



2024 QUARTERLY REPORT

October - December



Public Property Invest ASA is a proud sponsor of Norges Friidrettsforbund and Landslagets Friidrettsskole – aiming to include more children in organised sports activities.

HIGHLIGHTS

Fourth quarter 2024

- Rental income increased by 26 per cent to NOK 177 million (NOK 141 million) compared to the same quarter last year, mainly affected by property acquisitions in the second and fourth quarter of 2024.
- Net income from property management was NOK 61 million (NOK 36 million) in the quarter and NOK 270 million (NOK 223 million) in 2024.
- Net fair value changes on both interest rate derivatives and investment properties had an impact on profit (loss) before tax of NOK 229 million (NOK -404 million) in the quarter and NOK -25 million (NOK -1 167 million) for the full year.
- Net profit (loss) was NOK 221 million (NOK -347 million) in the quarter and NOK 13 million (NOK -900 million) for the full year.
- Acquisition of three properties totaling 19 738 sqm and a pre-school portfolio of eight properties totaling 6 744 square meters.
- Obtained Fitch Long Term Issuer rating of BBB.
- Established an EUR 2 000 million EMTN programme.
- Issued a new EUR 300 million Senior Unsecured Bond and refinanced the majority of outstanding bank debt.
- New and renegotiated leases with an annual rent totaling NOK 28.3 million.
- Proposing dividend of NOK 0.5 per share for 2024, split in four quarterly payments. NOK 0.10 per share to be paid in June and October 2025 and NOK 0.15 per share to be paid in January and April 2026.

Subsequent events

- On 2 January 2025, PPI signed an agreement to acquire two elementary schools in Espoo in Finland for EUR 37.1 million. The transaction was closed on 10 January 2025.
- On 27 January 2025, PPI signed an agreement to acquire the property Damsgårdsveien 106 in Bergen for NOK 130.6 million. The transaction will close on 14 February 2024.
- On 29 January 2025, PPI issued a NOK 300 million and a SEK 250 million bond, both with 3-year tenors. The senior unsecured bonds were priced with a floating rate of NIBOR3M+175 bps and STIBOR3M+174 bps, respectively.

Portfolio value
10 880
NOK million

Net Debt/ Run rate
EBITDA
8.0

Net yield
6.5%

LTV
42.6%

RESPONSIBLE OWNER, OPERATOR AND DEVELOPER OF SOCIAL INFRASTRUCTURE

Public Property Invest ASA (PPI) is a Norwegian property company with a long-term strategy of owning, operating and developing social infrastructure properties in a sustainable manner.

PPI's portfolio mainly consists of community service properties with public-sector tenants, centrally located in significant cities in Norway. The properties house functions of essential importance to society such as police stations, courts, health and other public services. PPI offers high-quality and specially adapted premises that enable our tenants to fulfil their social mandate. PPI's property portfolio is close to fully let with an occupancy rate of 97 per cent as of 31.12.2024.

Sustainable property management is an integral part of PPI's business, and PPI aims to be a responsible owner, operator and developer of real estate, with the Norwegian government and local municipalities as tenants.

PPI has a dedicated strategy for further growth. The Group has a solid balance sheet and aims to continue consolidating the market to further strengthen the position as a leading provider of social infrastructure properties.

Our core values

Our values are presence, quality and value creation. These values define how we deliver to and interact with our tenants, owners, suppliers, partners and society in general.

Presence

Presence ensures understanding, seamless operation, expectation management, transparency, insight and access. We commit to think with both our heads and our hearts, by making sound choices with a clear conscience.

Quality

We are passionate about the quality of our buildings, and the experiences the buildings provide for their users. We are also passionate about the quality of our tenants. We believe that quality builds trust.

Value creation

We create value for our tenants, their employees and guests, our owners and local communities. Our buildings are particularly valuable for society, because they are home to multiple organisations that form the very fabric of Norwegian democracy and the welfare state.

WORDS FROM THE CEO

Full speed ahead

2024 has been an eventful year for PPI, and in the fourth quarter we continued to take significant steps forward. We acquired three attractive social infrastructure properties and a portfolio of pre-schools during the quarter. Going into 2025, we have also closed the acquisitions of two elementary school properties in Finland and we will close the acquisition of one pre-school in Sweden and Damgårdsveien 106 in Bergen. We have refinanced a significant share of our outstanding debt at more attractive terms and obtained a BBB Investment Grade rating with stable outlook from Fitch, confirming the qualities of our portfolio, tenants and cash flows. On the letting side we have renewed and extended several important lease contracts leaving our occupancy rate at 97 per cent and portfolio WAULT at 5.1 years as of year-end.

As of 1 January 2025, I assumed the role as the CEO of PPI, and I look forward to continuing building on our strategy to be a sustainable and preferred owner, operator and developer of social infrastructure properties in the Nordics. We have a great team in place, and we will continue pursuing our opportunistic growth strategy focused on value accretive transactions, while maintaining our conservative balance sheet.

The market

Geopolitical tension continues to impact us globally and make the macro-outlook difficult to navigate. Inflation has decreased faster than expected in many countries, but after seeing a downward trend, the long-term interest rates has again started to rise. In Norway the policy rate has been kept unchanged at 4.5 per cent since the last hike in 2023, with the first cut expected in the first quarter of 2025.

The transaction market seems to be picking up, albeit slowly. Total transaction volume in the Norwegian market ended approximately NOK 70 billion in 2024, versus NOK 56 billion in 2023 and NOK 161 billion in the top year 2021. Valuations seems to have started to slowly pick up again and we were pleased to see positive value revisions of 2.1 per cent in the fourth quarter.

Operations

PPI operate a steady business with quality tenants on long leases. Our properties house essential social infrastructure functions like police stations, courts, schools and public health facilities. In fourth quarter we extended several significant lease contracts, where the leases with the Courts of Norway in Lillehammer and Sarpsborg and with the Norwegian Labour and Welfare administration in Kristiansand were the largest. In total we saw gross letting at NOK 28.3 million in the quarter.

In the fourth quarter we acquired the properties Jærveien in Sandnes, Rignedalen 5 in Kristiansand, Strandgaten 229 in Bergen and a portfolio of eight pre-schools, increasing our rental income with almost NOK 60 million on an annual basis.

Financing

We have taken significant steps towards improving our financing structure and terms in the quarter. We have obtained a BBB Investment Grade rating from Fitch, established an EUR 2 billion EMTN programme and issued a EUR 300 million bond. We have also repaid a significant part of our outstanding secured bank loan, releasing NOK 5 947 million of previously secured assets. As a result of the above-mentioned transactions, our average interest rate decreased from 6.04 per cent to 5.18 per cent as of 31 December 2024.

Sustainability

In PPI we work systematically together with our tenants to address issues related to climate change and in 2024 we managed to reduce the portfolio's energy consumption per square meter by 7 per cent. We also have strong focus on using low-carbon and/or re-used materials in our development projects. In fourth quarter we finalized a refurbishment project in Statens Park which in a life cycle perspective is estimated to give 78 per cent lower CO2 emissions than a comparable new build project.

Outlook

We continue to deliver strong operational performance. Our operations are steady and long-term, and our customer base provides low exposure to macro-economic fluctuations.

We have delivered strong cash-flow from operations (adjusted for non-recurring cost related to the IPO process) of NOK 574 million in 2024, up from 437 million in 2023. The company continues to have positive net letting and we have completed several transactions, with more to come. The BBB investment grade rating and our EMTN programme are supporting our diversification of funding with lower financial expenses to follow. EPRA NRV was 27.18 per share as of 31 December 2024, up from 26.2 per share as of 30 September 2024.

Our annualized run rate Net income from property management per share has increased with 10 per cent from NOK 1.45 to 1.59 since last quarter. And finally, as emphasised during the IPO process, Public Property Invest is a dividend company and we are proud to be able to deliver on our first year as listed company. Our Board is proposing dividend of NOK 0.50 per share for 2024, split in four quarterly payments. NOK 0.10 per share to be paid in June and October 2025 and NOK 0.15 per share to be paid in January and April 2026.



André Gaden
CEO

KEY FIGURES

Public Property Invest ASA reports EPRA financial key figures in accordance with the EPRA guidelines.

Property related key figures	2024	2023
Number of properties	72	48
Lettable area (thousand square meters)	395	307
Occupancy rate % ¹⁾	97 %	98 %
Yield % - normalised	6.53 %	6.39 %

Financial key figures, amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Rental income	177	141	662	575
Net operating income	161	110	598	501
Net realised financials	(74)	(62)	(261)	(247)
Net income from property management	61	36	270	223
Profit (loss) before tax	246	(374)	73	(969)
Net profit (loss)	221	(347)	13	(900)
Fair value of the Investment properties portfolio	10 880	8 336	10 880	8 336
Net debt ²⁾	5 078	5 430	5 078	5 430
LTV (%)	42.6%	65.1%	42.6%	65.1%
EPRA LTV (%) ²⁾	46.7%	65.1%	46.7%	65.1%
Net debt / Run rate EBITDA	8.0	10.7	8.0	10.7
Interest coverage ratio (multiples) ³⁾	2.0	1.9	2.0	1.9

Data per share, amounts in NOK per share	Q4 2024	Q4 2023	2024	2023
Number of shares end of period	215 103 825	71 931 660	215 103 825	71 931 660
EPRA Earnings per Share ³⁾	0.06	0.21	0.89	2.03
EPRA NRV ³⁾	27.18	40.58	27.18	40.58
Share price end of period ⁴⁾	17.57	-	17.57	-
Share price ⁴⁾ / EPRA NRV ³⁾	0.65	-	0.65	-

¹⁾ See the section "Definitions" for definition of occupancy. The Group has changed calculation method for Occupancy rate % from Q3 2024, comparative figures are recalculated based on this method.

