

To the shareholders in

**Kongsberg Automotive ASA**



Kongsberg, April 7<sup>th</sup>, 2020

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

The shareholders are hereby notified that an Extraordinary General Meeting of Kongsberg Automotive ASA (the "Company") will be held on

**Thursday, April 30, 2020 at 14:00 hrs Norwegian time**

**Venue: Felix Conference Centre, Bryggetorget 3, 0250 Oslo, Norway**

**The following items are on the agenda:**

- 1. Opening of the Extraordinary General Meeting**  
The Extraordinary General Meeting will be opened by Firass Abi-Nassif.
- 2. Registration of attending shareholders and shares represented by proxy**
- 3. Election of a chairperson of the meeting and a co-signer for the minutes**  
The board of directors proposes that Simen Mejlaender is elected to chair the meeting.
- 4. Approval of the notice and agenda**  
The board of directors proposes that the notice and agenda are approved.
- 5. Reduction of share capital by reduction of par value**  
Please refer to further information below as well as Appendix 1 for the board of directors' proposal for resolution to be passed by the general meeting.
- 6. Increase of share capital by Private Placement**  
Please refer to further information below as well as Appendix 1 for the board of directors' proposal for resolution to be passed by the general meeting.
- 7. Convertible Bond Issue**  
Please refer to further information below as well as Appendix 1 for the board of directors' proposal for resolution to be passed by the general meeting.
- 8. Authorization to the Board of Directors to increase the share capital – the Subsequent Offering**  
Please refer to further information below as well as Appendix 1 for the board of directors' proposal for resolution to be passed by the general meeting.

**Background information on financing initiatives including a private placement of shares, a convertible bond issue, a subsequent offering of shares and a capital decrease**

The board of directors of the Company (the "Board") proposes a capital raising of the equivalent NOK value of EUR 80 - 110 million to strengthen the Company's liquidity position (the "Capital Raising") and thereby intends to carry out (i) a private placement of shares (the "Private Placement"), (ii) a private placement of convertible bonds (the "Convertible Bond Issue") and (iii) a potential repair issue (the "Subsequent Offering"). The purpose of the Capital Raising is to strengthen the Company's liquidity in order to mitigate the dramatic impact on income and cash flows which the corona pandemic has and is expected to further affect the Company. For more information on the very strong revenue declines the Company has suffered and expects to continue to be impacted by and the related impacts, please refer to the stock exchange release published by the Company on April 3, 2020.

Through the Private Placement the Company intends to offer new shares to provide for new equity with gross proceeds in the amount of up to NOK 1,540,000,000 (the "**Private Placement Amount**") under the assumption that the NOK/EUR exchange rate will be between NOK 10 - 14/EUR at the time of the Private Placement. The Private Placement will be directed towards the Company's largest shareholders and selected investors pursuant to exemptions from prospectus obligations. The Private Placement Amount and the subscription price per share in the Private Placement (the "**Private Placement Subscription Price**") will be determined by the Board based on investor interest in an accelerated book building process, subject to approval by the extraordinary general meeting on April 30, 2020 (the "**EGM**").

Through the Convertible Bond Issue, the Company intends to offer convertible bonds (the "**Bonds**") to raise gross proceeds of in total up to EUR 55,000,000 (the "**Loan Amount**"). The terms of the Convertible Bond Issue will be in all material respect in accordance with the terms and conditions set out in the short-form term sheet attached to this notice as Appendix 4. The final terms will be announced prior to the EGM. The Bonds can be converted into shares at the option of the bondholder. The conversion price (the "**Conversion Price**") has not been determined at the time of this notice, but will constitute 120-140 % of the Private Placement Subscription Price at a fixed EUR:NOK rate reflecting market rate at the time of the launch of the Private Placement and the Convertible Bond Issue. The Convertible Bond Issue will be directed towards the Company's largest shareholders and selected investors pursuant to exemptions from prospectus obligations. The Loan Amount and the Conversion Price will be determined by the Board based on investor interest in an accelerated book building process, subject to EGM approval.

