

Q3 2025

EARNINGS CALL PRESENTATION



NOVEMBER 05, 2025

FORWARD-LOOKING STATEMENTS AND NON-IFRS MEASURES

FORWARD-LOOKING STATEMENTS

This presentation contains certain “forward-looking statements”. These statements are based on management’s current expectations and are subject to risks, uncertainty and changes in circumstances, which may cause actual results, performance, financial condition or achievements to differ materially from anticipated results, performance, financial condition or achievements. All statements contained herein that are not clearly historical in nature are forward-looking and the words “anticipate,” “believe,” “expect,” “estimate,” “plan,” and similar expressions are generally intended to identify forward-looking statements. We have no intention and are under no obligation to update or alter (and expressly disclaim any such intention or obligation to do so) our forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by law. The forward-looking statements in this presentation include statements addressing our future financial condition and operating results. Examples of factors that could cause actual results to differ materially from those described in the forward-looking statements include, among others, business, economic, competitive and regulatory risks, such as conditions affecting demand for products, particularly in the automotive industries; competition and pricing pressure; fluctuations in foreign currency exchange rates and commodity prices; natural disasters and political, economic and military instability in countries in which we operate; developments in the credit markets; future goodwill impairment; compliance with current and future environmental and other laws and regulations; and the possible effects on us of changes in tax laws, tax treaties and other legislation. More detailed information about these and other factors is set forth in the 2024 Kongsberg Automotive Annual Report and the Kongsberg Automotive Quarterly Reports.

NON-IFRS MEASURES

Where we have used non-IFRS financial measures, reconciliations to the most comparable IFRS measure are provided, along with a disclosure on the usefulness of the non-IFRS measure, in this presentation.

TODAY'S PRESENTERS



TROND FISKUM
PRESIDENT & CEO



ERIK MAGELSSSEN
CFO

AGENDA

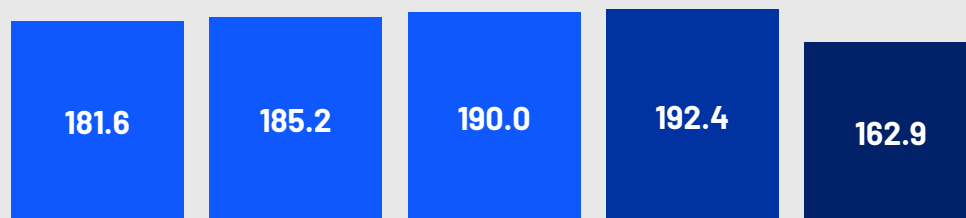
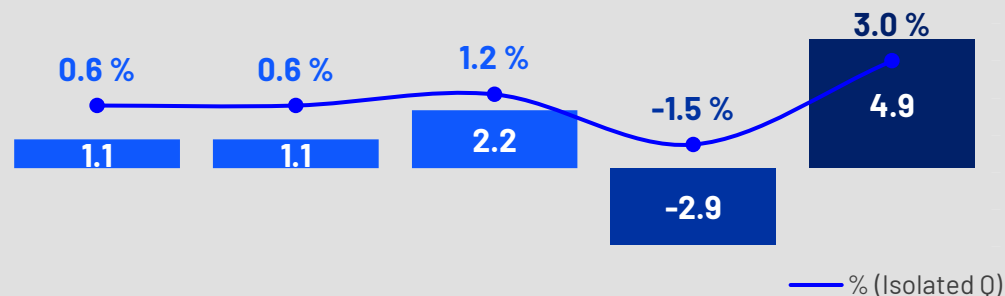
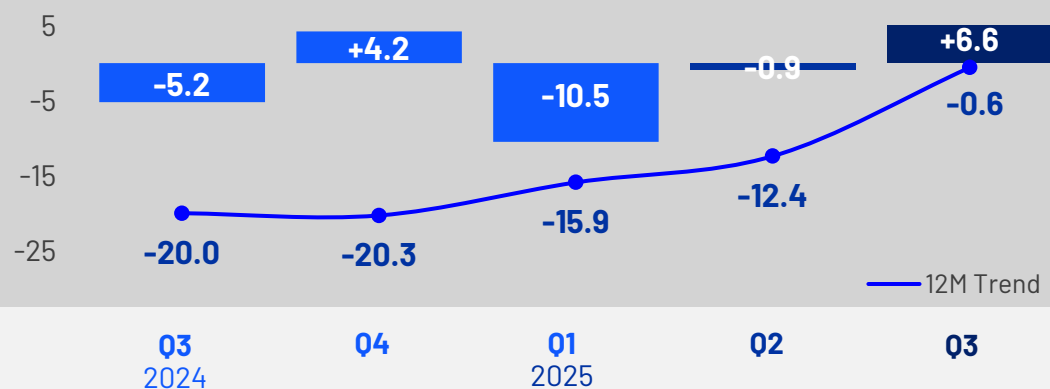
EXECUTIVE SUMMARY
FINANCIAL UPDATE
SUMMARY & OUTLOOK
Q&A

EXECUTIVE SUMMARY

EBIT GROWTH AND SIGNIFICANT CASH FLOW IMPROVEMENTS DESPITE CHALLENGING MARKET

- > Q3 revenue was MEUR 162.9, Q3 2024 was MEUR 181.6**
 - > Revenue 10,3 % lower in Q3 2025**
- > Q3 EBIT was 4.9 MEUR (3.0%), Q3 2024 was 1.1 MEUR (0.6%)**
 - > EBIT 445 % higher in Q3 2025**
- > Q3 cash flow was 6.6 MEUR, Q3 2024 was MEUR -5.2, an improvement of MEUR 11.8**
- > Cost reduction programs progress according to schedule**
- > Tariff costs were fully mitigated in the quarter**
- > Increased risk of certain warranty liabilities**

Q3 FINANCIALS – INCREASE IN EBIT ON LOWER REVENUE LEVEL – POSITIVE CASH FLOW AND SIGNIFICANT INCREASE IN 12-MONTH TREND

REVENUES
MEUREBIT
MEURFREE CASH FLOW
MEUR

- > **Revenues:** Down 10.3% vs. Q3 2024, impacted by a negative currency effect of MEUR 5.4, primarily due to a weaker USD and challenging market conditions
- > **EBIT:** Increased compared to Q3 2024, driven by cost savings and lower warranty accruals. The improvement was partially offset by reduced contribution from lower revenues and impairment of non-current assets
- > **Free Cash Flow:** Improved by MEUR 11.8 year-over-year, mainly due to a lower cost base and stricter investment controls, and a positive impact of currency and translation effects on cash flow

