



KONGSBERG

Final Terms

4.85% Kongsberg Gruppen ASA Senior Unsecured Open
Bond Issue 2023/2030

ISIN NO0012928227

Final Terms

These Final Terms have been prepared in accordance with Regulation (EU) 2017/1129. The Final Terms together with the Base Prospectus for Kongsberg Gruppen ASA dated 14.12.2023 and any supplements to the Base Prospectus constitute a Prospectus for *NO0012928227 - 4.85% Kongsberg Gruppen ASA Senior Unsecured Open Bond Issue 2023/2030*. The Prospectus contains complete information about the Issuer and the Bonds. The Base Prospectus, any supplements and the Final Terms are/will be available on the Issuer's website: www.kongsberg.com

1. SUMMARY

Summaries are made up of disclosure requirements due to Article 7 in the REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2017.

A - INTRODUCTION AND WARNINGS

Warning	This summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
The Bonds	ISIN: NO0012928227 - 4.85% Kongsberg Gruppen ASA Senior Unsecured Open Bond Issue 2023/2030
The Issuer	Kongsberg Gruppen ASA is a Norwegian public limited liability company organized under the laws of Norway, including the Public Limited Companies Act. The Company's registration number is 943 753 709 its LEI-code is 5967007LIEEXZXJ9HK73.
The Offeror	Not applicable. There is no offeror, the Base Prospectus has been produced in connection with listing of the securities on an Exchange. The Issuer is going to ask for admission to trading on a regulated market.
Competent Authority Approving the Prospectus.	The Financial Supervisory Authority of Norway (Norwegian: <i>Finanstilsynet</i>), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and with telephone number +47 22 93 98 00 has reviewed and on 14.12.2023, approved the Base Prospectus.

B - KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?	
Corporate Information	Kongsberg Gruppen ASA is a Norwegian public limited liability company organized under the laws of Norway, including the Public Limited Companies Act. The Company's registration number is 943 753 709 its LEI-code is 5967007LIEEXZXJ9HK73. Website: www.kongsberg.com
Principal activities	Kongsberg Gruppen ASA is an international technology group supplying high-tech systems and solutions to customers in the energy, merchant, navy and defence and aerospace industries.
Major Shareholders	The Norwegian state owns 50.004 per cent of the shares in Kongsberg Gruppen ASA, and it therefore has the ability to in a material way control and affect the decisions made by the Annual General Meeting in the Company. The State's ownership share is managed by the Ministry of Trade, Industry and Fisheries.
Key managing directors	
Name	Position
Geir Håøy	President and Chief Executive Officer
Mette Toft Bjørgen	Group Executive Vice President and Chief Financial Officer

Final Terms

Eirik Lie	Executive Vice President KONGSBERG / President Kongsberg Defence & Aerospace
Lisa Edvardsen Haugan	Executive Vice President KONGSBERG / President Kongsberg Maritime
Martin Wien Fjell	Executive Vice President KONGSBERG / President Kongsberg Discovery
Even Aas	Group Executive Vice President Public Affairs, Communication and Sustainability
Iver Christian Olerud	Group Executive Vice President Strategy and Business Development
Christian Karde	Group Executive Vice President General Counsel and Chief of Staff
Statutory auditor	The Company's auditor is Ernst & Young AS, Dronning Eufemias gate 6A, 0191 Oslo. Ernst & Young AS is a member of the Norwegian Institute of Certified Public Accountants.

What is the key financial information regarding the Issuer?Kongsberg Gruppen ASA:

	<i>Parent</i>	<i>Group</i>	<i>Group</i>	<i>Group</i>
INCOME STATEMENT	2022	2022	H1 2023	YTD Q3 2023
<i>(Amounts in NOK million)</i>	<i>audited</i>	<i>audited</i>	<i>unaudited</i>	<i>unaudited</i>
Operating revenues	201	31 803	18 703	28 681
Profit for the year/period	257	2 809	1 547	2 590
BALANCE SHEET				
Net financial debt (long term debt plus short term debt minus cash)	1 901	(1 479)	703	2 090
CASH FLOW STATEMENT				
Cash flow from operating activities	(75)	1 106	458	(107)
Cash flow from investment activities	32	(1 343)	(77)	(578)
Cash flow from financing activities	(4 247)	(4 002)	(1 836)	(1 319)

What are the key risk factors that are specific to the Issuer?

