasurement of the net pension benefit obligation	0.0	0.0	0.2
Tax on remeasurement of the net pension benefit obligation	0.0	0.0	0.0
Total comprehensive income	49.3	23.4	19.1
Stock-based compensation	1.3	1.2	1.7
Purchase of treasury shares	(14.1)	0.0	0.0
Dividends allocated or paid	0.0	0.0	(0.7)
Equity as of end of period	302.0	270.1	265.5

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF CASH FLOW

(MEUR)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
<i>Operating activities</i>					
Profit / (loss) before taxes	11.8	(1.5)	34.2	18.8	12.6
Depreciation & Write-off of tangible assets	7.5	12.1	24.2	34.7	43.8
Amortization & Write-off of intangible assets	0.5	1.0	1.8	2.2	2.9
Interest income	(0.4)	0.0	(0.7)	(0.1)	(0.2)
Interest and other financial expenses ¹	3.9	5.9	16.7	17.4	24.1
Taxes paid	(2.2)	0.3	(7.3)	(7.2)	(8.3)
(Gain) / loss on sale of non-current assets	0.0	0.0	(27.9)	0.4	0.6
Changes in receivables	(3.2)	32.5	36.9	23.5	(8.0)
Changes in inventory	(0.8)	(15.2)	(5.0)	(42.3)	(41.7)
Changes in payables	(6.6)	(13.6)	(30.0)	4.7	13.7
Currency (gain) / loss	(1.9)	(1.5)	(2.9)	(3.7)	(11.4)
Difference between pension funding contributions paid/pensions paid and the net pension cost	0.0	(0.1)	0.0	(0.3)	(0.3)
Changes in other items ²	0.4	3.4	10.4	14.6	8.2
Cash flow - Operating activities	9.0	23.3	50.3	62.7	36.1
<i>Investing activities</i>					
Investments	(7.3)	(7.8)	(19.2)	(23.4)	(43.7)
Sale of tangible and intangible assets	0.0	0.0	126.0	0.2	0.3
Interest received	0.3	0.0	0.7	0.1	0.2
Net proceeds from sale of subsidiaries	0.0	0.0	39.2	0.0	0.0
Cash flow - Investing activities	(7.0)	(7.8)	146.7	(23.1)	(43.2)
<i>Financing activities</i>					
Sale/purchase of treasury shares	(9.9)	0.0	(14.1)	0.0	0.0
Net draw down of debt	0.6	(1.4)	(97.9)	(2.4)	18.1
Interest paid and other financial items	(6.7)	(9.1)	(17.7)	(20.1)	(23.4)
Repayment of lease liabilities and other	(2.2)	(3.3)	(7.4)	(9.9)	(15.0)
Cash flow - Financing activities	(18.2)	(13.8)	(137.1)	(32.4)	(20.3)
Currency and translation effects on cash flow	7.0	4.4	16.8	6.7	18.3
Change in cash	(9.1)	6.1	76.7	13.9	(9.1)
Cash as of beginning of period	144.1	75.2	58.3	67.4	67.4
Cash as of end of period	135.0	81.3	135.0	81.3	58.3
<i>Of this, restricted cash</i>	<i>0.5</i>	<i>0.4</i>	<i>0.5</i>	<i>0.4</i>	<i>0.5</i>

¹ Includes Other financial items and the repayment of lease liabilities – See Note 5

² Includes changes in accruals, provisions, contract assets and contract liabilities, other current receivables like receivables from public duties, customer developments and prepaid expense, and other non-current assets

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – DISCLOSURES

GENERAL INFORMATION

Kongsberg Automotive ASA and its subsidiaries develop, manufacture and sell products to the automotive and commercial vehicle industry globally. Kongsberg Automotive ASA is a limited liability company, which is listed on the Oslo Stock Exchange. The consolidated interim financial statements are not audited.

BASIS OF PREPARATION

This condensed consolidated interim financial information, for the six months ended September 30, 2022, has been prepared in accordance with IAS 34 “Interim financial reporting”. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year-ended December 31, 2021, which have been prepared in accordance with IFRS.

ACCOUNTING POLICIES

The accounting policies are consistent with those of the annual financial statements for the year-ended December 31, 2021, as described in those annual financial statements. Taxes on income in the interim periods are accrued using the estimated effective tax rate.

RISK AND UNCERTAINTIES

In particular due to the Covid-19 pandemic, risks and opportunities for the financial year are subject to a high level of uncertainty and are continuously monitored, evaluated and, if applicable, taken into account in planning during the year.

