



Public Property Invest ASA

(a public limited company incorporated under the laws of Norway)

€2,000,000,000

Euro Medium Term Note Programme

Under this €2,000,000,000 Euro Medium Term Note Programme (the "**Programme**"), Public Property Invest ASA (the "**Issuer**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer and the relevant Dealers (as defined below).

Notes may be issued in bearer or registered form (respectively "**Bearer Notes**" and "**Registered Notes**") or in uncertificated book entry form ("**VPS Notes**") cleared through the Norwegian Central Securities Depository, *Verdipapirsentralen ASA* (trading as Euronext Securities Oslo) ("**Euronext VPS**"). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement as defined under "*Subscription and Sale*"), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "*Overview of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "*Risk Factors*".

This Base Prospectus has been approved as a base prospectus by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes.

Such approval relates only to Notes that are to be admitted to trading on the regulated market (the "**Euronext Dublin Regulated Market**") of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**"), the Oslo Stock Exchange's regulated market (*Oslo Børs*) or on another regulated market for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**").

Application has been made to Euronext Dublin for Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to its official list (the "**Official List**") and trading on the Euronext Dublin Regulated Market. The Issuer has further requested that the Central Bank send to the Norwegian Financial Supervisory Authority (*Finanstilsynet*) (the "**NFSA**") in its capacity as the competent authority in Norway (i) a copy of this Base Prospectus and (ii) a certificate of approval pursuant to Article 25 of the Prospectus Regulation attesting that this Base Prospectus has been drawn up in accordance with the provisions of the Prospectus Regulation and the Commission Delegated Regulation (EU) 2019/980, for the purposes of listing Notes on the Oslo Stock Exchange's regulated market (*Oslo Børs*).

Each of the Euronext Dublin Regulated Market and the Oslo Stock Exchange's regulated market (*Oslo Børs*) is a regulated market for the purposes of MiFID II. References in this Base Prospectus to the Notes being "**listed**" (and all related references) shall mean that, unless otherwise specified in the applicable Final Terms, the Notes have been either admitted (i) to the Official List and to trading on the Euronext Dublin Regulated Market or (ii) to trading on the Oslo Stock Exchange's regulated market (*Oslo Børs*), as may be agreed between the Issuer and the relevant Dealer in relation to the relevant Series (as defined below).

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the European Economic Area (the "EEA"). The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

The requirement to publish a prospectus under the Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in the EEA and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined in "*Terms and Conditions of the Notes*") of Notes will be set out in a final terms document (the "**Final Terms**") which will be delivered to the Central Bank, and further distributed to the NFSA and, where listed, Euronext Dublin and/or the Oslo Stock Exchange (*Oslo Børs*) (as appropriate).

Copies of Final Terms in relation to Notes to be listed on Euronext Dublin will also be published on the website of Euronext Dublin, and copies of Final Terms in relation to Notes listed on the Oslo Stock Exchange's regulated market (*Oslo Børs*) will be published on the website of the Oslo Stock Exchange (*Oslo Børs*).

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or any U.S. State securities laws and may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons as defined in Regulation S under the Securities Act unless an exemption from the registration requirements of the Securities Act is available and in accordance with all applicable securities laws of any state of the United States and any other jurisdiction.

The Issuer has been rated BBB- by Fitch Ratings Ireland Limited (the "**Fitch**") Fitch is established in the EEA and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the "**EU CRA Regulation**"). As such, Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Fitch is not established in the United Kingdom ("**UK**") and has not applied for registration under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK CRA Regulation**"). Accordingly, the Issuer rating issued by Fitch and has been endorsed by Fitch Ratings Ltd in accordance with the UK CRA Regulation and has not been withdrawn. Fitch Ratings Ltd is established in the United Kingdom and registered under the UK CRA Regulation.

Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating assigned to the Issuer by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under "Risk Factors" below.

Amounts payable on Floating Rate Notes will be calculated by reference to one of the Copenhagen Interbank Offered Rate ("**CIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**"), the Norwegian Interbank Offered Rate ("**NIBOR**") or the Stockholm Interbank Offered Rate ("**STIBOR**") as specified in the applicable Final Terms. As at the date of this Base Prospectus, the European Money Markets Institute, the administrator of EURIBOR, Danish Financial Benchmark Facility ApS, the administrator of CIBOR, Norske Finansielle Referanser AS, the administrator of NIBOR, and Swedish Financial Benchmark Facility AB, the administrator of STIBOR, are included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the "**EU Benchmarks Regulation**"). As at the date of this Base Prospectus, the administrators of the Sterling Overnight Index Average ("**SONIA**"), the Secured Overnight Financing Rate ("**SOFR**") and the Euro Short-term Rate ("**€STR**") are not included in ESMA's register of administrators under Article 36 of the EU Benchmarks Regulation. As at the date of this Base Prospectus, as far as the Issuer is aware, SONIA, SOFR and €STR do not fall within the scope of the EU Benchmarks Regulation by virtue of Article 2 of that regulation.

Arranger

J.P. Morgan

Dealers

Citigroup

Danske Bank

DNB Markets

Goldman Sachs

J.P. Morgan

Nordea

IMPORTANT INFORMATION

This Base Prospectus comprises a base prospectus in respect of all Notes issued under the Programme for the purposes of Article 8 of the Prospectus Regulation.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the applicable Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated in it by reference (see "*Documents Incorporated by Reference*"). This Base Prospectus shall be read and construed on the basis that those documents are incorporated and form part of this Base Prospectus.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus. Any website referred to in this Base Prospectus has not been scrutinised or approved by the Central Bank.

Neither the Dealers nor the Trustee (as defined below) have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Trustee as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme. No Dealer or the Trustee accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer, any of the Dealers or the Trustee to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, any of the Dealers or the Trustee.

Neither this Base Prospectus nor any other information supplied in connection with the Programme, or any Notes is intended to provide the basis of any credit or other evaluation, nor should it be considered as a recommendation by the Issuer, any of the Dealers or the Trustee that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Programme, or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning the Issuer is correct at any time subsequent to its date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention.

Notes denominated in NOK may not be offered, sold or delivered in Norway or to or for the benefit of persons domiciled in Norway, unless in compliance with the regulations relating to the offer of VPS Notes, including the registration in Euronext VPS of such VPS Notes.

IMPORTANT – EEA RETAIL INVESTORS – If the Final Terms in respect of any Notes includes a legend entitled "*Prohibition of sales to EEA Retail Investors*", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point

(10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS – If the Final Terms in respect of any Notes includes a legend entitled "*Prohibition of sales to UK Retail Investors*", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes may include a legend entitled "*MiFID II Product Governance*" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes may include a legend entitled "*UK MiFIR Product Governance*" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001– The applicable Final Terms in respect of any Notes may include a legend entitled "*Singapore Securities and Futures Act Product Classification*" which will state the product classification of the Notes pursuant to Section 309B(1) of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time, the "**SFA**"). The Issuer will make a determination and, if applicable, provide the appropriate written notification to "relevant persons" in relation to each issue about the classification of the Notes being offered for the purposes of section 309B(1)(a) of the SFA. Any such legend included on the applicable Final Terms will constitute notice to "relevant persons" (as defined in section 309A(1) of the SFA) for the purposes of Section 309B(1)(c) of the SFA.

Notice to Swiss permitted investors - The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland. No key information document according to the FinSA or any equivalent document under the FinSA has been prepared in relation to the Notes, and, therefore, the Notes may not be offered or recommended to private clients within the meaning of the FinSA in Switzerland.

NOTICE TO CANADIAN INVESTORS – The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Prospectus (including any amendment thereto) contains a misrepresentation, **provided that** the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFERS OF NOTES GENERALLY

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Dealers and the Trustee do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Dealers (including for the avoidance of doubt their respective branches and affiliates) or the Trustee which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the EEA (including Belgium and Norway), the UK, Switzerland, Singapore and Japan; see "*Subscription and Sale*".

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Defined Terms and Conventions

Capitalised terms which are used but not defined in any particular section of this Base Prospectus will have the meaning attributed to them in "*Terms and Conditions of the Notes*" or any other section of this Base Prospectus.

In addition, the following terms as used in this Base Prospectus have the meanings defined below:

- "euro", "EUR" and "€" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;
- "NOK" refers to the lawful currency of the Kingdom of Norway; and
- "Sterling" and "£" refer to pounds sterling.

References to a "**billion**" are to a thousand million.

References to "**PPI**" are to the Issuer and its subsidiaries taken as a whole.

Certain figures and percentages included in this Base Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number or decimal or fraction, as the case may be). Accordingly, figures shown in the same category presented in different tables may vary slightly and, as a result, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

In this Base Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

Financial information in this Base Prospectus

The Issuer has prepared consolidated financial statements for the years ended 31 December 2023 (the "**2023 Financial Statements**"), and 31 December 2022 (the "**2022 Financial Statements**", and together with the 2023 Financial Statements, the "**Annual Financial Statements**"). The Issuer has also prepared consolidated interim financial statements for the nine months ended 30 September 2024 (the "**Q3 2024 Interim Financial Statements**"; and together with the Annual Financial Statements, the "**Financial Statement**"). The Financial Statements are presented in NOK (reporting currency). Unless otherwise indicated, the financial information in this Base Prospectus relating to the Issuer has been derived from the Financial Statements.

The Financial Statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the European Union ("**IFRS**"). The Financial Statements are incorporated by reference in this Base Prospectus.

The Issuer's financial year ends on 31 December, and references in this Base Prospectus to any specific year are to the 12-month period ended on 31 December of such year.

The Issuer's consolidated financial statements for the year ended 31 December 2023 and for the year ended 31 December 2022 have been audited by PricewaterhouseCoopers AS ("**PwC**"), as set forth in their independent auditor's reports included therein. PwC has provided unqualified audit opinions for the Annual Financial Statements as set forth in their auditor reports, and where the audit opinion for the 2023 Financial Statements includes an emphasis of matter. The Q3 2024 Interim Financial Statements have been reviewed by PwC as set forth in their review report included therein. PwC has provided an unqualified review report for the Q3 Financial Statements as set forth in their review reports.

The unqualified audit opinion for the 2023 Financial Statements includes an emphasis of matter over *material uncertainty related to going concern*, as follows:

"We draw attention to Note 19 in the financial statements, where the Company states that some of their financing contracts expire and amounts owing fall due for payment in September 2024. Without refinancing, extending the maturity date and/or an equity injection, the Company will not be able to repay these bond loans at maturity. As stated in Note 19, these events or conditions, along with other matters as set forth in Note 19, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

This emphasis of matter was due to the Issuer being dependent, at the time of approval of the 2023 Financial Statements by the Board of Directors, on reaching a final agreement on the refinancing of certain financial contracts on satisfactory financial terms in order to fulfil its current obligations under the bond issued by Public Property Sub-Holding 1 AS with an outstanding nominal amount as of 31 December 2023 of NOK 1,100 million ("**Bond Loan 1**") and the bond issued by Public Property Sub-Holding 4 AS with an outstanding nominal amount as of 31 December 2023 of NOK 962 million ("**Bond Loan 2**"). The refinancing of Bond Loan 1 and Bond Loan 2 depended on the Listing occurring (as defined and explained below in the section entitled "*Risk factors – Factors that may affect the business of PPI and the ability of the Issuer to fulfil its obligations under Notes issued under the Programme – Risks related to PPI's business – PPI has recently established a new organisation, and following these changes results and achievements may be not be similar to those achieved in the past*"), which took place in April 2024. PwC's audit opinion for the 2023 Financial Statements is not modified in respect of this matter.

Alternative performance measures

The Issuer presents in this Base Prospectus certain alternative performance measures ("**APMs**"). The APMs presented herein are not measurements of performance under IFRS or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) operating revenues or operating profit (as determined in accordance with IFRS or other generally accepted accounting principles), as a measure of PPI's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The APMs presented herein may not be indicative of PPI's historical operating results, nor are such measures meant to be predictive of PPI's future results. The Issuer believes that the APMs presented herein are commonly reported by companies in the markets in which PPI competes and are widely used by investors in comparing performance on a consistent basis without regard to different factors, which can vary significantly depending upon accounting measures (in particular when acquisitions have occurred), business practice or non-operating factors. Accordingly, PPI discloses the APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies across periods, and of PPI's ability to service its debt. As companies calculate the APMs presented herein differently, PPI's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

The APMs used by PPI are set out below (presented in alphabetical order):

"Consolidated Adjusted EBITDA" means, in respect of any Testing Date, the number set out under the heading "Net income from property management" (or any equivalent line item) in the consolidated financial statements of PPI (including the notes thereto), excluding (i) the numbers set out under the headings "Interest income" (or equivalent line items), (ii) "Interest expenses" (or equivalent line item) and (iii) the number set out under the heading "Net interest income from interest rate derivatives" (or equivalent line item), in each case, in the consolidated financial statements of PPI (including the notes thereto);

Interest Cover Ratio ("ICR"): ICR is defined as Consolidated Adjusted EBITDA divided by consolidated net interest expenses, which corresponds to interest income less interest expenses plus net interest income from interest derivatives, as presented in the Q3 2024 Interim Financial Statements. In the 2023 Financial Statements, this corresponds to financial income less interest expenses paid (as presented in note 8 to the 2023 Financial Statements). This measure provides additional information for Management and investors to evaluate the underlying financial position of PPI and ability to service debt.

Net operating income ("NOI"): NOI is defined as operating income less property expenses. This measure provides additional information for Management and investors to evaluate the underlying profitability generated from operating activities.

"NOI Yield": NOI Yield is defined as NOI divided by investment properties. This measure provides additional information for Management and investors to evaluate the underlying profitability generated from operating activities.

Net asset value ("NAV"): NAV is defined as total assets less total liabilities excluding deferred tax liabilities. This measure provides additional information for Management and investors to evaluate the underlying financial position of PPI.

Net interest-bearing debt ("NIBD") and NIBD/Consolidated Adjusted EBITDA: NIBD is defined as non-current and current interest-bearing liabilities less cash and cash equivalents. NIBD/Consolidated Adjusted EBITDA is defined as NIBD divided by Consolidated Adjusted EBITDA. These measures provide additional information for Management and investors to assess PPI's capacity to meet its financial commitments and ability to service debt.

Certain APMs are calculated using the definition recommended by the European Public Real Estate Association ("**EPRA**") in the Best Practices Recommendations Guidelines (September 2024)

The content in the first paragraph of this Section "*Alternative performance measures (APMs)*" is also applicable for the APMs as recommended by EPRA.

The APMs as recommended by EPRA and used by PPI are set out below (presented in alphabetical order):

EPRA earnings: EPRA earnings is defined as net profit (loss) excluding changes in fair value of investment properties, changes in fair value of interest derivatives, transaction costs, deferred tax on

investment properties, deferred tax on interest derivatives and deferred tax on transaction costs. This measure provides additional information for Management and investors to evaluate the underlying profitability generated from operating activities.

EPRA loan-to-value ("EPRA LTV"): EPRA LTV is defined as the nominal value of bond loans and bank loans and net payables less capitalised borrowing costs and cash and cash equivalents divided by investment properties. Net payables consist of the financial statement line items other non-current liabilities, trade payables and other current liabilities less trade receivables and other current assets. This measure provides additional information for Management and investors to evaluate the underlying financial position of PPI.

EPRA net asset value ("EPRA NAV"): EPRA NAV represents the financial statement line item total equity. This measure provides additional information for Management and investors to evaluate the underlying financial position of PPI.

EPRA net reinstatement value ("EPRA NRV"): EPRA NRV is defined as EPRA NAV excluding deferred tax on investment properties and deferred tax on interest derivatives less fair value of interest derivatives. Fair value of interest derivatives consists of the financial statement line item interest derivatives. This measure provides additional information for Management and investors to evaluate the underlying financial position of PPI.

Below is a reconciliation of EBITDA and ICR for the years ended 31 December 2023 and 2022 and the nine months ended 30 September 2024 and 2023.

| <i>Amounts in NOK million</i> | Year ended | | Nine months ended | |
|---|--------------|--------------|-------------------|--------------|
| | 31 December | 31 December | 30 September | 30 September |
| | 2023 | 2022 | 2024 | 2023 |
| Rental income | 575 | 504 | 485 | 434 |
| Other income..... | 0 | 1 | 1 | 0 |
| Operating income | 576 | 504 | 485 | 435 |
| Property expenses..... | (75) | (63) | (49) | (44) |
| Net operating income | 501 | 442 | 437 | 391 |
| Administration expenses | (31) | (36) | (50) | (19) |
| Reimbursed property management fee | - | - | 9 | - |
| Consolidated adjusted EBITDA | 470 | 405 | 396 | 372 |
| Interest income..... | 6 | 2 | 19 | 1 |
| Interest expenses | (272) | (203) | (229) | (197) |
| Net interest income from interest rate derivatives ⁽¹⁾ | 19 | 1 | 23 | 11 |
| Consolidated net interest expenses | (247) | (200) | (187) | (185) |
| Net income from property management | 223 | 205 | 210 | 186 |
| ICR | 1.9 | 2.0 | 2.1 | 2.0 |

Notes:

⁽¹⁾ Net interest income from interest rate derivatives refers to the income or expense that a financial instrument earns or incurs as a result of using derivatives to manage interest rate risk or to generate additional income.

Below is a reconciliation of NOI for the years ended 31 December 2023 and 2022 and the nine months ended 30 September 2024 and 2023 and NOI Yield as of 31 December 2023 and 2022 and 30 September 2024 and 2023.¹

| <i>In NOK million</i> | Year ended | | Nine months ended | |
|---|--------------|--------------|-------------------|--------------|
| | 31 December | 31 December | 30 September | 30 September |
| | 2023 | 2022 | 2024 | 2023 |
| Operating income | 576 | 504 | 485 | 435 |
| Property expenses..... | (75) | (63) | (49) | (44) |
| (a) Net operating income ("NOI") | 501 | 442 | 437 | 391 |
| (b) Investment properties..... | 8,336 | 9,447 | 9,864 | 8,682 |
| (a/b) NOI Yield | 6.01% | 4.68% | 4.43% | 4.50% |

¹ Excluding vacant properties as at 31 December 2023 and Postgården Eiendom Namsos AS for which the lease expired on 1 February 2023. There were no vacant properties as at 31 December 2022.

Below is a reconciliation of NAV as of 31 December 2023 and 2022 and 30 September 2024 and 2023.

| <i>In NOK million</i> | Year ended | | Nine months ended 30 | |
|--|--------------|--------------|----------------------|--------------|
| | 31 December | 2022 | September | 2023 |
| | 2023 | 2022 | 2024 | 2023 |
| Total assets..... | 8,522 | 9,691 | 10,424 | 8,909 |
| <i>Less:</i> | | | | |
| Total liabilities..... | 5,671 | 5,940 | 5,070 | 5,712 |
| Excluding: Deferred tax liabilities..... | 66 | 135 | 78 | 93 |
| Net asset value ("NAV")..... | 2,917 | 3,886 | 5,432 | 3,290 |

Below is a reconciliation of NIBD and NIBD/EBITDA as of 31 December 2023 and 2022 and 30 September 2024 and 2023.

| <i>In NOK million</i> | Year ended | | Nine months ended | |
|--|--------------|--------------|-------------------|--------------|
| | 31 December | 2022 | 30 September | 2023 |
| | 2023 | 2022 | 2024 | 2023 |
| Non-current interest-bearing liabilities..... | 3,353 | 4,933 | 4,655 | 5,565 |
| Current interest-bearing liabilities..... | 2,152 | 760 | 211 | - |
| <i>Less:</i> | | | | |
| Cash and cash equivalents..... | 123 | 177 | 480 | 145 |
| (a) Net interest-bearing debt ("NIBD")..... | 5,382 | 5,517 | 4,385 | 5,420 |
| (b) EBITDA..... | 470 | 405 | 396 | 372 |
| (a/b) NIBD/EBITDA..... | 11.46 | 13.61 | 11.06 | 14.59 |

Below is a reconciliation of EPRA earnings for the years ended 31 December 2023 and 2022 and the nine months ended 30 September 2024 and 2023.

| <i>Amounts in NOK million</i> | Year ended | | Nine months ended | |
|--|-------------|------------|-------------------|------------|
| | 31 December | 2022 | 30 September | 2023 |
| | 2023 | 2022 | 2024 | 2023 |
| Net profit (loss)..... | (900) | (623) | (207) | (553) |
| Adjustments to calculate EPRA Earnings: | | | | |
| Changes in value of investment properties..... | (1,143) | (913) | (254) | (794) |
| Changes in value of interest rate derivatives..... | (25) | 28 | 0 | 31 |
| Transaction costs..... | - | - | (99) | - |
| Deferred tax investment properties..... | 116 | 131 | (13) | 86 |
| Deferred tax interest rate derivatives..... | 5 | (6) | (0) | (7) |
| Deferred tax transaction costs..... | - | - | 22 | - |
| EPRA earnings..... | 146 | 138 | 136 | 131 |

Below is a reconciliation of EPRA NRV as of 31 December 2023 and 2022 and 30 September 2024 and 2023.

| <i>In NOK million</i> | Year ended | | Nine months ended | |
|--|--------------|--------------|-------------------|--------------|
| | 31 December | 2022 | 30 September | 2023 |
| | 2023 | 2022 | 2024 | 2023 |
| EPRA NAV ¹ | 2,850 | 3,750 | 5,354 | 3,197 |
| <i>Excluding:</i> | | | | |
| Deferred tax investment properties..... | 71 | 153 | 106 | 82 |
| Deferred tax interest derivatives..... | 1 | 6 | 1 | 13 |
| <i>Less:</i> Fair value of interest derivatives..... | 3 | 28 | 3 | 59 |
| EPRA NRV..... | 2,919 | 3,881 | 5,458 | 3,234 |

¹ Represents the financial statement line item total equity.

Below is a reconciliation of EPRA LTV as of 31 December 2023 and 2022 and 30 September 2024 and 2023.

| <i>Amounts in NOK million</i> | Year ended | | Nine months ended | |
|-------------------------------|-------------|-------|-------------------|-------|
| | 31 December | 2022 | 30 September | 2023 |
| | 2023 | 2022 | 2024 | 2023 |
| Bond loans (nominal)..... | 2,273 | 3,035 | 1,609 | 2,273 |

| <i>Amounts in NOK million</i> | Year ended | | Nine months ended | |
|---|--------------------|--------------|--------------------------|--------------|
| | 31 December | | 30 September | |
| | 2023 | 2022 | 2024 | 2023 |
| Bank loans (nominal) | 3,256 | 2,698 | 3,300 | 3,323 |
| Capitalised borrowing costs | (24) | (40) | (43) | (31) |
| Revolving credit facility | - | - | - | - |
| Net Payables* | 47 | 80 | 56 | 37 |
| Cash and cash equivalents | (123) | (177) | (480) | (145) |
| Net debt | 5,430 | 5,597 | 4,441 | 5,457 |
| Fair value of investment properties | 8,336 | 9,447 | 9,864 | 8,682 |
| EPRA LTV | 65.1% | 59.2% | 45.0% | 62.9% |

1 Represents the carrying amount of bond loans and bank loans, respectively, as disclosed in Note 14 "Interest bearing liabilities" in the Financial Statements.

2 Net payables consist of the financial statement line items other non-current liabilities, trade payables and other current liabilities less trade receivables and other current assets.

Industry, market data and other third-party information

This Base Prospectus contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to PPI's business and the industries and markets in which it operates. Unless otherwise indicated, such information reflects the Issuer's estimates based on analysis, research and surveys of multiple sources, including data compiled from professional organisations and analysts and information otherwise derived from other third-party sources, such as annual financial statements and other presentations published by listed companies operating within the same industry as the Issuer. Unless otherwise indicated in this Base Prospectus, the basis for any statements regarding PPI's current or future competitive position is based on PPI's own assessment and knowledge of the potential market in which it may operate.

The Issuer confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified, however, websites so referenced as sources shall not be deemed as incorporated by reference into this Base Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Issuer has not independently verified and cannot give any assurances as to the accuracy or completeness of market data and statistics contained in this Base Prospectus that was extracted from industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such market data and statistics are based on market research, which itself is based on sampling and subjective judgements by both the researchers and the respondents, including judgements about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Base Prospectus (and projections, assumptions and estimates based on such information) may not be reliable indicators of PPI's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in "Risk factors" below and elsewhere in this Base Prospectus.

Cautionary note regarding forward-looking statements

This Base Prospectus includes forward-looking statements that reflect the Issuer's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "should", "projects", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements as a general matter are all statements other than statements as to historic facts or present facts and circumstances and include statements regarding the Issuer's intentions, beliefs or

current expectations concerning, among other things, PPI's financial strength and position, backlog, pipeline, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to PPI's future business development and financial performance, and the industry in which PPI operates, such as but not limited to PPI's expansion in existing and entry into new markets in the future.

Prospective investors in the Notes are cautioned that forward-looking statements are not guarantees of future performance and that PPI's actual financial position, operating results and liquidity, and the development of the industry and potential market in which PPI may operate in the future, may differ materially from those made in, or suggested by, the forward-looking statements contained in this Base Prospectus. The Issuer cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Important factors that could cause those differences include, but are not limited to macro-economic factors such as interest rates and inflation, PPI's ability to maintain relationships with tenants, employees and other third parties, occupancy rates, the activity level in the economy and the demand for PPI's properties, the financial strength and position of PPI, earnings, cash flow, dividends and other expected financial results and conditions, PPI's future business development, including M&A and transaction activity, access to funding, PPI's implementation of strategic initiatives, political, governmental, social, legal and regulatory changes, the impact from changes in the tax regime for PPI's assets and activities, the competitive nature of the business PPI operates in and the competitive pressure and changes to the competitive environment in general and general economic trends and conditions.

The risks that are currently known to the Issuer and which could affect PPI's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in the Section entitled "*Risk factors*" below.

The information contained in this Base Prospectus identifies additional factors that could affect PPI's financial position, operating results, cash flows, liquidity and performance. Prospective investors are urged to read all Sections of this Base Prospectus and the information incorporated by reference into this Base Prospectus for a more complete discussion of the factors that could affect PPI's future performance and the industry in which PPI operates.

These forward-looking statements speak only as of the date on which they are made. Except as required by applicable law, the Issuer undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Issuer or to persons acting on the Issuer's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Base Prospectus.

SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

CONTENTS

| | Page |
|--|-------------|
| OVERVIEW OF THE PROGRAMME | 1 |
| RISK FACTORS | 6 |
| DOCUMENTS INCORPORATED BY REFERENCE | 22 |
| FORM OF THE NOTES | 23 |
| APPLICABLE FINAL TERMS | 27 |
| TERMS AND CONDITIONS OF THE NOTES | 39 |
| USE OF PROCEEDS | 97 |
| INDUSTRY AND MARKET OVERVIEW | 98 |
| BUSINESS OF PPI | 107 |
| BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE | 127 |
| TAXATION | 134 |
| SUBSCRIPTION AND SALE | 136 |
| GENERAL INFORMATION | 141 |

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, and if appropriate, a new Base Prospectus or a supplement to this Base Prospectus, will be published.

This Overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980.

Words and expressions defined in "*Form of the Notes*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this Overview.

| | |
|--|--|
| Issuer: | Public Property Invest ASA |
| Issuer's Legal Entity Identifier: | 254900QSCB9T0W2KE886 |
| Risk Factors: | There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and risks relating to the structure of a particular Series of Notes issued under the Programme. These are set out under " <i>Risk Factors</i> ". |
| Description: | Euro Medium Term Note Programme |
| Arranger: | J.P. Morgan SE |
| Dealers: | Citigroup Global Markets Europe AG Danske Bank A/S DNB Bank ASA Goldman Sachs Bank Europe SE J.P. Morgan SE Nordea Bank Abp and any other Dealers appointed in accordance with the Programme Agreement. |
| Certain Restrictions: | Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see " <i>Subscription and Sale</i> ") including the following restrictions applicable at the date of this Base Prospectus: Notes having a maturity of less than one year Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the UK, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of FSMA unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see " <i>Subscription and Sale</i> ". |
| Trustee: | Deutsche Trustee Company Limited |
| Principal Paying Agent: | Deutsche Bank AG, London Branch |

| | |
|-----------------------------|--|
| VPS Agent: | Nordea Bank Abp, filial i Norge, Issuer Service |
| Programme Size: | Up to €2,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement. |
| Distribution: | Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis. |
| Currencies: | Subject to any applicable legal or regulatory restrictions, Notes may be denominated in any currency agreed between the Issuer and the relevant Dealer. |
| Maturities: | The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency. |
| Issue Price: | Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par. |
| Form of Notes: | <p>The Notes will be issued in bearer or registered form or, in the case of VPS Notes, uncertificated book entry form, as specified in the applicable Final Terms.</p> <p>Notes in bearer form will not be exchangeable for Notes in registered form, and Notes in registered form will not be exchangeable for Notes in bearer form.</p> <p>VPS Notes will not be evidenced by any physical note or document of title. Entitlements to VPS Notes will be evidenced by the crediting of VPS Notes to accounts with Euronext VPS. VPS Notes will not be exchangeable for Notes in bearer form or registered form and <i>vice versa</i>. See "<i>Form of the Notes</i>" below.</p> |
| Fixed Rate Notes: | Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer. |
| Floating Rate Notes: | <p>Floating Rate Notes will bear interest at a rate determined on the basis of the reference rate set out in the applicable Final Terms.</p> <p>Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.</p> <p>The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p> |

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Benchmark Event: If a Benchmark Event (as defined in the Terms and Conditions) occurs, such that any rate of interest (or any component part thereof) cannot be determined by reference to the original benchmark specified in the applicable Final Terms, then such rate of interest may be substituted (subject to certain conditions) with a successor or alternative rate (with consequent amendment to the terms of such Series of Notes and the application of an adjustment spread (which could be positive, negative or zero)) as described in the Terms and Conditions.

Step Up Rating Change and/or Step Down Rating Change: The applicable Final Terms will specify whether a Step Up Rating Change and/or Step Down Rating Change will apply to the Notes, in which case the rate of interest in respect of the Notes may be subject to adjustment as specified in the applicable Final Terms. See Condition 5.4 (*Adjustment of Rate of Interest for Fixed Rate Notes and Floating Rate Notes*).

Zero Coupon Notes: Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

Redemption: The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default (as defined in Condition 10 (*Events of Default and Enforcement*))) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders, upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer. If indicated in the applicable Final Terms, Notes may be redeemable on the occurrence of a change of control of the Issuer (see Condition 7.6 (*Redemption at the option of the Noteholders upon a Change of Control (Change of Control Put)*)).

Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see "*Certain Restrictions - Notes having a maturity of less than one year*" above.

Denomination of Notes: The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see "*Certain Restrictions - Notes having a maturity of less than one year*" above, and save that the minimum denomination of each Note will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Taxation: All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction (as defined in Condition 8 (*Taxation*)) unless such deduction is required by law as provided in Condition 8 (*Taxation*). In the event that any such deduction is made, the Issuer will, save in certain limited circumstances

provided in Condition 8 (*Taxation*), be required to pay additional amounts to cover the amounts so deducted.

| | |
|-----------------------------|--|
| Negative Pledge: | The terms of the Notes will contain a negative pledge provision as further described in Condition 4.1 (<i>Negative Pledge</i>). |
| Financial Covenants: | The terms of the Notes will contain certain financial covenants as further described in Condition 4.2 (<i>Financial Covenants</i>). |
| Cross Default: | The terms of the Notes will contain a cross default provision as further described in Condition 10 (<i>Events of Default and Enforcement</i>). |
| Status of the Notes: | The Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4.1 (<i>Negative Pledge</i>)) unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding. |
| Rating: | The Issuer has been rated BBB- by Fitch. The Programme has not been rated by any rating agency. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. |
| Listing: | <p>Application has been made to (i) Euronext Dublin for Notes issued under the Programme to be listed on the Euronext Dublin Regulated Market; and (ii) the Oslo Stock Exchange for Notes to be listed on its regulated market (<i>Oslo Børs</i>).</p> <p>Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the relevant Series. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.</p> |
| Governing Law: | <p>The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law, except that the registration of VPS Notes in Euronext VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes will be governed by, and construed in accordance with, Norwegian law.</p> <p>The VPS Notes must comply with the Norwegian Central Securities Depositories Act of 15 March 2019 no. 6 which implements Regulation (EU) No. 909/2014 into Norwegian law, and any regulation passed under the act and the rules and procedures of Euronext VPS, in each case as amended or replaced from time to time, and the holders of VPS Notes will be entitled to the rights and subject to the obligations and</p> |

liabilities which arise under these acts (as applicable) and any related regulations and legislation.

Selling Restrictions:

There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA (including Belgium and Norway), the UK, Switzerland, Singapore and Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see "*Subscription and Sale*".

United States Selling Restrictions:

Regulation S, Category 2. TEFRA C or D/TEFRA not applicable, as specified in the applicable Final Terms.

RISK FACTORS

In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due. It is not possible to identify all such factors, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in this Base Prospectus a number of factors which could materially adversely affect its business and ability to make payments due.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below. It is not possible to identify all such factors, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views, or consult with an advisor, prior to making any investment decision.

Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Issuer, and the industry in which it operates together with all other information contained in this Base Prospectus, including, in particular the risk factors described below. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.

The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Notes and should be used as guidance only. Additional risks and uncertainties relating to the Issuer that are not currently known to the Issuer or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuer and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Base Prospectus and their personal circumstances.

FACTORS THAT MAY AFFECT THE BUSINESS OF PPI AND THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME

Risks related to PPI's business

Decreases in rental income may have a material adverse effect on PPI's results of operations

PPI's commercial success depends on its ability to maintain and increase its rental income generated from its properties. Rental income constitutes PPI's main source of current earnings, and this income needs to cover operation and maintenance costs, administration costs and financing expenses. The amount of rental income PPI is able to generate is dependent on occupancy rates and to a lesser extent tenant turnover, which in turn depend on factors such as macroeconomic conditions, demographic trends, availability of suitable tenants for PPI's properties and the level of new construction, which could increase the supply of rental properties relative to demand. Furthermore, if the condition, location or other characteristics of the properties in PPI's property portfolio are not responsive to the demand, this may negatively affect PPI's ability to maintain and increase rent levels and total rental income. PPI considers that its office properties located on the outskirts of city centres can be challenging to lease out to new tenants. Some of the office properties are located in cities where the general demand for office space is low, such as Halden, Leikanger and Porsgrunn. The properties identified as being difficult to let as offices will therefore have to be converted and refurbished to other uses, such as housing. As an example, PPI has already started such work on its property located at Otervegen 23 in Kongsvinger.

PPI does not consider any specific geographical areas to be more exposed to the risk of higher vacancies than others, although the rental market is larger in the larger cities of Norway and therefore it is easier to find suitable tenants in case any lease agreement expires or existing tenants or PPI terminates any lease agreement in these locations.

As of 30 September 2024, PPI's top ten tenants by passing rent accounted for 39.6% of PPI's rental income. PPI's contract with the Norwegian Ministry of Education and Research, as tenant, and Oslo Metropolitan University, as user, regarding Kunnskapsveien 55 constituted approximately 9.1% of PPI's revenue in 2023 and is expected to account for approximately 7.8% of PPI's revenue in 2024, and the contract is considered material to PPI (see "*Business of PPI*" for further information). If one or more of PPI's largest tenants do not renew or extend their leases when they expire, or the leases are terminated, this will lead to reduced rental income and increased vacancies if PPI is not able to enter into new leases with new tenants. PPI's tenants are in general solid counterparties such as state institutions and municipalities which historically in general have paid rent on time. However, should a tenant, especially one or several of the larger tenants, not pay their rent on time or at all, or otherwise fail to fulfil their obligations under their lease, this will lead to reduced rental income for PPI. Given the nature of PPI's tenants, political decisions, such as reorganisations or decisions to centralise government functions, workforce reductions of state institutions, or combinations of municipalities, may lead to reduced demand for PPI's properties. A recent example of such processes is the Norwegian court reform (*Nw.: Domstolsreformen*) involving a reduction of the number of district courts (*Nw.: tingretter*), which are possible tenants of PPI. Further, when negotiating and extending lease agreements made with state institutions and municipalities, PPI will be exposed to political decision-making processes which may take longer than similar decision-making processes with private counterparties, due to the involvement of several governmental bodies.

PPI aims to maintain and increase its rental income, secure a high occupancy rate and reduce tenant turnover and related costs by (i) enhancing the desirability of its housing through planned maintenance and renovations, (ii) actively developing its property portfolio to meet the demands of existing and prospective tenants, and (iii) maintaining tenant satisfaction. However, such measures may not result in PPI achieving the intended goals. If PPI, despite the aforementioned measures, fails to maintain and, where possible increase its rental income, this could have a material adverse effect on PPI's results of operations. Furthermore, PPI may also be obliged to cover the common costs for the vacant areas, and necessary capital expenditures related to properties may not be reduced in proportion to any reduction in rental income from that property, adding to the adverse effect on PPI's financial results and position.

