

ANNUAL REPORT

2022

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FIRST FULL YEAR OF OPERATION

2022 was the company's first full year of operation. While we spent most of our time on acquisitions and integrations in 2021 and first quarter of 2022, we have dedicated the remaining three quarters of last year to the operational side of our business. Efforts have been focused on streamlining portfolio management, identifying ESG initiatives and serving tenants and suppliers. Great attention has also been allocated to developing current properties, in line with the long-term value creation plan for the company.

The company has a sound financial operation, and a clear strategy for achieving the vision of being a market leader in the owner of essential and socially beneficial property in Norway.

PPI entered 2022 with 41 properties and emerged with 48 after completing the last phase, phase 4. The company has grown rapidly and has, in Norwegian context, become relatively large. We have now reached a size that generates market attention from tenants and partners as well as a wider community. Reaching a critical mass in both property value and number of properties allows us, as an important real estate owner and operator, to exploit economies of scale and further develop the company in line with the strategy.

After an active first half of the year for commercial real estate transactions, the market then stalled after the summer. We had been expecting to make good and profitable acquisitions in the period leading up to Christmas, however, the investment climate has changed significantly since completion of phase 4. Despite constantly considering new investment opportunities with public tenants in the second half of the year, the valuation differences amid buyer and seller remained wide throughout the year. As a result, no acquisitions or divestments was completed

“ The company has grown rapidly and has, by Norwegian standards, become relatively large.

in the second half of 2022. The commercial real estate market and the credit market remain challenging well into 2023, however, challenging market environment may provide attractive opportunities for further growth.

As part of the acquisition process that was completed in the first half of 2022, we established a bank syndicate led by Nordea. Said facility is NOK 2.7bn with a margin of 181bps above the 3m NIBOR. The company's strategy is to expand the facility hand-in-hand with maturing bonds. Furthermore, in December 2022, PPI repaid the junior bond of NOK 290 million with cash at hand, after extending the bond loan by six months from June 2022. This helped reduce financial risk in a situation with volatile interest rates and an overall challenging credit market.

As a rather newly established real estate company, PPI are still in the early stages. We are eager to develop and improve for the benefit of our tenants, based on the company's core values of presence, quality and value creation.

Morten Kjeldby | CEO



public property invest

***Leaders in socially
beneficial and
essential property***

Key figures

December 31st 2022

48

Properties

5.4

WALT (years)

~ 1 860

Gross Rent / sqm (NOK)

310 842

Gross Area (sqm)

30 401

Value / sqm (NOK)

60,8%

Loan to Value (LTV)

93%

CPI Adjustment

90%

Public Tenants

9 450

Property Value (mNOK)

532,5

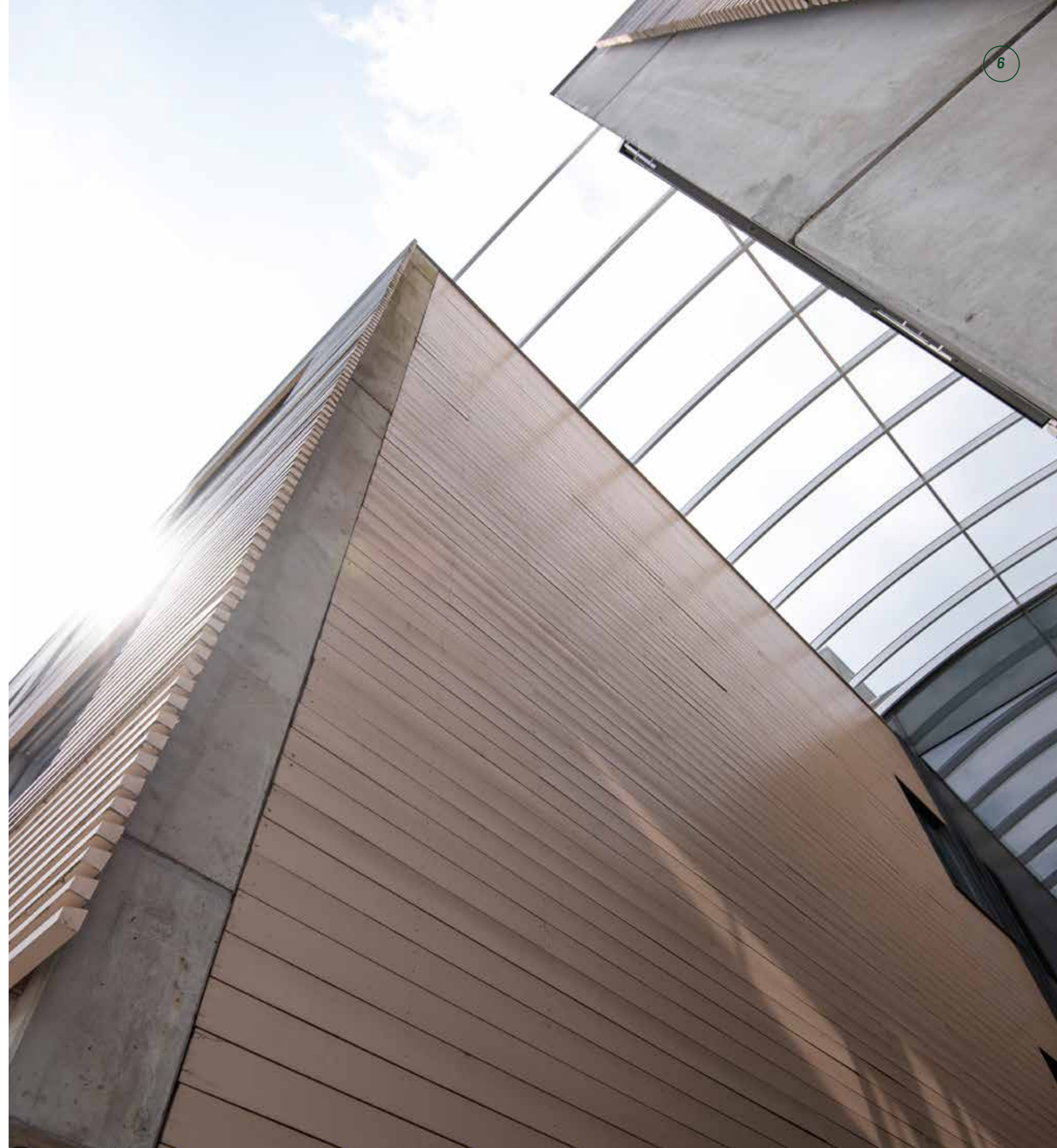
Net Rental Income (MNOK)

118

Rental agreements

Properties

In the summer of 2022, the company acquired seven properties priced at NOK ~2bn. All properties have public tenants with important societal missions, in line with the company's strategy. The acquisitions increased gross rental income of approximately NOK 105 million, weighted CPI adjustment and the proportion of public tenants in the portfolio.



Properties

New Properties in 2022



**KUNNSKAPSVEIEN 55
LILLESTRØM**

This acquisition represents the first educational building in the company's portfolio, with OsloMet as tenant. The university rents 25,255 sqm gross, and the building is specially adapted for educational purposes.



**VOGTS GATE 17
MOSS**

An office building in downtown Moss with 10 619 sqm gross, where the County Governor of Oslo and Viken is the largest tenant. The Civil Clearance Authority, the Police, and Viken County Municipality are the other tenants.



**RAMBERGVEIEN 5
TØNSBERG**

Formerly an administrative building for Kaldnes Mekaniske Verksted, this property dates back to the time when there was a shipyard on the site. The building with approximately 1 000 sqm gross is strategically located next to Rambergveien 9. This development property currently has a private company as tenant.



**RAMBERGVEIEN 9
TØNSBERG**

The property is beautifully located by the wharf in Tønsberg, with The Norwegian Directorate for Civil Protection (DSB), the Norwegian Directorate of Elections, and the Norwegian Church are tenants. The building has an area of 11 475 sqm gross.



**JÆRVEIEN 12
SANDNES**

The building with 2 922 sqm gross is centrally located in Sandnes. The Norwegian Food Safety Authority is the largest tenant.



**ASKVEIEN 4
HØNEFOSS**

This custom-built property is tailored to accommodate Hønefoss police station. The building has an area of 3 531 sqm gross and is centrally located in downtown Hønefoss.



**JUL PETTERSENS GATE 2
LILLEHAMMER**

The property is a well known landmark in the city. Lillehammer Courthouse is the tenant in this building and occupy 2 500 sqm gross.

Who are working in our buildings



COURTHOUSES

Our courthouses are located in city center and an important part of the cityscape.



NAV

NAV buildings are all placed in city centre and contains mainly office space.



POLICE DEPARTEMENTS

The local police houses in Norway are a part of the public security for the population. It is important to PPI to develop these buildings in a long perspective.



MUNICIPALITIES AND COUNTIES

Our portfolio consists of buildings that are both historic and symbolic. Our tenants do an important work to keep the local politics and regulations.



