

# FIRST QUARTER REPORT

2022



**KONGSBERG**  
AUTOMOTIVE

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## FIRST QUARTER 2022 AT GLANCE

- > Revenue from continuing operations amounted to **MEUR 218.8** in Q1 2022, MEUR 1.3 (+0.6%) higher than last year's first quarter, including positive currency translation effects of MEUR 10.2. This was equally driven by both segments, Specialty Products and Powertrain & Chassis.
- > Adjusted EBIT amounted to **MEUR 7.6**, which was MEUR 13.8 lower than in Q1 2021. This significant decline in profitability was mainly driven by the abnormally high costs of raw materials, electronic components and freight caused by the semiconductor supply-chain bottlenecks and by the higher inflation rates in most of countries KA's Group companies operate. In addition, lockdown restrictions in China had a negative impact on both revenue and adjusted EBIT in Q1 2022 as well.
- > Lifetime revenues business wins in the first quarter 2022 amounted to **MEUR 239.1** (MEUR 75.1 in annualized revenue).
- > 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 net profit from discontinued operation of MEUR 14.6 contains initial net gain on sale of discontinued operation of MEUR 21.5.

### KEY FIGURES

(MEUR)	Q1 2022	Q1 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
<b>Revenues</b>	<b>218.8</b>	<b>217.5</b>	<b>218.8</b>	<b>217.5</b>	<b>831.4</b>
EBITDA	16.3	28.9	16.3	28.9	79.6
<i>in % revenues</i>	7.4%	13.3%	7.4%	13.3%	9.6%
<b>Adjusted EBIT<sup>1</sup></b>	<b>7.6</b>	<b>21.4</b>	<b>7.6</b>	<b>21.4</b>	<b>50.7</b>
<i>in % revenues</i>	3.5%	9.8%	3.5%	9.8%	6.1%
Operating profit / EBIT	8.0	21.3	8.0	21.3	47.5
<i>in % revenues</i>	3.7%	9.8%	3.7%	9.8%	5.7%
<b>Net profit / (loss) from continuing operation</b>	<b>1.8</b>	<b>17.4</b>	<b>1.8</b>	<b>17.4</b>	<b>28.5</b>
<b>Net profit / (loss) from discontinued operation</b>	<b>14.6</b>	<b>(2.3)</b>	<b>14.6</b>	<b>(2.3)</b>	<b>(23.0)</b>
<b>Net profit / (loss)</b>	<b>16.4</b>	<b>15.1</b>	<b>16.4</b>	<b>15.1</b>	<b>5.5</b>
NIBD / Adjusted EBITDA (LTM) <sup>2</sup>	2.4	4.2	2.4	4.2	3.8
<i>excluding IFRS 16</i>	1.7	3.7	1.7	3.7	3.3
Equity ratio <sup>3</sup>	33.1%	28.1%	33.1%	28.1%	27.0%
<i>excluding IFRS 16</i>	36.5%	31.5%	36.5%	31.5%	30.4%

<sup>1</sup> adjusted for restructuring costs and impairment losses (see APM section)

<sup>2</sup> includes all items classified as discontinued business and assets and liabilities held for sale as of March 31, 2022, and December 31, 2021

<sup>3</sup> includes assets and liabilities held for sale as of March 31, 2022, and December 31, 2021

- > The adjusted gearing ratio (NIBD/adj. EBITDA) on LTM basis improved to 2.4 compared to 4.2 in Q1 2021. This is due to the proceeds received from the ICS sale at the amount of MEUR 165.9.
- > The equity ratio increased from 28.1% as of March 31, 2021, to 33.1% as of the end of first quarter of 2022. This is caused by the ICS 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 OPERATIONS)

(MEUR)	Q1 2022	Q1 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
<b>Revenues</b>	<b>218.8</b>	<b>217.5</b>	<b>218.8</b>	<b>217.5</b>	<b>831.4</b>
OPEX	(202.5)	(188.7)	(202.5)	(188.7)	(751.9)
<b>EBITDA</b>	<b>16.3</b>	<b>28.9</b>	<b>16.3</b>	<b>28.9</b>	<b>79.6</b>
<i>in % revenues</i>	7.4%	13.3%	7.4%	13.3%	9.6%
Depreciation and amortization	(8.3)	(7.5)	(8.3)	(7.5)	(32.1)
Operating profit / EBIT	8.0	21.3	8.0	21.3	47.5
<i>in % revenues</i>	3.7%	9.8%	3.7%	9.8%	5.7%
<b>Adjusted EBIT<sup>1</sup></b>	<b>7.6</b>	<b>21.4</b>	<b>7.6</b>	<b>21.4</b>	<b>50.7</b>
<i>in % revenues</i>	3.5%	9.8%	3.5%	9.8%	6.1%
Net financial items	(3.6)	2.6	(3.6)	2.6	(9.5)
<b>Profit / (loss) before taxes</b>	<b>4.4</b>	<b>23.9</b>	<b>4.4</b>	<b>23.9</b>	<b>38.0</b>
Income taxes	(2.6)	(6.5)	(2.6)	(6.5)	(9.5)
<b>Net profit / (loss) from continuing operation</b>	<b>1.8</b>	<b>17.4</b>	<b>1.8</b>	<b>17.4</b>	<b>28.5</b>

<sup>1</sup> See APM section for the reconciliation

#### REVENUES

Group revenues from the continuing operations amounted to MEUR 218.8 in the first quarter of 2022, being slightly higher than the revenues in the first quarter of 2021 by MEUR 1.3 (+0.6%), including positive currency translation effects of MEUR 10.2. The decrease at constant currencies is attributable to both, the passenger car, and commercial vehicles market.

Revenues generated in the passenger car market amounted to MEUR 56.9, respectively MEUR 53.7 at constant currencies, a decrease of MEUR 3.1 (-5.4%) compared to Q1 2021. The highest decline was reported in Europe, where revenues decreased by MEUR 5.2 (-23.8%) to MEUR 16.6. Revenues in China amounted to MEUR 22.8, remaining stable compared to Q1 2021 at constant currency, whereas the market in China grew by 5.9%. Revenues in North America grew by MEUR 2.2 (+16.4%) compared to Q1 2021 on constant currency basis, whilst the overall market in this region shrank by 1.8%.

The revenues in the commercial vehicles market amounted to MEUR 85.8, respectively MEUR 82.6 at constant currencies, which was lower by MEUR 2.2 (-2.6%) than in Q1 2021. In Europe the revenues were MEUR 52.9 (including positive translation effects of MEUR 0.7), exceeding the revenues of Q1 2021 by MEUR 4.3 at constant currencies. Kongsberg Automotive was able to significantly outperform the market performance in this region which decreased by 3.8%. Whilst revenues in Asia (including China) decreased by MEUR 5.9 (-36.9%) compared to Q1 2021 at constant currencies, Kongsberg Automotive was slightly above the market which shrank by 38.4% compared to Q1 2021.