The amount of rental income PPI is able to generate is dependent on occupancy rate and to a lesser extent tenant turnover

The occupancy rate of PPI's property portfolio has a significant impact on PPI's rental income and, therefore on the profitability of PPI's operations. As of 30 September 2024, the occupancy rate of PPI's properties was 97%, and the average remaining lease term of the rental contracts for the properties was 5.2 years (adjusted for the renewal of the lease agreement regarding Kunnskapsveien 55 with the Norwegian Ministry of Education and Research until 31 December 2029 on 22 March 2023 and not including extension options). PPI's occupancy rate will decrease if tenants, and with an increased impact if larger tenants, move out and the premises cannot be rented out again immediately, or within a reasonable period of time. PPI maintaining its occupancy rate at similar levels in the future is not guaranteed, as several factors, including macroeconomic conditions, demographic trends, the level of new construction and demands from prospective tenants, could lead to a decrease. If PPI's occupancy rate was to decrease, PPI's total revenue would decrease while its maintenance and financing costs would likely remain relatively constant. Additionally, if tenants move out and the premises cannot be rented out again immediately, or within a reasonable period of time, this could lead to PPI having to spend money and resources in order to find replacement tenants, thereby incurring unanticipated marketing costs. Tenant turnover may also result in additional costs for PPI owing to, for example, the expenses associated with arranging and signing new lease agreements and the cost of renovations and maintenance typically made following a tenant's departure from a property, which varies from property to property and based on the requirements of the new tenant. Given the nature of PPI's tenants, PPI may also need to comply with special requirements from new tenants, for example additional security measures, which require capital expenditures by PPI.

Changes in property values could have a material adverse effect on PPI's earnings and financial position

PPI's properties are initially recorded at cost in PPI's consolidated balance sheet with subsequent measurement at fair value, and with changes in value being recognised in profit or loss for the period in which it arises (as prescribed by IAS 40 Investment Property). PPI's properties are measured at their fair value by the independent third party external valuers Newsec AS and Cushman & Wakefield Debenham Tie Leung Limited ("**Cushman & Wakefield**").

Different factors affect the fair value of PPI's properties. Such factors could both be property specific, such as rent levels, occupancy ratio and operative expenses, and market specific, such as macroeconomic effects, general economic trends, growth, unemployment levels, the rate of production of new premises, population growth, inflation and interest rates. For example, the changes in fair value of PPI's investment properties recognised in profit or loss was negative NOK 913 million for the year ended 31 December 2022, and negative NOK 1,143 million for the year ended 31 December 2023. The possibility of further reductions in the fair value of PPI's properties cannot be excluded as recent changes to the macroeconomic climate with a rapid rise in interest rates, have had a significant impact on real estate valuations. The value of PPI's property portfolio has decreased by 22% since peak valuation in 2022 which can be illustrated by the prime office yield in Oslo which has increased from 3.30% at the peak in 2021 to 4.75%² where it has remained since Q4 2023, and cost of owning real estate has increased, with the cost of debt markedly up, illustrated by the NOK 5-year swap rate.

Changes in the fair value of the properties are recorded quarterly and are based on the third party external valuers' calculations. Consequently, any reduction in fair value of the properties of PPI as measured by third parties could result in a number of consequences, such as a breach of the covenants of the financing agreements of PPI (see "*PPI may not be able to secure financing on favourable terms or at all, and its financing agreements contain a number of covenants that PPI must comply with*"), which in turn could result in lenders demanding additional collateral or repayment of the relevant sums prior to maturity and consequently affecting the liquidity of PPI. A material decrease of the market value of the properties could also have a negative impact on PPI's ability to dispose of its properties without incurring losses, which in turn could have a material adverse effect on PPI's earnings and financial position.

Lack of maintenance and refurbishment may lead to decreases in the value of properties, and PPI may also need to set lower rent levels

The majority of PPI's property portfolio consists of buildings constructed in the 1900's or early 2000's. PPI currently owns no buildings constructed after 2010. All of PPI's properties will require some level of repair, maintenance and/or refurbishment in the future following expiration of current lease agreements or otherwise (see the overview of PPI's properties in "*Business of PPI*" for the latest major refurbishment for each property).

Regular property maintenance is necessary in order to maintain the fair value and rent levels of the properties in PPI's portfolio, and to attract tenants. All of PPI's buildings are closely monitored by service personnel, and scheduled maintenance is reflected in PPI's budgets. However, the amount of required maintenance may increase, for example, as a result of changes to energy efficiency (see the below risk factor "*Changes in laws and regulations could have a material and adverse effect on PPI's business, financial condition, results of operations and cash flows*") or other requirements set to properties, and changes to energy efficiency or other new requirements may also result in PPI having to refurbish a property. Further, given the nature of PPI's tenants, a new tenant may also need the building to comply with special requirements, for example additional security measures, which may lead to increased refurbishment and/or maintenance costs. Maintenance and/or refurbishment costs may also increase as a result of inflation. If some maintenance or refurbishment needs are not recognised in time and as a result the level of maintenance and refurbishment is left insufficient, this may lead to decreases in the value of such properties, PPI may need to set lower rent levels in these properties and the properties may not meet the demands of potential new tenants.

PPI may not be able to successfully execute some or all of its strategic initiatives

Successful execution of PPI's strategic initiatives, as further described under "*The Business of PPI*" is not guaranteed. Key parameters of PPI's strategy are acquisitions, consolidation and growth in the Norwegian cities Oslo, Bergen, Trondheim, and Stavanger, all of which depends on a robust and liquid transaction market for commercial properties in Norway. The Norwegian transaction market has seen a significant decline in the past years, following rising interest rates due to tighter monetary policy as a result of high inflation, and should this trend continue PPI may not be able to execute on its strategy. In addition to a robust and liquid transaction market, PPI's ability to carry out acquisitions pursuant to its growth strategy,

² Source:
<https://akershuseiendom.no/markedsinnsikt/data/transaksjonsmarked?sector=Yield+og+renter&subSector=Kontor>

will depend on other factors such as its ability to identify acceptable targets for acquisition and obtain necessary financing. As an example, PPI expected to make good and profitable acquisitions in the second half of 2022. However, given the prevailing market conditions, despite PPI's expectations to make good and profitable acquisitions and constantly considering new investment opportunities with public tenants, no acquisitions nor divestments were completed in the second half of 2022 or in 2023. If PPI is unable to successfully execute on its strategic initiatives, this could have a material adverse impact on PPI's business.

The acquisition and integration of properties and property companies may not be successful

PPI has historically been involved in a number of acquisitions over a short period of time and a key parameter of PPI's strategy going forward is acquisitions, to capitalise on the current situation in the Norwegian real estate market and to consolidate its market position. When deciding to make an acquisition, PPI performs financial, legal and technical due diligence and makes certain assumptions and determinations based on its due diligence of the properties to be acquired, as well as other information then available, including assumptions regarding future rental income, operating costs and synergies. However, these assumptions and determinations are based on the information available to PPI at the time of considering the acquisition in question and may later prove to be incorrect, and therefore PPI may not realise the full benefits it expects from an acquisition, nor be able to integrate an acquired property or company resulting in economies of scale and cost savings not being realised (in whole or in part) or occurring later than anticipated. Also, any material errors or inaccuracies in the due diligence reports could result in significant costs to PPI in terms of increased costs. For example, PPI has previously been involved in a dispute partly as a result of the insufficiency of the due diligence carried out in connection with an acquisition. Other challenges arising from integration of the acquired property/company into PPI can be (i) issues related to division of responsibilities between PPI and the seller(s), if the transaction documentation does not have a clear regulation regarding the division of responsibilities and costs following an acquisition, resulting in increased costs for PPI and employees of PPI having to use their time on such issues instead of their ordinary tasks and responsibilities, and (ii) challenges related to the transfer of information from the seller(s) to PPI regarding the acquired property and/or the acquired company, which may result in an ineffective integration process and negative consequences for PPI. Historically, PPI has experienced challenges as a result of acquiring numerous companies and properties at the same time and in one go, which has made integration more challenging than if there had been a longer period between acquisitions. As PPI is engaged in acquisitions on an ongoing basis and has a strategy of continuous growth, these risks are continuous.

PPI's insurance coverage could be insufficient for potential liabilities or other losses

PPI currently maintains insurance coverage of types and amounts that it believes to be customary in the industry, including property insurance for all properties in PPI's property portfolio, as well as liability insurances covering PPI's operations. Certain types of losses and/or damages are generally not covered by insurance policies due to such losses being considered as impossible to insure, for example losses resulting from acts of war, terrorism, professional liability or personal liability (the latter two where damages are caused by negligence, wilful misconduct or criminal acts). Further, most of PPI's insurances (i.e. the insured amounts) are limited by specified maximum amounts per claim and specified insurance periods. Should an uninsured loss or a loss in excess of insured limits occur, PPI could also lose capital invested in the affected property, as well as future revenue from that property. In addition, PPI could be liable to repair damage caused by uninsured risks, and for any debt or other financial obligation related to a damaged building. Any uninsured losses or losses in excess of insured coverage limits could have a material and adverse effect on PPI's business, financial condition, results of operations and cash flows.

System malfunctions in PPI's operations may decrease the efficiency and/or profitability of PPI's operations

PPI's operations are dependent on information systems sourced from certain suppliers. The information systems are mainly standard solutions and include telecommunication systems as well as software applications that PPI uses to control business operations, manage its property portfolio and risks, prepare operating and financial reports and to execute treasury operations. The operation of PPI's information systems may be interrupted due to, among other things, power cuts, computer or telecommunication malfunctions, computer viruses, crime targeted at information systems, such as security breaches and cyber-attacks from unauthorised persons, as well as human error by PPI's own staff or the staff of the suppliers, and there is a general risk of PPI's suppliers failing to perform their duties adequately and in a timely manner which may negatively impact PPI's operations. Material interruptions or serious malfunctions in the operation of the information systems may impair and weaken PPI's operations, earnings and financial

position. In particular, malfunctions in IT systems could delay PPI in issuing rental invoices to, or securing tenancy agreements with, its customers. Materialisation of any of the above risks could have a material adverse effect on PPI's operations, reputation, earnings and financial position.

PPI is exposed to technical risks

Operating in the real estate industry entails the possibility of technical risks. Technical risks refer to the risks associated with the technical operation of properties, such as the risk of design errors, other hidden defects, requirements specific for PPI's public tenants, or deficiencies, damage (caused, for example, by fire or another force of nature, or by tenants) and contaminants. PPI performs technical due diligence when considering acquiring a new property, however, for example hidden defects or deficiencies may not be identified during such technical due diligence. If technical problems arise, they can lead to a significant increase in costs for PPI. For example, PPI has previously been involved in a dispute partly as a result of the insufficiency of the due diligence carried out in connection with an acquisition. A failure to address deficiencies or defects in a timely manner may also affect PPI's reputation and the perception of actual or prospective tenants.

Any damage to PPI's reputation may have an adverse effect on PPI's ability to attract and retain tenants as well as to retain key personnel

PPI's reputation is particularly important in relation to attracting new, and retaining current, tenants especially due to the numerous state and public sector tenants, who generally have more extensive procedures in place for the conclusion of lease agreements than private sector organisations. If PPI fails to adequately respond to technical, legislative or maintenance problems, PPI's reputation may be damaged, which in turn can lead to difficulties in retaining current tenants or attracting new relevant tenants. If PPI's reputation is damaged, this can lead to a loss of income and/or lost growth opportunities. In addition, should PPI's reputation be damaged this may lead to difficulties in retaining current personnel or in attracting and recruiting new members of management or other key personnel.

PPI has recently established a new organisation, and following these changes results and achievements may be not be similar to those achieved in the past

PPI has until lately had one employee, with Arctic Real Estate Management AS ("**AREM**") as business manager and Arctic Securities AS ("**Arctic**") as organiser, assisting the Issuer and the Issuer's employee with commercial and financial management related to PPI, including the properties and individual companies that are part of PPI. Following the initial public offering of shares (the "**Shares**") in the Issuer and the related listing (the "**Listing**") on Oslo Børs, a stock exchange being part of Euronext and operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"), of the Issuer's shares in April 2024, the Issuer has established its own functions, with employees of Samhallsbyggnadsbolaget i Norden AB (publ)'s and its subsidiaries' (together, the "**SBB Group**") Norwegian operations, including the management, having been transferred to PPI. Even if the employees of the SBB Group's Norwegian operations have experience from other property companies, they have not been employed by PPI and results and achievements of PPI prior to implementing its own functions and the transfer of employees of the SBB Group's Norwegian operations may not be similar to those achieved prior to the transfer of employees of SSB's Norwegian operations. Additionally, PPI will incur additional costs related to the implementation of new functions and employment of the employees from the SBB Group's Norwegian operations that were not incurred previously.

PPI depends on members of management and other key personnel to ensure the success of its operations

The knowledge, experience and commitment of PPI's employees are important for PPI's future development. If PPI is unable to retain members of management and other key personnel or recruit new members of management or other key personnel to replace people who leave PPI, this could have a material adverse effect on PPI's operations, earnings and financial position.

Samhallsbyggnadsbolaget i Norden is the Issuer's largest shareholder

Following the Listing on the Oslo Stock Exchange, SBB Samfunnsbygg AS became PPI's largest shareholder, holding approximately 36.26% of the Shares. SBB Samfunnsbygg AS transferred the Shares to its indirect parent company Samhallsbyggnadsbolaget i Norden ("**SBB**") in July 2024. With such a

shareholding, SBB will be able to exert a certain degree of influence over certain matters, including the election of the Board of Directors and approval of significant corporate transactions.

The commercial interests of SBB may not always be aligned with the interests of the Issuer's other stakeholders.

Change of control and ownership

Some of PPI's credit agreements and terms and conditions of debt instruments contain change of control provisions that may be triggered by a change of control and/or ownership of the Issuer or another PPI subsidiary, whereby the creditor may have the right to accelerate the loan or debt instrument (even if the change of control has no impact on the Issuer's credit rating). Should change of control provisions in PPI's credit agreements and/or terms and conditions of debt instruments be triggered, which gives the creditor a right to accelerate the loan or debt instrument, it could have a material adverse effect on PPI's operations, earnings and financial position.

The Issuer is dependent on cash flows from its subsidiaries in order to pay dividends to its shareholders

The Issuer currently conducts its operations through, and most of PPI's assets are owned by, the Issuer's subsidiaries. The Issuer's ability to make payments on its debts (including the Notes) will be affected by the ability of its subsidiaries to transfer available cash. Inability to obtain cash from subsidiaries could be due to contractual provisions or laws and regulations, as well as the subsidiaries' financial condition, operating requirements, current and future restrictive covenants in their debt arrangements and debt requirements. Furthermore, in the event of insolvency, liquidation or a similar event relating to one of the subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Issuer, as shareholder, would be entitled to any payments.

The Issuer may be exposed to fluctuations in currency exchange rates

The Issuer may be exposed to foreign exchange translation risk. The Issuer's reporting currency is NOK and all of PPI's current subsidiaries are Norwegian legal entities with NOK as their functional currency (although this may change in the future if the Issuer were to consider further geographical diversification and/or enter into material funding agreements in currencies other than NOK). Materialisation of foreign exchange risk could have an adverse effect on PPI's operations, earnings and financial position.

Risks related to the industry in which PPI operates

PPI's results of operations and profitability are subject to risks related to general economic conditions and demographic trends

PPI is affected by several macroeconomic factors which may impact the value and rental income of PPI's property portfolio, including, but not limited to, general economic trends, regional economic development, employment rates, production rates of new premises, changes of infrastructure, inflation and interest rates in Norway. These factors significantly impact supply and demand in the real estate market and accordingly affect occupancy rates, rent levels and gross asset values of PPI's properties. The recent changes to the macroeconomic climate with a rapid rise in interest rates, have hit real estate as an asset class hard. Valuations have decreased, illustrated by the prime office yield in Oslo which has increased from 3.30% at the peak in 2021 to 4.75% where it has been since Q4 2023 and the reduction of the value of PPI's property portfolio for the period ended 31 December 2022 compared to the period ended 31 December 2023. Cost of owning real estate has increased, with the cost of debt markedly up, illustrated by the NOK 5-year swap rate which has risen from 0.40% at the bottom in May 2020 to 3.60% as per 30 September 2024 which also affects PPI's floating interest rate through the unhedged portion of its NOK 3.3 billion term loan. Additionally, as PPI owns properties in several Norwegian cities, PPI's portfolio may be affected by demographic trends such as the growing prevalence of aging populations and increasing rural-to-urban migration and centralisation in larger cities, which might especially negatively impact the rental prices of PPI's properties located outside of the Greater Oslo region (i.e. Oslo and the surrounding municipalities), for example in Florø, Leikanger and Mo i Rana, which in turn could impact the level of supply and demand for PPI's properties and general fluctuations in demography and settlement patterns could have a material adverse effect on PPI's results of operations and profitability.

PPI is also exposed to the wider risks related to the global financial markets and competition from other listed real estate companies, especially from other real estate companies operating in Norway or the

Nordics. Certain competitors might have a more attractive property portfolio to investors, for example if the property portfolio is more diverse than PPI's, i.e. by owning properties internationally, or owning newer and more climate-neutral properties, or with a different mix of tenants or prospective tenants and types of properties than PPI. Examples of competitors include KMC Properties ASA, which is listed on the Oslo Stock Exchange and has a property portfolio in the Nordic countries and Europe in addition to Norway (although the focus is on industrial properties), and similar property companies operating in the same community service property provider industry as PPI (as mentioned in the risk factor "*PPI operates in a competitive market and PPI may fail to compete successfully*" below). These factors may impact PPI's ability to raise sufficient equity and/or debt capital in the future at the terms and conditions and in a manner acceptable for PPI from investors who are willing to and interested in investing in real estate companies like PPI, or comparable to PPI. Further, concerns about credit risk (including that of sovereigns) have increased globally, especially with the presence of significant sovereign debts and/or fiscal deficits in a number of European countries and in the United States, including but not limited to macroeconomic events such as the conflicts in Ukraine and the Middle East and political uncertainty in the run up to the U.S. presidential elections. Adverse developments in the global financial markets could limit PPI's access to the equity/debt it requires in the future to finance its operations and planned growth and could have a material adverse impact on PPI's financial position and results of operations.

PPI operates in a competitive market and PPI may fail to compete successfully

PPI is active in the real estate industry which is subject to substantial competition, including community service property providers such as Entra ASA, Polaris Eiendom AS, and Offentlig Eiendomsinvest I AS. PPI's competitiveness is dependent on its ability to acquire desirable properties in attractive locations, attract and retain tenants, to anticipate future changes and trends in the industry, and to adapt swiftly to, for example, current and future market needs. Furthermore, PPI competes for tenants based on, for example, the location of the property, rental price, size, accessibility, quality, tenant satisfaction, convenience and PPI's reputation. PPI believes that the competition is strongest in the Eastern parts of Norway (Nw: Østlandet), and especially the Greater Oslo region (i.e. Oslo and surrounding municipalities), Vestfold, Telemark and Innlandet County Municipalities, due to the number of real estate companies in Norway operating in these geographic markets.

PPI's competitors may have greater financial resources than PPI, a better capacity to withstand downturns in the market, greater access to potential acquisition targets, lease contracts with longer terms, more consistent tenants, compete more effectively, retain more skilled personnel and respond faster to changes in local markets. In addition, competitors may have a higher tolerance for lower yield requirements and more efficient technology platforms and longer operating histories. Furthermore, PPI may need to incur additional investment costs to keep its properties competitive in relation to competitors' properties. If PPI cannot compete successfully, this can significantly impact rent levels and vacancy rates and PPI's income could be reduced.

PPI is exposed to the risk that it may be unable to sell any portion of its total portfolio on favourable terms or at all

Several of PPI's properties constitute an unique asset class as they have been adapted to fit specific purposes and there is a limited buyer universe in this sector. As a result the market for the types of properties PPI owns or may acquire in the future has historically been characterised by limited liquidity. Additionally, the real estate market in general is currently characterised by few property transactions and a significant gap in valuation between buyer and seller. If PPI is required to liquidate parts of its portfolio on short notice for any reason, including raising funds to support its operations or to repay outstanding indebtedness, PPI may not be able to sell any portion of its portfolio on favourable terms or at all. In the case of an accelerated sale, there may be a significant gap between the value of the property or property portfolio being sold and the price at which PPI could otherwise sell such property or property portfolio. In addition, PPI may face further difficulty in disposing of its properties due to covenants and pledges limiting asset disposals in PPI's financing agreements.

Any of the foregoing factors could lead to properties being sold at a price considerably lower than anticipated, which could have a material adverse impact on PPI's financial position and results of operations.

Risks related to laws, regulations and compliance

Changes in laws and regulations could have a material and adverse effect on PPI's business, financial condition, results of operations and cash flows

New planning regulations and changes in or completion of existing planning regulations and practices by relevant authorities and changes in infrastructure may affect the operations of PPI's properties, including the interest of potential tenants in future rental of premises or interest of future purchasers of the property. New laws may be introduced which may be retrospective and affect environmental planning, land use and development regulations. Furthermore, existing or new planning regulations may limit the possibility to further develop PPI's properties.

The EU has ranked the building sector as the single largest energy consumer in the EU and aims to improve the energy performance of buildings across the EU, with the aim to double the rate of renovation by 2030 to lead to better energy and resource efficiency, with estimated 35 million buildings to be renovated under such climate pact. A revised Energy Performance of Buildings Directive with stricter energy performance and energy efficiency requirements has recently been adopted in the EU. If the revised Energy Performance of Buildings Directive is adopted and implemented in Norway, this may require PPI to refurbish properties in its property portfolio to meet new minimum energy performance standards and possible requirements to establish solar energy installations.

Additionally, changes in laws and regulations regarding tax and other duties/charges, including, but not limited to, VAT and the stamp duty on transfer of properties, could involve new and changed parameters applicable to PPI and taxation of/charges for PPI at higher levels than as of the date hereof. For example, the municipalities of Norway could impose new or increased property value taxes. Changes in tax and charges laws and regulations could, among other things, reduce the profitability of investing in property, the demand for PPI's properties and hence the profitability of PPI. Further, tax implications of transactions and dispositions of PPI are to some extent based on judgement regarding the operation of applicable laws and regulations pertaining to taxes and duties/charges. The tax authorities and courts would assess the applicability of taxes and charges to PPI in the same way that PPI has assessed such applicability to itself and might not agree with PPI's own assessments from time to time. An occurrence of one or more of the above-mentioned factors could have a material and adverse effect on PPI's business, financial condition, results of operations and cash flows.

PPI's operations are to some extent exposed to environmental risks and PPI must comply with various health and safety and environmental regulations, as well as reporting on EGS factors (i.e. CSRD)

PPI conducts inspections during the acquisition of individual properties, in the form of legal and technical due diligence to identify any environmental risks, where the technical due diligence typically will include a review of any soil contamination/radon etc. and the legal due diligence will typically cover review of energy labels of the buildings/properties and the review of any BREEAM ratings. There is a risk that not all environmental risks are identified, or that potential historical liability rests with PPI following an acquisition as PPI is not able to negotiate suitable protection for all potential historical liability in the purchase agreement. Under current Norwegian environmental legislation, the property owner and the developer who has contributed to the contamination of a property are liable for its remediation. This means that under certain circumstances PPI may be ordered to restore a property to a state that is compliant with environmental legislation. This may involve soil decontamination or remediation in respect of the presence of, or suspicion of the presence of, contaminants in the soil, catchment areas or groundwater. The cost to PPI of investigation, removal, or remediation required to comply with environmental regulations may be substantial and therefore such orders may negatively impact PPI's earnings, cash flow and financial position. Furthermore, any future changes to the laws, regulations and requirements from authorities in the environmental sector could result in increased costs for PPI with respect to sanitation or remediation regarding currently held or future acquired properties. Such changes could also result in increased costs or delays for PPI in carrying out any of its development projects.

PPI is and may also be subject to further regulation in areas such as occupational health and safety, as well as acts and regulations limiting emissions of greenhouse gases such as through energy and electricity consumption. Non-compliance with such acts and regulations may result in governmental authorities issuing orders for enforcement measures, imposing fees or fines, and in some cases even imposing restrictions on the operations of PPI, which can be serious.

Furthermore, contaminants may also be detected on properties and in buildings, in particular during renovation processes or when buildings are upgraded for environmental certification. The discovery of any contaminants or residual pollution in connection with the lease or sale of properties could trigger claims for rent reductions, damages or lease terminations. Measures to remove such contaminants or remediate any pollution can be required as part of PPI's ongoing operations and may, depending on the extent of the contamination, involve considerable costs and have a material adverse impact on PPI's results of operations.

PPI could be subject to litigation and disputes that could have a material adverse effect on PPI's business, financial condition, results of operation and cash flow

As of the date of this Base Prospectus, PPI is not aware of any material ongoing disputes or other legal disputes concerning PPI, and PPI has not previously been involved in any material disputes. There is however a risk that PPI may become involved in disputes, legal proceedings, investigations, litigation or arbitration brought by customers or other counterparties, regulatory authorities or governments in the future. PPI cannot predict with certainty the outcome or effect of any such claim or other legal or arbitration proceedings. The ultimate outcome of any legal or arbitration proceeding and the potential costs associated with prosecuting or defending such legal or arbitration proceedings, including the diversion of the Management's attention to these matters, could have a material and adverse effect on PPI's business, reputation, financial condition, results of operations and cash flows.

Risks related to financial matters

PPI may not be able to secure financing on favourable terms or at all, and its financing agreements contain a number of covenants that PPI must comply with

PPI's operations are mainly financed by bank borrowings and bonds, and as of 30 September 2024, PPI's bond liabilities and liabilities to financial institutions amounted to in total NOK 4,909 million. PPI is dependent on current financing agreements, renewal of these and/or obtaining new financing agreements to fund its operations, additional acquisitions and capital expenditures. PPI's ability to obtain financing in the future will depend upon its business, prospects and market conditions, and there is a risk that PPI will be unable to secure additional financing or retain or renew current financing upon expiry on favourable terms or at all. An increase in PPI's level of debt financing and/or adverse change in the terms of its current financing agreements, may increase financing costs and reduce PPI's profitability.

PPI's financing arrangements contain a number of covenants which PPI will need to comply with on an ongoing basis and any new agreements related to debt financing may contain similar or stricter covenants. The covenants in the current financing arrangements require PPI to, amongst other things, maintain debt service coverage ratios, leverage ratios and equity ratios, to use its assets, including its cash balances, as collateral for its loans, and/or restrict PPI's ability to pay dividends or distribute funds to its shareholders. In addition, certain of PPI's financings (i) contain certain cross default provisions, which may lead to default in several agreements at the same time and increase effects of any breach and (ii) are subject to change of control clauses, and if triggered, all outstanding loans under the relevant financing arrangements, together with accrued interest, and all other amounts accrued will become immediately due and payable.

Increased interest rates may decrease the value of PPI's properties and increase the cost of financing

Interest expense on PPI's indebtedness is one of PPI's main cost items. The interest rate in Norway has been increasing since September 2021, and may increase further. PPI is exposed to floating interest rates through its term loan. As of 30 September 2024, 50% of the floating interest under the term loan was hedged through swap agreements.

However, the interest rates available to PPI in the future are uncertain. Any increase in interest rates may increase PPI's costs and have a negative effect on PPI's property portfolio and may require PPI to record fair value adjustment losses. Such losses would result in a corresponding decrease in the value of PPI's properties as reported on its balance sheet and in PPI's fair values and increases in PPI's loan to value. Further, increases in interest rates generally cause the demand for properties to decrease and could in a scenario where PPI would consider selling properties, have an adverse effect on the ability of potential buyers to finance purchases of such properties. The value of PPI's property portfolio has decreased at year end 2023 compared to year end 2022 as well as in the first half of 2024. In the third quarter of 2024 the value of the property portfolio was stable. Inflation also affects PPI's costs. Any changes in inflation and interest rates may also affect the gross asset value of PPI's properties. Materialisation of any of the above

risks could have a material adverse impact on PPI's business, financial position, results of operations and prospects.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME

Risks related to Notes generally

Set out below is a description of certain material risks relating to the Notes generally:

The claims of holders of the Notes are structurally subordinated

As is common for property companies, PPI's operations are principally conducted through subsidiaries. Accordingly, the Issuer is, and will be, dependent on its subsidiaries' operations to service its payment obligations in respect of the Notes.

The Notes issued by the Issuer are structurally subordinated to the claims of all holders of debt securities and other creditors, including trade creditors, of the Issuer's subsidiaries, and structurally and/or effectively subordinated to the extent of the value of collateral to all of the Issuer's and its subsidiaries' secured creditors. The Notes issued by the Issuer will not be guaranteed by any of the Issuer's subsidiaries or any other company or person. In the event of an insolvency, bankruptcy, liquidation, reorganisation, dissolution or winding up of the business of any of the Issuer's subsidiaries, unsecured creditors of such subsidiaries, secured creditors and obligations that may be preferred by provisions of law that are mandatory and of general application will generally have the right to be paid in full before any distribution is made to the Issuer. As at 30 September 2024, the carrying amount of interest-bearing liabilities of PPI was NOK 4,866 million.

The Notes will be effectively subordinated to any of the Issuer's existing secured and future secured indebtedness

The Notes are unsecured obligations of the Issuer. The Notes are, therefore, effectively subordinated to the Issuer's existing secured indebtedness and future secured indebtedness. Accordingly, holders of the Issuer's secured indebtedness will have claims that are superior to the claims of Noteholders to the extent of the value of the assets securing such other indebtedness. In the event of a bankruptcy, liquidation or dissolution of the Issuer, the assets that serve as collateral for any secured indebtedness of the would be available to satisfy the obligations under the secured indebtedness before any payments are made on the Notes. Other than as set out in Condition 4.1 (*Negative Pledge*), Condition 4.2(a) (*Limitations on the Incurrence of Financial Indebtedness*) and Condition 4.2(c) (*Limitations on the Incurrence of Secured Indebtedness*), the Conditions do not prohibit the Issuer from incurring and securing future indebtedness. To the extent that the Issuer were to secure any of its future indebtedness, to the extent not required to secure the Notes in accordance with the terms of the Trust Deed and the Conditions governing the Notes, the Issuer's obligations, in respect of the Notes would be effectively subordinated to such secured indebtedness to the extent of the value of the security securing such indebtedness.

The conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee, which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders.

The Terms and Conditions of the Notes contain provisions for calling meetings (including by way of conference call or by use of a video conference platform) of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority. For more information as to these provisions, see Condition 16 (*Meetings of Noteholders, Modification, Waiver, Authorisation and Determination*).

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes

in place of the Issuer, in the circumstances described in Condition 15 (*Substitution*) and 16 (*Meetings of Noteholders, Modification, Waiver, Authorisation and Determination*).

The value of the Notes could be adversely affected by a change in law or administrative practice.

The Terms and Conditions of the Notes and any non-contractual obligations arising out of or in connection with such Notes are governed by English law, except that the registration of VPS Notes in Euronext VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes are governed by Norwegian law, each in effect as at the date of this Base Prospectus.

No assurance can be given as to the impact of any possible judicial decision or change to English law, Norwegian law or administrative practice in either jurisdiction after the date of this Base Prospectus and any such change could materially adversely impact the value of any Notes affected by it.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued.

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Risks related to the market generally

Set out below is a description of material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell their Notes.

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. If a Tranche of Notes is issued to a single investor or a limited number of investors, this may result in an even more illiquid or volatile market in such Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, are being issued to a single investor or a limited number of investors or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes.

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes. Actual or anticipated changes in any such credit ratings may affect the market value of the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by ESMA on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Notes changes for the purposes of the EU CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

If an investor holds Notes which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates adversely affecting the value of their holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes.

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The value of Fixed Rate Notes may be adversely affected by movements in market interest rates.

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

Risks related to the structure of a particular issue of Notes

A range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to such "benchmarks".

Interest rates and indices which are deemed to be "benchmarks", (including the Copenhagen Interbank Offered Rate ("CIBOR"), the Euro Interbank Offered Rate ("EURIBOR"), the Norwegian Interbank Offered Rate ("NIBOR") and the Stockholm Interbank Offered Rate ("STIBOR")) are the subject of ongoing national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

Regulation (EU) No. 2016/1011 as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK Benchmarks Regulation**") among other things, applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark rate or index, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international, national or other reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

The euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group

published its recommendations on EURIBOR fallback trigger events and fallback rates. On 4 December 2023, the group issued its final statement, announcing completion of its mandate.

Such factors may have (without limitation) the following effects on certain benchmarks (including CIBOR, EURIBOR, NIBOR and STIBOR): (i) discouraging market participants from continuing to administer or contribute to such benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance or unavailability of the benchmark. Any of the above changes or any other consequential changes as a result of international, national or other reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing or otherwise dependent (in whole or in part) upon a benchmark.

The Terms and Conditions of Notes and the Agency Agreement provide for certain fallback arrangements in the event that an Original Reference Rate and/or any screen page on which an Original Reference Rate may be published (or any other successor page) becomes unavailable or a Benchmark Event (as defined in the Terms and Conditions) otherwise occurs. Such fallback arrangements include the possibility that the Rate of Interest could be set by reference to a Successor Rate or an Alternative Rate (both as defined in the Terms and Conditions), with the application of an Adjustment Spread and may include amendments to the Terms and Conditions of the Notes to ensure the proper operation of the successor or alternative benchmark, all as determined by an Independent Advisor (acting in good faith) and as more fully described at Condition 5.2(f) (*Benchmark replacement*). It is possible that the adoption of a Successor Rate or Alternative Rate, including any adjustment spread, may result in any Notes linked to or referencing an Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the Original Reference Rate were to continue to apply in its current form. There is also a risk that the relevant fallback provisions may not operate as expected or intended at the relevant time.

Furthermore, in certain circumstances, the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international, national or other reforms and the possible application of the benchmark replacement provisions of Notes in making any investment decision with respect to any Notes linked to or referencing a benchmark.

The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes.

Where the applicable Final Terms for a Series of Floating Rate Notes identifies that the Rate of Interest for such Notes will be determined by reference to SONIA, SOFR or €STR, the Rate of Interest will be determined on the basis of the relevant reference rate (as further described in the Terms and Conditions of the Notes). All such rates are based on 'overnight rates'. Overnight rates differ from interbank offered rates in a number of material respects, including (without limitation) that such rates are backwards-looking, risk-free overnight rates, whereas interbank offered rates are expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that overnight rates may behave materially differently as interest reference rates for Notes issued under the Programme compared to interbank offered rates. The use of overnight rates as reference rates for Eurobonds is subject to continued change and development, both in terms of the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such overnight rates.

Accordingly, prospective investors in any Notes referencing any overnight rates should be aware that the market continues to develop in relation to such rates in the capital markets and their adoption as an alternative to interbank offered rates. Market participants, industry groups and/or central bank-led working groups have explored compounded and weighted average rates and observation methodologies for such rates (including so-called 'shift', 'lag', and 'lock-out' methodologies) and forward-looking 'term' reference rates derived from these overnight rates have also been, or are being, developed. The adoption of overnight rates may also see component inputs into swap rates or other composite rates transferring from the London Inter-Bank Offered Rate ("**LIBOR**") or another reference rate to an overnight rate.

The market or a significant part thereof may adopt overnight rates in a way that differs significantly from those set out in the Terms and Conditions of the Notes issued under this Programme. In addition, the methodology for determining any overnight rate index by reference to which the Rate of Interest in respect of certain Notes may be calculated could change during the life of any Notes. Furthermore, the Issuer may in the future issue Notes referencing SONIA, the SONIA Compounded Index, SOFR, the SOFR Compounded Index or €STR that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Programme. The continued development of overnight rates as interest reference rates for the Eurobond markets, and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise adversely affect the market price of any such Notes issued under this Programme from time to time.

Furthermore, the Rate of Interest on Notes which reference overnight rates is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference overnight rates to estimate reliably the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which factors could adversely impact the liquidity of such Notes. Further, in contrast to LIBOR-based Notes, if Notes referencing an overnight rate become due and payable as a result of an Event of Default under Condition 10 (*Events of Default and Enforcement*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall only be determined immediately prior to the date on which the Notes become due and payable.

In addition, the manner of adoption or application of overnight rates in the Eurobond markets may differ materially when compared with the application and adoption of the same overnight rates for the same currencies in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of overnight rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such overnight rates.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR, €STR or any related indices.

The administrator of SONIA, SOFR or €STR or any related indices may make changes that could change the value of SONIA, SOFR or €STR or any related index, or discontinue SONIA, SOFR or €STR or any related index.

The Bank of England, the Federal Reserve, Bank of New York or the European Central Bank (or their successors) as administrators of SONIA (and the SONIA Compounded Index), SOFR (and the SOFR Compounded Index) or €STR, respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SONIA, SOFR or €STR, or timing related to the publication of SONIA, SOFR or €STR or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SONIA, SOFR or €STR or any related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate.

Investors should carefully consider these matters when making their investment decision with respect to any such Notes.

If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned.

