

Interim report 2024

Second quarter
and first half



Highlights

Logistea AB acquiring KMC Properties' operations

All operations in the KMC Properties group, including properties and property management organisation, have been acquired by the Nasdaq Stockholm listed real estate company Logistea AB. The combined company will form a leading Nordic logistics, warehouse and light industrial real estate company with strategic focus on long-term growth, financial stability and sustainability.

The transaction will be settled in newly issued shares in Logistea AB, which will be distributed to KMC Properties ASA shareholders. Approximately 80 per cent of the shares will be distributed from 18 July 2024, and the remaining shares is expected to be distributed in the third quarter or early in the fourth quarter 2024.

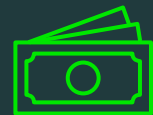
KMC Properties ASA will, following the transaction, pursue opportunities which will have a different profile than the combined company formed in Logistea AB. The company will remain listed on the Oslo Stock Exchange with Stig Wærnes as CEO.

Second quarter 2024 (second quarter 2023)

- Rental income of NOK 123.3 million (NOK 103.6 million)
- Operational costs of NOK 20.9 million (NOK 9.7 million)
- Net income from property management of NOK 43.2 million (NOK 41.7 million)
- Net profit before tax of NOK 104.2 million (NOK 6.1 million)
- Net debt/run-rate EBITDA at 8.15x
- Despite significant one-off costs related to the transaction with Logistea AB, profitability remained satisfactory
- Completed four property acquisitions in Belgium and Poland from BEWI ASA
- Completed approximately NOK 200 million property transaction in Denmark with Velux as tenant
- Completed 3 300 square meters property extension in Thorsø in Denmark

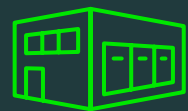
First half 2024 (first half 2023)

- Rental income of NOK 238.2 million (NOK 199.2 million)
- Operational costs of NOK 35.2 million (NOK 24.1 million)
- Net income from property management of NOK 87.1 million (NOK 77.8 million)
- Net profit before tax of NOK 170.8 million (NOK 48.3 million)
- Completed five property transactions with BEWI ASA announced in 2023



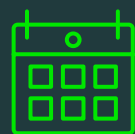
Net yield

~ 7.3%



Portfolio value

~ 6.9 bn



Wault (years)

~ 11.3



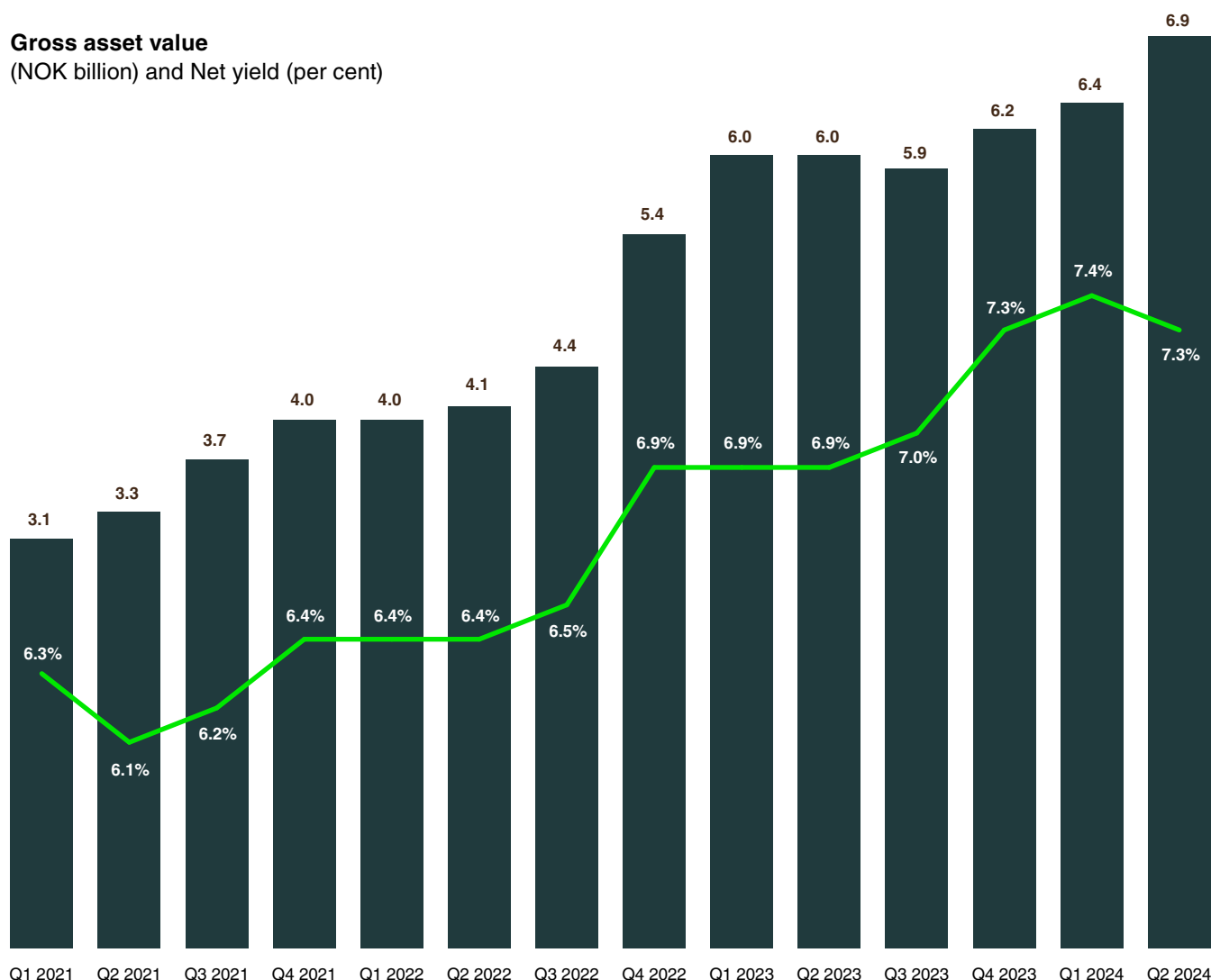
EPRA LTV

~ 54.6%

Portfolio development

Gross asset value

(NOK billion) and Net yield (per cent)



– In the second quarter of 2024, KMC Properties completed all announced property transactions and reached a gross asset value of NOK 6.9 billion. By combining with Logistea, the total property portfolio will be NOK 13.2 billion, and the new company formed in Logistea will be able to accelerate accretive growth beyond what two could achieve individually. KMC Properties ASA will, following the transaction, pursue opportunities which will have a different profile and I will remain with the company as CEO.