²⁾ As calculated in EPRA LTV, refer to section concerning "Alternative performance measures" for calculation of the key figure.

³⁾ Refer to section concerning "Alternative performance measures" for calculation of the key figure.

⁴⁾ Intraday volume-weighted average price (VWAP).

ANNUAL RUN RATE RESULT

The run rate rental income for PPI is total annualised contract rent as of 31 December 2024 for properties owned by the Group at year end. The run rate rental income includes the blended CPI indexation for 2024 that will apply from 1 January 2025. Annualised rental income is increased with NOK 157.5 million caused by acquisitions during the year.

The normalised run rate expenses are operative targets in the medium to long term, and not for any particular financial year. Net realised financials are based on interest rates and swap agreements after refinancing carried during 2024. Net realised financials do not include amortisation of capitalised borrowing costs.

Normalised annual run rate

Run rate figures below 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 (NOK)	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 Nordiqus 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.	

FINANCIAL REVIEW

Financial results

Rental income increased by 26 per cent to NOK 177 million (NOK 141 million) compared to the same quarter last year, and by 15 per cent to NOK 662 million (NOK 576 million) for the full year, mainly affected by property acquisitions in the second and fourth quarter of 2024.

PPI acquired 13 properties in April 2024. The properties are located in Lillestrøm, Tønsberg, Fredrikstad and Kirkenes. PPI also acquired 1 property in October and 10 properties in December 2024.

Rental income from properties acquired in 2024 was NOK 28 million in the quarter and NOK 70 million for the full year. The new acquired properties in 2024 contributed to 18.8 percent of the Group rental income in the fourth quarter and 11.6 percent of the rental income in 2024.

Amounts in NOK million	Q4 2024	2024
From properties owned at period start	149	592
From properties acquired in 2024	28	70
Rental income current period	177	662

Property expenses amounted to NOK 18 million (NOK 31 million) in the quarter, and NOK 67 million (NOK 75 million) for the year.

Net operating income amounted to NOK 161 million (NOK 110 million) in the quarter, and NOK 598 million (NOK 501 million) for the year. Net operating margin for 2024 was 89.9 per cent.

Administration expenses amounted to NOK 32 million (NOK 12 million) in the quarter and NOK 82 million (NOK 31 million) for the year. For the year there were NOK 8 million expenses related to non-recurring costs associated with the Company's listing on Euronext Oslo Børs and the additional auditing procedures required for converting to IFRS financial statements preceding the IPO in April 2024. In the quarter there were approximately NOK 7 million expenses related to launching the EMTN-programme, accrual for board remuneration, and expenses related to moving to a new office location in Haakon VII's Gate 1 in Oslo.

Reimbursed property management fee amounted to NOK 6 million in the quarter and NOK 15 million for the year, relating to management agreements for property management of SBB's Norwegian portfolio and Nordiqus Education Holdco 1 AS portfolio respectively.

Interest income amounted to NOK 7 million in the quarter and NOK 26 million for the year, derived from interest on cash held in bank accounts.

Interest expenses were NOK 88 million in the quarter and 317 million for the year. PPI's nominal interest-bearing debt was increased by NOK 1 095 million during the quarter due to purchase of new investment properties and new issuance of eurobond loan, offset by a partial repayment of the existing bank loans. The Groups average interest rate at quarter end has improved from 6.04 per cent to 5.18 per cent in fourth quarter.

Net interest income from interest rate derivatives was NOK 7 million (NOK 8 million) in the quarter, and NOK 29 million (NOK 19 million) for year. The net income from interest derivatives for the full year has increased due to a larger gap between floating and fixed rates.

Net income from property management amounted to NOK 61 million (NOK 36 million) in the quarter, and NOK 270 million (NOK 223 million) for 2024.

Net unrealised financials amounted to NOK 44 million (NOK 6 million) in the quarter, and NOK 74 million (NOK 25 million) for year. The Group issued a EUR 300 million bond in the fourth quarter and used the proceeds to repay a substantial portion of its existing bank loan. As a consequence, the amortised borrowing costs of the bank loan have been expensed when derecognising the bank loan.

Transaction costs amounted to NOK 0 million in the quarter, and NOK 99 million for the year, related to non-recurring costs incurred in connection with preparations and execution of the IPO. The Company also had other non-recurring costs followed by the IPO reported as administrative expenses. See note 3 and 9 for further information.

Changes in fair value of interest rate derivatives amounted to NOK 9 million (decrease of NOK 56 million) in the quarter, and NOK 9 million (decrease of NOK 25 million) in the year.

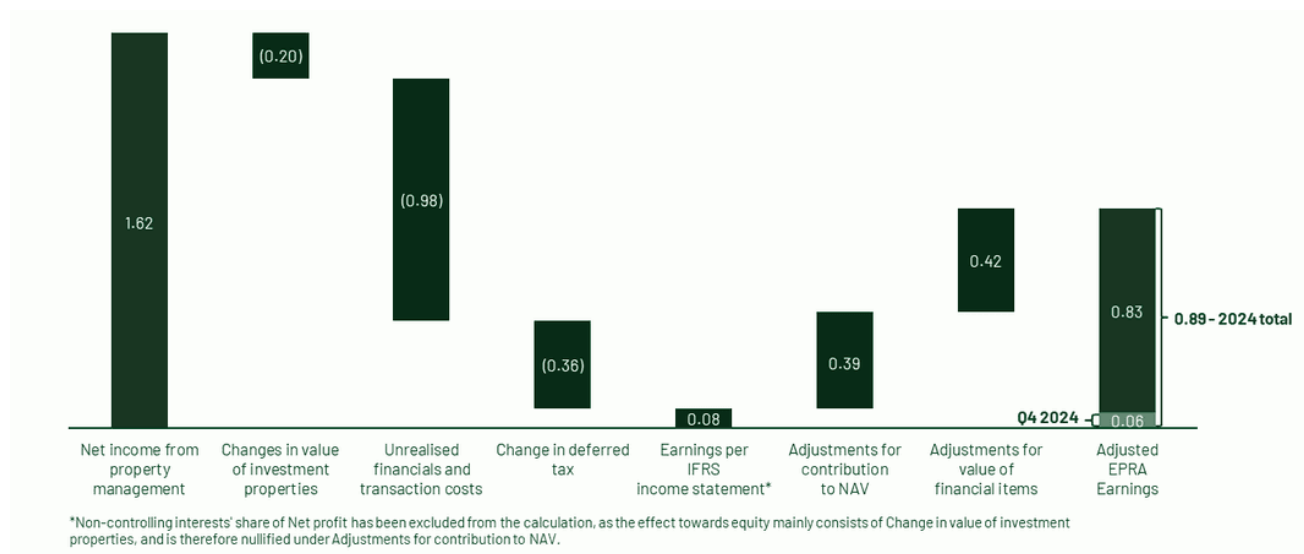
Changes in fair value of investment properties increased by NOK 220 million (decrease of NOK 348 million) in the quarter and decreased by NOK 34 million (decrease of NOK 1 143 million) for 2024. See note 4 for further information.

Profit (loss) before tax was NOK 246 million (loss of NOK 374 million) in the quarter, and profit of NOK 73 million (loss of NOK 969 million) in 2024.

Income tax expense amounted to NOK 25 million (income of NOK 29 million) in the quarter, and NOK 59 million (income of NOK 69 million) in 2024.

Earnings per share (EPS) is a financial measure, which indicates PPI's profitability. EPS is calculated as Net profit (loss) divided by the average number of outstanding shares for the period. EPRA earnings is a measure of underlying operating performance, excluding fair value gains, disposals and other items not considered to be part of core activity.

Thus, to bridge from IFRS earnings to EPRA earnings one must adjust for contributions to Net Asset Value (NAV), which includes changes in fair value of investment properties and deferred tax on investment properties. In addition, fair value changes of financial items, transaction costs and deferred tax on financial derivatives are added back.



Financial position

Investment properties were valued at the end of period to NOK 10 880 million (NOK 8 336 million). The change in property value is mainly due to purchase of an additional 16 properties as well as a portfolio of 8 pre-schools. See note 4 and 10 for further information.

Amounts in NOK million	Q4 2024
Opening balance 31.12.2023	8 336
Purchase of investment properties in Q2 2024	1 593
Purchase price adjustment Kunnskapsveien 55	72
Upgrade of investment properties	117
Changes in fair value of investment properties	(254)
Book value at period end Q3 2024	9 864
Purchase of investment properties in Q4 2024	769
Upgrades of investment properties	27
Changes in fair value of investment properties	220
Book value at period end Q4 2024	10 880

The portfolio is valued by Cushman & Wakefield quarterly.

Specification of changes in value of investment properties

Amounts in NOK million	Q4 2024	2024
Change in fair value of properties	205	93
Upgrades of investment properties	(27)	(144)
Purchase price adjustment Kunnskapsveien 55*	-	(72)
Day one gain net of transaction costs	42	70
Result before the control period of acquired properties	-	18
Other changes	-	2
Change in fair value in P&L	220	(34)

Non-current assets were NOK 10 929 million, consisting of Investment Properties NOK 10 880 million, Site leaseholds, right-of-use assets of NOK 35 million, Investments in shares of NOK 1 million, Interest rate & FX derivatives of NOK 6 million and Other non-current assets of NOK 8 million.