THE NORWEGIAN TAX ADMINISTRATION

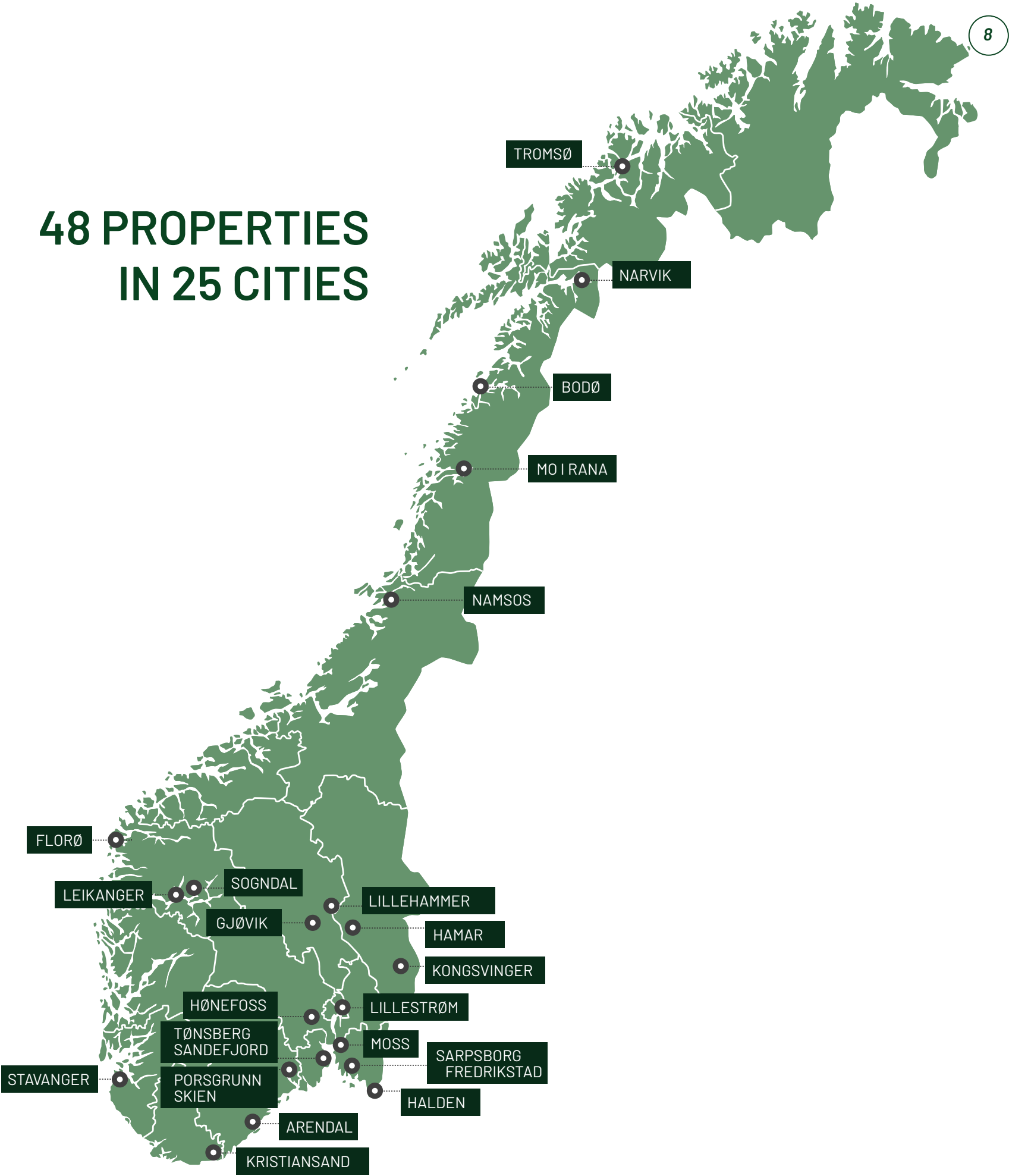
The Tax administration is a tenant in several of PPI's buildings and have both office space and space for meeting the population in our buildings.



OTHER PROPERTIES

These buildings are city centre properties with multiple functions and private tenants, such as grocery stores, jewellery stores, banks, accounting – and lawyer companies.

48 PROPERTIES IN 25 CITIES



Growth Plan | Phases

How to gain the highest possible return for the shareholders.

Phase 1-4

VALUE: NOK ~10 000M

ACHIEVED

+

Phase 5+

VALUE: NOK ~5 000M

IN PROGRESS

=

**Strategic
size**

VALUE: NOK ~15 000M

Growth Plan | How to build value

How to gain the highest possible return for the shareholders.



Build brand and trust
with shareholders,
tenants and the market



Develop current
properties



Utilize economies
of scale



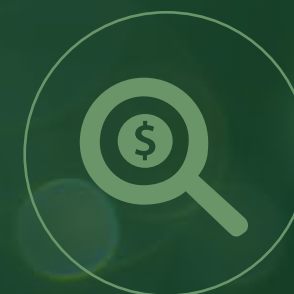
Appropriate level
of ESG work



Ensure cash flow
by extending lease
contracts



Acquire more
properties to
build size



Ensure continued
control of financing



Preserve values and
increase the standard
of the properties



Through close dialogue with tenants and systematic ESG work, the company aims to offer tailored and efficient properties.

Tenants

The company's strategy is to own, operate and develop commercial real estate in Norway with public tenants. 90 % of the rental income stems from public tenants while the remaining 10 % comes from the private sector.

Public Tenants

The public tenants cover a range of important societal missions. Through our properties, PPI contribute to help our tenants fulfill their missions. This requires us, as a part of the governmental value chain, to meet the requirements and needs of our tenants, making our properties one of several strategic tools for achieving the societal missions of the Norwegian state and Norway's municipalities. Through close dialogue with tenants and systematic ESG work, the company aims to offer tailored and efficient properties.

Private Tenants

Some of the company's multi-tenant buildings house tenants from the private sector, but with the majority of the rental income coming from public tenants. While facilitating tenants from the private sector is not the company's main strategy, we are committed to ensuring that they also thrive in our buildings. Private tenants make up 10 % of the rental income, which contributes to the buildings' high occupancy rates and is an important financial contribution to the company.

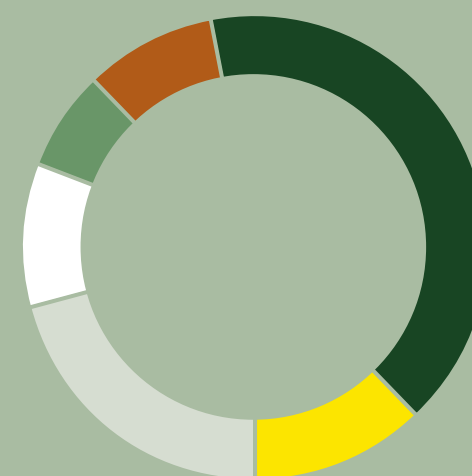


Gyldenløves gate 23, Kristiansand



"We have the world's best tenants; the Norwegian state and Norwegian municipalities."

GROSS RENT DISTRIBUTION



The majority of our buildings are single-use buildings. Others are shared between public and private tenants.

- NATIONAL COURTS 9%
- TAX ADMINISTRATION 7%
- LABOUR AND WELFARE ADMINISTRATION 10%
- THE POLICE 23%
- PRIVATE 10%
- OTHER PUBLIC 41%



The company is focused on building long and good relationships with its tenants. Therefore, the company's operations team and managers have close dialogue with the tenants throughout the year.

Tenant meetings and surveys

The purpose of the tenant meetings, which are scheduled twice a year with all tenants, is to clarify any changing requirements and needs in the lease, and to further clarify the tenants' expectations of the landlord. This provides valuable insight into how the company ensures both satisfied tenants and that the company develops in line with tenant expectations. The goal is to increase the likelihood that tenants will renegotiate their lease agreement upon contract expiration.

Rambergveien 9, Tønsberg



Every fall, a tenant survey is distributed through Norsk Leietakerindeks, asking all tenants to answer questions about their satisfaction with their lease, the property, the operation of common areas, and the landlord. The results of the survey are analyzed before the company sets its goals for the next 12 months.

These three goals will ensure that tenants experience a predictable everyday life and easy dialogue with the landlord. The likelihood is high that the degree of tenant satisfaction will increase throughout the period of the lease, which will in turn ensure better scores for "customer satisfaction".



For the current period, from 2022 to 2023, three goals have been set:

1.

