

Norwegian Property ASA

Interim report

Fourth quarter and full year 2024



Highlights in the fourth quarter

- **Rental income** of NOK 361 million in the fourth quarter showed a substantial growth of 24 per cent after the takeover of the properties Telegrafan and Martin Linges vei 33.
- **Operating profit before value adjustments** of NOK 295 million, which is an improvement from NOK 168 million for the same period last year.
- **Positive fair-value adjustments** for investment properties and financial derivatives.
 - The fair-value adjustment of investment properties was positive by NOK 417 million (1.5 per cent).
 - The fair-value adjustment for financial derivatives was positive by NOK 39 million after an increase in the long-term market interest rates.
- **Annual rental income (run rate)** from the property portfolio was NOK 1,487 million and increased by NOK 24 million from the beginning of the quarter.
- During the quarter, new and renegotiated leases were signed with a total annual rental income of NOK 20 million. Leases that expired during the same period amounted to NOK 24 million. Consequently, **the net letting** resulted in a negative amount of NOK 4 million.
- **The joint venture residential company Nordr** had 882 residential units under construction at the end of the quarter.
- An **equity issue** of NOK 500 million was carried out in the fourth quarter as part of the financing of the takeover of the property at Martin Linges 33.
- The company has also successfully carried out significant **refinancing activities** in recent quarters in connection with future loan maturities. In the fourth quarter, an agreement was made to issue two new bilateral bonds totalling NOK 2 billion in connection with the refinancing of loans for the property at Martin Linges vei 33.
- **Earnings per share (EPS)** was NOK 0.61.
- **EPRA NRV** was NOK 21.34 per share.
- **Dividend** of NOK 0.14 per share.

Key financial figures and APMs

The financial information for Norwegian Property is prepared in accordance with IFRS. The company also reports on the supplementary financial alternative performance measures (APMs). The table below shows a summary of the key IFRS figures from the group accounts as well as the alternative performance measures (APMs).

| | | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|---|--------------|----------|----------|----------|-----------|
| Profit and loss | | | | | |
| Revenues ¹ | NOK mill. | 361.2 | 292.3 | 1,386.4 | 1,109.6 |
| Operating profit before administrative expenses ² | NOK mill. | 320.1 | 252.9 | 1,208.2 | 953.2 |
| Operating profit before value adjustments ¹ | NOK mill. | 295.2 | 167.8 | 1,141.3 | 829.8 |
| Profit before income tax and value adjustments ² | NOK mill. | 104.6 | 51.1 | 462.4 | 388.3 |
| Profit before income tax, value adjustments and joint ventures ² | NOK mill. | 113.0 | 115.7 | 461.4 | 444.1 |
| Change in fair value of investment property and rental guarantee ¹ | NOK mill. | 417.3 | (895.0) | 909.8 | (3,150.3) |
| Profit before income tax ¹ | NOK mill. | 560.7 | (929.4) | 1,405.2 | (2,765.8) |
| Profit after income tax ¹ | NOK mill. | 396.1 | (814.7) | 1,025.9 | (2,348.1) |
| Balance sheet | | | | | |
| Market value of property portfolio ² | NOK mill. | 27,925.1 | 23,893.7 | 27,925.1 | 23,893.7 |
| Market value of joint ventures ² | NOK mill. | 1,976.3 | 1,992.0 | 1,976.3 | 1,992.0 |
| Gross interest-bearing debt ² | NOK mill. | 16,120.7 | 13,988.4 | 16,120.7 | 13,988.4 |
| Net interest-bearing debt ² | NOK mill. | 15,488.4 | 13,035.5 | 15,488.4 | 13,035.5 |
| Net LTV ² | Per cent | 51.8 | 50.4 | 51.8 | 50.4 |
| Total equity ¹ | NOK mill. | 11,598.2 | 10,411.6 | 11,598.2 | 10,411.6 |
| Equity ratio ² | Per cent | 38.8 | 39.9 | 38.8 | 39.9 |
| Pre-tax return on equity ² | Per cent | 20.4 | (46.6) | 12.8 | (24.1) |
| Cash flow | | | | | |
| Net cash flow from operating activities ¹ | NOK mill. | (112.1) | (4.3) | 490.8 | 561.1 |
| Cash and cash equivalents ¹ | NOK mill. | 471.3 | 325.6 | 471.3 | 325.6 |
| Key figures; per share | | | | | |
| Number of shares outstanding, end of the period | Mill. shares | 668.0 | 643.6 | 668.0 | 643.6 |
| Average number of shares in the period | Mill. shares | 652.3 | 643.6 | 645.8 | 643.6 |
| Profit before income tax ³ | NOK | 0.86 | (1.44) | 2.18 | (4.30) |
| Earnings per share (EPS) ³ | NOK | 0.61 | (1.27) | 1.59 | (3.65) |
| Net cash flow from operating activities ³ | NOK | (0.17) | (0.01) | 0.76 | 0.87 |
| Interest-bearing debt ³ | NOK | 24.13 | 21.74 | 24.13 | 21.74 |
| NAV, book value ³ | NOK | 17.36 | 16.18 | 17.36 | 16.18 |

| EPRA performance measures | | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|---|----------|-------|-------|----------|----------|
| EPRA Earnings | | | | | |
| EPRA earnings, per share ⁴ | NOK | 0.16 | 0.15 | 0.60 | 0.54 |
| EPRA NAV metrics | | | | | |
| Net Reinstatement Value (NRV), per share ⁴ | NOK | 21.34 | 19.99 | 21.34 | 19.99 |
| Net Tangible Assets (NTA), per share ⁴ | NOK | 21.01 | 19.68 | 21.01 | 19.68 |
| Net Disposal Value (NDV), per share ⁴ | NOK | 18.85 | 17.85 | 18.85 | 17.85 |
| EPRA net initial yield | | | | | |
| EPRA Net Initial Yield (NIY) ⁴ | Per cent | 4.88 | 4.98 | 4.88 | 4.98 |
| EPRA "Topped-up" NIY ⁴ | Per cent | 4.97 | 5.06 | 4.97 | 5.06 |
| EPRA vacancy rate | | | | | |
| EPRA vacancy rate ⁴ | Per cent | 5.51 | 3.85 | 5.51 | 3.85 |
| EPRA cost ratio | | | | | |
| EPRA cost ratio, including direct vacancy cost ⁴ | Per cent | 16.03 | 20.63 | 17.87 | 20.30 |
| EPRA cost ratio, excluding direct vacancy cost ⁴ | Per cent | 12.85 | 18.13 | 15.42 | 18.01 |
| EPRA LTV | | | | | |
| EPRA LTV ratio ⁴ | Per cent | 56.6 | 56.8 | 56.6 | 56.8 |

¹ IFRS figures: The IFRS figures which appear in the group accounts.

² APMs: These APMs do not directly derive from the IFRS group accounts and have been explained in the overview of the definitions at the end of this report.

³ IFRS figures and APMs per share: When calculating the APMs and IFRS measures per share, the figures related to the profit and cash flow have been divided by the average number of shares for the period, and those related to the balance sheet have been divided by the number of shares at the end of the period. The number of shares excludes treasury shares.

⁴ EPRA APMs: The calculation of the EPRA APMs is specified in the separate EPRA performance measures section of this report.

Financial developments

Results

Operating revenue

The rental income from commercial properties amounted to NOK 361 million in the fourth quarter (NOK 292 million¹). The NOK 69 million growth (24 per cent) from the corresponding period last year is mainly related to the takeover of the properties Martin Linges vei 33 and Telegrafan. Adjusted for the takeover of properties (like-for-like revenue), this represented an increase of NOK 10 million from the same period of 2023 (4 per cent). Rental income for the year totalled NOK 1,386 million (NOK 1,110 million), representing a like-for-like increase of NOK 64 million (6 per cent).

The total ongoing annual rental income (run rate) was NOK 1,487 million as of January 1. This represented an increase of NOK 24 million since October 1.

Retail and restaurant turnover for Aker Brygge and Hasle increased by 2 and 12 per cent for the fourth quarter compared to the corresponding period last year, respectively.

Operating costs

Property-related operational expenses totalled NOK 17 million (NOK 22 million) for the fourth quarter and NOK 89 million for the year (NOK 83 million). Other property-related expenses came to NOK 25 million (NOK 17 million) for the fourth quarter and NOK 90 million for the year (NOK 74 million). The cost increases are primarily related to having a larger property portfolio in 2024.

¹ The figures shown in brackets refer to the corresponding period of the previous year.

Administrative expenses amounted to NOK 16 million (NOK 21 million) for the fourth quarter and NOK 68 million for the year (NOK 68 million).

Operating profit before fair-value adjustments

The share of profit from joint ventures was a loss of NOK 9 million (loss of NOK 65 million) for the fourth quarter and a profit of NOK 1 million for the year (loss of NOK 56 million).

Thereby, operating profit before fair-value adjustments amounted to NOK 295 million (NOK 168 million) for the fourth quarter and NOK 1,141 million for the year (NOK 830 million).

Fair-value adjustments for investment property

The valuation of the property portfolio yielded a positive unrealised fair-value adjustment of NOK 417 million (negative change of NOK 895 million). This represented a 1.5 per cent change from the value as of September 30 and the cost of investments for the period. The positive unrealised fair-value adjustment for the year totalled NOK 910 million (negative change of NOK 3,150 million), which represented a 3.4 per cent change. The total market value of the property portfolio as of December 31, 2024 amounted to NOK 27,925 million.

Net financial items

Net realised financial expenses amounted to NOK 191 million (NOK 117 million) for the fourth quarter and NOK 679 million for the year (NOK 442 million). The increase in net financial expenses is related to increased debt due to a significantly larger property portfolio and an increase in floating interest rates over the past year.

Long-term market interest rates increased in the fourth quarter. Therefore, the fair-value adjustment for financial derivatives was positive at NOK 39 million (negative change of NOK 86 million). The

positive fair-value adjustment for the year was NOK 33 million (negative change of NOK 4 million).

Profit for the period

The pre-tax profit amounted to NOK 561 million for the fourth quarter (loss of NOK 929 million) and NOK 1,405 million for the year (loss of NOK 2,766 million).

The increase in the provision for deferred tax was NOK 165 million in the fourth quarter (reduction of NOK 115 million) and NOK 379 million for the year (reduction of NOK 418 million).

Net profit in the fourth quarter was thereby NOK 396 million (loss of NOK 815 million) and NOK 1,026 million for the year (loss of NOK 2,348 million).