The Company intends to launch a Subsequent Offering with a number of additional shares (the "**Subsequent Offering Shares**") raising gross proceeds with up to an additional 20 % of the sum of the Private Placement Amount and the proceeds from the Convertible Bond Issue (the "**Subsequent Offering Amount**"). The Subsequent Offering will be directed against shareholders of the Company on the day of the placing of the Private Placement and the Convertible Bond Issue, as registered in the VPS two trading days thereafter, who are not invited to participate in the Private Placement or Convertible Bond Issue. Further information will be provided by the Company in connection with the placing of the Private Placement and the Convertible Bond Issue. The Subsequent Offering will only be offered to persons who are not resident in a jurisdiction where such offering would be unlawful or, for jurisdictions other than Norway, where such offering would require a prospectus, filing, registration or similar action. The subscription price per share in the Subsequent Offering (the "**Subsequent Offering Subscription Price**") will be equal to the Private Placement Subscription Price. The Board will be provided with a discretion to cancel the Subsequent Offering should the prevailing market conditions and considerations of the Company and the common shareholder interest justify such cancelling.

Subject to market conditions, the Company intends to launch the Private Placement and the placement of the Convertible Bond Issue in the period before the EGM, and, depending on investor interest, to allocate the shares in the Private Placement (the "**Private Placement Shares**") and the Bonds to investors before the EGM, with settlement being subject to the EGM resolving to carry out the Capital Raising.

The Board has in Appendix 1 to this notice proposed for the EGM detailed resolutions to facilitate for the Private Placement, the Convertible Bond Issue and the Subsequent Offering. As the Private Placement Subscription Price is not known at the time of this notice, the proposed resolutions included herein provides for a wide range for the Private Placement Subscription Price and the Subsequent Offering Subscription Price from NOK 0.10 to NOK 10 per share. The number of shares to be issued in the Private Placement has as a consequence thereof been set to a range from minimum 80,000,000 Private Placement Shares to maximum 15,400,000,000 Private Placement Shares. The exact number of Private Placement Shares to be issued will correspond to the Private Placement Amount divided by the Private Placement Subscription Price. Correspondingly, the number of shares to be issued in the Subsequent Offering is currently set to a maximum of 3,080,000,000 Subsequent Offering Shares. The exact number of Subsequent Offering Shares will be determined by dividing the Subsequent Offering Amount on the Subsequent Offering Subscription Price, which will be equal to the Private Placement Subscription Price. The Conversion Price for the Bonds has also been set to a range from NOK 0.120 to NOK 14.00 in the proposed resolution included herein as the Conversion Price will constitute between 120 and 140 % of the Private Placement Subscription Price. The Private Placement Subscription Price and

the exact number of Private Placement Shares as well as the Subsequent Offering Subscription Price, the Conversion Price and the Loan Amount will be determined by the Board in connection with the Private Placement and Convertible Bond Issue based on investor interest and be published by stock exchange release in advance of the EGM. The proposed resolutions will accordingly be specified by the Board in advance of the EGM following these principles, which in any event will be within the ranges and upper limits set out in this notice.

The Board also proposes a share capital decrease of up to NOK 179,196,404.80 by reduction of the par value per share from NOK 0.50 down to between NOK 0.49 and NOK 0.10 (the "**Capital Decrease**"), to provide for flexibility when determining the Private Placement Subscription Price, the Subsequent Offering Subscription Price and the Conversion Price. The exact new par value and thereby the exact size of the Capital Decrease will correspond to the lower of the Private Placement Subscription Price and the Conversion Price and be set by the Board in connection with the Private Placement and Convertible Bond Issue. The proposed resolution on Capital Decrease will be specified by the Board in advance of the EGM to include the exact size of the Capital Decrease and the corresponding new par value within said ranges and published by stock exchange notice. The Capital Decrease will take effect simultaneously with the registration of the share capital increase pertaining to the Private Placement in the Norwegian Register of Business Enterprises in accordance with the Norwegian Public Limited Liability Companies Act section 12-5 (2). If the Private Placement Subscription Price and the Conversion Price is set at or above the current par value of NOK 0.50, the Board can withdraw the proposal for Capital Decrease. The Private Placement Shares and the Subsequent Offering Shares will accordingly be issued with the relevant new par value per share unless the Board has withdrawn the Capital Decrease.