The revenues generated in other markets amounted to MEUR 76.1 in Q1 2022, including positive translation effects of MEUR 3.8, compared to MEUR 66.0 in Q1 2021.

#### ADJUSTED EBIT / EBIT

Adjusted EBIT from the continuing operations was MEUR 7.6 in the first quarter 2022, lower by MEUR 13.8 than in Q1 2021. The overall positive operational performance was generally stable but notably offset by rapidly increasing raw material costs (resin, brass, and steel), electronic components and associated freight costs resulting directly from the significant disruptions in the supply chain throughout the automotive sector and indirectly from the consequences of the war in Ukraine in higher inflation rates worldwide. Furthermore, lockdown restrictions in China significantly impacted adjusted EBIT as well.

Operating profit in Q1 2022 amounted to MEUR 8.0, compared to the operating profit of MEUR 21.3 in Q1 2021.

#### NET FINANCIAL ITEMS

Net financial items came to an expense of MEUR 3.6 in the first quarter of 2022, compared to an income of MEUR 2.6 in the same period in 2021. This change was mainly driven by the lower foreign exchange gains in Q1 2022 than in Q1 2021 and the one-time expense of MEUR 2.8 related to the partial repayment of the bond notes in March 2022 (see Note 5).

There were no significant changes in the interest expenses compared to the first quarter of last year.

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

Profit before taxes amounted to MEUR 4.4 in the first quarter of 2022, compared to the profit before taxes of MEUR 23.9 in the same quarter of 2021. Net profit amounted to MEUR 1.8 in Q1 2022, compared to the net profit of MEUR 17.4 in Q1 2021. The tax rate was impacted by prior year adjustment.

## GROUP FINANCIALS

### SELECTED FINANCIAL INFORMATION – CASH FLOW

(MEUR)	Q1 2022	Q1 2021	YTD 2022	YTD 2021	FY 2021
Operating activities (Continuing operations)	(1.1)	10.8	(1.1)	10.8	56.7
Operating activities (Discontinued operation)	34.6	5.6	34.6	5.6	(20.6)
<b>Cash flow - Operating activities</b>	<b>33.5</b>	<b>16.4</b>	<b>33.5</b>	<b>16.4</b>	<b>36.1</b>
Investing activities (Continuing operations)	(4.1)	(3.9)	(4.1)	(3.9)	(26.7)
Investing activities (Discontinued operation)	127.9	(2.2)	127.9	(2.2)	(16.6)
<b>Cash flow - Investing activities</b>	<b>123.8</b>	<b>(6.1)</b>	<b>123.8</b>	<b>(6.1)</b>	<b>(43.2)</b>
Financing activities (Continuing operations)	(109.5)	(11.4)	(109.6)	(11.4)	(11.1)
Financing activities (Discontinued operation)	(1.8)	(2.0)	(1.8)	(2.0)	(9.1)
<b>Cash flow - Financing activities</b>	<b>(111.3)</b>	<b>(13.4)</b>	<b>(111.3)</b>	<b>(13.4)</b>	<b>(20.3)</b>
Currency and translation effects on cash flow	6.4	6.9	6.4	6.9	18.3
Change in cash	52.4	3.9	52.4	3.9	(9.1)
Cash as of beginning of period	58.3	67.4	58.3	67.4	67.4
<b>Cash as of end of period</b>	<b>110.7</b>	<b>71.3</b>	<b>110.7</b>	<b>71.3</b>	<b>58.3</b>

#### CASH FLOW FROM (USED BY) OPERATING ACTIVITIES

Cash from operating activities amounted to MEUR 33.5 in Q1 2022, compared to MEUR 16.4 in Q1 2021. This included a positive change in net working capital of MEUR 22.2 in Q1 2022, compared to a negative change of MEUR 20.9 in Q1 2021. Furthermore, cash flow in Q1 2022 was impacted by the gain of MEUR 26.4 on the sale of ICS business.

#### CASH FLOW FROM (USED BY) INVESTING ACTIVITIES

Cash from investing activities was at MEUR 123.8 in the first quarter of 2022, compared to cash flow used by the investing activities of MEUR 6.1 in Q1 2021. The difference results from the proceeds of MEUR 126.0 and MEUR 4.4 received from the sale of tangible and intangible assets as well as the sale of subsidiaries, respectively, relating to the ICS sale transaction to Lear.

#### CASH FLOW USED BY FINANCING ACTIVITIES

Cash flow used by financing activities was MEUR 111.3 in the first quarter of 2022, compared to MEUR 13.4 used by financing activities in the same quarter last year. The difference was primarily due to the repayment of the Revolving Credit Facility in Q1 2022 at the amount of MEUR 20.0 and the partial repayment of the bond notes at the amount of MEUR 75.0 at a premium of

MEUR 1.9. In addition, payments related to interests on bond in the first quarter of 2022 included the interest on the redeemed bond notes of MEUR 0.5 and amounted in total to MEUR 7.6.

The repayment of lease liabilities amounted to MEUR 4.3 in Q1 2022 versus MEUR 3.3 in Q1 2021. Total payment for interests on lease liabilities was at MEUR 1.3.

#### CHANGE IN CASH

The change in cash in Q1 2022 for the whole Group amounted to MEUR 52.4 compared to the balance as of December 31, 2021. The cash position attributable to continuing operations was MEUR 108.2 at the end of the quarter. Cash of MEUR 2.5 has been reclassified to Assets held for sale.

#### LIQUIDITY RESERVE

The liquidity reserve was MEUR 217.7 (excluding the restricted cash of MEUR 0.5) at the end of the first quarter, compared to MEUR 140.9 as of December 31, 2021. The unutilized RCF as of March 31, 2022 amounted to MEUR 50.0. Moreover, the Company had an unutilized Securitization facility of MEUR 60.0 as of the end of Q1 2022.

## GROUP FINANCIALS

### SELECTED FINANCIAL INFORMATION – FINANCIAL POSITION

(MEUR)	31.03.22	31.03.21	31.12.21
Non-current assets	335.4	456.9	332.1
Cash and cash equivalents	108.2	71.3	51.3
Other current assets	368.8	416.6	363.2
Assets held for sale	52.7	0.0	238.2
<b>Total assets</b>	<b>865.1</b>	<b>944.8</b>	<b>984.8</b>
Equity	286.5	265.7	265.5
Interest-bearing liabilities	273.7	375.1	367.1
Other liabilities	288.4	304.0	281.4
Liabilities directly associated with the assets held for sale	16.5	0.0	70.8
<b>Total equity and liabilities</b>	<b>865.1</b>	<b>944.8</b>	<b>984.8</b>
NIBD <sup>1</sup>	165.5	303.8	316.4
Equity ratio <sup>2</sup>	33.1%	28.1%	27.0%

<sup>1</sup> excludes assets and liabilities held for sale as of March 31, 2022, and December 31, 2021

<sup>2</sup> includes assets and liabilities held for sale as of March 31, 2022, and December 31, 2021

#### ASSETS

Total assets were MEUR 865.1 at the end of the first quarter, of which MEUR 52.7 were related to the divestment of LDC and cable-related OFH-business and thus classified as Assets held for sale. The decrease of the asset held for sale is due to the completion of the sale of ICS business to Lear on February 28, 2022. Following this completion of the ICS sale transaction Kongsberg Automotive received proceeds of MEUR 165.9 that were used to partially repay the bond notes of MEUR 75.0 and to repay the RCF drawn of MEUR 20.0.