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the Central Bank shall be incorporated in, and form part of, this Base Prospectus:

- (a) The independent auditor's review report and reviewed interim financial statements of the Issuer including the notes thereto which are contained in the interim report of the Issuer in respect of the nine months ended 30 September 2024. This document is available for viewing on the following website:

<https://storage.mfn.se/a/public-property-invest/7972ac2e-b9b5-46ad-a1a6-a30937c06fd3/ppi-q3-24-report.pdf>

- (b) The independent auditor's report and audited consolidated annual financial statements of the Issuer including the notes thereto which are contained in the annual reports of the Issuer in respect of the financial year ended 31 December 2023. This document is available for viewing on the following website:

<https://publicproperty.no/presentations/assets/2023/2.-Annual-Report-2023-Public-Property-Invest-AS.pdf>

- (c) The independent auditor's report and audited consolidated annual financial statements of the Issuer including the notes thereto which are contained in the annual reports of the Issuer in respect of the financial year ended 31 December 2022. This document is available for viewing on the following website:

https://publicproperty.no/assets/documents/publicproperty_annual_report_2022.pdf

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which may affect the assessment of any Notes, prepare a supplement to this Base Prospectus, or publish a new Base Prospectus, for use in connection with any subsequent issue of Notes.

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the Central Bank in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

It should be noted that, except as set forth above, no other portion of the above documents is incorporated by reference into this Base Prospectus. In addition, where sections of any of the above documents which are incorporated by reference into this Base Prospectus cross-reference other sections of the same document, such cross-referenced information shall not form part of this Base Prospectus, unless otherwise incorporated by reference herein. Those parts of the documents incorporated by reference which are not specifically incorporated by reference in this Base Prospectus are either not relevant for prospective investors or the information is included elsewhere in this Base Prospectus.

FORM OF THE NOTES

The Notes of each Series will be in bearer form, with or without interest coupons attached, or registered form, without interest coupons attached or, in the case of VPS Notes, uncertificated book entry form settled through Euronext VPS. Notes will be issued outside the United States in reliance on Regulation S under the Securities Act ("**Regulation S**").

Bearer Notes

Each Tranche of Bearer Notes will be in bearer form and will initially be issued in the form of a temporary global note (a "**Temporary Bearer Global Note**") or, if so specified in the applicable Final Terms, a permanent global note (a "**Permanent Bearer Global Note**" and, together with a Temporary Bearer Global Note, each a "**Bearer Global Note**") which, in either case, will:

- (a) if the Bearer Global Notes are intended to be issued in new global note ("**NGN**") form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"); and
- (b) if the Bearer Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg.

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Bearer Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Bearer Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Bearer Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein for interests in a Permanent Bearer Global Note of the same Series against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note if the Permanent Bearer Global Note is not intended to be issued in NGN form) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, interest coupons and talons attached upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to

cease business or have in fact done so and no successor clearing system satisfactory to the Trustee is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form and a certificate to such effect signed by two Directors of the Issuer is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) or the Trustee may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The following legend will appear on all Bearer Notes (other than Temporary Bearer Global Notes) and interest coupons relating to such Notes where TEFRA D is specified in the applicable Final Terms:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Bearer Notes or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Notes

The Registered Notes of each Tranche will initially be represented by a global note in registered form (a "**Registered Global Note**").

Registered Global Notes will be deposited with a common depository or, if the Registered Global Notes are to be held under the new safe-keeping structure (the "NSS"), a common safekeeper, as the case may be for Euroclear and Clearstream, Luxembourg, and registered in the name of the nominee for the Common Depository of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, as specified in the applicable Final Terms. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Where the Registered Global Notes issued in respect of any Tranche is intended to be held under the NSS, the applicable Final Terms will indicate whether or not such Registered Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Registered Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for a Registered Global Note held under the NSS will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 6.4 (*Payments in respect of Registered Notes*)) as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent, the Trustee or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the

relevant Record Date (as defined in Condition 6.4 (*Payments in respect of Registered Notes*)) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system satisfactory to the Trustee is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form and a certificate to that effect signed by two Directors of the Issuer is given to the Trustee. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (acting on the instructions of any holder of an interest in such Registered Global Note) or the Trustee may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

VPS Notes

Each Tranche of VPS Notes will be issued in uncertificated and dematerialised book entry form. Legal title to the VPS Notes will be evidenced by book entries in the records of Euronext VPS. Issues of VPS Notes will be constituted by the Trust Deed. On the issue of such VPS Notes, the Issuer will send a letter to the Trustee, the Agent and the VPS Agent (the "**VPS Letter**"), which letter will set out the terms of the relevant issue of VPS Notes in the form of a Final Terms attached thereto. On delivery of a copy of such VPS Letter including the applicable Final Terms to Euronext VPS and notification to Euronext VPS of the subscribers and their VPS account details by the relevant Dealer, the VPS Agent will credit each subscribing account holder with Euronext VPS with a nominal amount of VPS Notes equal to the nominal amount thereof for which it has subscribed and paid.

Settlement of sale and purchase transactions in respect of VPS Notes in Euronext VPS will take place two Oslo business days after the date of the relevant transaction. Transfers of interests in the relevant VPS Notes will only take place in accordance with the rules and procedures for the time being of Euronext VPS.

VPS Notes may not be exchanged for Notes in bearer or registered form and *vice versa*.

The VPS Notes must comply with the Norwegian Central Securities Depositories Act of 15 March 2019 no. 6 which implements Regulation (EU) No. 909/2014 into Norwegian law, and any regulation passed under the act and the rules and procedures of Euronext VPS, in each case as amended or replaced from time to time, and the holders of VPS Notes will be entitled to the rights and subject to the obligations and liabilities which arise under this act and any related regulations and legislation.

The registration of VPS Notes in Euronext VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes will be governed by, and construed in accordance with, Norwegian law.

General

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or Euronext VPS shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, (i) fails so do to within 60 days of being bound so to proceed, or (ii) is unable for any reason so to do, and the failure or inability shall be continuing.

The Issuer may agree with any Dealer and the Trustee, as applicable, that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event a new Base Prospectus will be made available which will describe the effect of the agreement reached in relation to such Notes.

APPLICABLE FINAL TERMS

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "MiFID II")][MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer[']s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[']s target market assessment) and determining appropriate distribution channels.]

[UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer[']s target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[']s target market assessment) and determining appropriate distribution channels.]

[Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time, the "SFA"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are ["prescribed capital markets products"]/[capital markets products other than "prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).]

[Date]

Public Property Invest ASA
(a public limited company incorporated under the laws of Norway)

Legal Entity Identifier (LEI): 254900QSCB9T0W2KE886

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the €2,000,000,000
Euro Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 25 November 2024 [and the supplement[s] to it dated [date] [and [date]]] which [together] constitute[s] a base prospectus for the purposes of [Regulation (EU) 2017/1129 (the "**Prospectus Regulation**")]/[the Prospectus Regulation] (the "**Base Prospectus**"). [This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been published on the website of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") at <https://live.euronext.com/>.]¹

[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]

- | | | |
|----|--|---|
| 1. | Issuer: | Public Property Invest ASA |
| 2. | (a) Series Number: | [] |
| | (b) Tranche Number: | [] |
| | (c) Date on which the Notes will be consolidated and form a single Series: | [The Notes will be consolidated and form a single Series with [<i>identify earlier Tranches</i>] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 25 below, which is expected to occur on or about [date]][Not Applicable]] |
| 3. | Specified Currency or Currencies: | [] |
| 4. | Aggregate Nominal Amount: | |
| | (a) Series: | [] |
| | (b) Tranche: | [] |
| 5. | Issue Price: | []% of the Aggregate Nominal Amount [plus accrued interest from [<i>insert date</i>] (<i>if applicable</i>)] |
| 6. | (a) Specified Denominations: | [] |

¹ Delete where the Notes are neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation.

(N.B. Notes must have a minimum denomination of €100,000 (or equivalent))

(Note – where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed:

"[€100,000] and integral multiples of [€1,000] in excess thereof [up to and including [€199,000]]. No Notes in definitive form will be issued with a denomination above [€199,000]].")

- (b) Calculation Amount (in relation to calculation of interest for Notes in global form or Registered definitive form see Conditions): []
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)
7. (a) Issue Date: []
- (b) Interest Commencement Date: [specify/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)
8. Maturity Date: Specify date or for Floating Rate Notes – Interest Payment Date falling in or nearest to [specify month and year]
9. Interest Basis: [[]% Fixed Rate]
- [[[] month [EURIBOR/CIBOR/STIBOR/NIBOR]]/[Compounded Daily SONIA]/[Compounded Daily SOFR]/[Compounded Daily €STR] +/- []% Floating Rate]
- [Zero coupon]
- (see paragraph [14]/[15]/[16] below)
10. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100% of their nominal amount
11. Change of Interest Basis: [Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 14 and 15 below and identify there][Not Applicable]
12. Put/Call Options: [Issuer Call]
- [Issuer Par Call]
- [Investor Put]
- [Change of Control Put]
- [Clean-Up Call]
- [(see paragraphs [17 to 24] below)]
- [Not Applicable]

13. (a) Status of the Notes: Senior
- (b) [Date [Board] approval for []
issuance of Notes obtained:
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate(s) of Interest: []% per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [] in each year up to and including the Maturity Date
- (c) Fixed Coupon Amount(s) (and in relation to Notes in global or Registered definitive form see Conditions): [[] per Calculation Amount]
- (d) Broken Amount(s) (and in relation to Notes in global or Registered definitive form see Conditions): [[] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []][Not Applicable]
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) Determination Date(s): [[] in each year][Not Applicable]
(Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)
- (g) Step Up Rating Change and/or Step Down Rating Change: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraph of this paragraph)
- Step Up Margin: [[]% per annum]
15. Floating Rate Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Specified Period(s)/Specified Interest Payment Dates: [] [, subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
- (b) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
- (c) Additional Business Centre(s): []

- (d) Party responsible for calculating the Rate of Interest and Interest Amount / Calculation Agent (if not the Agent): []
- (e) Screen Rate Determination:
- Reference Rate: Compounded Daily SONIA]
[Compounded Daily SOFR]
[Compounded Daily €STR]
[] month [EURIBOR/CIBOR/STIBOR/NIBOR]
 - Term Rate: [Applicable/Not Applicable]
 - Overnight Rate [Applicable/Not Applicable]
 - Index Determination: [Applicable/Not Applicable]
 - Relevant Number: [[5 / []] [[London Banking Days]/[U.S. Government Securities Business Days]/[Not Applicable]
(If 'Index Determination' is 'Not Applicable', delete 'Relevant Number' and complete the remaining bullets below)
 - (If 'Index Determination' is 'Applicable', insert number of days (expected to be five or greater) as the Relevant Number, and the remaining bullets below will each be 'Not Applicable')
 - D: [360/365/[]] / [Not Applicable]
 - Observation Method: [Lag/Observation Shift/Not Applicable]
 - Lag Period: [5 / []] [London Banking Days] [U.S. Government Securities Business Days] [TARGET Business Days] [[City] Banking Days] [Not Applicable]
 - Observation Shift Period: [5 / []] [London Banking Days] [U.S. Government Securities Business Days] [TARGET Business Days] [[City] Banking Days] [Not Applicable]
 - Interest Determination Date(s): []

(Second day on which T2 is open prior to the start of each Interest Period if EURIBOR, second Copenhagen business day prior to the start of each Interest Period if CIBOR, second Stockholm business day prior to the start of each Interest Period if STIBOR and second Oslo business day prior to the start of each Interest Period if NIBOR, the first London Banking Day falling after the last day of the relevant Observation Period if SONIA, the first U.S. Government Securities Business Day falling after the

last day of the relevant Observation Period if SOFR and the first TARGET Business Day falling after the last day of the relevant Observation Period if €STR)

- Relevant Screen Page: []

(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)

(In the case of EURIBOR, CIBOR, STIBOR and NIBOR where the Calculation Agent is Deutsche Bank AG, London Branch, a Reuters or Refinitiv screen page to be selected)

- (g) Linear Interpolation: [Not Applicable/Applicable - the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]

- (h) Margin(s): [+/-][]% per annum

- (i) Minimum Rate of Interest: []% per annum

- (j) Maximum Rate of Interest: []% per annum

- (k) Day Count Fraction: [Actual/Actual (ISDA)][Actual/Actual]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360][360/360][Bond Basis]
[30E/360][Eurobond Basis]
[30E/360 (ISDA)]

- (l) Step Up Rating Change and/or Step Down Rating Change: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (m) Step Up Margin: [[]% per annum]

16. Zero Coupon Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Accrual Yield: []% per annum

- (b) Reference Price: []

- (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360]
[Actual/360]
[Actual/365]

PROVISIONS RELATING TO REDEMPTION

17. Notice periods for Condition 7.2: Minimum period: [30] days
Maximum period: [60] days

18. Issuer Call: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount: [[] per Calculation Amount][Spens Amount][Make-whole Amount]
- (A) Reference Bond: [DA Selected Bond] / [*Insert applicable Reference Bond*]
- (B) Redemption Margin: []
- (C) Quotation Time: []
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: []
- (ii) Maximum Redemption Amount: []
- (d) Notice periods: Minimum period: [] days
Maximum period: [] days

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent or Trustee.)

19. Issuer Par Call: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Par Call Period: From (and including) [] (the "**Par Call Period Commencement Date**") to (but excluding) the Maturity Date
- (b) Notice Periods: Minimum period: [] days
Maximum period: [] days

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent or Trustee.)

20. Investor Put: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Optional Redemption []
Date(s):
- (b) Optional Redemption [] per Calculation Amount
Amount:
- (c) Notice Periods: Minimum period: [] days
Maximum period: [] days
(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent or Trustee.)
21. Change of Control Put: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
Change of Control Redemption [] per Calculation Amount
Amount:
22. Final Redemption Amount: [] per Calculation Amount
(The Final Redemption Amount is to be no less than at par value)
23. Early Redemption Amount payable on redemption for taxation reasons or on event of default: [[] per Calculation Amount][Condition 7.8 applies]
24. Clean-Up Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
Notice Periods: Minimum period: [] days
Maximum period: [] days
(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Principal Paying Agent or Trustee.)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes:
- (a) Form: [Bearer Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes upon an Exchange Event]
[Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event]

[Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005²]

[Registered Notes:

Global Note registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg][a common safekeeper for Euroclear and Clearstream, Luxembourg]]

[VPS Notes:

VPS Notes issued in uncertificated and dematerialised book entry form]

- (b) New Global Note: [Yes][No]
- (c) New Safekeeping Structure: [Yes][No]
26. Additional Financial Centre(s): [Not Applicable/give details]
- (Note that this paragraph relates to the date of payment and not the end dates of Interest Periods for the purposes of calculating the amount of interest, to which sub-paragraphs 15(c) relates)*
27. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

[THIRD PARTY INFORMATION

[Relevant third party information] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of **Public Property Invest ASA**:

By:.....

Duly authorised

² Include for Notes that are to be offered in Belgium.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(i) Listing and Admission to trading

[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Regulated Market of Euronext Dublin] / [the Oslo Stock Exchange's Regulated Market (*Oslo Børs*)] and listing on the [official list of the Euronext Dublin] / [the Oslo Stock Exchange's Regulated Market (*Oslo Børs*)] with effect from [].]

[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Regulated Market of Euronext Dublin] / [the Oslo Stock Exchange's Regulated Market (*Oslo Børs*)] and listing on the [official list of Euronext Dublin] / [the Oslo Stock Exchange's Regulated Market (*Oslo Børs*)] with effect from [].]

(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)

[Not Applicable]

(ii) Estimate of total expenses related to admission to trading: []

2. RATINGS

Ratings:

[The Notes to be issued [[have been]/[have not been]/[are expected to be]] rated]:

[insert details] by [insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms].

Each of *[defined terms]* is established in the European Economic Area and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "**EU CRA Regulation**") / [Each of *[defined terms]* is established in the United Kingdom and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**")]

[add details of any endorsement under the UK CRA Regulation]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[Save for the fees [of [*insert relevant fee disclosure*]] payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business - *Amend as appropriate if there are other interests*]

[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.)]

4. **REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

(i) Reasons for the offer: [See "*Use of Proceeds*" in the Base Prospectus]

(ii) Estimated net proceeds: []

5. **YIELD** (Fixed Rate Notes only)

Indication of yield: []

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. **OPERATIONAL INFORMATION**

(i) ISIN: []

(ii) Common Code: []

(iii) Any clearing system(s) other than [Euroclear and Clearstream, Luxembourg / Euronext VPS] and the relevant identification number(s): [Not Applicable/*give name(s) and number(s)*]

(iv) Delivery: Delivery [against/free of] payment

(v) Names and addresses of additional Paying Agent(s) (if any) or, in the case of VPS Notes, the VPS Agent: []

(vi) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [*include this text for Registered Notes which are to be held under the NSS*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the

future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper][*include this text for Registered Notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

7. **DISTRIBUTION**

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names of Managers: [Not Applicable/*give names*]
- (iii) Stabilisation Manager(s) (if any): [Not Applicable/*give name*]
- (iv) If non-syndicated, name of relevant Dealer: [Not Applicable/*give name*]
- (v) U.S. Selling Restrictions: Reg. S Compliance Category 2; [TEFRA D / TEFRA C / TEFRA not applicable]
- (vi) Prohibition of sales to EEA Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared in the EEA, "Applicable" should be specified.)
- (vii) Prohibition of sales to UK Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared in the UK, "Applicable" should be specified.)

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "Applicable Final Terms" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.

The following are also the terms and conditions which will be applicable to each VPS Note. VPS Notes will not be evidenced by any physical note or document of title other than statements of account made by Euronext VPS. Ownership of VPS Notes will be recorded and transfer effected only through the book entry system and register maintained by Euronext VPS. The applicable Final Terms (or the relevant provisions thereof) will be, in the case of VPS Notes, deemed to apply to any such Notes.

This Note is one of a Series (as defined below) of Notes issued by Public Property Invest ASA (the "**Issuer**") constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or restated from time to time, the "**Trust Deed**") dated 25 November 2024 made between the Issuer and Deutsche Trustee Company Limited (the "**Trustee**", which expression shall include any successor as Trustee).

References herein to the "**Notes**" shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a "**Global Note**"), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note;
- (c) any definitive Notes in bearer form ("**Bearer Notes**") issued in exchange for a Global Note in bearer form;
- (d) any definitive Notes in registered form ("**Registered Notes**") (whether or not issued in exchange for a Global Note in registered form); and
- (e) Notes cleared through the Norwegian Central Securities Depository, *Verdipapirsentralen ASA* (trading as Euronext Securities Oslo) ("**VPS Notes**" and "**Euronext VPS**", respectively).

The Notes (other than the VPS Notes) and the Coupons (as defined below) have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated 25 November 2024 made between the Issuer, the Trustee, Nordea Bank Abp, filial i Norge, Issuer Service as VPS Agent (the "**VPS Agent**"), Deutsche Bank AG, London Branch as issuing and principal paying agent and agent bank (the "**Principal Paying Agent**", which expression shall include any successor principal paying agent) and transfer agent (the "**Transfer Agent**", which expression shall include any additional or successor transfer agents), the other paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents) and Deutsche Bank Luxembourg S.A. as registrar (the "**Registrar**", which expression shall include any successor registrar). The Principal Paying Agent, the Registrar, the Paying Agents and the Transfer Agents are together referred to as the "**Agents**".

The VPS Notes have the benefit of an agreement (such agreement as modified and/or supplemented and/or restated from time to time, the "**VPS Agency Agreement**") dated 25 November 2024 made between the Issuer and the VPS Agent. Each Tranche of VPS Notes will be created and held in uncertificated book entry form in accounts with Euronext VPS. The VPS Agent will act as agent of the Issuer in respect of all dealings with Euronext VPS in respect of VPS Notes as detailed in the VPS Agency Agreement and will also act as calculation agent in respect of the VPS Notes. References to the "**Calculation Agent**" shall be to the VPS Agent in respect of VPS Notes, the Principal Paying Agent in respect of Notes (other than VPS Notes) or as may be separately specified in the applicable Final Terms (such expression shall include any successor or alternative Calculation Agent that may be appointed).

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms (except in the case of VPS Notes) attached to or endorsed on this Note which supplement these Terms and

Conditions (the "**Conditions**"). References to the "**applicable Final Terms**" are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

Interest bearing definitive Bearer Notes have interest coupons ("**Coupons**") and, in the case of Bearer Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Notes and Global Notes do not have Coupons or Talons attached on issue.

The Trustee acts for the benefit of the holders for the time being of the Notes (the "**Noteholders**", which expression shall, in relation to any Notes represented by a Global Note, and in relation to VPS Notes, be construed as provided below) and the holders of the Coupons (the "**Couponholders**", which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed. Any reference to "**Noteholders**" or "**holders**" in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered in the register and shall, in relation to any VPS Notes or Notes represented by a global Note, be construed as provided below. VPS Notes are in dematerialised form: any references in these Conditions to Coupons and Talons shall not apply to VPS Notes and no global or definitive Notes will be issued in respect thereof. These Conditions shall be construed accordingly.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Copies of the Trust Deed (i) are available for inspection or collection during normal business hours at the principal office for the time being of the Trustee being at 21 Moorfields, London, EC2Y 9DB, United Kingdom and at the specified office of each of the Paying Agents or (ii) may be provided by email to a Noteholder following their prior written request to the Trustee, any Paying Agents or the Issuer and provision of proof of holding and identity (in a form satisfactory to the Trustee, the relevant Paying Agent or the Issuer, as the case may be) and subject to the Paying Agents being supplied by the Issuer with electronic copies. If the Notes are to be admitted to trading on the regulated market of Euronext Dublin the applicable Final Terms will be published on the website of Euronext Dublin. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement, the VPS Agency Agreement and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, the Agency Agreement and the VPS Agency Agreement.

Words and expressions defined in the Trust Deed, the Agency Agreement, the VPS Agency Agreement, or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between (i) the Trust Deed and the Agency Agreement, the Trust Deed will prevail, (ii) the Trust Deed or the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail, (iii) VPS Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In the Conditions, "**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

1. **FORM, DENOMINATION AND TITLE**

The Notes are in bearer form or in registered form or, in the case of VPS Notes, in uncertificated book entry form, as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the currency (the "**Specified Currency**") and the denominations (the "**Specified Denomination(s)**") specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes and *vice versa*. VPS Notes may not be exchanged for Bearer Notes or Registered Notes and *vice versa*. This Note may be a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note, or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Trustee and any Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph. The holder of a VPS Note will be the person evidenced as such by a book entry in the records of Euronext VPS.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Trustee and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly.

In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note and VPS Notes will be transferable only in accordance with the rules and procedures for the time being of Euroclear and/or Clearstream, Luxembourg, and/or Euronext VPS, as the case may be. References to Euroclear and/or Clearstream, Luxembourg and/or Euronext VPS shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

Title to the VPS Notes will pass by registration in Euronext VPS between the direct or indirect accountholders at Euronext VPS in accordance with applicable law and the rules and procedures of Euronext VPS that are in force from time to time. Where a nominee is so evidenced, it shall be treated by the Issuer, the Trustee, any Agent and the VPS Agent as the holder of the relevant VPS Note. Each person who is for the time being shown in the records of Euronext VPS as the holder of a particular nominal amount of VPS Notes (in which regard any certificate or other document issued by Euronext VPS as to the nominal amount of such VPS Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee, and the VPS Agent as the holder of such nominal amount of such VPS Notes for all purposes.

VPS Notes will be transferable only in accordance with applicable law and the rules and procedures for the time being of Euronext VPS. The registration of VPS Notes in Euronext VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes will be governed by, and construed in accordance with, Norwegian law.

2. **TRANSFERS OF REGISTERED NOTES AND VPS NOTES**

2.1 **Transfers of interests in Registered Global Notes**

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Registered Global Note of the same series only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Trust Deed and the Agency Agreement.

2.2 **Transfers of Interests in VPS Notes**

Settlement of sale and purchase transactions in respect of VPS Notes will take place two Oslo business days after the date of the relevant transaction. Transfers of interest in the relevant VPS Notes will take place in accordance with the procedures and regulations of Euronext VPS from time to time, and VPS Notes may be transferred between accountholders at Euronext VPS in accordance with the procedures and regulations of Euronext VPS from time to time. A transfer of VPS Notes which is held through Euroclear or Clearstream, Luxembourg is only possible by using an account operator linked to Euronext VPS.

2.3 **Transfers of Registered Notes in definitive form**

Subject as provided in Condition 2.4 (*Registration of transfer upon partial redemption*) below, upon the terms and subject to the conditions set forth in the Trust Deed and the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (a) the holder or holders must (i) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or their attorney or attorneys duly authorised in writing and (ii) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (b) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer, the Trustee and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 3 to the Agency Agreement). Subject as provided above, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

2.4 **Registration of transfer upon partial redemption**

In the event of a partial redemption of Notes under Condition 7 (*Redemption and Purchase*), the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

In the event of partial redemption of VPS Notes under Condition 7 (*Redemption and Purchase*), the Issuer shall not be required to register the transfer of any VPS Note, or part of a VPS Note, called for partial redemption.

2.5 **Costs of registration**

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

3. **STATUS OF THE NOTES**

The Notes and any relative Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 4.1 (*Negative Pledge*)) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

4. **COVENANTS**

4.1 **Negative Pledge**

So long as any of the Notes remains outstanding (as defined in the Trust Deed), the Issuer will not, and will procure that none of its Subsidiaries (as defined below) will, create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a "**Security Interest**") (in each case other than a Permitted Security Interest), upon, or with respect to, any of the present or future business, undertaking, assets or revenues (including any uncalled capital) of the Issuer and/or any of its Subsidiaries to secure any Relevant Indebtedness (as defined below), unless the Issuer, in the case of the creation of the Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

- (i) all amounts payable by it under the Notes, the Coupons and the Trust Deed are secured by the Security Interest equally and rateably with the Relevant Indebtedness to the satisfaction of the Trustee; or
- (ii) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided either (A) as the Trustee in its absolute discretion deems not materially less beneficial to the interests of the Noteholders or (B) as is approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

4.2 **Financial Covenants**

- (a) **Limitations on the Incurrence of Financial Indebtedness:** So long as any Note remains outstanding the Issuer will not, and will not permit any Subsidiary to, incur directly or indirectly any Financial Indebtedness or any guarantee and/or indemnity in respect of any Financial Indebtedness (excluding for the purposes of this Condition 4.2(a) any Permitted Refinancing Indebtedness) if, on the date of such incurrence and after giving *pro forma* effect thereto (including *pro forma* application of the proceeds), the Consolidated Solvency Ratio would exceed 65%;
- (b) **Maintenance of Consolidated Coverage Ratio:** So long as any Note remains outstanding the Issuer undertakes that on each Testing Date the Consolidated Coverage Ratio is not less than 1.5:1; and
- (c) **Limitations on the Incurrence of Secured Indebtedness:** So long as any Note remains outstanding the Issuer will not, and will not permit any Subsidiary to, incur directly or indirectly, any Secured Indebtedness (excluding for the purposes of this Condition 4.2(c) any Permitted Refinancing Indebtedness relating to the same previously secured assets) if, on the date of such incurrence and after giving *pro forma* effect thereto (including *pro forma* application of the proceeds) the total value of Secured Indebtedness of the Group (on a consolidated basis) would exceed 45% of Consolidated Total Assets.

The Issuer will promptly notify the Trustee in accordance with the Trust Deed in the event that any of the undertakings in this Condition 4.2 is breached at any time.

For so long as the Notes remain outstanding, the Issuer will deliver a certificate to the Trustee on each Reporting Date signed by any two Authorised Signatories (as defined in the Trust Deed) of the Issuer, certifying that the Issuer is in compliance with, and there has been no breach of, the undertakings set out in this Condition 4.2.

A certificate by any two Authorised Signatories of the Issuer as to any of the amounts referred to in this Condition 4.2, or any of the terms defined for the purposes of this Condition 4.2, shall be conclusive and binding on all parties.

4.3 **Interpretation**

For the purposes of these Conditions:

"Consolidated Adjusted EBITDA" means, in respect of any Testing Date, the number set out under the heading "Net income from property management" (or any equivalent line item) in the consolidated financial statements of the Group (including the notes thereto), excluding (i) the numbers set out under the headings "Interest income" (or equivalent line item), (ii) "Interest expenses" (or equivalent line item) and (iii) the number set out under the heading "Net interest income from interest rate derivatives" (or equivalent line item), in each case in the consolidated financial statements of the Group (including the notes thereto);

"Consolidated Coverage Ratio" means, in respect of any Testing Date, the ratio of (i) the aggregate amount of Consolidated Adjusted EBITDA for the period of the most recent four consecutive financial quarters ending on such Testing Date, to (ii) the aggregate amount of Consolidated Net Interest Expenses, for the period of the most recent four consecutive financial quarters ending on such Testing Date;

"Consolidated Net Interest Expenses" means the net amount calculated as the sum of (i) the number set out under the heading "Interest income" (or equivalent line item) in the consolidated financial statements of the Group (including the notes thereto) and (ii) the number set out under the heading "Net interest income from interest rate derivatives (or equivalent line item), from which is deducted the number set out under the heading "Interest expenses" (or equivalent line item) in the consolidated financial statements of the Group (including the notes thereto);

"Consolidated Solvency Ratio" means (i) the aggregate of the total Financial Indebtedness (on a consolidated basis) of the Group (less cash and cash equivalents and listed shares) and any guarantee and/or indemnity in respect of any Financial Indebtedness (without double counting for any guarantee and/or indemnity in respect of any Financial Indebtedness that the Issuer has directly or indirectly accounted for in its consolidated financial statements) divided by (ii) Consolidated Total Assets, in each case as set out in the most recent annual or interim, as the case may be, consolidated financial statements of the Group (including the notes thereto);

"Consolidated Total Assets" means the value of the consolidated total assets of the Group as shown in the most recent annual or interim, as the case may be, consolidated financial statements of the Group;

"Financial Indebtedness" means, with respect to any Person at any date of determination (without duplication) any indebtedness of such Person, including (without limitation):

- (i) all indebtedness of such Person for borrowed money in whatever form;
- (ii) any amounts raised by such Person evidenced by bonds, debentures, notes, loan stock or other similar instruments;
- (iii) any amounts raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (iv) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (v) the amount of any liability in respect of leases or hire purchase contracts (excluding the amount of any liability in respect of leasehold properties) which would, in accordance

with applicable law and generally accepted accounting principles applicable to the Group, be treated as finance or capital leases; and

- (vi) the amount of any liability in respect of any purchase price of property, assets or services the payment of which is deferred for a period in excess of 90 days,

provided that 'indebtedness' shall be determined by reference to IFRS (or such accounting standards as are applicable to the Issuer at the relevant time) and deferred tax liabilities shall not be considered Financial Indebtedness;

"Group" means the Issuer and its consolidated Subsidiaries;

"Permitted Refinancing Indebtedness" means any Financial Indebtedness of the Issuer, or any of the Issuer's Subsidiaries raised or issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, exchange or discharge other Financial Indebtedness of the Issuer, or any member of the Group (other than intra-group Financial Indebtedness); **provided that:**

- (a) the aggregate principal amount (or accretable value) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Financial Indebtedness renewed, refunded, refinanced, replaced, exchanged or discharged (plus all accrued interest on the Financial Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);
- (b) such Permitted Refinancing Indebtedness has a final maturity date, or may only be redeemed or repaid at the option of the Issuer of any of the Issuer's Subsidiaries, either (i) no earlier than the final maturity date of the Financial Indebtedness being renewed, refunded, refinanced, replaced, exchanged or discharged or (ii) after the final maturity date of the Notes;
- (c) if the Financial Indebtedness being renewed, refunded, refinanced, replaced, exchanged or discharged is expressly, contractually subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes; and
- (d) if the Issuer was the obligor on the Financial Indebtedness being renewed, refunded, refinanced, replaced, exchanged or discharged, such Financial Indebtedness is incurred by the Issuer;

"Permitted Security Interest" means (i) the Issuer's NOK 1.1 billion bond loan 1 due 2024-2027, the NOK 962 million bond loan 2 due 2024-2028 and NOK 211 million bond loan 3 due 2025, and (ii) any Security Interest securing any Relevant Indebtedness of any Subsidiary of the Issuer acquired, so long as such Security Interest was outstanding on the date on which the relevant entity became a Subsidiary of the Issuer was not created in contemplation of such entity becoming a Subsidiary of the Issuer, and the principal amount of Relevant Indebtedness so secured was not increased in contemplation of such entity becoming a Subsidiary of the Issuer or since such entity became a Subsidiary of the Issuer;

"Person" means any individual, company, corporation, firm, unincorporated association or body, partnership, trust, fund, joint venture or consortium, association, organisation, government, state or agency of a state or other entity, whether or not having separate legal personality;

"Relevant Indebtedness" means

- i) any present or future indebtedness (whether being principal, premium, interest or other amounts) which is in the form of or represented by any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market, and
- ii) any guarantee or indemnity in respect of any such indebtedness;

"Reporting Date" means a date falling no later than 30 days after (i) the publication of the Issuer's annual consolidated financial statements, or (ii) the publication of the Issuer's quarterly consolidated financial statements;

"Secured Indebtedness" means any Financial Indebtedness or any guarantee and/or indemnity in respect of any Financial Indebtedness that is secured in whole or in part by a Security Interest granted over any assets of any member of the Group;

"Subsidiary" means in relation to any person (the **"first person"**) at any particular time, any other person (the **"second person"**):

- (i) whose affairs and policies the first person controls or has power to control (directly or indirectly), whether by ownership of more than 50 per cent. of the share capital, contract, the power to appoint or remove the majority of members of the governing body of the second person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first person,

and includes any Person that is a Subsidiary of a Subsidiary; and

"Testing Date" means each day which is: (i) the last day of the Issuer's financial year in any year; or (ii) the last day of each of the first three quarters of the Issuer's financial year in any year.

5. **INTEREST**

5.1 **Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are Bearer Notes in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period (as defined below) ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, **"Fixed Interest Period"** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Bearer Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (a) in the case of Fixed Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Notes represented by such Global Note or (B) such Registered Notes; or
- (b) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the Calculation Amount in the case of Fixed Rate Notes which are Bearer Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Conditions:

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest, in accordance with this Condition 5.1:

- (i) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:
 - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if "**30/360**" is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

5.2 **Interest on Floating Rate Notes**

(a) ***Interest Payment Dates***

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment

Date, an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In these Conditions, "**Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 5.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, "**Business Day**" means:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre (other than T2) specified in the applicable Final Terms;
- (b) if T2 is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor or replacement for that system ("**T2**") is open; and
- (c) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which T2 is open.

(b) **Rate of Interest**

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(i) **Screen Rate Determination for Floating Rate Notes -Term Rate**

This Condition 5.2(b)(i) applies where the applicable Final Terms specifies "Term Rate" to be "Applicable".

The Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either EURIBOR, CIBOR, STIBOR or NIBOR, as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (Brussels time, in the case of EURIBOR, Copenhagen time, in the case of CIBOR or Stockholm time, in the case of STIBOR) or 12.00 noon (Oslo time, in the case of NIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent or, in the case of VPS Notes, the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (A) above, no such offered quotation appears or, in the case of (B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

(ii) **Screen Rate Determination for Floating Rate Notes – Overnight Rate - Compounded Daily SONIA - Non-Index Determination**

This Condition 5.2(b)(ii) applies where the applicable Final Terms specifies: (1) "Overnight Rate" to be 'Applicable'; (2) "Compounded Daily SONIA" as the Reference Rate; and (3) "Index Determination" to be 'Not Applicable'.

- (A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 5.2(f)(i) and as provided below, be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

"**Compounded Daily SONIA**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

"**d**" is the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"**D**" is the number specified as such in the applicable Final Terms (or, if no such number is specified, 365);

"**d_o**" means:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Observation Period;

"**i**" is a series of whole numbers from one to "**d_o**", each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"**London Banking Day**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n_i**" for any London Banking Day "**i**", means the number of calendar days from (and including) such London Banking Day "**i**" up to (but excluding) the following London Banking Day;

"**Observation Period**" means the period from (and including) the date falling "**p**" London Banking Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling "**p**" London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

"**p**" means:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the "Lag Period" in the applicable Final Terms (or, if no such number is so specified, five London Banking Days); or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the "Observation Shift Period" in the applicable Final Terms (or, if no such number is specified, five London Banking Days);

the "**SONIA reference rate**", in respect of any London Banking Day ("**LBD_x**"), is a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such **LBD_x** as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the London Banking Day immediately following **LBD_x**; and

"**SONIA_i**" means the SONIA reference rate for:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the London Banking Day falling "*p*" London Banking Days prior to the relevant London Banking Day "*i*"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant London Banking Day "*i*".

(B) Subject to Condition 5.2(f)(i), if, where any Rate of Interest is to be calculated pursuant to Condition 5.2(b)(ii)(A) above, in respect of any London Banking Day on which an applicable SONIA reference rate is required to be determined, such SONIA reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the SONIA reference rate in respect of such London Banking Day shall be the rate determined by the Calculation Agent as:

- (i) the sum of (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (London time) (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
- (ii) if the Bank Rate under 5.2(b)(ii)(B)(i) above is not available at the relevant time, either (A) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day in respect of which the SONIA reference rate was published on the

Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (B) if this is more recent, the latest rate determined under 5.2(b)(ii)(B)(i) above,

and, in each case, references to "SONIA reference rate" in Condition 5.2(b)(ii)(A) above shall be construed accordingly.