Furthermore, due to the geopolitical risks, especially in relation to the war in Ukraine, global macroeconomic risks have significantly increased and have led to further increases in costs for raw material, energy and transportation and considerably higher inflation rates worldwide than in comparable periods.

The single most important risk that Kongsberg Automotive is exposed to is the development of demand in the end markets for light duty and commercial vehicles worldwide. As Kongsberg Automotive operates in many countries, Kongsberg Automotive is vulnerable to currency risk. The most significant currency exposure is associated with the USD exchange rate. As most of the revenues are earned from automotive OEMs and automotive Tier 1 and Tier 2 customers, the financial health of these automotive companies is critical to the credit risk.

On the supply side Kongsberg Automotive is exposed to risks related to the availability and cost of copper, brass, resin, zinc, aluminum, steel, and electronic components.

During the last months raw material prices in all areas, labor costs as well as the elevated energy prices have increased to historical highs. Furthermore, the Company's business operations kept being impacted by the disruption of global supply chains and in particular the supply bottlenecks for electronic components in the aftermath of the COVID-19 pandemic. It requires effective management as this had an adverse impact on business, financial condition, results of operations or cash flows. This has created the need to adapt to new challenges by the creation of new programs that allow to mitigate the negative operational and financial consequences of such disruptions.

SEASONALITY

The Group's quarterly results are to some extent influenced by seasonality. The seasonality is mainly driven by the vacation period in the third quarter and December each year having lower sales. Also, year-over-year seasonality differences may occur as a result of varying number of working days in each quarter.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SEGMENT REPORTING (THIRD QUARTER 2022)

Q3 2022 (MEUR)	Interior ⁴	Powertrain & Chassis	Speciality Products	Other ¹	Total Group
Revenues²	0.0	118.4	127.5	0.1	246.0
Revenues from discontinued operation	0.0	0.0	0.0	0.0	0.0
Revenues from continuing operation	0.0	118.4	127.5	0.1	246.0
Adjusted EBITDA	(1.7)	6.0	24.0	(8.1)	20.2
Depreciation ³	0.9	(4.3)	(3.6)	(0.5)	(7.5)
Amortization ³	0.0	(0.3)	(0.2)	(0.0)	(0.5)
Adjusted EBIT	(0.7)	1.3	20.2	(8.6)	12.2
Adjusted EBIT from discontinued operation	(0.7)	0.0	0.0	0.0	(0.7)
Adjusted EBIT from continuing operation	(0.0)	1.3	20.2	(8.6)	12.9
<i>Timing of revenue recognition</i>					
Ownership transferred at a point in time	0.0	118.4	127.5	0.1	246.0
<i>Assets and liabilities</i>					
Goodwill	0.0	17.1	60.1	0.0	77.2
Other intangible assets	0.0	4.8	0.7	0.0	5.5
Property, plant and equipment	0.0	70.2	63.8	1.6	135.6
Right-of-use assets	0.0	26.8	21.9	12.5	61.2
Inventories	0.0	43.2	60.1	0.0	103.3
Trade receivables	6.1	101.7	82.9	0.6	191.3
Other assets	0.0	1.6	5.0	0.0	6.6
Segment assets	6.1	265.4	294.5	14.7	580.7
Unallocated assets				219.4	219.4
Assets held for sale	0.0	0.0	40.9	0.0	40.9
Total assets	6.1	265.4	335.4	234.1	841.0
Trade payables	1.0	56.7	55.1	0.4	113.2
Non-current lease interest-bearing liabilities	0.0	27.8	21.7	11.3	60.8
Current lease interest-bearing liabilities	0.0	4.6	2.4	2.2	9.2
Segment liabilities	1.0	89.1	79.2	13.9	183.2
Unallocated liabilities				352.3	352.3
Liabilities directly associated with the assets held for sale	0.0	0.0	3.5	0.0	3.5
Total liabilities	1.0	89.1	82.7	366.2	539.0
Total equity				302.0	302.0
Total equity and liabilities	1.0	89.1	82.7	668.2	841.0
Capital expenditure	0.0	(4.3)	(3.0)	0.0	(7.3)

¹ The column Other includes corporate costs, transactions and balance sheet items related to tax, pension and financing. Trade receivables include the In-House Bank balances.