Joint ventures

The table below presents a summary of Norwegian Property's share of the profit and loss from joint ventures.

| Amounts in NOK million | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|------------------------|--------|--------|----------|----------|
| Nordr | 9.2 | (64.4) | 19.4 | (55.1) |
| Forusbeen 35 | (17.7) | (0.2) | (18.3) | (0.7) |
| Total share of profit | (8.5) | (64.6) | 1.0 | (55.8) |

Norwegian Property owns Nordr together with Fredensborg and Union Real Estate Fund III. Nordr had 882 flats under construction and a substantial land bank of 13,000 units in Norway and Sweden at the end of the period.

Norwegian Property's share of net assets for Nordr in the balance sheet as of December 31 was NOK 956 million (NOK 930 million)².

Balance sheet

Total assets in the balance sheet as of December 31 were NOK 29,884 million (NOK 26,111 million) with investment properties accounting for NOK 27,667 million (NOK 23,518 million) and the properties used by the owner accounting for NOK 106 million (NOK

145 million). Non-current receivables amounted to NOK 152 million, which were related to the rental guarantee provided by the seller of the property at Snarøyveien 30 (NOK 231 million).

Investment in joint ventures was NOK 956 million (NOK 933 million).

Norwegian Property held NOK 471 million in cash and cash equivalents (NOK 326 million).

Total interest-bearing liabilities in the balance sheet came to NOK 16,121 million (NOK 13,988 million) with non-current interest-bearing liabilities totalling NOK 10,106 million (NOK 10,778 million) and current interest-bearing liabilities amounting to NOK 6,015 million (NOK 3,211 million).

Financial derivatives accounted for a net asset of NOK 174 million (NOK 141 million) with NOK 187 million classified as assets (NOK 151 million) and NOK 13 million as liabilities (NOK 10 million).

Equity totalled NOK 11,598 million (NOK 10,412 million), representing an equity ratio of 39 per cent (40 per cent). The book value of equity per share was NOK 17.36 (NOK 16.18). Outstanding shares totalled 674,263,524 (649,825,596). Treasury shares totalled 6,250,000, and 668,013,524 shares were held by the external shareholder.

Cash flow

Net operational cash flow was negative at NOK 112 million for the fourth quarter (NOK 4 million) and positive at NOK 491 million for the year (NOK 561 million). Cash earnings in the fourth quarter amounted to NOK 112 million. The change in the rental guarantee receivables and other short-term items amounted to negative amounts of NOK 3 million and NOK 221 million, respectively.

Net cash flow from investing activities was negative at NOK 122 million (NOK 2,165 million) for the fourth quarter and NOK 2,633 million for the year (NOK 2,414 million). Investments related to the adjustments for lessees associated with new and

² See note 6 to the interim accounts for financial and operational information related to Nordr.

renegotiated leases as well as ongoing operational investments amounted to NOK 117 million for the fourth quarter and NOK 495 million for the year. The takeover of the property at Martin Linges vei 33 amounted to NOK 2,114 million for the year. Other investing activities were NOK 6 million for the fourth quarter and NOK 24 million for the year.

Net cash flow from financing activities was positive at NOK 368 million (NOK 2,279 million) for the fourth quarter, following a reduction of NOK 42 million in interest-bearing debt, a capital increase of NOK 500 million and a dividend payment of NOK 90 million. For the year, net cash flow from financing activities was positive at NOK 2,288 million (NOK 1,994 million).

Cash and cash equivalents showed an increase of NOK 133 million (NOK 111 million) and NOK 146 million for the year (NOK 141 million).

Dividend

The board has resolved to pay a dividend of NOK 0.14 per share for the fourth quarter of 2024.

Financing

Key figures

The table below presents the key figures related to interest-bearing debt and hedges as of December 31.

| Interest bearing debt and hedging | | 31.12.24 | 31.12.23 |
|---|----------|----------|----------|
| Interest-bearing debt | NOK mill | 16,120.7 | 13,988.4 |
| Cash and cash equivalents | NOK mill | 471.3 | 325.6 |
| Interest-bearing receivables ¹ | NOK mill | 160.9 | 627.3 |
| Interest-hedging ratio | Per cent | 54.0 | 63.9 |
| Unutilised credit facilities | NOK mill | 623.3 | 3,086.4 |
| Remaining time to maturity for interest hedge agreements | Years | 4.5 | 4.8 |
| Average interest rate | Per cent | 4.84 | 4.39 |
| Average interest margin | Per cent | 1.76 | 1.53 |
| Remaining time to maturity for interest-bearing debt | Years | 2.4 | 2.8 |
| Market value of the property portfolio | NOK mill | 27,925.1 | 23,893.7 |
| Market value of investment in joint ventures ² | NOK mill | 1,976.3 | 1,992.0 |
| Gross debt to asset ratio (gross LTV) | Per cent | 53.9 | 54.0 |
| Net debt to asset ratio (net LTV) ³ | Per cent | 51.8 | 50.4 |

¹ Interest-bearing receivables include loans in relation to joint ventures.

² Applies to the book value of the investment in Nordr (joint venture), adjusted for the EPRA-revaluation of the investment.

³ Interest-bearing debt less the liquid assets and interest-bearing receivables in relation to the market value of the property portfolio and the real value of the shares in Nordr.

Interest-bearing liabilities

Interest-bearing liabilities totalled NOK 16,121 million as of December 31 (NOK 13,988 million). In addition, the company had undrawn credit and overdraft facilities of NOK 623 million (NOK 3,086 million).

In December 2024, Norwegian Property came to an agreement to issue NOK 2 billion in new senior secured bilateral bonds to refinance bonds maturing on January 10, 2025. The new bonds have terms of 3 years (NOK 800 million) and 7 years (NOK 1.2 billion). Both are secured with a mortgage on the property at Martin Linges vei 33.

In September 2024, Norwegian Property issued new senior secured bonds of NOK 545 million. Settlement took place in the fourth quarter on October 1, 2024.

Loans which are maturing over the next 12 months amount to NOK 6,015 million.

Interest hedges

The table below presents the maturity structure of interest-rate hedges for the company's interest-bearing debt as of December 31, 2024.

| Maturity profile of interest hedges | Amount (NOK mill.) | Interest ¹ (per cent) | Share of total liabilities (per cent) |
|-------------------------------------|--------------------|----------------------------------|---------------------------------------|
| < 1 year | 7,610 | 4.3 | 47 |
| 1 > 2 year | 2,329 | 2.7 | 14 |
| 2 > 3 year | - | 3.3 | - |
| 3 > 4 year | 300 | 2.2 | 2 |
| 4 > 5 year | 1,340 | 2.7 | 8 |
| > 5 year | 4,542 | 1.4 | 28 |
| Total | 16,121 | 3.1 | 100 |

¹ Average base interest rate for the matured amount.

Market and operations

Commercial property market

Norwegian Property estimates the office vacancy rates in Oslo to be 6.6 per cent overall, 5.1 per cent in the city centre and 10.2 per cent in Nydalen. Moderate vacancy rates in the past few years have contributed to positive trends for rents. Office vacancy at Fornebu is 19.1 per cent. The prime yield for the Oslo CBD is estimated by various analysts to be approximately 4.50-4.75 per cent.

There was good liquidity in the bond market for property related transactions in the fourth quarter. Margins for the sector were reduced by approximately 30 bp during the quarter.

The 10-year swap interest rate started at 3.5 per cent at the beginning of the quarter and increased to 4 per cent at the end of the quarter. Long-term interest rates were affected by the interest rates in the US. The prospect of higher tariffs and more expansionary policies with Trump as the US president have contributed to raising interest rate expectations.

The Central Banks among Norway's main trading partners have cut the interest rates in 2024. Norges Bank stated in its monetary policy meeting in December that, as inflation approaches the set target, it expects to cut the rate in March 2025.

The property portfolio

Key figures

Norwegian Property owned 31 investment properties as of December 31. They are located in the central areas of the Oslo region. The company's properties mainly comprise office premises as well as retail and

restaurant space along with the associated warehousing and parking for the office areas.

Total ongoing annual rental income (run rate) from the company's whole property portfolio was NOK 1,487 million as of January 1, 2025. That represented an increase of NOK 24 million since October 1. NOK 70 million of the run rate is related to the rental guarantee provided by the seller of the property at Snarøyveien 30. The overall financial vacancy in the property portfolio totalled 6.3 per cent, which is primarily related to the properties Sandakerveien 138-140, Snarøyveien 30 and 36 as well as Martin Linges vei 33, along with some minor office vacancies in CBD. The weighted average remaining duration of the leases was 5.8 years. The average rent adjustment factor for the consumer price index was 100.0 per cent for the total portfolio as of December 31, 2024.

The key figures hereinabove do not include the space which is under construction as of December 31. Ongoing projects at the end of the quarter are specified in the table shown below.

| Area | Property | Tenant | Area (sqm) | Compl. date |
|-------------|-------------------|--------------------------|------------|-------------|
| Aker Brygge | Kaibygning I | CMS Kluge | 5,780 | Q2 2025 |
| Aker Brygge | Kaibygning II | Los Tacos | 275 | Q2 2025 |
| Aker Brygge | Tingvalla | Vågen | 950 | Q2 2025 |
| CBD | Lille Grensen 7 | Pasient og brukerombudet | 700 | Q1 2025 |
| Fornebu | Snarøyveien 30 | Telenor Cyberdefence | 1,200 | Q1 2025 |
| Fornebu | Snarøyveien 36 | Endotech | 470 | Q1 2025 |
| Nydalen | Gjerdrums vei 17 | Rockwool | 820 | Q2 2025 |
| Nydalen | Sandakerveien 138 | Mycoteam | 1,230 | Q2 2025 |
| Nydalen | Sandakerveien 140 | ITV | 1,000 | Q2 2025 |

New leases

During the fourth quarter, new and renegotiated leases were signed with a total annual rental income of NOK 20 million. Leases that expired during the same period amounted to NOK 24 million. Consequently, the net letting resulted in a negative amount of NOK 4 million.

Valuation of the property portfolio

An independent appraiser has valued the properties in the company's portfolio based on the same methods and principles applied in the previous periods. In addition, the company has prepared a valuation based on similar principles. The accounting valuation as of December 31, 2024 is based on an average of the two valuations.

As of December 31, the company's portfolio of investment properties was valued at NOK 27,925 million (NOK 23,894 million). The rent guarantee receivables and properties used by the owner were carried separately in the balance sheet at NOK 152 million and NOK 106 million, respectively, and were recognised at fair value. Fair-value adjustments recognised in the profit and loss for the investment properties was NOK 417 million for the fourth quarter. This represents a 1.5 per cent change from the value as of September 30 and the cost of investments for the period.