IMPROVED COST BASE

REDUCTION IN INDIRECT COST BASE ONGOING

MEASURES IN 2024

~17 M€

- > OVERHEAD COST REDUCTION
- > SUPPORT FUNCTION OPTIMIZATION



MEASURES IN 2025

~10 M€

- > REDUCTION OF ~150 POSITIONS
- > ADDITIONAL ANNUAL SAVINGS OF AT LEAST MEUR 10 WITH FULL EFFECT FROM Q3 2025



NEW PROGRAM LAUNCHED MAY 2025

~15 M€

- > REDUCTION OF ~150 POSITIONS
- > FULL EFFECT FROM Q3 2026
- > INCLUDES SIGNIFICANT REDUCTION OF CORPORATE AND SUPPORT STAFF FUNCTIONS

IN PROGRESS

> 42 MEUR in improved annual cost base which will give, when fully implemented, an EBIT improvement of 4-5% points with stable revenues

The full impact of these programs is starting to materialize, with full impact coming during 2026

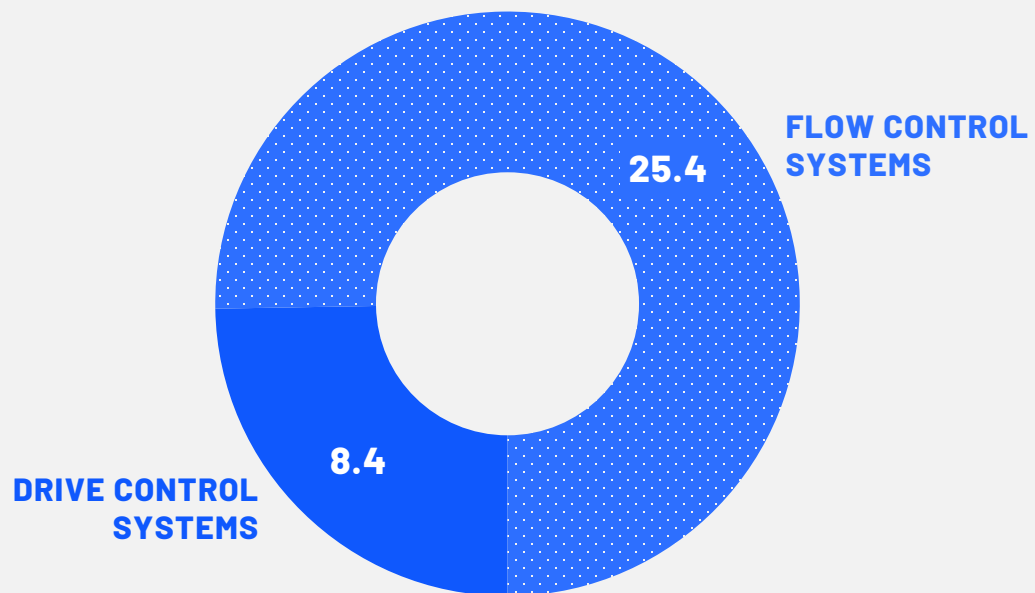
Due to lower market activity, we are implementing additional cost-saving measures to further align our cost base with current market realities and to safeguard profitability

BUSINESS WINS Q3 2025

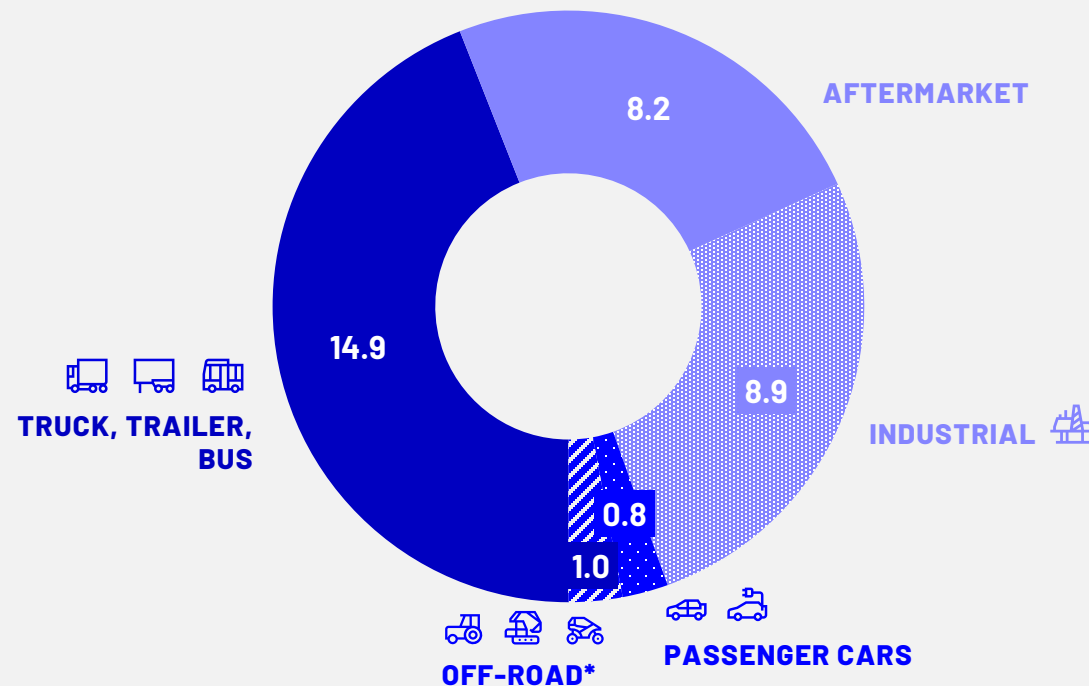
LIFETIME REVENUES, MEUR

33.8M€

PER BUSINESS AREA



PER CUSTOMER SEGMENT



- Tariffs and market uncertainty has led to a slowdown in the business wins
- KA remains with a strong pipeline of business opportunities and no major contract opportunities have been lost in 2025
- Going forward, KA will only announce strategically important business wins. Investor Policy will be updated to reflect this

