



public property invest

PUBLIC PROPERTY INVEST ASA

Q4/FY 2024 presentation

Agenda

- 1. Highlights**
2. Operations
3. Financial update
4. Summary and concluding remarks
5. Q&A

Highlights

- Rental income of NOK 177 million in Q4 24, up 26% since Q4 23
- Net income from property management of NOK 61 million in Q4 24 (+69 %)
- Run rate Net income from property management at NOK 1.59 per share, up 10 % in the quarter
- Avg. interest rate reduced from 6.04 % to 5.18% at quarter end Q3 vs Q4
- Positive portfolio value changes of NOK 220 million (+2.1 %) in Q4
- Renewed leases with 28.3 million in annual rent in the quarter
- Acquired three properties and pre-school portfolio in Q4
- Obtained Investment Grade rating BBB, established new EMTN program and issued EUR 300m bond
- Board proposing dividend of 0.5 per share for FY 2024, split in quarterly payments:
 - 0.10 per share in July and October 2025
 - 0.15 per share in January and April 2026



Portfolio highlights

Key figures as of 31.12.24

72

properties

395k

sqm.

BTA

110k

sqm.

Development potential

92 %

Government tenants

774m

NOK

Normalized GRI

1 984

NOK

GRI / BTA

5.1

years

WAULT

97 %

Occupancy

10.9 bn

NOK

Portfolio value

27.6k

NOK

Property value / BTA

6.5%

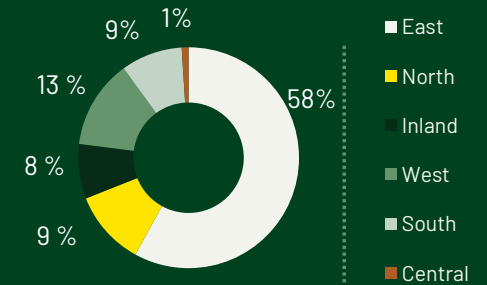
Net yield

27.2

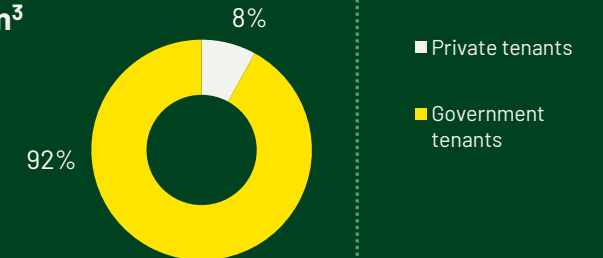
NOK

EPRA NRV per share

Geographical distribution



Tenant distribution³



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Letting and occupancy

Key events in the quarter

- New and renewed leases:
 - Annual rent of 28.3 million
 - 13,713 sqm
 - No terminated contracts
- Occupancy at 97 %
- WAULT at 5.1 years

Largest new and renegotiated lease contracts

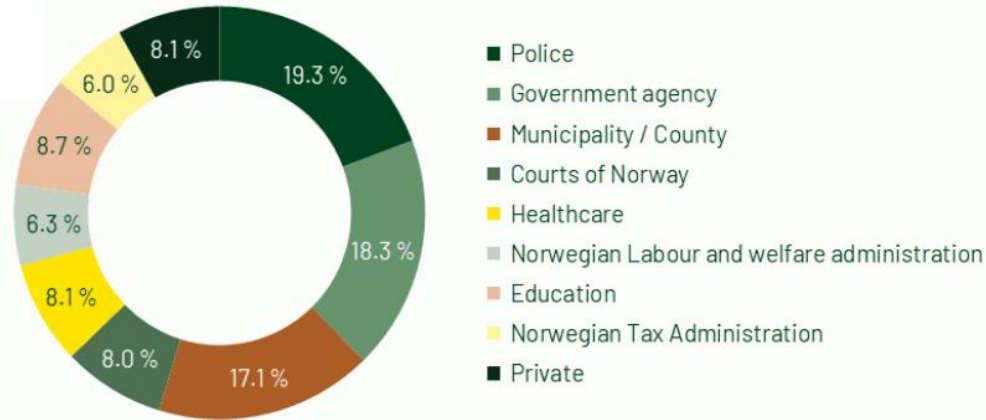
Property	Tenant	Sqm	Contract duration
Gyldenløves gate, Kristiansand	Norwegian Labour and Welfare Administraton (NAV)	5 920	10 years
Tinngata 8, Stavanger	Stavanger Municipality	2 292	6 years
Sigvat Skalds gate 3, Sarpsborg	Courts of Norway	2 180	5 years
Jul Pettersens gate 2, Lillehammer	Courts of Norway	1 560	20 years
Rådhusgata, Porsgrunn	Porsgrunn Municipality	1 500	5 years

