



Lower demand drives YoY decline in revenues and EBIT- further cost reduction initiatives and changes underway

Kongsberg, May 7, 2025:

Financial highlights Q1 2025

- Revenues MEUR 190.0 (MEUR 212.1)
- EBIT MEUR 2.2 (MEUR 10.1)
- Net profit / loss MEUR -2.2 (MEUR -0.4)
- Free cash flow MEUR -10.5 (MEUR -14.9)
- Business wins (lifetime revenue) MEUR 136.6 (MEUR 450.0)

Kongsberg Automotive (KA) has published its results for Q1 2025 with revenues of MEUR 190.0, down from MEUR 212.1 in the same period last year, reflecting a decline of MEUR 22.1 (-10.4 %). The company also reported EBIT of MEUR 2.2 in Q1 2025 (EBIT margin 1.2%), compared to MEUR 10.1 (EBIT margin 4.8%) in Q1 2024. Compared to Q4 2024, however, revenues improved from MEUR 185.2, and EBIT increased from MEUR 1.1 (EBIT margin 0.6%).

Free cash flow for the quarter was negative at MEUR -10.5, improving from MEUR -14.9 in Q1 2024. Return on capital employed rose to 3.3%, a significant improvement from -3.9% in the prior year.

Tariffs and the risk of an escalating trade war continues to impose uncertainty on our business. We continue to monitor the situation closely and are actively working to mitigate the direct effects. Despite high uncertainty and subdued demand, KA experienced a modest uptick in customer activity early in the year compared to Q4 2024. Several key customers in Europe reported increasing order books and production ramp-ups planned for the second half of 2025. However, the ongoing uncertainty related to global customs tariffs is clouding the overall market outlook. Future demand trends remain difficult to predict.

The company continues to execute on its cost-saving initiatives. The previously announced overhead reduction program remains on track and is expected to be fully implemented by Q3 2025, delivering an estimated annual saving of MEUR 10.0. Additional cost reduction initiatives will be launched in 2025 to improve profitability.

In Q1 2025, KA secured new business wins worth MEUR 136.6 in lifetime revenues, of which MEUR 42.6 (31.2%) represented incremental business. A strong pipeline of business opportunities is expected to convert in the coming quarters.

KA maintains its guidance for 2025 of a positive development in EBIT margin compared to 2024. This outlook is underpinned by continued cost optimization and operational efficiency measures, as well as potential revenue upside in the second half of the year. The visibility for the second half of the year is however currently limited and increasingly uncertain. The outlook excludes potential effects from increased geopolitical uncertainty with negative impact on cost and demand.

Following the appointment of a new Board of Directors in December 2024, KA has initiated several leadership changes. Trond Fiskum was appointed President & CEO and took office on March 31, 2025, and Erik Magelssen was appointed as CFO to take office on June 1, 2025. Both bring extensive experience from within KA and are committed to delivering on the company's transformation agenda.

KA's key priorities moving forward include:

- Further cost base adjustments: In addition to existing programs, new cost initiatives will be introduced in 2025 to further improve profitability. Details will be communicated in due course.
- Improved cash flow: Strengthening cash flow through tighter CAPEX management and targeted reductions in net working capital.
- Leadership and performance: Strengthening the leadership team with the right capabilities and establishing a structure of accountability and performance.
- Innovation and profitable growth: Leveraging a competitive product portfolio and robust pipeline of innovation projects to drive long-term value creation.

“KA acknowledges that its financial performance and share price are not satisfactory,” says Trond Fiskum, President & CEO of KA. “As clearly stated by the Board of Directors (Board) in its April 8, 2025 letter to shareholders, restoring value creation for shareholders is our top priority. Meaningful changes are required. We are committed to working with the Board to implement the necessary changes to strengthen the management team, drive a performance-oriented corporate culture, and deliver sustainable shareholder value.”

Earnings presentation - conference call

The company will hold an earnings conference call at 09:00 (CET) today, May 7, 2025. Conference call registration is available at the company's webpage or the following link: [Kongsberg Automotive Q1 2025 Earnings Release](#). The earnings release and presentation will be published on www.newsweb.no and on [KA's website](#). The recording of the presentation will be made available on the company's website shortly after the presentation.

Investor relations and media contacts:

investor.relations@ka-group.com

Therese Sjöborg Skurdal – Director Group Marketing & Communications
therese.skurdal@ka-group.com
+47 982 14 059

About Kongsberg Automotive ASA

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

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act. This stock exchange announcement was published by Therese S. Skurdal at Kongsberg Automotive ASA, and the contact person(s) mentioned above on May 7, 2025, at 07:00 CET.