Stig Wærnes, CEO of KMC Properties

Key figures

<i>Amounts in NOK million</i>	YTD 2024	YTD 2023	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Rental income	238.2	199.2	123.3	114.9	106.6	103.6	103.6
Change period-on-period	20%	62%	7%	8%	3%	(0%)	8%
Net operating income	235.3	197.0	121.9	113.5	105.0	102.3	102.6
Change period-on-period	19%	62%	7%	8%	3%	(0%)	9%
Net realised financials	(113.0)	(95.1)	(57.8)	(55.1)	(49.5)	(55.1)	(51.2)
Change period-on-period	19%	64%	5%	11%	(10%)	8%	16%
Net income from property management	87.1	77.8	43.2	44.0	35.1	36.2	41.7
Change period-on-period	12%	80%	(2%)	25%	(3%)	(13%)	15%
Profit before tax	170.8	46.7	104.2	66.6	26.7	(125.0)	6.1
Change period-on-period	266%	(55%)	57%	149%	(121%)	(2 164%)	(85%)
Profit after tax	135.2	31.2	53.9	81.3	6.2	(113.9)	6.4
Change period-on-period	356%	(45%)	(34%)	1218%	(105%)	(1 873%)	(72%)
Market value of the property portfolio	6 944	6 032	6 944	6 404	6 153	5 900	6 032
Net debt	3 789	3 402	3 789	3 335	3 421	3 516	3 402
EPRA LTV ¹⁾	54.6%	56.4%	54.6%	52.1%	55.6%	59.6%	56.4%
Interest coverage ratio	1.7x	1.8x	1.7x	1.7x	1.7x	1.7x	1.8x
EPRA Net Initial Yield	7.3%	6.9%	7.3%	7.4%	7.3%	7.0%	6.9%
EPRA Vacancy rate	1.6%	1.9%	1.6%	1.7%	1.8%	1.8%	1.9%
WAULT	11.3	11.1	11.3	11.2	11.4	11.1	11.1
Number of properties	72	65	72	67	66	64	65
GLA ('000s sqm)	715	572	715	622	600	562	572
Shares outstanding (million)	416.7	344.1	416.7	416.7	394.1	344.1	344.1
<i>All amounts in NOK per share</i>	YTD 2024	YTD 2023	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
EPRA Earnings per Share ⁵⁾	0.08	0.33	(0.05)	0.13	(0.01)	(0.06)	0.10
Change period-on-period	(77%)	(757%)	(139%)	(1019%)	(76%)	(161%)	(59%)
EPRA NRV ²⁾	7.8	7.8	7.8	7.6	7.3	7.3	7.8
Change period-on-period	(1%)	1%	2%	5%	(0%)	(7%)	(0%)
Share price end of period	7.7	5.7	7.7	7.5	6.4	5.4	5.7
Change period-on-period	33%	(25%)	2%	18%	17%	(5%)	(4%)
Share price ³⁾ / EPRA NRV ²⁾	1.0	0.7	1.0	1.0	0.9	0.7	0.7
Change period-on-period	35%	(26%)	(0%)	12%	18%	2%	(4%)

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

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

3) Properties that have or have had rental income. Development properties and land plots not included.

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

5) The EPRA company specific adjusted EPS.

Logistea and KMC Properties to combine and form a leading nordic logistics, warehouse and light industrial real estate company

All operations in the KMC Properties group, including properties and property management organisation, have been acquired by the Nasdaq Stockholm listed real estate company Logistea AB.

The combined property portfolio will consist of a lettable area of around 1.4 million sqm, split across 145 properties in Sweden, Norway, Denmark, Finland, the Netherlands, Belgium, Germany and Poland, with the large majority of the assets located in Sweden and Norway.

The combined company will have a property value exceeding SEK 13 billion and generate net operating income of almost SEK 900 million, implying a net initial yield of 6.9 per cent. The combined company will have an occupancy rate of around 97 per cent with a WAULT exceeding 10 years. Over 90 per cent of the rental agreements have triple net features and close to 100 per cent have full CPI index adjustment. The combined company will have a net LTV below 50 per cent.

Logistea will continue its accretive growth strategy through capex projects, greenfield developments and acquisitions. The Transaction is expected to entail operational synergies of at least SEK 14 million. The combined company's management and organisation will consist of employees from both Logistea and KMC Properties. The new organisation will be structured to fully leverage the human resource potential across the two companies, and ensure all complementary skills and competencies are fully utilised.

KMC Properties ASA will pursue opportunities which will have a different profile than the combined company formed in Logistea AB and will remain listed on the Oslo Stock Exchange.

Second quarter and first half 2024 review

Run-rate and rental income development

Annualised run-rate

Run-rate figures for the next twelve months are based on non-CPI adjusted contractual rental income at period end and

coherent estimated cost ²⁾. The below run-rate figures reflect KMC Properties' standalone operations on 30 June 2024.

Amounts in NOK million	Q2 2024	Q2 2023	Change
Rental income	515.8	423.9	22%
Property related expenses	(5.0)	(5.0)	0%
Net operating income	510.8	418.9	22%
Administration expenses	(46.0)	(43.5)	6%
EBITDA	464.8	375.4	24%
Net realised financials ³⁾	(256.0)	(210.0)	22%
Net income from property management	208.8	165.4	26%
Net income from property management per share	0.50	0.48	4%
Net debt/Run rate EBITDA	8.15	9.06	(10%)

1) Based on completed agreements at period end.

2) Does not include transaction costs and variable remuneration to employees.

3) Based on interest rates and swap agreements at period end. Does not include amortisation of capitalised borrowing cost.

Acquisitions

Completion of large property transaction with BEWI ASA

In October 2023, KMC Properties announced an agreement to purchase seven properties from BEWI ASA for a total of NOK 625 million. Two property transactions were closed in the fourth quarter 2023 and five transactions were completed in stages during the first half of 2024.

The seven properties generate an annual rental income of NOK 54 million, subject to an annual 100 per cent CPI adjustment. All lease contracts have a 17-year WAULT.

Acquisition of Danish light industrial property with Velux as tenant

On 19 April 2024, KMC Properties agreed to acquire a Danish light industrial property for a total transaction value of approximately NOK 200 million at a gross yield of 7.5 per cent and 11.5 years WAULT. The property's long-term tenant is the European leader in development and manufacturing of roof windows, Velux A/S.

Greenfield projects

No greenfield project activities were initiated during the first half of 2024.

Investments in existing properties

In the second quarter 2024, KMC Properties finalised an extension of 3 300 square meters at the property in Skelvej 1,

Thorsø, Denmark. The annualised lease is estimated to DKK 2.3 million with a yield on cost of 8.5 per cent.