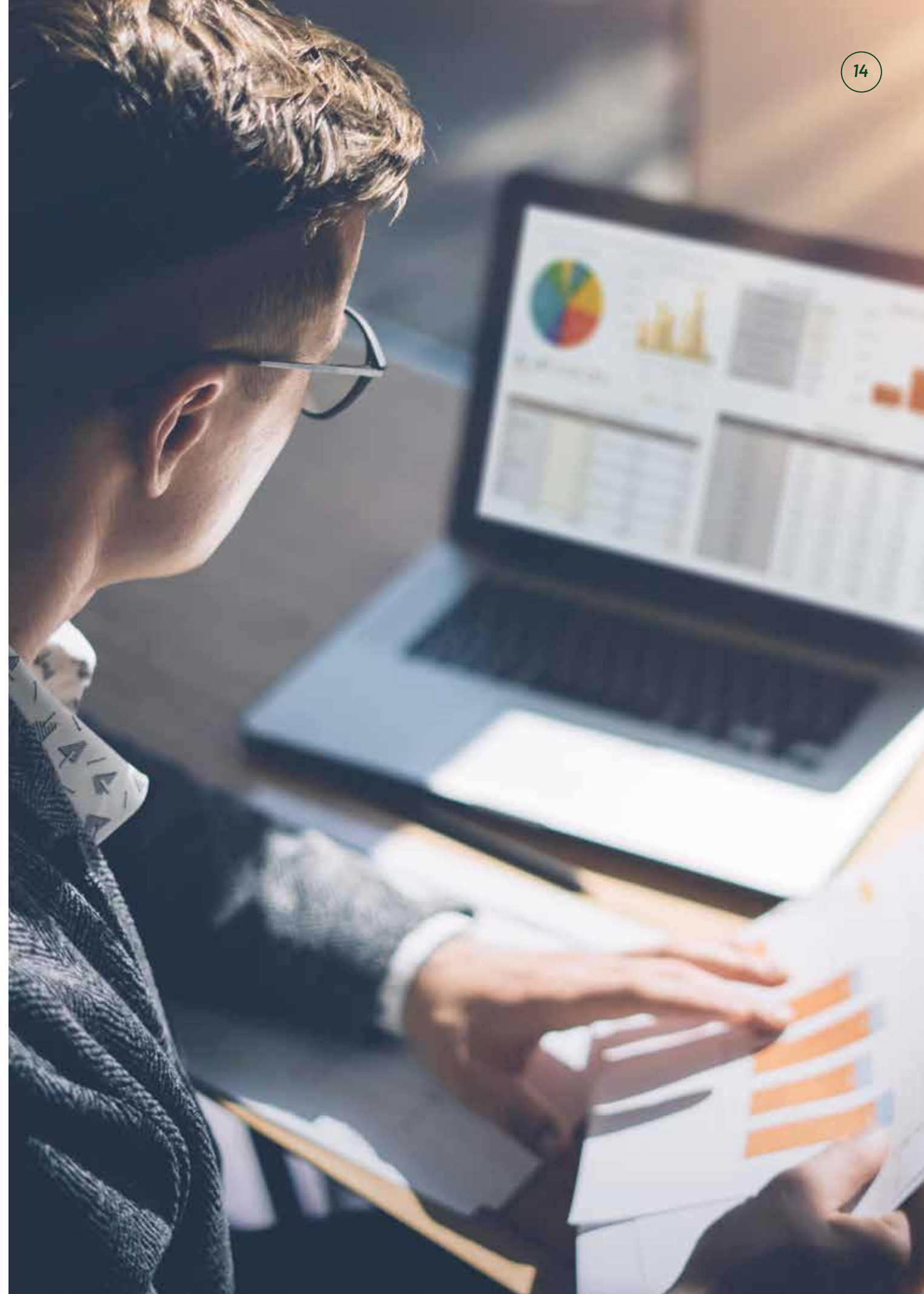
Ensure that tenants have fixed contact persons.

2.

Close dialogue and rapid feedback to tenants.

3.

Good information to tenants about the operation of the property.



Rental conditions

By focusing on increasing the cash flow, we've been able to achieve a growth in net leasing rate from 2021 to 2022.

With this year's renegotiations and new lease agreements, we have increased the average lease term in our portfolio, which now stands at 5.4 years.

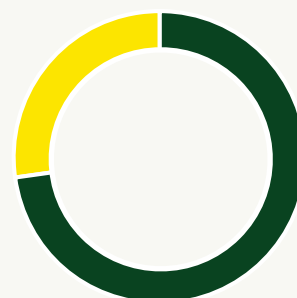
EXTENDED LEASE HOLDS IN 2022

Average lease term

6.7
YEARS

Recurring annualized rent

~19
MNOK



TENANT SPLIT

27% Private Tenants

73 % Public Tenants

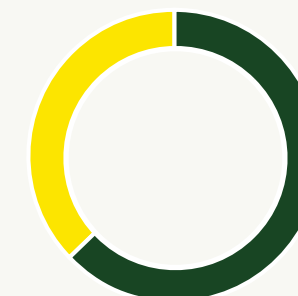
NEW LEASE HOLDS IN 2022

Average lease term

7.4
YEARS

Recurring annualized rent

~10
MNOK



TENANT SPLIT

37% Private Tenants

63 % Public Tenants

OUR LARGEST LEASE CONTRACTS

Tenants - December 31st 2022	Annualized rent NOK	Number of sqm.	CPI adjustment	Avg. Lease Period Year
OsloMet	55 856 254	27 095	100 %	31.12.2024
Kristiansand Kommune	33 248 523	11 751	100 %	31.03.2025
Øst Politidistrikt	26 144 951	15 142	100 %	31.12.2026
Domstoladministrasjonen	25 146 295	12 941	84 %	30.10.2028
Politiets fellestjenester	23 876 531	14 027	87 %	15.10.2030
Statistisk Sentralbyrå	18 630 318	12 638	80 %	15.07.2025
Direktoratet for Samfunnssikkerhet og Beredskap	17 042 920	8 466	80 %	30.06.2030
Sør-Øst Poltidistrikt	16 847 742	8 700	80 %	01.04.2028
Sykehuset i Vestfold HF	12, 865 043	4 891	100 %	01.03.2027
Nav Agder	12 165 737	6 799	92 %	01.03.2027
Vest Politidistrikt	11 915 171	6 200	90 %	31.12.2030
Various	324 768 905	182 192		
Sum / Weighted average	578 508 391	310 842	93 %	5.4

Development of current properties is one of the strategies for increasing the value of the company and create the highest possible return for shareholders. The development team has prioritized

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, the development potential of 1/3 of the property portfolio has been surveyed. The preliminary conclusion is that up to 40 000 sqm of net potential, equivalent to ~13 % of current building mass, is untapped studies have been conducted with local architects, revealing, among other things, the potential for 300 to 350 residential units in this part of the portfolio. During 2023,

the development team will survey the development potential of the remaining 2/3 of the portfolio and begin development of the remaining properties with the highest value development.



Eight feasibility studies have been conducted with local architects, revealing, among other things, the potential for 300 to 350 residential units in this part of the portfolio.

Sustainability

Throughout 2022 our work on sustainability has consisted of establishing an overview and baseline of the portfolio, risk and strategy work, and conducting due diligence in accordance with the Transparency Act.

Sustainability

Throughout 2022 our work on sustainability has consisted of establishing an overview and baseline of the portfolio, risk and strategy work, and conducting due diligence in accordance with the Transparency Act. The work has provided insight, increased competence and established a better understanding of sustainability within the company. Through this work we have established an understanding of the importance of including climate, environmental, social and business ethics in the risk management of the company and in the overall strategy. In 2022, we have also learned that our financial partners increasingly demand plans and measures related to sustainability, and we expect this to be an increasing trend in the future.

As new regulations are being developed and implemented within the EU and nationally, our company needs to be aligned with the market and establish an

awareness and understanding of the consequences both short and long term.

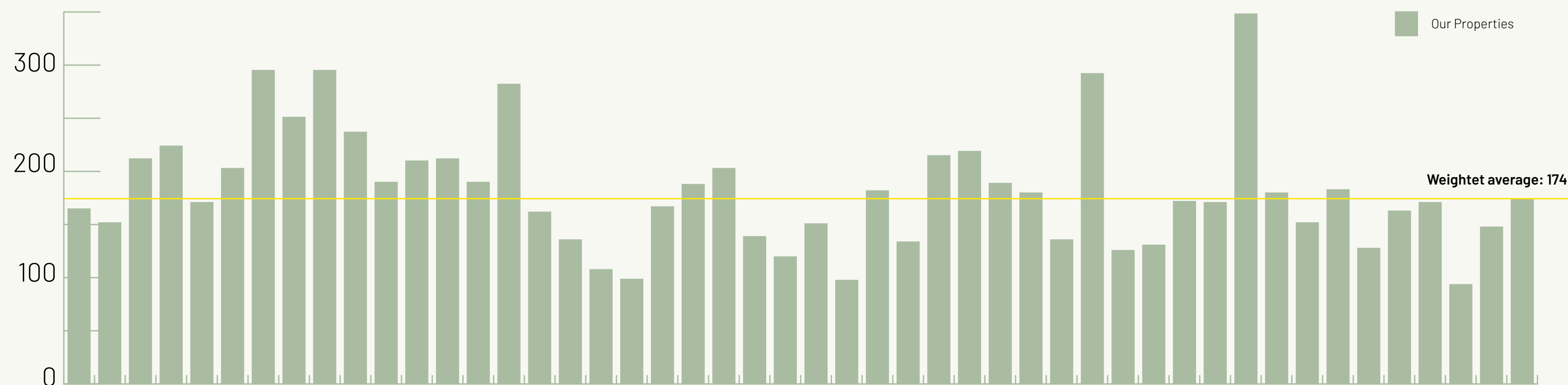
We expect increasing demands from our tenants regarding sustainable buildings, and our development will be dependent on how we manage to deliver on these expectations.