In order to facilitate the Private Placement and the Convertible Bond Issue the Board has proposed that the existing shareholders' right to subscribe for new shares and the Bonds, respectively, be set aside. When proposing to set aside the pre-emptive right, the Board has considered the Capital Raising against alternative transaction models and emphasized the need for raising capital in a swift and efficient manner. Under the current circumstances with the dramatic impact on income and cash flows which the corona pandemic has caused the Company and the need to secure sufficient liquidity, the Board finds setting aside the pre-emptive right to be in the best interest of the shareholders.

The Private Placement and the Convertible Bond Issue must also be seen in the context of the Subsequent Offering which will provide shareholders not participating in the Private Placement or the Convertible Bond Issue with the ability to, subject to certain restrictions, subscribe for up to 3,080,000,000 new shares at the same price as in the Private Placement following the preparation and publication of a prospectus.

Further to this, also the Subsequent Offering involves setting aside the existing shareholders pre-emptive rights. The purpose of the Subsequent Offering is equal treatment of shareholders, and therefore it is reasonable in the context of all elements of the Capital Raising that the Subsequent Offering is directed towards shareholders who were not invited to participate in the Private Placement or the Convertible Bond Issue.

On the basis of the above the Board considers the framework for the planned Capital Raising to be in accordance with the equal treatment requirements in the Norwegian Securities Trading Act section 5-14 and Oslo Børs circular 2/2014. The Board will continue to monitor these requirements in the interest of all shareholders.

With regard to events after the latest balance sheet day, reference is made to the interim financial reports and stock exchange releases published by the Company through the Oslo Stock Exchange information system and in particular the stock exchange release published on April 3, 2020.

#### Registration procedures and general information

**Due to the corona pandemic and meeting restrictions, shareholders are urged not to attend the general meeting in person.**

**Shareholders with access to VPS Investor Services are urged to use the advance voting function by accessing VPS Investor services or by following, the link at the Company's IR pages <https://www.kongsbergautomotive.com/investor-relations/>. Shareholders who do**

not have access to VPS Investor Services are urged to provide a proxy with voting instructions per item to the CEO Mr. Henning E. Jensen or any person appointed by him as set out in Appendix 2 to this notice. A voting proxy without instructions can also be granted to the CEO Mr. Henning E. Jensen or any person appointed by him through VPS Investor Services or by using Appendix 2 to this notice. The registration deadline in VPS Investor Services is April 29, 2020 at 14:00 hrs (Norwegian time). Proxies sent by post or e-mail must be received at the latest by the same deadline at the following address: Nordea Bank Norge ASA, Issuer Services, Postbox 1166 Sentrum, 0107 Oslo or [issuerservices.no@nordea.com](mailto:issuerservices.no@nordea.com).

Shareholders who wish to attend the Extraordinary General Meeting in person or with a representative are required to register attendance no later than April 25, 2020 at 1200 hrs (Norwegian time) to Nordea Bank Norge ASA, Issuer Services, Postbox 1166 Sentrum, 0107 Oslo, [issuerservices.no@nordea.com](mailto:issuerservices.no@nordea.com). Please use attendance enclosed in Appendix 3. Shareholders or representatives not complying with this deadline, will be denied access to the meeting in accordance with section 7 of the articles of association and the Norwegian Public Limited Companies Act Section 5-3 due to the current corona pandemic restrictions in Oslo.

The Company reserves the right to have the Chairman of the Board, board members, the CEO or any other person required to be present at the extraordinary general meeting, or any representative of such persons, attending the meeting through videolink or phone in accordance with the *regulation regarding temporary exemption from the rules regarding physical meetings in limited liability companies and public limited liability companies caused by the Covid-19 outbreak* and the Norwegian Corona Act. The Company also reserves the right to right to conduct the meeting as an electronic meeting in accordance with the said regulation, in which case information about access procedures will be sent to all shareholders who have registered for attendance by the deadline set out above.

The Company's annual report, annual accounts and auditor's report for the last year and subsequent interim reports as well as the attachments to this notice are available at the Company's offices and on the web pages [www.kongsbergautomotive.com](http://www.kongsbergautomotive.com). Other documents that will be presented at the general meeting and proposals for resolutions are accessible at the same web site.

The company has issued 447,991,012 shares each carrying one vote. All shares have equal rights. At the date of this notification, the company owned 98,454 treasury shares for which voting rights may not be exercised.