Capital optimisation

Financing of transactions with BEWI ASA

The NOK 625 million acquisition of seven properties from BEWI ASA, is financed by approximately NOK 290 million in bank debt from Nordea Denmark, fully drawn at the end of the first quarter 2024. The equity side of the transaction was financed by two private placements towards Nordika, which were completed in the fourth quarter 2023 and first quarter 2024.

Financing of Danish industrial property transaction

The acquisition of an industrial property in Denmark for an approximate NOK 200 million, was financed by approximately NOK 100 million bank debt provided by Nordea. The equity side of the transaction was financed by proceeds from resetting interest rate swaps in March 2024.

Transaction with Logistea

On 14 June 2024, the KMC Properties ASA announced that it had entered into an agreement with Logistea Fastigheter 8 AB, a wholly owned subsidiary of the Nasdaq Stockholm listed Logistea AB, regarding the sale of all shares in KMC Properties Holdco AS. KMC Properties Holdco AS, directly or indirectly, owns 100 per cent of all subsidiaries of the KMC Properties group, and the transaction constitutes the divestment of KMC Properties ASA's property portfolio including its property management organisation.

Both companies in the transaction are valued based on reported net asset value as of 31 March 2024, adjusted subsequent events. The relative ownership between shareholders in Logistea AB and KMC Properties ASA in the combined company, will be approximately 51 per cent and 49 per cent respectively.

Payment for the transaction will be settled in newly issued shares in Logistea AB. KMC Properties ASA will receive both class A and B shares, pro-rata to the current split of class A and B shares in Logistea AB, and the shares will be distributed to KMC Properties ASA's shareholders. Approximately 80 per cent of the shares will be distributed from 18 July 2024, and the remaining shares is expected to be distributed in the third quarter or early in the fourth quarter 2024.

The transaction was approved at KMC Properties ASA's Extraordinary General Meeting held on 5 July 2024 and at Logistea AB's Extraordinary General Meeting held on 9 July 2024.

Further information about the transaction, please see:

- Deal announcement: [Newsweb](#)
- Notice of Extraordinary General Meeting: [Newsweb](#)
- Information letter to shareholders regarding distribution of consideration shares: [Newsweb](#)
- Key information relating to dividend in kind: [Newsweb](#)
- Minutes from Extraordinary General Meeting: [Newsweb](#)

Financial review

Financial results

Comprehensive income

Rental income for second quarter of 2024 was NOK 123.3 million, up 19.0 per cent compared to the same period last year and 7.3 per cent from the previous period. The main driver behind the increase from previous period is income from new property investments.

Rental income

<i>Amounts in NOK million</i>	Q2 2024
Rental income previous period	114.9
Income from new investments	6.5
Income from additions	0.6
Agio/disagio	0.7
Other	0.9
Rental income current period	123.3

For the first half 2024, rental income was NOK 238.2 million, compared to NOK 199.2 million in the same period last year.

Most of the group's lease agreements are triple net bare house agreements, keeping property costs low. In the second quarter 2024, the property expenses were NOK 1.4 million, compared to NOK 1.1 million in the same period in 2023. In the first half 2024, the property expenses were NOK 2.9 million compared to NOK 2.2 million in the same period last year.

Net operating income (NOI) amounted to NOK 121.9 million for the second quarter 2024, compared to NOK 102.6 million for the comparable period in 2023. For the first half 2024, NOI amounted to NOK 235.3 million compared to NOK 197.0 million in the first half 2023.

Administration expenses increased to NOK 20.9 million for the second quarter 2024 compared to NOK 9.7 million in the same period last year. The increase mainly reflects higher transaction cost related to the sale of KMC Properties' operations to Logistea AB and non-recurring costs related to severance pay and other salary costs. In the first half 2024, administration expenses amounted to NOK 35.2 million, compared to NOK 24.1 million in the same period last year.

<i>Amounts in NOK million</i>	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Administrative costs	14.0	9.2	27.3	21.9
Transaction and non-recurring costs	6.8	0.5	7.9	2.1
Administration expenses	20.9	9.7	35.2	24.1

Net realised financials came in at negative NOK 57.8 million for the second quarter 2024, compared to negative NOK 51.2 mil-

lion for the comparable period in 2023. For the first half 2024, net realised financials amounted to NOK 113.0 million, compared to NOK 95.1 million in the same period in 2023.

The increase relates to higher interest-bearing debt related to portfolio expansion and resetting of seven swap agreements in March 2024, and higher floating interest rates. The difference in time between the raising of debt and the closing of one of the property transactions with BEWI ASA resulted in a period of double debt and associated higher interest expenses.

<i>Amounts in NOK million</i>	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Interest income	4.3	0.6	6.2	0.6
Interest expenses	(62.1)	(51.7)	(119.2)	(95.7)
Net realised financials	(57.8)	(51.2)	(113.0)	(95.1)

Net income from property management was NOK 43.2 million for the second quarter, compared to NOK 41.7 million in the same period last year. For the first half 2024, the net income from property management was NOK 87.1 million, compared to NOK 77.8 million in the same period last year.

Net unrealised financials came in at NOK 86.6 million for the second quarter 2024, compared to NOK 0.9 million for the corresponding period last year. For the first half 2024, net unrealised financials were NOK 63.0 million compared to NOK 62.8 million in the same period last year.

The amount primarily consists of foreign exchange gains and losses, including such gains and losses on intercompany balances, and amortisation of debt issue costs. Due to change of debtor of the company's bond loan in relation to the transaction with Logistea, remaining debt issue cost and bond discount were expensed in the quarter resulting in and extraordinary non-cash expense of NOK 34.8 million.

<i>Amounts in NOK million</i>	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net currency exchange differences	(44.4)	1.8	(7.3)	67.4
Amortised borrowing costs loan	(32.7)	(1.5)	(37.9)	(3.0)
Amortised bond discount	(8.8)	-	(9.8)	-
Interest expense (IFRS 16 lease)	(0.3)	(0.3)	(0.6)	(0.8)
Other financial expenses	(0.4)	(0.9)	(7.4)	(2.4)
Net unrealised financials	(86.6)	(0.9)	(63.0)	61.2

Net tax was negative NOK 50.2 million in the second quarter 2024, compared to NOK 0.4 million in the same period last

year. For the first half 2024, net tax was NOK 35.5 compared to negative NOK 17.0 million for the first half of 2023. Current tax amounted to negative NOK 7.0 million and deferred tax negative NOK 28.5 million. The change in deferred tax is due to changes in loss carry forwards of NOK 19.5 million, changes in tax on financial derivatives of negative NOK 20.0 million and changes in deferred tax on investment property of NOK 29.4 million.