- (C) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.2(b)(ii), and without prejudice to Condition 5.2(f)(i), the Rate of Interest shall be:
- (i) that determined as at the last preceding Interest Determination Date on which the Rate of Interest was so determined (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Accrual Period); or
 - (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first scheduled Interest Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period),

in each case as determined by the Calculation Agent.

(iii) ***Screen Rate Determination – Overnight Rate - Compounded Daily SONIA - Index Determination***

This Condition 5.2(b)(iii) applies where the applicable Final Terms specifies: (1) "Overnight Rate" to be 'Applicable'; (2) "Compounded Daily SONIA" as the Reference Rate; and (3) "Index Determination" to be 'Applicable'.

- (A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 5.2(f)(i) and as provided below, be the Compounded Daily SONIA Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

"Compounded Daily SONIA Rate" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) (expressed as a percentage and rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) determined by the Calculation Agent by reference to the screen rate or index for compounded daily SONIA rates administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service from time to

time on the relevant Interest Determination Date, as further specified in the applicable Final Terms (the "**SONIA Compounded Index**"), and in accordance with the following formula:

$$\text{Compounded Daily SONIA Rate} = \left(\frac{\text{SONIA Compounded Index}_{\text{End}}}{\text{SONIA Compounded Index}_{\text{Start}}} \right)^{\frac{1}{d}} \times \frac{365}{d}$$

where:

"**d**" is the number of calendar days from (and including) the day in relation to which SONIA Compounded Index_{start} is determined to (but excluding) the day in relation to which SONIA Compounded Index_{End} is determined;

"**London Banking Day**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**Relevant Number**" is the number specified as such in the applicable Final Terms (or, if no such number is specified, five);

"**SONIA Compounded Index_{Start}**" means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of such Interest Accrual Period; and

"**SONIA Compounded Index_{End}**" means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (A) the Interest Payment Date for such Interest Accrual Period, or (B) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Accrual Period).

(B) If the relevant SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA reference rate or of such other information service, as the case may be) on the relevant Interest Determination Date, the Compounded Daily SONIA Rate for the applicable Interest Accrual Period for which the SONIA Compounded Index is not available shall be "Compounded Daily SONIA" determined in accordance with Condition 5.2(b)(ii) above as if "Index Determination" were specified in the applicable Final Terms as being 'Not Applicable', and for these purposes: (i) the "Observation Method" shall be deemed to be "Observation Shift" and (ii) the "Observation Shift Period" shall be deemed to be equal to the Relevant Number of London Banking Days, as if those alternative elections had been made in the applicable Final Terms.

(iv) ***Screen Rate Determination – Overnight Rate – Compounded Daily SOFR – Non-Index Determination***

This Condition 5.2(b)(iv) applies where the applicable Final Terms specifies: (1) "Overnight Rate" to be 'Applicable'; (2) "Compounded Daily SOFR" as the Reference Rate; and (3) "Index Determination" to be 'Not Applicable'.

(A) *Compounded Daily SOFR*

The Rate of Interest for an Interest Accrual Period will, subject to Condition 0 and as provided below, be Compounded Daily SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

"**Compounded Daily SOFR**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily U.S. dollars secured overnight financing rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fourth decimal place, with 0.00005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

"**d**" is the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"**D**" is the number specified as such in the applicable Final Terms (or, if no such number is specified, 360);

"**d_o**" means:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days in the relevant Observation Period;

"**i**" is a series of whole numbers from one to "**d_o**", each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"New York Fed's Website" means the website of the Federal Reserve Bank of New York (or a successor administrator of SOFR) or any successor source;

" n_i " for any U.S. Government Securities Business Day " i ", means the number of calendar days from (and including) such U.S. Government Securities Business Day " i " up to (but excluding) the following U.S. Government Securities Business Day;

"Observation Period" means the period from (and including) the date falling " p " U.S. Government Securities Business Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling " p " U.S. Government Securities Business Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

" p " means:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days specified as the "Lag Period" in the applicable Final Terms (or, if no such number is so specified, five U.S. Government Securities Business Days); or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days specified as the "Observation Shift Period" in the applicable Final Terms (or, if no such number is specified, five U.S. Government Securities Business Days);

"SOFR" in respect of any U.S. Government Securities Business Day (**USBD_x**), is a reference rate equal to the daily secured overnight financing rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed's Website, in each case at or around 3.00 p.m. (New York City time) on the U.S. Government Securities Business Day immediately following such USBD_x;

"SOFR_i" means the SOFR for:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling " p " U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day " i "; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant U.S. Government Securities Business Day " i "; and

"U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(B) *SOFR Unavailable*

Subject to Condition 0, if, where any Rate of Interest is to be calculated pursuant to this Condition 5.2(b)(iv), in respect of any U.S. Government Securities Business Day in respect of which an applicable SOFR is required to be determined, such SOFR is not available, such SOFR shall be the SOFR for the first preceding U.S. Government Securities Business Day in respect of which the SOFR was published on the New York Fed's Website.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.2(b)(iv) but without prejudice to Condition 0, the Rate of Interest shall be calculated in accordance, *mutatis mutandis*, with the provisions of Condition 5.2(b)(ii)(C).

(v) **Screen Rate Determination – Overnight Rate - SOFR - Index Determination**

This Condition 5.2(b)(v) applies where the applicable Final Terms specifies: (1) "Overnight Rate" to be 'Applicable'; (2) "Compounded Daily SOFR" as the Reference Rate; and (2) "Index Determination" to be 'Applicable'.

- (A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 0 and as provided below, be the Compounded SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

"**Compounded SOFR**" means, with respect to an Interest Accrual Period, the rate (expressed as a percentage and rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) determined by the Calculation Agent in accordance with the following formula:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \frac{360}{d_c}$$

where:

"**d_c**" is the number of calendar days from (and including) the day in relation to which SOFR Index_{Start} is determined to (but excluding) the day in relation to which SOFR Index_{End} is determined;

"**Relevant Number**" is the number specified as such in the applicable Final Terms (or, if no such number is specified, five);

"**SOFR**" means the daily secured overnight financing rate as provided by the SOFR Administrator on the SOFR Administrator's Website;

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

"**SOFR Administrator's Website**" means the website of the SOFR Administrator, or any successor source;

"**SOFR Index**", with respect to any U.S. Government Securities Business Day, means the SOFR index value as published by the SOFR Administrator as such index appears on the SOFR Administrator's Website at or around 3.00 p.m.

(New York time) on such U.S. Government Securities Business Day (the **SOFR Determination Time**);

"**SOFR Index_{Start}**," with respect to an Interest Accrual Period, is the SOFR Index value for the day which is the Relevant Number of U.S. Government Securities Business Days preceding the first day of such Interest Accrual Period;

"**SOFR Index_{End}**," with respect to an Interest Accrual Period, is the SOFR Index value for the day which is the Relevant Number of U.S. Government Securities Business Days preceding (A) the Interest Payment Date for such Interest Accrual Period, or (B) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Accrual Period); and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (B) If, as at any relevant SOFR Determination Time, the relevant SOFR Index is not published or displayed on the SOFR Administrator's Website by the SOFR Administrator, the Compounded SOFR for the applicable Interest Accrual Period for which the relevant SOFR Index is not available shall be "Compounded Daily SOFR" determined in accordance with Condition 5.2(b)(iv) above as if "*Index Determination*" were specified in the applicable Final Terms as being 'Not Applicable', and for these purposes: (i) the "*Observation Method*" shall be deemed to be "*Observation Shift*" and (ii) the "*Observation Shift Period*" shall be deemed to be equal to the Relevant Number of U.S. Government Securities Business Days, as if such alternative elections had been made in the applicable Final Terms.

(vi) ***Screen Rate Determination – Overnight Rate - Compounded Daily €STR – Non-Index Determination***

This Condition 5.2(b)(vi) applies where the applicable Final Terms specifies: (1) "*Screen Rate Determination*" and "*Overnight Rate*" to be 'Applicable'; (2) "*Compounded Daily €STR*" as the Reference Rate; and (3) "*Index Determination*" to be 'Not Applicable'.

- (A) The Rate of Interest for an Interest Accrual Period will, subject to Condition 5.2(f) and as provided below, be Compounded Daily €STR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Calculation Agent.

"**Compounded Daily €STR**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{\text{€STR}_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

the "**€STR reference rate**", in respect of any TARGET Business Day ("**TBD_x**"), is a reference rate equal to the daily euro short-term rate ("**€STR**") for such TBD_x as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Business Day immediately following TBD_x (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

"**€STR_i**" means the €STR reference rate for:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the TARGET Business Day falling "p" TARGET Business Days prior to the relevant TARGET Business Day "i"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant TARGET Business Day "i".

"**d**" is the number of calendar days in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"**D**" is the number specified as such in the applicable Final Terms (or, if no such number is specified, 360);

"**d_o**" means:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of TARGET Business Days in the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of TARGET Business Days in the relevant Observation Period;

"*i*" is a series of whole numbers from one to "*d_o*", each representing the relevant TARGET Business Day in chronological order from, and including, the first TARGET Business Day in:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"*n_i*" for any TARGET Business Day "*i*", means the number of calendar days from (and including) such TARGET Business Day "*i*" up to (but excluding) the following TARGET Business Day;

"**Observation Period**" means the period from (and including) the date falling "*p*" TARGET Business Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling "*p*" TARGET Business Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

"*p*" means:

- (i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of TARGET Business Days specified as the "Lag Period" in the applicable Final Terms (or, if no such number is so specified, five TARGET Business Days); or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of TARGET Business Days specified as the "Observation Shift Period" in the applicable Final Terms (or, if no such number is specified, five TARGET Business Days); and

"**TARGET Business Day**" means any day on which T2 is open.

- (B) Subject to Condition 5.2(f)(i), if, where any Rate of Interest is to be calculated pursuant to Condition 5.2(b)(vi)(A) above, in respect of any TARGET Business Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Business Day shall be the €STR reference rate for the first preceding TARGET Business Day in respect of which €STR reference rate was published by the European Central Bank on its website, as determined by the Calculation Agent.
- (C) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.2(b)(vi) but without prejudice to Condition 5.2(f)(i), the Rate of Interest shall be calculated in accordance, *mutatis mutandis*, with the provisions of Condition 5.2(b)(ii)(C).
- (vii) **Interest Accrual Period**

As used herein, an "**Interest Accrual Period**" means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the Notes become due and payable in accordance with Condition 10, shall be the date on which the Notes become due and payable).

(viii) ***Determination of Rate of Interest following acceleration***

If the Notes becomes due and payable in accordance with Condition 10 (*Events of Default and Enforcement*) or if redeemed prior to their stated maturity otherwise than on an Interest Payment Date, the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in Condition 5.3 and the Trust Deed.

(c) ***Minimum Rate of Interest and/or Maximum Rate of Interest***

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) ***Determination of Rate of Interest and calculation of Interest Amounts***

The Principal Paying Agent, in the case of Floating Rate Notes which are not VPS Notes, and the Calculation Agent, in the case of Floating Rate Notes which are VPS Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent or, in the case of Floating Rate Notes which are VPS Notes, the Calculation Agent, will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (i) in the case of Floating Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Notes represented by such Global Note or (B) such Registered Notes; or
- (ii) in the case of Floating Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

"Day Count Fraction" means, in respect of the calculation of an amount of interest in accordance with this Condition 5.2:

- (i) if "**Actual/Actual (ISDA)**" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "**Actual/365 (Sterling)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M₂**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"**D₁**" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (vi) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30;

- (vii) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

(e) ***Linear Interpolation***

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent or, in the case of VPS Notes, the Calculation Agent, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period **provided however that** if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Principal Paying Agent or, in the case of VPS Notes, the Calculation Agent, shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Designated Maturity**" means, the period of time designated in the Reference Rate.

(f) ***Benchmark Replacement***

- (i) Benchmark Event

This Condition 5.2(f)(i) applies to Floating Rate Notes other than where the applicable Final Terms specifies "Compounded Daily SOFR" as the Reference Rate.

Notwithstanding the operation of the provisions above in this Condition 5.2, if the Issuer, in consultation with the party responsible for determining the Rate of Interest (being the Principal Paying Agent, the Calculation Agent or such other party specified in the applicable Final Terms, as applicable), determines that a Benchmark Event has occurred in relation to an Original Reference Rate at any time when the Conditions provide for any Rate of Interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply.

(A) Independent Advisor

The Issuer shall use reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine (acting in good faith) a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread and any Benchmark Amendments (each as defined and as further described below) no later than 5 Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**") for the purposes of determining the Rate of Interest applicable to the Notes for such next succeeding Interest Period and for all future Interest Periods (subject to the subsequent operation of this Condition 5.2(f)(i) during any other future Interest Period(s)).

(B) Successor Rate or Alternative Rate

If the Independent Adviser (acting in good faith) determines that:

- (1) there is a Successor Rate, then such Successor Rate (as adjusted by the applicable Adjustment Spread as provided in Condition 5.2(f)(i)(C)) shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent further operation of this Condition 5.2(f)(i)); or
- (2) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate (as adjusted by the applicable Adjustment Spread as provided in Condition 5.2(f)(i)(C)) shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent further operation of this Condition 5.2(f)(i)).

(C) Adjustment Spread

If a Successor Rate or Alternative Rate is determined in accordance with Condition 5.2(f)(i)(B), the Independent Adviser acting in good faith shall determine an Adjustment Spread (which may be expressed as a specified quantum or a formula or methodology for determining the applicable Adjustment Spread), which Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable)), subject to the subsequent further operation and adjustment as provided in this Condition 5.2(f)(i).

(D) Benchmark Amendments

If any Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread is determined in accordance with this Condition 5.2(f)(i) and the Independent Adviser (acting in good faith) determines (i) that amendments to these Conditions, the Trust Deed and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (**provided that** such amendments do not, without the consent of the party responsible for determining the Rate of Interest (being the Calculation Agent or such other party specified in the applicable Final Terms, as applicable) impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to it) (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5.2(f)(i)(E), without any requirement for the consent or approval of Noteholders or Couponholders, vary these Conditions, the Trust Deed and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

For the avoidance of doubt, the Trustee and Principal Paying Agent shall, at the request and expense of the Issuer, agree to use their reasonable endeavours to effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions, including, inter alia, by execution of a deed supplemental to the Trust Deed, as the Issuer determines and certifies to the Trustee and the Principal Paying Agent may be required in order to give effect to this Condition 5.2(f) and neither the Trustee nor the Principal Paying Agent shall be liable to any party for any consequence thereof **provided, however, that** neither the Trustee nor the Principal Paying Agent (as applicable) shall be obliged to agree to any such consequential amendments if the same would, in the sole opinion of the Trustee or the Principal Paying Agent (as applicable), expose it to any additional liabilities or increase the obligations or duties or reduce or amend its rights and/or the protective provisions afforded to it in the Trust Deed and/or these Conditions and/or the Agency Agreement (as applicable).

In connection with any such variation in accordance with this Condition 5.2(f)(i)(D), the Issuer shall comply with the rules of any stock exchange or other relevant authority on or by which the Notes are for the time being listed or admitted to trading.

(E) Notices, etc.

The Issuer shall no later than the IA Determination Cut-off Date notify the party responsible for determining the Rate of Interest (being the Calculation Agent or such other party specified in the applicable Final Terms, as applicable), the Trustee, the Principal Paying Agent, the Paying Agents and promptly thereafter notify, in accordance with Condition 14 (*Notices*), the Noteholders of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5.2(f)(i). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any. No later than notifying the Trustee and the Principal Paying Agent of the same, the Issuer shall deliver to the Trustee a certificate signed by any two Authorised Signatories of the Issuer confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or Alternative Rate (as applicable), (iii) the Adjustment Spread and (iv) where applicable, the terms of any changes pursuant to sub-paragraph (iv) above and certifying that the Benchmark Amendments are necessary to ensure the proper operation of such

Successor Rate, Alternative Rate and/or Adjustment Spread. The Trustee and the Principal Paying Agent shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's and the Principal Paying Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Principal Paying Agent, the Calculation Agent, the Paying Agents and the Noteholders.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under this Condition 5.2(f)(i), the Original Reference Rate and the fallback provisions provided for in Condition 5.2(b) will continue to apply unless and until the party responsible for determining the Rate of Interest (being the Calculation Agent or such other party specified in the applicable Final Terms, as applicable) has been notified of the Successor Rate or the Alternative Rate (as the case may be), the applicable Adjustment Spread and Benchmark Amendments (if applicable), in accordance with Condition 5.2(f)(i)(E).

(G) Fallbacks

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the immediately following Interest Determination Date, the Issuer is unable to appoint an Independent Adviser or no Successor Rate or Alternative Rate (as applicable) and, in either case, an Adjustment Spread is determined pursuant to this Condition 5.2(f)(i) prior to the IA Determination Cut-off Date and the Relevant Screen Page is no longer available for use, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period).

For the avoidance of doubt, this Condition 5.2(f)(i) shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date only, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 5.2(f)(i).

For the purposes of this Condition 5.2(f)(i):

"Adjustment Spread" means either a spread (which may be positive, negative or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser (acting in good faith) determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;

- (B) (if no such recommendation or option has been made (or made available), or in the case of an Alternative Rate) the Independent Adviser (acting in good faith) determines is recognised or acknowledged as being in customary usage in international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);
- (C) (if no such determination has been made) the Independent Adviser (acting in good faith) determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (D) (if no such industry standard is recognised or acknowledged) the Independent Adviser (acting in good faith) determines to be appropriate to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be);

"**Alternative Rate**" means an alternative to the Original Reference Rate which the Independent Adviser (acting in good faith) determines in accordance with Condition 5.2(f)(i)(B) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes or, if the Independent Adviser determines there is no such rate, such other rate as the Independent Adviser (acting in good faith) determines is most comparable to the Original Reference Rate;

"**Benchmark Amendments**" has the meaning given to it in Condition 5.2(f)(i)(D);

"**Benchmark Event**" means:

- (A) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing permanently to be calculated, administered and published;
- (B) the later of (i) the making of a public statement by the administrator of or an insolvency official with jurisdiction over the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six months prior to the date specified in (i) above;
- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;
- (D) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the date specified in (i) above;
- (E) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or before

a specified date and (ii) the date falling six months prior to the specified date referred to in (i) above;

- (F) it has or will prior to the next Interest Determination Date become unlawful for the Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable); or
- (G) the later of (i) the making of a public statement by the supervisor of the administrator of such Original Reference Rate announcing that such Original Reference Rate is or will, on or before a specified date, be no longer representative and (ii) the date falling six months prior to the specified date referred to in (i) above;

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, an Independent Adviser appointed pursuant to this Condition 5.2(f)(i) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 5.2(f)(i);

"Original Reference Rate" means the originally-specified Reference Rate used to determine the relevant Rate of Interest (or any component part thereof) in respect of any Interest Period(s) (**provided that** if, following one or more Benchmark Events, such originally-specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term "Original Reference Rate" shall include any such Successor Rate or Alternative Rate);

"Relevant Nominating Body" means, in respect of an Original Reference Rate:

- (A) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Original Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof; and

"Successor Rate" means a successor to or replacement of the Original Reference Rate or, where a Successor Rate or an Alternative Rate has been determined pursuant to Condition 5.2(f)(i)(B), such Successor Rate or Alternative Rate, as applicable, which is formally recommended, or formally provided as an option for parties to adopt, by any Relevant Nominating Body.

- (ii) Benchmark Transition

This Condition 0 applies to Floating Rate Notes where the applicable Final Terms specifies "Compounded Daily SOFR" as the Reference Rate.

If the Issuer, in consultation with the Calculation Agent, determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in relation to an Original Reference Rate at any time when the Conditions provide for any Rate of Interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply.

(A) Independent Adviser

The Issuer shall use reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining the Benchmark Replacement which will replace such Original Reference Rate for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates and any Benchmark Replacement Conforming Changes.

Any Benchmark Replacement so determined by the Issuer shall have effect for any subsequent determination of any relevant Rate of Interest (subject to any further application of this Condition 0), subject, if any associated Benchmark Replacement Conforming Changes are required in connection therewith, to such Benchmark Replacement Conforming Changes becoming effective in accordance with the following provisions.

If, notwithstanding the Issuer's reasonable endeavours, the Issuer is unable to appoint and consult with an Independent Adviser in accordance with the foregoing paragraph, the Issuer shall nevertheless be entitled, acting in good faith and in a commercially reasonable manner, to make any and all determinations expressed to be made by the Issuer pursuant to this Condition 0, notwithstanding that such determinations are not made following consultation with an Independent Adviser.

(B) Benchmark Replacement Conforming Changes

If the Issuer, following consultation with the Independent Adviser (if appointed), considers it is necessary to make Benchmark Replacement Conforming Changes, the Issuer shall, in consultation with the Independent Adviser (if appointed), determine the terms of such Benchmark Replacement Conforming Changes, and shall, subject to giving notice in accordance with Condition 0(D) below (but without any requirement for the consent or approval of Noteholders), vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Replacement Conforming Changes with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 0, the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

For the avoidance of doubt, the Trustee and Principal Paying Agent shall, at the request and expense of the Issuer, use their reasonable endeavours to effect such Benchmark Replacement Conforming Changes, including, inter alia, by execution of a deed supplemental to the Trust Deed, as the Issuer determines and certifies to the Trustee and the Principal Paying Agent may be required in order to give effect to this Condition 0 and neither the Trustee nor the Principal Paying Agent shall be liable to any party for any consequence thereof provided,

however, that neither the Trustee nor the Principal Paying Agent (as applicable) shall be obliged to agree to any such Benchmark Replacement Conforming Changes if the same would, in the sole opinion of the Trustee or the Principal Paying Agent (as applicable), expose it to any additional liabilities or increase the obligations or duties or reduce or amend its rights and/or the protective provisions afforded to it in the Trust Deed and/or these Conditions and/or the Agency Agreement (as applicable).

(C) Definitions

As used in this Condition 0:

"Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the Original Reference Rate for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;
- (2) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
- (3) the sum of: (a) the alternate rate of interest that has been selected by the Issuer as the replacement for the Original Reference Rate for the applicable Corresponding Tenor giving due consideration to any industry accepted rate of interest as a replacement for the then current benchmark for U.S. dollar denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

"Benchmark Replacement Adjustment" means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (1) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then current benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated floating rate notes at such time;

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to any Interest Period, Interest Accrual Period, the timing

and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer (in consultation with the Independent Adviser, if appointed) decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer (in consultation with the Independent Adviser, if appointed) determines is reasonably necessary);

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the Original Reference Rate (including the daily published component used in the calculation thereof):

- (1) in the case of clause (i) or (ii) of the definition of "Benchmark Transition Event", the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Original Reference Rate permanently or indefinitely ceases to provide the Original Reference Rate (or such component); or
- (2) in the case of clause (iii) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than (where the Rate of Interest is to be determined pursuant to Condition 5.2(b)(i) the Specified Time or (in any other case) the customary or scheduled time for publication of the relevant reference rate in accordance with the then-prevailing operational procedures of the administrator of such reference rate or, as the case may be, of the other relevant information service publishing such reference rate, on, the relevant Interest Determination Date, the Benchmark Replacement Date will be deemed to have occurred prior to such time for such determination;

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the Original Reference Rate (including the daily published component used in the calculation thereof):

- (1) a public statement or publication of information by or on behalf of the administrator of the Original Reference Rate (or such component) announcing that such administrator has ceased or will cease to provide the Original Reference Rate (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate (or such component); or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate (or such component), the central bank for the currency of the Original Reference Rate (or such component), an insolvency official with jurisdiction over the administrator for the Original Reference Rate (or such component), a resolution authority with jurisdiction over the administrator for the Original Reference Rate (or such component) or a court or an entity

with similar insolvency or resolution authority over the administrator for the Original Reference Rate, which states that the administrator of the Original Reference Rate (or such component) has ceased or will cease to provide the Original Reference Rate (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate (or such component); or

- (3) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate is no longer representative;

"Corresponding Tenor" means, with respect to a Benchmark Replacement, a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the Original Reference Rate;

"Independent Adviser" means an independent financial institution of international repute or an independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense;

"ISDA Definitions" means the 2021 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") and as amended and updated as at the Issue Date of the first Tranche of the Notes;

"ISDA Fallback Adjustment" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Original Reference Rate;

"ISDA Fallback Rate" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"Original Reference Rate" means the benchmark or screen rate (as applicable) originally specified for the purpose of determining the relevant Rate of Interest (or any relevant component part(s) thereof) on the Notes (provided that if, following one or more Benchmark Transition Events, such originally specified benchmark or screen rate (or any benchmark used in any Benchmark Replacement which has replaced it (the Replacement Benchmark)) has been replaced by a (or a further) Replacement Benchmark and a Benchmark Transition Event subsequently occurs in respect of such Replacement Benchmark, the term "Original Reference Rate" shall be deemed to include any such Replacement Benchmark);

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(D) Notices etc.

The Issuer shall promptly notify the Trustee, the Principal Paying Agent, the Calculation Agent and the Noteholders of any Benchmark Replacement and the specific terms of any Benchmark Replacement Conforming Changes determined under this Condition 0. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any and will be binding on the Issuer, the Paying Agents and the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Replacement Conforming Changes, if any.

(E) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Conditions 5.2(f)(i)(E), (F), (G) and (D), the Original Reference Rate and the fallback provisions provided for in Condition 5.2(b) will continue to apply unless and until the Principal Paying Agent and the Calculation Agent have been notified of the Benchmark Replacement and Benchmark Replacement Conforming Changes (if any) determined in accordance with Condition 5.2(f)(i)(F)

(g) ***Notification of Rate of Interest and Interest Amounts***

This Condition 5.2(g) applies where the applicable Final Terms specifies "Term Rate" to be 'Applicable'.

Except where the applicable Final Terms specifies "Overnight Rate" to be 'Applicable', the Principal Paying Agent or, in the case of VPS Notes, the Calculation Agent, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and, in the case of VPS Notes, Euronext VPS and the VPS Agent and notice thereof to be published in accordance with Condition 14 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 14 (*Notices*). For the purposes of this Condition 5.2(g), the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London. The notification of any rate or amount, if applicable, shall be made to Euronext VPS in accordance with and subject to Euronext VPS rules and regulations for the time being in effect.

Where the applicable Final Terms specifies "Overnight Rate" to be 'Applicable', the Principal Paying Agent or the Calculation Agent, as applicable will cause the Rate of Interest and each Interest Amount for each Interest Accrual Period and the relevant Interest Payment Date to be notified to the Issuer, the Trustee and any stock exchange on which the Floating Rate Notes are for the time being listed and, in the case of VPS Notes, Euronext VPS and the VPS Agent and notice thereof to be published in accordance with Condition 14 (*Notices*) as soon as possible after their determination but in no event later than the second Business Day thereafter. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the relevant Interest Accrual Period. Any such amendment or alternative arrangements will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in

accordance with Condition 14 (*Notices*). The notification of any rate or amount, if applicable, shall be made to Euronext VPS in accordance with and subject to Euronext VPS rules and regulations for the time being in effect.

(h) ***Certificates to be final***

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5.2 by the Principal Paying Agent or, if applicable, the Calculation Agent, shall (in the absence of manifest error) be binding on the Issuer, the Trustee, the Principal Paying Agent, the Calculation Agent (if applicable), the other Agents and all Noteholders and Couponholders and (in the absence of wilful default or gross negligence) no liability to the Issuer, the Trustee, the Noteholders or the Couponholders shall attach to the Principal Paying Agent or, if applicable, the Calculation Agent in connection with the exercise or non exercise by it of its powers, duties and discretions pursuant to such provisions.

5.3 **Accrual of interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) as provided in the Trust Deed.

5.4 **Adjustment of Rate of Interest for Fixed Rate Notes and Floating Rate Notes**

If a Step Up Rating Change and/or Step Down Rating Change is specified as being applicable in the applicable Final Terms, the following terms relating to the Rate of Interest for the Notes shall apply:

- (a) The Rate of Interest payable on the Notes will be subject to adjustment from time to time in the event of a Step Up Rating Change and/or a Step Down Rating Change, as the case may be.
- (b) Subject to Condition 5.4(d) and 5.4(h) below, from and including the first Interest Payment Date falling on or after the date of a Step Up Rating Change, the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) payable on the Notes shall be increased by the Step Up Margin.
- (c) Subject to Condition 5.4(d) and 5.4(h) below, in the event of a Step Down Rating Change following a Step Up Rating Change, with effect from and including the first Interest Payment Date falling on or after the date of such Step Down Rating Change, the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) payable on the Notes shall be decreased by the Step Up Margin back to the initial Rate of Interest (in the case of Fixed Rate Notes) or the initial Margin (in the case of Floating Rate Notes).
- (d) If a Step Up Rating Change and, subsequently, a Step Down Rating Change occur during the same Fixed Interest Period (in the case of Fixed Rate Notes) or the same Interest Period (in the case of Floating Rate Notes), the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) on the Notes shall be neither increased nor decreased as a result of either such event.
- (e) The Issuer shall use all reasonable efforts to maintain a credit rating for its senior unsecured long-term debt from a Rating Agency. If, notwithstanding such reasonable efforts, any Rating Agency fails or ceases to assign a credit rating to the Issuer's senior unsecured long-term debt, the Issuer shall use all reasonable efforts to obtain a credit rating of its senior unsecured long-term debt from a Substitute Rating Agency, and references

herein to such Rating Agency or the credit ratings thereof, shall be to such Substitute Rating Agency or, as the case may be, the equivalent credit ratings thereof as specified in or determined in accordance with the remainder of this Condition 5.4.

- (f) The Issuer will cause the occurrence of a Step Up Rating Change or a Step Down Rating Change giving rise to an adjustment to the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) payable on the Notes pursuant to this Condition 5.4 to be notified to the Trustee and the Principal Paying Agent and, in the case of VPS Notes, Euronext VPS and the VPS Agent and (in accordance with Condition 14 (*Notices*)) the Noteholders as soon as reasonably practicable after the occurrence of such Step Up Rating Change or Step Down Rating Change, but in no event later than the fifth London Business Day thereafter. Such notification, if applicable, shall be made to Euronext VPS in accordance with and subject to Euronext VPS rules and regulations for the time being in effect.
- (g) If the rating designations employed by any Rating Agency are changed from those which are described in this Condition 5.4 or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine, with the prior approval of the Trustee (such approval not to be unreasonably withheld or delayed), the rating designations of such Rating Agency or Substitute Rating Agency (as the case may be) as are most equivalent to the prior rating designations of the existing Rating Agency (or Rating Agencies, as the case may be).
- (h) Notwithstanding any other provision contained herein, there shall be no limit on the number of times that the Rate of Interest may be adjusted pursuant hereto during the term of the Notes **provided that** at no time during the term of the Notes will the Rate of Interest be (i) less than the initial Rate of Interest or (ii) more than the initial Rate of Interest plus the Step Up Margin specified hereon.

Where:

"Rating Agency", "Fitch", "Moody's", "S&P" and "Substitute Rating Agency" have the meanings given to such terms in Condition 7.6 (*Redemption at the option of the Noteholders upon a Change of Control (Change of Control Put)*);

"Step Down Rating Change" means the first public announcement by Fitch and, if applicable, each other Rating Agency appointed by or with the consent of the Issuer, after a Step Up Rating Change, that the credit rating of the Issuer's senior unsecured long-term debt is at least BBB- in the case of Fitch and, if applicable, at least BBB- in the case of S&P and at least Baa3 in the case of Moody's with the result that, following such public announcement, no Rating Agency assigns a credit rating below the aforementioned levels or any equivalent rating. For the avoidance of doubt, any further increase in the credit rating of the Issuer's senior unsecured long-term debt above BBB- in the case of Fitch and, if applicable, at least BBB- in the case of S&P, at least Baa3 in the case of Moody's and in respect of any Substitute Rating Agency, an equivalent rating or above shall not constitute a further Step Down Rating Change;

"Step Up Margin" means the rate per annum specified in the applicable Final Terms; and

"Step Up Rating Change" means the first public announcement by Fitch or, if applicable, any other Rating Agency appointed by or with the consent of the Issuer, of a decrease in the credit rating of the Issuer's senior unsecured long-term debt to below BBB- (in the case of Fitch) or below BBB- (in the case of S&P) or below Baa3 (in the case of Moody's). For the avoidance of doubt, any further decrease in the credit rating of the Issuer's senior unsecured long-term debt below BBB- in the case of Fitch or, if applicable, below BBB- in the case of S&P or below Baa3 in the case of Moody's and in respect of any Substitute Rating Agency, an equivalent rating or below shall not constitute a further Step Up Rating Change.

5.5 **Calculation Agent**

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in respect of any Notes and for so long as such Note is outstanding. Where more than one Calculation Agent is appointed in respect of any Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest payable from time to time or to calculate any Interest Amount, Final Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer, shall (with prior notification to the Trustee) appoint a leading bank or investment banking firm engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6. **PAYMENTS**

6.1 **Method of payment**

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8 (*Taxation*)) any law implementing an intergovernmental approach thereto.

6.2 **Presentation of definitive Bearer Notes and Coupons**

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 6.1 (*Method of Payment*) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below) or Notes in respect of which a Step Up Rating Change and/or a Step Down Rating Change is specified as being applicable in the relevant Final Terms) should be presented for payment together with all unmaturing Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmaturing Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmaturing Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 8 (*Taxation*)) in respect of such

principal (whether or not such Coupon would otherwise have become void under Condition 9 (*Prescription*)) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Long Maturity Note in definitive bearer form or in respect of which a Step Up Rating Change and/or a Step Down Rating Change is specified as being applicable in the relevant Final Terms becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon **provided that** such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

6.3 **Payments in respect of Bearer Global Notes**

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Global Note, where applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

6.4 **Payments in respect of Registered Notes**

Payments of principal in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the "**Register**") (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. For these purposes, "**Designated Account**" means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by transfer on the due date to the Designated Account of the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the

relevant due date (the "**Record Date**"). Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

No commissions or expenses shall be charged to the holders by the Registrar in respect of any payments of principal or interest in respect of Registered Notes.

None of the Issuer, the Trustee or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

6.5 **Payments in respect of VPS Notes**

Payments of principal and interest in respect of VPS Notes will be made to the Noteholders shown in the records of Euronext VPS in accordance with and subject to the rules and regulations from time to time governing Euronext VPS.

The VPS Agent and any Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any holder of VPS Notes. The Issuer reserves the right at any time, with prior notification to the Trustee, to vary or terminate the appointment of the VPS Agent or the Calculation Agent and to appoint additional or other agents, **provided that** the Issuer shall at all times maintain (i) a VPS Agent authorised to act as an account operating institution with Euronext VPS, (ii) one or more Calculation Agent(s) where the Conditions so require, and (iii) such other agents as may be required by any stock exchange on which the VPS Notes may be listed. Notice of any such change or of any change of any specified office shall promptly be given to the holders of VPS Notes in accordance with Condition 14 (*Notices*).

6.6 **General provisions applicable to payments**

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for their share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition 6.6, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

6.7 **Payment Day**

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant

place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 9 (*Prescription*)) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits):
 - (i) in the case of Notes in definitive form only, in the relevant place of presentation; and
 - (ii) in each Additional Financial Centre (other than T2) specified in the applicable Final Terms;
- (b) if T2 is specified as an Additional Financial Centre in the applicable Final Terms, a day on which T2 is open; and
- (c) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which T2 is open.

6.8 **Interpretation of principal and interest**

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 8 (*Taxation*) or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) the Change of Control Redemption Amount (if any) of the Notes; and
- (f) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8 (*Taxation*) or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

7. **REDEMPTION AND PURCHASE**

7.1 **Redemption at maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

7.2 **Redemption for tax reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than the minimum period nor more than the maximum period of notice each as specified in the applicable Final Terms to the Trustee and the Principal Paying Agent (or,

in the case of VPS Notes, the Trustee and the VPS Agent) and, in accordance with Condition 14 (*Notices*), the Noteholders (which notice shall be irrevocable), if the Issuer satisfies the Trustee immediately before the giving of such notice that:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 8 (*Taxation*)) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 7.2, the Issuer shall deliver to the Trustee and, in the case of VPS Notes, the VPS Agent, to make available at their specified office to the Noteholders (i) a certificate signed by any two Authorised Signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. The Trustee shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Notes redeemed pursuant to this Condition 7.2 will be redeemed at their Early Redemption Amount referred to in Condition 7.8 (*Early Redemption Amounts*) below together with any interest accrued to (but excluding) the date of redemption.