The shareholders have the right to speak at the general meeting, the right to be accompanied by an advisor, to give such advisor the right to speak, and the right to present alternatives to the board's proposals in respect of matters on the agenda at the general meeting.

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Kongsberg, April 7, 2020

For the Board of Directors of Kongsberg Automotive ASA

Firass Abi-Nassif  
Chairman of the Board

Appendices:

1. The board of directors' proposals for resolutions to be passed by the general meeting under items 5 - 8.
2. Proxy form with and without voting instruction
3. Attendance form
4. Short-form term sheet for the Convertible Bond Issue

**Appendix 1: The board of directors' proposals for resolutions to be passed by the general meeting under items 5 - 8**

**5 Reduction of share capital by reduction of par value per share**

With reference to the reasons provided under "*Background information on financing initiatives including a private placement of shares, a convertible bond issue, a subsequent offering of shares and a capital decrease*", the Board proposes that the general meeting passes the following resolution to reduce the Company's share capital by reducing the par value per share in connection with the Capital Decrease:

- (i) *"The Company's share capital shall be reduced by NOK [●] through a reduction of the par value of the Company's shares from NOK 0.50 to NOK [●]."<sup>1</sup>*
- (ii) *The reduction amount shall be allocated to reserves to be used in accordance with the general meeting's resolution.*
- (iii) *Section 4 of the Company's articles of association shall be amended so as to reflect the share capital and the par value of the shares after the share capital reduction.*
- (iv) *This resolution is made subject to the general meeting resolving to approve the board of directors' proposal under items 6 and 8, as adjusted by the board of directors in advance of the general meeting.*
- (v) *The share capital reduction shall take effect upon registration in the Norwegian Register of Business Enterprises without creditor notification deadline and accordingly requires registration of a simultaneous increase of share capital with at least a corresponding amount, cf. the Norwegian Public Limited Liability Companies Act section 12-5 (2)."*

**6 Increase of the share capital by Private Placement**

With reference to the reasons provided under "*Background information on financing initiatives including a private placement of shares, a convertible bond issue, a subsequent offering of shares and a capital decrease*", the Board proposes that the general meeting passes the following resolution to increase the Company's share capital in connection with the Private Placement:

- (i) *"The Company's share capital is increased by NOK [●], through the issuance of [●] new shares, each with a par value of NOK [●] (the "**Private Placement**").<sup>2</sup>*
- (ii) *The subscription price shall be NOK [●]<sup>3</sup> per share.*

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<sup>1</sup> The proposal will be amended by the Board in advance of the EGM to include exact amounts for the reduction in share capital within the range of NOK 4,479,910.12 and NOK 179,196,404.80 and the corresponding new par value per share within the range of NOK 0.49 and NOK 0.10, such amounts to be determined by the Board to achieve a new par value corresponding to the lower of the Private Placement Subscription Price and the Conversion Price. The amended proposal will be published by stock exchange release in advance of the EGM. The proposal under item 5 can be withdrawn by the Board if the Private Placement Subscription Price and the Conversion Price is set at NOK 0.50 per share or above.

<sup>2</sup> The proposal will be amended by the Board in advance of the EGM to include an exact increase in share capital and a corresponding number of new shares, determined by the Board on the basis of investor interest in connection with the Private Placement and Convertible Bond Issue, and will constitute a share capital increase of minimum NOK 40,000,000 and maximum NOK 7,700,000,000 (based on current par value of NOK 0.50 per share), through the issuance of minimum 80,000,000 new shares and maximum 15,400,000,000 new shares. If the share capital is reduced by reduction of par value pursuant to item 5, the range for the share capital increase is adjusted correspondingly. The par value per share to be included in the resolution will correspond to the par value proposed by the Board under item 5, or the current par value of NOK 0.50, if the proposal under item 5 is withdrawn by the Board. The amended proposal will be published by stock exchange release in advance of the EGM.

<sup>3</sup> The proposal will be amended by the Board in advance of the EGM to include an exact subscription price determined by the Board on the basis of investor interest in connection with the Private Placement and the Convertible Bond Issue and will constitute between NOK 0.10 and NOK 10 per share. The amended proposal will be published by stock exchange release in advance of the EGM.