Net profit after tax was NOK 53.9 million for the second quarter 2024, compared to NOK 6.4 million in the same period in 2023. For the first half 2024, net profit after tax was NOK 135.2 million, compared to NOK 31.2 million in the same period last year.

Comprehensive income was NOK 32.8 million for the second quarter and NOK 130.3 million for the first half 2024. This compares to a comprehensive income of NOK 10.2 million and NOK 75.8 million the same periods in 2023, respectively.

Financial position

At 30 June 2024, the property portfolio was valued at NOK 6 943.7 million, an increase of 8.4 per cent compared to the end of the first quarter 2024 and 12.9 per cent compared to year-end 2023.

The main driver behind the increased value is the completion of all announced acquisitions during the second quarter and first half of 2024.

<i>Amounts in NOK million</i>	Q2 2024	YTD 2024
Opening balance	6 404.1	6 153.0
Purchase of investment properties	467.1	630.2
Upgrade of investment properties	20.3	29.2
Change in value	118.1	119.7
Currency translation effect	(65.8)	11.6
Value at period end	6 943.7	6 943.7

Cash and cash equivalents was NOK 123.6 million at 30 June 2024, down from NOK 275.0 million at the end of 2023.

Total assets at 30 June 2024 was NOK 7 182.9 million. The NOK 115.5 million, in addition to properties and cash, mainly relates to financial derivatives including swap agreements, right-of-use assets and other current assets.

Non-current liabilities were NOK 3 743.4 million at 30 June 2024, up from NOK 3 341.8 million at year-end 2023. Non-current liabilities mainly consist of NOK 2 796.8 million bank loans and NOK 900.0 million bond loans.

Current liabilities were NOK 383.1 million at 30 June 2024, down from NOK 500.8 million at year-end 2023. Current liabilities mainly consist of interest-bearing liabilities with less than one year to maturity.

Equity was NOK 3 056.3 million, representing an equity ratio of 43 per cent. EPRA NRV per share was NOK 7.8.

Cash flow

Operational activities generated a cash flow of NOK 58.9 million in the second quarter of 2024 compared to NOK 58.7 million for the same period last year, and for the first half 2024 NOK 165.5 million compared to NOK 135.4 million in the corresponding period in 2023.

Cash flow from investment activities in the second quarter of 2024 generated an outflow of NOK 482.9 million, compared to a NOK 63.5 million outflow for the same quarter last year. The increase is due to increased property acquisition activities in 2024. For the first half 2024, the cash outflow from investment activities was NOK 625.8 million, compared to NOK 533.4 million in the same period in 2023.

Financing activities generated cash inflow of NOK 23.7 million in the second quarter of 2024 mainly due to the proceeds from interest-bearing debt liabilities of NOK 133.9 million offset mainly by loan repayments and interest expenses. For the first half 2024, the cash inflow from financing activities was NOK 334.4 million, compared to NOK 356.3 million in the same period in 2023.

The net change in cash and cash equivalents in was negative NOK 401.1 million in the second quarter and negative NOK 151.4 million in the first half 2024. This resulted in a cash position at 30 June 2024 of NOK 123.6 million.

Outlook

All KMC Properties operations are acquired by Logistea AB to form a leading Nordic logistics, warehouse and light industrial real estate company with strategic focus on long-term growth, financial stability and sustainability.

Following the transaction, KMC Properties ASA will pursue opportunities with a different profile than the combined company formed in Logistea AB. The company will remain listed on the Oslo Stock Exchange with Stig Wærnes as CEO.

Risks and uncertainties

Following the transaction with Logistea AB, KMC Properties ASA is expected to possess a cash balance adequate to sustain operations for the next twelve months. Despite this, the company faces risks due to the current lack of operational assets and revenue-generating activities.

While the company's cash reserves are adequate to fund operations in the short term, unexpected expenses could impact

liquidity. Monitoring and managing cash flow will be important to maintain financial stability. Without revenue-generating activities, the company is currently not creating income to sustain long-term operations. Developing and executing on a strategy to generate revenue or secure additional funding is essential.

Responsibility statement

From the board of directors and CEO of KMC Properties ASA

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2024 has been prepared in accordance with IAS 34 – Interim Financial Reporting and gives a true and fair view of the company's and group's assets, liabilities, financial position and profit or loss as a whole.

We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties' transactions.

Trondheim, Norway, 11 July 2024

The board of directors and CEO, KMC Properties ASA

Bjørnar André Ulstein
Chair

Morten Astrup
Director

Marianne Bekken
Director

Jonas Grandér
Director

Mia Arnhult
Director

Hege Buer
Director

Stig Wærnes
CEO

Consolidated statement of comprehensive income

<i>Amounts in NOK million</i>	<i>Note</i>	Q2 2024 Unaudited	Q2 2023 Unaudited	YTD 2024 Unaudited	YTD 2023 Unaudited	2023 Audited
Rental income		123.3	103.6	238.2	199.2	409.4
Property expenses		(1.4)	(1.1)	(2.9)	(2.2)	(5.0)
Net operating income	<i>2</i>	121.9	102.6	235.3	197.0	404.4
Administration expenses		(20.9)	(9.7)	(35.2)	(24.1)	(55.5)
Net realised financials		(57.8)	(51.2)	(113.0)	(95.1)	(199.7)
Net income from property management		43.2	41.7	87.1	77.8	149.1
Net unrealised financials		(86.6)	(0.9)	(63.0)	62.8	(18.2)
Changes in value of financial instruments	<i>6</i>	29.5	17.3	27.0	(46.7)	(65.1)
Changes in value of investment properties	<i>3</i>	118.1	(52.0)	119.7	(45.7)	(117.4)
Profit before tax		104.2	6.1	170.8	48.3	(51.6)
Current tax		(1.6)	(1.6)	(7.0)	(15.5)	(20.1)
Deferred tax		(48.6)	1.9	(28.5)	(1.6)	(6.2)
Profit from continued operations		54.0	6.4	135.3	31.3	(77.9)
Profit from discontinued operations		(0.1)	-	(0.1)	(0.0)	(0.1)
Profit		53.9	6.4	135.2	31.2	(78.0)
Translation differences for foreign operations		(21.1)	3.8	(4.9)	44.5	76.7
Comprehensive income		32.8	10.2	130.3	75.8	(1.4)