Environmental

Throughout 2022 our main priority has been to establish comprehensive baselines for all 48 properties. We have carried out a diligent gathering and mapping of data on energy, waste and water usage over the past five years, creating a robust foundation for comparison. These baselines will serve as benchmarks against which we can evaluate our progress in reducing energy use, water consumption and waste for each asset. This enables us to calculate the baseline for CO₂-emissions for our portfolio using the GHG-protocol.

Specific Energy consumption [kWh/m²/year]

Below you will find an overview of our buildings' energy consumption.





Gyldenløves gate 23, Kristiansand

We have established an understanding of the importance of including climate, environmental, social and business ethics in the risk management of the company and in the overall strategy.

Moving forward, we will conduct annual reviews of this process and present the results in our upcoming annual reports.

Reducing our environmental impact requires proactive measures. It demands continuous surveillance, thorough understanding and a clear perspective. To meet these requirements, we are currently implementing energy monitoring systems for all our assets. These systems will automatically gather data from electric, district heating, and cooling meters. Expert analysis of this data will enable us to effectively manage and regulate usage while promptly identifying any operational errors related to the asset's technical equipment.

Ensuring that sustainability remains a top priority, we are in the final stages of developing our strategy for the upcoming period. This strategy will incorporate key performance indicators (KPIs) focused on energy efficiency, water consumption reduction, overall CO2-emissions reduction, a sustainable material strategy, and plans for social improvements and governance enhancements.

Social

PPI focus diligently on ensuring good working conditions for our own as well as our partners' employees. Our board of directors consists of five members, of which two are female.

During 2022 a new set of national regulations on transparency came into force, entailing that companies of PPI's size conduct a due diligence and evaluation of stakeholders in our value chain. As a direct result of this process, we have established a channel for whistleblowing and a code of conduct for all our partners.

Governance

Transparency, structure and internal control mechanisms are areas we have been working on the last year, to ensure we are compliant with regulatory demands and provide a safe and stable business environment.



Financing

Here is an overview of the company’s financing and interest rate hedging instruments as of December 31st 2022.

Financing	Balance 01/01/2023	Instalments 2023	Interest rate	Expiry date
Bond Financing	1 100 000 000	-	3.00 %	23.09.2024
Bond Financing	962 000 000	-	3.48 %	23.09.2024
Bond Financing	211 000 000	-	4.16 %	01.09.2025
Bond Financing	267 000 000	-	4.40 %	07.06.2023
Bond Financing	425 000 000	-	4.22 %	18.07.2023
Bond Financing	70 000 000	-	4.35 %	08.07.2023
Bank Financing	2 697 750 000	80 392 950	5.17 %	26.06.2025
Total / weighted	5 732 750 000	80 392 950	4.32 %	

Interest rate hedging	Balance	Reference rate	Rate/cap	Expiry date
OTC Nordea IRS	238 500 000	3M NIBOR	1.34 %	30.06.2026
OTC Nordea IRS	100 000 000	3M NIBOR	1.03 %	27.03.2025
OTC Nordea IRS	150,000 000	3M NIBOR	1.65 %	18.04.2028
OTC cap (2.75%)	57 100 000	3M NIBOR	2.75 %	15.04.2024
OTC cap (2.75%)	178 875 000	3M NIBOR	2.75 %	17.04.2023
OTC Nordea IRS	313 392 500	3M NIBOR	3.46 %	30.06.2025
OTC Danske IRS	313 392 500	3M NIBOR	3.39 %	30.06.2025
Total / weighted	1 351 260 000			



FINANCIAL STATEMENTS 2022

PUBLIC PROPERTY INVEST AS

Board of directors' REPORT 2022

Public Property Invest AS is a real estate company focusing on acquiring and managing properties in Norway through its subsidiaries. The properties comprise mainly of office spaces and is primarily let to public tenants. The Group was formed when Public Property Invest AS acquired all the shares in Public Property Holding AS on 22 June 2021. The administration of Public Property Invest AS and its subsidiaries (PPI) are located in Oslo.

ANALYSIS OF THE ANNUAL ACCOUNTS

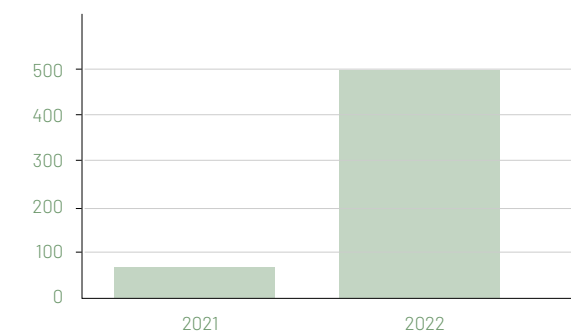
In 2022 the parent company's profit for the year was NOK - 26 855 164, compared to NOK - 1 219 688 in 2021. The main events for the parent company in 2022 was five equity issues and capital increases in Public Property Holding AS and Public Property Drift AS. The parent company had no income in 2022, employee benefit and salary expenses of NOK 4 275 477 and operating expenses of NOK 3 958 761. Compared to NOK 1 214 498 and operating expenses of NOK 350 733 in 2021. 2022 is the first full year of operations for the Group and the parent company.

Total rental income from the Group in 2022 was NOK 505,1 million, compared to NOK 67,9 million in 2021. 2022 is the first year for the Group with full rental income throughout the year for purchased properties in 2021. Operating income from acquisitions in 2022 of

Phase 4 (SBB portfolio: Kunnskapsveien 55 AS, Jærveien 12 AS, Kaldnes Park AS, Rambergveien 9 AS and Vogts Gate 17 AS), and Askveien 4 AS and Jul Pettersens Gate 2 AS are recognised in the Group income statement for a half year.

Consolidated profit for the year was NOK -168,3 million, compared to -14,2 million in 2021. Total assets as of 31 December 2022 amounted to NOK 10 786 million, compared to 8 982 million in 2021. The equity-to-assets ratio as of 31 December 2022 was 97,4% for the parent company and 31,75% for the Group, compared to 89% for the parent company and 30,7% for the Group in 2021. As evidenced by the cash flow statement, both the parent company and the Group had a positive cash flow in 2022 when considering repayment of junior bond amounting to NOK 290 million, and the liquidity status at

Total rental income from the Group in 2022 was NOK 505,1 million, compared to NOK 67,9 million in 2021.



Njøsavegen 2, Leikanger

year-end and through the year was satisfactory.

CASH FLOW

Cash flow from operating activities was NOK 121,3 million, while the Group had an operating profit before tax of NOK -215,86 million. The difference between constant current from operating activities

Net payment in connection with investments in real estate and companies was NOK 1 876 million in 2022 due to purchase of seven properties.

and operating profit is mainly related to depreciation, impairment loss and normal time-limit items.

Net payment in connection with investments in real estate and companies was NOK 1 876 million in 2022 due to purchase of seven properties. Net cash flow from financing activities was NOK 1 729 million. The Group has financed the purchases in 2022 with bank loans financed with a collaboration between Nordea and Danske Bank. Moreover the Group has repaid the certificate loan of NOK 290 million. As of the end of 2022, the Group has a total liquidity of NOK 176,5 million.

RESEARCH AND DEVELOPMENT

Public Property Invest AS does not have any activities classified as research and development.

GOING CONCERN

The annual financial statements for 2022 have been prepared under the assumption that Public Property Invest AS is a going concern. The Board of Directors and the General Manager confirm that the conditions required for continuation as a going concern are fulfilled, based on the Group's results and financial position, as well as the Group's forecasts and budgets. The Group also has secured refinance of the bonds which are due in 2023.

RISK FACTORS AND RISK MANAGEMENT

The Group is subject to several risks, including market, operational, financial, and liquidity risks. The General Manager and the Board of Directors are working to expand the structure of the Group's risk management process.

MARKET RISKS

The Group is exposed to the economic cycle and macroeconomic fluctuations. The level of inflation, the rate of economic growth and changes in the market for commercial properties may materially affect the value of the property portfolio. Changes that may have an adverse effect on property values includes, among other things, reduced demand for commercial properties, reduced availability and increased cost of financing, and stagnation in the commercial property transaction market. Any material reduction in property

value would have a negative impact on the Group's future earnings and financial position.

OPERATIONAL RISKS

The Group owns 48 properties, and on 31 December 2022 the average remaining lease term of the rental contracts for the properties was 5.4 years. In the event the Group is unable to let its properties upon expiry or termination of lease agreements resulting in a rental shortfall, this could have a material adverse effect on the Group's earnings, cash flow and valuation of the properties. Furthermore, the Group 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 the Group's financial results and position.

The Group is also subject to the risk of tenants not being able to meet their obligations. The Group has assessed its credit risk to be low as lessees are mainly public tenants.

FINANCIAL RISKS

The Group's policy is to fix the interest rate on a majority of its borrowings. As at 31 December 2022, all bond loans and 50% of bank loans have a fixed interest rate. See note 13 for further information.