Portfolio overview

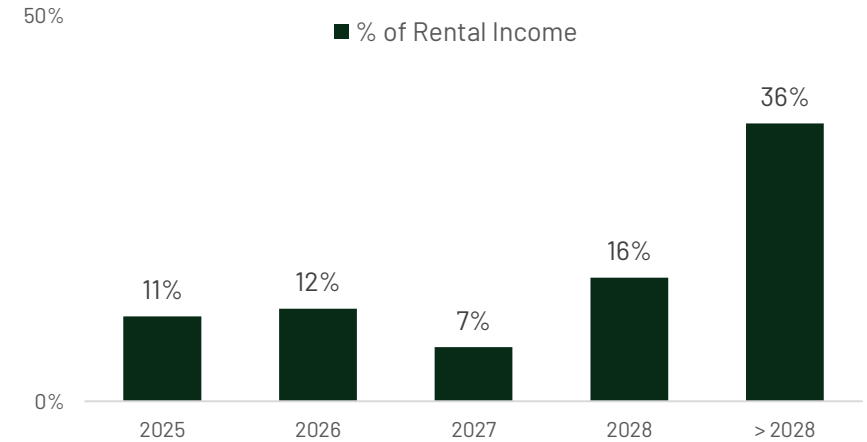
Segment	No of properties	Square meters	Market value (NOK million)	Rental income (NOK million)	Occupancy (%)	WAULT (years)
Central	2	4 474	109	6	64.0 %	13.2
East	34	225 488	6 193	430	95.9 %	4.4
Inland	8	40 065	894	78	99.7 %	4.9
North	11	42 745	1 128	84	96.6 %	7.4
South	4	29 241	953	72	100.0 %	3.1
West	12	48 118	1 417	104	99.2 %	6.9
Sum managment portfolio	71	390 131	10 694	774	96.8 %	5.1
Development sites	1	4 438	187			
Sum property portfolio	72	394 569	10 880	774	96.8 %	5.1

High quality tenant base on long leases

92 % government tenants, rental income per sector



Portfolio WAULT of 5.1 years, well staggered maturity profile



Weighted average public tenant tenor (excl. options)

~ 18 yrs

Weighted average public tenant tenor (incl. options)

~ 24 yrs

New leases signed in 2024

~ NOK 103 million

Renewal rate contract negotiations in 2024

~ 100 %



Q4 Example:

- Courts of Norway - extension in Lillehammer
- New expiry: 2048 (+ 24 years)
- Tenor in 2048: 50 years

Delivering growth: Transactions closed in Q4 24

Jærveien 33, Sandnes/Stavanger



- 4,700 sqm
- 100 % let to Sandnes Municipality
- Annual rent: NOK 10.5 million
- WAULT: 4.3 years
- Total property value: NOK 139 million

Rigedalen 5, Kristiansand



- 6,300 sqm
- 100 % let, 83 % to Norwegian Roads Administration
- Annual rent: NOK 11.2 million
- WAULT: 8 years
- Total property value: NOK 161 million