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

Consolidated statement of financial position

<i>Amounts in NOK million</i>	<i>Note</i>	30.06.2024 Unaudited	30.06.2023 Unaudited	31.12.2023 Audited
ASSETS				
Non-current assets				
Investment properties	3, 5	6 943.7	6 032.4	6 153.0
Site leaseholds, right-of-use assets		22.7	23.6	23.0
Financial derivatives	5, 6	51.5	133.6	149.2
Other non-current assets		11.7	17.0	12.1
Total non-current assets		7 029.6	6 206.7	6 337.3
Current assets				
Trade receivables		8.6	4.6	4.7
Other current assets		21.0	14.9	24.0
Cash and cash equivalents		123.6	126.0	275.0
Total current assets		153.2	145.6	303.8
Total assets		7 182.9	6 352.2	6 641.1
EQUITY AND LIABILITIES				
Equity				
Share capital		83.3	68.8	78.8
Share premium		2 043.7	1 656.0	1 918.8
Translation reserve		91.6	64.3	96.5
Retained earnings		837.7	811.1	704.4
Total equity		3 056.3	2 600.3	2 798.5
LIABILITIES				
Non-current liabilities				
Deferred tax liabilities		165.8	170.6	135.9
Non-current interest-bearing liabilities	4	3 527.8	1 261.8	3 164.0
Lease liabilities		23.5	24.1	23.6
Other non-current liabilities		26.4	19.1	18.4
Total non-current liabilities		3 743.4	1 475.6	3 341.8
Current liabilities				
Current interest-bearing liabilities	4	272.6	2 186.6	363.3
Trade payables		33.3	37.0	22.3
Current tax liabilities		7.4	11.2	12.0
Other current liabilities		69.8	41.3	103.1
Liabilities held for sale		-	0.2	0.2
Total current liabilities		383.1	2 276.3	500.8
Total liabilities		4 126.5	3 751.9	3 842.6
Total equity and liabilities		7 182.9	6 352.2	6 641.1

Trondheim, Norway, 11 July 2024

The board of directors and CEO, KMC Properties ASA

Bjørnar André Ulstein
Chair

Morten Astrup
Director

Marianne Bekken
Director

Jonas Grandér
Director

Mia Arnhult
Director

Hege Buer
Director

Stig Wærnes
CEO

Consolidated statement of changes in equity

<i>Amounts in NOK million</i>	Subscribed share capital	Share premium	Translation reserves	Retained earnings	Total equity
Total equity at 1 January 2023	64.8	1 511.8	19.8	780.6	2 376.9
Issue of shares	14.0	409.3	-	-	423.3
Transaction cost issue of shares	-	(2.3)	-	-	(2.3)
Profit/(loss) for the period	-	-	-	(78.0)	(78.0)
Employee incentive plan	-	-	-	1.8	1.8
Other comprehensive income (translation reserves)	-	-	76.7	(0.0)	76.7
Total equity at 31 December 2023	78.8	1 918.8	96.5	704.4	2 798.5
Issue of shares	4.5	125.5	-	-	130.0
Transaction cost issue of shares	-	(0.6)	-	-	(0.6)
Profit/(loss) for the period	-	-	-	135.2	135.2
Employee incentive plan	-	-	-	(1.8)	(1.8)
Other comprehensive income (translation reserves)	-	-	(4.9)	-	(4.9)
Total equity at 30 June 2024	83.3	2 043.7	91.6	837.8	3 056.3

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

Consolidated statement of cash flows

<i>Amounts in NOK million</i>	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Profit before tax	104.2	7.7	170.8	48.3	(51.6)
Changes in value of investment properties	(118.1)	52.0	(119.7)	45.7	117.4
Financial items	114.9	33.2	149.0	79.0	283.1
<i>Change in working capital</i>					
- change in current assets	(5.3)	(8.4)	(2.8)	(10.7)	(16.8)
- change in current liabilities	(33.1)	(11.4)	(24.2)	(5.5)	44.7
Other items not included in the cash flow	0.3	(7.5)	0.6	(12.0)	(2.6)
Taxes paid	(4.1)	(7.0)	(8.3)	(9.4)	(17.3)
Net cash flow from operating activities	58.9	58.7	165.5	135.4	357.0
Acquisitions of properties	(467.1)	-	(630.2)	(446.0)	(672.4)
Development and upgrades of properties	(20.3)	(64.2)	(29.2)	(116.3)	(205.3)
Sale of properties	-	-	-	29.3	101.4
Interest received	4.3	0.6	6.2	0.6	6.7
Change in other non-current assets	0.2	0.1	0.4	(1.0)	3.9
Net cash flow from investment activities	(482.9)	(63.5)	(652.8)	(533.4)	(765.7)
Proceeds from issue of shares	-	-	130.0	148.3	423.3
Proceeds interest-bearing liabilities	133.9	44.5	294.0	336.2	2 513.2
Repayment interest-bearing liabilities	(55.2)	(19.4)	(76.7)	(27.3)	(2 165.1)
Interest paid	(62.1)	(51.7)	(119.2)	(95.7)	(206.4)
Transaction fees paid and net other financials (incl. resetting of swaps)	(0.6)	(3.1)	98.4	(4.5)	(55.5)
Change in other non-current liabilities	7.8	2.0	7.8	(0.7)	0.0
Net cash flow from financing activities	23.7	(27.8)	334.4	356.3	509.5
Effects of exchange rate changes on cash and cash equivalents	(0.9)	(7.6)	1.6	(19.0)	(12.3)
Net change in cash and cash equivalents	(401.1)	(40.2)	(151.4)	(60.8)	88.5
Cash and cash equivalents at beginning of period	524.8	165.8	275.0	186.5	186.5
Cash and cash equivalents at end of period	123.6	126.0	123.6	126.0	275.0

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

Selected notes to the interim financial statements

Note 01 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 financial reporting covers KMC Properties ASA and subsidiaries. The interim financial statements have not been audited.

Note 02 Tenancy agreements

The group mainly enters into long-term lease agreements with solid counterparties, for properties that are strategically located for the tenants. Most lease contracts are "triple-net bare house

lease agreements". Lease payments of the contracts include CPI increases.

Net operating income (NOI) from properties:

<i>Amounts in NOK million</i>	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Norway	63.3	55.5	125.7	110.7	226.1
Sweden	18.8	18.9	37.8	37.2	73.3
Denmark	16.1	14.3	30.3	26.6	55.0
Netherlands	9.0	9.0	17.8	17.5	35.4
Finland	6.3	5.9	12.4	7.3	19.1
Germany	6.1	-	9.1	-	0.5
Belgium	1.7	-	3.2	-	0.1
Poland	1.9	-	1.9	-	-
Total rental income	123.3	103.6	238.2	199.2	409.4
Property related costs	(1.4)	(1.1)	(2.9)	(2.2)	(5.0)
NOI from properties	121.9	102.6	235.3	197.0	404.4

Summary of significant contracts

A substantial part of rental income is from rental contracts with related parties.