Current assets were NOK 1 002 million, consisting of cash and cash equivalents of NOK 968 million, Trade receivables of NOK 4 million and NOK 30 million of Other current assets.

Non-current liabilities were NOK 5 926 million, consisting of NOK 5 752 in Non-current interest-bearing liabilities and Deferred tax liabilities of NOK 101 million. In addition, Interest rate derivatives and Other non-current liabilities made up the total non-current liabilities.

Current liabilities were NOK 291 million. Current interest-bearing debt of NOK 211 million consisted of the bond maturing in September 2025. In addition, Trade payables, Current tax liabilities and Other current liabilities made up the total current liabilities.

Equity was NOK 5 714 million. EPRA NRV per share was NOK 27.18.

The Group raised NOK 2 909 million in new equity during the year through five issues of shares. The share issues are described in note 10 and note 11.

Cash flow

Cash flow from operating activities generated a cash inflow of NOK 156 million (NOK 117 million) in the quarter, and NOK 467 million (NOK 437 million) for the full year. Operating cash flow for the full year includes an outflow of non-recurring transaction costs of NOK 107 million. Operating cash flow excluding the NOK 107 million was NOK 574 million.

Cash flow from investment activities generated a cash outflow of NOK 158 million (NOK 6 million) in the quarter, and NOK 260 million (NOK 26 million) for the full year, mainly consisting of Investment in investment property entities and Upgrades of investment properties.

Cash flow from financing activities generated a cash inflow of NOK 452 million (NOK 134 million) in the quarter, consisting mainly of NOK 3 462 million inflow from EUR 300 million bond loan placement net of transaction costs, offset by the partial repayment of bank loans of NOK 2 815 million, as well as NOK 80 million instalments and NOK 56 million repayments of debt in connection with investments in new properties. Interest paid net of interest rate derivatives generated an outflow of NOK 73 million (NOK 67 million) in the quarter. In connection with the partial repayment of the bank loan, all existing interest rate derivatives were terminated, generating cash inflow of NOK 12 million. For the full year, the net cash inflow from financing activities was NOK 601 million (outflow of NOK 466 million).

Risks and uncertainty factors

See note 6 for information regarding financial risk management. For more information about PPI's risks and risk management, see the Group's Annual Report for 2023, available at [publicproperty.no](https://www.publicproperty.no)

PROPERTY PORTFOLIO

The property portfolio consists of more than 394 000 square meters (sqm) across 72 properties with an annual rental income of NOK 774 million. The public sector represents 92 per cent of the total rental income. The occupancy rate per 31 December 2024 is 97 per cent.

The Group has a diversified portfolio where the median asset accounts for merely 1.0 per cent of the total portfolio value, and no asset accounts for more than 7 per cent.

As per 31 December 2024 the portfolio had a market value of NOK 10 880 million.

Property Overview

Segment	Number of properties	Square meters	Market value (NOK million)	Rental income (NOK million)	Occupancy (%) ¹⁾	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 Management portfolio	71	390 131	10 694	774	96.8 %	5.1
Development Sites ²⁾	1	4 438	187			
Sum Property portfolio	72	394 569	10 880	774	96.8 %	5.1

¹⁾ See the section "Definitions" for calculation of occupancy.

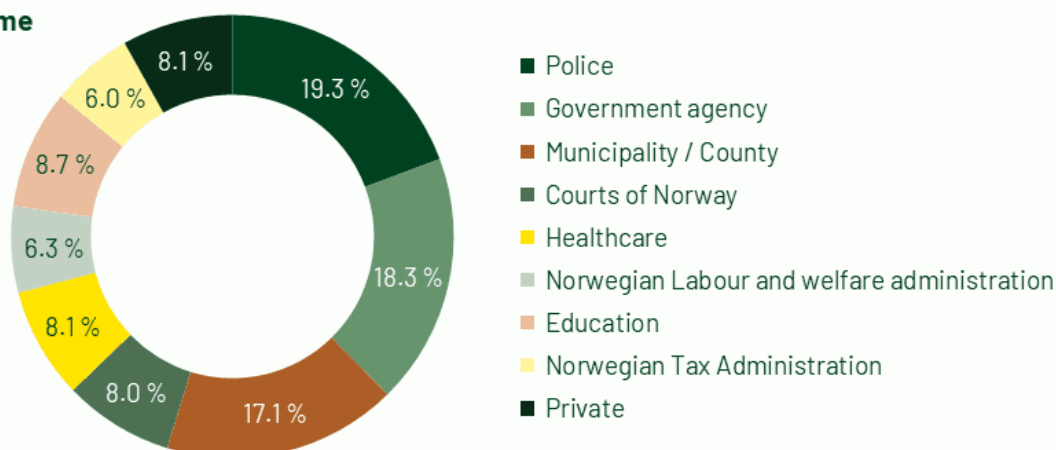
²⁾ Development sites include development potential for properties within the management portfolio and properties defined as development sites.

Lease structure

The Group's property portfolio consists primarily of social infrastructure properties located in cities across Norway. PPI's business is characterised by strong tenants within the public sector, such as the police, judiciary functions, universities, and public health facilities, on long lease contracts and a high occupancy rate. The majority of the buildings in the portfolio are single-use buildings.

Tenants categorised as Private, consists mainly of parking leases, law firms, accounting firms, banks, insurance companies and grocery stores.

Rental income per sector



Distribution of leases

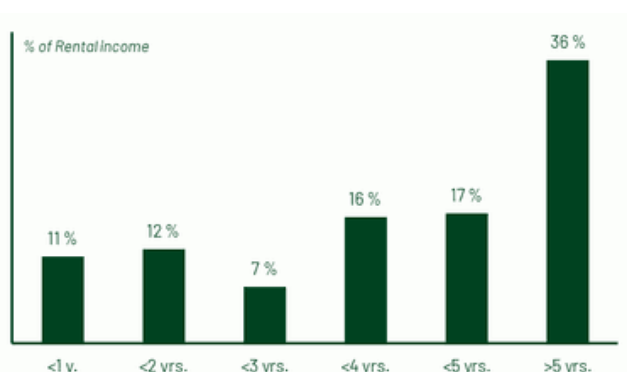
PPI's rental income at the end of the period was distributed between 202 leases.

Share of contractual rental income	Rental income (NOK million)	Rental income (Share %)	Number of leases	Average rental income (NOK million)	WAULT
> 2%	204	26 %	7	29	3.8
1-2%	276	36 %	28	10	4.9
< 1%	294	38 %	167	2	6.1
Sum	774	100 %	202	4	5.1

To reduce the risk of lower rental revenue, PPI endeavours to create long-term relationships with the Group's different tenants. Current WAULT in the portfolio is 5.1 years, with an evenly distributed lease maturity profile for the coming years. Leases representing 78 per cent of the annual rent expire in or after 2027.

Expiration of contracts

Year of expiry	Area (sqm)	Rental income (NOK million)	Share of rental income
2025	51 436	87	11 %
2026	33 748	79	10 %
2027	31 062	67	9 %
2028	52 771	126	16 %
>2028	195 227	415	54 %
Development area	4 438		
Vacant area	25 887		
Sum	394 569	774	100 %



Letting activity

During the period, PPI signed new and renegotiated leases with an annual rent totaling NOK 28.3 million and 13 713 square meters, largest contracts being:

- New 10-year lease contract with NAV (Norwegian Labour and Welfare Administration) for 5 920 sqm in Gyldenløves gate, Kristiansand
- Renegotiated 6-year lease contract with Stavanger Municipality for 2 292 sqm in Tinngata 8, Stavanger
- Renegotiated 10-year lease contract with Courts of Norway for 2 180 sqm in Sigvat Skalds gate 3, Sarpsborg
- Renegotiated 20-year lease contract with Courts of Norway for 1 560 sqm in Jul Pettersens gate 2, Lillehammer
- Renegotiated 5-year lease contract with Porsgrunn Municipality for 1 500 sqm in Rådhusgata, Porsgrunn

MARKET VALUE OF PROPERTY PORTFOLIO

Public Property Invest ASA prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The property portfolio is measured at fair value according to Level 3 of IFRS 13 Fair Value Measurement.

The Group uses external valuations to determine the market value of its properties on a quarterly basis. The fourth quarter valuations were performed by the independent appraiser Cushman & Wakefield and were carried out in accordance with generally accepted international valuation methods. Valuation is performed on a property-by-property basis, using individual Discounted Cash Flow (DCF) models, calculating the present value of net operating income, investments and residual values using the independent appraiser's estimated required rate of return and expectations on future market development. The market value is defined as the independent appraiser's estimated transaction value of the individual properties on the valuation date. 100 per cent of PPI's property portfolio has been valued by external authorised appraisers.

The total market value of PPI's 72 properties owned by the end of 2024 amounted to NOK 10 880 million on 31 December 2024. The market value was NOK 8 336 million for the 48 properties the Group owned as of 31 December 2023. In April 2024, 13 properties were acquired for a net purchase price of NOK 1 593 million. The purchase price for Kunnskapsveien 55, acquired in 2022, was increased with NOK 72 million due to the extended lease contract with Oslo Met, which made the seller of Kunnskapsveien 55 entitled to an additional consideration. In fourth quarter 11 properties were acquired for a net purchase price of NOK 770 million. Total increase in investment properties during 2024 due to acquired properties during 2024 was NOK 2 362 million.