7.3 **Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice each as specified in the applicable Final Terms to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable (other than in the circumstances set out in the next sentence) and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) each as specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Where the Optional Redemption Amount is Spens Amount or Make-whole Amount, any such notice of redemption may, at the Issuer's discretion, be subject to one or more conditions precedent, in which case such notice shall state that, in the Issuer's discretion, the Optional Redemption Date may be delayed until such time as any or all such conditions shall be satisfied (or waived by the Issuer in its sole discretion), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied (or waived by the Issuer in its sole discretion) by the Optional Redemption Date, or by the Optional Redemption Date so delayed. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

The Optional Redemption Amount will either be the specified percentage of the nominal amount of the Notes stated in the applicable Final Terms or, if either Spens Amount or Make-whole Amount is specified in the applicable Final Terms, will be:

- (a) if Spens Amount is specified as being applicable in the applicable Final Terms, the higher of (i) 100% of the nominal amount outstanding of the Notes to be redeemed and (ii) the nominal amount outstanding of the Notes to be redeemed multiplied by the price, as

reported to the Issuer and the Trustee by the Determination Agent, at which the Gross Redemption Yield on such Notes on the Reference Date is equal to the Gross Redemption Yield (determined by reference to the middle market price) at the Quotation Time on the Reference Date of the Reference Bond, plus the Redemption Margin, all as determined by the Determination Agent; or

- (b) if Make-whole Amount is specified as applicable in the applicable Final Terms, the higher of (i) 100% of the nominal amount outstanding of the Notes to be redeemed and (ii) the sum of the present values of the nominal amount outstanding of the Notes to be redeemed and the Remaining Term Interest on such Notes (exclusive of interest accrued to the date of redemption) and such present values shall be calculated by discounting such amounts to the date of redemption on an annual, semi-annual or such other basis as is equivalent to the frequency of interest payments on the Notes (as determined by the Determination Agent) (assuming the Day Count Fraction specified in the applicable Final Terms or such other day count basis as the Determination Agent may consider to be appropriate having regard to customary market practice at such time) at the Reference Bond Rate, plus the Redemption Margin, all as determined by the Determination Agent.

In this Condition 7.3:

"DA Selected Bond" means a government security or securities (which if the Specified Currency is euro, will be a German *Bundesobligationen*) selected by the Determination Agent as having an actual or interpolated maturity comparable with the Remaining Term of the Notes, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the Remaining Term of the Notes;

"Determination Agent" means an investment bank, financial institution of international standing or an independent financial adviser with appropriate expertise selected by the Issuer;

"Gross Redemption Yield" means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by the Determination Agent on the basis set out by the United Kingdom Debt Management Office in the paper "Formulae for Calculating Gilt Prices from Yields", page 4, Section One: Price/Yield Formulae "Conventional Gilts"; "Double dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date" (published 8 June 1998 and updated on 15 January 2002, 16 March 2005 and as further amended or updated from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) or, if such formula does not reflect generally accepted market practice at the time of redemption, a gross redemption yield calculated in accordance with generally accepted market practice at such time as determined by the Determination Agent;

"Make-whole Amount" has the meaning given to it in Condition 7.3(b) above;

"Quotation Time" shall be as set out in the applicable Final Terms;

"Redemption Margin" shall be as set out in the applicable Final Terms;

"Reference Bond" shall be as set out in the applicable Final Terms or (if no such bond is specified in the Final Terms, or the originally specified bond is no longer outstanding) the DA Selected Bond;

"Reference Bond Price" means, with respect to any date of redemption, (a) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, (b) if the Determination Agent obtains fewer than four but more than one such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations, (c) if the Determination Agent obtains only one such Reference Government Bond Dealer Quotation, such quotation so obtained, or (d) if no Reference Government Bond Dealer Quotations are provided, the price determined by the Determination Agent (or failing which the Issuer, in consultation with the Determination

Agent), acting in a commercially reasonable manner, at such time and by reference to such sources as it deems appropriate;

"Reference Bond Rate" means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

"Reference Date" will be set out in the relevant notice of redemption;

"Reference Government Bond Dealer" means each of five banks selected by the Issuer, or their affiliates, which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues;

"Reference Government Bond Dealer Quotations" means, with respect to each Reference Government Bond Dealer and any date of redemption, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time on the Reference Date quoted in writing to the Determination Agent by such Reference Government Bond Dealer;

"Remaining Term" means the term to maturity of such Note (or, if Issuer Par Call is specified as being applicable in the applicable Final Terms, the remaining term up to the Par Call Period Commencement Date as specified in the applicable Final Terms);

"Remaining Term Interest" means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the Remaining Term of such Note determined on the basis of the Rate of Interest applicable to such Note from and including the date on which such Note is to be redeemed by the Issuer pursuant to this Condition 7.3: and

"Spens Amount" has the meaning given to it in Condition 7.3(a) above.

In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 (*Notices*) not less than 15 days prior to the date fixed for redemption.

7.4 **Redemption at the option of the Issuer (Issuer Par Call)**

If Issuer Par Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable and specify the date fixed for redemption), redeem the Notes then outstanding in whole, but not in part, at any time during the Par Call Period specified as being applicable in the applicable Final Terms, at the Final Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued but unpaid to (but excluding) the date fixed for redemption.

7.5 **Redemption at the option of the Noteholders (Investor Put)**

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 (*Notices*) not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a "**Put Notice**") and in which the holder must specify a bank account to which payment is to be made under this Condition 7.5 and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.3 (*Transfers of Registered Notes in definitive form*). If this Note is in definitive bearer form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on their instruction by Euroclear, Clearstream, Luxembourg, or any common depositary or common safekeeper, as the case may be for them to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

If this Note is a VPS Note, to exercise the right to require redemption of the VPS Notes, the holder of the VPS Notes, must, within the notice period, give notice to the VPS Agent of such exercise in accordance with the standard procedures of Euronext VPS from time to time.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg by a holder of any Note pursuant to this Condition 7.5 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and the Trustee has declared the Notes to be due and payable pursuant to Condition 10 (*Events of Default and Enforcement*), in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 7.5 and instead to declare such Note forthwith due and payable pursuant to Condition 10 (*Events of Default and Enforcement*).

7.6 **Redemption at the option of the Noteholders upon a Change of Control (Change of Control Put)**

If a Change of Control Put is specified in the applicable Final Terms, upon the occurrence of a Change of Control Put Event (as defined below), each Noteholder will have the option (the "**Change of Control Put Option**") to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Noteholder's Notes on the Change of Control Put Date (as defined below) at the Change of Control Redemption Amount together with interest accrued to but excluding the date of redemption or purchase.

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred and, in any event, within 5 days of the Issuer becoming aware that such Change of Control Put Event has occurred, the Issuer shall, and at any time upon the Trustee becoming so aware (the Issuer having failed to do so) the Trustee may, and, if so requested by the holders of at least one-fifth in principal amount of the Notes then outstanding, shall, (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) give notice (a "**Change of Control Put Event Notice**") to the Noteholders in accordance with Condition 14 (*Notices*) specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar, on any Payment Day (as defined in Condition 6.7 (*Payment Day*)) at the place of such

specified office falling within the Change of Control Put Period (as defined below), a duly signed and completed notice of exercise in the form for the time being current obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a "**Change of Control Put Exercise Notice**") and in which the holder must specify a bank account (or, if payment is to be made by cheque, an address) to which payment is to be made under this Condition 7.6 and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.3 (*Transfers of Registered Notes in definitive form*). If this Note is in definitive bearer form, the Change of Control Put Exercise Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following the delivery of the Change of Control Put Exercise Notice, be held to its order or under its control.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption or, as the case may be, purchase of this Note under this Condition 7.6 the holder of this Note must, within the Change of Control Put Period, give notice to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) of such exercise in accordance with the standard procedures of Euroclear and/or Clearstream, Luxembourg (which may include notice being given on their instruction by Euroclear and/or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) by electronic means) in a form acceptable to Euroclear and/or Clearstream, Luxembourg from time to time.

If this Note is a VPS Note, to exercise the right to require redemption or, as the case may be, purchase of a Note under this Condition 7.6, the holder of the VPS Note must, within the Change of Control Put Period, give notice to the VPS Agent of such exercise in accordance with the standard procedures of Euronext VPS from time to time.

A Change of Control Put Exercise Notice given by a holder of any Note shall be irrevocable except where, prior to the due date of redemption or purchase, an Event of Default has occurred and the Trustee has declared the Notes to be due and payable pursuant to Condition 10 (*Events of Default and Enforcement*), in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Change of Control Put Exercise Notice given pursuant to this Condition 7.6 and instead treat its Notes as being forthwith due and payable pursuant to Condition 10 (*Events of Default and Enforcement*).

Any Note which is the subject of a Change of Control Put Exercise Notice which has been delivered as described above prior to the expiry of the Change of Control Put Period shall be redeemed or, as the case may be, purchased by (or on behalf of) the Issuer on the date which is the seventh Business Day as defined in Condition 5.2(a) (*Interest Payment Dates*) immediately following the last day of the Change of Control Put Period (the "**Change of Control Put Date**").

The Trustee shall not be required to take any steps to ascertain whether a Change of Control Put Event or Change of Control or any event which could lead to the occurrence of, or could constitute, a Change of Control Put Event or Change of Control has occurred and, until it shall have received notice thereof pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Put Event or Change of Control or other such event has occurred.

If 75 per cent. or more in nominal amount of the Notes outstanding on the date on which the Change of Control Put Exercise Notice is given have been redeemed pursuant to this Condition 7.6, the Issuer may on not less than 30 or more than 60 days' notice to the Noteholders given within 30 days after the Change of Control Put Date, redeem or purchase all outstanding Notes at the Change of Control Redemption Amount together with interest accrued to but excluding the date of such redemption.

In these Conditions:

a "**Change of Control Put Event**" will be deemed to occur if:

- (a) any Person or any Persons acting in concert shall acquire: (A) shares in the issued or allotted share capital of the Issuer carrying more than 50% of the voting rights normally exercisable at a general meeting of the Issuer; or (B) the power to appoint or remove all or the majority of the members of the board of directors of the Issuer (each such event being, a "**Change of Control**"); and
- (b) on the date (the "**Relevant Announcement Date**") that is the earlier of (1) the date of the earliest Potential Change of Control Announcement (as defined below) (if any) and (2) the date of the first public announcement of the relevant Change of Control, the Notes carry:
 - (i) an investment grade credit rating (*Baa3/BBB-/BBB-/BBB-*, or equivalent, or better) (an "**Investment Grade Rating**") from any Rating Agency or Substitute Rating Agency (provided by such Rating Agency or Substitute Rating Agency at the invitation or with the consent of the Issuer) and, within the Change of Control Period, any such Rating Agency or Substitute Rating Agency downgrades its rating of the Notes to a non-investment grade credit rating (*Ba1/BB+/BB+/BB+* or equivalent, or worse) or withdraws its rating of the Notes and such rating is not within the Change of Control Period (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to an Investment Grade Rating by such Rating Agency or Substitute Rating Agency; or
 - (ii) a non-investment grade credit rating (*Ba1/BB+/BB+/BB+* or equivalent or worse) from any Rating Agency or Substitute Rating Agency (provided by such Rating Agency or Substitute Rating Agency at the invitation or with the consent of the Issuer) and such rating from any Rating Agency or Substitute Rating Agency is within the Change of Control Period downgraded by one or more notches (*for illustration, Ba1/BB+/BB+/BB+ to Ba2/BB/BB/BB being one notch*) or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to its earlier credit rating or better by such Rating Agency or Substitute Rating Agency; or
 - (iii) no credit rating from any Rating Agency or Substitute Rating Agency and a Negative Rating Event also occurs within the Change of Control Period,and
- (c) in making the relevant decision(s) referred to above, the relevant Rating Agency or Substitute Rating Agency, as the case may be, announces publicly or confirms in writing to the Issuer or the Trustee that such downgrading and/or withdrawal resulted, directly or indirectly, from the Change of Control or the Potential Change of Control Announcement (whether or not the Change of Control shall have occurred at the time such rating is downgraded and/or withdrawn). Upon receipt by the Issuer or the Trustee of any such written confirmation, the Issuer shall forthwith give notice of such written confirmation to the Noteholders in accordance with Condition 14 (*Notices*).

If the rating designations employed by S&P, Moody's or Fitch are changed from those which are described in paragraph (b) of the definition of "Change of Control Put Event" above, or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine the rating designations of S&P, Moody's or Fitch or such Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of S&P, Moody's or Fitch and this Condition 7.6 shall be construed accordingly.

"**Change of Control Period**" means the period commencing on the Relevant Announcement Date and ending 120 days after the occurrence of the Change of Control or, where a Rating Agency or Substitute Rating Agency, as the case may be, has publicly announced that the Notes are under

consideration for rating review or, as the case may be, the assignment of a rating (such public announcement being within the period ending 120 days after the Change of Control), the later of (i) such 120th day after the Change of Control and (ii) the date falling 60 days after such public announcement;

"Change of Control Put Period" means the period from, and including, the date of a Change of Control Put Event Notice to, but excluding, the 45th day following the date of the Change of Control Put Event Notice or, if earlier, the eighth day immediately preceding the Maturity Date;

"Fitch" means Fitch Ratings Ireland Limited;

"Moody's" means Moody's Investors Service (Nordics) AB;

"Negative Rating Event" shall be deemed to have occurred if (i) the Issuer does not, prior to or not later than 21 days after the occurrence of the relevant Change of Control, seek, and thereafter throughout the Change of Control Period use all reasonable endeavours to obtain, a rating of the Notes or (ii) if the Issuer does so seek and use all such reasonable endeavours, it is unable to obtain such rating of at least investment grade (*Baa3/BBB-/BBB-/BBB- or equivalent or better*) by the end of the Change of Control Period and the relevant Rating Agency or Substitute Rating Agency, as the case may be, announces publicly or confirms in writing to the Issuer or the Trustee that the failure to issue a rating of at least investment grade (*Baa3/BBB-/BBB-/BBB- or equivalent or better*) was as a result, directly or indirectly, of the Change of Control or the Potential Change of Control Announcement (whether or not the Change of Control had occurred at such time);

"Potential Change of Control Announcement" means any public announcement or statement by or on behalf of the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs; and

"Rating Agency" means S&P, Moody's or Fitch or any of their respective successors;

"S&P" and **"Standard & Poor's"** means S&P Global Ratings Europe Limited; and

"Substitute Rating Agency" means any other rating agency of equivalent international standing to S&P, Moody's and Fitch specified by the Issuer from time to time and approved by the Trustee (such approval not to be unreasonably withheld or delayed).

7.7 **Clean-up Call**

If Clean-up Call is specified as being applicable in the applicable Final Terms, in the event that 75 per cent. or more in the principal amount of the Notes initially issued (which shall include, for these purposes, any further notes issued pursuant to Condition 18 (*Further Issues*) and consolidated with this Series of Notes), have been redeemed pursuant to Condition 7.5 or Condition 7.6 or purchased and cancelled pursuant to Condition 7.9, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in applicable Final Terms to the Trustee, the Principal Paying Agent and the Noteholders in accordance with Condition 14 (*Notices*), redeem or, at the Issuer's option, purchase (or procure the purchase of) all but not some only of, the Notes then outstanding at their principal amount together with interest accrued to but excluding the date of such redemption. The notice referred to in the preceding sentence shall be irrevocable and shall specify the date fixed for redemption.

7.8 **Early Redemption Amounts**

For the purpose of Condition 7.2 (*Redemption for tax reasons*) and Condition 10 (*Events of Default and Enforcement*):

- (a) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount as specified in the applicable Final Terms; or
- (b) each Zero Coupon Note will be redeemed at its Early Redemption Amount being an amount calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = RP \times (1 + AY)^y$$

where:

| | |
|------|--|
| "RP" | means the Reference Price; |
| "AY" | means the Accrual Yield (as specified in the applicable Final Terms) expressed as a decimal; and |
| "y" | is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365). |

7.9 Purchases

The Issuer or any Subsidiary of the Issuer may at any time purchase Notes (**provided that**, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, in the case of Notes other than VPS Notes, surrendered to any Paying Agent and/or the Registrar for cancellation or, in the case of VPS Notes, cancelled by causing such VPS Notes to be deleted from the records of Euronext VPS.

7.10 Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 7.9 (*Purchases*) above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent or, in the case of VPS Notes, shall be deleted from the records of Euronext VPS, and in each case cannot be reissued or resold.

7.11 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 7.1 (*Redemption at maturity*), 7.2 (*Redemption for tax reasons*), 7.3 (*Redemption at the option of the Issuer (Issuer Call)*) or 7.4 (*Redemption at the option of the Issuer (Issuer Par Call)*) 7.5 (*Redemption at the option of the Noteholders (Investor Put)*), 7.6 (*Redemption at the option of the Noteholders upon a Change of Control (Change of Control Put)*) or 7.7 (*Clean-Up Call*) or upon its becoming due and repayable as provided in Condition 10 (*Events of Default and Enforcement*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 7.8(b) as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Trustee or the Principal Paying Agent or the Registrar or, in the case of VPS Notes, Euronext VPS and notice to that effect has been given to the Noteholders in accordance with Condition 14 (*Notices*).

8. TAXATION

8.1 Taxation provisions applicable to Notes other than VPS Notes

All payments of principal and interest in respect of the Notes (other than VPS Notes) and Coupons by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes (other than VPS Notes) or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes (other than VPS Notes) or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note (other than a VPS Note) or Coupon:

- (a) presented for payment in the Kingdom of Norway; or
- (b) the holder of which is liable for such taxes or duties in respect of such Note (other than a VPS Note) or Coupon by reason of the holder having some connection with a Tax Jurisdiction other than the mere holding of such Note (other than a VPS Note) or Coupon; or
- (c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 6.7 (*Payment Day*)).

8.2 Taxation provisions applicable to VPS Notes

All payments of principal and interest in respect of the VPS Notes by the Issuer shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the VPS Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the VPS Notes in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any VPS Note the holder of which is liable for such taxes or duties in respect of such VPS Note by reason of them having some connection with a Tax Jurisdiction other than the mere holding of such VPS Note.

8.3 Definitions

As used in these Conditions:

- (i) "**Tax Jurisdiction**" means the Kingdom of Norway (or any political subdivision or any authority thereof or therein having power to tax) or any other jurisdiction (or any political subdivision or any authority thereof or therein having power to tax) to which payments made by the Issuer of principal and interest on the Notes become generally subject; and
- (ii) the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Principal Paying Agent or the Registrar (or, in the case of VPS Notes, the VPS Agent), as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14 (*Notices*).

9. **PRESCRIPTION**

The Notes (whether in bearer or registered form) and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8 (*Taxation*)) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 9 or Condition 6.2 (*Presentation of definitive Bearer Notes and Coupons*) or any Talon which would be void pursuant to Condition 6.2 (*Presentation of definitive Bearer Notes and Coupons*).

10. **EVENTS OF DEFAULT AND ENFORCEMENT**

10.1 **Events of Default**

The Trustee at its discretion may, and if so requested in writing by the holders of at least one quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction), (but in the case of the happening of any of the events described in paragraphs 10.1(b) to 10.1(e) (other than the winding up or dissolution of the Issuer) and 10.1(f) to (h) inclusive below, only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders), give notice in writing to the Issuer that each Note is, and each Note shall thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in the Trust Deed if any of the following events (each an "**Event of Default**") occurs and is continuing:

- (a) if default is made in the payment in the Specified Currency of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days in the case of principal and 14 days in the case of interest; or
- (b) if the Issuer fails to maintain the Consolidated Coverage Ratio in accordance with Condition 4.2(b) (*Financial Covenants – Maintenance of Consolidated Coverage Ratio*) and such breach continues unremedied (after giving pro-forma effect to any cure) for 90 days; or
- (c) if the Issuer fails to perform or observe any of its other obligations under these Conditions or the Trust Deed and (except in any case where, in the opinion of the Trustee, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues unremedied for the period of 30 days or such longer period as the Trustee may agree after the service by the Trustee on the Issuer of written notice requiring the same to be remedied; or
- (d) if (i) any Financial Indebtedness of the Issuer or any of its Subsidiaries becomes due and repayable prior to its stated maturity by reason of an event of default (however described); (ii) the Issuer or any of its Subsidiaries fails to make any payment in respect of any Financial Indebtedness on the due date for payment (as extended by any originally applicable grace period); (iii) any security given by the Issuer or any of its Subsidiaries for any Financial Indebtedness becomes enforceable and steps are taken to enforce the same; or (iv) default is made by the Issuer or any of its Subsidiaries in making any payment due under any guarantee and/or indemnity given by it in relation to any Financial Indebtedness of any other person; **provided that** no event described in this subparagraph 10.1(d) shall constitute an Event of Default unless the relevant amount of Financial Indebtedness or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Financial Indebtedness and/or other liabilities due and unpaid relative to all (if any) other events specified in (i) to (iv) above, amounts to at least 1% of the Consolidated Total Assets; or
- (e) if any order is made by any competent court or any resolution is passed for the winding up or dissolution of the Issuer or any Material Subsidiary (as defined below), save: (i) for the purposes of reorganisation, amalgamation, adjustment or restructuring of the Group

whilst solvent or (ii) in the case of a Material Subsidiary, a solvent winding up or dissolution following the sale on an arm's length basis of the assets or business of such Material Subsidiary for full consideration received by the Group all of the proceeds of which are reinvested in the Group (including for the avoidance of doubt, using such proceeds to repay any Financial Indebtedness of the Group), or (iii) on terms previously approved in writing by the Trustee or by an Extraordinary Resolution; or

- (f) if (a) the Issuer or any Material Subsidiary ceases or threatens to cease to carry on the whole or substantially the whole of its business, save: (i) for the purposes of any reorganisation, amalgamation, adjustment or restructuring of the Group whilst solvent; (ii) in respect of a Material Subsidiary, in connection with the sale on an arm's length basis of the assets or business of such Material Subsidiary for full consideration received by the Group all of the proceeds of which are reinvested in the Group (including for the avoidance of doubt, using such proceeds to repay any Financial Indebtedness of the Group); or (iii) on terms previously approved in writing by the Trustee or by an Extraordinary Resolution, or (b) the Issuer or any Material Subsidiary becomes insolvent or is unable to (or admits inability to) pay its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (g) if: (i) proceedings are initiated against the Issuer or any Material Subsidiary under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any Material Subsidiary or, as the case may be, in relation to the whole or any part of the undertaking or assets of any of them, or an encumbrancer takes possession of the whole or any part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or any part of the undertaking or assets of any of them; and (ii) in the case of each of the foregoing (other than the appointment of an administrator), is not discharged within 60 days; or
- (h) if the Issuer or any Material Subsidiary (or their respective directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (i) if any event occurs which, under the laws of any relevant jurisdiction, has or may have, in the Trustee's opinion, an analogous effect to any of the events referred to in paragraphs (e) to (h) above.

"**continuing**" for the purposes of this Condition 10 is an Event of Default that has not been waived or remedied;

10.2 **Enforcement**

The Trustee may at any time, at its discretion and without notice, take such steps, actions or proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Notes or the Coupons, but it shall not be bound to take any such steps, actions or proceedings or any other action in relation to the Trust Deed, the Notes or the Coupons unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one-fifth in nominal amount of the Notes then outstanding and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed (i) fails so to do within 60 days of being bound so to proceed, or (ii) is unable for any reason to do so, and the failure or inability shall be continuing.

10.3 Definitions

For the purposes of the Conditions:

"**Material Subsidiary**" means, at any particular time, a Subsidiary of the Issuer:

- (a) whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose rental income (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent in each case not less than 5% of the consolidated total assets or, as the case may be, consolidated rental income of the Group, all as calculated respectively by reference to the then latest audited financial statements (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited consolidated financial statements of the Group, **provided that** in the case of a Subsidiary of the Issuer acquired after the end of the financial period to which the then latest audited consolidated financial statements of the Group relate, the reference to the then latest audited consolidated financial statements of the Group for the purposes of the calculation above shall, until consolidated financial statements for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such first-mentioned financial statements as if such Subsidiary had been shown in such accounts by reference to its then latest relevant audited financial statements, adjusted as deemed appropriate by the Issuer;
- (b) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of the Issuer which immediately prior to such transfer is a Material Subsidiary pursuant to 10.3(a) above, **provided that** the transferor Subsidiary shall upon such transfer forthwith cease to be a Material Subsidiary and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this subparagraph 10.3(b) on the date on which the consolidated financial statements of the Group for the financial period current at the date of such transfer have been prepared and audited as aforesaid but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated financial statements have been prepared and audited as aforesaid by virtue of the provisions of subparagraph (a) above or, prior to or after such date, by virtue of any other applicable provision of this definition; or
- (c) to which is transferred an undertaking or assets which, taken together with the undertaking or assets of the transferee Subsidiary, generated (or, in the case of the transferee Subsidiary being acquired after the end of the financial period to which the then latest audited consolidated financial statements of the Group relate, generate rental income equal to) not less than 5% of the consolidated rental income, or represent (or, in the case aforesaid, are equal to) not less than 5% of the consolidated total assets, of the Group, all as calculated as referred to in subparagraph (a) above, **provided that** the transferor Subsidiary (if a Material Subsidiary) shall upon such transfer forthwith cease to be a Material Subsidiary unless immediately following such transfer its undertaking and assets generate (or, in the case aforesaid, generate rental income equal to) not less than 5% of the consolidated rental income, or its assets represent (or, in the case aforesaid, are equal to) not less than 5% of the consolidated total assets, of the Group, all as calculated as referred to in subparagraph (a) above, and the transferee Subsidiary shall cease to be a Material Subsidiary pursuant to this subparagraph (c) on the date on which the consolidated financial statements of the Group for the financial period current at the date of such transfer have been prepared and audited but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of subparagraph (a) above or, prior to or after such date, by virtue of any other applicable provision of this definition,

all as more particularly defined in the Trust Deed.

A report by any two Authorised Signatories of the Issuer (whether or not addressed to the Trustee) that in their opinion a Subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary may be relied upon by the Trustee without

further enquiry or evidence and, if relied upon by the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties.

11. **REPLACEMENT OF NOTES, COUPONS AND TALONS**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

12. **AGENTS**

The initial Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, **provided that:**

- (a) there will at all times be a Principal Paying Agent and a Registrar;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6.6 (*General provisions applicable to payments*). Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 14 (*Notices*).

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholder or Couponholder. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

13. **EXCHANGE OF TALONS**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9 (*Prescription*).

14. **NOTICES**

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock

exchange or relevant authority if required by those rules. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

In the case of VPS Notes, notices shall be given in accordance with the procedures of Euronext VPS. Notices to holders of VPS Notes shall be valid if given to Euronext VPS for communication by it to the holders and, so long as the VPS Notes are listed on a stock exchange, the Issuer shall ensure that notices are duly published in a manner which complies with the rules of such exchange. Any such notice shall be deemed to have been given to the holders of the VPS Notes one day after delivery of such notice to Euronext VPS.

Notices to be given by any holder of Notes (other than VPS Notes) shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

15. **SUBSTITUTION**

The Trustee shall, without the consent of the Noteholders or Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition 15) as the principal debtor under the Notes, the Coupons and the Trust Deed of any company being a Subsidiary of the Issuer, subject to:

- (a) the Notes being unconditionally and irrevocably guaranteed by the Issuer;
- (b) certain other conditions set out in the Trust Deed being complied with; and
- (c) in connection with VPS Notes, the substitute becoming party to the VPS Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it.

The Trustee may, without the consent of the Noteholders or Couponholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition 15) as

the principal debtor under the Notes, the Coupons and the Trust Deed of any company being a Subsidiary of the Issuer, subject to:

- (a) the Trustee being satisfied that the substitution is not materially prejudicial to the interests of the Noteholders;
- (b) certain other conditions set out in the Trust Deed being complied with; and
- (c) in connection with VPS Notes, the substitute becoming party to the VPS Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it.

16. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

16.1 Meetings of Noteholders

The Trust Deed contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than 5% in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50% in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons or the Trust Deed (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons in certain respects), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding. The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all Noteholders, whether or not they are present at any such meeting and whether or not they voted on the resolution, and on all Couponholders.

16.2 Modification, Waiver, Authorisation and Determination

The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed or the Agency Agreement, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such (**provided that**, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders) or may agree, without any such consent as aforesaid, to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or an error which, in the opinion of the Trustee, is proven.

Additionally, the Issuer may, subject to Condition 5.2(f), vary or amend these Conditions, the Trust Deed and/or the Agency Agreement to give effect to certain amendments without any requirement for the consent or approval of Noteholders of the relevant Notes or Coupons, as described in

Condition 5.2(f) and the Trustee shall agree to such variations or amendments on the basis set out in Condition 5.2(f).

16.3 Trustee to have Regard to Interests of Noteholders as a Class

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 8 (*Taxation*) and/or any undertaking or covenant given in addition to, or in substitution for, Condition 8 (*Taxation*) pursuant to the Trust Deed.

16.4 Notification to the Noteholders

Any modification, abrogation, waiver, authorisation, determination or substitution shall be binding on the Noteholders and the Couponholders and, unless the Trustee agrees otherwise, any modification or substitution shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 14 (*Notices*).

17. INDEMNIFICATION AND PROTECTION OF THE TRUSTEE AND ITS CONTRACTING WITH THE ISSUER

17.1 Indemnification and protection of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer, the Noteholders and the Couponholders, including (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances. The Trust Deed provides that, when determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security given to it by the Noteholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security. The Trustee may rely without liability to the Noteholders or Couponholders on a report, confirmation or certificate or opinion or any advice of any accountants, financial advisers, financial institution or other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, opinion, confirmation or certificate or advice and such report, opinion, confirmation, or certificate or advice shall be binding on the Issuer, the Trustee, the Noteholders and the Couponholders.

17.2 Trustee Contracting with the Issuer

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any of its Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer or any of its Subsidiaries, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders and (c)

to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

17.3 **Trustee Actions**

The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

18. **FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

19. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20. **GOVERNING LAW AND SUBMISSION TO JURISDICTION**

20.1 **Governing law**

- (a) The Trust Deed, the Agency Agreement, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes and the Coupons are governed by, and construed in accordance with, English law, except that the registration of VPS Notes in Euronext VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes are governed by, and construed in accordance with, Norwegian law.
- (b) VPS Notes must comply with the Norwegian Central Securities Depositories Act of 15 March 2019 no. 6 which implements Regulation (EU) No. 909/2014 into Norwegian law, and any regulation passed under the act and the rules and procedures of Euronext VPS, in each case, as amended or replaced from time to time and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under this Act and any related regulations and legislation.
- (c) The VPS Agency Agreement (and any non-contractual obligations arising out of or in connection with the VPS Agency Agreement) are governed by, and shall be construed in accordance with, Norwegian law.

20.2 **Submission to jurisdiction**

- (a) Subject to Condition 20.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Trust Deed, the Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes and/or the Coupons (a "**Dispute**") and accordingly each of the Issuer and the Trustee and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

- (b) For the purposes of this Condition 20.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) To the extent allowed by law, the Trustee, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

20.3 **Appointment of Process Agent**

The Issuer irrevocably appoints Law Debenture Corporate Services Limited at 8th Floor, 100 Bishopsgate, London, EC2N 4AG as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Law Debenture Corporate Services Limited being unable or unwilling for any reason so to act, it will immediately appoint another person approved by the Trustee as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify any of it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

20.4 **Other documents**

The Issuer has in the Trust Deed and Agency Agreement submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, which include making a profit. If, in respect of an issue, there is a particular intended use of proceeds, this will be stated in the applicable Final Terms.

INDUSTRY AND MARKET OVERVIEW

This section discusses the industry in which PPI operates. Certain parts of the information in this section relating to market environment, market developments, growth rates, market trends, industry trends, competition and similar information are estimates based market data from external and publicly available sources, and the Issuer's knowledge of the markets, in which regard see "Industry, market data and other third-party information" above. The following discussion contains forward-looking statements, see "Cautionary note regarding forward-looking statements" above. Any forecast information and other forward-looking statements in this section are not guarantees of future outcomes and these future outcomes could differ materially from current expectations. Numerous factors could cause or contribute to such differences, see "Risk factors" above.

Introduction

Norway's real estate sector is characterised by a wide set of participants, ranging from large real estate companies and syndicates, like Olav Thon, Statsbygg, KLP Eiendom, Entra, and syndicates of Arctic Securities, to individual asset owners. Yet, the market is largely fragmented, with many smaller companies owning single assets. Most real estate companies in Norway are privately held, and there are only a few other publicly listed companies which are Entra ASA, Olav Thon Eiendomselskap ASA and Selvaag Bolig ASA. As a result, private real estate syndicates and real estate funds, allowing smaller investors exposure to a broader set of assets, have become popular investment vehicles in the Norwegian market.

The recent changes to the macroeconomic climate with a rapid rise in interest rates, have hit real estate as an asset class hard. Valuations have decreased, illustrated by the prime office yield in Oslo which has increased from 3.30% at the peak of the cycle in 2021 to 4.75% where it has remained since Q3 2023³. Cost of owning real estate has increased, with the cost of debt markedly up, illustrated by the NOK 5-year swap rate which has risen from 0.40% at the bottom in May 2020 to 3.81% as per 18 October 2024. These factors have made refinancing challenging, in addition to the fact that lenders have become more cautious and require stricter covenants on loan-to-value and interest coverage ratio than before. In several cases equity injections are required to adjust real estate balance sheets to the new interest rate environment.

The Norwegian real estate market

PPI's business and operations are influenced by numerous economic, demographic, market, and regional factors. Developments in and related to the property market in Norway, more specifically, specialised buildings with public tenants as well as offices with public tenants, will generally affect PPI. Developments in vacancy rates, transaction market and market rent levels have influenced PPI's business and operations in the past and are expected to do so in the future.

Macroeconomic developments in the Norwegian economy

Norway is a country with one of the strongest economies in the world measured by Gross Domestic Product ("GDP") per capita. Norway has access to significant natural resources, including crude oil, natural gas, water, fish, seafood, forests and minerals. In the 1970s, Norway began development of its petroleum sector, which has contributed to an open economy, high standard of living and low unemployment rates. Norway ranked among the 25 largest economies in the world when measured by annual GDP in 2022, and when measuring GDP per capita, Norway ranked 3rd on the list in 2022, only beaten by Luxembourg and Bermuda.⁴

The following table sets forth certain actual and forecasted Norwegian economic indicators from 2014 to 2026.

| Norwegian economic indicators | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | ### | 2023 | 2024E | 2025E | 2026E | 2027E |
|-------------------------------|------|------|------|------|------|------|------|-----|------|-------|-------|-------|-------|
| GDP growth (%) | 1,9 | 1,2 | 2,5 | 0,8 | 1,1 | -1,3 | 3,9 | 3,0 | 0,5 | 1,0 | 1,3 | 2,0 | 1,7 |

³ Source: <https://akershuseiendom.no/markedsinnsikt/data/transaksjonsmarked?sector=Yield+og+renter&subSector=Kontor>.

⁴ Source: The World Bank "Data – GDP Ranking", Statistics database, 7th of December 2023: <https://databank.worldbank.org/indicator/NY.GDP.MKTP.CD/1ff4a498/Popular-Indicators>.

| | | | | | | | | | | | | | |
|------------------------------------|-----|-----|------|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|
| GDP Mainland Norway GDP growth (%) | 1,4 | 0,9 | 2,2 | 1,9 | 2,3 | -2,8 | 4,5 | 3,7 | 0,7 | 0,7 | 2,1 | 2,9 | 2,8 |
| Employment growth (%) | 0,4 | 0,3 | 1,1 | 1,6 | 1,6 | -1,5 | 1,1 | 3,9 | 1,3 | 0,5 | 0,7 | 0,8 | 0,6 |
| Workforce | 1,5 | 0,2 | -0,2 | 1,4 | 1,0 | 0,4 | 2,2 | 1,4 | 1,3 | 0,8 | 0,7 | 0,8 | 0,5 |
| Unemployment rate (%) | 4,5 | 4,7 | 4,2 | 3,8 | 3,7 | 4,6 | 4,4 | 3,2 | 3,6 | 4,1 | 4,1 | 4,1 | 4,0 |
| CPI (%) | 2,1 | 3,6 | 1,8 | 2,7 | 2,2 | 1,3 | 3,5 | 5,8 | 5,5 | 3,4 | 3,3 | 2,9 | 2,5 |
| Core inflation (CPI-ATE) (%) | 2,7 | 3,0 | 1,4 | 1,6 | 2,2 | 3,0 | 1,7 | 3,9 | 6,2 | 3,9 | 3,3 | 3,0 | 2,6 |

Source: Statistics Norway, Main macroeconomic variables, 13 September 2024⁵

The commercial real estate market in Norway

The commercial real estate market in Norway is characterised by a relatively large number of smaller and larger property owners and managers. Historically, the commercial real estate market has seen steady growth, driven by a growing economy, low unemployment rates, and a stable political environment. Norwegian banks have significant exposure to commercial real estate, and the development within the industry is important for financial stability. Increased financing costs, declining valuations and a considerable amount of bond debt maturing in the coming years have elevated the refinancing risk for commercial real estate over the past year. However, a high rental price growth in recent years and indexation of office lease contracts to the consumer price index ("**CPI**") provide many commercial real estate companies with resilience against rising interest rates and increased credit spreads.

Transaction market in Norway

The volume of property transactions with a value of over NOK 50 million averaged NOK 99.3 billion over the past ten years according to Akershus Eiendom⁶. The transaction market has seen a significant decline in the past years, following rising interest rates due to tighter monetary policy as a result of high inflation.

The commercial real estate transaction volume was NOK 58.3 billion in 2023, NOK 97.3 billion for the full year 2022 and NOK 100.7 billion for the full year 2019 – the latest normalised year before the outbreak of Covid-19. As of October 2024, the transaction volume totalled NOK 52.9 billion.