<i>Amounts in NOK million</i>	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
BEWI & subsidiaries	69.6	51.2	129.8	95.8	202.4
Insula & subsidiaries	16.0	15.4	32.1	30.6	61.2
Grøntvedt & subsidiaries	9.0	8.6	17.9	17.1	34.2
Scana & subsidiaries	8.8	8.5	17.6	16.9	33.8
Other	19.9	19.9	40.8	38.8	77.8
Total	123.3	103.6	238.2	199.2	409.4

Note 03 Investment properties

The valuation of the properties has been performed by independent expert valuers in the first half of 2024.

Amounts in NOK million	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Opening balance	6 404.1	5 993.3	6 153.0	5 365.6	5 365.6
Acquisitions	467.1	8.7	630.2	442.2	672.4
Development and upgrades	20.3	64.2	29.2	116.3	205.3
Sale	-	-	-	(29.3)	(101.4)
Change in value	118.1	(52.0)	119.7	(45.7)	(117.4)
Currency translation effect	(65.8)	18.2	11.6	183.3	128.5
Value at period end	6 943.7	6 032.4	6 943.7	6 032.4	6 153.0

Note 04 Interest-bearing liabilities

Amounts in NOK million	YTD 2024	YTD 2023
Bond loan	900.0	1 850.0
Bank loan	2 796.8	1 323.7
Construction loans	-	82.3
Revolving Credit Facility / Shareholder loan	120.0	200.0
Interest bearing liabilities at period end	3 816.8	3 455.9
Capitalised borrowing cost	(16.4)	(7.5)
Carrying amount interest bearing liabilities	3 800.4	3 448.4
Fair value of interest-bearing liabilities	36.9	20.5

Interest-bearing debt at period end:	Loan amount NOK million	Weighted average margin	Weighted average current terms	Reference rate ¹⁾	Weighted average amortisation plan bank loans (years)	Weighted average years to final maturity	In compliance with covenants?
Bond loan	900.0	5.00%	9.73%	3M NIBOR	None	2.0	Yes
Bank loan	2 796.8	2.42%	6.82%	3M/6M NIBOR/STIBOR	22.7	5.1	Yes
Shareholder loan / RCF	120.0	3.75%	8.48%	3M NIBOR	None	0.4	Yes
Total	3 816.8	3.07%	7.56%				
Swap agreements ²⁾			(0.85%)				
Total including swap agreements			6.71%				

1) 3 months Nibor is set to 4.73% in line with the latest interest rate determination on the new bond loan.

6 months Nibor is set to 4.89% in line with the latest interest rate determination on the bank loan.

3 months Stibor is set to 4.07% in line with the latest interest rate determination on the bank loan.

6 months Stibor is set to 4.41% in line with the latest interest rate determination on the bank loan.

2) See note 6.

Security bond loan:

<i>Amounts in NOK million</i>	30.06.2024	31.12.2023
Pledged property portfolio	1 442.7	3 054.8
Properties refinanced in bank	-	(1 561.3)
Disposal account	136.0	-
Opening balance security ¹⁾	1 578.7	1 493.5
Investments in pledged property portfolio	452.4	189.8
Sale of assets in pledged property portfolio	(336.3)	(297.7)
Inflow disposal account	121.6	136.0
Outflow disposal account	(257.6)	-
Fair value and translation adjustments pledged property portfolio	70.7	57.1
Value security end of period	1 629.5	1 578.7
Value of bond loan	900.0	1 850.0

1) The bond is secured by, in addition to mortgages over the properties, share charges over the shares of the guarantors, pledges over bank accounts, Norwegian floating charges over trade receivables, and certain other floating charges / enterprise mortgages in Finland, Denmark, Netherland, Belgium, Germany, and Poland.

The bond terms governing the bond issue require that all funds received from sale of pledged properties shall be paid into a bank account blocked and pledged in favour of the bond holders (the

“Disposal Account”). Funds from the Disposal Account may be used to finance development of properties in the bond security package.

Note 05 Fair value of assets and liabilities

<i>Amounts in NOK million</i>	<i>Fair value level</i>	30.06.2024	30.06.2023	31.12.2023
Assets measured at fair value:				
<i>Assets measured at fair value through profit or loss</i>				
- Investment properties	Level 3	6 943.7	6 032.4	6 153.0
- Financial derivatives	Level 2	51.5	133.6	149.2
Total		6 995.2	6 166.0	6 302.2
Liabilities measured at fair value:				
<i>Liabilities measured at fair value through profit or loss</i>				
- Financial derivatives	Level 2	-	-	-
Total		-	-	-

Note 06 Financial instruments

The carrying amount of financial instruments in the group's balance sheet is considered to provide a reasonable expression of their fair value, apart from interest-bearing debt. The fair value of

interest-bearing debt is described in note 5. A specification of the group's financial instruments is presented below.

Interest-bearing loans

<i>Amounts in NOK million</i>	30.06.2024	30.06.2023	31.12.2023
Bond loan	900.0	1 850.0	900.0
Bank loan	2 796.8	1 323.7	2 453.0
Construction loans	-	82.3	121.1
Revolving Credit Facility / Shareholder loan	120.0	200.0	107.5
Interest bearing liabilities at period end	3 816.8	3 455.9	3 581.6
Hedged amount (fixed interest)	1 935.2	1 275.0	1 476.6
Hedge ratio	51%	37%	41%

Swap agreements at period end

Swap agreement	Currency amount (million)	Start date	Maturity date	Fixed currency rate	Fixed interest
Interest	EUR 10.6	26.03.2024	06.01.2028	Not applicable	EURIBOR = 2.6610%
Interest	EUR 32	26.03.2024	06.01.2028	Not applicable	EURIBOR = 2.2888%
Interest	NOK 235	26.03.2024	06.01.2031	Not applicable	NIBOR = 3.1758%
Interest	NOK 265	26.03.2024	06.01.2031	Not applicable	NIBOR = 3.1758%
Interest	NOK 70	26.03.2024	06.01.2028	Not applicable	NIBOR = 3.3949%
Interest	NOK 135	06.01.2024	06.01.2029	Not applicable	NIBOR = 3.53%
Interest	SEK 69.6	26.03.2024	07.01.2028	Not applicable	STIBOR = 2.3621%
Interest	SEK 100	28.12.2023	31.01.2029	Not applicable	STIBOR = 2.4125%
Interest	SEK 50.4	26.03.2024	07.01.2028	Not applicable	STIBOR = 2.3621%
Interest	SEK 75	08.01.2024	06.01.2029	Not applicable	STIBOR = 2.405%
Currency	NOK 470	06.07.2023	06.07.2026	EUR/NOK = 11.63	Spread (Bond): 5.015%
Currency	NOK 430	06.07.2023	06.07.2026	DKK/NOK = 1.56	Spread (Bond): 4.645%

Note 07 Related party transactions

The tenant BEWI is regarded as related parties by their ownership in KMC Properties ASA through BEWI Invest AS. Reference is made to note 2 Tenancy agreements for detailed information. KMC Properties ASA has in the first half of 2024 purchased services for NOK 0.9 million from BEWI related companies at market terms and conditions.