Failure to comply with covenants in

As at 31 December 2022, all bond loans and 50% of bank loans have a fixed interest rate. See note 13 for further information.

financing arrangements may result in an immediate re-payment obligation. The Group regularly monitors all relevant covenants, both in regard to the current financial position and in light of the Group's financial forecasts.

LIQUIDITY RISKS

The Group's liquidity risk is characterised by a potential risk of not being able to meet obligations to vendors and loan creditors. The ability to service the debt depends on the Group's cash flow from operating activities. The Group regularly monitors cash flow by setting up cash flow forecasts based on the forecasts of the liquidity reserves, including cash equivalents, and borrowing facilities. The forecasts are set by the individual subsidiaries and is regularly monitored by the Group. The Board of Directors considers the Company's and Group's liquidity as satisfactory, and it is not deemed necessary to introduce measures to reduce the liquidity risk.

WORKING ENVIRONMENT

The Group has one full time employee. Morten Kjeldby was appointed as Chief Executive Officer (CEO) effective from 10 October 2021. The Group had an average of 1 FTEs in 2022, and there was no

>

sick leave. The CEO is located in Oslo in the same offices as Arctic Real Estate Management AS, the group's business and property manager.

In 2022 the Group has initiated further analysis of all its properties in order to determine opportunities to reduce any adverse effect the properties may have on their environment and improve sustainability throughout the property portfolio.

EQUAL OPPORTUNITIES

PPI is committed to ensure that treatment of employees, or upon recruitment, is equal irrespective of ethnicity, gender, sexual orientation, age, religion or faith. The corporate team has one male employee. The Board of Directors has three male and two female members.

BOARD INSURANCE

Public Property Invest AS has taken out directors' liability insurance for the Group and subsidiaries. The insurance covers the Board of Directors' and the General Manager's legal personal liability for financial damage caused by the performance of their duties.

EXTERNAL ENVIRONMENT

The Group aims to run a sustainable operation. The operations have limited impact on the external environment. The activities

of the Group are not subject to licensing requirements or orders of an environmental nature. In 2022 the Group has initiated further analysis of all its properties in order to determine opportunities to reduce any adverse effect the properties may have on their environment and improve sustainability throughout the property portfolio. Moreover, the Group has initiated measures to reduce environmental impact of buildings.

OUTLOOK

PPI delivered strong growth in 2022, acquiring a total of 7 properties. Going into 2023 the Group continues to build a strong organisation to manage the Group's current portfolio as well as an attractive pipeline of opportunities. The boards opinion is that the Group has a sound financial position and strong relationships with valuable collaborating partners forming a solid platform for further growth.

TRANSPARENCY ACT

The company and the Group will report on enterprises' transparency and work on fundamental human rights and decent working conditions.

The report will be published at *publicproperty.no* before 30 June 2023.

OSLO, NORWAY, 16 JUNE 2023

**THE BOARD OF DIRECTORS AND CEO
PUBLIC PROPERTY INVEST AS**

Kenneth Frode Goovaerts Bern
Chair of the board

Arnt Rolf Hillestad
Member of the board

Henrik Melder
Member of the board

Gerd Ylva Göransson
Member of the board

Silje Cathrine Hauland
Member of the board

Morten Kjeldby
General Manager



**CONSOLIDATED FINANCIAL
STATEMENTS - NGAAP
PUBLIC PROPERTY INVEST AS**

CONSOLIDATED
INCOME
STATEMENT

Operating income and operating expenses	Note	2022	2021
Rental income		505 083 196	67 898 007
Other operating income		508 750	681 250
Total income		505 591 946	68 579 257
Payroll expenses	2	4 275 477	1 214 498
Depreciation and amortisation expense	3	210 811 379	21 871 917
Impairment loss		187 864 916	0
Other operating expenses	5	94 635 507	10 986 714
Total expenses		497 587 279	34 073 130
Operating profit		8 004 667	34 506 127
Financial income and expenses			
Other interest income		2 160 686	119 370
Other financial income		158 440	105
Interest expenses	6	226 176 093	52 550 601
Financial expenses	6	3 386	333 414
Net financial items		-223 860 353	-52 764 541
Net profit before tax		-215 855 686	-18 258 414
Income tax expense	7	-47 577 478	-4 087 484
Net profit after tax		-168 278 208	-14 170 929
Net profit or loss		-168 278 208	-14 170 929
Majority share		-168 278 208	-14 170 929
Attributable to			
Transferred from other equity		168 278 208	14 170 929
Total allocated		-168 278 208	-14 170 929

In 2022 the parent company's
profit for the year was
NOK – 26 855 164, compared
to NOK – 1 219 688 in 2021.

CONSOLIDATED
BALANCE SHEET

Assets

Non-current assets	Note	2022	2021
Tangible non-current assets			
Buildings and land	3, 4, 8	10 571 009 131	8 460 640 294
Total tangible non-current assets	3, 4, 8	10 571 009 131	8 460 640 294
Non-current financial assets			
Investments in shares		0	20 600
Other long-term receivables		6 596 428	7 530 026
Total financial fixed assets		6 596 428	7 550 626
Total non-current assets		10 577 605 558	8 468 190 920

Current assets	Note	2022	2021
Debtors			
Accounts receivables		12 576 965	5 981 889
Other short-term receivables		20 055 521	12 349 561
Demand on payment of sharecapital	9	0	293 876 182
Total debtors		32 632 486	312 207 631
Cash and cash equivalents	10	176 504 792	201 973 518
Total current assets		209 137 278	514 181 150
Total assets		10 786 742 836	8 982 372 070

Equity and liabilities

Paid-in capital	Note	2022	2021
Share capital	11	3 596 583	2 365 289
Share premium reserve	11	3 591 130 552	2 319 244 273
Not registered capital changes	11	0	379 326 934
Total paid-up equity	11	3 594 727 134	2 700 936 497
Retained earnings			
Other equity	11	-170 348 954	-2 779 605
Total retained earnings		-170 348 954	-2 779 605
Minority interest		0	63 803 534
Total equity		3 424 378 180	2 761 960 426
Liabilities			
Provisions			
Deferred tax	7	1 543 292 607	980 544 826
Other provisions		746 510	663 530
Total provisions		1 544 039 117	981 208 356
Other non-current liabilities			
Bonds	13	3 011 221 443	2 994 276 895
Liabilities to financial institutions	13	2 681 921 501	1 423 992 185
Debt to shareholders	13	0	126 140 264
Other non-current liabilities		39 204 415	27 350 115
Total non-current liabilities		5 732 347 359	4 571 759 459
Other non-current liabilities			
Certificate loans	13	0	290 000 000
Trade payables		20 556 509	149 793 445
Tax payable		0	227 489
Public duties payable		666 649	927 992
Other current liabilities	13	64 755 021	226 494 903
Total current liabilities		85 978 180	667 443 829
Total liabilities		7 362 364 656	6 220 411 644
Total equity and liabilities		10 786 742 836	8 982 372 070

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Accounting principles

The financial statements comprise of the income statement, balance sheet, cash flow and notes and are prepared in accordance with accounting, company law and generally accepted accounting principles in Norway. The financial statements are based on the basic principles of historical cost. Transactions are booked at the value of the consideration on the transaction date.

General information

Public Property Invest AS (the “Company”) and its subsidiaries’ (together, the “Group”) business is related to ownership of properties in Norway, and rental of office spaces, primarily to public tenants. The Company was incorporated 16 August 2018, and is domiciled in Oslo, Norway. The Company has one employee. On 22 June 2021, the Company acquired all the shares in Public Property Holding AS. Following the acquisitions, the Group was formed.

Revenues

Rental income is recognised at fair value of the consideration, net after deduction of VAT, discounts, and reductions. Rental income is taken to income in line with the rental period in accordance with rental agreements. Interest income is recognised as it accrues. Other revenue is recognised when earned and expenses are matched with earned income. Conditional losses that are probable and quantifiable are expensed. Tenants’ adaptations that are paid for by the tenant, but which revert to the company in expiry of the lease period, are calculated as long-term operating assets in the balance sheet against a contra item under other short-term liabilities for accrual as lease

income during the lease period.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year’s instalments on long term liabilities and long-term receivables are, however, not classified as short-term liabilities and current assets.

Fixed assets

Land is not depreciated. Other fixed assets are reflected in the balance sheet and depreciated to residual value over the asset’s expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset’s cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset’s condition at the acquisition date.

Current Assets & Liabilities

Current assets are valued at the lowest of acquisition cost and fair value. Short term debt is capitalised at the nominal amount at the time of borrowing. Fixed assets are valued at acquisition costs. Other fixed assets than operating assets are written down to fair value in the event of a decrease in value that is not expected to be temporary. Long-

term debt is capitalised net of establishment cost at the time of establishment. Establishment cost is amortised over the commitment period. Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

Derivatives

When hedging future interest costs, where the hedging instruments are to hedge the group against variations in future cash flows, the hedging instrument is not booked in the balance sheet as long as the hedging is considered to be effective. Gains or losses are recognised as net interest income or interest expense, in line with the recognition of the hedged item in the income statement

Investments in other companies

The cost method is applied to investments in other companies. Transaction costs are included in the cost price. Companies acquired or sold during the year are included in the consolidated financial statements from the date that control is achieved and until control ceases. On consolidation, the parent company shares in subsidiaries replaced with the subsidiaries’ assets and liabilities and are grouped according to the same principles as the parent company accounts.