#### EQUITY

Equity as of March 31, 2022, increased by MEUR 21.0 (+7.9%) to MEUR 286.5 in comparison with December 31, 2021.

During the first quarter of 2022, the net profit of MEUR 16.4 and other comprehensive income of MEUR 4.2 resulted in total comprehensive income of MEUR 20.6. The net profit includes net gain on sale of discontinued operation of MEUR 21.5. The share-based compensation of MEUR 0.4 contributed to the change of the equity as of March 31, 2022.

#### INTEREST BEARING LIABILITIES

Total interest-bearing liabilities amounted to MEUR 273.7 consisting mainly of the issued bond of MEUR 200.0 (MEUR 197.3 after netted with the capitalized fees of MEUR 2.7) and IFRS 16 lease interest-bearing liabilities of MEUR 75.7.

On March 21, 2022 (the Redemption Date), the Senior Secured Notes due 2025 of MEUR 75.0 were redeemed, together with accrued interests from January 15, 2022, to the Redemption Date.

As of March 31, 2022, long-term interest-bearing debt amounted to MEUR 264.7.

#### NET INTEREST BEARING DEBT

At the end of the first quarter 2022, net interest-bearing debt amounted to MEUR 165.5, a decrease of MEUR 150.9 compared to year-end 2021, driven by the receipt of the proceeds from the ICS sale transaction of MEUR 165.9. These proceeds were subsequently used to partially repay the bond notes of MEUR 75.0 and to repay the 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)	Q1 2022	Q1 2021	YTD 2022	YTD 2021	FY 2021
<b>Revenues</b>	<b>110.7</b>	<b>109.9</b>	<b>110.7</b>	<b>109.9</b>	<b>429.9</b>
Adjusted EBITDA	8.8	11.5	8.8	11.5	42.8
<i>in % revenues</i>	<i>8.0%</i>	<i>10.5%</i>	<i>8.0%</i>	<i>10.5%</i>	<i>10.0%</i>
<b>Adjusted EBIT</b>	<b>4.4</b>	<b>7.5</b>	<b>4.4</b>	<b>7.5</b>	<b>25.2</b>
<i>in % revenues</i>	<i>4.0%</i>	<i>6.9%</i>	<i>4.0%</i>	<i>6.9%</i>	<i>5.9%</i>
Restructuring	0.5	0.0	0.5	0.0	(0.4)
<b>Operating profit / EBIT</b>	<b>5.0</b>	<b>7.5</b>	<b>5.0</b>	<b>7.5</b>	<b>24.8</b>
<i>in % revenues</i>	<i>4.5%</i>	<i>6.9%</i>	<i>4.5%</i>	<i>6.9%</i>	<i>5.8%</i>
Investments	(1.5)	(2.0)	(1.5)	(2.0)	(10.3)
Capital employed <sup>1</sup>	194.3	190.8	194.3	190.8	196.0

<sup>1</sup> Includes PP&E, intangible assets, inventories, trade receivables and trade payables

### FINANCIAL UPDATE

Revenues in Powertrain & Chassis slightly increased by MEUR 0.8 (+0.7%) to MEUR 110.7 in the first quarter 2022 compared to the same quarter in 2021, including positive currency translation effects of MEUR 5.3. On a constant currency basis, revenues in Q1 2022 decreased by MEUR 4.5 compared to Q1 2021, which was mainly driven by decrease in the European passenger car market and the Chinese commercial vehicles end market (MEUR 5.2 and MEUR 3.8, respectively). This was partially offset by the revenues in passenger car end market in North America, which grew by MEUR 2.2, and revenues in the commercial vehicles end market in Europe, which increased by MEUR 2.8.

Adjusted EBIT was MEUR 4.4 in the first quarter 2022, a significant decline of MEUR 3.1 (-40.8%) compared to the adjusted EBIT in Q1 last year. This was mainly driven by the highly detrimental material shortages of electronic components, resin,

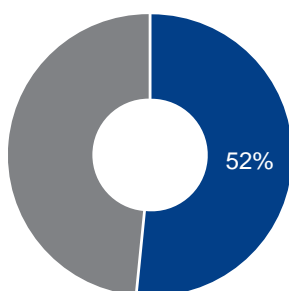
and steel as well as by lockdown restrictions in China. However, this negative impact was partially mitigated by the successful implementation of the Shift Gear measures.

### COMMERCIAL AND OPERATIONAL UPDATE

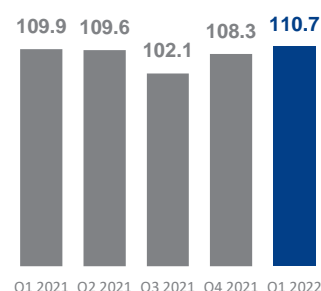
Business wins amounted to MEUR 85.0 of lifetime revenues (MEUR 21.5 in annualized revenues) in the first quarter of 2022.

Within the quarter, Powertrain & Chassis was awarded two significant contracts: one to supply Gear Shift Systems to a French automobile manufacturer (MEUR 41.0 in expected lifetime revenue and MEUR 6.0 in expected annualized revenue) and one to supply Electronic Actuators to a Chinese OEM (MEUR 17.4 in expected lifetime revenue and MEUR 4.4 in expected annualized revenue).

Group revenue share  
Q1 2022

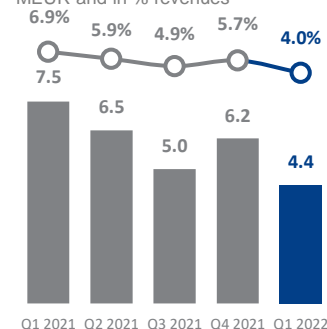


Revenues  
MEUR



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)	Q1 2022	Q1 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
<b>Revenues</b>	<b>105.9</b>	<b>105.2</b>	<b>105.9</b>	<b>105.2</b>	<b>393.2</b>
Adjusted EBITDA	12.5	21.8	12.5	21.8	61.1
<i>in % revenues</i>	<i>11.8%</i>	<i>20.7%</i>	<i>11.8%</i>	<i>20.7%</i>	<i>15.5%</i>
<b>Adjusted EBIT</b>	<b>9.1</b>	<b>18.8</b>	<b>9.1</b>	<b>18.8</b>	<b>48.4</b>
<i>in % revenues</i>	<i>8.6%</i>	<i>17.9%</i>	<i>8.6%</i>	<i>17.9%</i>	<i>12.3%</i>
Restructuring	0.0	0.0	0.0	0.0	0.0
<b>Operating profit / EBIT</b>	<b>9.1</b>	<b>18.8</b>	<b>9.1</b>	<b>18.8</b>	<b>48.4</b>
<i>in % revenues</i>	<i>8.6%</i>	<i>17.9%</i>	<i>8.6%</i>	<i>17.9%</i>	<i>12.3%</i>
Investments	(2.7)	(2.1)	(2.7)	(2.1)	(16.5)
Capital employed <sup>1</sup>	226.8	194.3	226.8	194.3	217.1