WARRANTY COSTS REMAIN A CONCERN

- > Comprehensive review after Q2 issues revealed risk of additional future liabilities**
- > Problems stem primarily from historically unfavorable contracts and suboptimal warranty management practices**
- > Individuals responsible are no longer with KA, were a part of leadership changes earlier this year**
- > Financial impact cannot yet be reliably estimated due to complexity and variability of potential outcomes**
- > Proactive measures implemented: stronger warranty management and contractual safeguards**
- > Further details will be shared once there is greater clarity on potential exposure**

TARIFFS IMPACT AND EFFECTIVE MITIGATION ACTIONS

- KA has previously informed that we expect to recover 100% of tariff costs. Process is taking some time due to customer documentation requirements and commercial discussion
- KA has maintained a firm and consistent position in all customer negotiations: KA is not able to absorb these extra costs and tariff-related costs must inevitably be borne by end consumers
- This approach has given results: Direct cost impact of tariffs in Q3 was effectively neutralized by passing costs through to customers
- We have also proactively managed the recent semiconductor supply concerns involving Nexperia and do not anticipate any short-term disruptions
- Primary negative consequence of tariffs for KA remains the impact on overall market demand – most notably in the United States



ACQUISITIONS AND LOAN FACILITY RENEWAL

ACQUISITION OF CHASSIS AUTONOMY



- The acquisition of Chassis Autonomy was completed in August 2025, giving KA full ownership of the company
- Full integration of the company is ongoing
- We see strong interest in Chassis Autonomy's unique Steer-By-Wire technology
- Fully paid in Q3, 2025

ACQUISITION OF 25% OF KAMS



- KA completed the purchase of the remaining 25% stake in its joint venture in China, in July 2025
- KA now owns 100% of all operations in China, providing greater flexibility and strategic options in this key market
- Fully paid in Q3, 2025

RENEWAL OF MEUR 25 LOAN FACILITY



- KA agreed to renew its MEUR 25 loan facility with NordLB for an additional year under the same interest terms in October 2025
- Originally established in 2020 and set to mature on January 31, 2026, the facility will now be extended to January 31, 2027

NEW STRATEGIC DIRECTION FOR KA UNDER DEVELOPMENT

- In September 2025, KA conducted a review of its strategy and long-term objectives together with its Board of Directors
- A key outcome of this review is that Driveline is no longer considered as non-core business. Instead, it is recognized as a business unit where KA will continue to pursue opportunities to create value for its shareholders
 - » This change is reflected in KA's financial reporting, where Driveline is now included within the Drive Control Systems (DCS) Business Area, rather than reported separately
- KA continues working on the strategy and plan to present the its key elements at a Capital Markets Day event on December 16, 2025



CAPITAL MARKETS DAY 2025

> WHEN

- » Tuesday, December 16, 2025 | 9:00-13:00 CET

> WHERE

- » Kongsberg Automotive HQ / Tech Center
- » Address: Dyrmyrgata 48, 3611 Kongsberg

> WHAT

- » Presentation of strategic goals, business strategies, product highlights
- » Tech Center Tour
- » Lunch

> LOGISTICS

- » Transportation by bus from/to Oslo

KEY PRIORITIES 2025

➤ RESTRUCTURING OUR COST BASE TO WITHSTAND VOLATILE MARKET CONDITIONS

➤ GENERATE POSITIVE CASH FLOW

➤ STRENGTHENING THE LEADERSHIP TEAMS AND KA CULTURE

➤ DRIVING INNOVATION AND PROFITABLE GROWTH

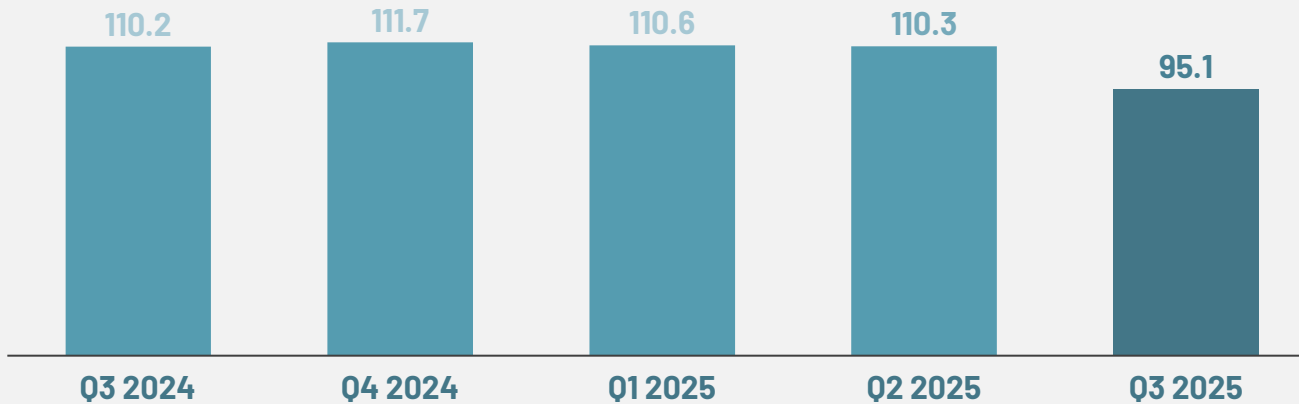
- KA continues to take decisive steps to deliver on these priorities
- 2026 priorities, long-term goals and strategies to be shared during Capital Markets Day in December 2025

FINANCIAL UPDATE

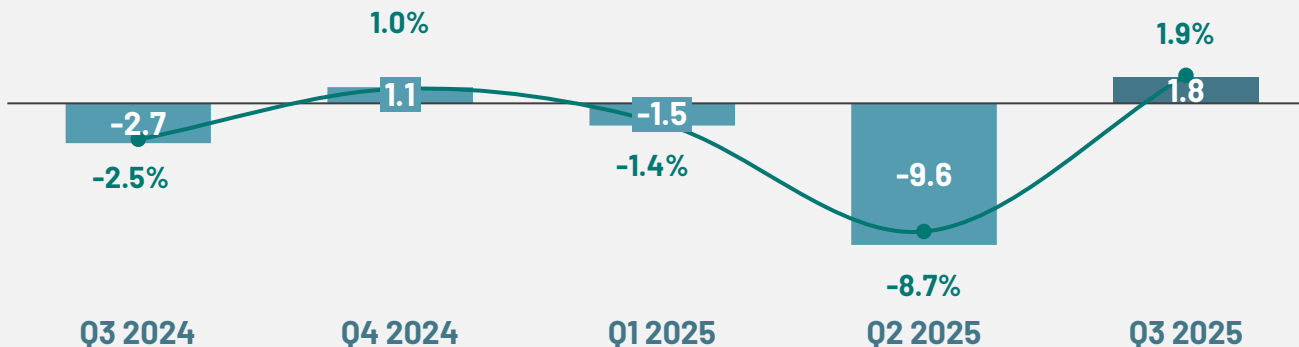
DRIVE CONTROL SYSTEMS (INCLUDING DRIVELINE)