² For segment reporting purposes revenues are only external revenues; related expenses are adjusted accordingly. Adjusted EBIT excludes IC profit.

³ Excluding restructuring costs.

⁴ Outstanding balances of Trade Receivables and Trade Payables relate to the items that were not part of the divestiture transactions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SEGMENT REPORTING (THIRD QUARTER 2021)

Q3 2021 (MEUR)	Interior ⁴	Powertrain & Chassis	Speciality Products	Other ¹	Total Group
Revenues²	72.0	102.1	93.3	0.0	267.4
Revenues from discontinued operation	70.5	0.0	4.2	0.0	74.6
Revenues from continuing operation	1.5	102.1	89.1	0.0	192.8
Adjusted EBITDA	1.6	10.0	15.1	(7.9)	18.8
Depreciation ³	(4.5)	(4.1)	(3.0)	(0.4)	(12.0)
Amortization ³	(0.0)	(0.8)	(0.1)	(0.2)	(1.1)
Adjusted EBIT	(2.9)	5.0	12.0	(8.5)	5.7
Adjusted EBIT from discontinued operation	(3.3)	0.0	1.0	(0.1)	(2.4)
Adjusted EBIT from continuing operation	0.4	5.0	11.0	(8.4)	8.1
<i>Timing of revenue recognition</i>					
Ownership transferred at a point in time	1.5	102.1	89.1	0.0	192.8
<i>Assets and liabilities</i>					
Goodwill	3.8	16.6	67.5	0.0	88.0
Other intangible assets	0.5	5.0	0.9	0.9	7.3
Property, plant and equipment	98.9	65.8	66.2	1.1	232.0
Right-of-use assets	29.5	23.9	24.1	9.8	87.4
Inventories	34.6	37.7	58.9	0.0	131.2
Trade receivables	62.7	81.7	70.0	0.0	214.4
Other assets	17.7	2.6	6.6	0.1	27.1
Segment assets	247.8	233.4	294.3	12.0	787.4
Unallocated assets				145.0	145.0
Total assets	247.8	233.4	294.3	157.0	932.4
Trade payables	43.0	52.2	47.2	0.0	142.5
Non-current lease interest-bearing liabilities	26.0	23.9	23.5	8.9	82.3
Current lease interest-bearing liabilities	4.8	5.5	2.2	1.7	14.2
Segment liabilities	73.8	81.6	72.9	10.6	239.0
Unallocated liabilities				423.3	423.3
Total liabilities	73.8	81.6	72.9	433.9	662.3
Total equity				270.1	270.1
Total equity and liabilities	73.8	81.6	72.9	704.0	932.4
Capital expenditure	(2.5)	(1.8)	(3.5)	0.0	(7.8)

¹ The column Other includes corporate costs, transactions and balance sheet items related to tax, pension, and financing.

² For segment reporting purposes revenues are only external revenues; related expenses are adjusted accordingly. Adjusted EBIT excludes IC profit.

³ Excluding restructuring costs.

⁴ Balances not classified as Discontinued operation relate to the Head- and Armrest business in Sweden that was not part of the divestiture transactions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 – REVENUES AND NON-CURRENT ASSETS BY GEOGRAPHICAL LOCATION

3.1 REVENUES BY GEOGRAPHICAL LOCATION OF CUSTOMERS

<i>(MEUR)</i>	YTD 2022		YTD 2021 (Restated)	
		%		%
Europe	265.5	38.5%	250.9	40.1%
Northern America	278.2	40.3%	228.4	36.5%
Southern America	34.2	5.0%	18.6	3.0%
Asia	109.4	15.8%	124.4	19.9%
Other	3.1	0.4%	3.4	0.5%
Total operating revenues	690.4		625.7	
Revenues from discontinued operation	69.4		240.4	
Total operating revenues	759.8		866.1	

3.2 INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT (PP&E) AND RIGHT-OF USE ASSETS BY GEOGRAPHICAL LOCATION

<i>(MEUR)</i>	30.09.22		30.09.21	
		%		%
Europe	158.3	56.6%	244.1	58.9%
Northern America	84.5	30.2%	120.1	29.0%
Southern America	3.3	1.2%	2.9	0.7%
Asia	33.4	12.0%	47.6	11.4%
Total intangible assets, PPE and RoU - Continuing operations	279.5		414.7	
Total Intangible assets, PP&E and RoU - Classified as Assets held for sale	20.4			
Total Intangible assets, PP&E and RoU	299.9			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 – INTEREST-BEARING LOANS AND BORROWINGS (CONTINUING OPERATION)