<sup>1</sup> Includes PP&E, intangible assets, inventories, trade receivables and trade payables

### FINANCIAL UPDATE

Excluding the cable-related part of the Off-Highway business, which is included in discontinued operation, revenues in Specialty Products slightly increased by MEUR 0.7 (+0.7%) to MEUR 105.9 compared to the first quarter of 2021, including positive currency translation effects of MEUR 4.9. On the constant currency basis, revenues of the Off-Highway business declined by MEUR 6.8 compared to Q1 2021, which was partially offset by the increase of the Fluid Transfer Systems' revenues of MEUR 3.5 versus the first quarter of previous year. Revenues of the Couplings business remained stable.

Adjusted EBIT was MEUR 9.1 in the first quarter of 2022, a decrease of MEUR 9.7 (-51.5%) compared to the same quarter of last year. Adjusted EBIT declined mainly due to the

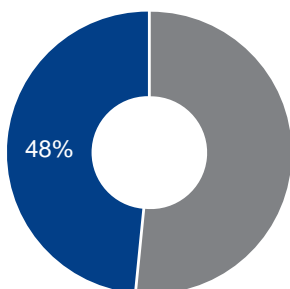
disproportional increase in costs related to impacts of the electronic components supply chain crisis and higher raw material cost as well as by lockdown restrictions in China.

### COMMERCIAL AND OPERATIONAL UPDATE

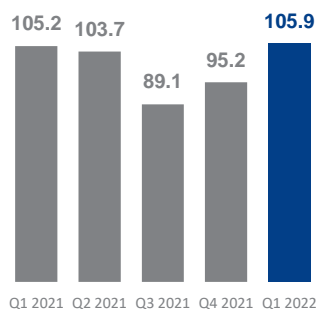
During the first quarter 2022, total business wins amounted to MEUR 154.1 of lifetime revenues (MEUR 53.6 in annualized revenues).

Within the quarter, Couplings was awarded a contract with a major German automobile manufacturer that totals MEUR 14.0 in expected annualized revenue and MEUR 42.1 in expected lifetime revenue.

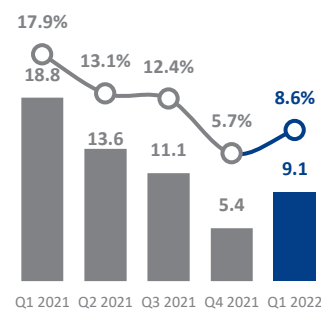
Group revenue share  
Q1 2022



Revenues  
MEUR



Adjusted EBIT  
MEUR and in % revenues





# CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE INCOME

(MEUR)	Q1 2022	Q1 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
<b>Revenues</b>	<b>218.8</b>	<b>217.5</b>	<b>218.8</b>	<b>217.5</b>	<b>831.4</b>
OPEX	(202.5)	(188.7)	(202.5)	(188.7)	(751.9)
<b>EBITDA</b>	<b>16.3</b>	<b>28.9</b>	<b>16.3</b>	<b>28.9</b>	<b>79.6</b>
<i>in % revenues</i>	7.4%	13.3%	7.4%	13.3%	9.6%
Depreciation and amortization	(8.3)	(7.5)	(8.3)	(7.5)	(32.1)
Operating profit / EBIT	8.0	21.3	8.0	21.3	47.5
<i>in % revenues</i>	3.7%	9.8%	3.7%	9.8%	5.7%
<b>Adjusted EBIT<sup>1</sup></b>	<b>7.6</b>	<b>21.4</b>	<b>7.6</b>	<b>21.4</b>	<b>50.7</b>
<i>in % revenues</i>	3.5%	9.8%	3.5%	9.8%	6.1%
Net financial items	(3.6)	2.6	(3.6)	2.6	(9.5)
<b>Profit before taxes</b>	<b>4.4</b>	<b>23.9</b>	<b>4.4</b>	<b>24.0</b>	<b>38.0</b>
Income taxes	(2.6)	(6.5)	(2.6)	(6.5)	(9.5)
<b>Net profit from continuing operation</b>	<b>1.8</b>	<b>17.4</b>	<b>1.8</b>	<b>17.4</b>	<b>28.5</b>
<b>Discontinued operation</b>					
<b>Net profit / (loss) from discontinued operation</b>	<b>14.6</b>	<b>(2.3)</b>	<b>14.6</b>	<b>(2.3)</b>	<b>(23.0)</b>
<b>Net profit</b>	<b>16.4</b>	<b>15.1</b>	<b>16.4</b>	<b>15.1</b>	<b>5.5</b>
<i>Other comprehensive income (items that may be reclassified to profit or loss in subsequent periods):</i>					
Translation differences on foreign operations	(9.2)	(20.8)	(9.2)	(20.8)	(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	13.4	25.5	13.4	25.5	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	4.2	4.7	4.2	4.7	13.6
<b>Total comprehensive income</b>	<b>20.6</b>	<b>19.8</b>	<b>20.6</b>	<b>19.8</b>	<b>19.1</b>
Net profit attributable to:					
Equity holders (parent company)	16.3	14.9	16.3	14.9	5.1
Non-controlling interests	0.1	0.2	0.1	0.2	0.4
<b>Total</b>	<b>16.4</b>	<b>15.1</b>	<b>16.4</b>	<b>15.1</b>	<b>5.5</b>
Total comprehensive income attributable to:					
Equity holders (parent company)	20.5	19.4	20.5	19.4	18.3
Non-controlling interests	0.1	0.4	0.1	0.4	0.8
<b>Total</b>	<b>20.6</b>	<b>19.8</b>	<b>20.6</b>	<b>19.8</b>	<b>19.1</b>
<b>Earnings per share (EUR):</b>					
Basic earnings per share	0.02	0.01	0.02	0.01	0.00
Diluted earnings per share	0.02	0.01	0.02	0.01	0.00
<b>Earnings per share (EUR) - Continuing operation:</b>					
Basic earnings per share	0.00	0.02	0.00	0.02	0.03
Diluted earnings per share	0.00	0.02	0.00	0.02	0.03

<sup>1</sup> 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 operations in the comparative periods.

## CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL POSITION

(MEUR)	31.03.22	31.03.21	31.12.21
Intangible assets	90.9	95.0	90.0
Property, plant and equipment	141.9	230.9	140.7
Right-of-use assets	67.1	92.8	66.6
Deferred tax assets	32.3	27.0	31.3
Other non-current assets	3.2	11.2	3.5
<b>Non-current assets</b>	<b>335.4</b>	<b>456.9</b>	<b>332.1</b>
Inventories	106.7	102.6	94.1
Accounts receivable	217.1	264.2	229.6
Other short-term receivables	45.0	49.8	39.5
Cash and cash equivalents	108.2	71.3	51.3
Assets held for sale	52.7	0.0	238.2
<b>Current assets</b>	<b>529.7</b>	<b>487.9</b>	<b>652.7</b>
<b>Total assets</b>	<b>865.1</b>	<b>944.8</b>	<b>984.8</b>
Share capital	108.5	105.3	105.6
Share premium reserve	224.2	218.0	217.8
Other equity	(50.6)	(61.6)	(62.1)
Non-controlling interests	4.4	3.9	4.2
<b>Total equity</b>	<b>286.5</b>	<b>265.7</b>	<b>265.5</b>
Long-term interest-bearing liabilities	264.6	360.9	338.7
Deferred tax liabilities	22.0	16.6	27.0
Other long-term liabilities	20.1	21.2	20.0
<b>Non-current liabilities</b>	<b>306.7</b>	<b>398.7</b>	<b>385.7</b>
Bank overdraft	0.0	0.0	0.6
Other current interest-bearing liabilities	0.0	0.0	20.0
Current lease liabilities	9.1	14.1	8.4
Current income tax liabilities	6.4	7.4	4.2
Trade and other payables	239.9	258.9	229.6
Liabilities directly associated with the assets held for sale	16.5	0.0	70.8
<b>Current liabilities</b>	<b>271.9</b>	<b>280.4</b>	<b>333.6</b>
<b>Total liabilities</b>	<b>578.6</b>	<b>679.1</b>	<b>719.3</b>
<b>Total equity and liabilities</b>	<b>865.1</b>	<b>944.8</b>	<b>984.8</b>

## CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### STATEMENT OF CHANGE IN EQUITY

(MEUR)

	31.03.22	31.03.21	31.12.21
<b>Equity as of start of period</b>	<b>265.5</b>	<b>245.5</b>	<b>245.5</b>
Net profit / (loss) for the period	16.4	15.1	5.5
Translation differences	4.2	4.7	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
<b>Total comprehensive income</b>	<b>20.6</b>	<b>19.8</b>	<b>19.1</b>
Stock-based compensation	0.4	0.3	1.7
Dividends allocated or paid	0.0	0.0	(0.7)
<b>Equity as of end of period</b>	<b>286.5</b>	<b>265.7</b>	<b>265.5</b>

## CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### STATEMENT OF CASH FLOW

(MEUR)	Q1 2022	Q1 2021	YTD 2022	YTD 2021	FY 2021
<i>Operating activities</i>					
Profit / (loss) before taxes	24.2	21.9	24.2	21.9	12.6
Depreciation & Write-off of tangible assets	8.6	11.1	8.6	11.1	43.8
Amortization & Write-off of intangible assets	0.6	0.6	0.6	0.6	2.9
Interest income	0.0	0.0	0.0	0.0	(0.2)
Interest and other financial expenses <sup>1</sup>	8.5	5.8	8.5	5.8	24.1
Taxes paid	(3.3)	1.4	(3.3)	1.4	(8.3)
(Gain) / loss on sale of non-current assets	(26.6)	0.0	(26.6)	0.0	0.6
Changes in receivables	11.6	(26.3)	11.6	(26.3)	(8.0)
Changes in inventory	10.0	(13.7)	10.0	(13.7)	(41.7)
Changes in payables	0.6	19.1	0.6	19.1	13.7
Currency (gain) / loss	(4.4)	(6.2)	(4.4)	(6.2)	(11.4)
Difference between pension funding contributions paid/pensions paid and the net pension cost	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)
Changes in other items <sup>2</sup>	3.8	2.6	3.8	2.8	8.2
<b>Cash flow - Operating activities</b>	<b>33.5</b>	<b>16.4</b>	<b>33.5</b>	<b>16.4</b>	<b>36.1</b>
<i>Investing activities</i>					
Investments	(6.7)	(6.2)	(6.7)	(6.2)	(43.7)
Sale of tangible and intangible assets	126.0	0.1	126.0	0.1	0.3
Interest received	0.1	0.0	0.1	0.0	0.2
Proceeds from sale of subsidiaries	4.4	0.0	4.4	0.0	0.0
<b>Cash flow - Investing activities</b>	<b>123.8</b>	<b>(6.1)</b>	<b>123.8</b>	<b>(6.1)</b>	<b>(43.2)</b>
<i>Financing activities</i>					
Net draw down of debt	(97.6)	(0.8)	(97.6)	(0.8)	18.1
Interest paid and other financial items	(9.4)	(9.2)	(9.4)	(9.2)	(23.4)
Repayment of lease liabilities and other	(4.3)	(3.3)	(4.3)	(3.3)	(15.0)
<b>Cash flow - Financing activities</b>	<b>(111.3)</b>	<b>(13.4)</b>	<b>(111.3)</b>	<b>(13.4)</b>	<b>(20.3)</b>
Currency and translation effects on cash flow	6.4	6.9	6.4	6.9	18.3
Change in cash	52.4	3.9	52.4	3.9	(9.1)
Cash as of beginning of period	58.3	67.4	58.3	67.4	67.4
<b>Cash as of end of period</b>	<b>110.7</b>	<b>71.3</b>	<b>110.7</b>	<b>71.3</b>	<b>58.3</b>
<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>

<sup>1</sup> Includes Other financial items and the repayment of lease liabilities – See Note 5

<sup>2</sup> 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 three months ended March 31, 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.

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.

In 2021, the Company’s business operations were significantly 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.

Due to the geopolitical situation in Q1 2022, in particular in relation to the conflict in Ukraine, global macroeconomic risks have significantly increased and will lead to uncertain further increases in costs for raw material, energy and transportation and considerably higher inflation rates worldwide than in comparable periods.