Strandgaten 229, Bergen



- 8,750 sqm
- 100 % let to Directory of Fisheries
- Annual rent: NOK 26 million
- WAULT: 6 years
- Total property value: NOK 330 million

Pre-school portfolio, 8 properties



- 6,750 sqm
- 100 % let to Læringsverkstedet
- Annual rent: NOK 10.8 million
- WAULT: 35 years
- Total property value: NOK 182.5 million



+ 58.5 mill in annual rental income (+ 8 % since Q3 2024 run rate)

Delivering growth: Signed transactions closing in Q1 25

Damgårdsveien 106, Bergen



- 4,100 sqm
- 100 % let to Municipality of Bergen
- Annual rent: NOK 8.5 million
- WAULT:
- Total property value: NOK 130.6 million
- Closing: 14.02.25

Pre-school in Trelleborg, Sweden



- 1,745 sqm
- 100 % let to Municipality of Trelleborg
- Annual rent: SEK 6.2 million
- WAULT: 17 years
- Total property value: SEK 102 million
- Closing: 28.02.25

Two school properties in Espoo, Finland



- 10,000 sqm
- 100 % let to Municipality of Espoo
- Annual rent: EUR 2.93 million
- WAULT: 14 years
- Total property value: EUR 37.1 million
- Closing: 10.01.25

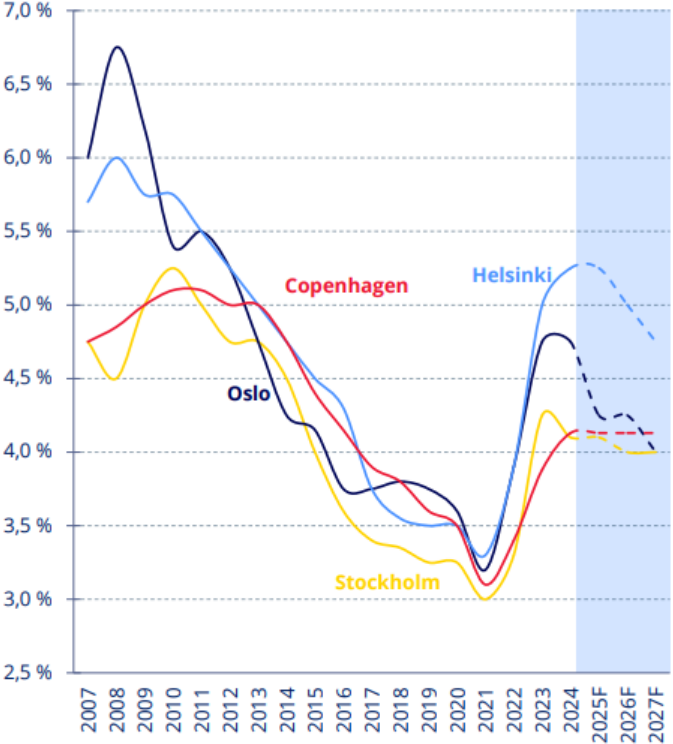
+ NOK 49 mill in annual rental income (+ 6,3 % since Q4 2024 run rate)