Subsidiaries are all entities over which the Group has control. See note 6 for a comprehensive list of subsidiaries. Control of an entity occurs when the Group is exposed to, or has rights to, variable re-

turns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the day on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are taken directly as deduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies is reflected as financial income when it has been approved.

Inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group’s accounting principles.

Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and value in use (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the

value in use.

Previous impairment charges, except write-down of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.

Cash flow

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash and bank deposits.

Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period in the countries where the Company’s subsidiaries operate and generate taxable income. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carry-forward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carry-forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

CASH FLOW STATEMENT

Cash flow from operating activities	Note	2022	2021
Profit before tax		-215 855 686	-18 258 414
Paid tax for the period		-227 489	0
Amortization and depreciation	3	210 811 379	21 871 917
Write-downs related to properties		187 864 916	0
Change in current assets*		-5 344 352	1 778 638
Change in current liabilities*		-55 379 071	46 536 052
Change in other working capital*		-20 647 245	30 769 142
Financial costs in profit before tax without cash effect		20 080 364	0
Net cash flow from operating activities		121 302 816	82 697 336
Cash flow from investment activities			
Payments related to purchase of properties*	3,6,13	-1 876 485 050	-4 020 283 562
Net cash flow from investment activities		-1 876 485 050	-4 020 283 562
Cash flow from financing activities			
Repayment of certificate loans		-290 000 000	0
Proceeds from bonds and loans from financial institutions**	11	1 273 757 815	2 419 500 000
Transaction costs on issuance of bonds / loans	11	-18 964 315	-40 723 105
Paid in capital increase***	5	868 148 918	1 792 708 688
Capital reduction		0	-33 430
Transaction costs on capital increase		-103 228 910	-31 925 953
Net cash flow from financing activities		1 729 713 508	4 139 526 200
Net change in liquidity in the period		-25 468 726	201 939 974
Cash and cash equivalents at beginning of period		201 973 518	33 544
Cash and cash equivalents at end of period		176 504 792	201 973 518
The cash and cash equivalents relates to:			
Cash and bank deposits		176 504 792	201 973 518

** Ingoing balances on purchased properties throughout the year have been netted towards change in assets/liabilities/working capital and payments related to purchase of properties.

** Only bankloans that have been issued throughtout the year have been counted towards the amount presented. The refinancing of existing bank loans, and the new bank loan is netted after amortization.

*** The Group has issued both cash and non-cash distributions throughout the year. Only the cash issued is counted towards the presented amount. Moreover, the capital increase per December 2021, amount of MNOK 293 was settled in January 2022.

NOTE 2
PERSONELL EXPENSES

Board of Directors

NOK		Position		Board Fee
Kenneth Frode Goovaerts Bern		Board Chairman		200 000
Gerd Ylva Göransson		Board Member		110 000
Henrik Melder		Board Member		110 000
Arnt Rolf Hillestad		Board Member		110 000
Silje Cathrine Hauland		Board Member		110 000
Total				640 000

The company had one single employee in the financial year.

The CEO is awarded an annual bonus of NOK 750.000 as synthetic shares based on market price of the company shares 31.12. The cost in 2022 also include an added bonus compensation for 2021.

No loans have been granted or guarantees given to the board or other related parties.

The company has a group pension insurance that covers the employee.

The scheme is a defined contribution scheme. The company's pension schemes satisfy the requirements of the OTP - Mandatory Occupational Pensions Scheme.

Executive Management

Name / Position	Salary	Social security fees	Other	Bonus inc social security fees	Total Compensation
Morten Kjeldby / Chief Executive Officer	1 518 462	214 103	114 284	1 681 363	3 528 212

NOTE 3
LAND, BUILDINGS AND
OTHER REAL ESTATE

	Land	Buildings	Technical installations / Fixtures and fittings	Construction in progress	Total
Cost at 01.01.2022	999 478 030	6 996 953 520	454 679 775	9 528 971	8 460 640 294
Additions purchased throughout the year	329 397 758	2 161 752 841	3 884 980	2 824 738	2 497 860 317
Additions	-	10 225 794	7 579 262	15 599 902	33 404 958
Disposals		-247 497	-100 729		-348 226
Cost at 31.12.2022	1 328 875 788	9 168 684 658	466 043 288	27 953 611	10 991 557 344
Accumulated depreciation	-	178 856 346	53 826 951	-	232 683 297
Accumulated write-down	6 955 505	180 909 411	-	-	187 864 916
Booked value 31.12	1 321 920 283	8 808 918 901	412 216 337	27 953 611	10 571 009 131
Depreciation for the period	0	163 978 788	46 832 592	0	210 811 380
Reversal of perivous years write-downs	0	0	0	0	0
Deprecitation principle	N/A	Straight line	Straight line	N/A	
Economic life		50	5 - 10 years		

“During the year the company has considered whether remaining useful lives of the company’s fixed assets correspond to remaining depreciation period. A weighted average is set for the Group for the remaining depreciation period. The economic life on buildings is changed from 55 years in 2021 to 50 years in 2022.

There are no significant operational leases as of 31.12.2022. The write-down is related to Otervegen 23, where the main tenant Statistisk Sentralbyrå Kongsvinger decided not to renew their tenancy on expiration in 2025. The Group is currently working on alternative uses of the property when the contract expires.”

NOTE 4

PURCHASE OF

COMMERCIAL PROPERTY

The Group has purchased the following companies in 2022:

Commercial property Companies		Ownership	Time of purchase	Purchase price shares	Related party transaction
Askveien 4 Hønefoss AS		100 %	18.05.2022	39 980 298	No
SBB-portfolio (5 properties)		100 %	29.06.2022	1 367 827 844	Yes
Jul Pettersens Gate 2 AS		100 %	30.06.2022	33 054 257	No
Offentlig Eiendom AS (16 properties)		4,11% (100% total)	25.01.2022	63 094 680	No
Total				1 503 957 079	

“The Group has purchased properties relating to the SBB-Portfolio from the largest shareholder SBB Samfunnsbygg AS in June 2022. The Group purchased and settled the remaining 4,11% of the Offentlig Eiendom AS portfolio in January 2022. All purchases are purchases of commercial property companies, and the corresponding added value are allocated towards the land and buildings, hence no goodwill is allocated.”

The Group has purchased the following companies in 2021:

Commercial property Companies		Ownership	Time of purchase	Purchase price shares	Related party transaction
Citizen-portfolio (8 properties)		100 %	22.06.2021	918 542 994	Yes
HGF-Invest (3 properties)		100 %	22.06.2021	110 000 000	No
Stavanger Traffic Station (1 property)		100 %	22.06.2021	21 347 963	No
Søebergkvartalet (1 property)		100 %	22.06.2021	160 977 451	No
Offentlige Bygg Namsos (2 properties)		100 %	22.06.2021	57 000 000	No
Offentlig Eiendom AS (16 properties)		33,65 %	22.06.2021	389 343 236	Yes
Halden Police & Distric Court (2 properties)		100 %	16.12.2021	82 342 251	No
NAV Fredrikstad (1 property)		100 %	16.12.2021	48 618 872	No
Public Portfolio (7 properties)		100 %	29.12.2021	1 205 380 555	No
Offentlig Eiendom AS (16 properties)		62,24% (95,9% total)	31.12.2021	953 951 580	No
Total				3 947 504 902	

“The Group has purchased properties relating to the Citizen-Portfolio from the largest shareholder SBB Samfunnsbygg AS in June 2021. Additionally, the Group purchased 33,65% of the shares in Offentlig Eiendom AS from SBB Samfunnsbygg AS in December 2021. All purchases are purchases of commercial property companies, and the corresponding added value are allocated towards the land and buildings, hence no goodwill is allocated.”

NOTE 5
OTHER OPERATING
EXPENSES

Tax expense / income	2022			
Administrative expenses				10 567 901
Other property related expenses				4 964 540
Property Tax				7 482 528
Insurance				2 802 550
Maintenance costs				25 586 239
Property Management				6 896 496
Business Management				13 113 337
Other Business Management expenses				4 777 782
Environmental, Social and Governance costs				2 509 468
Joint costs properties				12 307 632
Nordic Trustee				562 027
Audit fee				3 065 008
Total other operating expenses				94 635 507

Expensed audit fee	2022			
Statutory audit				2 918 758
Other assurance services				146 250
Total other operating expenses				3 065 008

Due to 2021 being the first year with Public Property Invest group accounts, comparison figures are excluded on other operating expenses.

Based on last year’s acquisition of portfolio Offentlig Eiendom AS, a portion of the audit fee is invoices from a different auditor than the Group auditor.

NOTE 6
FINANCIAL
EXPENSES

The consolidated financial statements include the following subsidiaries.