Most material key risk factors	<p>Market risk - Its strong international presence and global dependency make the Group vulnerable to factors affecting international trade, foreign exchange and the world economy in general. Negative consequences in the event of these risks occurring may limit Kongsberg's ability to transact business in current or future markets.</p> <p>Future business performance - Kongsberg's revenues are derived from contractual arrangements and its business areas use various contractual formats. If these risks materialise, it would have an adverse effect on Kongsberg's business and reduce their backlog, cash flow and profitability.</p> <p>Ability to develop and innovate - Lack of innovation and development may decrease Kongsberg's capability to acquire markets, specifically within markets with high digitalisation.</p> <p>Failures, undetected errors or defects - Kongsberg's engagements involve projects and services that are critical to the customer's operations. Any failure in an infrastructure component or application that is designed, built, supported, operated, or previously supported and operated, could result in claim for substantial damages against Kongsberg and/or significant reputational harm.</p>
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Final Terms

	<p>Failure to complete parts of projects - Kongsberg depends on several suppliers and sub-contractors for the supply of consumables, spare parts and equipment to operate, maintain, repair, upgrade and deliver its products, systems and services. Disruptions from such third parties can possibly involve capacity constraints, production disruption, price increases, quality control issues, recalls and decreased availability of part and equipment.</p> <p>Loss of key personnel - Shortages of qualified personnel or Kongsberg's inability to obtain and retain qualified personnel may have a material adverse effect on the Company's ability to perform and deliver products and service to customers.</p> <p>Financial risk - Kongsberg is exposed to financial uncertainty through currency risk, interest-rate risk, credit risk, liquidity risk and climate risk.</p>
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C - KEY INFORMATION ON THE SECURITIES

<i>What are the main features of the securities?</i>	
Description of the securities, including ISIN	ISIN: NO0012928227. Senior Unsecured Open Bond Issue with fixed rate. Issue Date Initial Bond Issue: 31 May 2023. Maturity Date: 31 May 2030. Initial Bond Issue/1. Tranche is NOK 1 000 000 000. Total outstanding amount is NOK 1 000 000 000, and Initial Nominal Amount of each Bond is NOK 1 000 000 each and among themselves pari passu ranking. Issue Price 1. Tranche: 100%. The Bonds are fixed rate bonds; 4.85%.
Rights attached to the securities	<p>The Bond Terms will be entered into between the Issuer and the Bond Trustee. The Bond Terms regulates the Bondholder's rights and obligations in relations with the issue. The Bond Trustee enters into the agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.</p> <p>When bonds are subscribed/purchased, the Bondholder has accepted the Bond Terms and is bound by the terms of the Bond Terms.</p>
Status of the bonds and security	The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and will rank at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application). The Bonds are unsecured.
Any restrictions on the free transferability of the securities	Not applicable - there are no restrictions on the free transferability of the Bonds.
<i>Where will the securities be traded?</i>	
Admission to trading	An application for listing will be sent to the Oslo Børs.
<i>What are the key risks that are specific to the securities?</i>	
Most material key risks	<ul style="list-style-type: none"> • Credit risk - is the risk that the Issuer fails to make the required payments under the bonds. • Market risk - there is a risk that the value of the Bonds will decrease due to the change in market conditions. • Liquidity risk - missing demand of the bonds may incur a loss on the bondholder. • Security - unsecured bonds carry a higher risk than secured bonds.

Final Terms

D - KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKED

<i>Under which conditions and timetable can I invest in this security?</i>	
Terms and conditions for the offer	Not applicable. The Bonds have not been subject to a public offer.
<i>Why is the Prospectus being produced?</i>	
Admission to trading	The Prospectus is produced in connection with listing of Bonds on the Exchange.
Use of proceeds	The Issuer will use the net proceeds from the Initial Bond Issue – MNOK 998.5 - shall be employed general corporate purposes. The Issuer will use the net proceeds from the issuance of any Additional Bonds shall be used in accordance with the term sheet for such Tap Issue.
Material conflicts of interest	The involved persons in the Issuer or offer of the Bonds have no interest, nor conflicting interests that are material to the Bond Issue.