- (iii) Existing shareholders' pre-emptive rights to subscribe the new shares in accordance with section 10-4 first paragraph in the Norwegian Public Limited Liability Companies Act are set aside in accordance with section 10-5 of the Norwegian Public Limited Liability Companies Act.
- (iv) The new shares shall be subscribed by the Company's manager in the Private Placement, SpareBank1 Markets AS, on behalf of, and pursuant to proxies from, the investors participating in and being allocated shares by the board of directors in the Private Placement. Subscription shall be made on a separate subscription form.
- (v) The deadline to subscribe the new shares shall be 4 May 2020. The board of directors is authorized to extend the deadline on one or several occasions, however no later than 11 May 2020.
- (vi) The total subscription amount shall be paid to the Company's bank account designated for share issue purposes within 11 May 2020 or, in the event of an extension of the subscription period, within such later deadline as determined by the board of directors.
- (vii) The new shares entitle the holder to dividend and other shareholder rights as from the time of registration of the share capital increase with the Register of Business Enterprises.
- (viii) The Company's costs associated with the Private Placement, the Convertible Bond Issue and the Subsequent Offering is estimated up to approximately NOK 50 million excl. VAT.
- (ix) Section 4 of the Company's articles of association shall be amended so as to reflect the share capital and the number of shares after the share capital increase.
- (x) This resolution is made subject to the general meeting resolving to approve the board of directors' proposal under items 5 (unless withdrawn by the Board) and 8, as adjusted by the board of directors in advance of the general meeting."

## 7 Convertible Bond Issue

With reference to the reasons provided under "Background information on financing initiatives including a private placement of shares, a convertible bond issue, a subsequent offering of shares and a capital decrease", the Board proposes that the general meeting passes the following resolution to issue the Bonds in connection with the Convertible Bond Issue:

- (i) "The Company shall issue a convertible loan consisting of convertible bonds (the "**Bonds**") in the aggregated amount of EUR [●]<sup>4</sup> (the "**Convertible Bond Issue**") in accordance with the rules of chapter 11 I of the Norwegian Public Limited Liability Companies Act.
- (ii) The Bonds will be governed by bond terms to be entered into between the Company and Nordic Trustee AS on behalf of the bondholders (the "**Bond Terms**"), which will be materially based on the short-form term sheet attached to the notice to the extraordinary general meeting as Appendix 4, supplemented by standard conversion and adjustments terms for convertible bonds in the Nordic bond market (Euromarket terms) (with possible deviations).<sup>5</sup>
- (iii) The Bonds will have a nominal value of EUR 100,000 each, in aggregate EUR [●]<sup>6</sup>.
- (iv) The subscription price for the Bonds shall be equal to the nominal amount per Bond, EUR 100,000.
- (v) The Bonds shall be subscribed by Sparebank1 Markets AS on behalf of investors which has been allocated Bonds by the board of directors in a private placement of the Bonds in advance of the general meeting. The pre-emptive rights of the existing shareholders under § 10-4, cf. § 11-4 of the Norwegian Public Limited Liability Companies Act are set aside.
- (vi) Subscription for Bonds shall be made no later than 4 May 2020 on a separate subscription form.
- (vii) Payment of the subscription amount for the Bonds shall be made no later than 11 May 2020 to a special payment account.
- (viii) The Bonds shall carry no interest and no coupon.

<sup>4</sup> The proposal will be amended by the Board in advance of the EGM to include an exact aggregated loan amount determined by the Board on the basis of investor interest in connection with the Private Placement and the Convertible Bond Issue, and will constitute a an aggregated loan amount of up to EUR 55,000,000. The amended proposal will be published by stock exchange release in advance of the EGM.

<sup>5</sup> Final terms will be announced prior to the EGM.

<sup>6</sup> This amount shall correspond to the aggregated loan amount.