Upgrades of investment properties amounted to NOK 27 million in the quarter and NOK 144 million in total in 2024, with a majority being tenant alterations in the East region. During the fourth quarter the property value of properties owned throughout the quarter was increased by NOK 205 million in the external valuations.

Change in the carrying amounts of the property portfolio

Amounts in NOK million	2024
Opening balance	8 336
Purchase of investment properties	2 362
Purchase price adjustment Kunnskapsveien 55	72
Upgrades of investment properties	144
Changes in fair value of investment properties	(34)
Fair value at period end	10 880

TRANSACTIONS

Public Property Invest aims to be a leading consolidator and to pursue an opportunistic growth strategy focused on value accretive transactions, while at the same time maintaining low-risk profile in order to attract competitive debt-funding and allow for a predictable dividend payment strategy going forward.

PPI actively seek to increase its portfolio size and quality and focus on community service properties with public-sector tenants, centrally located in significant cities in the Nordics. The properties house functions of essential importance to society such as police stations, courts, health and other public services. We offer high-quality and specially adapted premises that enable our tenants to fulfil their social mandate.

During 2024 PPI acquired 13 properties in second quarter and 11 properties within fourth quarter. The annual rent for these properties is NOK 157,5 million and the WAULT for the acquired properties is 7.3 years.

Transactions in 2024

Acquisitions	Location	Square meters	WAULT at closing date (years)	Rental income (NOK million)	Total value (NOK million)	Closing date
Portfolio of 13 properties from SBB	Across Norway	60 862	5.0	99.0	1 639.7	29.04.2024
Jærveien 33	Sandnes, Norway	4 690	5.0	10.5	139.0	14.10.2024
Rigedalen 5	Kristiansand, Norway	6 300	6.3	11.2	160.8	18.12.2024
Pre-school portfolio	Across Norway	6 744	35.0	10.8	182.5	13.12.2024
Strandgaten 229 (83 %)	Bergen, Norway	8 748	6.0	26.0	330.0	20.12.2024
Total		87 344	7.3	157.5	2 452.0	



FUNDING

The Group's assets are funded by a combination of bank loans and bonds. During the fourth quarter, PPI's interest-bearing liabilities increased from NOK 4 909 million to NOK 6 004 million as of 31 December 2024. This increase is a result of property acquisitions and the issuance of an unsecured Eurobond. After deduction of cash and liquid assets, PPI's net debt was NOK 5 078 million as of year-end 2024.

During the fourth quarter, PPI obtained a Fitch Issuer Rating of BBB, listed a EUR 2 000 million EMTN programme on Euronext Dublin and issued its first EUR 300 million Senior Unsecured Bond under the programme. The bond carries a coupon of 4.625 per cent and matures on 12 March 2030. PPI also prepaid two tranches of the NOK 3 300 million secured bank loan, for a total of NOK 2 815 million, releasing NOK 5 947 million of previously secured assets. In connection with the acquisitions of Strandgaten 229, Jærveien 33 and Rigidalen 5 PPI, assumed two secured bank loans of NOK 98 million and NOK 125 million, respectively, and a bond loan of NOK 226 million. The Group made repayments of NOK 5 million and NOK 75 million for the bank loans, respectively, at time of acquisition. See note 5 for further information.

As of 31 December 2024, PPI's debt portfolio consisted of four secured fixed-rate bond loans with total principal amounts of NOK 1 835 million, a EUR 300 million unsecured bond loan, calculated at NOK 3 541 million and three secured bank loans of NOK 628 million in total. Adjusted maturity for long-term debt is 4.5 years.

As of 31 December 2024, the current weighted average interest rate of the debt portfolio was 5.18 per cent, down from 6.04 per cent on 30 September 2024.

The Group manages interest rate risk through floating-to-fixed interest rate swaps and by issuing fixed-rate bonds. In connection with the repayment of the two largest tranches of the NOK 3 300 million bank loan in December, the interest rate hedges connected to the loan were released. Interest rate hedge agreements on the books at year-end consisted of a NOK 50 million.

As of 31 December 2024, the portfolio of fixed interest rate bonds consisted of collateralised bonds with a total volume of NOK 1 835 million and the unsecured Eurobond of about NOK 3 541 million. The total principal amounts of fixed rate bonds of NOK 5 426 million set the Group's share of fixed rate long-term loans at 90.4 per cent. Further information on the Group's hedging agreements is outlined in the notes 6 and 7.

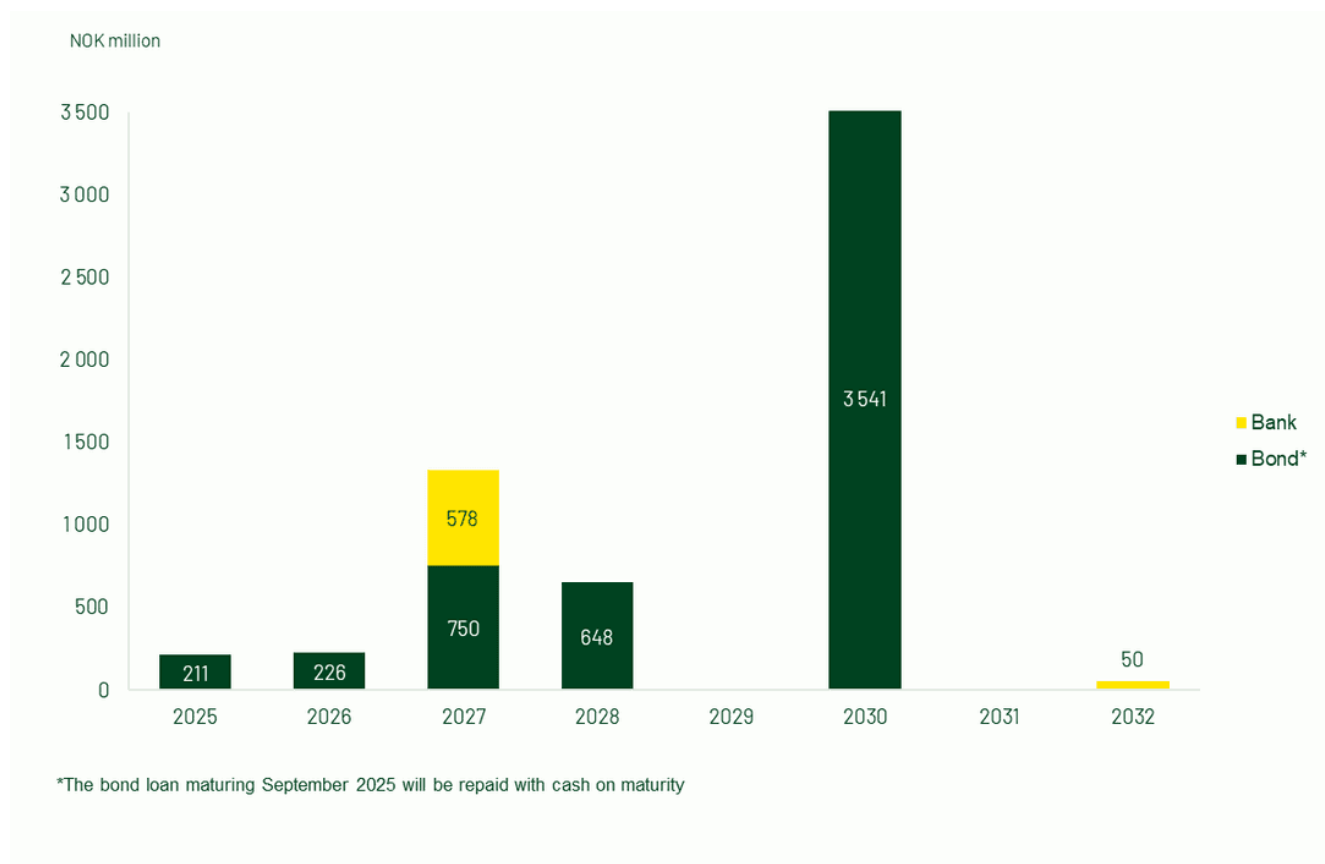
At year end PPI had EUR 58 million in cash and had a currency swap/hedge securing EUR 100 million of the final maturity amount of the eurobond. In January 2025, PPI also acquired two properties in Finland with annual rental income of EUR 2.9 million, providing a natural hedge for parts of the interest payments on the outstanding eurobond. Further information on the Group's hedging agreements is outlined in the notes 6 and 7.

The Group's Unencumbered asset ratio was 2.45 by end of 2024.

Interest-bearing debt

Amounts in NOK million	31.12.2024	31.12.2023
Bond loan	5 376	2 273
Bank loan	628	3 256
Interest-bearing liabilities at period end	6 004	5 529
Amount of debt at fixed interest rate	5 426	3 901
Share of bank loan at fixed rate	8.0 %	50.0 %
Share of debt at fixed rate including bonds	90.4 %	70.6 %

Debt maturity structure



THE SHARE AND SHAREHOLDERS

Public Property Invest ASA was listed on Euronext Oslo Børs (Oslo Stock Exchange) on 29 April 2024, under the ticker name PUBLI. The Company had a total of 215 103 825 issued and outstanding shares by 31 December 2024. PPI has one class of shares, and all shares provide equal rights, and equal right to any dividends.

Development in share capital

During the fourth quarter three properties were acquired and partly settled with new shares in PPI, further information in the table below.