BUSINESS AREA UPDATE

REVENUES, MEUR



EBIT & EBIT MARGIN (AFTER ALLOCATION), MEUR / %



Q3 2025 vs. Q3 2024

The Driveline segment is now reported as part of the Drive Control Systems Business area and is no longer defined as "non-core".

Revenues:

- > Negative currency translation effect of MEUR -3.7
- > Lower sales in the heavy-duty vehicles market in Europe, North America and China
- > Higher revenues in passenger car market in North America, partially offset by declined sales in Europe and China
- > Off-road and industrial markets down due to declines in North America

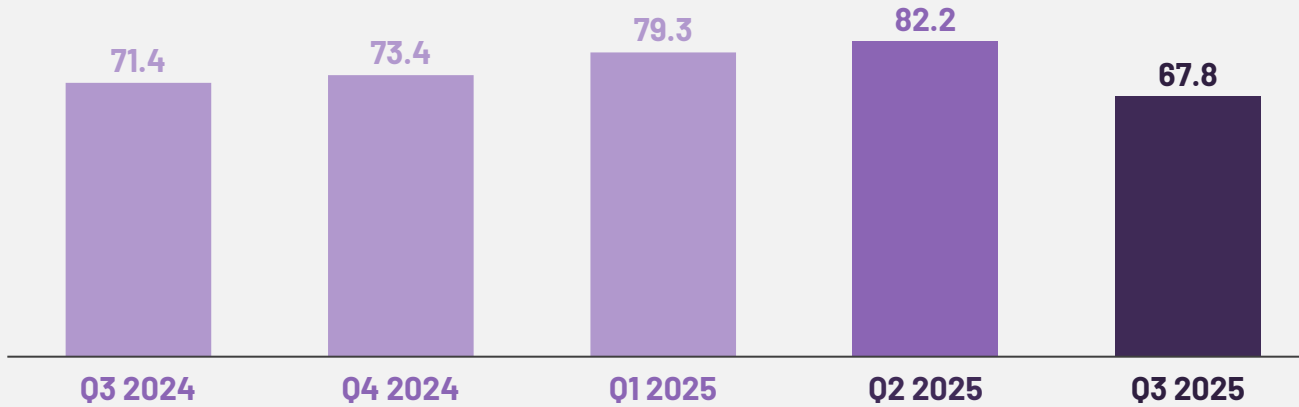
> EBIT:

- > Missing contribution from reduced sales volumes, partially offset by positive mix margin effects
- > Reduction of manufacturing overhead & administrative costs within Segment
- > Lower additions to warranty accrual
- > US tariff costs fully mitigated for the quarter
- > Reduction in corporate costs compared to Q3 2024, giving a lower allocation to business area

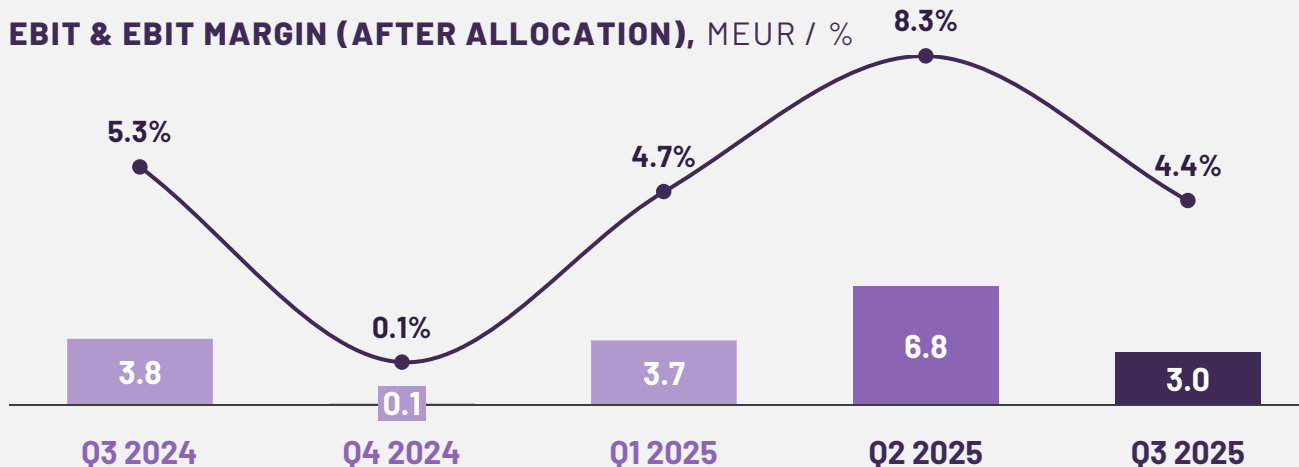
FLOW CONTROL SYSTEMS

BUSINESS AREA UPDATE

REVENUES, MEUR



EBIT & EBIT MARGIN (AFTER ALLOCATION), MEUR / %



Q3 2025 vs. Q3 2024

> Revenues:

- > Negative currency translation effects of MEUR -1.8
- > Declining sales in the European passenger car market and in the North American commercial vehicle market
- > Higher sales in the European commercial vehicle market
- > Higher sales in North American industrial applications market