- (ix) *The Bonds shall mature in whole three years after issue date (the "Maturity Date") and in any event not later than on 30 May 2023.*
- (x) *The Convertible Bond Issue is unsecured and senior ranked.*
- (xi) *Each holder of Bonds may, on one or several occasions, convert all or some of its Bonds into shares in the Company at any time during the period from and including the fifteenth business day after the issue date to and including fifteen business days prior to the Maturity Date (or, if earlier, ending on (and including) the fifteenth business day prior to any earlier date fixed for redemption of the Bonds).*
- (xii) *Upon conversion of the Bonds to shares, the conversion price shall be NOK [●]<sup>7</sup> per share ("Conversion Price"). Payment is carried out by set off against the Bonds at an exchange rate of EUR:NOK at [●]:[●]<sup>8</sup> ("Fixed Exchange Rate"). The number of new shares to be issued upon conversion shall equal aggregate nominal value of the Bonds that are to be converted (EUR 100,000 per Bond), multiplied by the Fixed Exchange Rate, divided by the Conversion Price. If this does not result in a whole number of shares, the number shall be rounded down to the nearest number of whole shares.*
- (xiii) *In the event of any increase or reduction of the share capital, the taking up of any loan pursuant to the Norwegian Public Limited Liability Companies Act chapter 11 I, the dissolution, merger, de-merger or conversion of the Company or other changes to the Company's capital as specified in the Bond Terms, the conversion terms shall be adjusted as set out in the Bond Terms.*
- (xiv) *Shares issued upon conversion of Bonds shall carry rights to dividends from the date on which the capital increase associated with the respective shares such specific conversion is registered with the Register of Business Enterprises.*
- (xv) *The subscription rights may not be separated from the Bonds.*
- (xvi) *The board of directors is authorized to, on behalf of the Company, negotiate and finalize the term sheet, enter into the Bond Terms on the basis of the terms set out in this resolution and the final term sheet and to sign such other documents and agreements and take such actions on behalf of the Company as they consider necessary or desirable in connection with the Convertible Bond Issue and issuance of the Bonds.*
- (xvii) *This resolution is made subject to the general meeting resolving to approve the board of directors' proposal under items 5 (unless withdrawn by the Board) and 8, as adjusted by the board of directors in advance of the general meeting."*

## 8 Authorization to the Board of Directors to increase the share capital – the Subsequent Offering

With reference to the reasons provided under "Background information on financing initiatives including a private placement of shares, a convertible bond issue, a subsequent offering of shares and a capital decrease", the Board proposes that the general meeting passes the following resolution to issue an authorization to the Board to increase the Company's share capital in connection with the Subsequent Offering:

- (i) *"The board of directors is authorized under section 10-14 (1) of the Public Limited Companies Act to increase the Company's share capital by up to NOK 1,540,000,000 through the issuance of up to 3,080,000,000 new shares, each of par value up to NOK 0.50<sup>9</sup> to carry out a subsequent offering (the "Subsequent Offering").*

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<sup>7</sup> The proposal will be amended by the Board in advance of the EGM to include an exact Conversion Price determined by the Board on the basis of investor interest in connection with the Private Placement and the Convertible Bond Issue and will constitute between 120-140% of the Private Placement Subscription Price. The amended proposal will be published by stock exchange release in advance of the EGM.

<sup>8</sup> The proposal will be amended by the Board in advance of the EGM to include an exact Fixed Exchange Rate determined by the board of directors to reflect the most recent middle rate published by the Norwegian Central Bank at the time the Private Placement and the Convertible Bond Issue is launched. The amended proposal will be published by stock exchange release in advance of the extraordinary general meeting.

<sup>9</sup> The share capital increase and par value in this proposal is based on par value per share of NOK 0.50 and will be amended by the Board in advance of the EGM in accordance with the exact share capital reduction and reduction of par value proposed by the Board under item 5 (unless the proposal under item 5 is withdrawn).