Shareholder information

An equity issue of NOK 500 million was carried out in the fourth quarter of 2024 as part of the financing of the takeover of the property at Martin Linges vei 33. The share capital was increased by NOK 12,463,343.28, from NOK 331,411,053.96 to NOK 343,874,397.24, by the issuance of 24,437,928 new shares, each with a nominal value of NOK 0.51. In addition, the shareholding in Norwegian Property ASA was transferred to a different holding company within the same ownership structure as part of an internal restructuring.

As of December 31, 2024, Norwegian Property ASA has a share capital of NOK 343,874,397.24 divided into 674,263,524 shares, each with a par value of NOK 0.51. Norwegian Property ASA owns 6,250,000

treasury shares. Realty Holdings (NOR) Ltd. owns the remaining 668,013,524 shares in the company.

The environment and social responsibility (ESG)

Environment and climate

BREEAM In-use

In the fourth quarter, the retail and restaurant premises located at the property Kaibyg 1 were BREEAM In-use certified "Very Good". Fifty-six per cent of the property portfolio is now BREEAM In-use certified "Very good" and 32 per cent is BREEAM In-use certified "Excellent". Therefore, by the end of 2024, 88 per cent of the property portfolio is BREEAM In-use certified "Very good" or better.

Green Bond

The building ML33 is refinanced under the green bond framework. The new loans were issued in January 2025.

Preparing for CSRD reporting

In the reporting year 2026 for 2025, Norwegian Property will be subject to the CSRD and will be required to report according to European Sustainability Reporting Standards (ESRS). The reporting standards demand extensive data collection and control. In the fourth quarter, NPRO's Sustainability Department is preparing a Sustainability Report according to the ESRS for 2024. The report for 2024 will be used to carry out a GAP analysis to prepare the company for when the CSRD will be a legal requirement for the reporting year 2025.

The work with the CSRD reporting includes preparing a Double Materiality Analysis (DMA). Employees with special competence within Environmental, Social or Governance matters have been included in the process of assessing the impacts, risks and opportunities.

The EU-taxonomy

Norwegian Property has calculated the proportion of Taxonomy-eligible economic activities and Taxonomy non-eligible activities in the total turnover, CAPEX and OPEX. NPRO belongs to the construction and real estate sector, and the current calculation focuses on the activity “Acquisition and ownership of buildings”. The green asset ratio (GAR) as per the fourth quarter is 17 per cent.

Social

Accessible and free activities

Norwegian Property continues its effort to create accessible and free outdoor activities for all, focusing on family activities. Throughout December, families could enjoy free Christmas plays, choir concerts, gingerbread decoration workshops and read-alouds for kids. In addition, and to inspire and facilitate circularity, an exchange market for pre-loved toys was set up at Terminalbygget. Here children of all ages were invited to bring a toy they had outgrown and to exchange it for another pre-loved toy. The initiative was well-received by the children and their parents.

Outlook

Norwegian Property has a strategy for growth in its core commercial property business as well as an ambition to consider opportunities in other property segments.

Norwegian Property will continue its efforts to expand and develop its business through additional acquisitions as well as by pursuing several interesting long-term development opportunities in the existing property portfolio.

Currently, the supply of new properties is limited in the Oslo market, with the exception of Construction City and parts of the new “Regjeringskvartalet”. In order to increase new build offices, either the yields must decrease, building costs must decrease or the rents must increase substantially, or a combination of these factors. The shortage of new supply will contribute to increase the demand for available high quality office space and the rent levels will most likely continue to rise.

Property values have shown a positive development in 2024. Capital is now available from several different funding sources.

Norwegian Property’s financial position is sound, with a high equity ratio and a relatively low loan-to-value ratio. The company has a highly diversified portfolio of tenants in the public sector and various private business segments. This contributes to the company being well positioned in order to handle any possible uncertainty and having a continued focus on the strategy of further expanding and developing the business.

Interim accounts

Consolidated condensed income statement and statement of comprehensive income

| Amounts in NOK million | Note | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|--|-------|---------|---------|----------|-----------|
| Rental income | 3 | 361.2 | 292.3 | 1,386.4 | 1,109.6 |
| Revenues | | 361.2 | 292.3 | 1,386.4 | 1,109.6 |
| Property-related operational expenses | | (16.7) | (22.1) | (88.6) | (82.5) |
| Other property-related expenses | | (24.5) | (17.4) | (89.5) | (73.9) |
| Total property-related expenses | | (41.2) | (39.4) | (178.2) | (156.4) |
| Administrative expenses | | (16.4) | (20.5) | (68.0) | (67.5) |
| Total operating expenses | | (57.6) | (59.9) | (246.2) | (224.0) |
| Share of profit in joint ventures | 6 | (8.5) | (64.6) | 1.0 | (55.8) |
| Operating profit before fair-value adjustments | | 295.2 | 167.8 | 1,141.3 | 829.8 |
| Change in market value of investment property and rental guarantee | 4 | 417.3 | (895.0) | 909.8 | (3,150.3) |
| Operating profit | | 712.5 | (727.2) | 2,051.0 | (2,320.4) |
| Financial income | 10 | 10.6 | 25.9 | 95.9 | 42.3 |
| Financial cost | 10 | (201.3) | (142.6) | (774.8) | (483.9) |
| Realised net financial items | | (190.6) | (116.7) | (678.8) | (441.6) |
| Change in market value of financial derivative instruments | 7, 10 | 38.9 | (85.5) | 33.0 | (3.9) |
| Net financial items | | (151.8) | (202.2) | (645.8) | (445.4) |
| Profit before income tax | | 560.7 | (929.4) | 1,405.2 | (2,765.8) |
| Income tax | 11 | (164.7) | 114.7 | (379.3) | 417.8 |
| Profit for the period | | 396.1 | (814.7) | 1,025.9 | (2,348.1) |
| Profit attributable to non-controlling interests | | - | - | - | - |
| Profit attributable to shareholders of the parent company | | 396.1 | (814.7) | 1,025.9 | (2,348.1) |

| Amounts in NOK million | Note | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|--|------|-------|---------|----------|-----------|
| Value adjustment of owner-occupied property, net of tax | 4 | 2.3 | (2.5) | 1.8 | (10.6) |
| Other comprehensive income that will not be reclassified to profit or loss, net of tax | | 2.3 | (2.5) | 1.8 | (10.6) |
| Currency changes on translation of foreign joint venture operations | 6 | 2.9 | 19.6 | 6.7 | 30.3 |
| Other comprehensive income that subsequently may be reclassified to profit or loss, net of tax | | 2.9 | 19.6 | 6.7 | 30.3 |
| Total comprehensive income | | 401.4 | (797.6) | 1,034.4 | (2,328.4) |
| Total comprehensive income attributable to shareholders of the parent company | | 401.4 | (797.6) | 1,034.4 | (2,328.4) |
| Total comprehensive income attributable to non-controlling interests | | - | - | - | - |

Consolidated condensed balance sheet

| Amounts in NOK million | Note | 31.12.2024 | 31.12.2023 |
|--------------------------------------|------|-----------------|-----------------|
| Financial derivative instruments | 7 | 186.4 | 147.6 |
| Investment property | 4 | 27,666.8 | 23,517.7 |
| Owner-occupied property | 4 | 106.4 | 144.9 |
| Other fixed assets | 5 | 28.6 | 30.3 |
| Investment in joint ventures | 6 | 955.8 | 933.2 |
| Rental guarantee receivables | 4 | 151.8 | 231.1 |
| Total non-current assets | | 29,095.8 | 25,004.9 |
| Financial derivative instruments | 7 | 1.2 | 3.6 |
| Receivables | 9 | 315.9 | 777.0 |
| Cash and cash equivalents | 9 | 471.3 | 325.6 |
| Total current assets | | 788.4 | 1,106.2 |
| Total assets | | 29,884.3 | 26,111.0 |
| Share capital | | 340.8 | 328.3 |
| Share premium | | 4,260.5 | 3,773.3 |
| Other paid in equity | | 6,996.9 | 6,310.0 |
| Total equity | | 11,598.2 | 10,411.6 |
| Deferred tax | 11 | 1,740.3 | 1,360.5 |
| Financial derivative instruments | 7 | 13.2 | - |
| Interest bearing liabilities | 9 | 10,105.7 | 10,777.8 |
| Other liabilities | | 2.0 | 2.6 |
| Total non-current liabilities | | 11,861.2 | 12,140.9 |
| Financial derivative instruments | 7 | - | 9.8 |
| Interest bearing liabilities | 9 | 6,015.0 | 3,210.6 |
| Other liabilities | | 409.9 | 338.2 |
| Total current liabilities | | 6,424.9 | 3,558.6 |
| Total liabilities | | 18,286.1 | 15,699.4 |
| Total equity and liabilities | | 29,884.3 | 26,111.0 |

Oslo, January 28, 2025

The board of directors and the CEO of Norwegian Property ASA

Bjørn Henningsen
(Chair)

Cecilie Astrup
Fredriksen (Director)

Kathrine Astrup
Fredriksen (Director)

Lars Erich Nilsen
(Director)

Bent Oustad
(CEO)

Consolidated condensed statement of changes in equity

| Amounts in NOK million | | Share capital | Treasury shares ¹ | Share premium | Other paid in equity | Retained earnings | Total equity |
|----------------------------|----------|---------------|------------------------------|---------------|----------------------|-------------------|--------------|
| Total equity | 31.12.22 | 324.9 | (3.1) | 3,280.1 | 7,563.1 | 1,397.1 | 12,562.1 |
| Total comprehensive income | | - | - | - | (1,253.1) | (1,075.3) | (2,328.4) |
| Share issue | | 6.5 | - | 493.2 | - | - | 499.7 |
| Paid dividend | | - | - | - | - | (321.8) | (321.8) |
| Total equity | 31.12.23 | 331.4 | (3.1) | 3,773.3 | 6,310.0 | - | 10,411.6 |
| Total comprehensive income | | - | - | - | 1,034.4 | - | 1,034.4 |
| Share issue | | 12.5 | - | 487.2 | - | - | 499.7 |
| Paid dividend | | - | - | - | (347.5) | - | (347.5) |
| Total equity | 31.12.24 | 343.9 | (3.1) | 4,260.5 | 6,996.9 | - | 11,598.2 |

¹ The company owns 6,250,000 treasury shares.