Development in share capital	Date	No of new shares issued	No of shares outstanding post transaction	Par value	Share capital
No of shares outstanding per 31.12.2023			71 931 660	0.05	3 596 583
Share capital increase in connection with IPO	26.04.2024	105 000 000	176 931 660	0.05	8 846 583
Share capital increase in connection with acquisition of portfolio from SBB Samfunnsbygg AS	26.04.2024	31 659 509	208 591 169	0.05	10 429 558
No of shares outstanding per 30.06.2024			208 591 169	0.05	10 429 558
Acquisition of Jærveien	21.10.2024	1 802 486	210 393 655	0.05	10 519 683
Acquisition of Rigedalen	27.12.2024	815 119	211 208 774	0.05	10 560 439
Acquisition of Strandgaten 229	27.12.2024	3 895 051	215 103 825	0.05	10 755 191
No of shares outstanding per 31.12.2024			215 103 825	0.05	10 755 191

As of 31 December 2024, PPI had more than 2 200 shareholders. Norwegian shareholders held approximately 53 per cent of the share capital. The 10 largest shareholders as registered in Euronext VPS on 31 December 2024 are shown in the table below.

Name	Number of shares	Stake
Samhallsbyggnadsbolaget i Norden AB	75 631 366	35.16 %
Skagen Vekst Verdipapirfond	8 991 411	4.18 %
Verdipapirfondet DnB Norge	6 441 107	2.99 %
Avanza Bank AB	4 684 082	2.18 %
Kverva Finans AS	4 427 618	2.06 %
Centra Capital AS	3 783 103	1.76 %
First Nordic Real Estate	3 777 980	1.76 %
Centra Invest AS	3 747 950	1.74 %
Sagacia AS	3 598 320	1.67 %
Verdipapirfondet Fondsinans Norge	3 372 931	1.57 %
Total 10 largest shareholders	118 465 868	55.07 %
Other shareholders	96 637 957	44.93 %
Total	215 103 825	100.00 %

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in NOK million	Note	Q4 2024 Unaudited	Q4 2023 Unaudited	2024 Unaudited	2023 Audited
Rental income	<u>2</u>	177	141	662	575
Other income		3	0	3	0
Operating income		180	141	665	576
Property expenses	<u>3</u>	(18)	(31)	(67)	(75)
Net operating income		161	110	598	501
Administration expenses	<u>3</u>	(32)	(12)	(82)	(31)
Reimbursed property management fee	<u>3.10</u>	6	-	15	-
Interest income	<u>9</u>	7	5	26	6
Interest expenses	<u>9</u>	(88)	(74)	(317)	(272)
Net interest income from interest rate derivatives	<u>9</u>	7	8	29	19
Net income from property management		61	36	270	223
Net unrealised financials	<u>9</u>	(44)	(6)	(74)	(25)
Transaction costs	<u>9</u>	-	-	(99)	-
Changes in fair value of interest rate derivatives	<u>7</u>	9	(56)	9	(25)
Changes in fair value of investment properties	<u>4</u>	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)
Net profit (loss) attributable to:					
Equity holder of the parent		218	(347)	10	(900)
Non-controlling interests		3	-	3	
EPS primary and diluted Net profit (loss)		1.04	(4.83)	0.06	(12.51)
Basic=Diluted (NOK)	<u>8</u>				
Other comprehensive income		-	-	-	-
Total comprehensive income (loss)		221	(347)	13	(900)
Total comprehensive income (loss) attributable to:					
Equity holder of the parent		218	(347)	10	(900)
Non-controlling interests		3	-	3	-

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in NOK million	Note	31.12.2024 Unaudited	31.12.2023 Audited
ASSETS			
Non-current assets			
Investment properties	<u>4</u>	10 880	8 336
Site leaseholds, right-of-use assets	<u>7</u>	35	-
Investment in shares		1	-
Interest rate & FX derivatives	<u>7</u>	6	37
Other non-current assets		8	7
Total non-current assets		10 929	8 380
Current assets			
Trade receivables		4	5
Other current assets		30	15
Cash and cash equivalents		968	123
Total current assets		1 002	142
Total assets		11 931	8 522
EQUITY AND LIABILITIES			
Equity			
Share capital		11	4
Share premium		6 419	3 591
Retained earnings		(734)	(745)
Non-controlling interests		19	-
Total equity		5 714	2 850
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities		101	66
Non-current interest-bearing liabilities	<u>5</u>	5 752	3 353
Interest rate & FX derivatives	<u>7</u>	0	34
Other non-current liabilities		38	23
Non-current lease liability	<u>7</u>	35	-
Total non-current liabilities		5 926	3 476
Current liabilities			
Current interest-bearing liabilities	<u>5.6</u>	211	2 152
Trade payables		23	17
Current tax liabilities		2	-
Other current liabilities		55	27
Total current liabilities		291	2 196
Total liabilities		6 218	5 672
Total equity and liabilities		11 931	8 522

Oslo, Norway, 12 February 2025

The board of directors and CEO, Public Property Invest ASA

Martin Mæland
Chair of the board

Silje Cathrine Hauland
Member of the board

Sven-Olof Johansson
Member of the board

Siv Jensen
Member of the board

Kenneth Bern
Member of the board

André Gaden
CEO

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in NOK million	Note	Subscribed share capital	Share premium	Retained earnings	Non-controlling interests	Total equity
Total equity at 31 December 2022		4	3 591	155	-	3 750
Changes in equity in 2023					-	0
Profit (loss) for the period		-	-	(900)	-	(900)
Total equity at 31 December 2023		4	3 591	(745)	0	2 850
Changes in equity in 2024						
Issue of shares in-kind 12.04.2024	<u>10</u>	1	1 189	-	-	1 191
Issue of shares in-kind 12.04.2024	<u>10</u>	0	72	-	-	72
Issue of shares IPO 25.04.2024	<u>11</u>	5	1 517	-	-	1 523
Issue of shares in-kind 21.10.2024	<u>11</u>	0	37	-	-	37
Issue of shares in-kind 27.12.2024	<u>11</u>	0	68	-	-	68
Issue of shares in-kind 27.12.2024	<u>11</u>	0	18	-	-	18
Transaction cost issue of shares net of tax		-	(74)	-	-	(74)
Non-controlling interests on acquisition of subsidiary		-	-	-	16	16
Profit (loss) for the period		-	-	10	3	13
Total equity at 31 December 2024 (unaudited)		11	6 419	(734)	19	5 714

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in NOK million	Note	Q4 2024 Unaudited	Q4 2023 Unaudited	2024 Unaudited	2023 Audited
Profit (loss) before tax		246	(374)	73	(969)
Changes in fair value of investment properties	<u>4</u>	(220)	348	34	1143
Changes in fair value of interest rate derivatives	<u>7</u>	(9)	56	(9)	25
Interest paid net of interest rate derivatives	<u>9</u>	73	62	279	253
Accrued interest on bonds		9	-	9	-
Interest received on bank deposits		(7)	-	(26)	(6)
Financial costs in profit before tax without cash effect	<u>9</u>	44	6	74	25
<i>Change in working capital:</i>					
Change in current assets		9	(3)	(15)	13
Change in current liabilities		(7)	6	6	(4)
Change in other working capital		18	16	43	(42)
Net cash flow from operating activities		156	117	467	437
Investment in investment property entities		(137)	-	(142)	-
Investment in shares		(1)	-	(1)	-
Upgrades of investment properties	<u>4</u>	(27)	(11)	(144)	(32)
Interest received on bank deposits		7	5	26	6
Net cash flow from investment activities		(158)	(6)	(260)	(26)
Proceeds interest-bearing liabilities net of transaction costs		3 464	(1)	6 714	616
Repayment interest-bearing liabilities		(2 950)	(66)	(7 274)	(828)
Interest paid net of interest rate derivatives	<u>9</u>	(73)	(67)	(279)	(253)
Net cash flow from interest rate derivatives termination	<u>9</u>	12	-	12	-
Paid in capital increase		-	-	1 523	-
Transaction costs on issue of shares		(0)	-	(94)	-
Net cash flow from financing activities		453	(134)	602	(466)
Effects of exchange rate changes on cash and cash equivalents		37	-	37	-
Net change in cash and cash equivalents		488	(22)	845	(55)
Opening balance of Cash and Cash equivalents		480	145	123	177
Cash and cash equivalents at period end		968	123	968	123

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

SELECTED NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Basis of preparation and accounting principles

The results for the period have been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles that have been used in the preparation of the interim financial statements are in conformity with the principles used in preparation of the annual financial statements for 2023.

The interim financial statements are recommended to be read in conjunction with the 2023 financial statements. The interim financial statements are unaudited.

In the quarter, the Group has entered into an FX-forward-hedge-agreement. The hedge has been recognised in accordance with IFRS 9 - Financial instruments. For further details on the accounting treatment, refer to Note 7.

In the fourth quarter, the Group has entered into a 10-year lease agreement for premises in Haakon VII's gate 1 in Oslo. The lease has been recognised in accordance with IFRS16. For further details on the accounting treatment and financial impact, refer to Note 7.

Note 2 Segment information

The Group has one main operational unit. The property portfolio is divided into six different geographical regions; East, Inland, North, West, South and Central in Norway with management monitoring and following up on each region. Furthermore, the property portfolio is divided in six different groups of tenants based on significant contracts related to the total rental income. The different geographical areas are supported by support functions within accounting, finance and legal, investment and other support functions from the external service providers.