4.1 INTEREST-BEARING LIABILITIES AS PRESENTED IN STATEMENT OF FINANCIAL POSITION

(MEUR)	30.09.22	30.09.21	31.12.21
Long-term interest-bearing loan and borrowing	199.3	276.3	276.0
IFRS 16 long-term lease liabilities	60.8	82.3	66.7
Capitalized arrangement fees ¹	(2.3)	(4.4)	(3.9)
Current IFRS 16 long-term lease liabilities	9.2	14.2	8.4
Other current interest-bearing liabilities	0.6	0.0	20.6
Total interest-bearing liabilities	267.6	368.4	367.7

¹ Fees relate to the bond and are amortized over the 7-year period of the bond. In Q1 2022 the arrangement fees of MEUR 1.0 were derecognized due to the partial repayment of the bond notes.

Interest-bearing liabilities by currency

(MEUR)	30.09.22	30.09.21	31.12.21
EUR	231.8	318.0	325.9
USD	9.8	14.4	12.2
Other currencies	28.3	44.4	33.6
Capitalized arrangement fees	(2.3)	(4.4)	(3.9)
Total interest-bearing loan and borrowing	267.6	372.4	367.7

4.2 LIQUIDITY RESERVE

The liquidity reserve of the Group consists of cash equivalents in addition to undrawn RCF and securitization facilities.

(MEUR)	30.09.22	30.09.21	31.12.21
Cash reserve	135.0	81.3	51.3
Restricted cash	(0.5)	(0.4)	(0.5)
Undrawn RCF facility	50.0	70.0	30.0
Undrawn Securitization facility ¹	25.0	60.0	60.0
Liquidity reserve	209.5	210.9	140.9

¹ Effective from June 25, 2022, the Securitization facility has been reduced from MEUR 60.0 to MEUR 25.0.

NOTE 5 – NET FINANCIAL ITEMS

(MEUR)	Q3 2022	Q3 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Interest income	0.3	0.0	0.7	0.1	0.1
Interest expenses	(3.5)	(5.0)	(12.0)	(14.4)	(18.9)
Foreign currency gains (losses) ¹	3.5	0.7	6.4	7.6	12.0
Change in fair value of investments	0.2	0.0	0.3	0.0	0.0
Account receivables securitization - Expenses	(0.2)	(0.3)	(0.8)	(1.0)	(1.2)
Other financial items	(0.3)	(0.4)	(3.8)	(1.2)	(1.5)
Net financial items	0.0	(5.0)	(9.2)	(8.9)	(9.5)

¹ Is made up of a realized currency gain of MEUR 1.6 and of an unrealized currency gain of MEUR 1.9 in Q3 2022 (Q3 2021: realized loss of MEUR 0.8 and unrealized gain of MEUR 1.5)

NOTE 6 – DISCONTINUED OPERATION AND ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE

DESCRIPTION

DIVESTURE OF ICS AND LDC BUSINESSES

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. As these businesses represent a separate major line of Kongsberg Automotive Group, they are presented as discontinued operation.

On February 28, 2022, Kongsberg Automotive has successfully completed the sale of its Interior Comfort Systems (ICS) business unit to Lear Corporation for an enterprise value of MEUR 175.0. The Q3 2022 net loss from discontinued operation of MEUR 1.8 contains the true-up of gain on the ICS sale of MEUR 2.8. Tax expense in Q3 2022 was impacted by the valuation allowance on losses not usable in discontinued business. Proceeds from the true-up were received in October 2022.

On April 6, 2022, Kongsberg Automotive has successfully completed the sale of its Light Duty Cable (LDC) business unit to Suprajit Engineering Limited for an enterprise value of MEUR 37.7. As of September 30, 2022, the LDC sale transaction to Suprajit was not yet completed.

DIVESTURE OF PART OF OFF-HIGHWAY BUSINESS

On August 8, 2022, Kongsberg Automotive (KA) and BRP entered into a sale and purchase agreement to sell part of the Shawinigan plant of KA's Off-Highway business for a total enterprise value of MCAD 136.0 (MEUR 104.0). Therefore, the relevant assets and liabilities are classified as held for sale as of September 30, 2022. The above-mentioned transaction does not fulfill the requirements to be presented as discontinued operation.