Attractive market fundamentals

Nordic market cycle (2021-2027F)*



Nordic prime office yields (2007-2027F)*



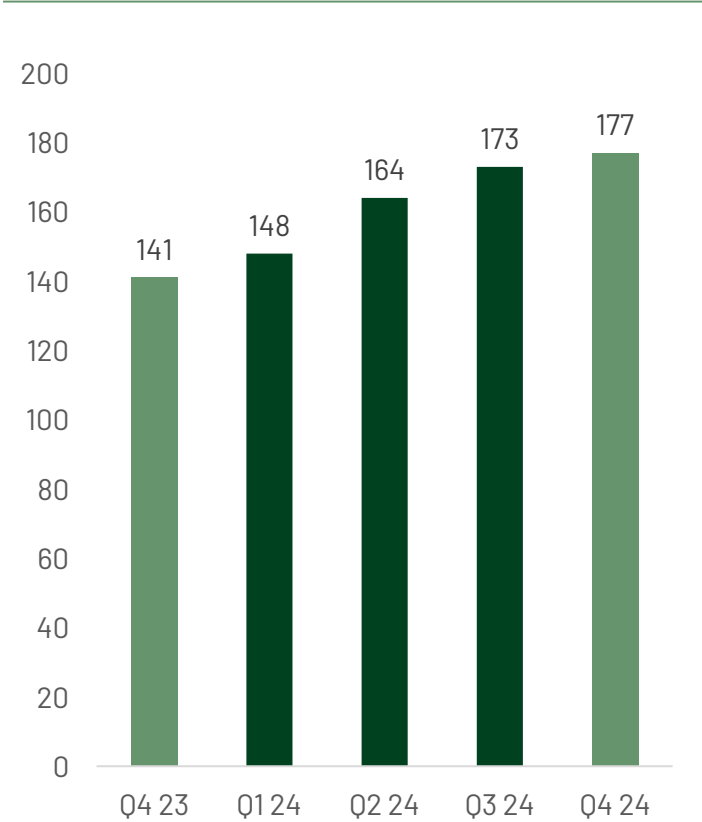
* Colliers Nordic Property Outlook, January 2025

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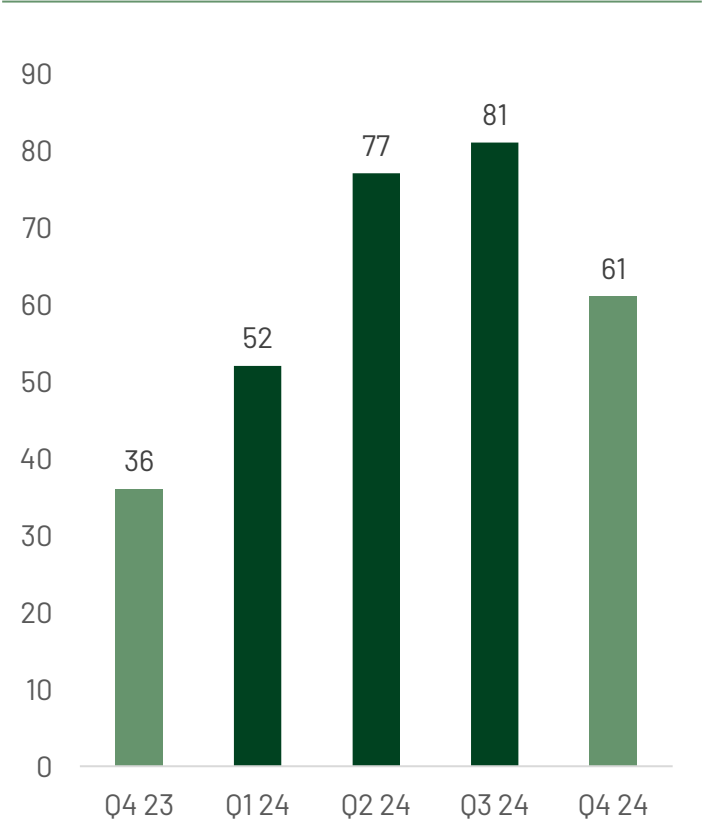
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Financial highlights