The transaction volume in 2023 comprises primarily office buildings 32.3%, logistics properties 21.9%, residential plots 20.4% and retail properties 11.8%. The buyers in the transactions were primarily foreign investors and funds, followed by pure real estate companies.⁷

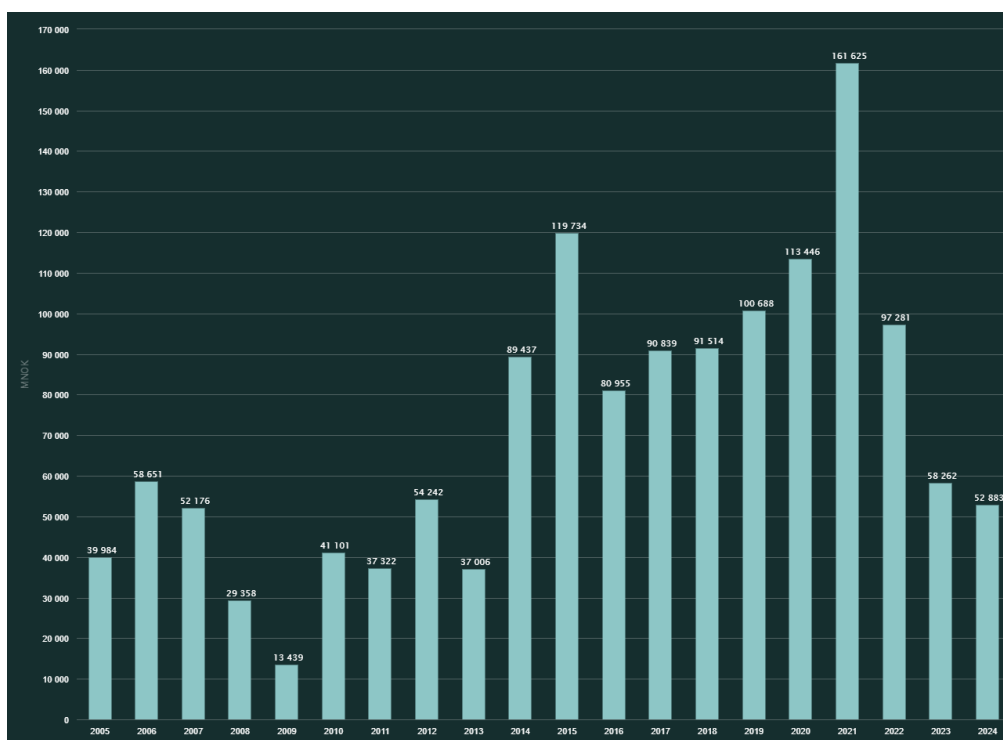
The following chart sets forth historical transaction volumes in the Norwegian commercial real estate market between 2005 and October 2024.

⁵ Makroøkonomiske hovedstørrelser. Regnskap og prognoser – SSB

⁶ Source:
<https://akershuseiendom.no/markedsinnsikt/data/transaksjonsmarked?sector=Transaksjonsvolum&subSector=Volum>.

⁷ Source for the information in this paragraph:
<https://akershuseiendom.no/markedsinnsikt/data/transaksjonsmarked?sector=Transaksjonsvolum&subSector=Volum>.

Historical transaction volumes



Source: Akershus Eiendom, October 2024

Transaction market financing

The activity in the commercial real estate transaction market is significantly affected by the availability of debt financing. Historically, commercial real estate transactions have been debt financed with typically 60 – 75% loan-to-value ratio⁸. In May 2020, during the early phase of Covid-19, the Norwegian Central Bank set the policy rate at 0%, resulting in an environment of low financing costs, large transaction volumes and increasing valuations. After a period of a highly active transaction market, the increase in long-term interest rates combined with macroeconomic uncertainty resulted in a cool down in the transaction market during 2022. First half of 2022 was strong in terms of transactions, but then the market started slowing down. By the end of third quarter 2022, the recorded year-to-date transaction volume hit NOK 80 billion, a decrease of 22% compared to the record year of 2021, but still a high level compared to previous years⁹. The third quarter alone recorded only NOK 13 billion – 43% lower than the third quarter of 2021, and the lowest volume recorded since 2014¹⁰. This marked the distance between seller and buyer in the market, and continued through 2023 with record low transaction volumes, record high financing costs and a standstill in the market. In 2024 there are positive signs in the transaction market and the transaction volumes were up by 16 per cent in the first half of 2024 compared of to the same period in 2023.¹¹

⁸ Source: Non-published market research reports from Arctic, Njord, Fearnley Securities, Clarksons Securities and Oslo Finans.

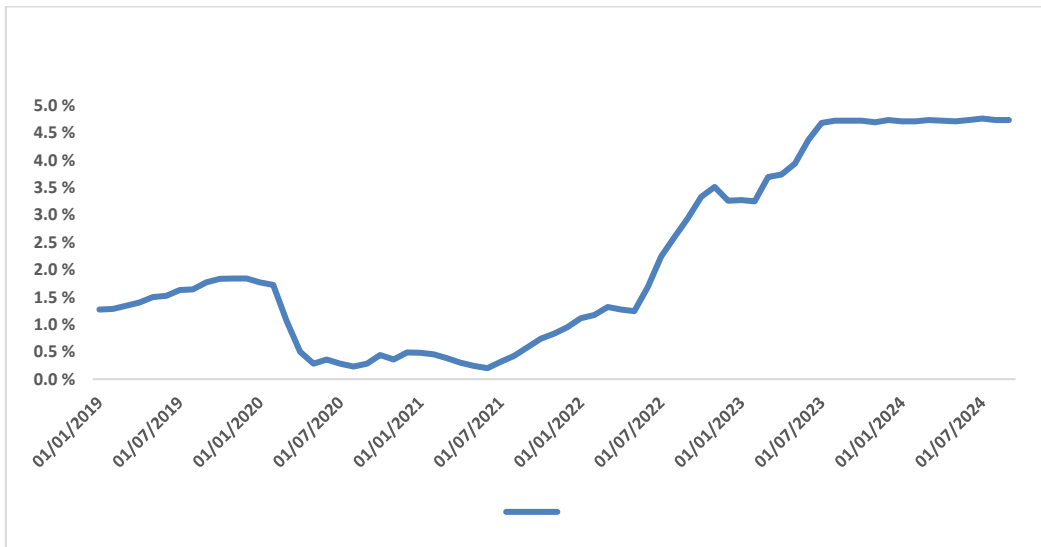
⁹ Source: <https://cwrealkapital.no/whats-next/whats-next-september-2022/transaksjonsmarkedet/>.

¹⁰ Source: <https://akershuseiendom.no/markedsinnsikt/data/transaksjonsmarked?sector=Transaksjonsvolum&subSector=Volum> and <https://cwrealkapital.no/whats-next/whats-next-september-2022/transaksjonsmarkedet/>.

¹¹ Source: Akershus eiendom Innsyn og Utsyn, September 2024: Rapporter & analyser | Markedsinnsikt | Akershus Eiendom

The following chart sets forth the historical Norwegian interbank offered rates ("NIBOR") from between 2019 and 18 December 2023.

Historical NIBOR¹



¹Source: NoRe Benchmarks, Monthly statistics, October 2024. ¹²

The office letting market

Overview

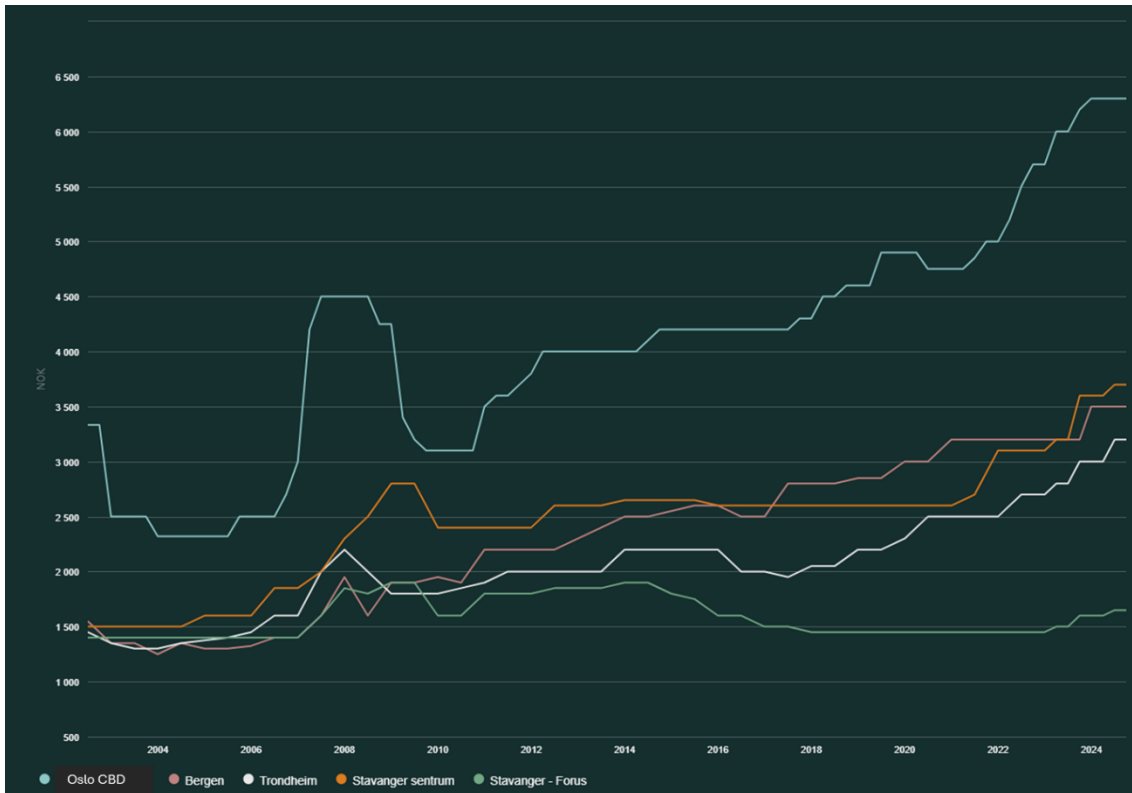
Compared to market rent levels in Euro Area countries, market rent levels in Norway did recover well following the financial crisis in 2008 and showed resilience during the Covid-19 pandemic. Between 2013 and 2023 the market rent levels for offices in the four largest cities, Oslo, Stavanger, Bergen and Trondheim, increased at a compound annual growth rate of 4.10%, 2.80%, 2.90% and 2.80%, respectively¹³.

The following chart sets forth prime office rent levels in NOK per square metre for the four largest cities in Norway, Oslo, Bergen, Trondheim and Stavanger, between 2013 and December 2023.

¹² Source: <https://nore-benchmarks.com/about-nibor/nibor-data/rates/>. Note to PPI, this is a password protected score. Do you have access?

¹³ Source: <https://akershuseiendom.no/markedsinnsikt/data/leiemarked?sector=Kontor&subSector=Leie+regional>.

Rental levels¹



¹Source: Akershus Eiendom, October 2024

The vacancy rates in the office market have also clearly showed resilience. According to Akershus Eiendom¹⁴, the lowest vacancy rates as of 30 September 2024 for offices are in Trondheim, at only 4.5%, followed by Oslo at 4.9%, Stavanger at 7.6% and Bergen at 8.5%.

While the Norwegian Central Bank predicts a slowdown in employment growth in 2024, it is expected to be moderate¹⁵. Combined with the pent-up demand resulting from recent robust employment growth, the demand for office spaces is foreseen to stay solid in the coming years. Larger tenants are finding limited options in the office market, exacerbated by the current decrease in new construction activities in Greater Oslo. Consequently, many of these tenants are expected to choose renegotiating their existing lease agreements. As a result, vacancy rates are predicted to remain stable in the coming years.¹⁶

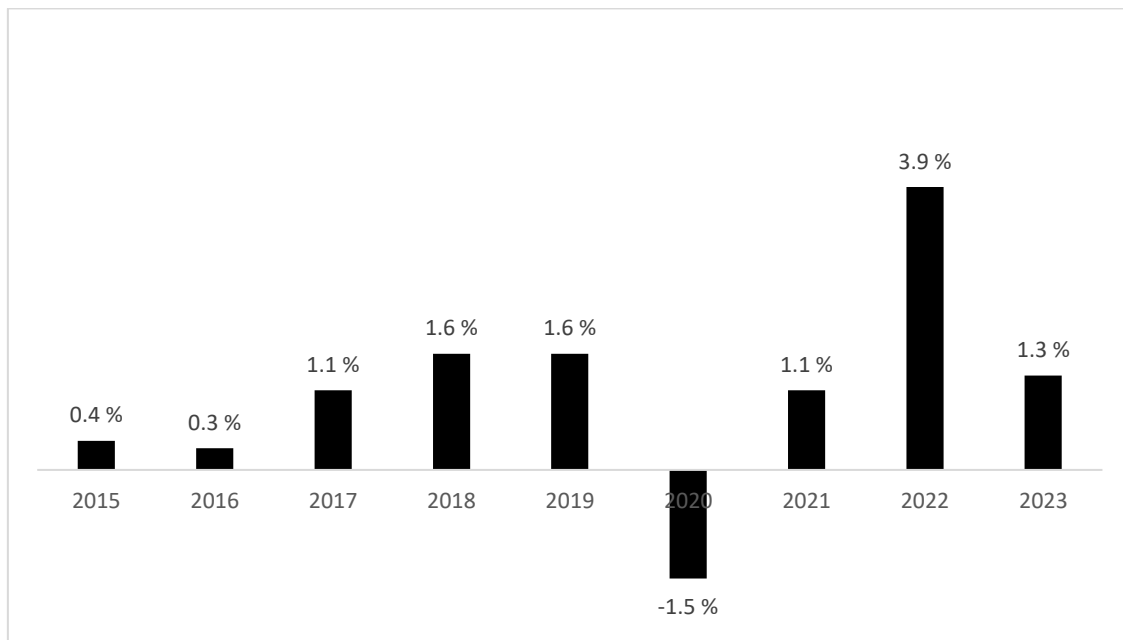
The following chart illustrates the Norwegian yearly employment growth between 2012 and 2022.

¹⁴ Source: <https://akershuseiendom.no/markedsinnsikt/data/leiemarked?sector=Kontor&subSector=Leie+regional+and+https://akershuseiendom.no/markedsinnsikt/nokkeltall>.

¹⁵ Source: https://www.norges-bank.no/contentassets/f5a3457c0977418cabe1bc0064eb085b/ppr_2023-4.pdf?v=12142023091018.

¹⁶ Source: Malling, Market report, Winter 2023/2024 (<https://co.malling.no/reports>).

Norwegian yearly employment growth



Source: Statistics Norway, Main macroeconomic variables, 13 September 2024¹⁷

Source: Statistics Norway, National accounts and business cycles, 19th December 2023¹⁸

The majority of PPI's properties are located in smaller cities across Norway. Where the typical office property in the largest cities (Oslo, Bergen, Stavanger and Trondheim) experiences high demand and thus rental prices, the demand in smaller cities is generally lower, and supply may not be as diverse. This leads to a more localised demand and less dynamic market compared to the largest cities, which could positively affect the stickiness of tenants. The market in smaller cities may be more limited in terms of property types, with a focus on meeting local demand and needs. Specialised properties, emphasised by PPI's portfolio, are likely more common in such areas. The tenant mix in the largest cities is often more varied, with a concentration of domestic and international private corporations, tech companies, financial institutions, and other large enterprises. The tenant mix in smaller markets tends to be more localised and may be more dependent on public and governmental entities.

In smaller cities, the presence of government offices can be a significant driver of local economic activity, attracting related services and businesses. These locations typically have a more localised focus, serving the needs of the immediate community where infrastructure may be less extensive, and connectivity may vary. Proximity to highways, ports, or other transportation hubs can influence the attractiveness of commercial real estate in smaller cities, and the central locations usually demanded by public counterparts like the police are relatively more sought after than in the bigger cities due to the supply being notably lower.

The likelihood that public tenants will remain in their leased commercial spaces over an extended period of time could be higher in smaller cities. Public tenants, such as government offices, police stations, or courthouses, often exhibit certain characteristics that contribute to their stickiness in smaller cities. Public entities often have a consistent need for physical office space to carry out essential services, contributing to a stable and long-term presence in the community. This stability can make them less prone to frequent relocations. Public tenants in smaller cities are also often deeply integrated into the local community. This can create a sense of responsibility and commitment to the area, making them more likely to maintain their presence in the same location. The continuity of public services is crucial for the community and frequent

¹⁷ Source: Makroøkonomiske hovedstørrelser. Regnskap og prognoser – SSB

¹⁸ Source: <https://www.ssb.no/en/nasjonalregnskap-og-konjunkturer>.

relocations can disrupt services and inconvenience residents. Public tenants, recognizing this impact, may prioritise stability and continuity in their leasing arrangements, especially in the smaller cities.

Specialised public properties

A substantial part of PPI's portfolio is consisting of specialised public properties, i.e. single-use properties with public tenants, like court houses, police stations, universities, healthcare facilities, among other types of properties. Owning specialised public properties can offer various benefits to property owners. Some of these advantages include:

Stable and reliable income: Tenants like government agencies, universities, or public healthcare operators often sign long-term leases with stable rental payments. These entities are typically reliable in fulfilling their lease obligations, providing steady and predictable income to PPI.

Low vacancy risk: Government-related tenants often have a consistent need for space and tend to occupy properties for extended periods. This reduces the risk of vacancies, typically ensuring a more stable occupancy rate compared to commercial properties with private tenants.

Minimal tenant turnover: Public entities tend to stay in one location for longer durations, minimizing tenant turnover. This usually result in reduced costs associated with re-letting, such as leasing commissions and refurbishment expenses.

Financial stability: Government-backed tenants provide a sense of financial stability as they are less likely to default on rental payments. This stability can be especially valuable during economic downturns and fluctuating markets.

Long-term tenant relationships: Building long-term relationships with government-related tenants can lead to future leasing opportunities, referrals, or favourable dealings in other property ventures when the government acts as a counterparty. In addition, leases with government-related tenants often include clauses for property improvements or expansions, which could result in increased property value.

The market for such properties in Norway, has historically been relatively fragmented with smaller players typically owning few properties which could be characterised as specialised public properties. There are few companies where a majority of the portfolio conceptualises around this type of properties, and PPI is by far the largest company in Norway which serves its purpose towards the specialised public property space.

Public tenants as counterparties

The public sector is a prominent part of the Norwegian economy. The Nordic social democracies consistently rank among the top with regards to government employment as a share of total employment, a reflection of the extensive social welfare policies funded primarily through taxation. Moreover, the Nordic countries also rank among the top when comparing government revenues and expenditures relative to GDP. Notably, Norway stands out within the Nordic region due to its considerable revenue surplus compared to expenditures. This surplus stems from substantial state ownership in major Norwegian companies, holding 27%¹⁹ of the listed Oslo stock market, and owning the world's largest sovereign wealth fund, with ownership of 1.5% of global stocks²⁰. This surplus allows for extensive services to be provided to the Norwegian population for little or no cost, but also requires substantial continued investments in operations and infrastructure.

PPI has a long-term strategy to own, operate and develop socially impactful properties in a sustainable manner. Its portfolio primarily consists of properties with public tenants, strategically located in cities across Norway. PPI will pursue opportunities by focusing on quality assets with government-backed funding in the largest cities in Norway, i.e. Oslo, Bergen, Stavanger, and Trondheim. PPI has a robust cash

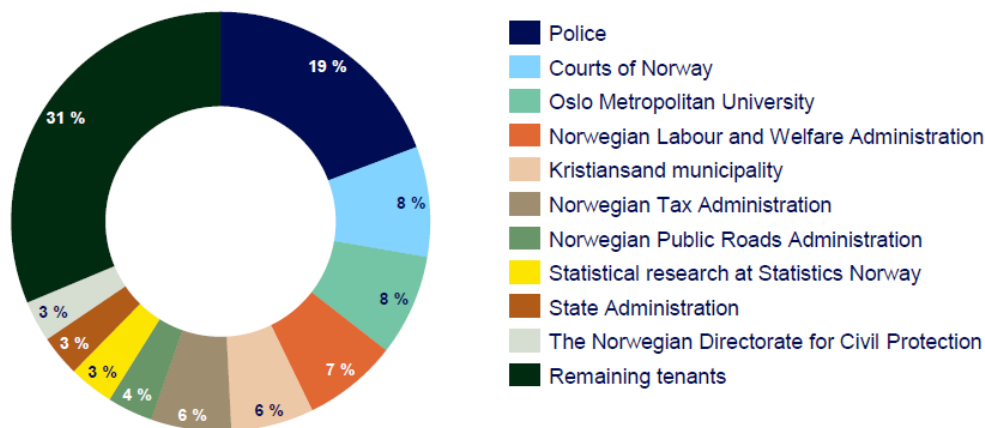
¹⁹ Source: <https://www.regjeringen.no/no/tema/naringsliv/statlig-eierskap/selskaper---ny/id2604524/> and based on total market capitalisation as of 19 December 2023 for the companies listed on the Oslo Stock Exchange.

²⁰ Source: <https://www.nbim.no/no/oljefondet/slik-er-fondet-investert/aksjeforvaltningen/>.

flow foundation, with mostly AAA-rated government backed tenants with 93% of the portfolio being adjusted according to CPI.

Below is a summary of the of PPI's tenants and their respective expected percentage of rental income for 2024 based on PPI's lease agreements as of 31 December 2023.

Tenants' expected percentage of rental income for 2024



Source: Company information

As illustrated above, the top 10 tenants, expected to account for approximately 69% of PPI's rental income in 2024, are government agencies. Remaining public tenants are expected to account for approximately 22% of PPI's rental income, while private tenants are expected to account for approximately 9% of PPI's rental income in 2024.

State-owned or public companies offers several advantages compared to other tenants, in terms of security and risk. They are generally considered stable due to backing from governments, providing a higher level of assurance regarding rental payments and obligations. They often sign long-term lease agreements, ensuring a predictable income stream and reducing the risk of frequent turnover. Risk of default for these tenants are exceptionally low compared to non-state companies, leading to lower risk of defaulting on rent payments. State-owned companies are generally less affected by economic downturns due to government backing, providing a level of stability for property owners in challenging economic climates.

Consolidation opportunities going forward

A database created by DNB Markets provides an in-depth analysis of the Norwegian project finance market. This database is based on data gathered from project finance real estate market reports produced and published twice yearly by syndicate players such as Arctic, Carnegie, Clarksons, Fearnley, Malling, Njord, Oro, Oslo Finans, Pareto, Realkapital, Swiss Life, and Vika²¹.

According to the database the syndicate market encompasses 426 companies with a total asset value close to NOK 180 billion as of 31 December 2023. The database underscores a period of notable acquisitions, with over half of these assets (53%) being acquired in the years of 2020 to 2022. The years 2020-2022 are characterised by a market that was highly active, stimulated by favourable market conditions, and very low interest rates.

However, the analysis also reveals a market that is currently under pressure. With the rapid increase in interest rates, the financial stability of some of these companies have become challenged, as the income

²¹ Source: Non-public Project Finance Real Estate Market Reports from Arctic, Carnegie, Clarksons, Fearnley, Malling, Njord, Oro, Oslo Finans, Pareto, Realkapital, Swiss Life, and Vika as of 2023 with further calculations by DNB Markets.

generated is increasingly insufficient to cover running interest cost. The database provides some interesting findings which may result in attractive consolidation opportunities in 2024 and 2025:

In a refinancing scenario with an all-in cost of debt set at 6.5%, approximately 12% of the companies will have an interest coverage ratio ("**ICR**") below 1.0x, 36% will have an ICR below 1.25x and 70% will have an ICR below 1.50x. For perspective on this, banks typically require at least an ICR of 1.50x in a refinancing.

62% of the total debt maturities will occur in 2024 and 2025, with c. NOK 15bn maturing in 2024 and NOK c. 28bn maturing in 2025, suggesting a surge in situations that potentially needs new capital both in the form of debt and equity.

As a result of the recapitalisation wave expected in 2024 and 2025 there are likely to be forced sellers which are willing to accept a loss in order to clear debt commitments.

BUSINESS OF PPI

Overview

PPI is a Norwegian real estate group with a long-term strategy of sustainably owning, operating and developing real estate in Norway. PPI's property portfolio consists primarily of social infrastructure properties located in smaller cities across Norway. PPI's business is characterised by strong tenants within the public sector, such as the police, judiciary functions and public health organisations, on long lease contracts and a high occupancy rate. Sustainable property management is an integral part of PPI's business, and its aim is to be a responsible owner, operator and developer of real estate, with the Norwegian government and local municipalities as tenants.

As of 30 September 2024, PPI's booked value of Investment properties was NOK 9,864 million and consisted of more than 368,000 sqm across 61 properties. PPI has more than 110 public tenants in 25 cities, and hundreds of subcontractors work to ensure that its tenants can fulfil their important societal missions every day.

Company corporate information

The Issuer's registered name is "Public Property Invest ASA", while its commercial name is "Public Property Invest". The Issuer is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act. The Issuer's registered office is in the municipality of Oslo, Norway. The Issuer was incorporated 16 August 2018 as a private limited liability company. At the extraordinary general meeting held on 16 February 2024, the Issuer resolved to convert from a private limited liability company to a public limited liability company. This conversion entered into force on 5 April 2024, and at the same time the Issuer's name changed from "Public Property Invest AS" to "Public Property Invest ASA". The Issuer is registered in the Norwegian Register of Business Enterprises with registration number 921 563 108 and the Issuer's LEI code is 254900QSCB9T0W2KE886.

The Issuer's registered office is located at Tordenskiolds gate 10, 0161 Oslo, Norway and the Issuer's e-mail is post@publicproperty.no.

Pursuant to section 3 of the Articles of Association, the Issuer's objective is to own, acquire, dispose of, operate, develop and manage real estate and other related activities. The Issuer can also participate in and own shares or share certificates in other companies that conduct business as mentioned in the first sentence of this paragraph.

Legal structure

The table below sets out brief information about PPI, including country of incorporation, main activity carried out by such companies and the reporting segment they belong to.

The Issuer functions as the ultimate holding company of PPI. PPI's operations are mainly carried out through single purpose limited liability companies, where the activity of such company exclusively consists of the ownership and operation of a certain property or properties. Set out below is an overview of the Issuer's subsidiaries, including the principal activity carried out by each subsidiary. Below the table is a structure chart for PPI. The table and structure chart is as of the date of this Base Prospectus.

| <u>Company</u> | <u>Country of incorporation</u> | <u>Activity</u> | <u>Direct or indirect ownership interest</u> |
|----------------------------------|---------------------------------|---------------------|--|
| Public Property Drift AS | Norway | Common cost company | 100% |
| Public Property Holding AS..... | Norway | Holding company | 100% |
| Public Property Sub-Holding 1 AS | Norway | Sub-holding company | 100% |

| Company | Country of incorporation | Activity | Direct or indirect ownership interest |
|------------------------------------|---------------------------------|--------------------------|--|
| Røynebergsletta I Holding AS | Norway | Property holding company | 100% |
| Røynebergsletta I AS | Norway | SPV | 100% |
| Søebergkvartalet Holding AS | Norway | Property holding company | 100% |
| Søebergkvartalet AS | Norway | SPV | 100% |
| Gunnar Nilsens gate 25 AS | Norway | SPV | 100% |
| Prins Chr. Augusts Pl. AS | Norway | SPV | 100% |
| Brochs gate 3 AS | Norway | SPV | 100% |
| Fjøravegen 20 AS | Norway | SPV | 100% |
| Njøsavegen 2 AS | Norway | SPV | 100% |
| Otervegen 23 AS | Norway | SPV | 100% |
| Statlige Bygg AS | Norway | SPV | 100% |
| Statlige Bygg II AS | Norway | SPV | 100% |
| Offentlige Bygg Namsos AS | Norway | Property holding company | 100% |
| Sandgata Eiendom Namsos AS | Norway | SPV | 100% |
| Postgården Eiendom Namsos AS | Norway | SPV | 100% |
| Public Property Sub-Holding 2 AS | Norway | Sub-holding company | 100% |
| Offentlig Eiendom AS | Norway | Property holding company | 100% |
| Arendal Eiendomsinvest AS | Norway | SPV | 100% |
| Unninvest AS | Norway | SPV | 100% |
| Unninvest II AS | Norway | SPV | 100% |
| Unninvest III AS | Norway | SPV | 100% |
| Stangevegen 109 Eiendom AS | Norway | SPV | 100% |
| Rosenkrantzgata 17 AS | Norway | SPV | 100% |
| Grønnegata 122 AS | Norway | SPV | 100% |
| Kvartal 48 Næring AS | Norway | SPV | 100% |
| Haakon VIIIs gate 98 AS | Norway | SPV | 100% |
| Kongensgate 14-18 AS | Norway | SPV | 100% |

| Company | Country of incorporation | Activity | Direct or indirect ownership interest |
|----------------------------------|---------------------------------|--------------------------|--|
| Bernt Ankers gate 17 AS..... | Norway | SPV | 100% |
| Lervigsveien 32..... | Norway | SPV | 100% |
| Tinngata 8 AS | Norway | SPV | 100% |
| Kammerherreløkka Næring B1 AS | Norway | SPV | 100% |
| Dunderland Eiendom AS | Norway | SPV | 100% |
| Sliptomta Eiendom AS..... | Norway | SPV | 100% |
| Mellomvika 5 AS | Norway | SPV | 100% |
| Askveien 4 Hønefoss AS..... | Norway | SPV | 100% |
| Rambergveien 9 AS | Norway | SPV | 100% |
| Kaldnes Park AS | Norway | SPV | 100% |
| Kunnskapsveien 55 AS | Norway | SPV | 100% |
| Jærveien 12 AS | Norway | SPV | 100% |
| Vogts gate 17 AS..... | Norway | SPV | 100% |
| Jul Pettersens gate 2 AS | Norway | SPV | 100% |
| Wilbergjordet 1 AS | Norway | SPV | 100% |
| Jonas Lies gate 20 AS | Norway | SPV | 100% |
| JKGT2 AS..... | Norway | SPV | 100% |
| Farmannsveien 50 AS | Norway | SPV | 100% |
| Olav Trygvasons gate 4 AS..... | Norway | SPV | 100% |
| Public Property Sub-Holding 3 AS | Norway | Sub-holding company | 100% |
| HGF Invest AS..... | Norway | Property holding company | 100% |
| Ski Florø AS..... | Norway | SPV | 100% |
| Ski Hønefoss AS | Norway | SPV | 100% |
| Ski Gjøvik AS | Norway | SPV | 100% |
| Public Property Sub-Holding 4 AS | Norway | Sub-holding company | 100% |
| Anton Jenssens gate 2 AS | Norway | SPV | 100% |
| Heian AS | Norway | SPV | 100% |
| Lillehammer Politibygge AS..... | Norway | SPV | 100% |

| Company | Country of incorporation | Activity | Direct or indirect ownership interest |
|----------------------------------|---------------------------------|-----------------|--|
| Ibsensgate 1 AS..... | Norway | SPV | 100% |
| Eiendomsgruppen Fredrikstad AS.. | Norway | SPV | 100% |
| Olav V Gt 4 AS | Norway | SPV | 100% |
| Borgergata 10 AS | Norway | SPV | 100% |
| Castelar Prosjekt 22 AS..... | Norway | SPV | 100% |
| Gyldengården AS | Norway | SPV | 100% |
| Leikanger Eiendom AS | Norway | SPV | 100% |
| Sandnes Offentlige Helsebygg AS | Norway | SPV | 100% |

Admission to trading

On 16 April 2024, the Issuer applied for admission to trading of its Shares, on the Oslo Stock Exchange.

Trading in the Shares on the Oslo Stock Exchange began on 29 April 2024. The Issuer has not applied for admission to trading of the Shares on any other stock exchange or regulated market or a multilateral trading facility (MTF).

Ownership structure

As of 14 November 2024, the Issuer has approximately 2016 shareholders. The 5 largest shareholders are listed in the table below:

| Shareholder | Number of shares | % of total shareholders |
|--|-------------------------|--------------------------------|
| Samhallsbyggnadsbolaget i Norden | 75,631,366 | 36.0% |
| Skagen Vekst Verdipapirfond | 8,991,411 | 4.3% |
| Verdipapirfondet DNB Norge | 6,962,284 | 3.3% |
| Avanza Bank AB..... | 4,768,697 | 2.3% |
| Kverva Finans AS | 4,427,618 | 2.1% |

The Issuer is not aware of any persons or entities that, directly or indirectly, jointly or severally, exercise control over the Issuer. To safeguard all shareholders' interests, and provide for additional assurance with respect to transactions between the Issuer and the Issuer's largest shareholder SBB, the following specific provision has been included in the Articles of Association:

"Any agreement between the Company, or a company in which the Company has a controlling influence cf. Section 1-3 (2) of the Norwegian Public Limited Companies Act, on one hand, and Samhallsbyggnadsbolaget i Norden AB or a company in which Samhallsbyggnadsbolaget i Norden AB has a controlling influence cf. Section 1-3 (2) of the Norwegian Public Limited Companies Act, on the other hand, must be approved by the Company's general meeting. Sections 3-10 et seq. of the Norwegian Public Limited Companies Act apply as far as these provisions apply to agreements that are not material according to Section 3-11 of the Norwegian Public Limited Companies Act, including but not limited to the exceptions in Section 3-16.

This provision shall apply as long as Samhallsbyggnadsbolaget i Norden AB directly or indirectly controls more than 15% of the shares and votes in the Company."

Competitive strengths

PPI believes it has many competitive strengths that differentiate it from its competitors and enables it to execute on its strategy, see "Strategy" below, including:

Solid existing cash flow

Following the completed SBB Transaction (see "The SBB Transaction"), PPI's portfolio features 61 diverse assets across Norway, showcasing robust cash flow at a 97% occupancy rate, supported by high-quality, predominantly public tenants (approximately 92%), and a strong contract backlog of NOK 690 million.

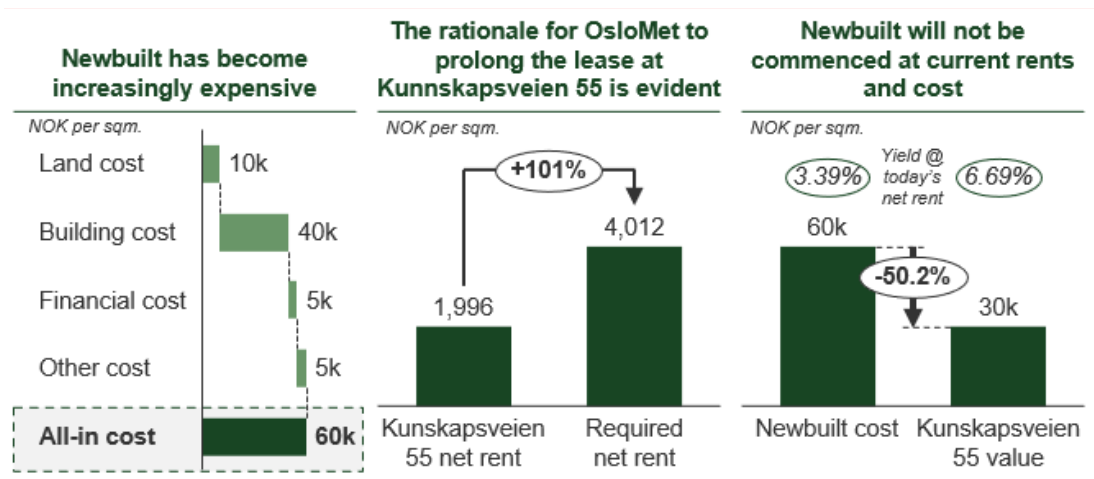
At the core of PPI's property portfolio are socially important offices and public properties integral to the community's critical infrastructure. Ranging from schools and courtrooms to key government offices, each property is designed for specific service use, adhering to strict safety and accessibility standards, with specialised infrastructure that is challenging and costly to replicate. This specialisation results in a low vacancy risk, as these properties are highly adapted to the tenants' functions and needs, offering few viable alternatives. The properties' strategic locations, being situated in areas critical for community functions, further enhance their value.

The percentage of PPI's property portfolio's lease agreements with a CPI adjustment stands at 100.0% following the SBB Transaction, reflecting PPI's adaptive approach to inflation risk. Geographically, PPI's assets are strategically distributed: 56% in Eastern Norway, 13% in Northern Norway, 11% in Western Norway, 11% in the Inland (*Nw: Innlandet*), 5% in Southern Norway, and 3% in Central Norway, based on PPI's property portfolio as of 31 December 2023, including the SBB Properties.

PPI's lease portfolio has a weighted average unexpired lease term ("WAULT") of 4.6 years as of 30 September 2024 (adjusted for the renewal of the lease agreement regarding Kunnskapsveien 55 with the Norwegian Ministry of Education and Research until 31 December 2029 on 22 March 2023). The majority of PPI's leases are on a triple net basis.

PPI's assets are significantly more affordable than new constructions regarding rent levels, resulting in few other alternatives for existing tenants. The diagram below shows an example for Kunnskapsveien 55 with an all-in new built cost of NOK 60,000 per sqm. The required rent in this example is NOK 4,012 per sqm, up 101% from the current levels. Similarly, the yield at today's rent for a newbuilt would be 3.39%, a yield compression of 50.2% from the current level of 6.69%. PPI believes it is well-positioned to extend the contracts that are expiring going forward.