RESULTS OF DISCONTINUED OPERATION

(MEUR)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Revenues	0.0	74.6	69.4	240.4	335.4
OPEX	(1.9)	(72.8)	(76.4)	(239.1)	(343.5)
EBITDA	(1.9)	1.8	(7.0)	1.3	(8.1)
<i>in % revenues</i>	<i>0.0%</i>	<i>2.4%</i>	<i>-10.1%</i>	<i>0.5%</i>	<i>-2.4%</i>
Depreciation and amortization	0.9	(4.5)	(0.1)	(13.3)	(14.7)
Operating profit / EBIT	(1.0)	(2.7)	(7.1)	(12.0)	(22.8)
<i>in % revenues</i>	<i>0.0%</i>	<i>-3.6%</i>	<i>-10.2%</i>	<i>-5.0%</i>	<i>-6.8%</i>
Adjusted EBIT¹	(0.7)	(2.4)	(5.2)	(11.5)	(6.8)
<i>in % revenues</i>	<i>0.0%</i>	<i>-3.2%</i>	<i>-7.5%</i>	<i>-4.8%</i>	<i>-2.0%</i>
Net financial items	0.0	0.0	(0.5)	(0.9)	(2.6)
Profit / (loss) before taxes	(1.0)	(2.7)	(7.6)	(12.9)	(25.4)
Income taxes	0.0	(1.4)	0.0	(2.2)	2.4
Profit / (loss) after taxes	(1.0)	(4.1)	(7.6)	(15.2)	(23.0)
Gain on sale of discontinued operation	2.8	0.0	29.2	0.0	0.0
Realisation of historical translation differences	0.8	0.0	2.6	0.0	0.0
Income tax on gain on sale of discontinued operation	(4.4)	0.0	(8.1)	0.0	0.0
Net profit / (loss) from discontinued operation	(1.8)	(4.1)	16.1	(15.2)	(23.0)

CASH FLOWS FROM (USED BY) DISCONTINUED OPERATION

(MEUR)	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Net cash flow from (used by) operating activities	1.5	(4.8)	35.7	(3.9)	(20.6)
Net cash flow from (used by) investing activities	0.0	(2.4)	162.8	(6.8)	(16.6)
Net cash flow used by financing activities	0.0	(2.0)	(1.8)	(6.0)	(9.1)
Net cash flows for the year	1.5	(9.2)	196.8	(16.7)	(46.3)

ASSETS AND LIABILITIES HELD FOR SALE

(MEUR)	30.09.22	31.12.21
Intangible assets	13.1	6.4
Tangible assets	7.1	106.9
Right-of-use assets	0.2	37.0
Deferred tax assets	0.0	11.8
Other non-current assets	0.0	6.8
NON-CURRENT ASSETS	20.4	168.9
Inventories	18.6	36.6
Accounts receivable	0.0	16.3
Other current receivables	1.9	9.5
Cash and cash equivalents	0.0	6.9
TOTAL CURRENT ASSETS	20.5	69.3
Assets held for sale	40.9	238.2
Non-current lease liabilities	0.1	31.1
NON-CURRENT LIABILITIES	0.1	31.1
Current lease liabilities	0.1	5.9
Current income tax liabilities	0.0	0.8
Trade and other payables	3.3	33.0
CURRENT LIABILITIES	3.4	39.7
Liabilities directly associated with the assets held for sale	3.5	70.8

NOTE 7 – SUBSEQUENT EVENTS

DIVESTURE OF PART OF OFF-HIGHWAY BUSINESS

On October 3, 2022, Kongsberg Automotive (KA) has successfully completed the sale of a part of the Shawinigan plant of KA's Off-Highway business to BRP for a total enterprise value of MCAD 136.0 (MEUR 104.0).

Based on the initial purchase price proceeds, the gain after tax on this sale transaction amounted to MCAD 46.6 (MEUR 36.2).

ALTERNATIVE PERFORMANCE MEASURES (APM)

This section describes the non-GAAP financial measures that are used in this report and in the quarterly presentation.

All figures were adjusted and exclude the figures disclosed as discontinued business in 2021 and as assets and liabilities held for sale as of December 31, 2021 (see Note 6).

The following measures are neither defined nor specified in the applicable financial reporting framework of the IFRS GAAP. They may be considered as non-GAAP financial measures that may include or exclude amounts that are calculated and presented according to the IFRS GAAP.