### 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 (FIRST QUARTER 2022)

Q1 2022 (MEUR)	Interior <sup>4</sup>	Powertrain & Chassis	Speciality Products	Other <sup>1</sup>	Total Group
<b>Revenues<sup>2</sup></b>	<b>65.1</b>	<b>110.7</b>	<b>111.5</b>	<b>0.0</b>	<b>287.4</b>
Revenues from discontinued operation	63.0	0.0	5.6	0.0	68.6
<b>Revenues from continuing operation</b>	<b>2.1</b>	<b>110.7</b>	<b>105.9</b>	<b>0.0</b>	<b>218.8</b>
<b>Adjusted EBITDA</b>	<b>(4.7)</b>	<b>8.8</b>	<b>13.3</b>	<b>(6.2)</b>	<b>11.3</b>
Depreciation <sup>3</sup>	(1.0)	(3.9)	(3.3)	(0.4)	(8.6)
Amortization <sup>3</sup>	(0.0)	(0.5)	(0.1)	(0.0)	(0.6)
<b>Adjusted EBIT</b>	<b>(5.7)</b>	<b>4.4</b>	<b>10.0</b>	<b>(6.6)</b>	<b>2.1</b>
Adjusted EBIT from discontinued operation	(6.3)	0.0	0.8	(0.0)	(5.5)
<b>Adjusted EBIT from continuing operation</b>	<b>0.6</b>	<b>4.4</b>	<b>9.2</b>	<b>(6.6)</b>	<b>7.6</b>
<i>Timing of revenue recognition</i>					
<b>Ownership transferred at a point in time</b>	<b>2.1</b>	<b>110.7</b>	<b>105.9</b>	<b>0.0</b>	<b>218.8</b>
<i>Assets and liabilities</i>					
Goodwill	0.0	17.0	68.0	0.0	85.0
Other intangible assets	0.0	5.0	0.9	0.1	5.9
Property, plant and equipment	1.1	67.9	71.7	1.2	141.9
Right-of-use assets	1.5	29.3	24.5	11.8	67.1
Inventories	0.5	45.3	60.9	0.0	106.7
Trade receivables	34.7	105.1	77.5	0.0	217.3
Other assets	0.0	2.4	6.1	0.0	8.5
<b>Segment assets</b>	<b>37.8</b>	<b>272.0</b>	<b>309.6</b>	<b>13.0</b>	<b>632.4</b>
Unallocated assets				180.0	180.0
Assets held for sale	41.8	0.0	7.0	3.9	52.7
<b>Total assets</b>	<b>79.6</b>	<b>272.0</b>	<b>316.6</b>	<b>197.0</b>	<b>865.1</b>
Trade payables	29.8	61.4	49.0	4.6	144.8
Non-current lease interest-bearing liabilities	1.0	30.7	23.9	11.0	66.6
Current lease interest-bearing liabilities	0.6	4.4	2.5	1.6	9.1
<b>Segment liabilities</b>	<b>31.4</b>	<b>96.5</b>	<b>75.4</b>	<b>17.2</b>	<b>220.5</b>
Unallocated liabilities				341.6	341.6
Liabilities directly associated with the assets held for sale	16.3	0.0	0.1	0.1	16.5
<b>Total liabilities</b>	<b>47.7</b>	<b>96.5</b>	<b>75.5</b>	<b>358.9</b>	<b>578.6</b>
<b>Total equity</b>				<b>286.5</b>	<b>286.5</b>
<b>Total equity and liabilities</b>	<b>47.7</b>	<b>96.5</b>	<b>75.5</b>	<b>645.4</b>	<b>865.1</b>
Capital expenditure	(2.5)	(1.5)	(2.7)	0.0	(6.7)

<sup>1</sup> 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.

<sup>2</sup> For segment reporting purposes the revenues are only external revenues, the related expenses are adjusted accordingly. The adjusted EBIT is thus excluding IC profit.

<sup>3</sup> Excluding restructuring costs.

<sup>4</sup> Balances not classified as Assets held for sale and Discontinued operation relate to the Head- and Armrest business in Sweden as well as account receivables and account payables that were not part of the divestiture transactions.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 2 – SEGMENT REPORTING (FIRST QUARTER 2021)

Q1 2021 (MEUR)	Interior <sup>4</sup>	Powertrain & Chassis	Speciality Products	Other <sup>1</sup>	Total Group
<b>Revenues<sup>2</sup></b>	<b>82.2</b>	<b>109.9</b>	<b>110.7</b>	<b>0.0</b>	<b>302.8</b>
Revenues from discontinued operation	79.8	0.0	5.5	0.0	85.3
<b>Revenues from continuing operations</b>	<b>2.4</b>	<b>109.9</b>	<b>105.2</b>	<b>0.0</b>	<b>217.5</b>
<b>Adjusted EBITDA</b>	<b>1.9</b>	<b>11.5</b>	<b>23.0</b>	<b>(4.7)</b>	<b>31.7</b>
Depreciation <sup>3</sup>	(4.2)	(3.6)	(2.9)	(0.4)	(11.0)
Amortization <sup>3</sup>	(0.1)	(0.4)	(0.1)	(0.2)	(0.7)
<b>Adjusted EBIT</b>	<b>(2.3)</b>	<b>7.5</b>	<b>20.0</b>	<b>(5.4)</b>	<b>20.0</b>
Adjusted EBIT from discontinued operation	(2.5)	0.0	1.2	(0.1)	(1.4)
<b>Adjusted EBIT from continuing operations</b>	<b>0.2</b>	<b>7.5</b>	<b>18.8</b>	<b>(5.3)</b>	<b>21.4</b>
<i>Timing of revenue recognition</i>					
<b>Ownership transferred at a point in time</b>	<b>2.4</b>	<b>109.9</b>	<b>105.2</b>	<b>0.0</b>	<b>217.5</b>
<i>Assets and liabilities</i>					
Goodwill	3.8	16.5	67.0	0.0	87.3
Other intangible assets	0.5	6.2	0.9	0.2	7.7
Property, plant and equipment	99.6	67.6	62.7	1.0	230.9
Right-of-use assets	31.5	25.9	24.7	10.8	92.8
Inventories	23.3	36.1	43.3	0.0	102.6
Trade receivables	69.7	105.1	89.5	0.0	264.2
Other assets	16.2	5.3	6.0	0.1	27.6
<b>Segment assets</b>	<b>244.5</b>	<b>262.5</b>	<b>293.9</b>	<b>12.1</b>	<b>813.1</b>
Unallocated assets				131.7	131.7
<b>Total assets</b>	<b>244.5</b>	<b>262.5</b>	<b>293.9</b>	<b>143.9</b>	<b>944.8</b>
Trade payables	44.3	56.8	55.8	0.0	156.9
Non-current lease interest-bearing liabilities	27.9	26.3	24.0	9.8	87.9
Current lease interest-bearing liabilities	4.7	5.5	2.1	1.7	14.0
<b>Segment liabilities</b>	<b>76.9</b>	<b>88.6</b>	<b>81.9</b>	<b>11.5</b>	<b>258.8</b>
Unallocated liabilities				420.3	420.3
<b>Total liabilities</b>	<b>76.9</b>	<b>88.6</b>	<b>81.9</b>	<b>431.8</b>	<b>679.1</b>
<b>Total equity</b>				<b>265.7</b>	<b>265.7</b>
<b>Total equity and liabilities</b>	<b>76.9</b>	<b>88.6</b>	<b>81.9</b>	<b>697.4</b>	<b>944.8</b>
Capital expenditure	(2.2)	(2.0)	(2.0)	(0.0)	(6.2)

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

<sup>2</sup> For segment reporting purposes the revenues are only external revenues, the related expenses are adjusted accordingly. The adjusted EBIT is thus excluding IC profit.

<sup>3</sup> Excluding restructuring costs.