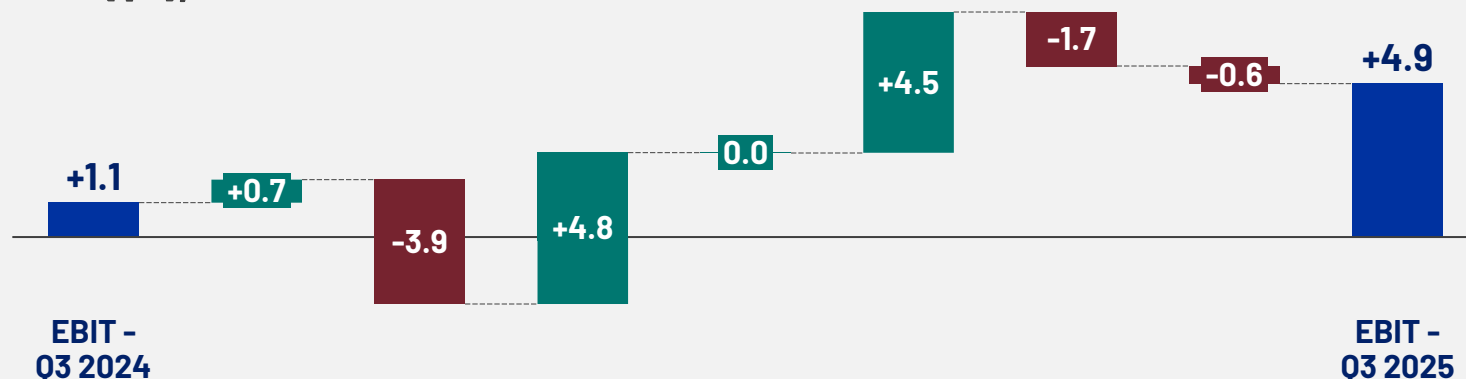
> EBIT:

- > Lost contribution due to decreased sales (volume effect)
- > Favorable product mix effects
- > Reduction of manufacturing & administrative costs within Segment
- > Impairment made on one development asset in Q3 25, following revised product strategy.
- > Reduction in corporate costs compared to Q3 2024, giving a lower allocation to business area

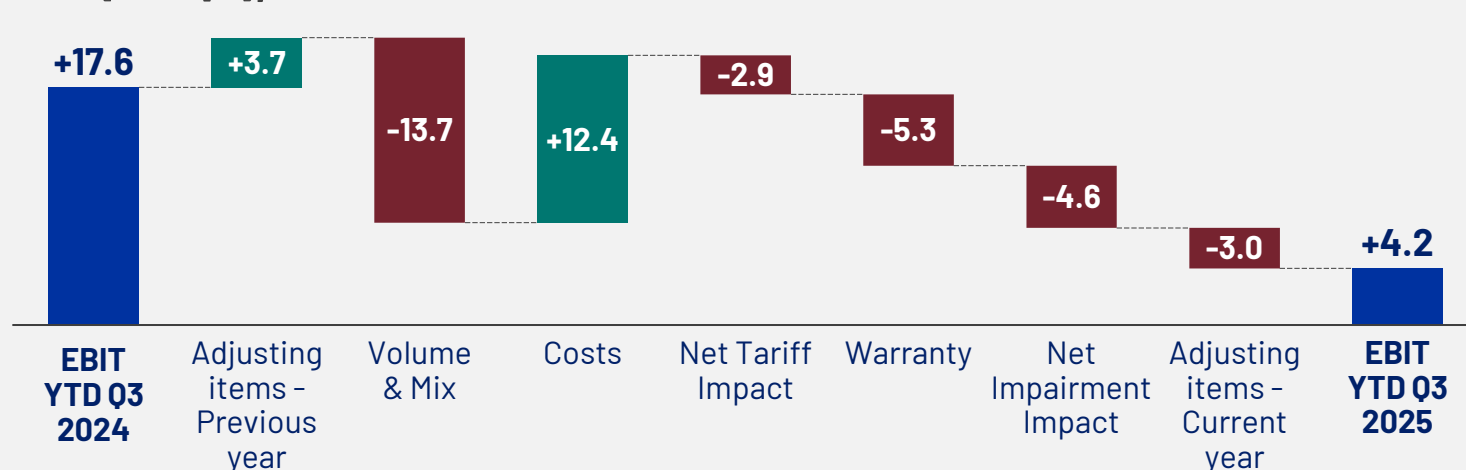
EBIT BRIDGE (Q3 & YTD Q3)

COST SAVINGS OFFSETTING MARGIN LOSS FROM LOWER SALES

EBIT (Q3), MEUR



EBIT (YTD Q3), MEUR



Adjusting items – as explained in the Q3 2025 Quarterly Report (page 5 and the APM section)