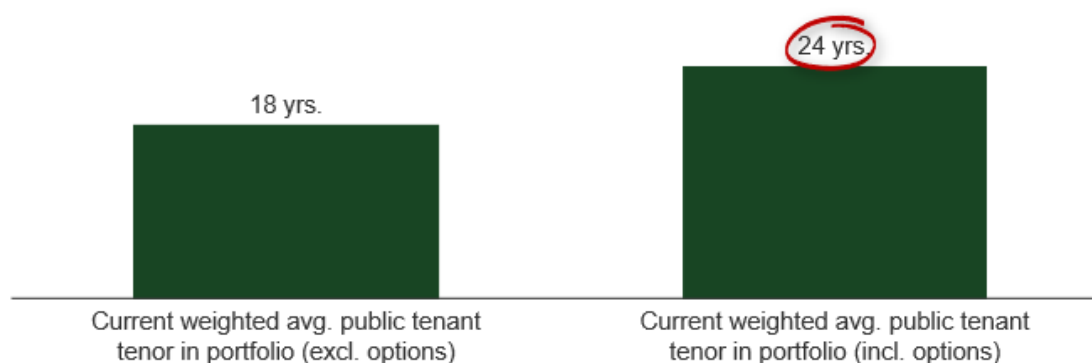
Newbuilt vs. existing building - Kunnskapsveien 55 case



Source: Company information, Norwegian Property ASA (Land cost, Financial cost, and Other cost; Illustrative example), Building cost: <https://www.bygg.no/betonmast-skal-bygge-spesialskole-og-barnehage-for-500-millioner/1539237/>; <https://www.bygg.no/betonmast-har-signert-kontrakt-for-trondheim-katedralskole/1529247/>

The current weighted average public tenant tenor in PPI's property portfolio is 18 years (24 years including options). Tenants stay for a substantial amount of time in buildings owned by PPI.

Stickiness and competitiveness in PPI's portfolio



Source: PPI information

Based on preliminary PPI estimates, taking into account the SBB Transaction (as described in "*The SBB Transaction*"), the Issuer does not expect to have any taxable net income before 2025, with payable tax in 2026. The recurring tax rate to account for recurring tax positions in the future is estimated at around 15.5% of EBITDA.

Unique market opportunity

The current market landscape presents in PPI's view an unique opportunity for strategic entry, particularly as interest rates are peaking and property values have undergone significant repricing, creating an advantageous position for well-capitalised and strategically positioned entities. A substantial portion of the Norwegian project financing market, encompassing 426 projects with a combined asset value of around NOK 180 billion, is currently facing financial pressure. A significant factor is the ICR, with over half of the projects having an ICR of less than 1.25x under the current interest rates. This situation indicates a coming refinancing challenge for many market players.

Most of these properties were acquired during a peak period from 2020 to 2022, accounting for 53% of the outstanding stock. Many entities must undergo significant deleveraging to reach sustainable debt levels. Ownership in this segment is often fragmented, with many owners lacking the willingness or capacity to inject additional equity. This situation is expected to lead to many forced sellers, especially as debt maturities peak in 2024 and 2025.

The combination of peaking interest rates, repriced values, and challenging refinancing conditions creates in PPI's view a rare market opportunity. PPI is of the opinion that it will have the suited strategy and financial resources positioned to capitalise on this situation, potentially acquiring assets on favourable terms and consolidating its market position.

Strong balance sheet

PPI's financial structure, characterised by a disciplined capital strategy, is a cornerstone of its competitive advantage. PPI has a loan-to-value ratio (net interest-bearing liabilities after deduction of cash and cash equivalents divided by total assets) of approximately 42.5%, indicative of a reasonable balance between leveraging and risk management. Proactively, PPI has hedged 50% of its bank debt, with hedges averaging a maturity of 2.4 years as of 30 September 2024. This strategy mitigates interest rate volatility, enhancing PPI's financial security.

PPI maintains conservative financial policies. The financial policy for the total amount of debt is set at loan-to-value below 50%, with an interest coverage ratio of minimum 2.2x. For the debt maturities, the maximum debt amount to fall due during the next 12 months is set at 30%. Additionally, the average time until maturity for all the debt should not be less than three years and the average duration for which the interest rate on the debt remains fixed should also not be less than three years. Further, PPI should have coverage for all maturities 12 months ahead. The policy is constructed in order to align with similar companies holding an investment grade rating, and to position PPI well among listed peers.

Highly experienced management and Board of Directors

The Management has extensive experience in the real estate sector, primarily from top real estate companies in the Nordics. This expertise is complemented by a well-renowned Board of Directors, also from leading Nordic real estate firms. All members of the Management have experience with publicly listed companies, adding a layer of strategic and regulatory know-how. Financially, PPI expects its central administrative costs to rise slower than its rental income, particularly as it expands its property portfolio, indicating a strategy focused on operational efficiency and sustainable growth.

Strategy

PPI is anchored by a strategic path for investment in real estate assets. With a vision for premium properties and a disciplined investment focus, PPI believes it is positioned to expand its market presence.

Consolidation

Leveraging its strategy in active consolidation, PPI focuses intently on acquiring quality assets, with a preference for those offering secure, government-backed rental incomes. This strategy is designed to provide stability and position PPI to capitalise on such investments' reliability and long-term attractiveness. In pursuit of transactions that enhance shareholder value, PPI deploys a strict evaluative process to assess investment opportunities, setting a high bar for return on equity enhancement. The alignment of each potential acquisition with PPI's strategic portfolio objectives is critical, and designed to ensure a consistent and synergistic approach to growth.

Geographical focus

PPI is targeting growth in Norway's key cities: Oslo, Bergen, Trondheim, and Stavanger, leveraging their dynamic economies. This geographically targeted investment approach is designed to firm PPI's market stronghold and develop a compelling narrative for domestic and international investors.

A sustainability frontrunner

Underpinning PPI's investment philosophy is a proactive environmental, social and corporate governance ("ESG") strategy integral to PPI's operations and future objectives. With initiatives like energy monitoring across all buildings and the "Miljøfyrtårn" accreditation in 2023, PPI commits to reducing energy consumption by 2% annually. The strategy is a commitment to environmental stewardship. It aligns with financial rationality, targeting cost reductions, improved energy efficiency, and increased property attraction, all of which factors anticipated to yield a rent premium and value appreciation. PPI recognises the importance of ESG factors, and has set an ambitious goal of climate neutrality by 2030.

The Board of Directors is in the process of developing a more comprehensive ESG strategy, encompassing significant aspects within each of the three ESG components to meet PPI's ambitious goal. The Issuer aims to have the final more comprehensive sustainability strategy approved by the Board of Directors during the first half of 2025. Currently, PPI has planned for energy-saving measures related to replacement of ventilation systems, installation of building management systems, installation of variable air volume systems and upgrading to LED lightning.

PPI has assessed the entire property portfolio with the assistance of external consultants, establishing a baseline for energy, water, and waste. Based on the established baseline for the key KPIs (Key Performance Indicators) of energy, water, and waste, goals have been set for the strategy period spanning from 2024 to 2030 (7 years). These goals are aligned with the business plan for each property and reflect realistic development within the strategy period.

Any requirements in connection with the Energy Performance of Buildings Directive will be incorporated into the Issuer's sustainability strategy. The upcoming requirements in the directive will be considered and when deciding the prioritisation of energy-saving measures between the properties in PPI's portfolio.

There will always be a carbon footprint associated with the operation of leasing commercial real estate. Currently, there are plans for the more comprehensive sustainability strategy to aim for a 20% reduction in greenhouse gas emissions by the end of the strategy period in 2030. The remaining carbon footprint from 2030 and onwards can be mitigated through two mechanisms (i) purchase of Guarantees of Origin for Norwegian electricity (GoO) for all electricity usage in the property portfolio, and (ii) purchase of CO2

credits to offset the remaining CO₂ from energy use related to the last remnants of mineral oil, district heating, district cooling, and residual emissions from electricity.

Energy consumption in PPI's property portfolio:

- Specific energy consumption in kWh/sqm, year.
- Baseline based on the average of the last 3 years = 174 kWh/sqm, year.
- Goal: a reduction of 2% per year throughout the strategy period, totalling 14% (150 kWh/sqm, year).

Water consumption in PPI's property portfolio:

- Specific water consumption in cbm/sqm, year.
- Baseline based on the average of the last 3 years = 0.27 cbm/sqm, year.
- Goal: a reduction of 2% per year throughout the strategy period, totalling 14% (0.23 cbm/sqm, year).

Waste in PPI's property portfolio:

- Sorting rate in percentage.
- Uncertain baseline because not all our suppliers in 25 cities in Norway can provide accurate data at the moment.
- Goal: a sorting rate > 60% throughout the strategy period.

In addition to the above mentioned KPIs, the Issuer's more comprehensive sustainability strategy will set goals for the share of renewable energy and the total CO₂ emissions for the portfolio. The latter is estimated to be established in line with the emission reduction pathway outlined by CRREM (Carbon Risk Real Estate Monitor = Global Pathway).

PPI will gradually increase the energy flexibility in the portfolio (hydronic systems) through the opportunities presented by the replacement of technical facilities, renovations, tenant adjustments, and extensions. In terms of the self-production of renewable energy, the more comprehensive sustainability strategy aims to establish new facilities for local solar power production throughout the strategy period.

The overall reduction of the CO₂ footprint measured in kgCO₂e/sqm, year for PPI's property portfolio is influenced by the aforementioned measures, including increased energy flexibility and the utilisation of both existing and new renewable energy sources.

Deal sourcing

Leveraging an extensive network acquired by experienced Management and a vast broker and investment banking network, PPI has refined its capability in off-market deal sourcing. In the Issuer's view, this is a strategic advantage and enabling PPI to navigate ahead of prevailing market trends and seize opportunities that are both exclusive and potentially lucrative.

Utilise robust capital structure

Employing a dynamic capital structure, PPI intends to pursue transaction financing using a strategic blend of cash, debt financing, and equity offerings, allowing for adaptive deal-making but also promoting financial strategies that are beneficial to earnings growth and shareholder value. For asset sellers, PPI extends a value proposition characterised by:

- Readily available financing, mitigating sellers' refinancing risks and the need for equity injections;
- A counterpart with a low execution risk profile, which provides sellers with transaction certainty; and

- The option of partial share-based settlements offers sellers transaction certainty and the chance to retain exposure to the upside potential and become part of the PPI journey.

This strategic and balanced approach to growth ensures in PPI's view an attractive risk-reward profile, and positions PPI for success in a competitive market.

History and important events

Establishment of PPI

The Issuer was incorporated on 16 August 2018. However, no operations were carried out by the Issuer prior to mid-2021 when the Issuer acquired its first properties, including a portfolio of eight properties, referred to in the market as the Citizen-portfolio, and approximately 33.65% of the shares in Offentlig Eiendom AS, following which PPI was formed. In the first six months of operation, PPI acquired in total 41 socially beneficial properties with a total value of NOK 8,451 million, with the majority located in the southern part of Norway. The properties comprised courthouses, buildings for the Norwegian Labor and Welfare Organisation, police departments, municipality- and county-houses, and the building housing the Norwegian Tax Administration. During the first half of 2022, PPI continued its growth by amongst other things acquiring a portfolio of seven properties with 97% public tenants. This included the first educational building in PPI's portfolio, with Oslo Metropolitan University as tenant.

Historic development and key milestones

The table below shows PPI's key milestones from its incorporation and up to the date of this Base Prospectus:

| Year | Event |
|-------------|--|
| 2018..... | The Issuer was established. |
| 2021..... | PPI acquired in total 41 properties, including the Citizen-portfolio and the properties of Offentlig Eiendom AS through the acquisitions of approximately 95.9% of shares in Offentlig Eiendom AS. PPI acquired approximately 33.65% of the shares in June 2021 and approximately 62.24% of the shares in December 2021. |
| 2022..... | Acquisition of the remaining shares Offentlig Eiendom AS (i.e. the shares not already held by PPI). |
| 2022..... | Acquisition of its first educational building located at Kunnskapsveien 55, Kjeller, Norway with Oslo Metropolitan University as a tenant. |
| 2022..... | Acquisition of Vogts gate 17, Moss, Norway. |
| 2022..... | Acquisition of Rambergveien 5, Tønsberg, Norway, a development property. |
| 2022..... | Acquisition of Rambergveien 9, Tønsberg, Norway with The Norwegian Directorate for Civil Protection, the Norwegian Directorate of Elections and the Norwegian Church as tenants, among others. |
| 2022..... | Acquisition of Jærveien 12, Sandnes, Norway with the Norwegian Food Safety Authority as the largest tenant. |
| 2022..... | Acquisition of Askveien 4, Hønefoss, Norway tailored to accommodate Hønefoss police station. |
| 2022..... | Acquisition of Jul Pettersens gate 2, Lillehammer, Norway with Lillehammer District Court as tenant. |
| 2024..... | Acquisition of certain properties from SBB Samfunnsbygg AS, please see "The SBB Transaction" for further details. |
| 2024..... | Listing of the Issuer's Shares on the Oslo Stock Exchange. |

PPI's business activity

Introduction to PPI's business activity

The Issuer functions as the ultimate holding company of PPI. PPI's operations are mainly carried out through sub-holding companies and single purpose limited liability companies, where the activity of such company exclusively consists of the ownership and operation of a certain property or properties (an "SPV").

Current property portfolio of PPI

The majority of PPI's buildings are single-use buildings. Others are shared between public and private tenants. An overview of PPI's current property portfolio is set out in the table below.

| Property | Location | Main tenant | Property type | Construction year and major refurbishment | Lettable area (sqm) | Occupancy rate | WAULT (years) ¹ |
|-----------------------------------|--------------|---|-------------------------|---|---------------------|----------------|----------------------------|
| Kunnskapsveien 55 | Kjeller | Oslo Metropolitan University | Special public property | 1974 (2004) | 27,135 | 100% | 5.252 |
| Gyldenløves gate 23 | Kristiansand | The municipality of Kristiansand | Special public property | 2011 | 13,185 | 100% | 1.71 |
| Anton Jenssens gate 2 | Tønsberg | The Government Hospital in Vestfold | Special public property | 1980 (2017) | 16,132 | 98.06% | 3.28 |
| Gjerpensgate 10-20 | Skien | The Norwegian Public Roads Administration | Special public property | N/A | 18,882 | 89.3% | 6.3 |
| Bernt Ankers gate 17 | Moss | The Norwegian Tax Administration | Public office | 2017-2018 | 9,501 | 100% | 4.46 |
| Rambergveien 9 | Tønsberg | The Norwegian Directorate for Civil Protection | Public office | 2004 (2015) | 9,560 | 100% | 6.1 |
| Otervegen 23 | Kongsvinger | Statistics Norway | Public office | 1987 (2005) | 12,265 | 100% | 0.8 |
| Nordstrandveien 41 | Bodø | The municipality of Bodø | Public office | 1974-1976 (2012) | 10,190 | 97.5% | 6.52 |
| Myren 7 | Skien | Politiet | Special public property | 2008 | 8,702 | 100% | 3.5 |
| Vogts gate 17 | Moss | The County Governor of Oslo and Viken | Public office | 1994 (2001) | 10,886 | 85.6% | 4.98 |
| Søbergkvartalet | Sandefjord | Politiet | Public office | 1981 | 16,675 | 98.43% | 2.77 |
| Rosenkrantzgata 17 | Drammen | The municipality of Drammen | Special public property | 1949 (2016) | 5,143 | 100% | 4.1 |
| Holthes vei 1 & 4 | Arendal | The Norwegian Labour and Welfare Administration | Public office | 2000 (2003) | 6,799 | 100% | 2.42 |
| Grønnegata 122 | Tromsø | The Norwegian Labour and Welfare Administration | Special public property | 1961 (2015) | 5,848 | 98.0% | 5.94 |
| Njøsavegen 2 | Leikanger | The County Governor of Vestland | Public office | 2005 | 5,881 | 100% | 4.14 |
| Kongens gate 14-18 | Narvik | Politiet | Special public property | 1992 | 7,309 | 87.6% | 5.9 |
| Prins Christian Augusts plass 3-7 | Moss | Politiet | Special public property | 2004 | 5,041 | 98.4% | 4.25 |
| Kvartal 48 | Hamar | The Norwegian Tax Administration | Public office | 1939 (2015) | 6,129 | 93.9% | 7.76 |
| Sigvat Skalds gate 5 | Sarpsborg | Politiet | Special public property | 1997/1998 | 6,960 | 100% | 3.25 |

| Property | Location | Main tenant | Property type | Construction year and major refurbishment | Lettable area (sqm) | Occupancy rate | WAULT (years) ¹ |
|----------------------------------|-------------|---|-------------------------|---|---------------------|----------------|----------------------------|
| Strandavegen 13 | Florø | Politiet | Special public property | 2008 | 4,163 | 100% | 8.07 |
| Ibsens gate 1-3 | Gjøvik | Politiet | Special public property | 1975 (2000) | 4,742 | 100% | 6.5 |
| Christian August Thorings Veg 12 | Stavanger | The Norwegian Public Roads Administration | Special public property | 2000 | 5,005 | 100% | 6.25 |
| Sognefjordvegen 56 | Leikanger | The Norwegian Labour and Welfare Administration | Special public property | 1975 (2009) | 4,491 | 95.1% | 4.9 |
| Haakon VII's gate 98 | Bodø | The Norwegian Labour and Welfare Administration | Public office | 2000 (2004) | 5,898 | 100% | 0.93 |
| Stangevegen 109 | Hamar | Bane NOR | Public office | 2008/2012 | 4,514 | 100% | 3.75 |
| Myren 12 | Skien | The Norwegian Tax Administration | Public office | 2008 | 4,233 | 100% | 0.97 |
| Bryggeriveien 2-4 | Fredrikstad | The municipality of Fredrikstad | Public office | 1961 (2015) | 5,592 | 100% | 9.59 |
| Mellomvika 5 | Mo i Rana | Rana Byggdrift KF | Public office | 2000 (2020) | 4,552 | 100% | 8.26 |
| Storgata 129 | Lillehammer | Politiet | Special public property | 1978 (2003) | 4,180 | 100% | 5.07 |
| Kammerherreløkka 2 | Porsgrunn | The municipality of Porsgrunn | Public office | 2009 (2019) | 4,438 | 89.7% | 5.36 |
| Lervigsveien 32/ Tinnegata 8 | Stavanger | The municipality of Stavanger | Special public property | 1930 (2010) | 5,627 | 100% | 5.18 |
| Standgata 26 | Gjøvik | The Norwegian National Courts Administration | Special public property | 2008 | 2,197 | 100% | 4.08 |
| Blødekjær 1 | Arendal | The Judiciary of Norway | Special public property | 1998/2004 | 2,836 | 100% | 8.82 |
| Gunnar Nilsens gate 25 | Fredrikstad | Politiet | Special public property | 1992 | 4,370 | 100% | 2.5 |
| Midtre gate 9 | Mo i Rana | Politiet | Special public property | 2007 | 2,800 | 100% | 2.25 |
| Brochs Gate 3 | Fredrikstad | The Judiciary of Norway | Special public property | 1967/1994 | 4,134 | 94.63% | 3.54 |
| Nytorget 1 | Mo i Rana | The Judiciary of Norway | Public office | 2010 | 2,878 | 66.3% | 5.56 |
| Norderhovsgata 23 | Hønefoss | The Norwegian National Courts Administration | Special public property | 2008 | 2,366 | 100% | 2.87 |
| Sandgata 13 | Namsos | Politiet | Public office | 2018 | 1,669 | 100% | 13.42 |
| Fjørevegen 20 | Sogndal | Politiet | Special public property | 2000 | 3,557 | 100% | 6.60 |
| Olav Vs gate 4 | Halden | Politiet | Special public property | 1960 (2021) | 3,470 | 100% | 1.25 |

| <u>Property</u> | <u>Location</u> | <u>Main tenant</u> | <u>Property type</u> | <u>Construction year and major refurbishment</u> | <u>Lettable area (sqm)</u> | <u>Occupancy rate</u> | <u>WAULT (years)¹</u> |
|------------------------------|-----------------|--|-------------------------|--|----------------------------|-----------------------|----------------------------------|
| Askveien 4 | Hønefoss | Politiet | Special public property | 1986 | 3,531 | 100% | 5.26 |
| Jærveien 12 | Sandnes | The Norwegian Food Safety Authority | Public office | 2012 | 2,569 | 79.6% | 2.44 |
| Rådhusgata 5 | Porsgrunn | The municipality of Porsgrunn | Public office | 1984 (2020) | 4,074 | 62.08% | 5.87 |
| Jul Pettersens gate 2 | Lillehammer | The Norwegian National Courts Administration | Special public property | 1965 (1998) | 2,507 | 65.2% | 4.04 |
| Borgergata 10 | Halden | The Norwegian National Courts Administration | Special public property | 1826 (~1990) | 950 | 0% | - |
| Rambergveien 5 | Tønsberg | AS Adams | Private office | ~1950 | 1,065 | 52.21% | 1.01 |
| Carl Gulbranssons gate 4 | Namsos | N/A | Private office | 1990 | 2,804 | 0% | - |
| Wilbergjordet 1 | Fredrikstad | Fredrikstad municipality | Special public property | 2000/2004 | 6,364 | 96% | 3.16 |
| Jonas Lies gate 20 | Lillestrøm | Police | Special public property | 1990/2009 | 12,660 | 100% | 4.29 |
| Johan Knudtzens gate 2b | Kirkenes | Police | Special public property | 2021 | 1,643 | 100% | 11.51 |
| Anton Jenssens gate 1 | Tønsberg | NAV | Special public property | 1981/1999 | 3,570 | 97% | 6.91 |
| Anton Jenssens gate 3 | Tønsberg | Statens vegvesen | Special public property | 1970/1994 | 2,499 | 2.56% | 0.0 |
| Anton Jenssens gate 4 | Tønsberg | Helfo | Special public property | 1975/2007 | 5,165 | 100% | 7.26 |
| Anton Jenssens gate 5 | Tønsberg | Bufdir | Special public property | 1970/1994 | 5,251 | 91.7% | 8.5 |
| Anton Jenssens gate 7 | Tønsberg | NVE | Special public property | 1973/1986 | 2,702 | 74% | 1.02 |
| Anton Jenssens gate 8 | Tønsberg | Skatteetaten | Special public property | 1970/2003 | 5,487 | 100% | 0.99 |
| Anton Jenssens gate 9 | Tønsberg | Norges domstoler | Special public property | N/A | 2,191 | 100% | 1.22 |
| Anton Jenssens gate 11 | Tønsberg | | Special public property | 1970/1993 | 4,438 | 0% | - |
| Anton Jenssens gate 13 | Tønsberg | SBB | Private Office | 1927/2019 | 513 | 100% | 0.25 |
| Olav Trygvasons gate 4 | Tønsberg | Sykehuset i vestfold | Special public property | N/A | 8,381 | 94% | 0.95 |
| TOTAL | | | | | 363,657 | 96.70% | 4.6 |
| Development portfolio | | | | | 4,438 | | |

¹ Calculated as of 30 September 2024.

2 Includes the five year extension of the lease agreement with the Norwegian Ministry of Education and Research agreed on 22 March 2024.

The SBB Transaction also encompasses a section in Teglhageveien 23-31 in the municipality of Tønsberg.

Development

Development of current properties is one of the strategies for increasing the value of the properties and PPI. PPI's development team has prioritised development properties where public regulatory processes provoke attention, as well as properties with shorter time to contract expiration. This work can include upgrades of existing buildings, extensions, or new construction within both commercial and residential sectors. Throughout 2022 and 2023, 40% of PPI's property portfolio has been examined to survey the development potential of PPI's property portfolio. The preliminary conclusion, based on the survey of 40% of PPI's property portfolio is that approximately 50,000 sqm of net potential is untapped, in addition, there are currently three development projects where the Issuer has not yet clarified the development potential. Below is a description of current development projects.

| Property | Location | Current use | Potential utilisation | Purpose | Progress |
|---|-------------|--|--|-----------------------------|--|
| Zoning completed | | | | | |
| Jonas Lies gate 20 ¹ | Lillestrøm | Office area, court house and police station. Total area of 12,660 sqm. | Approximately 17,500 sqm gross building area ("BTA"). | Commercial. | Zoning plan finished- Proposal outstanding |
| Willbergjordet 1 ¹ | Fredrikstad | Office area. Total area of 6,363 sqm BTA. | Approximately 6,000 sqm BTA of commercial area and approximately 1,300 sqm BTA of parking area. | Commercial/ Parking. | Prospect on market. |
| Zoning process ongoing | | | | | |
| Otervegen 23 | Kongsvinger | Office area. Total area of 12,265 sqm. | Potential development I: Transformation of existing building into residences. Potential development II: Develop 10,000 – 15,000 sqm residences on existing parking lot. | Residential/ commercial. | Zoning word started Q3 2024. Expected approval in Q2 2026. |
| Vogts gate 17 | Moss | Office area. Total of 10,886 sqm. | Potential development I: Approximately 14,000 sqm BTA of commercial area. Potential development II: Approximately 8,600 sqm BTA of commercial area and 3,600 sqm of residential area. | Residential/ commercial. | Zoning proposal to be sent to Municipality Q4 2024. |
| Desktop mapping within current zoning plan | | | | | |
| Brochs gate 3 ² | Fredrikstad | Courthouse. Total area of 4,069 sqm. | Approximately 2,300 sqm BTA | Residential/ commercial. | Not started. Expected approval in Q4 2026 if |

| Property | Location | Current use | Potential utilisation | Purpose | Progress |
|--|-----------------|---|--|-------------------------------------|---|
| | | | | | started in Q4 2024. |
| Gunnar Nilsens gate 25 ³ | Fredrikstad | Police station. Total area of 4,370 sqm. | Approximately 2,500 sqm BTA. | Residential/commercial first floor. | Not started. Expected approval in Q4 2026 if started in Q4 2024. |
| Sigvat Skalds gate 5 ... | Sarpsborg | Police station. Total area of 4,780 sqm | Approximately 6,200 sqm BTA. | Residential/commercial. | Not started. |
| Rambergveien 5 | Tønsberg | Office. Total area of 1,069 sqm. | Approximately 2,000 sqm BTA. | Residential/commercial. | Not started. Expected approval in Q2 2026. |
| Kammerherreløkka 2 | Porsgrunn | Office. Total area of 4,438 sqm. | Approximately 15,000 – 20,000 sqm BTA. | Residential/commercial. | Not started. |
| Carl Gulbrandsens gate 4 | Namsos | Office area. Total of 2,804 sqm BTA. | Approximately 4,500 sqm BTA. | Residential/commercial. | Not started. |
| Sognefjordvegen 56 | Leikanger | Office area. Total of 4,491 sqm BTA. | Approximately 2,400 sqm BTA. | Residential/commercial. | Not started. |
| Anton Jenssens gate 1 – 13 (except Anton Jenssens gate 8) ¹ | Tønsberg | Office area, public sector. Total area of 32,274 sqm BTA. | Approximately 25,000 – 30,000 sqm BTA of commercial area + approximately 10,000 sqm BTA of residential area. | Residential/commercial. | In process with municipality to start the new planning process to include residential area. |

¹ These properties are part of the SBB Properties, as further described in "The SBB Transaction".

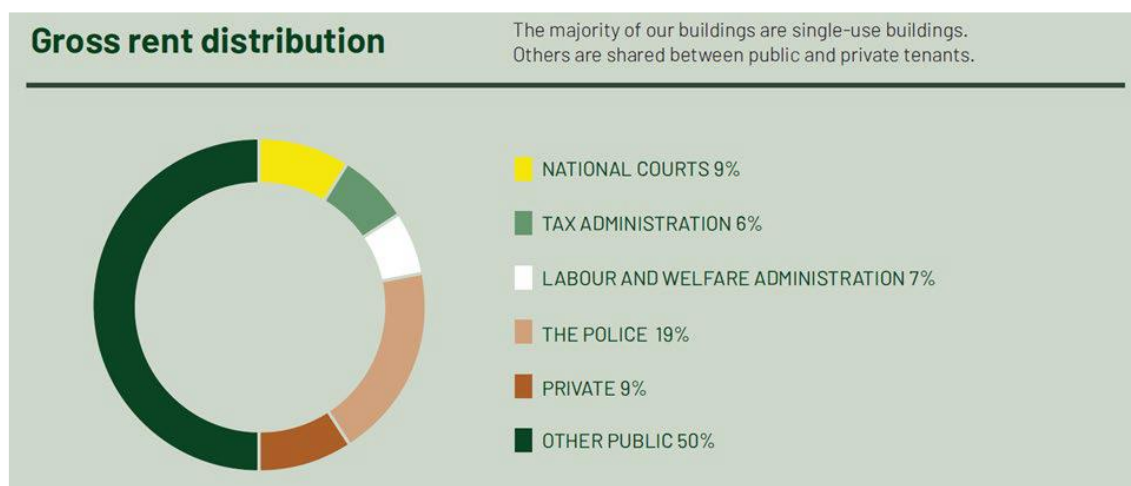
² Preliminary estimated project value at end of lease agreement of NOK 18 million. Preliminary estimated net project value of NOK 78 million.

³ Preliminary estimated project value at end of lease agreement of NOK 25 million. Preliminary estimated net project value of NOK 87 million.

Tenants and rental conditions

PPI's business is to own, operate and develop commercial real estate in Norway with public tenants. As of the date of this Base Prospectus, approximately 90% of PPI's rental income stems from public tenants, while the remaining approximately 10% comes from the private sector. An overview of the gross distribution of PPI's tenants as of 31 December 2023 is included in the diagram below:

Gross rent distribution¹



¹Source: PPI information, Annual Report 2023

The public tenants cover a range of important societal functions. This requires PPI as a part of the governmental value chain to meet the requirements and need of their tenants. Through close dialogue with tenants and systematic ESG work, PPI aims to offer tailored and efficient properties.

While facilitating tenants from the private sector is not PPI's main business, private tenants make up approximately 10% of PPI's rental income, which contributes to the buildings' high occupancy rates and is an important financial contribution to PPI.

Top 10 leases as per 30 September 2024:

| Tenant | Share of total rent |
|---|---------------------|
| OSLOMET - University | 6.7% |
| Kristiansand Municipality | 5.5% |
| East Police District | 3.4% |
| Statistics Norway | 3.0% |
| Directorate for Community Security and Preparedness | 2.7% |
| South East Police District | 2.7% |
| Vestfold hospital | 2.1% |
| Norwegian Labour and Welfare Administration (NAV Agder) | 2.0% |
| Norwegian Tax Authority | 1.8% |
| Helfo | 1.6% |
| Total | 31.4% |

PPI's contract with Oslo Metropolitan University regarding Kunnskapsveien 55 constituted approximately 9.1% of PPI's revenue in 2023 and currently accounts for approximately 6.7% of PPI's revenues (as of 30 September 2024), and is considered a material contract to PPI. The contract was extended on 22 March 2024, and is due to expire on 31 December 2029. The extension entailed that SBB Samfunnsbygg AS was entitled to an additional consideration of approximately 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. SBB Samfunnsbygg AS and PPI agreed that the additional consideration was to be settled in the form of newly issued Shares, and the issuance of such new Shares was resolved at an extraordinary general meeting of the Issuer held on 12 April 2024.

During the year ended 31 December 2023, PPI signed new or extended lease agreements for approximately 13,854 square meters with an average lease term of 10.95 and 3.54 years for new and extended agreements respectively. The diagram below reflects the average lease term, recurring annualised rent and tenant split for extended lease holds and new lease holds respectively in 2023:

Overview of extended and new lease holds¹



¹Source: PPI information

Since 1 January 2024, PPI's occupancy rate has been stable, and the rent level reflects contractual yearly CPI adjustments. As of the date of this Base Prospectus none of PPI's tenants had defaulted on their obligations under lease agreements with PPI.

During the first nine months of 2024, PPI entered into two new leaseholds for 544 sqm gross area, both fully let to public tenants. PPI has also extended 14 existing leaseholds for 37,136.0 sqm gross area, with an average lease term of five years and approximately NOK 74 million of annualised passing rent. Of these extensions, 87% represented public tenants and 13% represented private tenants.

An overview of PPI's plan for the properties with a remaining WAULT of less than two years is included in the table below.

| Property | Plan |
|---|--|
| Anton Jenssens gate 7 ¹ | Demolition and construction of residential buildings within five years. |
| Anton Jenssens gate 9 ¹ | Demolition and construction of residential buildings within five years. The Issuer believes that the existing tenant will extend their contract until 2026 with no capex requirement due to a delay in the construction of their new building. |
| Anton Jenssens gate 8 ¹ | Expected to be leased out during 2026 following a limited renovation of surfaces. Limited investments intended to be made. |
| Anton Jenssens gate 3 ¹ | Demolition and construction of residential buildings within five years. Very limited investments intended to be made. |
| Anton Jenssens gate 13 ¹ | Demolition and construction of residential buildings within five years. No investments intended to be made. |
| Anton Jenssens gate 11 ¹ | Demolition and construction of residential buildings within five years. |
| Olav Trygvasons gate 4..... | Buf Dir is moving out of their premises, which corresponds to about 2/3 of the building's area. An agreement with a letting broker is formalised. If the area is to be used for cellular offices, there is no |

| Property | Plan |
|------------------------------|--|
| | need for significant upgrades. If it is to be converted to open office space, it will require investments. There has been dialogue with the Hospital in Vestfold about whether they can consider expanding. The Issuer estimates that half of the vacant space following the Buf Dir move will be occupied by year end 2025 and the remaining other half by year end 2026. |
| Haakon VII's gate 98..... | The Issuer expects to be able to deliver on requirements specification received from current tenant, and thereby trigger another 5-year extension option. |
| Myren 12..... | The Issuer expects the current tenants to extend the lease agreement. Discussions are expected to commence in late 2024 / early 2025. |
| Rambergveien 5..... | AS ADAMS, taking up 25% of the space is expected to extend their contract. The remaining spaces are set aside as the tenant in Rambergveien 9, the neighbouring property, is expected to have a need for additional space and therefore extend their area to include this property. The Issuer is currently awaiting the decision before exploring other opportunities. |
| Carl Gulbransons gate 4..... | The Issuer is currently exploring development opportunities. |
| Borgergata 10..... | Re-letting process ongoing. |
| Otervegen 23..... | To be vacated. Zoning process initiated, targeting elderly care homes and/or residential. |

¹This property is part of the SBB Properties, as further described in "The SBB Transaction".

PPI is focused on building long and good relationships with its tenants, and PPI's operations team and managers have close dialogue with the tenants throughout the year. Additionally, PPI invites its tenants to meetings and surveys. Tenant meetings are scheduled twice a year, with the purpose of clarifying any changing requirements and needs in the lease, and to further clarify the tenants' expectations of the landlord. The goal is to increase the likelihood that tenants will renegotiate their lease agreements upon contract expiration. Tenant surveys are distributed every fall through Norsk Leietakerindeks, asking all tenants to reply to questions about their satisfaction with their lease, the property, the operation of common areas, and the landlord.

For 2024, PPI aims to further enhance communication with tenants leading to increased trust and strengthened relationships by amongst other things continuing building the Issuer's brand, sharing information about what PPI is doing that benefits the tenant, the property, and the environment, actively working on adjusting tenant expectations regarding price, standards, and deliveries, and providing tenants with relevant information about the lease, the property, and daily operations.

Competitive landscape

The Norwegian commercial real estate market is characterised by a diverse landscape, featuring a considerable number of both smaller and larger property owners and managers. Notable public entities such as Statsbygg and Bane NOR Eiendom, along with private companies like Olav Thon Gruppen, Entra and Reitax Eiendom, command significant market shares nationwide. Similarly, life insurance companies such as KLP Eiendom, Storebrand Eiendom, and DNB Næringseiendom play prominent roles in the market. Norwegian Property and Eiendomsspar are also among the key property owners within the office segment, contributing to the diverse real estate landscape.

Additionally, syndicate players, including Arctic Securities, Pareto Securities, Clarksons Project Finance, and Njord Securities, have established themselves as major real estate players in Norway. These syndicates strategically invest across various segments and geographies, further enriching the dynamics of the Norwegian real estate market.

In the context of the Norwegian commercial real estate market, PPI distinguishes itself with a strategic focus on properties leased predominantly to public sector tenants. This specialisation in social infrastructure properties, located in Norwegian cities, places PPI in a niche with limited direct competition domestically. While the Norwegian market features a select group of listed competitors, including Entra, OLT, KMC, and Aurora Eiendom, it is Entra that emerges as the most comparable listed company to PPI. Entra shares

a focus on public tenants and an office-centric portfolio; however, PPI's offerings are more specialised, with a higher percentage of public sector tenants, highlighting a strategic differentiation. Unlike its Norwegian peers, OLT and Aurora primarily navigate the retail sector, whereas KMC focuses on logistics and industrial. The landscape slightly shifts when observing the Swedish market, which presents a broader number of competitors such as Castellum, SBB, Wihlborgs, and Diös, each with the most comparable property and tenant focus but less emphasis on public tenant exposure and specialised projects compared to PPI.