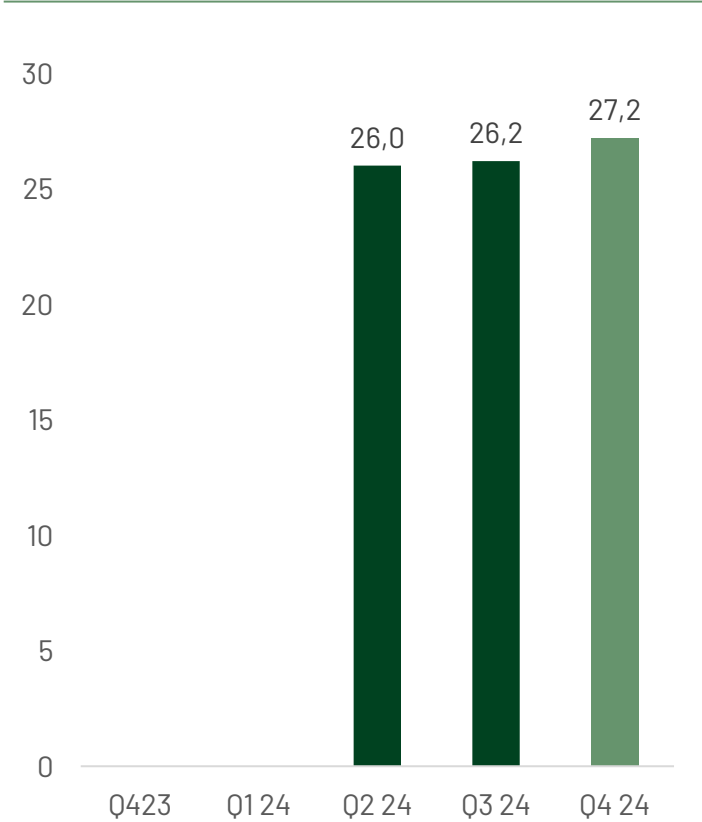
Rental income



Net income from property management



EPRA NRV per share



Profit and loss

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Rental income	177	141	662	575
Other income	3	0	3	0
Operating income	180	141	665	576
Property expenses	(18)	(31)	(67)	(75)
Net operating income	161	110	598	501
Administration expenses	(32)	(12)	(82)	(31)
Reimbursed property management fee	6	-	15	
Interest income	7	5	26	6
Interest expenses	(88)	(74)	(317)	(272)
Net interest income from interest rate derivatives	7	8	29	19
Net income from property management	61	36	270	223
Net unrealised financials	(44)	(6)	(74)	(25)
Transaction costs	-	-	(99)	
Changes in value of interest rate derivatives	9	(56)	9	(25)
Changes in value of investment properties	220	(348)	(34)	(1143)
Profit (loss) before tax	246	(374)	73	(969)
Income tax expense	(25)	27	(59)	69
Net profit (loss)	221	(347)	13	(900)

COMMENTS

- Rental income growth of 26% in Q4-24 vs Q4-23 and 15 % in 2024
- Net income from property mgmt up 69 % in Q4-24 vs Q4-23 and 21 % in 2024
- Admin expenses affected by one-offs of NOK 7 million in the quarter and 15 million in 2024, mainly in connection with IPO and establishment of EMTN program
- Normalised admin expenses (ex one-off's and reimbursed property management fee) of 19 million in the quarter and 52 million in 2024
- Net realised financials of 71 million in the quarter and 261 million in 2024
- Positive portfolio value changes of NOK 220 million (+2.1 %) in the quarter

Balance sheet

Amounts in NOK million	31.12.2024	31.12.2023
Investment properties	10 880	8 336
Cash and cash equivalents	968	123
Other current and non-current assets	83	64
Total assets	11931	8 522
Total equity	5 714	2 850
Total interest bearing liabilities	5 963	5 505
Other current and non-current liabilities	254	167
Total equity and liabilities	11931	8 522

COMMENTS

- 100 % of portfolio valued externally on quarterly basis
 - Value Investment properties 10,9 bn
 - Positive portfolio value changes of 2.1 % in Q4 24
 - L-f-L portfolio written down by 22 % since peak in 2022
 - Portfolio net yield currently at 6.5 %
- Gross/net interest bearing debt of 6.0 bn / 5.1 bn as of 31.12