Q3 2025 vs. Q3 2024

VOLUME & MIX

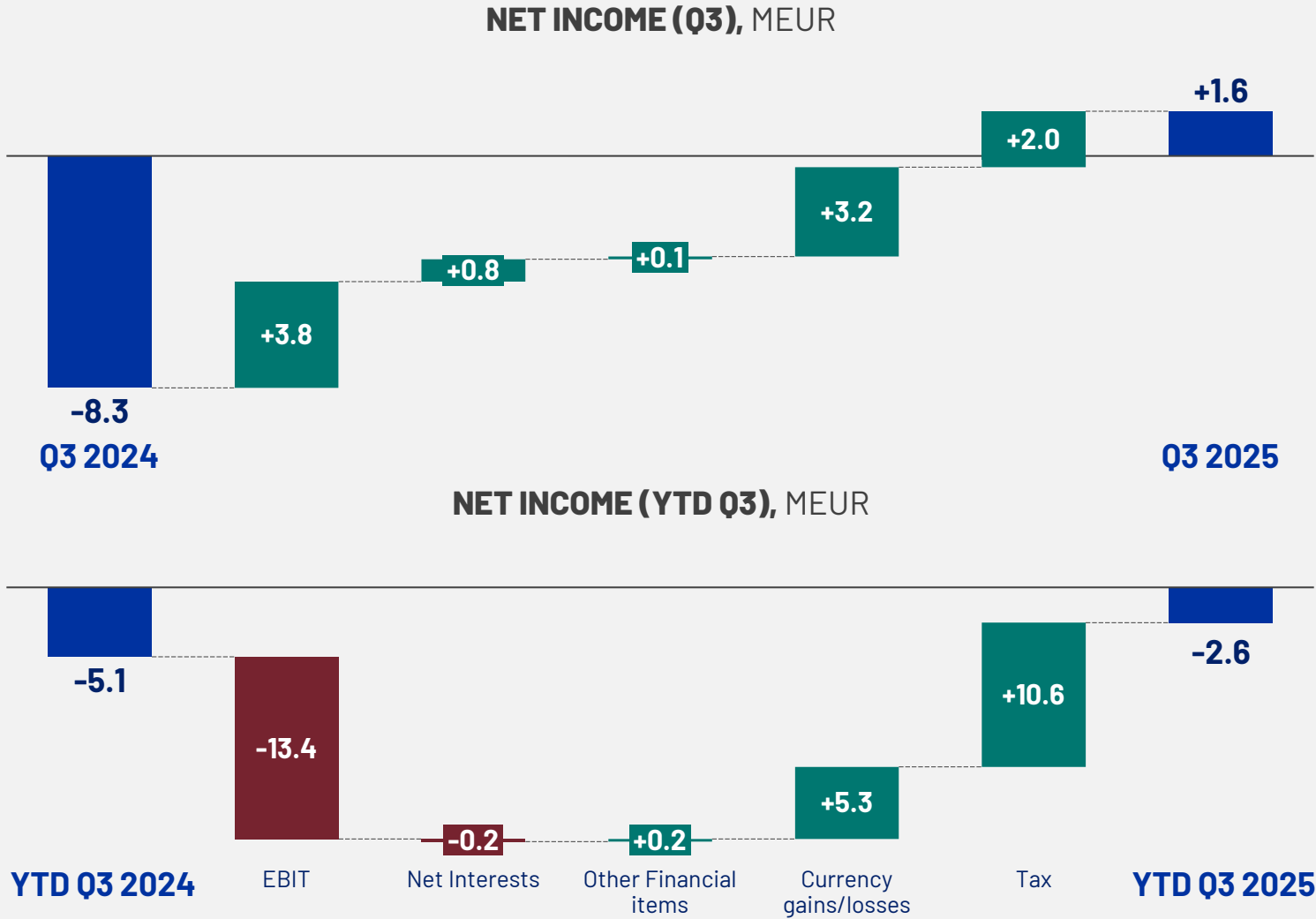
- > Reduced contribution due to lower revenue levels in Drive Control Systems and Flow Control Systems, partially offset by positive mix effects in both Business Areas.

COSTS AND OTHER

- > Continued cost savings in manufacturing overhead and administrative expenses
- > Tariff costs fully mitigated for the quarter and work ongoing to mitigate all tariff costs by passing on the costs incurred to our customers.
- > Higher accruals for estimated future warranty expenses YTD Q3. For the quarter the warranty costs were lower than in 2024.
- > The results for Q3 2024, and earlier quarters, included a reversal of prior period impairments, which explains a significant part of the higher net impairment cost in 2025. Certain impairment done within FCS in Q3 2025 related to development assets.

NET INCOME BRIDGE (Q3 & YTD Q3)

SIGNIFICANT IMPROVEMENT IN NET INCOME IN Q3 2025



NET INTERESTS

- > Lower net interest cost in Q3 2025 due to lower interest rate level than in 2024.

CURRENCY GAINS/LOSSES

- > The net currency loss in Q3 2024 was MEUR -3.6, compared MEUR -0,4 in Q3 2025, giving the positive variance of MEUR 3.2. 2024 mainly impacted by the weakening NOK against EUR.

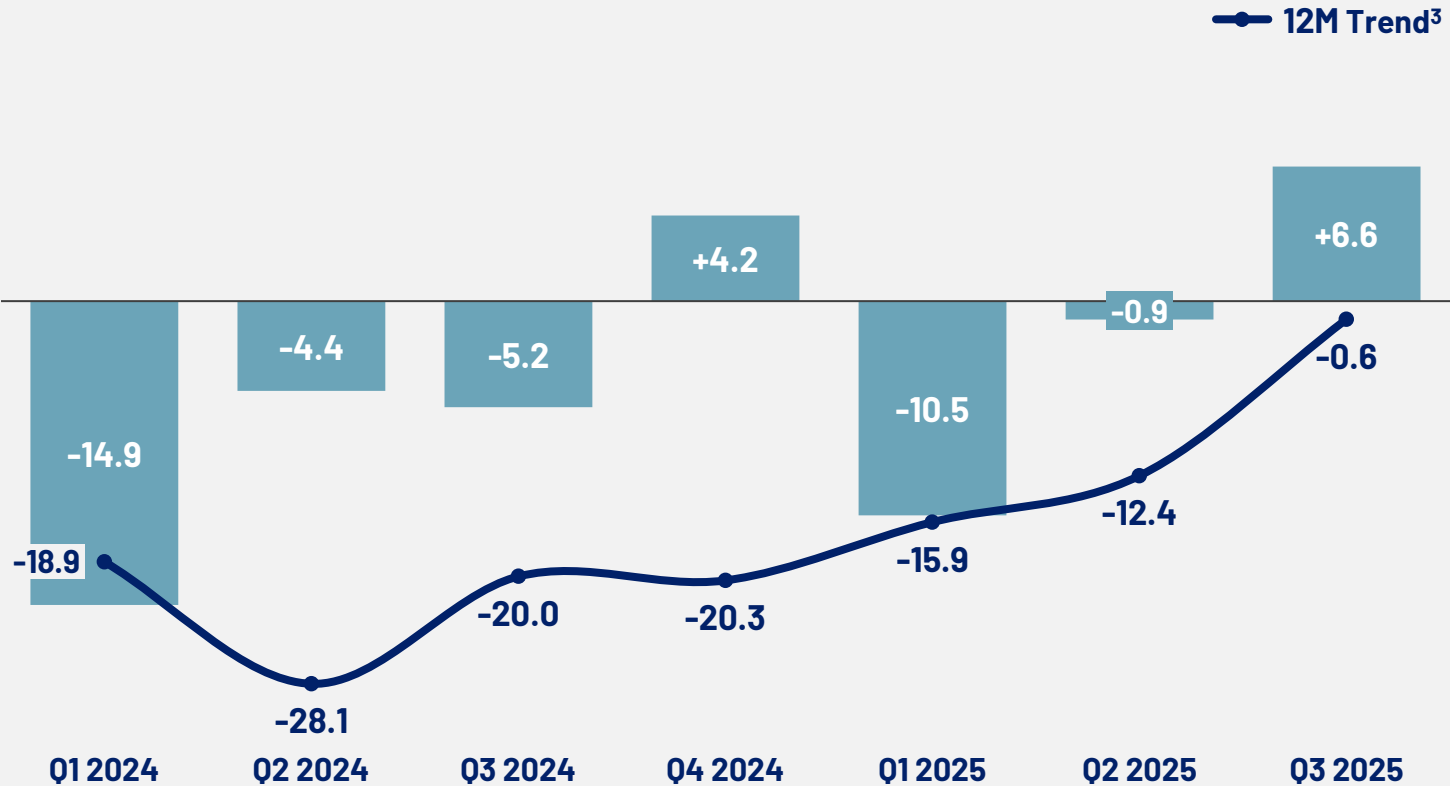
TAX

- > Lower tax expenses than in 2024 reflect the utilization of loss carryforwards for which deferred tax assets had not previously been recognized