<sup>4</sup> 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	90.6	41.4%	91.6	42.1%
Northern America	76.2	34.8%	77.0	35.4%
Southern America	11.1	5.1%	5.3	2.4%
Asia	39.8	18.2%	42.6	19.6%
Other	1.2	0.5%	1.0	0.4%
<b>Total operating revenues</b>	<b>218.8</b>		<b>217.5</b>	
Revenues from discontinued operation	68.6		85.3	
<b>Total operating revenues</b>	<b>287.4</b>		<b>302.8</b>	

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

<i>(MEUR)</i>	31.03.22		31.03.21	
		%		%
Europe	167.5	55.9%	247.5	59.1%
Northern America	94.6	31.6%	119.6	28.6%
Southern America	3.4	1.1%	2.4	0.6%
Asia	34.3	11.4%	49.2	11.8%
<b>Total intangible assets, PPE and RoU - Continuing operations</b>	<b>299.9</b>		<b>418.7</b>	
Total Intangible assets, PP&E and RoU - Classified as Assets held for sale	15.4			
<b>Total Intangible assets, PP&amp;E and RoU</b>	<b>315.3</b>			

## 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)	31.03.22	31.03.21	31.12.21
Long-term interest-bearing loan and borrowing	200.7	277.6	276.0
IFRS 16 long-term lease liabilities	66.6	87.9	66.7
Capitalized arrangement fees <sup>1</sup>	(2.7)	(4.7)	(3.9)
Current IFRS 16 long-term lease liabilities	9.1	14.1	8.4
Other current interest-bearing liabilities	0.0	0.0	20.6
<b>Total interest-bearing liabilities</b>	<b>273.7</b>	<b>375.0</b>	<b>367.7</b>

<sup>1</sup> 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)	31.03.22	31.03.21	31.12.21
EUR	233.0	319.1	325.9
USD	11.7	14.9	12.2
Other currencies	31.7	45.7	33.6
Capitalized arrangement fees	(2.7)	(4.7)	(3.9)
<b>Total interest-bearing loan and borrowing</b>	<b>273.7</b>	<b>375.0</b>	<b>367.7</b>

#### 4.2 LIQUIDITY RESERVE

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

(MEUR)	31.03.22	31.03.21	31.12.21
Cash reserve	108.2	71.3	51.3
Restricted cash	(0.5)	(0.4)	(0.5)
Undrawn RCF facility	50.0	70.0	30.0
Undrawn Securitization facility	60.0	60.0	60.0
<b>Liquidity reserve</b>	<b>217.7</b>	<b>200.9</b>	<b>140.9</b>

### NOTE 5 – NET FINANCIAL ITEMS

(MEUR)	Q1 2022	Q1 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Interest income	0.1	0.0	0.1	0.0	0.1
Interest expenses	(4.6)	(4.4)	(4.6)	(4.4)	(18.9)
Foreign currency gains (losses) <sup>1</sup>	4.3	7.8	4.3	7.8	12.0
Account receivables securitization - Expenses	(0.3)	(0.3)	(0.3)	(0.3)	(1.2)
Other financial items	(3.1)	(0.5)	(3.1)	(0.5)	(1.5)
<b>Net financial items</b>	<b>(3.6)</b>	<b>2.6</b>	<b>(3.6)</b>	<b>2.6</b>	<b>(9.5)</b>

<sup>1</sup> Is made up of a realized currency loss of MEUR 0.1 and of an unrealized currency gain of MEUR 4.4 in Q1 2022 (Q1 2021: realized gain of MEUR 1.6 and unrealized gain of MEUR 6.2)

## NOTE 6 – DISCONTINUED OPERATION CLASSIFIED AS HELD FOR SALE

### DESCRIPTION

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 net profit from discontinued operation contains the initial net gain on sale of discontinued operation of MEUR 21.2.

### RESULTS OF DISCONTINUED OPERATION

(MEUR)	Q1 2022	Q1 2021	YTD 2022	YTD 2021	FY 2021
<b>Revenues</b>	<b>68.6</b>	<b>85.3</b>	<b>68.6</b>	<b>85.3</b>	<b>335.4</b>
OPEX	(74.1)	(82.5)	(74.1)	(82.5)	(343.5)
<b>EBITDA</b>	<b>(5.5)</b>	<b>2.8</b>	<b>(5.5)</b>	<b>2.8</b>	<b>(8.1)</b>
<i>in % revenues</i>	<i>-8.0%</i>	<i>3.3%</i>	<i>-8.0%</i>	<i>3.3%</i>	<i>-2.4%</i>
Depreciation and amortization	(1.0)	(4.2)	(1.0)	(4.2)	(14.7)
Operating profit / EBIT	(6.5)	(1.4)	(6.5)	(1.4)	(22.8)
<i>in % revenues</i>	<i>-9.5%</i>	<i>-1.6%</i>	<i>-9.5%</i>	<i>-1.6%</i>	<i>-6.8%</i>
<b>Adjusted EBIT<sup>1</sup></b>	<b>(5.5)</b>	<b>(1.4)</b>	<b>(5.5)</b>	<b>(1.4)</b>	<b>(6.8)</b>
<i>in % revenues</i>	<i>-8.1%</i>	<i>-1.6%</i>	<i>-8.1%</i>	<i>-1.6%</i>	<i>-2.0%</i>
Net financial items	(0.4)	(0.6)	(0.4)	(0.6)	(2.6)
<b>Profit / (loss) before taxes</b>	<b>(6.9)</b>	<b>(2.0)</b>	<b>(6.9)</b>	<b>(2.0)</b>	<b>(25.4)</b>
Income taxes	0.0	(0.3)	0.0	(0.3)	2.4
<b>Profit / (loss) after taxes</b>	<b>(6.9)</b>	<b>(2.3)</b>	<b>(6.9)</b>	<b>(2.3)</b>	<b>(23.0)</b>
Gain on sale of discontinued operation	26.7	0.0	26.7	0.0	0.0
Income tax on gain on sale of discontinued operation	(5.2)	0.0	(5.2)	0.0	0.0
<b>Net profit / (loss) from discontinued operation</b>	<b>14.6</b>	<b>(2.3)</b>	<b>14.6</b>	<b>(2.3)</b>	<b>(23.0)</b>

### CASH FLOWS FROM (USED BY) DISCONTINUED OPERATION

(MEUR)	Q1 2022	Q1 2021	YTD 2022	YTD 2021	FY 2021
Net cash flow from (used by) operating activities	34.6	5.6	34.6	5.6	(20.6)
Net cash flow used by investing activities	127.9	(2.2)	127.9	(2.2)	(16.6)
Net cash flow used by financing activities	(1.8)	(2.0)	(1.8)	(2.0)	(9.1)
<b>Net cash flows for the year</b>	<b>160.7</b>	<b>1.4</b>	<b>160.7</b>	<b>1.4</b>	<b>(46.3)</b>



## ASSETS AND LIABILITIES HELD FOR SALE

<i>(MEUR)</i>	<b>31.03.22</b>	<b>31.12.21</b>
Intangible assets	1.8	6.4
Tangible assets	9.4	106.9
Right-of-use assets	4.2	37.0
Deferred tax assets	1.0	11.8
Other non-current assets	0.5	6.8
<b>NON-CURRENT ASSETS</b>	<b>16.9</b>	<b>168.9</b>
Inventories	14.0	36.6
Accounts receivable	17.5	16.3
Other current receivables	1.9	9.5
Cash and cash equivalents	2.5	6.9
<b>TOTAL CURRENT ASSETS</b>	<b>35.8</b>	<b>69.3</b>
<b>Assets held for sale</b>	<b>52.7</b>	<b>238.2</b>
Non-current lease liabilities	1.5	31.1
<b>NON-CURRENT LIABILITIES</b>	<b>1.5</b>	<b>31.1</b>
Current lease liabilities	1.8	5.9
Current income tax liabilities	0.0	0.8
Trade and other payables	13.2	33.0
<b>CURRENT LIABILITIES</b>	<b>15.0</b>	<b>39.7</b>
<b>Liabilities directly associated with the assets held for sale</b>	<b>16.5</b>	<b>70.8</b>

<sup>1</sup>includes the cable-related part of the Off-Highway business.