Net Debt/ EBITDA*

8.0x

* Run rate EBITDA

ICR

2.0

Loan to Value

42.6 %

Run rate as of 31.12.24



Normalised annual run rate as of 31.12.24

Run rate figures are presented on a 12 months basis from period-end

Amounts in NOK million	Q4 2024
Rental income ¹⁾	774
Other income	0
Property expenses	(77)
Net operating income	698
Administration expenses	(80)
Reimbursed property management fee ²⁾	16
Run rate EBITDA	633
Net realised financials ³⁾	(291)
Net income from property management	342
Net income from property management per share	1.59
Net debt/Run rate EBITDA	8.0

- 1) Based on signed agreements at period end. Not including new properties acquired after period end. Rents are CPI adjusted according to specifications in lease agreements.
- 2) PPI receives reimbursal of property management fees from management of properties not owned by the Group. The organisation in PPI manages SBB's remaining Norwegian portfolio as well as Nordiqs AB's Norwegian portfolio.
- 3) Based on interest rates for existing debt and interest rate derivatives by end of 31.12.2024. Does not include amortisation of capitalised borrowing cost.

Financing activities

• Q4 - 24

- Obtained BBB Investment Grade Rating
- Established EUR 2bn EMTN programme
- Issued EUR 300 million unsecured bond
 - 4.625 % Fixed rate, maturity in March 2030
- Repaid outstanding bank loans totalling NOK 2.8 bn
- Assumed bank/bond loans totalling NOK 369 million in connection with transactions

• Q1 -25

- Issued NOK 300 m senior unsecured bond
 - 3M NIBOR + 175 bps, maturity in February 2028
- Issued SEK 250 m senior unsecured bond
 - 3M STIBOR + 174 bps, maturity in February 2028

Key figures debt portfolio	30.9.24	31.12.24
Average interest rate:	6.04 %	5.18 %
Long term debt maturity (adj.):	3.2 yrs	4.5 yrs
Share at fixed rate:	66 %	90 %
Unencumbered asset ratio:	-	2.45x