Notably, SBB's extensive residential portfolio and its stake in PPI necessitate its exclusion from direct comparisons. Among the specialised property owners focusing on public sector tenancies, entities such as Akademiska Hus, Hemsö, Rikshem, Specialfastigheter, Vacse, Intea, and Stenvalvet stand out. This distinction highlights the possibility that these specialised property owners may move into the Norwegian market, consequently presenting PPI with more direct competitors and offering tenants a broader set of options.

The competitive landscape also reveals a dynamic where similar capital sources are searching for investment opportunities within both equity and debt spheres of the real estate market. This overlap in investment capital underlines the importance of PPI's distinct market positioning and its appeal to a specialised investor base seeking stable revenue streams.

The SBB Transaction

Introduction

In connection with the Listing, the PPI subsidiary Offentlig Eiendom AS (as buyer) and SBB Samfunnsbygg AS (as seller) entered into a share purchase agreement (the "**Share Purchase Agreement**") on 21 March 2024 for the sale and purchase of all the shares in five property-owning companies owning in total 13 properties and a section in Teglhageveien 23-31 (the "**SBB Properties**") in exchange for approximately 29.9 million Shares in the Issuer (the "**SBB Transaction**"). In connection with the SBB Transaction, SBB's Norwegian management organisation was transferred to PPI. The SBB Transaction, the Listing and the transfer of the Norwegian management team were interconditional, and completed at the same time. SBB Samfunnsbygg AS also subscribed for 11.7 million shares in connection with the Listing at a price of NOK 14.50 per share.

The SBB Properties

An overview of the SBB Properties is included in the table below.

Approximately NOK 82 million in capital expenditures, relating to alternations for tenants and climate measures for Anton Jenssens gate 5 such as technical installations and installations of solar cell panels, has been committed to for 2024 for the SBB Properties.

| Property | Location | Property type | Construction year | Gross Leasable Area (sqm) | Gross Rental Income (NOKm) | WAULT ¹ (years) | Occupancy rate | Main tenant |
|-------------------------|-------------|--------------------------------|-------------------|---------------------------|----------------------------|----------------------------|----------------|-------------------------------|
| Wilbergjordet 1 | Fredrikstad | Public Property Specialised | 2000/2004 | 6,363 | 9.4 | 3.9 | 96% | Fredrikstad municipality |
| Jonas Lies gate 20 | Lillestrøm | Public Property Specialised | 1990/2009 | 12,660 | 30.1 | 5.0 | 100% | Police |
| Johan Knudtzens gate 2b | Kirkenes | Public Property Specialised | 2021 | 1,643 | 5.2 | 12.3 | 100% | Police |
| Anton Jenssens gate 1 | Tønsberg | Public Property Specialised | 1981/1999 | 3,570 | 7.0 | 7.7 | 97% | NAV Statens vegvesen |
| Anton Jenssens gate 3 | Tønsberg | Public Property Specialised | 1970/1994 | 2,499 | 0.4 | 0.2 | 46% | |
| Anton Jenssens gate 4 | Tønsberg | Public Property Specialised | 1975/2007 | 5,165 | 12.2 | 8.0 | 100% | Helfo |
| Anton Jenssens gate 5 | Tønsberg | Public Property Specialised | 1970/1994 | 5,251 | 5.4 | 7.7 | 90% | Bufdir |
| Anton Jenssens gate 7 | Tønsberg | Public Property Specialised | 1973/1986 | 2,702 | 2.4 | 1.8 | 74% | NVE |
| Anton Jenssens gate 8 | Tønsberg | Public Property Specialised | 1970/2003 | 5,487 | 9.1 | 1.7 | 100% | Skatteetaten Norges domstoler |
| Anton Jenssens gate 9 | Tønsberg | Public Property Specialised | N/A | 2,191 | 3.1 | 2.0 | 100% | |
| Anton Jenssens gate 11 | Tønsberg | Public Property | 1970/1993 | 4,438 | - | - | 0% | |

| Property | Location | Property type | Construction year | Gross Leasable Area (sqm) | Gross Rental Income (NOKm) | WAULT ¹ (years) | Occupancy rate | Main tenant |
|------------------------|----------|-----------------------------|-------------------|---------------------------|----------------------------|----------------------------|----------------|----------------------|
| Anton Jenssens gate 13 | Tønsberg | Private Office | 1927/2019 | 513 | 1.2 | 0.4 | 100% | SBB |
| Olav Trygvasons gate 4 | Tønsberg | Specialised Public Property | N/A | 8,381 | 13.3 | 1.7 | 94% | Sykehuset i vestfold |
| SUM | | | | 60,862 | 98.7 | 5.0 | 87.0% | |

¹ Calculated as of 31 December 2023.

² The SBB Transaction also encompasses a section in Teglhageveien 23-31 in the municipality of Tønsberg.

Through the SBB Transaction, PPI added 13 properties and a section in Teglhageveien 23-31 (i.e. the SBB Properties) to its property portfolio. In connection with the Listing, PPI also entered into the Management Agreements (as defined and further explained in "Management of external properties" below) and became the employer of the employees of SBB Samfunnsbygg AS.

Management of external properties

The Issuer has entered into two agreements, pursuant to which PPI shall carry out management of properties not owned by PPI (the "Management Agreements").

The first Management Agreement was entered into with SBB Samfunnsbygg AS regarding Norwegian properties owned by SBB Samfunnsbygg AS and the other Management Agreement was entered into with SBB Samfunnsbygg AS regarding Norwegian properties owned by Nordiquis Holding 2 AB (i.e. PPI shall act as a subcontractor to SBB Samfunnsbygg AS).

The Management Agreement regarding the Norwegian properties owned by SBB Samfunnsbygg AS has an initial fixed term of two years, and shall continue on a rolling basis with the possibility for both the Issuer and SBB Samfunnsbygg to terminate the agreement with 12-months' notice. The agreement regarding the Norwegian properties owned by Nordiquis Holding 2 AB has an initial fixed term until January 2028. The agreement may be terminated by SBB Samfunnsbygg AS if the underlying agreement between SBB Samfunnsbygg AS and Nordiquis Holding 2 AB is terminated for the relevant Norwegian properties encompassed by the agreement with the Issuer. Further, both Management Agreements may be terminated with one-month's notice in the case of a sale of the relevant properties and property holding companies.

Under the Management Agreements, the Issuer shall ensure that the relevant properties and property holding companies are managed and operated professionally and comprehensively in accordance with good market practice. This includes, but is not limited to, aligning the daily management to the relevant board's guidelines, organising board meetings and general meetings, maintaining all necessary documents and complying with relevant legal requirements, acting as the primary contact for authorities, overseeing financing operations, managing of bank accounts, facilitating and negotiating of lease contracts and assessing and initiating of development opportunities.

The Issuer's liability under the Management Agreements is limited to one year's fee, unless in the case of intent or gross negligence.

Sustainability

Due to its size and status as a provider of buildings for public tenants, PPI bears a social responsibility, and in its view has a responsibility for spearheading the transformation of the industry in which it operates. This means refurbishing the buildings it owns instead of building new ones, and ensuring that its tenants achieve their goals and that PPI has environmentally aware and sustainability minded tenants. PPI has three focus areas within sustainability; climate and environment, social sustainability, and financial sustainability.

Within the area of climate and environment, PPI has set a goal of all of its buildings being environmentally certified according to PPI's sustainability strategy. As energy-saving is also an important topic for PPI's tenants, energy-saving measures are also carried out in collaboration with tenants, i.e. the cost for the measures is shared, or PPI covers the cost against a renewal of the contract.

Due to a growing demand for more energy effective properties, the real estate sector has created its own roadmap: "The Real Estate Sector's Roadmap towards 2050" issued by Norsk Eiendom and Grønn

Byggallianse. This roadmap provides recommendations to owners and managers of commercial buildings, including 10 proposed immediate actions, with environmental certification of their operations topping the list. Another key immediate action is the implementation of environmental management. The Issuer has now taken this step, and on December 15, 2023, the Issuer achieved the Miljøfyrtårn (Environmental Lighthouse) certification based on the following certification criteria: Common criteria for private and public entities, along with the environmental criteria of Miljøfyrtårn. The Issuer aims to contribute to a more sustainable society and takes responsibility for its environmental impact. The Issuer is committed to continuously working towards sustainable operations for all 48 of its properties (and properties acquired in the future), addressing CO2 emissions, climate risk, biodiversity, and social considerations.

Being Miljøfyrtårn certified means that the Issuer has established an environmental management system that governs the climate and environmental efforts of the entire property portfolio, facilitating continuous improvement. The certification also includes specific requirements related to occupational health and safety, waste/recycling, energy, procurement, and transportation. Each year, the Issuer reports figures for activities resulting in a carbon footprint for the entire property portfolio, along with results and statistics. This information provides a clear overview of progress and areas for improvement, and it is made publicly available.

Miljøfyrtårn believes that having a well-functioning environmental management system is a significant contributor to giving property players a green competitive advantage over other non-certified lessors. By offering specific criteria for the real estate industry, Miljøfyrtårn provides companies more focused and relevant criteria and tools, facilitating effective environmental management in the transition towards a greener property portfolio.

Several of the certification criteria that the Issuer adheres to are closely tied to the management criteria in the new common criteria of Miljøfyrtårn, thus following the established management loop for continuous improvement of the entire property portfolio.

The criteria include:

- (i) Policy for the development, management, and leasing of all properties;
- (ii) Mapping of the environmental aspects of the properties;
- (iii) Goals and measures for improvement in climate, environment, and occupational health and safety in the development, management, and leasing of all properties;
- (iv) Involvement of tenants to implement improvements and reduce emissions; and
- (v) Requirements for key suppliers when procuring goods and services.

In addition to gaining a competitive edge in the rental market, the work on environmental management through Miljøfyrtårn certification provides a measure of the carbon footprint across all properties, allowing the Issuer to set goals and measures to reduce its greenhouse gas emissions.

PPI aims to map energy consumption, water consumption and waste-sorting in all its buildings annually and is continuously evaluating its progress in reducing such consumptions for each building. PPI uses an energy management system which automatically gathers data from electric, district heating and cooling meters to monitor these factors to establish the current status and progress. The results are used to prepare an environment strategy for each individual building, and enables effective management and usage, and prompt identification of any operational errors related to the asset's technical equipment. External consultants are hired to establish which measures will produce the most sustainable solutions, as well as the best results in the short term.

BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

Introduction

The general meeting is the highest decision-making authority of the Issuer. All shareholders of the Issuer are entitled to attend and vote at general meetings of the Issuer and to table draft resolutions for items to be included on the agenda for a general meeting.

The overall management of the Issuer is vested with the Board of Directors and the Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Issuer's business ensuring proper organisation, preparing plans and budgets for its activities, ensuring that the Issuer's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Board of Directors has established three committees: an investment committee, an audit committee and a remuneration committee. In addition, a separate nomination committee has been established by the general meeting. The members of the nomination committee will be elected at the first annual general meeting of the Issuer following the Listing. These committees have been established in accordance with the Corporate Governance Code (as defined below), and comply with applicable laws and regulations for such committees.

The Management is responsible for the day-to-day management of the Issuer's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Issuer's chief executive officer (the "CEO"), is responsible for keeping the Issuer's accounts in accordance with existing Norwegian legislation and regulations and for managing the Issuer's assets in a responsible manner. In addition, the CEO must, according to Norwegian law, brief the Board of Directors about the Issuer's activities, financial position and operating results once a month as a minimum.

The Board of Directors

Overview

The Articles of Association provide that the Board of Directors shall consist of between three and nine board members, as elected by the Issuer's shareholders. The names and term of office of the current Board of Directors as of the date of this Base Prospectus are set out below.

Pursuant to the Norwegian Code of Practice for Corporate Governance, last updated 14 October 2021 (the "**Corporate Governance Code**"), (i) the majority of the shareholder-elected members of the board of directors should be independent of the company's executive management and material business contacts, (ii) at least two of the shareholder-elected board members should be independent of the company's main shareholders (being shareholders holding more than 10% of the shares in the company), and (iii) no member of the company's management should be on the board of directors.

PPI's corporate headquarters, located at Tordenskiolds gate 8-10, 0161 Oslo, Norway, serves as business address for the members of the Board of Directors in relation to their directorship in the Issuer.

Composition of the Board Members

On 12 April 2024, the extraordinary general meeting of the Issuer elected the following persons to the Board of Directors.

| <u>Name</u> | <u>Position</u> | <u>Served since</u> | <u>Term expires</u> |
|--------------------------|-----------------|---|---------------------|
| Martin Mæland..... | Chairperson | The first day of trading of the Shares on the Oslo Stock Exchange (29 April 2024) | 2026 |
| Sven-Olof Johansson..... | Board member | The first day of trading of the Shares on the Oslo Stock Exchange (29 April 2024) | 2026 |

| <u>Name</u> | <u>Position</u> | <u>Served since</u> | <u>Term expires</u> |
|------------------------------|-----------------|--|---------------------|
| Kenneth Bern | Board Member | 2021 | 2026 |
| Silje Cathrine Hauland | Board Member | 2021 | 2026 |
| Siv Jensen | Board Member | The first day of trading of the Shares on the Oslo Stock Exchange (29 April 2024) | 2026 |

Brief biographies of the Board Members

Set out below are brief biographies of the Board Members. The biographies include each Board Member's relevant management expertise and experience, an indication of any significant principal activities performed by such member outside the Issuer and names of companies and partnerships where the member is or has been a member of the administrative management or supervisory bodies or partner in the previous five years (not including directorships and executive management positions in subsidiaries of the Issuer).

Martin Mæland, Chairperson

Martin Mæland has 32 years of experience as CEO of OBOS, and currently serves as chairperson or board member at *inter alia* Consto, BaneNor Eiendom, and Arctic Securities. Mæland holds degrees in mathematics, computer science and economics from the University of Oslo. He is a Norwegian citizen, currently residing in Norway.

Current directorships and senior management positions Brimar Eiendom AS (chairperson), Brimas AS (chairperson), Strandveien 1 AS (chairperson), Strandveien Utvikling AS (chairperson), Consto Holding AS (chairperson), Consto AS (chairperson), Fjellhamar Bruk AS (chairperson), Gjettumgrenda AS (chairperson), Gjettumgrenda KS (chairperson), Foreningen for Nordre Skøyen Hovedgård (chairperson), Bane Nor Eiendom AS (board member), Arctic Securities AS (board member), Høvik Stasjonsby AS (board member), Høvik Stasjonsby KS (board member), Snoveien 17-19 AS (board member), Sameiet Grønlibakken 13-15 (board member), Fornebu Strandsone AS (deputy board member), Fornebu Sentrum Utvikling AS (deputy board member), Fornebu Sentrum AS (deputy board member).

Previous directorships and senior management positions last five years B&H Holding AS (chairperson), Ticon AS (board member), Eidos AS (board member), Arctic Real Estate Development AS (board member), JV Tangen AS (board member).

Sven-Olof Johansson, Board member

Sven-Olof Johansson has been a board member of Samhällsbyggnadsbolaget i Norden AB since 2017. He is the founder and Managing Director of FastPartner AB (publ), Chairman of the Board and Managing Director of Compactor Fastigheter AB and Board member of Autoropa Aktiebolag and STC Interfinans AB. Johansson holds a master in political science from Stockholm University and Stockholm School of Economics. He is a Swedish citizen, currently residing in Sweden.

Current directorships and senior management positions FastPartner AB (CEO and board member), Compactor Fastigheter AB (chairperson), Samhällsbyggnadsbolaget i Norden AB (publ) (board member), STC Interfinans AB (board member).

Previous directorships and senior management positions last five years -

Kenneth Bern, Board member

Kenneth Bern is the owner and CEO of Telecom AS, and founder and investor in NutraQ and Nq Active AS. He has more than 30 years of experience within commercial real estate, and has had various roles in Norsk Hydro, including Head of Performance and Planning. Bern holds an MBA from IESE Business School. He is a Norwegian citizen, currently residing in Switzerland.

| | |
|---|--|
| Current directorships and senior management positions | Telecom AS (chairperson and CEO), Immunocorp Consumer Health AS (board member and CEO), Hete Invest AS (chairperson), NQ Active AS (chairperson and CEO), Okay AS (board member), Evolys AS (board member), Gullsport AS (chairperson), Sudrheim Aviation Group AS (board member), Martin Linges vei 33 AS (board member), ML 33 Holding AS (board member), ML 33 Invest AS (board member), Roxee Sport AS (chairperson), Sportspro AS (chairperson), Godeland Boligutvikling AS (chairperson), Avinxt AS (board member), New Normal Group AS (board member), Carwash Invest AS (board member), MSG Cleaning Systems AS (chairperson), Grimstad Logistikkbygg AS (chairperson), Teleheim AS (chairperson), MSG Bilvask Seljord AS (chairperson), Gaitline AS (board member), Greenaltech S.L. (chairperson), GAT Biosciences S.L.U (board member), AdvanSyn BIO S.L. (board member), Algalif EHF (board member), Algalif Holding EHF (board member). |
|---|--|

| | |
|--|---|
| Previous directorships and senior management positions last five years | Aurela AS (CEO), Mark AS (board member), Protectoria Venture AS (board member), Campus Hamar Invest II AS (chairperson), Bio Invest AS (chairperson), NutraQ 3 AS, (board member), NutraQ 2 AS (board member), Sana Pharma Medical AS (board member), Sana Pharma Norge AS (chairperson), Sana Pharma Management AS (board member), Sana Pharma Holding AS (chairperson), Quantum 1 AS (board member), Quantum 2.2 AS (board member), Gilehusveien 1 AS (board member), Teleheim AS (board member), Campus Hamar Invest I AS (chairperson), Lier Logistikkinvest I AS (board member), QBEV Logistics AS (board member), Norwegian Beer Holding AS (board member), Skiglider AS (chairperson). |
|--|---|

Silje Cathrine Hauland, Board member

Silje Hauland is currently the CEO of Chrisanic AS. She has previous experience as CFO of Nessco Holding AS, and finance manager for Norway and Denmark at Chevron. Hauland holds an MBA from BI Norwegian Business School. She is a Norwegian citizen, currently residing in Norway.

| | |
|---|---|
| Current directorships and senior management positions | Marstrandgata 9 AS (chairperson), Gatekeeper AS (chairperson), Chrisanic II AS (CEO), Sameiet Prof Birkelandsvei 24 A-D (board member), Forskningsveien Holding AS (board member), Merkur Bygginvest AS (board member), Elevrum Eiendomsinvest AS (board member), Billingstadsletta Kombibyg AS (board member). |
|---|---|

| | |
|--|---|
| Previous directorships and senior management positions last five years | - |
|--|---|

Siv Jensen, Board member

Siv Jensen is a prominent Norwegian politician and served as Minister of Finance from 2013 to 2020. Jensen served as a parliamentary politician for six terms, from 1997 until 2021, and was the party leader

for the Progress Party (Nw: *Fremskrittspartiet*) from 2006 to 2021. Currently, Jensen serves among others as a political advisor to Flyte and as a senior advisor for Jordanes Investment AS. Jensen holds a BBA degree in economics from the Norwegian School of Economics (NHH). She is a Norwegian citizen, currently residing in Norway.

Current directorships and senior management positions MeyerHaugen AS (chairperson), Ridderrennet (board member), Norboat AS (board member), Eier Boliger AS (board member).

Previous directorships and senior management positions last five years Scandza AS (chairperson), Flyte (CEO), Patientsky AS (board member).

Management

Composition of the Issuer's Management

PPI's Management consists of four individuals. The names of the members of Management and their respective positions are presented in the table below.

| <u>Name</u> | <u>Position</u> | <u>Held position since</u> |
|---------------------------|------------------------------|----------------------------|
| Ilija Batljan | Interim CEO | 2024 |
| Gerd Ylva Göransson | CFO | 2024 |
| André Gaden | COO | 2024 |
| Marianne Aalby | EVP Finance and ESG | 2024 |
| Tone Omsted | EVP IR and Corporate Finance | 2024 |

PPI's corporate headquarters, Tordenskiolds gate 8-10, 0161 Oslo, Norway, serves as business address for all members of the Management in relation to their positions with the Issuer.

PPI has recently gone from one employee as of 31 December 2023, with AREM as business manager and Arctic as organiser, assisting the Issuer and the Issuer's employee with commercial and financial management related to PPI, including the properties and individual companies that are part of PPI, to the company handling such functions itself, with employees of the SBB Group's Norwegian operations, including Management, having been transferred to PPI.

On 30 October 2024, the Board of the Issuer appointed André Gaden as the new CEO of PPI. The Board has also appointed Ilija Batljan as new CIO of PPI, effective from 1 January 2025.

Brief biographies of the members of Management

Set out below are brief biographies of the members of the Management. The biographies include the member of Management's relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Issuer and names of companies and partnerships of which a member of the Management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and executive management positions in subsidiaries of the Issuer).

The change will be effective from 1 January 2025.

Ilija Batljan, Interim CEO

Ilija Batljan has held the position as interim CEO of the Issuer since 2024. The Board of Directors appointed Ilija Batljan as CEO with effect from the first day of trading of the Shares on the Oslo Stock Exchange. He has served as the CEO, chairperson and board member in over 1,000 companies within the SBB Group. Prior to founding Samhällsbyggnadsbolaget i Norden AB (publ) in 2016, he served as the Vice Chair for Stockholm Regional Council and as vice CEO of Rikshem AB. He holds a PhD in Demography and Planning for elderly care and a bachelor in economics from Stockholm University. He is a Swedish citizen, currently residing in Sweden.

| | |
|--|---|
| Current directorships and senior management positions | Samhällsbyggnadsbolaget i Norden AB (publ) (board member), Offentliga Hus i Norden AB (publ) (CEO), Hemfosa Fastigheter AB (CEO), SBB i Norden AB (CEO), Ilija Batljan Invest AB (publ) (CEO), Cryptzone Group AB (board member), Emergy Holding AB (board member), SBB Håpan Bostad AB (board member), Health Runner AB (chairperson). |
| Previous directorships and senior management positions last five years | SBB Samfunnsbygg AS (chairperson), Offentliga Hus i Norden AB (publ) (chairperson), Hemfosa Fastigheter AB (chairperson), Samhällsbyggnadsbolaget i Norden AB (publ) (chairperson), Ilija Batljan Invest AB (publ) (chairperson), Emergy Holding AB (chairperson). |

Gerd Ylva Göransson, CFO

Gerd Ylva Göransson has held the position as CFO of the Issuer since 1 January 2024. She has vast experience from the real estate sector from companies such as SBB Samfunnsbygg AS, Peritus Entreprenør AS, Union Eiendomskapital and ICA Eiendom Norge AS. Göransson holds a Master of Business Administration from Lund University. She is a Swedish citizen, currently residing in Norway.

| | |
|--|---|
| Current directorships and senior management positions | Several real estate companies within the SBB Group (chairperson/board member). Public Property Invest ASA (board member). |
| Previous directorships and senior management positions last five years | SBB Samfunnsbygg AS (CFO), Offentlig Eiendom AS (board member). |

André Gaden, COO

André Gaden has held the position as COO since 1 January 2024. Prior to taking his current position, Gaden served as Property Director for Samhällsbyggnadsbolaget i Norden AB (publ) and Hemfosa Samfunnsbygg AS. Gaden has also served as Commercial Director for Citycon Oyj. Gaden holds an MBA from BI Business School. He is a Norwegian citizen, currently residing in Norway.

| | |
|--|---|
| Current directorships and senior management positions | - |
| Previous directorships and senior management positions last five years | SBB Samfunnsbygg AS (Property Director), Citycon Oyj (Commercial Director). |

Marianne Aalby, EVP Finance and ESG

Marianne Aalby has held the position of EVP of Finance and ESG of the Issuer since 9 May 2024. For the past 30 years, she has been employed in banking, finance, and industry in both the US and Norway, including in senior roles in JP Morgan Chase, Nordea, Telenor and Statnett. Prior to taking her current position, Aalby was SVP, Head of Group Finance and Treasury at OBOS, the largest residential developer in the Nordics. Aalby has had many non-executive directorships in companies in the real estate and financial industries. Aalby is a Chartered European Financial Analyst (CEFA/AFA) and holds a BBA and an MSc Finance from Texas A&M University.

| | |
|---|--|
| Current directorships and senior management positions | Member of the Board of Søderberg & Partners Wealth Management AS in Norway |
| | Advisor to the Venture-Capital Fund Astia, based in California, USA. |

Previous directorships and senior management positions last five years Attivo AS (CFO), Cecilie Thoresens vei 15 Eiendom AS (chairperson), Sørumsand Senter AS (chairperson), SVP (Head of Group Finance and Treasury), OBOS BBL, OBOS Boligkreditt (board member), OBOS Factoring (board member), Dallas World Center (board member, committee chair).

10 other property-owning companies as chairperson or member of board (2021-2023) and 11 P/E-owned feeder-companies as board of director or chairperson (2010-2012).

Tone Omsted, EVP IR and Corporate Finance.

Tone Omsted has held the position as EVP IR and Corporate Finance since September 2024. She has previously served as Head of IR at Entra ASA and as an Investment Banking professional at SEB Enskilda. She holds a BA with Honours in Finance from University of Strathclyde. She is a Norwegian citizen, residing in Norway.

Current directorships and senior management positions Member of the Board of Bluenord ASA
Advisor to the Venture-Capital Fund Astia, based in California, USA.

Investment committee

The Board of Directors has established an investment committee. The appointed members of the investment committee are Ilija Batljan (chairperson), Martin Mæland and Silje Cathrine Hauland.

The purpose of the investment committee is to ensure that investment opportunities falling within PPI's investment strategy, including strategic rationale, possible synergies, benefits and issues, are thoroughly assessed before an investment opportunity is presented to the board of directors. The committee may also, depending on the project's significance for PPI, be involved in development projects and establishment of new lease agreements on an ad-hoc basis.

The investment committee reports to the Board of Directors. When making a recommendation to the board of directors, any material interests that a member or its related parties have in a matter shall be made known to the board of directors.

Audit committee

The Board of Directors has established an audit committee. The audit committee shall be composed of two Board Members who are appointed for a two-year term. The appointed members of the audit committee are Silje Cathrine Hauland (chairperson) and Siv Jensen (committee member), and the composition of the audit committee fulfils the required qualifications and competence in accounting and auditing under the Norwegian Public Limited Companies Act.

The primary purposes of the audit committee are to assist the Board of Directors in discharging its duties relating to the safeguarding of assets, the operation of adequate system and internal controls, the control processes and the preparation of accurate financial reporting and statements in compliance with applicable legal requirements, corporate governance and accounting standards; and provide support to the Board of Directors on the risk profile and risk management of PPI.

The audit committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

Nomination committee

According to the Articles of Association, the Issuer shall implement a nomination committee following the Listing. The committee will consist of two to three members elected by the general meeting of the Issuer. The nomination committee shall give recommendations for the shareholder-elected members of the Board of Directors, as well as make recommendations for remuneration of the Board Members. The

members of the nomination committee are expected to be appointed at the first annual general meeting of the Issuer following the Listing.

Remuneration committee

The Board of Directors has established a remuneration committee composed of two Board Members. The members of the remuneration committee shall be appointed for a two-year term. The appointed members of the remuneration committee are Kenneth Frode Goovaerts Bern (chairperson), and Martin Mæland. The primary purpose of the remuneration committee is to assist the Board of Directors in matters relating to remuneration of the executive management of PPI, as well as reviewing recruitment policies, career planning and management development plans, and prepare matters relating to other material employment issues in respect of the executive management.

The remuneration committee shall report and make recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

Corporate governance

The Issuer has adopted and implemented a corporate governance policy. The corporate governance policy is based on, and to a large extent in compliance with, the Corporate Governance Code. The corporate governance policy has no deviations from the Corporate Governance Code.

Neither the Board of Directors nor the general meeting has adopted any resolutions which are deemed to have a material impact on PPI's corporate governance regime.

Conflicts of interest

There are no actual or potential conflicts of interest between the Issuer and the private interests or other duties of any of the members of the Management and the Board of Directors other than PPI's interim Chief Executive Officer, Ilia Batljan, and member of the Board of Directors, Sven-Olof Johansson, which are both members of the board of directors of Samhällsbyggnadsbolaget i Norden AB, which is the ultimate owner of SBB, the Issuer's largest shareholder. Further, SBB is a customer of PPI, as described in "*Management of external properties*".

TAXATION

NORWAY

The following is an overview of the Norwegian withholding tax consequences in respect of amounts that are considered to be interests on the Notes for Norwegian tax purposes. This summary is based on the assumption that the Notes are considered and treated as debt instruments for Norwegian tax purposes.

The overview is based on Norwegian laws, rules, and regulations applicable as of the date of this Base Prospectus. The Norwegian withholding tax treatment of the Notes may be subject to changes in law and/or practice, which could be made on a retroactive basis.

The overview is of a general nature and does not purport to be a comprehensive description of all Norwegian withholding tax considerations that may be relevant. Potential investors are advised to consult with their own tax advisors for information with respect to the tax consequences that may arise from holding or disposing of the Notes, including the applicability of foreign income tax rules, provisions contained in double tax treaties, and other rules which may be applicable.

A Norwegian tax resident debtor will be liable to withhold 15% withholding tax on gross interest payments to non-Norwegian Noteholders that are considered (i) a "related party" to the Issuer and (ii) resident in low tax jurisdictions.

The Noteholders are considered a "related party" if: (i) it owns or controls, directly or indirectly, at least 50% of the Norwegian tax resident debtor, (ii) if it is owned or controlled, directly or indirectly, by the Norwegian tax resident debtor, or (iii) both entities are owned or controlled, directly or indirectly, by a common parent entity. A low tax jurisdiction is a jurisdiction in which the effective taxation of the profits of the Noteholder is less than two thirds of the effective taxation such Noteholder would have been subject to if it had been tax resident in Norway.

If the Noteholder is a "related party" resident in a low tax jurisdiction within the EU/EEA, withholding tax is not imposed if the Noteholder is considered genuinely established and to perform genuine business activities within the relevant EU/EEA jurisdiction. Further, the withholding tax rate of 15% may also be reduced pursuant to bilateral or multilateral double tax treaties between Norway and applicable foreign jurisdictions. Noteholders that are resident in Norway for Norwegian tax purposes, or foreign Noteholders that receive the interest income in connection with business activities carried out in or managed from Norway, will normally be subject to ordinary Norwegian income tax of 22% on interest received.

FATCA DISCLOSURE

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "**foreign financial institution**" (as defined by FATCA) may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Norway) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Notes (as described under Condition 18 (*Further Issues*)) that are not distinguishable from previously issued Notes are issued after the expiration

of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes.

The proposed Financial Transactions Tax (FTT)

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

The Dealers have, in a Programme Agreement (such Programme Agreement as modified and/or supplemented and/or restated from time to time, the "**Programme Agreement**") dated 25 November 2024, agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*". In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith. The Dealers are entitled in certain circumstances to be released and discharged from their obligations under the Programme Agreement prior to the closing of an issue of the relevant Tranche of Notes, including in the event that certain conditions precedent are not delivered or met to their satisfaction on the relevant Issue Date of such Notes. In this situation, the issuance of the relevant Tranche of Notes may not be completed and investors will have no rights against the Issuer or the relevant Dealers in respect of any expense incurred or loss suffered in these circumstances.

SELLING RESTRICTIONS

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies "Prohibition of sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

- (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specifies "Prohibition of sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the EEA, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision the expression "**an offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Prohibition of sales to UK Retail Investors

Unless the Final Terms in respect of any Notes specifies "Prohibition of sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of the UK Prospectus Regulation; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes specifies "Prohibition of sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes

which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- the expression "**an offer of Notes to the public**" in relation to any Notes in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Norway

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the Issuer has confirmed in writing to each Dealer that this Base Prospectus has been filed with and approved by the NFSA, it has not, directly or indirectly, offered or sold and will not directly or indirectly, offer or sell any Notes in Norway or to residents of Norway, other than:

- (a) in respect of an offer of Notes addressed to investors subject to a minimum purchase of Notes for a total consideration of not less than €100,000 per investor, or in respect of Notes whose denomination per unit amounts to at least €100,000; or
- (b) to "professional investors" (Nw. "*profesjonelle kunder*") as defined in Section 10-6 in the Norwegian Securities Trading Act of 29 June 2007 no. 75; or
- (c) to, when aggregated with such offer or sale of any Notes in the same offering by any other Dealer, fewer than 150 natural or legal persons (other than "professional investors" as defined in Section 10-6 in the Norwegian Securities Trading Act of 29 June 2007 no. 75), subject to obtaining the prior consent of the relevant Dealer or Dealers for any such offer; or
- (d) in any other circumstances **provided that** no such offer of Notes shall result in a requirement for the registration or the publication by either of the Issuer or the Dealer or Dealers of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007 no. 75.

The Notes shall be registered with Euronext VPS in dematerialised book entry form or in another central securities depository which is properly authorised or recognised as being entitled to register the Notes pursuant to Norwegian Central Securities Depository Act of 15 March no. 6 and Regulation (EU) No 909/2014. However, that registration requirement does not apply if the Notes are either (i) denominated in NOK, issued outside of Norway and reserved for and only sold and offered to non-Norwegian residents and entities, or (ii) denominated in a currency other than NOK and issued outside of Norway.

Belgium

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1, 2° of the Belgian Code of Economic Law, as amended from time to time (a "**Belgian Consumer**") and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

Switzerland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the offering of the Notes in Switzerland is exempt from the requirement to prepare and publish a prospectus under the FinSA as long as such offering is made to professional clients within the meaning of the FinSA only or as long as the Notes have a minimum denomination of CHF 100,000 (or equivalent in another currency) or more and the Notes will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This Base Prospectus does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the offering of the Notes.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than

(i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or
(ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.)

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Trustee nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer, the Trustee or the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

GENERAL INFORMATION

Authorisation

The establishment of the Programme and the issue of Notes have been duly authorised by a resolution of the board of directors of the Issuer dated 10 July 2024.

Listing of Notes

It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the Euronext Dublin Regulated Market and/or admitted to trading on the Oslo Stock Exchange's regulated market (*Oslo Børs*) will be admitted separately as and when issued, subject only to the issue of one or more Global Notes initially representing the Notes of such Tranche. Application has been made to (i) Euronext Dublin for Notes issued under the Programme during the period of twelve months from the date of this Base Prospectus to be admitted to the Official List and trading on its regulated market and (ii) the Oslo Stock Exchange for Notes issued under the Programme during the period of twelve months from the date of this Base Prospectus to be admitted to trading on its regulated market (*Oslo Børs*). The approval of the Programme in respect of the Notes is expected to be granted on or about 25 November 2024.

Listing Agent

Deutsche Bank Luxembourg S.A. is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List or to trading on the Euronext Dublin Regulated Market for the purposes of the Prospectus Regulation.

Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection in electronic format at the offices of the Issuer:

- (a) the constitutional documents of the Issuer with an English translation thereof;
- (b) the Trust Deed;
- (c) a copy of this Base Prospectus; and
- (d) any future base prospectuses, prospectuses, information memoranda, Final Terms and supplements to this Base Prospectus and any other documents incorporated herein or therein by reference.

A copy of the Agency Agreement will be available for inspection from the specified office of the Principal Paying Agent for the time being.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and Euronext VPS (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear, Clearstream, Luxembourg and/or Euronext VPS, as applicable, will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Euronext VPS is Tollbugata 2, 0152 Oslo, Norway.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Significant or Material Change

There has been no significant change in the financial performance or financial position of the Issuer or PPI since 30 September 2024 and there has been no material adverse change in the financial position or prospects of the Issuer or PPI since 31 December 2023.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which any of the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer or PPI.

Independent auditors

PricewaterhouseCoopers AS, the independent auditors of the Issuer, have audited the consolidated financial statements of the Issuer for the year ended 31 December 2022 and for the year ended 31 December 2023 in accordance with International Standards on Auditing (ISAs). PricewaterhouseCoopers AS have reviewed the Issuer's condensed consolidated statement of financial position as at 30 September 2024 and the related condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory notes in accordance with International Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. PricewaterhouseCoopers AS business address is Dronning Eufemias gate 71, 0194 Oslo, Norway. PricewaterhouseCoopers AS is member of the Norwegian Institute of Public Accountants (*Den Norske Revisorforening*).

Dealers transacting with the Issuer

Certain of the Dealers and their affiliates may have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer or its affiliates routinely hedge their credit exposure to the Issuer or its affiliates consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Language of this Base Prospectus

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Legal Identity Identifier

The Legal Entity Identifier ("LEI") of the Issuer is 254900QSCB9T0W2KE886.

Issuer Website

The Issuer's website is <https://publicproperty.no/en>. Unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

Validity of prospectus and prospectus supplements

For the avoidance of doubt, the Issuer shall have no obligation to supplement this Base Prospectus after the end of its 12-month validity period.

ISSUER

Public Property Invest ASA.

Tordenskiolds gate 10
0161 Oslo
Norway

TRUSTEE

Deutsche Trustee Company Limited

21 Moorfields
London EC2Y 9DB
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PRINCIPAL PAYING AGENT AND TRANSFER AGENT

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