Consolidated condensed statement of cash flow

| Amounts in NOK million | Note | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|---|------|----------------|------------------|------------------|------------------|
| Profit before income tax | | 560.7 | (929.4) | 1,405.2 | (2,765.8) |
| Depreciation of tangible assets | | 1.5 | 1.5 | 6.2 | 7.1 |
| Interest income on guarantee receivables | | (2.2) | (1.7) | (5.8) | (5.7) |
| Fair value adj. of investment property and rental guarantee | 3 | (417.3) | 895.0 | (909.8) | 3,150.3 |
| Fair value adjustment of financial derivative instruments | 4 | (38.9) | 85.5 | (33.0) | 3.9 |
| Profit for joint venture | 6 | 8.5 | 37.0 | (1.0) | 55.8 |
| Change in rental guarantee receivables | 4 | (3.2) | (6.7) | 62.1 | 55.2 |
| Change in short-term items | | (221.2) | (85.5) | (33.1) | 60.4 |
| Net cash flow from operating activities | | (112.1) | (4.3) | 490.8 | 561.1 |
| Investments related to the acquisition of investment properties | | - | - | (2,114.1) | (1,540.8) |
| Investment in and upgrading of investment properties | | (116.5) | (1,793.0) | (495.0) | (460.0) |
| Net other investing activities | | (5.6) | (371.5) | (24.1) | (413.7) |
| Net cash flow from investing activities | | (122.1) | (2,164.5) | (2,633.2) | (2,414.4) |
| Net change in interest-bearing debt | 6 | (42.0) | 1,860.0 | 2,136.0 | 1,816.0 |
| Capital increase | | 499.7 | 499.7 | 499.7 | 499.7 |
| Paid dividend | | (90.1) | (80.4) | (347.5) | (321.8) |
| Net cash flow from financial activities | | 367.6 | 2,279.3 | 2,288.2 | 1,993.9 |
| Net change in cash and cash equivalents | | 133.4 | 110.5 | 145.7 | 140.5 |
| Cash and cash equivalents at the beginning of the period | | 338.0 | 215.1 | 325.6 | 185.1 |
| Cash and cash equivalents at the end of the period | | 471.3 | 325.6 | 471.3 | 325.6 |

Notes to the condensed financial statements

NOTE 1: General information

The Norwegian Property ASA real estate group primarily owns commercial properties in the Oslo region. Norwegian Property also owns a share (joint venture) in the residential development company Nordr. Nordr has residential units under construction and a land bank in the largest Norwegian and Swedish cities. In Stavanger, Norwegian Property has a joint venture for the development of a property with a combined residential and commercial purpose.

The holding company, Norwegian Property ASA, is a public limited company with its headquarters located at Bryggegata 3, Oslo (Norway). Realty Holdings (NOR) Ltd. is the shareholder of Norwegian Property ASA.

The interim report of Norwegian Property ASA was approved at a board meeting on January 28, 2025. The report has not been audited.

In accordance with the requirements of section 3, sub-section 3 of the Norwegian Accounting Act, Norwegian Property presents annual statements on corporate governance and social responsibility. The latest disclosures are contained in the annual report for 2023.

NOTE 2: Accounting policies

The financial statements include Norwegian Property ASA and subsidiaries. Sold properties are included in the accounts until the completion of the transactions. Acquired properties are included in the financial statements from the date of acquisition.

Management makes estimates and assumptions concerning the future. The accounting estimates will by definition seldom be fully in accordance with the final outcome. Estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities primarily relate to the valuation of investment property.

This interim report is prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements are prepared in accordance with the applicable IFRS standards and interpretations. The accounting policies used in preparing the interim report are in accordance with the principles applied in preparing the annual accounts for 2023. The interim report presents condensed financial statements and does not contain all the information required for full annual financial statements. The report should, therefore, be read in conjunction with the financial statements for 2023.

No significant changes have been made to accounting policies compared with the principles used in the preparation of the financial statements for 2023. Norwegian Property has not implemented any new standards or changes of standards in the 2024 interim financial statement which has had a significant impact on the accounts. There are no material new standards and interpretations not yet implemented.

NOTE 3: Segment information

Commercial properties

Norwegian Property's primary business is the ownership and management of commercial properties in the Oslo region.

Residential properties

The company has an investment in the residential development company Nordr. In Stavanger, Norwegian Property has a joint venture for the development of a property with a combined residential and commercial purpose (Forusbeen 35).

Financial segment information

The segmentation of operating profit, excluding the administrative owner costs, reflects the division into commercial property and residential property segments. A similar division has also been made for all balance sheet items apart from those related to group functions, financing of the group and tax positions.

The segment information relating to income statement items in the fourth quarter of 2024 is specified in the table below.

| Amounts in NOK million | Commercial properties | Residential properties | Group | Total |
|---|-----------------------|------------------------|---------|---------|
| Revenue | 361.2 | - | - | 361.2 |
| Total property-related expenses | (41.2) | - | - | (41.2) |
| Administrative expenses | - | - | (16.4) | (16.4) |
| Share of profit in joint ventures | (13.7) | 5.2 | - | (8.5) |
| Change in market value of investment property | 417.3 | - | - | 417.3 |
| Operating profit | 723.7 | 5.2 | (16.4) | 712.5 |
| Net financial items | | | (151.8) | (151.8) |
| Profit before income tax | | | (168.2) | 560.7 |
| Income tax | | | (164.7) | (164.7) |
| Profit for the period | | | (332.8) | 396.1 |

The segment information relating to income statement items in the fourth quarter of 2023 is specified in the table below.

| Amounts in NOK million | Commercial properties | Residential properties | Group | Total |
|---|-----------------------|------------------------|---------|---------|
| Revenue | 292.3 | - | - | 292.3 |
| Total property-related expenses | (39.4) | - | - | (39.4) |
| Administrative expenses | - | - | (20.5) | (20.5) |
| Share of profit in joint ventures | (0.1) | (64.4) | - | (64.5) |
| Change in market value of investment property | (895.0) | - | - | (895.0) |
| Operating profit | (642.3) | (64.4) | (20.5) | (727.2) |
| Net financial items | | | (202.2) | (202.2) |
| Profit before income tax | | | (222.7) | (929.4) |
| Income tax | | | 114.7 | 114.7 |
| Profit for the period | | | (108.0) | (814.7) |

The segment information relating to income statement items for the full year of 2024 is specified in the table below.

| Amounts in NOK million | Commercial properties | Residential properties | Group | Total |
|---|-----------------------|------------------------|-----------|---------|
| Revenue | 1,386.4 | - | - | 1,386.4 |
| Total property-related expenses | (178.2) | - | - | (178.2) |
| Administrative expenses | - | - | (68.0) | (68.0) |
| Share of profit in joint ventures | (14.2) | 15.2 | - | 1.0 |
| Change in market value of investment property | 909.8 | - | - | 909.8 |
| Operating profit | 2,103.8 | 15.2 | (68.0) | 2,051.0 |
| Net financial items | | | (645.8) | (645.8) |
| Profit before income tax | | | (713.9) | 1,405.2 |
| Income tax | | | (379.3) | (379.3) |
| Profit for the period | | | (1,093.2) | 1,025.9 |

The segment information relating to income statement items for the full year of 2023 is specified in the table below.

| Amounts in NOK million | Commercial properties | Residential properties | Group | Total |
|---|-----------------------|------------------------|---------|-----------|
| Revenue | 1,109.6 | - | - | 1,109.6 |
| Total property-related expenses | (156.4) | - | - | (156.4) |
| Administrative expenses | - | - | (67.5) | (67.5) |
| Share of profit in joint ventures | (0.5) | (55.3) | - | (55.8) |
| Change in market value of investment property | (3,150.3) | - | - | (3,150.3) |
| Operating profit | (2,197.7) | (55.3) | (67.5) | (2,320.4) |
| Net financial items | | | (445.4) | (445.4) |
| Profit before income tax | | | (512.9) | (2,765.9) |
| Income tax | | | 417.8 | 417.8 |
| Profit for the period | | | (95.1) | (2,348.1) |

The segment information related to balance sheet items as of December 31, 2024 is specified in the table below.

| Amounts in NOK million | Commercial properties | Residential properties | Group | Total |
|----------------------------------|-----------------------|------------------------|------------|------------|
| Investment property | 27,773.2 | - | - | 27,773.2 |
| Other fixed assets | 24.0 | - | 4.6 | 28.6 |
| Investment in joint ventures | - | 955.8 | - | 955.8 |
| Receivables | 467.7 | - | - | 467.7 |
| Cash and cash equivalents | - | - | 471.3 | 471.3 |
| Deferred tax | - | - | (1,740.3) | (1,740.3) |
| Financial derivative instruments | - | - | 174.4 | 174.4 |
| Interest bearing liabilities | - | - | - | - |
| Other liabilities | (208.5) | - | (203.4) | (411.9) |
| Total equity | | | (11,598.2) | (11,598.2) |

The segment information related to balance sheet items as of December 31, 2023 is specified in the table below.

| Amounts in NOK million | Commercial properties | Residential properties | Group | Total |
|----------------------------------|-----------------------|------------------------|------------|------------|
| Investment property | 23,662.6 | - | - | 23,662.6 |
| Other fixed assets | 26.3 | - | 4.0 | 30.3 |
| Investment in joint ventures | - | 933.2 | - | 933.2 |
| Receivables | 1,008.1 | - | - | 1,008.1 |
| Cash and cash equivalents | - | - | 325.6 | 325.6 |
| Deferred tax | - | - | (1,360.5) | (1,360.5) |
| Financial derivative instruments | - | - | 141.4 | 141.4 |
| Interest bearing liabilities | - | - | (13,988.4) | (13,988.4) |
| Other liabilities | (144.4) | - | (196.4) | (340.8) |
| Total equity | | | (10,411.6) | (10,411.6) |

NOTE 4: Investment property and rental guarantees

Changes in the carrying amount of investment property and rental guarantees are specified in the table below.

| Amounts in NOK million | Note | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|--|------|----------|----------|----------|-----------|
| Total value of investment property and rental guarantees, opening balance | | 27,384.8 | 23,136.5 | 23,893.7 | 25,201.0 |
| Fair value adjustments of investment property | | 418.8 | (898.4) | 932.7 | (3,197.8) |
| Fair value adjustments of rental guarantees | 1 | (1.5) | 3.4 | (23.0) | 47.5 |
| Total fair value adjustments of investment property and rental guarantees | | 417.3 | (895.0) | 909.8 | (3,150.3) |
| Fair value adjustments of owner-occupied investment property, recognised in other comprehensive income | 2 | 2.5 | (4.0) | - | (16.3) |
| Interest income on rental guarantee receivables | 1 | 1.1 | 1.7 | 5.8 | 5.7 |
| Investment in properties | | 115.1 | 1,647.8 | 3,177.9 | 1,908.8 |
| Payments related to the rental guarantee | 1 | 4.3 | 6.7 | (62.1) | (55.2) |
| Total value of investment property and rental guarantees, closing balance | | 27,925.1 | 23,893.7 | 27,925.1 | 23,893.7 |
| Of which is book value of investment property | | 27,666.8 | 23,517.7 | 27,666.8 | 23,517.7 |
| Of which is book value of owner-occupied inv. property | 2 | 106.4 | 144.9 | 106.4 | 144.9 |
| Of which is book value of rental guarantee receivables | 1 | 151.8 | 231.1 | 151.8 | 231.1 |

¹ An estimated value related to the rental guarantee provided by the seller of the property at Snarøyveien 30 is presented as a receivable in the balance sheet. The seller guarantees an agreed level for the rent and common costs of vacant premises from the takeover in 2020 until mid-2027.