The different geographical regions do not have their own profit responsibility. The regions are instead followed up on economic and non-economic key figures ("key performance indicators") where revenue per geographical region is the most important performance metric. These key figures are analysed and reported to the chief operating decision maker, that is the Board and CEO, for the purpose of resource allocation and assessment of geographical region performance. Hence, the Group reports information based upon these geographical regions. Since the investment properties have multiple tenants across the regions in the table below, and the investment properties are appraised building by building, the reporting does not include investment property value on tenant counterparts.

Total rental income by geographic region

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
East	102	77	377	309
Inland	20	18	77	73
North	20	16	77	72
West	18	15	64	59
South	16	15	61	57
Central	1	1	6	6
Total rental income	177	141	662	575

Total rental income grouped by tenant

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Police	37	26	136	108
Education	12	13	47	53
Courts of Norway	14	12	58	49
Norwegian Labour and Welfare Administration	16	10	47	41
Norwegian Tax Administration	11	9	42	35
Government agency	25	27	118	109
Municipality / County	32	25	110	96
Healthcare	15	6	50	31
Private	14	12	54	50
Total rental income	177	141	662	575

Investment properties by region

Amounts in NOK million	31.12.2024	31.12.2023
East	6 194	4 649
Inland	894	871
North	1 128	1 033
West	1 397	865
South	973	805
Central	109	114
Total management portfolio	10 694	8 336
Development sites ¹⁾	186	-
Total investment properties	10 880	8 336

¹⁾ Development sites include development potential for properties within the management portfolio and properties defined as development sites.

Note 3 Property and administration expenses

Property expenses

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Insurance premium	2	1	4	3
Property tax	2	2	8	7
Maintenance	9	17	27	38
Environmental, social and governance	1	2	2	3
Property related common costs	4	6	19	13
Other property expenses	1	4	7	10
Total property expenses	18	31	67	75

Administration expenses

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Personnel expenses	16	2	30	3
Legal, agency and consultancy fees	1	1	2	2
Accounting	1	4	16	15
Auditors	2	3	9	5
Other operating expenses	12	2	25	7
Total administration expenses	32	12	82	31
Reimbursed property management fee	(6)	-	(15)	-
Net administration expenses	26	12	66	31
Non-recurring expenses relating to IPO*	-	-	(8)	-
Net adm. expenses excluding non-recurring expenses	26	12	59	31

* The non-recurring expenses amounting to NOK 8 million are related to the IPO process. The main components include accounting, audit procedures associated with the IPO, and the use of two external appraisers.

Note 4 Investment properties

The valuation of the properties on 31 December 2024 has been performed by the independent appraiser, Cushman & Wakefield.

Amounts in NOK million	2024	2023
Opening balance	8 336	9 447
Purchase of investment properties	2 362	-
Purchase price adjustment Kunnskapsveien 55*	72	-
Upgrades of investment properties	144	32
Sale of investment properties	-	-
Change in fair value of investment properties	(34)	(1 143)
Booked value at period end	10 880	8 336

Specification of change in value of investment properties

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Change in fair value of properties	205	(345)	93	(1 111)
Upgrades of investment properties	(27)	(3)	(144)	(32)
Purchase price adjustment Kunnskapsveien 55*	-	-	(72)	-
Day one gain net of transaction costs	42	-	70	-
Result before the control period of acquired properties	-	-	18	-
Other changes	-	-	2	-
Change in fair value in P&L	220	(348)	(34)	(1 143)

*The change in value of NOK 72 million related to the five-year extension of the lease contract for OsloMet in Kunnskapsveien 55. The new contract triggered a purchase price adjustment of NOK 72 million. See note 10 for further information.

The sensitivity of the fair value assessment of investment properties depends to a considerable extent on assumptions related to yield, interest rates, market rents and operating costs for the properties. The table below presents examples of how changes related to each of these variables influenced property values, on 31 December 2024, assuming all other variables remained constant (amounts in NOK million).

However, there are interrelationships between these variables, and it is expected that a change in one variable may influence one or more of the other variables.

Sensitivity analysis - fair value of investment properties as of 31 December 2024

Variables	Change of variables	Value change (+)	Value change (-)
Exit yield	+/- 0.25 per cent points	(144)	156
Discount rate	+/- 0.25 per cent points	(225)	236
Operating costs	+/- 10 per cent	(49)	(49)
Market rent	+/- 10 per cent	813	(813)
Average rental growth	+/- 0.5 percentage points next 10 years	327	(327)

The analysis above was carried out by the independent appraiser in connection with the valuations as of 31 December 2024.

Note 5 Interest-bearing liabilities

Amounts in NOK million	31.12.2024	31.12.2023
Bond loans	5 376	2 273
Bank loans	628	3 256
Nominal interest bearing liabilities at period end	6 004	5 529
Less capitalised borrowing costs	(41)	(24)
Carrying amount interest bearing liabilities	5 963	5 505

The Group refinanced its bank loan on 26 April 2024 with a new facility of NOK 3 300 million.

The Group renegotiated the existing bond loans of NOK 1 100 million and NOK 962 million. Repayments of NOK 664 million were made on 23 September 2024.

The Group placed an unsecured bond of EUR 300 million on 12 December 2024.

The Group repaid Tranche A and C of the NOK 3 300 million bank loan on 20 December 2024 with a total amount of NOK 2 815 million, with proceeds from the EUR 300 million bond loan.

Maturity structure

Amounts in NOK million	Total cash flow	Year 1	Year 2	Year 3-5	After year 5
Financial liabilities as of 31 December 2024					
Principal payment on bank loans	628	1	2	584	41
Principal payment on bond loans	5 376	211	226	1 398	3 541
Interest rate payments net of interest rate derivatives	1 221	317	299	566	39
Other long-term liabilities	38	2	2	6	28
Trade payables	23	23	-	-	-
Other current liabilities	57	57	-	-	-
Total	7 343	611	529	2 555	3 648

Interest-bearing liabilities at 31 December 2024

	Base Currency (EUR million)	Nominal Amount (NOK million)	Weighted average current interest	Interest terms	Current downpayment plan	Maturity date
Bond loan 1 ¹⁾		750	6.51%	6.51% fixed	None	23.03.2027
Bond loan 2 ¹⁾		648	5.90%	5.90% fixed	None	23.03.2028
Bond loan 3 ¹⁾		211	4.16%	4.16% fixed	None	01.09.2025
Bond loan 4 ²⁾	300	3 541	4.63%	4.625% fixed	None	12.03.2030
Bond loan 5 ³⁾		226	3.60%	3.60% fixed	None	09.08.2026
Bank loan 1 ⁴⁾		485	7.07%	NIBOR3M + 2.38% margin	None ⁴⁾	30.06.2027
Bank loan 2 ⁵⁾		93	6.94%	NIBOR3M + 2.25% margin	None	10.10.2027
Bank loan 3 ⁶⁾		50	6.99%	NIBOR3M + 2.3% margin	25 years	24.12.2032
Total		6 004	5.20%			
Interest rate derivatives ⁶⁾			(0.02%)			
Total including interest rate derivatives			5.18%			

Bond loan 1 was renegotiated and the new maturity and interest rate was extended to 23 March 2027. On 23 September 2024, NOK 350 million of the original loan was repaid.

Bond loan 2 was renegotiated and the new maturity and interest rate was extended to 23 March 2028. On 23 September 2024, NOK 314 million of the original loan was repaid.

Bank loan 1 has a one-year extension option.

¹⁾ Financial covenants in connection with Bond Loan 1, Bond Loan 2 and Bond Loan 3 covenants are measured at year-end and reported within 120 days. The Bonds have a covenant based on the outstanding loan to property value, adjusted for working capital measured and/or deposited funds. At the testing date the Group is in compliance with the covenants, measured for contractually pre-determined sub-groups, if the loan-to-value does not exceed 75%. A right to cure a breach of the loan-to-value is contractually possible through new equity injections or a separate deposit account. The Group's and all sub-group's loan-to-value ratios do not exceed the 75% target as of 31 December 2024.

²⁾ Financial covenants in connection with the bond loan EURO 300 million are measured on an ongoing basis for the Group. The calculation basis for the key profit and loss figures is based on Last Twelve Months (LTM). The Group entered into the agreement at 12 December 2024. The Group on the measurement date has a consolidated Solvency Ratio that shall not exceed 65%. The Secured indebtedness of the Group / Consolidated total assets shall not exceed 45%. Consolidated coverage ratio shall not be less than 1.5X. The Group is in compliance with all covenants on year end 2024.

³⁾ In connection with purchase of Bergen Etatbygg AS, the Group acquired an existing bond loan with a nominal amount of NOK 226 million. The covenants are measured at year-end and reported within 150 days. The Bond has a LTV-covenant based on the outstanding loan to property value. The LTV should not exceed 75%. At the testing date the Group is in compliance with the covenant.

⁴⁾ Financial covenants in connection with the bank loan for Public Property Sub-Holding 2 AS / Offentlig Eiendom AS (Sub-Group) are measured 30 June and 31 December each year on the Group and Sub-Group level. The calculation basis for the key profit and loss figures is based on Last Twelve Months (LTM). The Group entered into the bank loan agreement in April 2024 and was in compliance with all Group and sub-group covenants at the 30 June 2024 measurement date. The Group has a total equity to total assets (equity ratio) coverage minimum requirement of 30%. The Group and sub-group are subject to an interest coverage ratio of not less than 1.40. The sub-group is also subject to a loan-to-value requirement not to exceed 85%. An equity cure is available that is a right to cure breaches of the Group Interest coverage ratio, the Sub-Group Interest coverage ratio, the Group Equity ratio and the Sub-Group Loan-to-value by new equity injections, subject to applicable conditions and time limits.