The table below sets out KMC Properties ASA (including its subsidiaries) material investments and acquisitions with related parties. The total purchase price for the acquisitions was NOK 452.0 million.

Date	Target/ property	Related party
27 March 2024	Herrenhöfer Landstrasse 6 (Ohrdruf)	BEWI ASA
11 May 2024	4 Olszewskiego Street/15 Legnicka Street (Chorzów)	BEWI ASA
11 May 2024	11 Kluczborska Street (Chorzów)	BEWI ASA
11 May 2024	15 Narutowicza Street (Chorzów)	BEWI ASA
27 June 2024	Hulshoutsesteenweg 33 (Heist-op-den-Berg)	BEWI ASA

Alternative Performance Measures

KMC Properties ASA's financial information is prepared in accordance with the international financial reporting standards (IFRS). In addition, the company reports alternative performance measures (APMs) that are regularly reviewed by management to enhance the understanding of the company's performance as a supplement, but not as a substitute, to the financial statements prepared in accordance with IFRS. Financial APMs are intended to enhance comparability of the results and cash flows from period to period.

The financial APMs reported by KMC Properties ASA are the APMs that, in management's view, provide relevant supplemental information of the company's financial position and performance. Operational measures such as, but not limited to, occupancy and WAULT are not defined as financial APMs according to ESMA's guidelines.

EBITDA ¹⁾

Amounts in NOK million	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Net income from property management	43.2	41.7	87.1	77.8	149.1
Net realised financials	57.8	51.2	113.0	95.1	199.7
EBITDA	101.0	92.9	200.1	173.0	348.9

Interest Cover Ratio (ICR)

Amounts in NOK million	12 M Q2 2024	12 M Q1 2024	12 M Q4 2023	12 M Q3 2023	12 M Q2 2023
LTM EBITDA	375.8	367.8	348.8	322.8	291.4
Net realised financials	(217.6)	(210.9)	(199.7)	(192.1)	(165.8)
ICR	1.7x	1.7x	1.7x	1.7x	1.8x

1) Includes EBITDA from discontinued operations.

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 www.epra.com.

Summary table EPRA performance measures

	Unit	Q2 2024 / 30.06.2024	Q2 2023 / 30.06.2023
A EPRA Earnings per share	NOK	(0.13)	0.33
B EPRA NRV per share	NOK	7.8	7.8
EPRA NTA per share	NOK	7.8	7.8
EPRA NDV per share	NOK	7.3	7.6
C EPRA Net Initial Yield (NIY)	%	7.3	6.9
EPRA "topped-up" NIY	%	7.3	6.9
D EPRA Vacancy Rate	%	1.6	1.9
E EPRA Cost Ratio (including direct vacancy costs)	%	16.0	13.2
EPRA Cost Ratio (excluding direct vacancy costs)	%	16.8	13.2
F EPRA LTV	%	54.6	56.4

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

A. EPRA EARNINGS

EPRA Earnings is a measure of the operational performance of the property portfolio. EPRA Earnings is calculated based on the income statement, adjusted for non-controlling interests, value

changes on investment properties, changes in the market value of financial instruments and the associated tax effects.

Amounts in NOK million	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Earnings per IFRS income statement	53.9	6.4	135.2	29.6	(78.0)
Adjustments to calculate EPRA Earnings:					
Changes in value of investment properties	(118.1)	52.0	(119.7)	45.7	117.4
Changes in value of financial instruments	(29.5)	(17.3)	(27.0)	46.7	65.1
Deferred tax for FV adjustments	31.3	(4.0)	29.4	10.8	(7.2)
Deferred tax for financial derivatives	6.4	(3.9)	(20.4)	(17.9)	(7.9)
EPRA earnings	(56.0)	33.3	(2.4)	114.8	89.4
Weighted average shares outstanding (million)	414.8	344.1	414.8	344.1	357.1
EPRA Earnings per Share (EPS)	(0.13)	0.10	(0.01)	0.33	0.25
Company specific adjustments:					
Profit from discontinued operations	0.1	-	0.1	0.0	0.1
Debt issue and bond discount cost bond loan ¹⁾	34.8	-	34.8	-	-
Company specific Adjusted Earnings	(21.1)	33.3	32.5	114.9	89.5
Company specific Adjusted EPS	(0.05)	0.10	0.08	0.33	0.25

1) Due to change of debtor of the company's bond loan in relation to the transaction with Logistea, remaining debt issue cost and bond discount were expensed in the second quarter of 2024 resulting in an extraordinary non-cash expense of NOK 34.8 million.

B. EPRA NET ASSET VALUE (NAV) METRICS**EPRA Net Reinstatement Value (NRV)**

value of net assets on a long-term basis and assumes that no selling of assets takes place. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Real estate

transfer taxes are levied on property transactions in Netherland, Belgium, and Germany, but not on property transactions in the Nordics. Such taxes are not included in investment property values and is therefore not corrected for.

<i>Amounts in NOK million</i>	30.06.2024	30.06.2023	31.12.2023
IFRS Equity attributable to shareholders	3 056.3	2 600.3	2 798.5
Approved, not paid dividend	-	-	-
Net Asset Value (NAV) at fair value	3 056.3	2 600.3	2 798.5
Deferred tax investment properties	214.2	204.9	184.3
Deferred tax financial derivatives	11.3	21.7	31.7
Real estate transfer tax	-	-	-
Fair value of financial derivatives	(51.5)	(133.6)	(149.2)
Net reinstatement value (EPRA NRV)	3 230.4	2 693.3	2 865.2
Fully diluted shares outstandings (million)	416.7	344.1	394.1
EPRA NRV per share	7.8	7.8	7.3

EPRA Net Tangible Assets (NTA)

The EPRA NTA is focused on reflecting a company's tangible assets and assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax liability. KMC Properties has adopted the first option in the EPRA BPR

guidelines excluding all deferred tax related to investment properties, since KMC Properties has no intention to sell any of its properties.