² Owner-occupied property is accounted for at fair value and revaluation is included in other comprehensive income.

Investment property and rental guarantees at fair value through profit or loss is specified in the following table broken down by the valuation method.

| Amounts in NOK million | Level 1 ¹ | Level 2 ¹ | Level 3 ¹ | Total |
|------------------------------|----------------------|----------------------|----------------------|----------|
| | 31.12.24 | | | |
| Investment property | - | - | 27,666.8 | 27,666.8 |
| Owner-occupied property | - | - | 106.4 | 106.4 |
| Rental guarantee receivables | - | - | 151.8 | 151.8 |
| Total | - | - | 27,925.0 | 27,925.1 |
| | 31.12.23 | | | |
| Investment property | - | - | 23,517.7 | 23,517.7 |
| Owner-occupied property | - | - | 144.9 | 144.9 |
| Rental guarantee receivables | - | - | 231.1 | 231.1 |
| Total | - | - | 23,893.7 | 23,893.7 |

¹ Level 1: Observable market value for similar assets or liabilities, Level 2: Significant other observable inputs for similar assets, Level 3: Significant other unobservable inputs

The company's policy is to make transfers between levels at the time of the incident or circumstance which caused the transfer. No movements between the levels have occurred in 2023 and 2024.

NOTE 5: Other fixed assets

Other tangible fixed assets in the balance sheet are specified in the table below.

| Amounts in NOK million | 31.12.24 | 31.12.23 |
|--|-------------|-------------|
| Energy production and distribution system at Aker Brygge in Oslo | 23.7 | 25.9 |
| Other assets | 4.9 | 4.4 |
| Other fixed assets | 28.6 | 30.3 |

NOTE 6: Joint ventures

Nordr

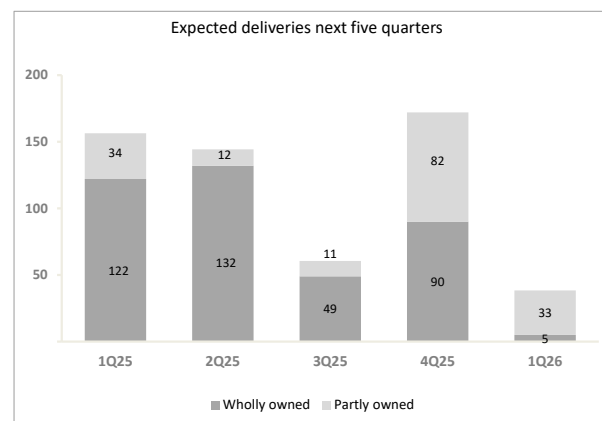
Nordr has flats under construction and a substantial land bank in Norway and Sweden. The land bank is largely located in the largest Norwegian and Swedish cities, with an emphasis on eastern Norway and the extended Stockholm capital region in Sweden.

Norwegian Property owns Nordr together with Fredensborg and Union Real Estate Fund III. While Norwegian Property and Fredensborg are equal partners with a share of 42.5 per cent of preference shares each Union own 15 per cent. Norwegian Property owns 42.4 per cent of all shares in the company.

The table below presents the quarterly development of the project portfolio for Nordr over the past five quarters.

| Project portfolio Nordr | 4Q-23 | 1Q-24 | 2Q-24 | 3Q-24 | 4Q-24 |
|---|-------|-------|-------|-------|-------|
| Units sold | 109 | 151 | 237 | 215 | 240 |
| Construction starts | 110 | 13 | 137 | - | 268 |
| Units completed | 351 | 268 | 264 | 313 | 220 |
| Units delivered | 303 | 214 | 365 | 143 | 187 |
| Units under construction | 1,282 | 1,273 | 1,147 | 834 | 882 |
| Units under construction incl. tenant owned units (hyresrätter) | 1,590 | 1,581 | 1,379 | 1,066 | 1,114 |
| Sales ratio, units under construction (per cent) | 62 | 66 | 70 | 74 | 79 |
| Completed unsold units | 58 | 76 | 83 | 87 | 85 |
| Sales value, units sold in the period | 490 | 805 | 1,382 | 1,361 | 1,412 |
| Sales value, units under constr. (NOK mill.) | 7,839 | 7,396 | 6,721 | 5,030 | 5,692 |

The figure below shows the expected completions during the next five quarters based on the best estimate for the timing of the projects. A total of 572 residential units are expected to be completed during the next five quarters in both wholly and partly owned projects in Norway and Sweden.



Independent appraisers have valued the company's plots higher than at acquisition, raising Norwegian Property's NAV metrics without affecting the investment's book value.

Forusbeen 35

The property at Forusbeen 35 in Stavanger has been rezoned from a commercial building to a combined residential and commercial property. Until the construction begins, the operation of the property will continue as a commercial property. Norwegian Property owns the project as a joint venture together with Base Bolig. The shareholders each have a share of 50 per cent.

Financial information for joint ventures

The change in the carrying amount of investments in joint ventures are specified in the table below.

| Amounts in NOK million | Nordr | Forusbeen 35 | Total 31.12.24 | Total 31.12.23 |
|--|-------|--------------|----------------|----------------|
| Book value, opening balance | 930.1 | 3.1 | 933.2 | 1,061.7 |
| Share of profit for the period | 19.4 | (18.3) | 1.0 | (55.8) |
| Currency changes ¹ | 6.7 | - | 6.7 | 30.3 |
| Intercompany transactions | (0.5) | (4.4) | (4.9) | (5.1) |
| Dividend received | - | - | - | (106.3) |
| Capital increase | - | - | - | 13.5 |
| Negative book value against receivables ² | - | 19.7 | 19.7 | (5.1) |
| Book value, closing balance | 955.8 | - | 955.8 | 933.2 |

¹ The currency risk associated with the Nordr business in Sweden is not hedged.

² The share of negative equity for a joint venture is accounted for as a reduction of receivables.

Norwegian Property's share of profit in joint ventures for the fourth quarter is specified in the table below.

| Amounts in NOK million | Nordr | Forusbeen 35 | Total 4Q-24 | Total 4Q-23 ¹ |
|---|---------|--------------|-------------|--------------------------|
| Revenue | 490.0 | 0.1 | 490.1 | 1,536.0 |
| Project cost from the sale of residential units | (485.9) | (7.3) | (493.2) | (1,671.9) |
| Other operating expenses | (36.6) | (0.7) | (37.3) | (53.6) |
| Share of profit in joint ventures | 43.2 | - | 43.2 | 4.5 |
| Change in market value of investment property | - | (25.6) | (25.6) | - |
| Operating profit | 10.6 | (33.4) | (22.8) | (185.0) |
| Net financial items | 8.9 | - | 8.9 | (13.0) |
| Profit before income tax | 19.5 | (33.4) | (13.9) | (198.0) |
| Income tax | 2.2 | (1.9) | 0.2 | 45.6 |
| Profit for the period | 21.7 | (35.4) | (13.7) | (152.4) |
| Share of profit for the period | 9.2 | (17.7) | (8.5) | (64.6) |
| The groups total share of profit for the period | 9.2 | (17.7) | (8.5) | (64.6) |

¹ The groups share of net profit for the fourth quarter of 2023 is related to Nordr (loss of NOK 64.4 million) and Forusbeen 35 (loss of NOK 0.2 million).

Norwegian Property's share of profit in joint ventures for the full year is specified in the table below.

| Amounts in NOK million | Nordr | Forusbeen 35 | Total 31.12.24 | Total 31.12.23 ¹ |
|---|-----------|--------------|----------------|-----------------------------|
| Revenue | 3,594.7 | 0.9 | 3,595.5 | 4,773.1 |
| Project cost from the sale of residential units | (3,493.7) | (7.3) | (3,501.1) | (4,766.8) |
| Other operating expenses | (194.4) | (3.1) | (197.5) | (228.4) |
| Share of profit in joint ventures | 143.6 | - | 143.6 | 74.7 |
| Change in market value of investment property | - | (25.6) | (25.6) | - |
| Operating profit | 50.1 | (35.1) | 15.0 | (147.5) |
| Net financial items | (31.1) | - | (31.1) | (51.6) |
| Profit before income tax | 19.1 | (35.1) | (16.0) | (199.1) |
| Income tax | 26.7 | (1.6) | 25.1 | 67.7 |
| Profit for the period | 45.7 | (36.7) | 9.1 | (131.4) |
| Share of profit for the period | 19.4 | (18.3) | 1.0 | (55.8) |
| The groups total share of profit for the period | 19.4 | (18.3) | 1.0 | (55.8) |

¹ The groups share of the net loss for the full year 2023 is related to Nordr (loss of NOK 55.1 million) and Forusbeen 35 (loss of NOK 0.7 million).

Norwegian Property's share of equity in joint ventures is specified in the table below.

| Amounts in NOK million | Nordr | Forusbeen 35 | Total 31.12.24 | Total 31.12.23 |
|---|-----------|--------------|----------------|----------------|
| Investment property | - | 2.0 | 2.0 | 23.7 |
| Other fixed assets | 26.8 | - | 26.8 | 36.2 |
| Investment in joint ventures | 705.1 | - | 705.1 | 1,177.0 |
| Property related inventory | 7,454.2 | 119.0 | 7,573.2 | 8,290.6 |
| Receivables | 590.0 | 0.3 | 590.3 | 780.1 |
| Cash and cash equivalents | 375.9 | 0.1 | 376.0 | 164.4 |
| Deferred tax | (335.2) | - | (335.2) | (349.9) |
| Interest bearing liabilities | (4,591.2) | (136.0) | (4,727.2) | (5,876.6) |
| Other liabilities | (1,980.4) | (0.7) | (1,981.1) | (1,961.2) |
| Total equity | (2,245.2) | 15.2 | (2,230.0) | (2,284.3) |
| The groups share of total equity ¹ | (955.8) | - | (955.8) | (933.2) |

¹ The share of negative equity for a joint venture is accounted for as a reduction of receivables.