## NOTE 7 – SUBSEQUENT EVENTS

### SUCCESSFUL COMPLETION OF THE LDC SALE TO SUPRAJIT ENGINEERING LIMITED

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.

Kongsberg Automotive received the initial purchase price proceeds of MEUR 38.1, subject to further adjustments.

Based on the initial purchase price proceeds, the gain after tax on the LDC sale transaction amounts to MEUR 1.9.

## 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 2020 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>	Q1 2022	Q1 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Operating profit / EBIT <sup>1</sup>	8.0	21.3	8.0	21.3	47.5
Restructuring items <sup>2</sup>	(0.5)	0.1	(0.5)	0.1	3.2
<b>Adjusted EBIT<sup>1+2+3</sup></b>	<b>7.6</b>	<b>21.4</b>	<b>7.6</b>	<b>21.4</b>	<b>50.7</b>

### 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>	Q1 2022	Q1 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
<b>Operating profit / EBIT</b>	<b>8.0</b>	<b>21.3</b>	<b>8.0</b>	<b>21.3</b>	<b>47.5</b>
Depreciation	7.7	7.0	7.7	7.0	29.4
Amortization	0.6	0.5	0.6	0.5	2.7
<b>EBITDA<sup>1</sup></b>	<b>16.3</b>	<b>28.9</b>	<b>16.3</b>	<b>28.9</b>	<b>79.6</b>
Restructuring items <sup>(*)2</sup>	(0.5)	0.1	(0.5)	0.1	3.2
<b>Adjusted EBITDA<sup>1+2+3</sup></b>	<b>15.8</b>	<b>29.0</b>	<b>15.8</b>	<b>29.0</b>	<b>82.8</b>

(\*) Excluding depreciation and amortization

## ALTERNATIVE PERFORMANCE MEASURES (APM)

### RESTRUCTURING ITEMS PER SEGMENT (CONTINUING OPERATION)

(MEUR)	Q1 2022	Q1 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Interior	(0.3)	0.0	(0.3)	0.0	0.0
Powertrain & Chassis	(0.5)	0.0	(0.5)	0.0	0.4
Specialty Products	0.0	0.0	0.0	0.0	0.0
Other	0.3	0.1	0.3	0.1	2.8
<b>Group total</b>	<b>(0.5)</b>	<b>0.1</b>	<b>(0.5)</b>	<b>0.1</b>	<b>3.2</b>

### 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 operations in Q1 2022, Q1 2021 and full year 2021.

(MEUR)	Q1 2022	Q1 2021 (Restated)	YTD 2022	YTD 2021 (Restated)	FY 2021
Cash flow - Operating activities	(1.1)	10.8	(1.1)	10.8	56.7
Cash flow - Investing activities	(4.1)	(3.9)	(4.1)	(3.9)	(26.7)
Cash flow - Financing activities	(109.6)	(11.4)	(109.6)	(11.4)	(11.1)
Currency and translation effects on cash flow	6.4	6.9	6.4	6.9	18.3
<i>Add back / less:</i>					
Net draw-down/repayment of debt	97.6	0.8	97.6	0.8	(18.1)
<b>Free Cash Flow</b>	<b>(10.8)</b>	<b>3.3</b>	<b>(10.8)</b>	<b>3.3</b>	<b>19.1</b>

## 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)	31.03.22	31.03.21	31.12.21
Long-term interest-bearing liabilities	264.6	360.9	338.7
Other short-term interest-bearing liabilities	9.1	14.1	29.0
Cash and cash equivalents*	(108.2)	(71.3)	(51.3)
<b>Net Interest Bearing Debt</b>	<b>165.5</b>	<b>303.7</b>	<b>316.4</b>

\* 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)	31.03.22	31.03.21	31.12.21
Total assets	865.1	944.8	984.8
Deferred tax liabilities	(22.0)	(16.6)	(27.0)
Other long-term liabilities	(20.1)	(21.2)	(20.0)
Current liabilities incl. other short-term interest bearing liabilities	(255.4)	(280.4)	(262.8)
Assets held for sale	(52.7)	0.0	(238.2)
Liabilities directly associated with the assets held for sale	16.5	0.0	70.8
<b>Capital Employed</b>	<b>531.4</b>	<b>626.5</b>	<b>507.6</b>

### 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)		Q1 2022		Q1 2021	FY 2021
Capital employed beginning <sup>1</sup>	01.04.2021	626.5	01.04.2020	619.6	691.2
Capital employed at end <sup>2</sup>	31.03.2022	531.4	31.03.2021	626.5	507.6
Adjusted EBIT from continuing operations last twelve months <sup>3</sup>		37.2		30.1	50.7
<b>Adjusted ROCE</b> <sup>(3 / (1+2)) * 200%</sup>		<b>6.4%</b>		<b>4.8%</b>	<b>8.5%</b>

As restatement of the balance sheet for prior year is not required by IFRS 5, thus capital employed as of March 31, 2021 contains assets and liabilities of the whole Group. The capital employed as of March 31, 2022, does not contain the net assets of the LDC business 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
Ellen M. Hanetho	Shareholder elected
Gerard Cordonnier	Shareholder elected
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 & Chief Technology Officer
Frank Heffter	Executive Vice President & CFO
Robert Pigg	Senior Vice President, Off-Highway & ad interim President, Interior Systems
Bob Riedford	President, Powertrain & Chassis
Joerg Buchheim	Executive Vice President, Specialty Products (acting)
Dzeki Mackinovski	Executive Vice President, Purchasing
Virginia Grando	Executive Vice President, Quality
Marcus von Pock	Executive Vice President, Human Resources & Communications
Jon Munthe	General Counsel
Doug Tushar	Senior Vice President, IS&T

### CORPORATE COMMUNICATION

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### FINANCIAL CALENDAR

The quarterly reports and financial statements will be published on the following days:

2nd quarter 2022 and Half-yearly Report	August 09, 2022
3rd quarter 2022	November 08, 2022

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