- (ii) *The subscription price shall be set by the board of directors between NOK 0.10 per share and NOK 10 however not below the par value per share at the time the share capital increase is resolved. The subscription price shall be equal to the subscription price in the Private Placement. Other terms of the Subsequent Offering will be determined by the Board. The board of directors shall consider and decide whether the Subsequent Offering is to be carried out, and shall be entitled to cancel the Subsequent Offering, depending on the prevailing market conditions and considerations of the Company.*
- (iii) *The new shares shall be offered to shareholders of the Company as per the date of the Private Placement who have not been invited to participate in the Private Placement or the Convertible Bond Issue and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action ("Eligible Shareholders"). The Board may also allow for subscription by other investors if the Subsequent Offering is not fully subscribed by Eligible Shareholders, and the board of directors may at its sole discretion resolve allocation principles and final allocation of shares to such investors.*
- (iv) *The authority includes the right to increase the Company's share capital against cash contributions.*
- (v) *The authority does not cover share capital increases against contribution in kind, cf. section 10-2 of the Norwegian Public Limited Liability Act. The authority does not cover resolutions on mergers in accordance with section 13-5 of the Norwegian Public Limited Companies Act.*
- (vi) *The pre-emptive rights of the shareholders under the Norwegian Public Limited Companies Act section 10-4 may be set aside.*
- (vii) *The authorization is valid until 31 December 2020, but shall expire if the Private Placement is not completed.*
- (viii) *The authorization shall co-exist with other existing authorizations.*
- (ix) *The board of directors is authorized to amend section 4 of the Company's articles of association as required by any capital increase resolved by the Board pursuant to this authorization.*
- (x) *This resolution is made subject to the general meeting resolving to approve the board of directors' proposal under items 5 (unless withdrawn by the Board), 6 and 7, as adjusted by the board of directors in advance of the general meeting."*

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## Appendix 2

### PROXY – Kongsberg Automotive ASA – Extraordinary General Meeting

**Please note:** Due to the corona pandemic and meeting restrictions, shareholders are urged not to attend the general meeting in person and rather execute this proxy form. Shareholders with access to VPS Investor Services are urged to use the advance voting function in VPS Investor Services.

This proxy form must be returned to Nordea Bank Norge ASA, Issuer Services, either by post to Nordea Bank Norge ASA, Issuer Services, P.O. Box 1166 Sentrum, N-0107 Oslo or by e-mail to [issuerservices.No@nordea.com](mailto:issuerservices.No@nordea.com)

The proxy form **must be sent in time to be received by Nordea no later than April 29, 2020 at 14:00 (Norwegian time)**. If the deadline is not complied with, participation in the general meeting for the relevant shares can be denied.

Shareholders with access to VPS Investor Services are noted that they, as an alternative to using this proxy form, can register advance votes or a proxy without voting instructions through VPS Investor Services or the Company's website <https://www.kongsbergautomotive.com/investor-relations/> within the same deadline.

The undersigned shareholder in Kongsberg Automotive ASA hereby authorizes:

**Shareholders complete name and address**

CEO Henning E. Jensen (or a person authorized by him)  
 Other person (name) .....

to attend and vote for my/our shares in Kongsberg Automotive ASAs Extraordinary General Meeting on April 30, 2020.

If none of the alternatives above has been ticked the CEO will be considered appointed as proxy. If the CEO has been appointed as proxy, the CEO can appoint any member of the board of directors or the management to represent and vote for the shares covered by the proxy.

**In the event that proxy is given to the CEO, Instructions regarding the exercise of voting rights according to proxy may, if desirable, be given by filling in of the form below**

		In favor	Against	Abstain
Item 3	Election of a chairperson of the meeting and a co-signer for the minutes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Approval of the notice and agenda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	Reduction of the share capital by reduction of par value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6	Increase of share capital by Private Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 7	Convertible Bond Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 8	Authorization to the Board of Directors to increase the share capital – the Subsequent Offering	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If voting instructions are given, the following applies:

If the box "In favor" has been ticked, the proxy is instructed to vote for the proposal in the notice, with any changes suggested by the board of directors or the chairman of the board.

If the box "*Against*" has been checked, this implies that the proxy is instructed to vote against the proposal in the notice, with any changes suggested by the board of directors or the chairman of the board.

If the box "*Abstain*" has been ticked, the proxy is instructed to abstain from voting the shares.

If none of the boxes have been ticked for an item on the agenda, this is interpreted as if the box "*In favour*" had been ticked for such agenda item.

In respect of a vote over matters that are not included on the agenda and which may validly come before the meeting the proxy holder is free to decide how the shares shall be voted. The same applies for votes over matters of formal nature, such as election of the chairperson of the meeting, voting order or voting procedure.

If a shareholder has inserted another person than the CEO as proxy, and wants to give such person instructions on voting, this is a matter between the shareholder and the proxy holder. In such a situation the company does not undertake any responsibility to verify that the proxy votes in accordance with the instructions.