NOTE 7: Financial derivatives

Change in net derivatives in the balance sheet (interest-rate derivatives) is specified in the table below¹.

| Amounts in NOK million | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|--|--------|--------|----------|----------|
| Net book value of derivatives, opening balance | 135.6 | 226.9 | 141.4 | 145.3 |
| Fair value adjustments of derivatives | 38.9 | (85.5) | 33.0 | (3.9) |
| Net book value of derivatives, closing balance | 174.4 | 141.4 | 174.4 | 141.4 |
| Of which classified as non-current assets | 186.4 | 147.6 | 186.4 | 147.6 |
| Of which classified as current assets | 1.2 | 3.6 | 1.2 | 3.6 |
| Of which classified as non-current liabilities | (13.2) | - | (13.2) | - |
| Of which classified as current liabilities | - | (9.8) | - | (9.8) |

¹All interest-rate derivatives are cash flow hedges, and Norwegian Property does not use hedge accounting for these derivatives.

NOTE 8: Financial instruments

The book value and fair value of the financial instruments are specified in the table below.

| Amounts in NOK million | 31.12.2024 | | 31.12.2023 | |
|--|-----------------|-----------------|-----------------|-----------------|
| | Book value | Fair value | Book value | Fair value |
| Non-current derivatives | 186.4 | 186.4 | 147.6 | 147.6 |
| Non-current receivables | 151.8 | 151.8 | 231.1 | 231.1 |
| Current derivatives | 1.2 | 1.2 | 3.6 | 3.6 |
| Current receivables | 211.2 | 211.2 | 277.6 | 277.6 |
| Cash and cash equivalents | 471.3 | 471.3 | 325.6 | 325.6 |
| Total financial assets | 1,022.0 | 1,022.0 | 985.5 | 985.5 |
| Non-current derivatives | 13.2 | 13.2 | - | - |
| Non-current interest-bearing liabilities | 10,105.7 | 10,133.9 | 10,777.8 | 10,786.6 |
| Other non-current liabilities | 1.8 | 1.8 | 1.8 | 1.8 |
| Current derivatives | - | - | 9.8 | 9.8 |
| Current interest-bearing liabilities | 6,015.0 | 6,017.2 | 3,210.6 | 3,213.3 |
| Other current liabilities | 340.8 | 340.8 | 300.5 | 300.5 |
| Total financial liabilities | 16,476.5 | 16,506.9 | 14,300.5 | 14,312.0 |

The estimated fair value of financial instruments is based on market prices and valuation methods. For cash and cash equivalents, fair value is assumed to be equal to the book value.

Interest-bearing receivables and liabilities are measured at the present value of future cash flows. Account is taken of the estimated difference between the current margin and market conditions (market value higher than the book value of debt in the listing indicates a negative equity effect when the

applicable borrowing margin is less favourable than current market conditions).

The fair value of financial derivatives (interest-rate and currency derivatives) is the estimated present value of future cash flows which is calculated by using quoted swap curves and exchange rates as at the balance sheet date. The technical calculations are performed by the banks.

Other receivables and other current liabilities are carried principally at fair value and subsequently measured at amortised cost. However, discounting

is not usually considered to have any significant effect on these types of assets and liabilities.

Financial instruments at fair value through profit or loss are specified in the table below by the valuation method.

| Amounts in NOK million | Level 1 ¹ | Level 2 ¹ | Level 3 ¹ | Total |
|---------------------------------------|----------------------|----------------------|----------------------|--------------|
| | 31.12.24 | | | |
| Non-current derivatives (assets) | - | 186.4 | 151.8 | 338.2 |
| Current derivatives (assets) | - | 1.2 | - | 1.2 |
| Non-current derivatives (liabilities) | - | (13.2) | - | (13.2) |
| Total | - | 174.4 | 151.8 | 326.3 |
| 31.12.23 | | | | |
| Non-current derivatives (assets) | - | 147.6 | 231.1 | 378.7 |
| Current derivatives (assets) | - | 3.6 | - | 3.6 |
| Current derivatives (liabilities) | - | (9.8) | - | (9.8) |
| Total | - | 141.4 | 231.1 | 372.5 |

¹ Level 1: Observable market value for similar assets or liabilities, Level 2: Significant other observable inputs for similar assets, Level 3: Significant other unobservable inputs

The company's policy is to make transfers between levels at the time of the incident or circumstance which caused the transfer. No movements between the levels have occurred in 2023 and 2024.

NOTE 9: Net interest-bearing position

The change in the net interest-bearing position is specified in the table below.

| Amounts in NOK million | Note | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|--|------|-------------------|-------------------|-------------------|-------------------|
| Loan facilities at par value, opening balance | | 16,185.0 | 12,144.9 | 14,007.0 | 12,144.9 |
| Net change of loan facilities | | (42.0) | 1,862.1 | 2,136.0 | 1,862.1 |
| Loan facilities at par value, closing balance | 1 | 16,143.0 | 14,007.0 | 16,143.0 | 14,007.0 |
| Accrued financial items | | (22.3) | (18.6) | (22.3) | (18.6) |
| Book value of interest-bearing debt | | 16,120.7 | 13,988.4 | 16,120.7 | 13,988.4 |
| Of which classified as non-current liabilities | | 10,105.7 | 10,777.8 | 10,105.7 | 10,777.8 |
| Of which classified as current liabilities | | 6,015.0 | 3,210.6 | 6,015.0 | 3,210.6 |
| Of which are bonds | | 11,461.3 | 10,177.5 | 11,461.3 | 10,177.5 |
| Of which are bank facilities | | 4,659.4 | 3,810.9 | 4,659.4 | 3,810.9 |
| Interest-bearing debt | | (16,120.7) | (13,988.4) | (16,120.7) | (13,988.4) |
| Interest-bearing receivable | 2 | 160.9 | 627.3 | 160.9 | 627.3 |
| Cash and cash equivalents | | 471.3 | 325.6 | 471.3 | 325.6 |
| Net interest-bearing position | | (15,488.4) | (13,035.5) | (15,488.4) | (13,035.5) |

¹ Unutilised credit facilities were NOK 623.3 million as of December 31, 2024 and NOK 3,086.4 million as of December 31, 2023.

² Interest-bearing receivables are related to loans to joint ventures and other interest-bearing investments.

Norwegian Property is exposed to interest rate risk on floating-rate borrowings. The general policy in accordance with the applicable loan agreements is that at least 50 per cent of the company's interest-bearing debt at any time will be hedged. As of December 31, 2024, 54.0 per cent of such loans was secured (December 31, 2023: 63.9 per cent). The

remaining time to maturity for interest hedging agreements was 4.5 years (4.8 years).

The total average interest margin on loans was 176 basis points (153 basis points). The loan portfolio has an average interest rate of 4.84 per cent (4.39 per cent), and the remaining time to maturity for interest-bearing debt was 2.4 years (2.8 years).

The group's loan facilities as of December 31, 2024 are specified in the table below.

| <i>(Amounts in NOK million)</i> | Security (property) | Due (year) | Drawn amount | Short-term loan | Long-term loan | Undrawn amount |
|---|----------------------|------------|--------------|-----------------|----------------|----------------|
| Bond NPRO26 | Bryggeg. 9/Støperiet | 2027 | 545.0 | - | 545.0 | - |
| Bond NPRO25 | Fondbygget | 2029 | 635.0 | - | 635.0 | - |
| Bond NPRO24 | Fondbygget | 2029 | 340.0 | - | 340.0 | - |
| Bond NPRO26 | Drammensveien 60 | 2027 | 420.0 | - | 420.0 | - |
| Bond NPRO14 | Kaibygning I | 2026 | 350.0 | - | 350.0 | - |
| Bond NPRO19 | Verkstedhallene | 2025 | 975.0 | 975.0 | - | - |
| Bond NPRO20 | Terminalbygget | 2025 | 700.0 | 700.0 | - | - |
| Bond NPRO21 | Snarøveien 36 | 2026 | 779.0 | - | 779.0 | - |
| Bond NPRO22 | Kaibygning I | 2026 | 150.0 | - | 150.0 | - |
| Bond NPRO23 | Terminalbygget | 2026 | 200.0 | - | 200.0 | - |
| Bond unlisted | Snarøveien 30 | 2030 | 3,542.0 | - | 3,542.0 | - |
| Bond unlisted ¹ | Martin Linges vei 33 | 2025 | 1,839.0 | 1,839.0 | - | - |
| Bond unlisted | Telegrafan | 2026 | 1,000.0 | - | 1,000.0 | - |
| RCF SEB | Property portfolio 1 | 2025 | 500.0 | 500.0 | - | 35.3 |
| RCF Swedbank | Property portfolio 2 | 2025 | 525.0 | 525.0 | - | 70.3 |
| RCF DNB | Property portfolio 3 | 2025 | 550.0 | 550.0 | - | 32.3 |
| RCF DNB | Verkstedhallene | 2026 | 550.0 | - | 550.0 | 126.6 |
| RCF DNB | Terminalbygget | 2026 | 400.0 | - | 400.0 | 350.0 |
| RCF DNB | Lille Grensen 7 | 2026 | 378.0 | - | 378.0 | 8.9 |
| Term loan SEB | Kaibygning I | 2026 | 530.0 | - | 530.0 | - |
| Term loan SEB | Kaibygning I | 2025 | 500.0 | 500.0 | - | - |
| RCF SEB | Kaibygning I | 2026 | 300.0 | - | 300.0 | - |
| Term loan Swedbank/SR-Bank | Sandakerv. 138/140 | 2025 | 435.0 | 435.0 | - | - |
| Total interest-bearing debt, 31 December 2024 | | | 16,143.0 | 6,024.0 | 10,119.0 | 623.3 |
| Accrued financial items | | | (22.3) | (9.0) | (13.3) | |
| Book value of interest-bearing debt, 31 December 2024 | | | 16,120.7 | 6,015.0 | 10,105.7 | |

¹ In December 2024, Norwegian Property entered into an agreement to issue NOK 2 billion in new senior secured bilateral bonds to refinance bonds of NOK 1,839 million maturing in January 2025.