NOK	2022	2021
Interest expenses bond Public Property Sub-Holding 1 AS	33 000 000	23 859 771
Interest expenses bond HGF Invest AS	8 728 836	4 388 958
Interest expenses bond Public Property Sub-Holding 4 AS	33 346 234	1 400 353
Interest expenses bond Castelar Prosjekt 22 AS	11 780 633	65 584
Interest expenses bond Public Property Sub-Holding 6 AS	17 913 750	102 236
Interest expenses bond Public Property Sub-Holding 7 AS	3 045 000	11 818
Interest expenses bank loan Offentlig Eiendom AS	75 578 646	
Interest expenses certificate Public Property Holding AS	17 814 861	14 129 444
Start-up fees related to bond loans (amortized)	24 532 788	8 592 437
Other interest expenses	435 344	-
Interest expenses	226 176 093	52 550 601
Financial expenses	3 386	333 414
Financial expenses	3 386	333 414

NOTE 7
TAX

Tax expense / income				2022	2021
Tax payable				0	0
Change in deferred tax				-47 577 478	-4 087 485
Total tax expense / income				-47 577 478	-4 087 485

Overview of temporary differences

Deferred Tax positions	Non-current assets	Losses Carried Forward	Other	Total
Ingoing balance 01.01.2022	4 643 534 761	-218 834 264	32 321 440	4 457 021 937
Deferred tax positions acquired 30.04.2022	12 622 755			12 622 755
Deferred tax positions acquired 31.05.2022	86 339 532		814 057	87 153 589
Deffered tax from PPA	2 674 429 381			2 674 429 381
Other permanent differences		-405 580		-405 580
Recognised in profit and loss	-292 989 971	83 759 022	-6 624 737	-215 855 686
Total temporary differences 31.12.22	7 123 936 457	-135 480 822	26 510 760	7 014 966 395
Tax calculated on effective tax rate (22%)				1 543 292 607
Net deferred tax / deferred tax receivables				1 543 292 607

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax basis of assets and their carrying amounts in the consolidated financial statements. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available, against which the loss carried forward can be utilised.

NOTE 8

INVESTMENT IN

SUBSIDIARIES

The consolidated financial statements include the following subsidiaries.

Subsidiaries	Country	Business office	Voting percentage	Ownership
Public Property Drift AS	Norway	Oslo	100 %	100 %
Public Property Holding AS	Norway	Oslo	100 %	100 %
Public Property Sub-Holding 1 AS	Norway	Oslo	100 %	100 %
Røynebergsletta I Holding AS	Norway	Oslo	100 %	100 %
Røynebergsletta I AS	Norway	Oslo	100 %	100 %
Søebergkvartalet Holding AS	Norway	Oslo	100 %	100 %
Søebergkvartalet AS	Norway	Oslo	100 %	100 %
Gunnar Nilsens gate 25 AS	Norway	Oslo	100 %	100 %
Prins Chr. Augusts Pl. AS	Norway	Oslo	100 %	100 %
Brochs gate 3 AS	Norway	Oslo	100 %	100 %
Fjørevegen 20 AS	Norway	Oslo	100 %	100 %
Njøsavegen 2 AS	Norway	Oslo	100 %	100 %
SBB Kongsvinger AS / Otervegen 23 AS	Norway	Oslo	100 %	100 %
Statlige Bygg AS	Norway	Oslo	100 %	100 %
Statlige Bygg II AS	Norway	Oslo	100 %	100 %
Offentlig Bygg Namsos AS	Norway	Oslo	100 %	100 %
Sandgata Eiendom Namsos AS	Norway	Oslo	100 %	100 %
Postgården Eiendom Namsos AS	Norway	Oslo	100 %	100 %
Public Property Sub-Holding 2 AS	Norway	Oslo	100 %	100 %
Offentlig Eiendom AS	Norway	Oslo	100 %	100 %
Arendal Eiendomsinvest AS	Norway	Oslo	100 %	100 %
Unninvest AS	Norway	Oslo	100 %	100 %
Unninvest II AS	Norway	Oslo	100 %	100 %
Unninvest III AS	Norway	Oslo	100 %	100 %
Stangevegen 109 Eiendom AS	Norway	Oslo	100 %	100 %
Rosenkrantzgata 17 AS	Norway	Oslo	100 %	100 %
Grønnegata 122 AS	Norway	Oslo	100 %	100 %
Kvartal 48 Næring AS	Norway	Oslo	100 %	100 %
Haakon VII's gate 98 AS	Norway	Oslo	100 %	100 %
Kongensgate 14-18 AS	Norway	Oslo	100 %	100 %
Bernt Ankers gate 17 AS	Norway	Oslo	100 %	100 %

Subsidiaries	Country	Business office	Voting percentage	Ownership
Lervigsveien 32 og Tinngata 8 AS	Norway	Oslo	100 %	100 %
Kammerherreløkka Næring B1 AS	Norway	Oslo	100 %	100 %
Dunderland Eiendom AS	Norway	Oslo	100 %	100 %
Sliptomta Eiendom AS	Norway	Oslo	100 %	100 %
Mellomvika 5 AS	Norway	Oslo	100 %	100 %
Askveien 4 Hønefoss AS	Norway	Oslo	100 %	100 %
Rambergveien 9 AS	Norway	Oslo	100 %	100 %
Kaldnes Park AS	Norway	Oslo	100 %	100 %
Kunnskapsveien 55 AS	Norway	Oslo	100 %	100 %
Jærveien 12 AS	Norway	Oslo	100 %	100 %
Vogts Gate 17 AS	Norway	Oslo	100 %	100 %
Jul Pettersens gate 2 AS	Norway	Oslo	100 %	100 %
Public Property Sub-Holding 3 AS	Norway	Oslo	100 %	100 %
HGF Invest AS	Norway	Oslo	100 %	100 %
Ski Florø AS	Norway	Oslo	100 %	100 %
Ski Hønefoss AS	Norway	Oslo	100 %	100 %
Ski Gjøvik AS	Norway	Oslo	100 %	100 %
Public Property Sub-Holding 4 AS	Norway	Oslo	100 %	100 %
Anton Jenssens gate 2 AS	Norway	Oslo	100 %	100 %
Heian AS	Norway	Oslo	100 %	100 %
Lillehammer Politibygg AS	Norway	Oslo	100 %	100 %
Ibsensgate 1 AS	Norway	Oslo	100 %	100 %
Eiendomsgruppen Fredrikstad AS	Norway	Oslo	100 %	100 %
Olav V Gt 4 AS	Norway	Oslo	100 %	100 %
Borgergata 10 AS	Norway	Oslo	100 %	100 %
Public Property Sub-Holding 5 AS	Norway	Oslo	100 %	100 %
Castelar Prosjekt 22 AS	Norway	Oslo	100 %	100 %
Public Property Sub-Holding 6 AS	Norway	Oslo	100 %	100 %
Gyldengården AS	Norway	Oslo	100 %	100 %
Public Property Sub-Holding 7 AS	Norway	Oslo	100 %	100 %
Leikanger Eiendom AS	Norway	Oslo	100 %	100 %

NOTE 9
DEMAND ON
PAYMENT OF
SHARE CAPITAL

NOK				2022	2021
Capital Increase from SBB Samfunnsbygg AS				0	293 876 182
Total demand on payment of sharecapital				-	293 876 182

The Group issued equity at 27th December 2021. SBB Samfunnsbygg AS settled the amount 3rd January 2022. See note 5 for further information.

NOTE 10
CASH AND BANK
DEPOSITS

NOK				2022	2021
Cash and bank deposits				176 504 792	201 973 518
Total cash and bank deposits				176 504 792	201 973 518

Cash restricted amount of NOK 81 048 relating to The Group's tax withholding account per year end.

NOTE 11

SHARE CAPITAL

AND SHAREHOLDER

INFORMATION

As of 31 December 2022, share capital amounts to NOK 3 596 583 consisting of 3 596 583 shares at face value NOK 1 per share.

	Share capital	Share premium	Not registered capital	Minority Interest	Other equity	Total
Opening balance 01.01.2022	2 365 289	2 319 244 273	379 326 934	63 803 534	-2 779 605	2 761 960 426
Capital increase 27.12.21 *	493 619	378 833 315	-379 326 934			-
Capital increase 27.01.22	29 301	29 974 923				30 004 224
Capital increase in-kind 02.03.22 **	1	126 140 263				126 140 264
Capital increase 16.05.22	504 898	543 763 614				544 268 512
Capital increase in-kind 29.06.22	203 475	214 529 069				214 732 544
Issue costs net of tax		-21 354 905				-21 354 905
Net profit for the year					-168 278 208	-168 278 208
Minority interest						-
Transactions with minorities				-63 803 534	708 859	-63 094 675
Closing balance 31.12.2022	3 596 583	3 591 130 552	-	-	-170 348 954	3 424 378 180

Shareholders as of 31.12.2022	Number of shares	Ownership
SBB SAMFUNNSBYGG AS	1 612 386	44,83 %
HELSE AS	179 916	5,00 %
TELECOM AS	163 716	4,55 %
CHRISANIC EIENDOM AS	24 649	0,69 %
MASO HOLDING AS	20 588	0,57 %
GATEKEEPER AS	965	0,03 %
Other shareholders <1%	1 594 363	44,3 %
Total	3 596 583	100,0 %

Members of the board own indirectly the following shares:

Name	Position	Control directly	Interest
Kenneth Frode Goovaerts Bern	Board Chairman	Directly	4,55 %
Gerd Ylva Göransson	Board Member	Indirectly	44,83 %
Henrik Melder	Board Member	Indirectly	44,83 %
Arnt Rolf Hillestad	Board Member	Directly	0,57 %
Silje Cathrine Hauland	Board Member	Indirectly	0,71 %

*The Group had a capital increase on 27. December 2021 of NOK 379 326 934,- towards SBB Samfunnsbygg AS, Helse AS and Telecom. The amount was only partially settled in 2021 with the amount of NOK 85 450 752,-. The remaining amount is presented in note 7 as demand on payment of sharecapital.