⁵⁾ In connection with purchase of Sandnes Offentlige Helsebygg AS, the Group acquired an existing bank loan with a nominal amount of NOK 98 million. The Group did a repayment of NOK 5 million right after acquiring the property. The covenants are measured at an ongoing basis, first time in October 2025. The Bond has a covenant based on the outstanding loan to property value and within 10 October the LTV should not exceed 65%.

⁶⁾ In connection with purchase of Rigatedalen Invest AS, the Group acquired an existing bank loan with a nominal amount of NOK 124.9 million. The Group did a repayment of NOK 74.9 million immediately after acquiring the property. The bank loan is hedged 100% with an interest rate derivative of 2.27% with maturity in December 2032.

Changes in liabilities arising from financing activities

Amounts in NOK million	31.12.2023	New liabilities including capitalised borrowing costs	Repayment	Reclassification liabilities	Amortisation of capitalised borrowing cost	Foreign exchange movements	31.12.2024
Non-current bond loans	211	207	-	1187	12		1 617
Non-current euro-denominated bond loans		3 462				45	3 507
Non-current bank loans	3 240	3 952	(6 610)	-	46		628
Current bond loans	2 054	-	(664)	(1 187)	8		211
Current bank loans	-	-	-	-	-		-
Total	5 505	7 621	(7 274)	-	66		5 963

Note 6 Financial risk management

Interest rate risk

Interest rate risk holds significant relevance in the Group's financing structures and property investments. The Group closely monitors real estate operations and collectively strives to assess and mitigate both liquidity and interest rate risks. The Group is exposed to cash flow interest rate risk from long-term borrowings at variable rate, and the risk is hedged using interest rate derivatives, see note 5 and 7 for further information.

The interest coverage ratio is an important metric for management to monitor the impact of changes in interest expenses. The interest coverage ratio for the Last Twelve Months (LTM), displayed below, is a metric used to assess changes in interest expenses over time and to evaluate compliance with the Group's debt facilities.

Last Twelve Months figures Q4 2024

Amounts in NOK million	LTM Q4 2024	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Rental income	662	177	173	164	148
Other income	3	3	0	0	0
Operating income	665	180	173	164	149
Property expenses	(67)	(18)	(15)	(13)	(20)
Net operating income	598	161	157	151	128
Administration expenses	(82)	(32)	(22)	(16)	(12)
Reimbursed property management fee	15	6	6	4	-
Consolidated adjusted EBITDA	532	135	141	138	117
Interest income	26	7	11	8	0
Interest expenses	(317)	(88)	(80)	(77)	(72)
Net interest income from interest rate derivatives	29	7	8	8	7
Consolidated net interest expenses	(261)	(74)	(61)	(62)	(65)
Net income from property management	270	61	81	77	52
ICR	2.0	1.8	2.3	2.2	1.8

Foreign exchange risk

The Group has entered into a fixed rate euro-denominated bond loan during the quarter in order to capitalise on favorable interest rates in the eurozone. In conjunction with the FX exposure on this loan, the Group has entered into a euro FX derivative contract in order to mitigate the exposure to foreign exchange risk on the bond debt. See note 7 for further information.

Note 7 Financial liabilities and derivatives

A specification of the Group's interest-bearing liabilities and interest rate derivatives are presented below.

Interest-bearing liabilities

Amounts in NOK million	31.12.2024	31.12.2023
Bond loans	5 376	2 273
Bank loans	628	3 256
Interest-bearing liabilities at period end	6 004	5 529
Amount of debt at fixed interest rate	5 426	3 901
Share of debt at fixed rate including bonds	90 %	71 %
Share of bank loan at fixed rate	8 %	50 %

Interest rate hedging agreements

Amounts in millions	NOK amount	Market value 31.12.24	Start date	Maturity date	Fixed interest
Interest rate swap*	50	6	03.12.2018	01.12.2032	2.27 %
Total interest swap assets	50	6			

*In connection with the refinancing in December 2024, the Group terminated all existing interest rate derivatives. Net cash flow from termination of interest derivatives amounted to NOK 12 million. The interest rate derivative outstanding at the quarter's end was acquired in connection with the acquisition of investment property entities in the fourth quarter 2024.

Amounts in millions	EUR amount	Market value 31.12.24	Start date	Maturity date	Fixed forward rate
Fair value hedge currency derivative*	100	(0.25)	17.12.2024	12.03.2030	12.85
Total FX derivatives liabilities	100	(0.25)			

*In connection with the placement of Euro-bond EUR 300 million, the Group has purchased an FX-swap amounting to one third of the nominal value of the bond.

Accounting policies

The Group applies fair value hedge accounting under IFRS 9 to mitigate exposure to changes in the fair value of foreign currency-denominated liabilities due to exchange rate fluctuations.

The hedged item, the euro bond, is adjusted for changes in fair value attributable to FX risk. The corresponding hedging instruments are measured at fair value, with gains or losses recognised in profit or loss towards net currency exchange differences.

Site leaseholds, right-of-use-assets

The Group has entered into a 10-year lease agreement as a lessee for premises in Haakon VII's gate 1 in Oslo.

Amounts in NOK million	2024
Beginning of year	-
Additions	36
Depreciation	(0)
Book value at year-end	35

Non-current lease liability

Amounts in NOK million	2024
Beginning of year	-
Additions	36
Lease interest expense	0
Payment	(0)
Book value at year-end	35

Accounting policies

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease contracts in which it is the lessee, except for leases with a lease term of 12 months or less, and leases of low value assets (such as vehicles and technical and office equipment), for which the Group applies the applicable recognition exemptions. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Only fixed payments are included in the initial measurement of the lease liability, and the lease term corresponds to the non-terminable period. The discount rate used to calculate the lease liability is determined, based on the Group's incremental borrowing rate for leases. The lease liability is presented as a non-current liability in the balance sheet.

Note 8 EPS

Amounts in NOK million except for Net profit (loss) per share	Q4 2024	Q4 2023	2024	2023 audited
Net profit (loss) attributable to ordinary equity holders of parent company (NOK million)	218	(347)	10	(900)
Weighted average number of shares in million*	210	72	167	72
Earnings per share Net profit (loss)	1.04	(4.83)	0.06	(12.51)

*Number of shares per 31 December 2023 have been adjusted due to share split in 2024 of 1/20, to make figures comparable.

Note 9 Financials

Net realised financials

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Interest income	7	5	26	1
Net interest income from interest rate derivatives	7	8	29	1
Interest expenses accrued and paid	(88)	(74)	(317)	1
Net realised financials	(74)	(62)	(261)	3

Net unrealised financials

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Net currency exchange differences	(8)	-	(8)	
Amortised borrowing costs bank loan*	(24)	(3)	(46)	(6)
Amortised bond costs	(11)	(4)	(20)	(12)
Lease interest expense	(0)	-	(0)	
Net unrealised financials	(44)	(6)	(74)	(18)

*Includes NOK 46 million unamortised from the previous bank loan which is expensed due to refinancing in Q2 2024 and Q4 2024.

Transaction costs incurred

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Legal, agency and consultancy fees	-	-	(30)	-
Other transaction fees	-	-	(19)	-
Contract termination fee	-	-	(50)	-
Total transaction costs	-	-	(99)	-

Total transaction costs are due to the IPO-process in 2024. These are considered as non-recurring.

These transaction costs of NOK 99 million are classified in the cash flow statement as operating cash flows.

Note 10 Related party transactions

Investment properties

In April 2024 the Group completed its purchase of 13 properties, based on a property value of approximately NOK 1 640 million, and a net purchase price of shares of NOK 1 191 million, from SBB Samfunnsbygg AS. The property value of NOK 1 640 million corresponds to the average gross property value of SBB Samfunnsbygg AS' properties (including development potential) pursuant to external valuations as of 31 December 2023. The net purchase price was reduced due to a bank loan of NOK 403 million held in the property companies acquired by the Company, and adjusted for findings made in the financial, legal and technical due diligence, and balance sheet adjustments. The consideration to SBB Samfunnsbygg AS consisted of 29 855 320 shares in the Company.

Adjustment to prior purchase price of investment properties

Unrelated to the aforementioned property transaction, The Group also paid an additional consideration to SBB Samfunnsbygg AS due to a tenant extension, agreed on 22 March 2024, in Kunnskapsveien 55, a property acquired from SBB Samfunnsbygg AS on 28 April 2022. The extension entailed that SBB Samfunnsbygg AS was entitled to an additional consideration of NOK 72 million pursuant to the share purchase agreement originally entered into for the sale and purchase of all the shares in Kunnskapsveien 55 AS. It was agreed that the additional consideration was to be settled in the form of 1 804 189 shares.

Property management fee

The Company receives property management fees from management agreements with Samhallsbyggnadsbolaget i Norden AB, as the Company performs property, financial and other management functions for the Norwegian properties partly or wholly owned by Samhallsbyggnadsbolaget i Norden AB.

Ownership

Samhallsbyggnadsbolaget i Norden AB priorly owned shares of the company indirectly through SBB Samfunnsbygg AS. In Q3 2024, Samhallsbyggnadsbolaget i Norden AB purchased the shares from SBB Samfunnsbygg AS and now owns the shares directly.