FREE CASH FLOW

POSITIVE CASH FLOW IN Q3 25 – UPLIFT IN 12M TREND

FREE CASH FLOW¹, MEUR



1. Free Cash Flow is measured based on sum of cash flow from operating activities, investing activities, financial activities and currency effects on cash (together described as change in cash), excluding net draw-down/repayment of debt, net effects of repayment of old bond and issuing new bond, proceeds received from capital increase and purchase of treasury shares. Thus, it includes payments for interests.

	Q3 2025	Q3 2024
Operating activities	+16.7	+11.9
Investing activities	-3.0	-5.1
Financing activities	-8.2	-7.6
Currency and translation effects on cash flow	+1.1	-4.7
Total	+6.6	-5.5
Add back / less:		
Other Refinancing related activities	0.0	+0.3
Free Cash Flow	+6.6	-5.2

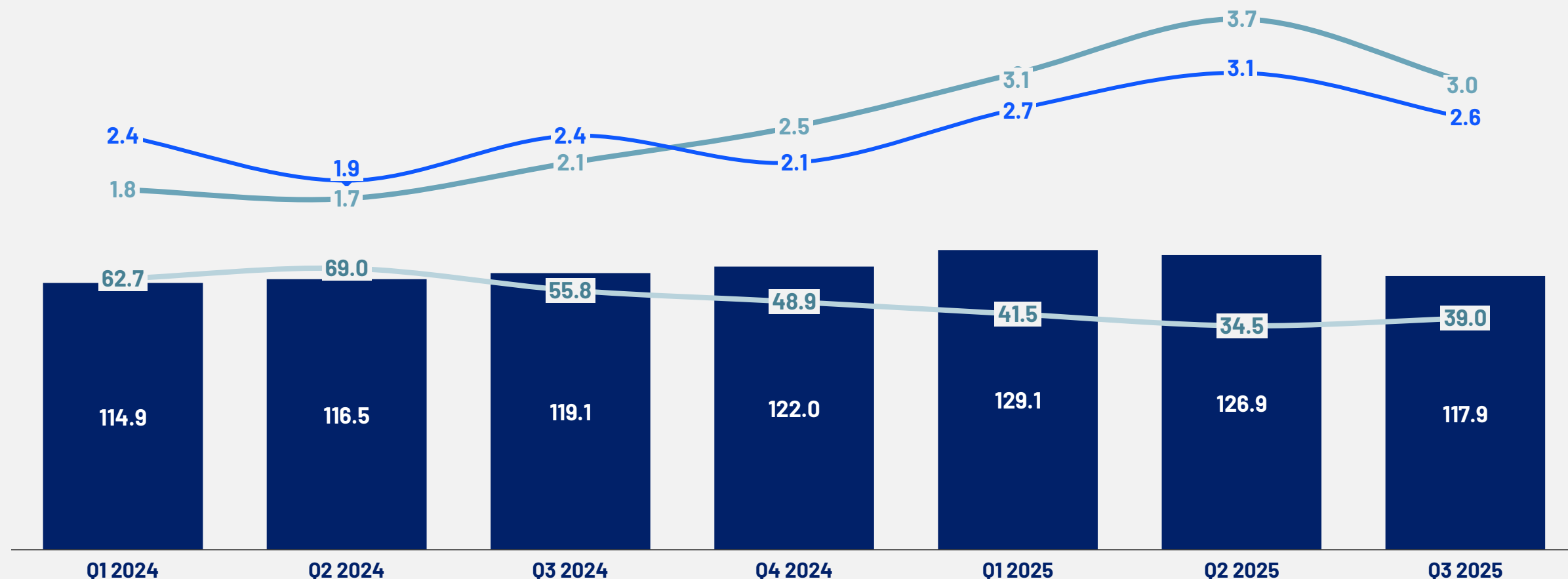
	9M 2025	9M 2024
Operating activities	+36.1	+18.7
Investing activities	-10.5	-14.5
Financing activities	-20.9	-83.8
Currency and translation effects on cash flow	-9.5	-4.8
Total	-4.8	-84.4
Add back / less:		
Repayment of old bond and proceeds from issuing new bond & purchase of treasury shares	0.0	+59.9
Free Cash Flow	-4.8	-24.5

NET INTEREST-BEARING DEBT (NIBD) & LEVERAGE RATIO

IMPROVED CASH FLOW AND PROFITABILITY REDUCING LEVERAGE RATIO

NET-INTEREST BEARING DEBT, MEUR
LEVERAGE RATIO

● NIBD/ Adjusted EBITDA (LTM)¹ ◆ Adjusted EBITDA (LTM)¹ ■ NIBD
 ◆ Leverage ratio per bond term definition²