NOTE 10: Net financial items

A breakdown of the net financial items in the income statement is presented below.

| Amounts in NOK million | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|--|----------------|----------------|----------------|----------------|
| Interest income on bank deposits and receivables | 9.5 | 24.9 | 90.1 | 38.4 |
| Other financial income ¹ | 1.1 | 1.0 | 5.8 | 3.9 |
| Total financial income | 10.6 | 25.9 | 95.9 | 42.3 |
| Interest expense on borrowings | (201.3) | (142.6) | (774.8) | (483.9) |
| Total financial cost | (201.3) | (142.6) | (774.8) | (483.9) |
| Realised net financial items | (190.6) | (116.7) | (678.8) | (441.6) |
| Change in the market value of financial derivative instruments | 38.9 | (85.5) | 33.0 | (3.9) |
| Net financial items | (151.8) | (202.2) | (645.8) | (445.4) |

¹ Interest calculated in relation to the rental guarantee receivable for the property at Snarøyveien 30 (see note 4).

NOTE 11: Deferred tax and income tax

The change in deferred tax and tax expense is presented in the table below.

| Amounts in NOK million | 4Q-24 | 4Q-23 | 31.12.24 | 31.12.23 |
|---|----------------|----------------|----------------|----------------|
| Profit before income tax | 560.7 | (929.4) | 1,405.2 | (2,765.8) |
| Income tax calculated at 22 per cent | 123.4 | (204.5) | 309.1 | (608.5) |
| Differences between financial accounts and tax accounts | 41.3 | 89.8 | 70.2 | 190.7 |
| Income tax | 164.7 | (114.7) | 379.3 | (417.8) |
| Deferred tax, opening balance | 1,575.0 | 1,587.9 | 1,360.5 | 1,893.3 |
| Acquired in asset acquisitions | - | (112.1) | - | (112.1) |
| Recognised through profit and loss | 164.7 | (114.7) | 379.3 | (417.8) |
| Payable tax through profit and loss | - | - | - | - |
| Recognised through comprehensive income | 0.7 | (0.7) | 0.5 | (3.0) |
| Deferred tax, closing balance | 1,740.3 | 1,360.5 | 1,740.3 | 1,360.5 |

NOTE 12: Related-party disclosures

A management fee of NOK 2 million has been expensed in 2024 from a company related to the shareholder Realty Holdings (NOR) Ltd.

No other agreements or significant transactions with related parties have been carried out in 2024.

Intercompany balances and transactions with subsidiaries (which are related parties of Norwegian Property ASA) are eliminated in the consolidated financial statements and are not covered by the information given in this note. Financial matters related to directors and senior management are

described in the annual financial statements (see note 19 and 20 to the financial statements for 2023).

NOTE 13: Events after the balance sheet date

In accordance with the mandate from the annual general meeting in 2024 the board decided on January 28, 2025 that a dividend of NOK 0.14 per share will be paid for the fourth quarter of 2024.

No other significant events have occurred after the balance sheet date as of December 31, 2024.

EPRA Performance Measures

EPRA (European Public Real Estate Association) is an association for the publicly traded European real estate sector. EPRA was founded in 1999 as a not-for-profit association. It has several hundred members, covering the whole spectrum of the listed real estate industry (companies, investors and their suppliers). EPRA's mission is to promote, develop and represent the European public real estate sector through the provision of better information to investors and stakeholders, active involvement in the public and political debate, promotion of best practices as well as the cohesion and strengthening of the industry. For further information, see www.epra.com.

EPRA has issued Best Practices Recommendations Guidelines on areas of reporting that are the most relevant to investors and where more consistent reporting across Europe would bring the greatest benefits in the overall transparency of the sector.

Norwegian Property report on the following EPRA Performance Measures.

EPRA Earnings

EPRA Earnings is a key measure of the underlying operating performance of the property portfolio and an indication of the extent to which current dividend payments are supported by earnings. EPRA Earnings is calculated based on the IFRS Earnings for the commercial property portfolio adjusted for changes in the market value of investment properties, changes in the market value of financial derivative instruments and the related tax effects.

| EPRA earnings | | 4Q-24 | 31.12.2024 | 4Q-23 | 31.12.2023 |
|--|--------------|---------|------------|---------|------------|
| IFRS earnings | NOK mill. | 396.1 | 1,025.8 | (814.7) | (2,348.1) |
| Adjustments to calculate EPRA Earnings: | | | | | |
| Change in market value of inv. property and rental guarantee | NOK mill. | (417.3) | (909.8) | 895.0 | 3,150.3 |
| Change in market value of financial derivative instruments | NOK mill. | (38.9) | (33.0) | 85.5 | 3.9 |
| Share of profit from JVs ¹ | NOK mill. | 23.7 | 13.5 | 64.4 | 55.1 |
| Income tax | NOK mill. | 138.4 | 293.3 | (134.2) | (513.4) |
| EPRA earnings | NOK mill. | 102.0 | 389.9 | 95.9 | 347.7 |
| Average outstanding shares (million) | Mill. shares | 652.3 | 645.8 | 643.6 | 643.6 |
| EPRA Earnings per share | NOK | 0.16 | 0.60 | 0.15 | 0.54 |

¹ Earnings from the Nordr joint venture (JV) are adjusted for as it is related to the development of residential properties for sale, and they are not relevant for the measurement of the performance of the commercial property portfolio. Adjustments are also made in relation to changes in the market value of the JV project at Forusbeen 35.

EPRA NAV Metrics

The EPRA NAV set of metrics make adjustments to the NAV per the IFRS financial statements to provide stakeholders with the most relevant information on the fair value of the assets and liabilities of a real estate investment company, under different scenarios.

EPRA Net Reinstatement Value (NRV)

The EPRA NRV metric assumes that entities never sell assets and it aims to represent the value required to rebuild the entity.

Investments in JVs are revalued based on an estimated fair value of such investments. The fair value on financial derivatives and deferred taxes on investment properties are excluded. Property transfer taxes do not normally apply to Norwegian transactions, and therefore such taxes are not included in the NRV calculation. The fair value of financial instruments, which are used for hedging purposes where the company has the intention of keeping the hedge position until the end of the contractual duration, is excluded. Under normal circumstances, the financial derivatives that companies use to provide an economic hedge are held until maturity and so any fair value movements will not crystallise.

| EPRA Net Reinstatement Value (NRV) | | 31.12.2024 | 31.12.2023 |
|--|--------------|------------|------------|
| IFRS equity | NOK mill. | 11,598.2 | 10,411.6 |
| Revaluation of investments made in JVs | NOK mill. | 1,020.5 | 1,061.9 |
| Net Asset Value (NAV) at fair value | NOK mill. | 12,618.7 | 11,473.5 |
| Deferred tax on properties and financial instruments | NOK mill. | 1,811.4 | 1,531.6 |
| Net fair value on financial derivatives | NOK mill. | (174.4) | (141.4) |
| Net Reinstatement Value (NRV) | NOK mill. | 14,255.6 | 12,863.6 |
| Outstanding shares at period end (million) | Mill. shares | 668.0 | 643.6 |
| NRV per share (NOK) | NOK | 21.34 | 19.99 |

EPRA Net Tangible Assets (NTA)

The EPRA NTA metric assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.

Investments in JVs are revalued based on an estimated fair value of such investments. Norwegian Property has adopted the second option in the EPRA BPR guidelines to adjust for deferred tax, estimating the real tax assets and liabilities based on how the company has previously carried out transactions and otherwise utilised existing tax positions. The fair value of financial instruments that are used for hedging purposes are excluded.

| EPRA Net Tangible Assets (NTA) | | 31.12.2024 | 31.12.2023 |
|--|--------------|------------|------------|
| IFRS equity | NOK mill. | 11,598.2 | 10,411.6 |
| Revaluation of investments made in JVs | NOK mill. | 1,020.5 | 1,061.9 |
| Net Asset Value (NAV) at fair value | NOK mill. | 12,618.7 | 11,473.5 |
| Reversal deferred tax liability as per balance sheet | NOK mill. | 1,740.3 | 1,360.5 |
| Adjustment for estimated fair value of deferred tax ² | NOK mill. | (151.6) | (25.2) |
| Net fair value on financial derivatives | NOK mill. | (174.4) | (141.4) |
| Net Tangible Assets (NTA) | NOK mill. | 14,032.9 | 12,667.4 |
| Outstanding shares at period end (million) | Mill. shares | 668.0 | 643.6 |
| NTA per share (NOK) | NOK | 21.01 | 19.68 |

² Estimated fair value of deferred taxes where the estimated fair value of the tax asset related to carry-forward losses are greater than the estimated fair value of relevant tax liabilities. The calculations assume that carry-forward losses can be utilised over the next 5 years with a discount rate of 5 per cent. The real tax liability related to the gains/losses accounts is estimated on the basis of the annually depreciation rates in the Norwegian tax legislation and a discount rate of 5 per cent. The estimated fair value of the deferred tax liability related to the temporary differences of properties as of December 31, 2024 has been calculated to 3.6 per cent based on a discount rate of 5 per cent and the assumption that properties outside Aker Brygge are realised over the next 50 years period in transactions structured as sale of companies in which the tax discount is 5.3 per cent.

EPRA Net Disposal Value (NDV)

The EPRA NDV metric represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

Investments in JVs are revalued based on an estimated fair value of such investments. Financial liabilities are valued at the estimated fair value, net of deferred tax.

| EPRA Net Disposal Value (NDV) | | 31.12.2024 | 31.12.2023 |
|---|--------------|------------|------------|
| IFRS equity | NOK mill. | 11,598.2 | 10,411.6 |
| Revaluation of investments made in JVs | NOK mill. | 1,020.5 | 1,061.9 |
| Net Asset Value (NAV) at fair value | NOK mill. | 12,618.7 | 11,473.5 |
| Fair value adjustment of financial liabilities, net of tax ³ | NOK mill. | (23.7) | 11.5 |
| Net Disposal Value (NDV) | NOK mill. | 12,595.0 | 11,485.0 |
| Outstanding shares at period end (million) | Mill. shares | 668.0 | 643.6 |
| NDV per share (NOK) | NOK | 18.85 | 17.85 |

³ The fair value adjustment related to financial liabilities is related to the valuation as shown in note 8 to the interim financial statement, where the estimated difference between the current margins and the market conditions are taken into account as well as changes in the fair value of listed bonds. Tax is taken into account with 22 per cent.