- > Operating profit (loss)- EBIT/Adjusted EBIT
 - > EBITDA/Adjusted EBITDA
 - > Restructuring per segment
 - > Free cash flow
- > NIBD
 - > Capital employed
 - > ROCE (last twelve months)

OPERATING PROFIT (LOSS) - EBIT/ADJUSTED EBIT (CONTINUING OPERATION)

EBIT, earnings before interest and tax, is defined as the earnings excluding the effects of how the operations were financed, taxed and excluding foreign exchange gains & losses. Adjusted EBIT is defined as EBIT excluding unusual or non-recurring items as well as restructuring items. Restructuring items include consultancy fees in relation to the Company's portfolio transformation.

EBIT is used as a measure of operational profitability. Consequently, the Group also reports the adjusted EBIT, which is the EBIT excluding restructuring items and impairment losses.

<i>(MEUR)</i>	Q3 2022	Q3 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Operating profit / EBIT ¹	9.2	6.3	19.2	40.6	47.5
Restructuring items ²	3.7	1.8	5.4	1.9	3.2
Adjusted EBIT¹⁺²⁺³	12.9	8.1	24.6	42.5	50.7

EBITDA/ADJUSTED EBITDA (CONTINUING OPERATION)

EBITDA is defined as EBIT (previously defined) before depreciation and amortization. Adjusted EBITDA is therefore EBITDA excluding restructuring items and impairment losses.

EBITDA is used as an additional measure of the Group's operational profitability, excluding the impact from depreciation and amortization.

<i>(MEUR)</i>	Q3 2022	Q3 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Operating profit / EBIT	9.2	6.3	19.2	40.6	47.5
Depreciation	8.4	7.6	24.1	21.7	29.4
Amortization	0.5	0.9	1.7	2.0	2.7
EBITDA¹	18.1	14.8	45.0	64.3	79.6
Restructuring items ^{(*)2}	3.7	1.8	5.4	1.9	3.2
Adjusted EBITDA¹⁺²⁺³	21.8	16.6	50.4	66.2	82.8

(*) Excluding depreciation and amortization

ALTERNATIVE PERFORMANCE MEASURES (APM)

RESTRUCTURING ITEMS PER SEGMENT (CONTINUING OPERATION)

(MEUR)	Q3 2022	Q3 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Interior	0.0	0.0	(0.3)	0.0	0.0
Powertrain & Chassis	0.6	0.3	0.7	0.4	0.4
Specialty Products	0.7	0.0	0.9	0.0	0.0
Other	2.4	1.5	4.1	1.5	2.8
Group total	3.7	1.8	5.4	1.9	3.2

FREE CASH FLOW (CONTINUING OPERATION)

Free Cash Flow is measured based on sum of cash flow from operating activities, investing activities, financial activities, and currency and translation effects on cash flow (together described as Change in cash), excluding net draw-down/repayment of debt and proceeds received from capital increase/purchase of treasury shares.

The Group considers that this measurement illustrates the amount of additional cash generated by the Group that it has at its disposal to pursue additional investments or to repay debt.

The table below includes only the cash flows from the continuing operation in Q3 2022, Q3 2021 and full year 2021.

(MEUR)	Q3 2022	Q3 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Cash flow - Operating activities	7.5	28.1	14.6	66.6	56.7
Cash flow - Investing activities	(7.0)	(5.4)	(16.1)	(16.3)	(26.7)
Cash flow - Financing activities	(18.2)	(11.8)	(135.3)	(26.4)	(11.1)
Currency and translation effects on cash flow	7.0	4.4	16.8	6.7	18.3
<i>Add back / less:</i>					
Purchase of treasury shares	9.9	0.0	14.1	0.0	0.0
Net draw-down/repayment of debt	(0.6)	1.4	97.9	2.4	(18.1)
Free Cash Flow	(1.5)	16.7	(8.1)	33.0	19.1

ALTERNATIVE PERFORMANCE MEASURES (APM)

NIBD

Net Interest-Bearing Debt (NIBD) consists of interest-bearing liabilities less cash and cash equivalents.

The Group risk of default and financial strength is measured by the net interest-bearing debt. It shows the Group's financial position and leverage. As cash and cash equivalents can be used to repay debt, this measurement shows the net overall financial position of the Group.

(MEUR)	30.09.22	30.09.21	31.12.21
Long-term interest-bearing liabilities	257.9	354.2	338.7
Other short-term interest-bearing liabilities	9.7	14.2	29.0
Cash and cash equivalents*	(135.0)	(81.3)	(51.3)
Net Interest Bearing Debt	132.6	287.1	316.4

* does not include Cash and cash equivalents classified as held for sale.