2. INFORMATION CONCERNING THE SECURITIES

Main terms of the Bonds:

ISIN:	NO0012928227.
The Bonds/The Bond Issue:	4.85% Kongsberg Gruppen ASA Senior Unsecured Open Bond Issue 2023/2030.
Issuer:	Kongsberg Gruppen ASA, a company existing under the laws of Norway with registration number 943 753 709 and LEI-code 5967007LIEEXZXJ9HK73.
Security Type:	Unsecured Open Bond Issue with fixed rate.
Securities Form:	As set out in the Base Prospectus clause 11.1.
Maximum Issue Amount:	NOK 1 500 000 000.
Initial Bond Issue:	NOK 1 000 000 000.
Outstanding Amount:	NOK 1 000 000 000.
Initial Nominal Amount:	NOK 1 000 000 – each and among themselves pari passu ranking. Nominal Amount as defined in the Base Prospectus section 11.3.
Issue Price:	100 % (par value). As defined in the Base Prospectus section 11.3.
Issue Date:	31 May 2023.
Redemption Price:	100 % As defined in the Base Prospectus section 11.3.
Maturity Date:	31 May 2030. As defined in the Base Prospectus section 11.3.

Interest rate:

Interest Bearing from:	Issue Date.
Interest Rate:	4.85% p.a As set out in the Base Prospectus clause 11.2.4 and defined in section 11.3.
Reference Rate:	NA
Margin:	NA
Current Interest:	4.85%

Final Terms

Interest Period:	Subject to adjustment in accordance with the Business Day Convention, the period between 31 May each year, provided however that an Interest Period shall not extend beyond the Maturity Date. As defined in the Base Prospectus section 11.3.
Interest Payment Date:	As defined in the Base Prospectus section 11.3.
Interest Quotation Date:	NA
Day Count Convention:	30/360. As set out in the Base Prospectus clause 11.2.4 and defined in section 11.3.
Business Day Convention:	No Adjustment. As set out in the Base Prospectus clause 11.2.4 and defined in section 11.3.
Business Day:	As defined in the Base Prospectus section 11.3.
Yield:	As defined in the Base Prospectus section 11.3. Yield for the Interest Period (31 May 2023 – 31 May 2024) is 4.85% p.a. assuming a price of 100%.

The Bonds purpose, status, security and special conditions:

Use of proceeds:	The Issuer will use the net proceeds from the Initial Bond Issue – MNOK 998.5 - shall be employed general corporate purposes. The Issuer will use the net proceeds from the issuance of any Additional Bonds shall be used in accordance with the term sheet for such Tap Issue.
Status:	As set out in the Base Prospectus clause 11.2.7.
Security and any special conditions:	The Bonds are unsecured.

Negative pledge

The Issuer shall not, and shall procure that no Group Company shall, without the prior written consent of the Bond Trustee (on behalf of the Bondholders) create or incur, or allow to exist over any of its present or future assets or revenues, any Security other than:

- (a) any Security existing on the date hereof provided that the principal amount secured is not increased;
- (b) any Security arising solely by operation of law and not arising as a result of any default or omission on the part of the Issuer or any Group Company and securing obligations of not more than 30 days' maturity, unless being contested in good faith;
- (c) any Security in the ordinary course of business including cash pool schemes, and retention of title arrangements in the ordinary course of trading;
- (d) any Security existing over any company or asset acquired after the date hereof, provided that:

Final Terms

- (i) such Security having been created or granted by the relevant company prior to (and not concurrently with) becoming a Group Company;
 - (ii) there is no increase in the principal amount or change in the nature of, the indebtedness thereby secured; and
 - (iii) any Security according to (i) or (ii) shall be released not later than 12 months after such company has become a Group Company;
- (e) any Security over any asset comprising a project which is the subject of a project financing by a Group Company whose principal assets and business are constituted by a project, provided that the person (not being a Group Company) making available such indebtedness has no recourse whatsoever to any Group Company for the payment of such indebtedness;
- (f) any Security granted in respect of Non-Commercial Financing, provided that the maximum amount of indebtedness secured by all Security pursuant to this paragraph does not, at any time, exceed 5 per cent. of Total Consolidated Assets;
- (g) any Security entered into in connection with ordinary treasury activities in connection with entering into hedging arrangements or in respect of exchange requirements;
- (h) any Security not covered by paragraph (a), (b), (c), (d), (e) and (g) above, provided that the aggregate amount of indebtedness secured by all encumbrances under this paragraph (h) does not, at any time, exceed 10 per cent. of Total Consolidated Assets; and
- (i) any Security consented to in writing by the Bond Trustee (or by simple majority at the Bondholders' Meeting).

Redemption:

Maturity:	As set out in the Base Prospectus clause 11.2.3.
Redemption:	As set out in the Base Prospectus clause 11.2.3.
Call/Put:	As set out in the Base Prospectus clause 11.2.3. and defined in section 11.3.

Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "Put Option") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.
- (b) The Put Option must be exercised within 60 calendar days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to the Bond Terms Clause 12.3 (Put Option Event). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 60 calendar days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each

Final Terms

Bondholders holding of Bonds at the Put Option Repayment Date.

Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to the Bond Terms Clause 8.4 (Taxation) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

Listing:

Listing/Exchange: Oslo Børs.

Market Making: There is no market-making agreement entered into in connection with the Bond issue.
As defined in the Base Prospectus section 11.3.

Any restrictions on the free transferability of the Bonds: There are no restrictions on the free transferability of the Bonds.
As set out in the Base Prospectus clause 11.1. and defined under «Listing» in section 11.3.

Other information:

Approvals: The Bonds were issued in accordance with the Issuers Board approval 19.05.2023.
As set out in the Base Prospectus clause 11.2.9.

Bond Terms: As set out in the Base Prospectus clause 11.2.1 and defined in section 11.3.
The Bond Terms is attached to this Final Terms.
Information regarding bondholders, bondholders' meeting and the Bondholder's right to vote are described in the Bond Terms clause 15.

Documentation: Availability of the Documentation: www.kongsberg.com

Bond Trustee: As set out in the Base Prospectus clause 11.2.1 and defined in 11.3.

Calculation Agent: NA

Manager(s): Danske Bank, Norwegian branch, Bryggetorget 4, 0107 Oslo, and Nordea Bank Abp, filial i Norge, Essendrops gate 7, Postboks 1166 Sentrum, 0107 Oslo, Norway.

Paying Agent: DNB Bank ASA, Dronning Eufemias gate 30, 0191 Oslo, Norway.
As defined in the Base Prospectus section 11.3.

Final Terms

CSD: As defined in the Base Prospectus section 11.3.

Legislation under which the
Bonds have been created/
Relevant Jurisdiction:

As set out in the Base Prospectus clause 11.2.1 and defined in 11.3.

Fees, Expenses and Tax
legislation:

As set out in the Base Prospectus clause 11.2.10.

Listing fee 2023 (Oslo Børs): NOK 11 688

Registration fee (Oslo Børs): NOK 18 875

Listing Agent: NOK 100 000

Managers / advisors: Approx. MNOK 1.5

3. ADDITIONAL INFORMATION

Rating

As set out in the Base Prospectus clause 11.2.11.

Interests and conflicts of interest

The involved persons in the Issuer or offer of the Bonds have no interest, nor conflicting interests that are material to the Bond Issue.

Manager for the issuance

Kongsberg Gruppen ASA has mandated Danske Bank, Norwegian branch and Nordea Bank Abp, filial i Norge as Managers for the issuance of the Bonds. The Managers has acted as advisor to Kongsberg Gruppen ASA in relation to the pricing of the Bonds.

The Managers and/or any of their affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in this Final Terms and may perform or seek to perform financial advisory or banking services related to such instruments. The Managers corporate finance department may act as manager or co-manager for this Issuer in private and/or public placement and/or resale not publicly available or commonly known.