<i>Amounts in NOK million</i>	30.06.2024	30.06.2023	31.12.2023
IFRS Equity attributable to shareholders	3 056.3	2 600.3	2 798.5
Approved, not paid dividend	-	-	-
Net Asset Value (NAV) at fair value	3 056.3	2 600.3	2 798.5
Deferred tax investment properties	214.2	204.9	184.3
Deferred tax financial derivatives	11.3	21.7	31.7
Fair value of financial derivatives	(51.5)	(133.6)	(149.2)
Net tangible assets (EPRA NTA)	3 230.4	2 693.3	2 865.2
Fully diluted shares outstandings (million)	416.7	344.1	394.1
EPRA NTA per share	7.8	7.8	7.3

EPRA Net Disposal Value (NDV)

The EPRA NDV measure illustrates a scenario where deferred tax, financial instruments, and certain other adjustments are calculated as to the full extent of their liability. This enables readers of financial reports to understand the full extent of liabilities and resulting shareholder value under an orderly sale of business and/or if liabilities are not held until maturity. The measure should not

be viewed as a “liquidation NAV” for KMC Properties, as fair values may not represent liquidation values, and as an immediate realisation of KMC Properties assets may be structured as sale of property-owning companies, resulting in the deferred tax liabilities only partially crystallising.

<i>Amounts in NOK million</i>	30.06.2024	30.06.2023	31.12.2023
IFRS Equity attributable to shareholders	3 056.3	2 600.3	2 798.5
Approved, not paid dividend	-	-	-
Net Asset Value (NAV) at fair value	3 056.3	2 600.3	2 798.5
Fair value adjustment of interest bearing liabilities, net of tax	-	-	-
Net disposal value (EPRA NDV)	3 056.3	2 600.3	2 798.5
Fully diluted shares outstandings (million)	416.7	344.1	394.1
EPRA NDV per share	7.3	7.6	7.1

C. EPRA Net Initial Yield (NIY)

EPRA Net Initial Yield (NIY) measures the 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, increased with (estimated) purchasers' costs.

EPRA “topped-up” NIY 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).

<i>Amounts in NOK million</i>	30.06.2024	30.06.2023	31.12.2023
Investment properties	6 943.7	6 032.4	6 153.0
Investment properties held for sale	-	-	-
Market value of the property portfolio	6 943.7	6 032.4	6 153.0
Less projects, land and developments	(26.7)	(140.7)	(7.4)
Allowance for estimated purchasers' cost	13.9	12.1	12.3
Gross up completed management portfolio valuation	6 930.9	5 903.8	6 157.9
12 months rolling rent	515.8	414.7	457.2
Estimated ownership cost	(8.3)	(8.0)	(7.8)
Annualised net rents	507.5	406.8	449.4
Add: Notional rent expiration of rent-free periods or other lease incentives	-	-	-
Topped up net annualised net rents	507.5	406.8	449.4
EPRA “topped-up” NIY	7.3%	6.9%	7.3%
EPRA NIY	7.3%	6.9%	7.3%

D. EPRA Vacancy Rate

Estimated Market Rental Value (ERV) of vacant space divided by the ERV of the whole portfolio.

<i>Amounts in NOK million</i>	30.06.2024	30.06.2023	31.12.2023
Market rent vacant areas	8.1	7.3	8.1
Total market rent	498.7	389.3	462.0
EPRA Vacancy Rate	1.6%	1.9%	1.8%

KMC Properties vacant space is related to a logistic property acquired in Narvik with roughly half the property vacant,

enabling a potential for significant additional income. KMC Properties has no other vacant space.

E. EPRA Cost Ratios

Administrative & operating costs (including & excluding costs of direct vacancy) divided by gross rental income.

Costs

<i>Amounts in NOK million</i>	Q2 2024	Q2 2023	YTD 2024	YTD 2023	2023
Property expenses	(1.4)	(1.1)	(2.9)	(2.2)	(5.0)
Administration expenses	(20.9)	(9.7)	(35.2)	(24.1)	(55.5)
Less: Ground rent costs	-	-	-	-	-
EPRA Costs (including direct vacancy costs)	(22.3)	(10.8)	(38.1)	(26.3)	(60.5)
Direct vacancy costs	-	-	-	-	-
EPRA Costs (excluding direct vacancy costs)	(22.3)	(10.8)	(38.1)	(26.3)	(60.5)
Gross Rental Income less ground rents	123.3	103.6	238.2	199.2	409.4
Gross Rental Income	123.3	103.6	238.2	199.2	409.4
EPRA Cost Ratio (including direct vacancy costs)	18.1%	10.4%	16.0%	13.2%	14.8%
EPRA Cost Ratio (excluding direct vacancy costs)	18.1%	10.4%	16.0%	13.2%	14.8%

F. EPRA LTV

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

<i>Amounts in NOK million</i>	30.06.2024	30.06.2023	31.12.2023
Bond loan	900.0	1 850.0	900.0
Bank loan	2 796.8	1 323.7	2 453.0
Construction loans	-	82.3	121.1
Revolving Credit Facility / Shareholder loan	120.0	200.0	107.5
Net Payables ¹⁾	95.5	72.1	114.9
Cash and cash equivalent	(123.6)	(126.0)	(275.0)
Net debt	3 788.7	3 402.0	3 421.4
Investment properties	6 943.7	6 032.4	6 153.0
Investment properties held for sale	-	-	-
Market value of the property portfolio	6 943.7	6 032.4	6 153.0
EPRA LTV	54.6%	56.4%	55.6%

1) Net payables include trade payables, other current and non-current liabilities, trade receivables, other receivables and other assets.

Definitions

GLA	Gross leasable area, corresponds to the sum of the areas available for lease.
GRI	Gross rental income, equals total rental income.
ICR	Interest Cover Ratio, the ratio of EBITDA to Net Interest Cost.
LTM	Last twelve months.
Market value of portfolio	The market value of all properties owned by the parent company and subsidiaries.
NAV	Net Asset Value, the total equity that the company manages for its owners. KMC Properties presents NAV calculations in line with EPRA recommendation, where the difference mainly is explained by the expected turnover of the property portfolio.
Vacancy rate (%)	Estimated market rent of occupied space of the management properties, divided by the market rent of the total space of the management portfolio.
Swap	A swap is an agreement between two parties to exchange sequences of cash flows for a set period of time.
Triple net lease	A type of lease whereby the tenant pays, in addition to the rent, all costs incurred on the property that would normally have been paid by the property owner. These include operating expenses, maintenance, property tax, site leasehold fees, insurance, property caretaking, etc.
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 relet and signed new contracts, adjusted for termination rights and excluding any renewal options, divided by Contractual rent, including renewed and signed new contracts.



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