EPRA Net Initial Yield

EPRA Net Initial Yield (NIY) and EPRA "Topped-up" NIY

The EPRA Net Initial Yield metrics presents annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property and increased with estimated purchasers' costs. The EPRA NIY is a comparable measure for portfolio valuations.

The EPRA "Topped-up" NIY metric incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods or other unexpired lease incentives such as discounted rent periods and step rents.

| EPRA Net Initial Yield | | 31.12.2024 | 31.12.2023 |
|--|-----------|------------|------------|
| Investment property, wholly owned | NOK mill. | 27,925.1 | 23,893.7 |
| Investment property, share of JVs | NOK mill. | 1.0 | 12.3 |
| Total property portfolio | NOK mill. | 27,926.1 | 23,906.0 |
| Less projects and land and developments ⁴ | NOK mill. | (12.1) | (3.3) |
| Completed management portfolio | NOK mill. | 27,914.0 | 23,902.8 |
| Allowance for estimated purchasers' cost | NOK mill. | 108.5 | 107.0 |
| Gross up completed management portfolio valuation | NOK mill. | 28,022.5 | 24,009.8 |
| 12 months rolling rent, including share of JVs | NOK mill. | 1,487.7 | 1,295.5 |
| Estimated ownership cost | NOK mill. | (120.4) | (99.7) |
| Annualised net rents | NOK mill. | 1,367.3 | 1,195.8 |
| Rent free periods or other lease incentives | NOK mill. | 24.3 | 19.8 |
| Topped up net annualised net rents | NOK mill. | 1,391.6 | 1,215.6 |
| EPRA NIY (net initial yield) | Per cent | 4.88 | 4.98 |
| EPRA "topped-up" NIY (net initial yield) | Per cent | 4.97 | 5.06 |

⁴ Applies to the property at Gjerdrums vei 17.

EPRA Vacancy Rate

The EPRA Vacancy Rate is calculated based on the Estimated Market Rental Value (ERV) of vacant space divided by the ERV of the whole portfolio, and it is a per cent measure of investment property space that is vacant, based on ERV.

| EPRA Vacancy Rate | | 31.12.2024 | 31.12.2023 |
|---------------------------------------|-----------|------------|------------|
| Market rent vacant areas ⁵ | NOK mill. | 95.3 | 58.1 |
| Total market rent ⁵ | NOK mill. | 1,730.1 | 1,507.9 |
| EPRA vacancy rate | Per cent | 5.51 | 3.85 |

⁵ Assumptions based on the external valuations for the periods.

EPRA Cost Ratio

The EPRA Cost Ratio is calculated based on the administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income. It is a key measure to enable the meaningful measurement of the changes in a company's operating costs.

| EPRA Cost Ratios | | 4Q-24 | 31.12.2024 | 4Q-23 | 31.12.2023 |
|---|-----------|--------|------------|--------|------------|
| Operating costs | NOK mill. | (57.6) | (246.2) | (59.9) | (224.0) |
| Share of joint venture expenses | NOK mill. | (0.4) | (1.6) | (0.4) | (1.4) |
| EPRA cost (including direct vacancy cost) | NOK mill. | (57.9) | (247.8) | (60.3) | (225.4) |
| Direct vacancy cost | NOK mill. | 11.5 | 33.9 | 7.3 | 25.5 |
| EPRA cost (excluding direct vacancy cost) | NOK mill. | (46.4) | (213.8) | (53.0) | (199.9) |
| Gross rental income less ground rent | NOK mill. | 361.2 | 1,386.4 | 292.3 | 1,109.6 |
| Share of joint ventures | NOK mill. | 0.1 | 0.5 | 0.2 | 0.5 |
| Total gross rental income less ground rent | NOK mill. | 361.3 | 1,386.9 | 292.5 | 1,110.1 |
| EPRA cost ratio (including direct vacancy cost) | Per cent | 16.03 | 17.87 | 20.63 | 20.30 |
| EPRA cost ratio (excluding direct vacancy cost) | Per cent | 12.85 | 15.42 | 18.13 | 18.01 |

EPRA LTV

The EPRA LTV's aim is to assess the gearing of the shareholder equity within a real estate company. The EPRA LTV is calculated based on the IFRS reporting with certain defined adjustments. The adjustments include, among other things, that the EPRA LTV is calculated based on proportional consolidation. This implies that the EPRA LTV include the group's share in the net debt and net assets of joint venture and material associates. Assets are included at fair value and net debt at nominal value.

| EPRA LTV Metric | | 31.12.2024 | | | 31.12.2023 | | |
|---------------------------------------|------------------|-------------------|--------------------------|-----------------|-------------------|--------------------------|-----------------|
| | | Group as reported | Share of JV ⁶ | Combined | Group as reported | Share of JV ⁶ | Combined |
| Bond loans | NOK mill. | 11,461.3 | - | 11,461.3 | 10,177.5 | - | 10,177.5 |
| Bank/Other loans | NOK mill. | 4,659.4 | 2,385.5 | 7,044.9 | 3,810.9 | 3,019.4 | 6,830.3 |
| Net payables | NOK mill. | 96.0 | 657.7 | 753.7 | - | 320.1 | 320.1 |
| Cash and bank deposits | NOK mill. | (471.3) | (159.4) | (630.8) | (325.6) | (102.4) | (428.0) |
| Net debt | NOK mill. | 15,745.4 | 2,883.8 | 18,629.1 | 13,662.8 | 3,237.0 | 16,899.8 |
| Investment properties | NOK mill. | 27,925.1 | 1.0 | 27,926.1 | 23,893.7 | 12.3 | 23,906.0 |
| Properties held for sale ⁷ | NOK mill. | - | 4,977.5 | 4,977.5 | - | 5,402.3 | 5,402.3 |
| Net receivables | NOK mill. | - | - | - | 436.2 | - | 436.2 |
| Total property value | NOK mill. | 27,925.1 | 4,978.5 | 32,903.6 | 24,329.9 | 5,414.7 | 29,744.6 |
| EPRA LTV | Per cent | 56.4 | | 56.6 | 56.2 | | 56.8 |

⁶ Related to the joint ventures (JV) investments in Nordr and Forusbeen 35.

⁷ Properties held for sale is related to properties classified as inventory. The property inventory includes land, residential projects under development and completed units for sale.

Definitions

Below is an explanation of figures and notions mentioned in the interim report, which are not derived directly from the accounts.

Definition of financial APMs

| | |
|--|---|
| Operating profit before administrative expenses | Revenues net of property expenses. |
| Profit before income tax and value adjustments | Profit before tax, adjusted for fair value adjustments to investment properties and financial derivatives. |
| Profit before income tax, value adjustments and joint ventures | Profit before tax, adjusted for share of profit in joint ventures as well as fair value adjustments to investment properties and financial derivatives. |
| Market value of property portfolio | The market value of all the group's properties regardless of accounting classification. |
| Market value of joint ventures | The book value of the investment in joint ventures, adjusted for the EPRA-revaluation of such investments. |
| Gross interest-bearing debt | Book value totals for long-term and short-term interest-bearing debt, less the holdings of own bonds. |
| Net interest-bearing debt | Gross interest-bearing debt, less interest bearing receivables and cash/cash equivalents. |
| LTV | Debt to asset ratio (Loan-To-Value). |
| Gross debt to asset ratio (gross LTV) | Interest-bearing debt divided by the fair market value of the property portfolio at the balance-sheet date. |
| Net debt to asset ratio (net LTV) | Net interest-bearing debt divided by the fair market value of the property portfolio at the balance-sheet date. |
| Equity ratio | Total equity divided by total equity and liabilities. |
| Pre-tax return on equity | Annualised pre-tax profit in the period divided by average total equity for the period in the balance sheet. |
| Earnings per share (EPS) | Net earnings for the period divided by the average number of common shares during the period. Diluted earnings per share takes into account the dilution effect of share options. |
| NAV, book value | Net asset value, the book value of total equity in the balance sheet. |

Definition of other financial and operational measures and terms

| | |
|--|--|
| Run rate for annual rent | Contracted annualised rental income for the property portfolio at the balance sheet date. |
| Weighted remaining duration of leases | Remaining contractual rent of current leases at the balance sheet date divided by the total contractual rent for the entire lease term. |
| Space vacancy/Office vacancy | Space vacancy is the total number of square metres available for rent divided by the total number of square metres in the market. Similarly, office vacancy is the number of office square metres available for rent divided by the total number of office square metres in the market. |
| Financial vacancy rate | Annualised market rent for space which generated no rental income at the balance sheet date, divided by total annualised rent for total space (contract rent for leased space and market rent for vacant space). |
| Gross yield | Gross yield on the balance sheet date for a property or portfolio of properties is calculated as contractual annualised rental income divided by market value. |
| Net yield | When calculating net yield, maintenance and property-related costs are deducted from contractual annualised rental income, which is then divided by the market value. |
| Prime yield | Yield for a fully leased property of best structural quality, with tenants in the best category and in the best location. |
| Unutilised credit facilities | The difference between the total available credit facilities, based on the current loan agreements, and the amounts at the balance sheet date which are deducted and accounted for as interest-bearing debt in the balance sheet. |
| Interest hedging ratio | The share of interest-bearing liabilities hedged at the balance sheet date. |
| Base interest rate | A weighted average of the fixed and floating average interest rates at the balance-sheet date. The fixed average interest rate is calculated as the weighted average of the fixed interest rate paid by the company in relation to outstanding interest-rate contracts and loans. The floating average interest rate is calculated as the weighted average of the Nibor rate paid on interest-bearing debt. The interest-rate base does not include accrued finance charges or margin. |
| Average interest rate | Weighted average interest rate on interest-bearing debt and fixed-rate interest agreements at the balance-sheet date. |
| Average interest margin | The weighted average of the interest margin on the outstanding interest-bearing debt at the balance-sheet date. |
| Remaining time to maturity for interest-bearing debt | Weighted remaining period until maturity for interest-bearing debt at the balance-sheet date. |
| Remaining time to maturity for interest hedge agreements | The weighted remaining period until maturity for interest hedge agreements at the balance-sheet date. |
| Like for like | Change in rental income from one period to another based on the same income-generating property portfolio, with rental income adjusted for purchases and sales of properties. |
| Independent appraisers | Akershus Eiendom and Cushman & Wakefield. |
| Oslo CBD | The central business district is considered the most attractive area for office space in Oslo. It is usually restricted to the districts of Aker Brygge, Tjuvholmen and Vika. |

Other information

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Further information

For further information on Norwegian Property, including presentation material relating to this interim report and financial information, please visit www.npro.no.

Disclaimer

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