1. Adjusted EBITDA as defined in the APM section of the Quarterly Report

2. Definition in relation to the MEUR 110 bond issued in 2024. Maximum allowed level (covenant) is 4.0

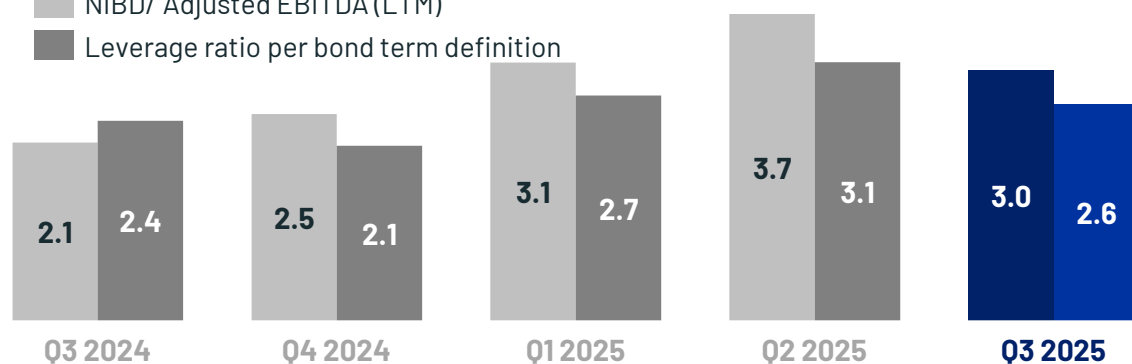
FINANCIAL RATIOS

IMPROVEMENTS IN LEVERAGE RATIO, FOCUS ON FURTHER REDUCTIONS IN CAPITAL EMPLOYED

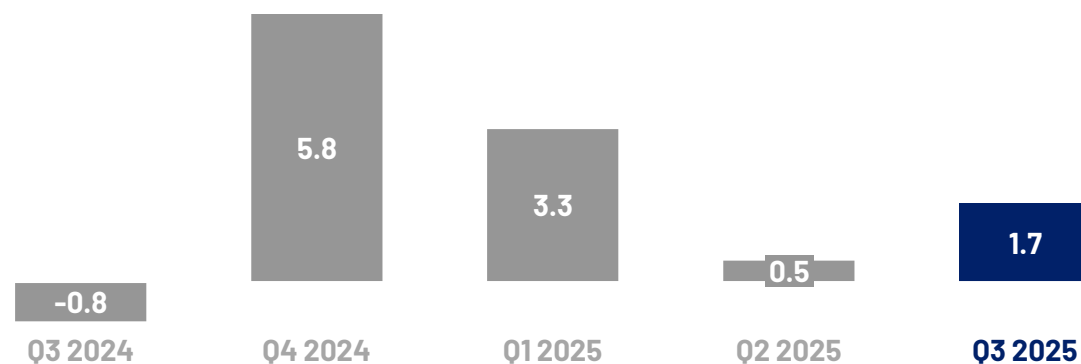
LEVERAGE RATIO, NIBD¹/ ADJUSTED EBITDA⁴, LTM

■ NIBD/ Adjusted EBITDA (LTM)

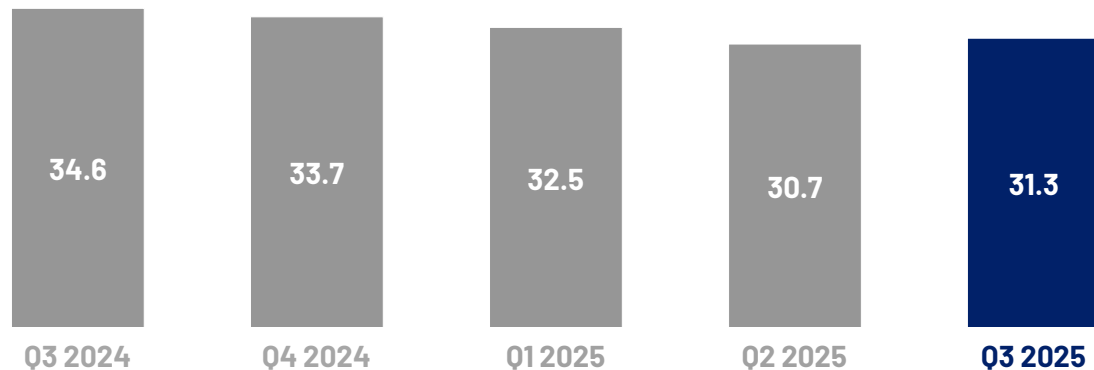
■ Leverage ratio per bond term definition



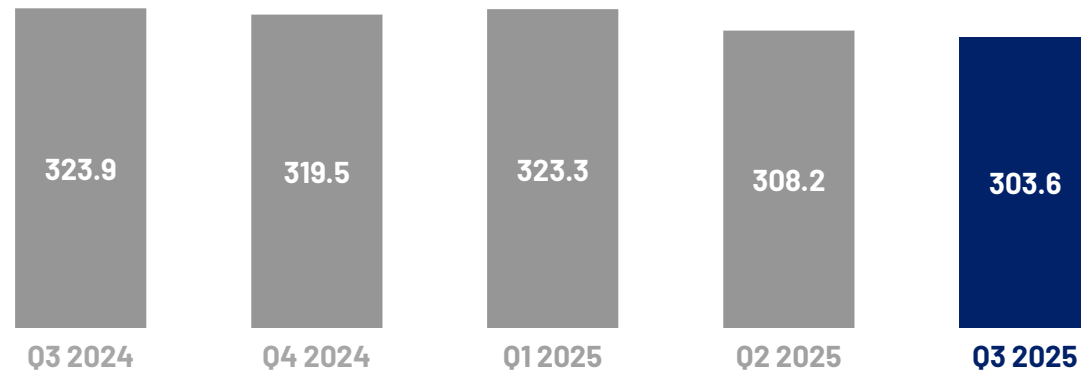
ROCE², %, LTM



EQUITY RATIO, %



CAPITAL EMPLOYED³, MEUR



1. Net interest-bearing debt 2. EBIT (LTM) / Average capital employed

3. Capital employed consists of Intangible Assets, PPE's, Right-of-use assets, Net Working Capital less Lease liabilities at quarter end

4. Adjusted EBITDA as defined in the APM section of the Quarterly Report

SUMMARY & OUTLOOK

SUMMARY

- EBIT growth and significantly improved cash flow in spite of challenging market
- Cost reduction programs progress according to schedule
- Tariff costs were fully mitigated in the quarter
- Increased risk of certain warranty liabilities, more information will be provided when KA has more clarity on the potential financial impact
- Long-term goals and strategies to be shared at Capital Markets Day on December 16, 2025, in Kongsberg

Restoring value creation for shareholders remains top priority

We strongly believe in the future of KA and are determined to make changes required to realize KA's full potential

OUTLOOK

- EBIT margin for H2 2025 is expected to surpass both H1 2025 and H2 2024 levels, supported by continued execution of cost-saving initiatives and operational efficiencies
- For the last quarter of 2025, the market outlook is stable. The outlook for 2026 remains cautiously optimistic, though uncertainties persist

Q&A



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