CAPITAL EMPLOYED

Capital Employed is equal to operating assets less operating liabilities. Operating assets and liabilities are items, which are involved in the process of producing and selling goods and services. Long-term financial assets and obligations are excluded, as those are involved in raising cash for operations and disbursing excess cash from operations.

Capital Employed is measured to assess how much capital is needed for the operations/business to function and evaluate if the capital employed can be utilized more efficiently and/or if operations should be discontinued.

(MEUR)	30.09.22	30.09.21	31.12.21
Total assets	841.0	932.4	984.8
Deferred tax liabilities	(30.6)	(18.5)	(27.0)
Other long-term liabilities	(22.5)	(19.7)	(20.0)
Current liabilities incl. other short-term interest bearing liabilities	(224.5)	(269.9)	(262.8)
Assets held for sale	(40.9)	0.0	(238.2)
Liabilities directly associated with the assets held for sale	3.5	0.0	70.8
Capital Employed	526.0	624.3	507.6

ADJUSTED ROCE (LAST TWELVE MONTHS)

Return on Capital Employed (ROCE) is based on EBIT for the last twelve months divided by the average of capital employed at the beginning and end of the period.

Return on Capital Employed is used to measure the return on the capital employed without taking into consideration the way the operations and assets are financed during the period under review. The Group considers this ratio as appropriate to measure the return of the period.

(MEUR)		Q3 2022		Q3 2021	FY 2021
Capital employed beginning ¹	01.07.2021	624.3	01.07.2020	650.8	691.2
Capital employed at end ²	30.09.2022	526.0	30.09.2021	624.3	507.6
Adjusted EBIT from continuing operations last twelve months ³		32.8		60.9	50.7
Adjusted ROCE ^{(3 / (1+2)) * 200%}		5.7%		9.6%	8.5%

As restatement of the balance sheet for prior year is not required by IFRS 5, thus capital employed as of September 30, 2021, contains assets and liabilities of the whole Group. The capital employed as of September 30, 2022, does not contain the net assets classified as assets held for sale.

OTHER COMPANY INFORMATION

THE BOARD OF DIRECTORS

Firas Abi-Nassif	Chairman
Emese Weissenbacher	Shareholder elected
Peter Schmitt	Shareholder elected (until 30.06.2022)
Ellen M. Hanetho	Shareholder elected
Gerard Cordonnier	Shareholder elected (until 30.06.2022)
Rolf Breidenbach	Shareholder elected (from 01.07.2022)
Mark Wilhelms	Shareholder elected (from 01.07.2022)
Siw Reidun Wærås	Employee elected
Bjørn Ivan Ødegård	Employee elected
Knut Magne Alfsvåg	Employee elected

EXECUTIVE COMMITTEE

Joerg Buchheim	President & CEO
Dr. Christian Amsel	Executive Vice President & CTO; interim President, Powertrain & Chassis (from 01.10.2022)
Frank Heffter	Executive Vice President & CFO
David Redfearn	Executive Vice President & CSO (from 01.10.2022)
Bob Riedford	President, Powertrain & Chassis (until 30.09.2022)
Robert Pigg	Senior Vice President, Off-Highway
Linda Nyquist-Evenrud	Executive Vice President, Flow Control Systems (from 01.10.2022)
Joerg Buchheim	Executive Vice President, Specialty Products (acting)
Dzeki Mackinowski	Executive Vice President, Purchasing
Jon Munthe	General Counsel
Doug Tushar	Senior Vice President, IS&T

CORPORATE COMMUNICATION

Mads Langaard Investor Relations +47 905 81 264 or investor.relations@ka-group.com

FINANCIAL CALENDAR

The 4th quarter 2022 report and annual report 2022 will be published on March 14, 2023.

Kongsberg Automotive ASA
Dyrmyrgata 48
3601 Kongsberg, Norway
Phone +47 32 77 05 00

Operational Headquarters
KA Group AG
Europaallee 39
8004 Zürich, Switzerland
Phone +41 43 508 65 60

www.kongsbergautomotive.com



KONGSBERG
AUTOMOTIVE

KONGSBERG AUTOMOTIVE ASA

DYRMYRGATA 48

3601 KONGSBERG, NORWAY

T: +47 32 77 05 00

WWW.KONGSBERGAUTOMOTIVE.COM