Place	Date	Shareholder's signature*
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\*If the proxy is given on behalf of a company or other legal entity, relevant evidence of authority must be attached so as to evidence that the person signing the proxy form is properly authorized. The receiver of the proxy is free in his/her own discretion to use or reject the proxy in case relevant evidence of authority has not been received.



## Appendix 3

### Shareholders' complete name and address

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**Extraordinary General Meeting in Kongsberg Automotive ASA to be held on April 30, 2020 at 14:00 hrs (Norwegian time) in Felix Conference Centre, Bryggetorget 3, 0250 Oslo, Norway**

**Please note:** Due to the corona pandemic and meeting restrictions, shareholders are urged not to attend the general meeting in person and rather execute the proxy form attached as Appendix 2 to the notice. Shareholders with access to VPS Investor Services are urged to use the advance voting function in VPS Investor Services.

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### ATTENDANCE SLIP – Kongsberg Automotive ASA – Extraordinary General Meeting

The Attendance slip must be received by Nordea Bank Norge ASA, Issuer Services no later than **12:00 hrs (Norwegian time) on April 25, 2020**. Address: Nordea Bank Norge ASA, Issuer Services, P.O. Box 1166 Sentrum, N- 0107 Oslo or by e-mail to [issuerservices.no@nordea.com](mailto:issuerservices.no@nordea.com). Shareholders not complying with this deadline, will be denied access to the meeting in accordance with section 7 of the articles of association and the Norwegian Public Limited Companies Act Section 5-3 due to the current corona pandemic restrictions in Oslo.

The undersigned will attend Kongsberg Automotive ASA Extraordinary General Meeting on April 30, 2020

**Shareholders complete name and address**

vote for my/our shares

vote for shares in accordance with proxy(ies) enclosed

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Date

Shareholder's signature\*

Registration of attendance may also be made through VPS Investor Services or the Company's website <https://www.kongsbergautomotive.com/investor-relations/> by the same deadline as set out above.

\*If the shareholder is a legal entity, please enclose documentation evidencing the representation by the signatory.

#### **Appendix 4: Short form term sheet for the Convertible Bond Issue**

<b>Issuer:</b>	Kongsberg Automotive ASA
<b>Amount:</b>	Up to EUR 55 million
<b>Use of proceeds:</b>	General corporate purposes
<b>Status:</b>	Senior, Unsecured Convertible Bond Issue.
	Convertible into shares issued by the Issuer at any time [from 15 business days after issue date]
<b>Tenor:</b>	3 years
<b>Coupon:</b>	0.00 % p.a.
<b>Fixed Exchange Rate:</b>	EUR/NOK [•]
<b>Security:</b>	None
<b>Amortization:</b>	None, bullet repayment
<b>Indicative conversion premium:</b>	[20-40] % above the Reference Share Price
<b>Reference Share Price:</b>	The price per share at the contemplated new equity offering, converted at the Fixed Exchange Rate
<b>Anti-dilution Protection:</b>	Standard Euromarket anti-dilution protection through adjustment of Conversion terms
<b>Nominal Value:</b>	EUR 100,000 each
<b>Financial Covenants:</b>	None
<b>Pricing Date:</b>	Expected to be [•]
<b>Settlement Date:</b>	Expected to be [•]
<b>Bookrunner</b>	SpareBank 1 Markets
<b>Trustee:</b>	Nordic Trustee
<b>Listing of the Bonds:</b>	[Listing if 5 or more investors]
<b>Law:</b>	Norwegian law

The table above represents the indicative short form term sheet for the Convertible Bond Issue.

Please note the following:

The final terms of the Convertible Bond Issue will be updated by the Board in advance of the EGM to include:

- i. an exact Fixed Exchange Rate determined by the board of directors to reflect the most recent middle rate published by the Norwegian Central Bank at the time the Convertible Bond Issue is launched;
- ii. an exact Conversion Price or "conversion premium" determined by the Board on the basis of investor interest in connection with the Convertible Bond Issue and will constitute between 120-140 % of the Private Placement Subscription Price; and
- iii. exact pricing and settlement dates determined by the Board on the basis of investor interest in connection with the Convertible Bond Issue. The settlement date will follow the EGM; the pricing date will precede the EGM.

An amended proposal to the EGM detailing the above matters will be proposed by the Board and will be published by stock exchange release in advance of the EGM.