Note 11 The Share and shareholders

Public Property Invest ASA was listed on Euronext Oslo Børs (Oslo Stock Exchange) on 29 April 2024, under the ticker name PUBLI. The Company had a total of 215 103 825 issued and outstanding shares by the end of 2024. PPI has one class of shares, and all shares provide equal rights, and equal right to any dividends. The 20 largest shareholders as registered in Euronext VPS on 31 December 2024 are shown in the table below. The number of shares at the beginning of the year was 71 931 660. During second quarter 31 659 509 shares were issued due to settlement in shares from the acquisition of 13 new properties, and adjustment of the purchase price for Kunnskapsveien 55 due to the extension of the lease with Oslo Met. 105 000 000 new shares were issued in connection with the IPO. During the fourth quarter 6 512 656 shares were issued in connection with the purchase of 11 new properties.

Name	Number of shares	Stake
Samhallsbyggnadsbolaget i Norden AB	75 631 366	35.16 %
Skagen Vekst Verdipapirfond	8 991 411	4.18 %
Verdipapirfondet DnB Norge	6 441 107	2.99 %
Avanza Bank AB	4 684 082	2.18 %
Kverva Finans AS	4 427 618	2.06 %
Centra Capital AS	3 793 103	1.76 %
First Nordic Real Estate	3 777 980	1.76 %
Centra Invest AS	3 747 950	1.74 %
Sagacia AS	3 598 320	1.67 %
Verdipapirfondet Fondsfinans Norge	3 372 931	1.57 %
Telecom AS	3 274 320	1.52 %
Nordnet Bank AB	3 069 979	1.43 %
Njord Securities AS	2 902 160	1.35 %
Skagen M2 Verdipapirfond	2 604 363	1.21 %
Fossekallen Invest AS	2 250 000	1.05 %
J.P. Morgan SE	2 216 351	1.03 %
Hifo Invest AS	2 079 670	0.97 %
Kaage Invest AS	2 037 495	0.95 %
Kristian Falnes AS	2 030 494	0.94 %
Skandinaviska Enskilda Banken AB	1 750 000	0.81 %
Total 20 largest shareholders	142 680 700	66.33 %
Other shareholders	72 423 125	33.67 %
Total	215 103 825	100.00 %

Note 12 Subsequent events

On 2 January 2025 PPI signed an agreement to acquire two elementary schools in Espoo in Finland for EUR 37.1 million. The properties are approximately 10 000 square meters and are fully let, of which 94 per cent is let to the Municipality of Espoo. Both properties are newly refurbished and are certified BREEAM Very Good. The transaction was closed on 10 January 2025.

On 27 January 2025 PPI signed an agreement to acquire the property Damsgårdsveien 106 in Bergen for NOK 130.6 million. The property is approximately 4 100 square meters and is fully let to the Municipality of Bergen and the University of Bergen. The transaction will close on 14 February 2024.

On 29 January 2025, PPI issued a NOK 300 million and a SEK 250 million bond, both with 3-year tenors. The senior unsecured bonds were priced with a floating rate of NIBOR3M+175 bps and STIBOR3M +174 bps respectively.

On 25 November 2024 the Group signed a share purchase agreement for a pre-school in Trelleborg for a total property value of SEK 102 million. Trelleborg is located in Skåne municipality in Sweden. The transaction is expected to close on 28th February 2025.

ALTERNATIVE PERFORMANCE MEASURES

PPI's financial information is prepared in accordance with IFRS Accounting standards as adopted by EU. In addition, the Group reports Alternative Performance Measures (APMs) that are regularly reviewed by management to enhance the understanding of the Group's performance as a supplement, but not as a substitute, to the financial statements prepared in accordance with IFRS.

The financial APMs reported by PPI are the APMs that, in the management's view, provide relevant supplemental information of the Group's financial position and performance.

Net Operating Income (NOI)

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Rental income	177	141	662	575
Other income	3	0	3	0
Property expenses	(18)	(31)	(67)	(75)
NOI	161	110	598	501
NOI %	90 %	78 %	90 %	87 %

EBITDA

Amounts in NOK million	Q4 2024	Q4 2023	2024	2023
Net income from property management	61	36	270	223
Net realised financials	74	62	261	247
EBITDA	135	98	532	470

Interest Coverage Ratio (ICR)

Amounts in NOK million	LTM Q4 2024	LTM Q4 2023
EBITDA	532	470
Net realised financials	(261)	(247)
ICR	2.0	1.9

Unencumbered Asset Ratio

Amounts in NOK million	31.12.2024
Unencumbered asset	6 278
Financial Assets	1
Accounts Receivable and Other Receivables	28
Derivatives	6
Total Unencumbered Assets	6 312
Unsecured Loans	3 541
Cash and Cash Equivalents	(968)
Net Unsecured Senior Debt	2 573
Unencumbered Asset Ratio	2.45

EPRA Reporting

The following performance indicators have been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its latest edition of the Best Practices Recommendations Guidelines.

The EPRA Best Practices Recommendations Guidelines focus on making the financial statements of public real estate companies clearer and more comparable across Europe.

For further information about EPRA, see epra.com

Summary table EPRA performance measures

	Unit	Q4 2024	Q4 2023	2024	2023
A EPRA Earnings per share	NOK	0.06	0.21	0.89	2.03
B EPRA NRV per share	NOK	27.18	40.58	27.18	40.58
C EPRA LTV	%	46.7%	65.1%	46.7%	65.1%

The details for the calculation of the performance measures are shown on the following pages.

EPRA Earnings

EPRA Earnings is a measure of the operational performance of the property portfolio. EPRA Earnings is calculated based on the condensed consolidated statement of comprehensive income and the condensed consolidated statement of financial position.

EPRA earnings are adjusted for fair value changes on investment properties, changes in the fair value of interest derivatives, and non-recurring costs not considered a part of core business, as well as the associated tax effects.

Amounts in NOK millions	Q4 2024	Q4 2023	2024	2023
Net profit (loss)	221	(347)	13	(900)
Adjustments to calculate EPRA Earnings:				
Changes in fair value of investment properties	220	(348)	(34)	(1143)
Changes in fair value of interest rate derivatives	9	(56)	9	(25)
Transaction costs	-	-	(99)	-
Deferred tax investment properties	(19)	30	(32)	116
Deferred tax interest rate derivatives	(2)	12	(2)	5
Deferred tax transaction costs	-	-	22	-
EPRA earnings	13	15	149	146
Weighted average number of shares* in millions	210	72	167	72
EPRA Earnings per Share (EPRA EPS) (NOK)	0.06	0.21	0.89	2.03

*Number of shares per 31 December 2023 have been adjusted due to share split in 2024 of 1/20, to make figures comparable.

EPRA Net Reinstatement Value (NRV)

The objective of the EPRA NRV measure is to highlight the value of net assets on a long-term basis and assumes that no sales of assets take place. Assets and liabilities that are not expected to be realised as cash in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded.

Amounts in NOK millions	31.12.2024	31.12.2023
IFRS Equity attributable to shareholders	5 714	2 850
Net Asset Value (NAV) at fair value	5 714	2 850
Deferred tax investment properties	137	71
Deferred tax interest rate & FX derivatives	1	1
Interest rate & FX derivatives	(5)	(3)
Net Reinstatement Value (EPRA NRV)	5 846	2 919
Outstanding shares at period end (million)	215.1	71.9
EPRA NRV per share (NOK)	27.18	40.6

EPRA LTV

EPRA LTV is a metric to determine the percentage of net debt comparing to the appraised value of the properties.

Amounts in NOK million	31.12.2024	31.12.2023
Bond loans (nominal)	5 376	2 273
Bank loans (nominal)	628	3 256
Capitalised borrowing costs	(41)	(24)
Net Payables*	84	47
Cash and cash equivalents	(968)	(123)
Net debt	5 078	5 430
Fair value of investment properties	10 880	8 336
EPRA LTV	46.7 %	65.1%

*Net payables is defined as trade payables, other current and non-current liabilities, less trade receivables, and other current assets.

DEFINITIONS

EPRA LTV	Net debt divided by total property value. Property values are included at fair value, net debt at nominal value.
EPRA NAV	Net Asset Value, the total equity that the company manages for its owners. PPI presents NAV calculations in line with EPRA recommendation, where the difference mainly is explained by the expected turnover of the property portfolio.
Fair value of portfolio	The fair value of all properties owned by the parent company and subsidiaries assessed by an independent appraiser.
ICR	Interest Cover Ratio, the ratio of EBITDA to Net Interest Cost based on last twelve months.
Independent appraiser	Cushman & Wakefield.
LTV	Net debt divided by total assets.
Occupancy	Annual rental income of the management properties, divided by the annual rental income and estimated market rent of vacant area.
Property related expenses	Property related expenses include administrative costs related to the management of the properties as well as operating and maintenance costs.
Swap	A swap is an agreement between two parties to exchange sequences of cash flows for a set period of time.
Unencumbered Asset Ratio	Unencumbered assets divided by unsecured loans minus, cash and cash equivalents. Used to assess unencumbered assets in relation to unsecured senior interest-bearing debt.
WAULT	Weighted Average Unexpired Lease Term measured as the remaining contractual rent amounts of the current lease contracts of the investment properties of the Group, including areas that have been re-let and signed new contracts, adjusted for termination rights and excluding any renewal options, divided by Contractual rent, including renewed and signed new contracts.
Yield % - normalised	Annualised net rent divided by the market value of the management properties of the Group