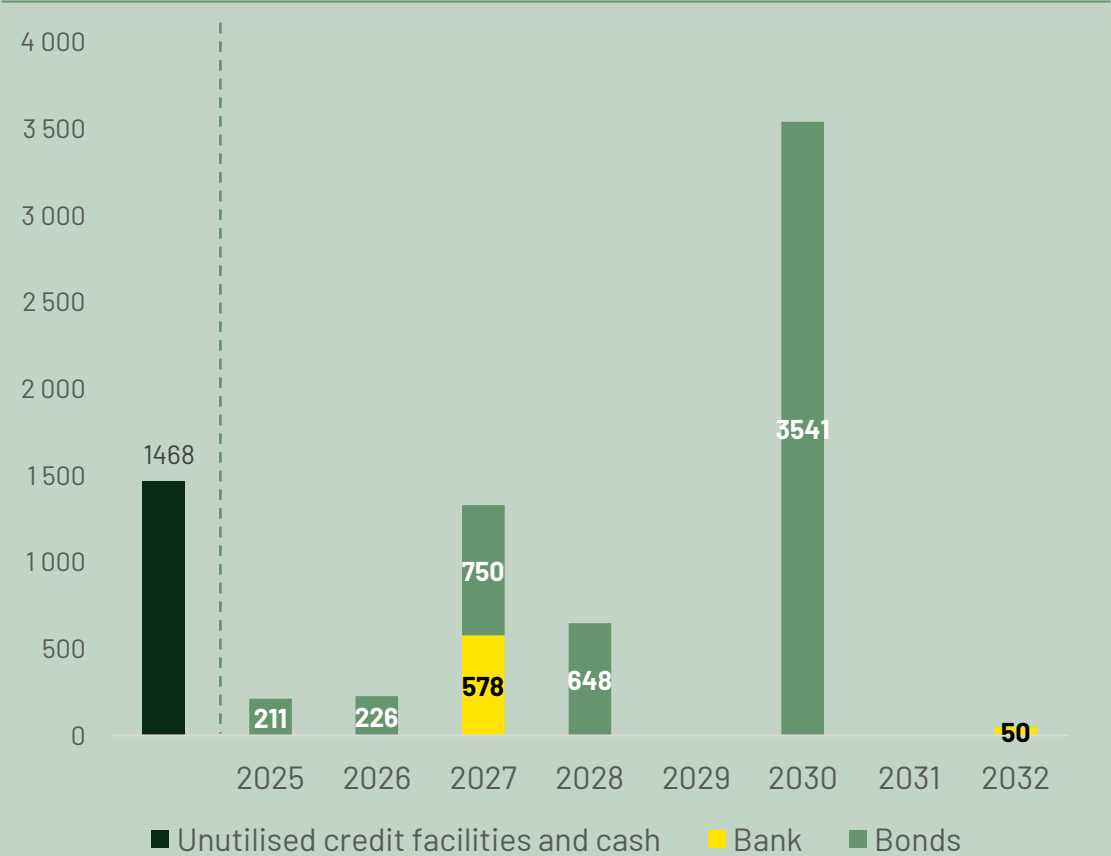
RATING ACTION COMMENTARY

Fitch Upgrades Public Property Invest to 'BBB'; Rates New EUR300 Million Bond 'BBB'

Mon 09 Dec, 2024 - 06:07 ET

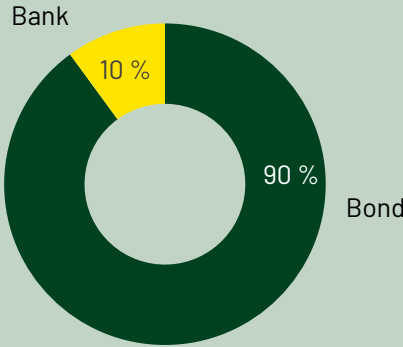
Financing position and debt maturities

Debt maturity structure as of 31.12.24

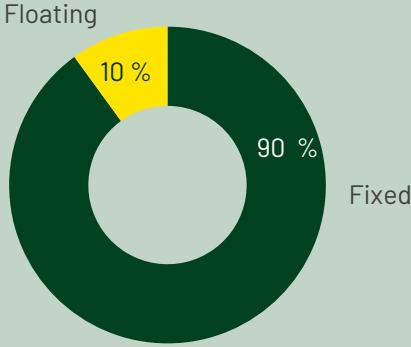


Financing position at 31.12.24

Financing mix



Share of fixed/floating interest rates



Long term debt maturity (adj)

4.5 yrs

Share at fixed rate

90 %

Unencumbered assets

2.45x

Avg interest rate

5.18 %

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Concluding remarks



- 2024 was a particularly eventful year!
 - IPO and listing on Oslo Børs
 - Built new organisation
 - Acquisition of a total of 24 properties
 - Full refinancing of balance sheet, established EMTN program, IG rated BBB
 - Rental income growth of 15 % in 2024, 26 % in Q4-24 vs Q4 23
 - Increased total asset values by 40 %, from 8.5 bn to 11.9 bn as of year end
- Solid operations with 97 % occupancy
 - Signed leases for a total of 103 million in 2024
 - Maintained sticky, long-term cashflows from 92 % government tenants
 - Reduced portfolio energy consumption per sqm by 7 % in 2024
- Going into 2025
 - On a growth track -> Attractive timing, presumably at/around bottom of the cycle
 - Run rate rental income to increase by another 6.3 % from already signed Q1 transactions
 - Continue chasing potential for improved credit margins
 - Continue to progress project pipeline
 - Board of Directors:
 - Proposing to AGM to pay dividend of 0.5 per share for 2024, quarterly payments
 - Decided to initiate process for secondary listing on Nasdaq Stockholm

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We are a Norwegian property company with a long-term strategy of owning, operating and developing social infrastructure properties in a sustainable manner.