**The Group had a capital increase of 1 share to convert remaining debt to the main shareholder, SBB, to share capital. The capital increase corrected the price per share to the same issue price as the other investors from the prior capital increase.

”Henrik Melder and Ylva Göransson represent the largest shareholder with 44,83% as CEO and financial director of SBB Samfunnsbygg AS. Silje Cathrine Hauland represents 0,03% directly through Gatekeeper AS, and 0,69% indirectly as CEO of Chrisanic Eiendom AS.”

NOTE 12
TRANSACTIONS WITH
RELATED PARTIES

Information related to remuneration and other transactions with the Board of Directors, included shareholders of the Company, are discussed in note 2 and note 13.

NOTE 13
LIABILITIES

Mortgage debt		Description	Interest rate	Maturity	Carrying amount
Nordea		Term loan, MNOK 2 225	1,80% + 3M NIBOR	28.06.2025	2 202 750 000
Nordea		Term loan, MNOK 500	1,85% + 3M NIBOR	28.06.2025	495 000 000
Capitalized expenses				28.06.2025	-15 828 499
Total					2 681 921 501

The company drew a loan of NOK 2 725 million on June 29, 2022. The loan has a maturity of three years. The loan was used to refinance existing bank loans. See the company cash flow statement for further information.

Interest rate hedging	Reference rate	Interest rate / cap	Maturity	Secured amount	Market value
OTC Nordea IRS	3M NIBOR	1,34 %	30.06.2026	238 500 000	15 184 216
OTC Nordea IRS	3M NIBOR	1,03 %	27.03.2025	100 000 000	5 274 126
OTC Nordea IRS	3M NIBOR	1,65 %	18.04.2028	150 000 000	10 892 250
OTC cap (2.75%)	3M NIBOR	2,75 %	17.04.2024	57 100 000	355 008
OTC cap (2.75%)	3M NIBOR	2,75 %	15.04.2023	178 875 000	168 963
OTC Nordea IRS	3M NIBOR	3,46 %	30.06.2025	313 392 500	-2 365 542
OTC Danske Bank IRS	3M NIBOR	3,39 %	30.06.2025	313 392 500	-1 963 071
Total				1 351 260 000	27 545 950

NOTE 13
LIABILITIES

Mortgage debt 31.12.2022

Bond loan	Description	Interest rate	Maturity	Carrying amount
Public Property Sub-Holding 1 AS NO 001 1018384	MNOK 1100	3 %	23.09.2024	1 100 000 000
Capitalized expenses				-11 317 096
Total				1 088 682 904
HGF Invest AS NO 001 0744352	MNOK 211	4,16 %	01.09.2025	211 000 000
Capitalized expenses				-
Total				211 000 000
Public Property Sub-Holding 4 AS NO 001 1149866	MNOK 962	3,48 %	23.09.2024	962 000 000
Capitalized expenses				-10 915 191
Total				951 084 809
Castellar Prosjekt 22 AS NO 001 0823693	MNOK 267	4,40 %	07.06.2023	267 000 000
Capitalized expenses				-
Total				267 000 000
Public Property Sub-Holding 6 AS NO 001 8626225	MNOK 425	4,22 %	18.07.2023	425 000 000
Capitalized expenses				-1 356 609
Total				423 643 391
Public Property Sub-Holding 7 AS NO 001 0799687	MNOK 70	4,35 %	06.07.2023	70 000 000
Capitalized expenses				-189 661
Total				69 810 339
Total bond loans:				3 011 221 443

The Group is subject to certain financial covenants and other undertakings in financing arrangements. As per 31 December 2022 the Group is in compliance with all financial covenants. The Group did repay junior bond at 23. December 2022 amounting to MNOK 290. Moreover, the Group has refinanced three bond loans expiring in June and July in 2023 with bank loans.

NOTE 13
LIABILITIES

Mortgage debt 31.12.2022

Certificate loan	Description	Interest rate	Maturity	Carrying amount
Public Property Holding AS NO 001 1018384	MNOK 290	7,00 %	23.12.2022	-
Total certificate loan				-

The Group is subject to certain financial covenants and other undertakings in financing arrangements.
As per 31 December 2022 the Group is in compliance with all financial covenants. The Group did repay junior bond at 23. December 2022 amounting to MNOK 290. Moreover, the Group has refinanced three bond loans expiring in June and July in 2023 with bank loans.

Debt to shareholders 2021	Description	Interest rate	Maturity	Carrying amount
SBB Samfunnsbygg AS	MNOK 126,14	0,00 %	02.03.2022	126 140 264
Total debt to shareholders				126 140 264

“When purchasing additional shares in Offentlig Eiendom AS, there was initied a price protection towards SBB Samfunnsbygg AS.
The amount was converted to paid in capital 2. March 2022. Se note 5 for further information.”

Other short term liabilities:

NOK			2022	2021
Sellers credit shares Offentlig Eiendom AS*			0	150 000 000
Accrued interest			22 864 351	36 827 606
Prepaid rent			0	11 397 561
Amortization bank loan			27 250 000	0
Other short term debt			14 640 670	28 269 736
Other short term liabilities			64 755 021	226 494 903

*Public Property Sub-Holding 2 AS purchased 95,9% of the shares in Offentlig Eiendom AS per. 31.12.2021. The amount was settled 3rd of January 2022.
Bankloan Tranche A and B were object to amortization at 31.12.2022 which were withdrawn at 3. January 2023. The Amortization is presented as a short term liability.

**PARENT COMPANY FINANCIAL
STATEMENTS
PUBLIC PROPERTY INVEST AS**

REVENUE
STATEMENT

Operating income and operating expenses	Note	2022	2021
Payroll expenses	1	4 275 477	1 214 498
Other operating expenses		3 958 761	350 733
Total expenses		8 234 239	1 565 231
Operating profit		-8 234 239	-1 565 231
Financial income and expenses			
Other interest income		52 354	6
Other financial income		326	0
Net financial items		52 680	6
Net profit before tax		-8 181 558	-1 565 225
Income tax expense	2	18 673 606	-345 538
Net profit after tax		-26 855 164	-1 219 688
Attributable to			
Other equity	3	-26 855 164	-1 219 688
Total		-26 855 164	-1 219 688

Anton Jenssens gate 2, Tønsberg



BALANCE SHEET

Assets

Non-current assets	Note	2022	2021
Intangible assets			
Deferred tax assets	2	6 419 856	19 070 283
Total intangible assets		6 419 856	19 070 283
Non-current financial assets			
Investments in subsidiaries	4	3 553 970 014	2 665 055 360
Total non-current financial assets		3 553 970 014	2 665 055 360
Total non-current assets		3 560 389 870	2 684 125 643

Current assets

	Note	2022	2021
Debtors			
Accounts receivables		36 938	0
Other short-term receivables		49 261	365
Receivables from group companies	6	93 018 141	48 459 524
Demand on payment sharecapital	5	0	293 876 182
Total receivables		93 104 340	342 336 071
Cash and cash equivalents		8 970 558	7 146 815
Total current assets		102 074 898	349 482 886
Total assets		3 662 464 768	3 033 608 529

Equity and liabilities

Equity Paid-in capital	Note	2022	2021
Share capital	3	3 596 583	2 365 289
Share premium reserve	3	3 591 130 552	2 319 244 274
Not registered capital	3	0	379 326 934
Total paid-up equity		3 594 727 135	2 700 936 497
Retained earnings			
Other equity	3	-28 074 680	-1 219 516
Total retained earnings		-28 074 680	-1 219 516
Total equity		3 566 652 455	2 699 716 981
Liabilities			
Current liabilities			
Trade payables		73 266	102 073 913
Public duties payable		123 672	127 526
Liabilities to group companies	6	93 018 141	219 769 333
Other current liabilities		2 597 235	11 920 776
Total current liabilities		95 812 314	333 891 548
Total liabilities		95 812 314	333 891 548
Total equity and liabilities		3 662 464 768	3 033 608 529

OSLO, NORWAY, 16 JUNE 2023

THE BOARD OF DIRECTORS AND CEO PUBLIC PROPERTY INVEST AS

Kenneth Frode Goovaerts Bern Chair of the board	Arnt Rolf Hillestad Member of the board	Henrik Melder Member of the board	Gerd Ylva Göransson Member of the board	Silje Cathrine Hauland Member of the board	Morten Kjeldby General Manager
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CASH FLOW
STATEMENT

Operating income and operating expenses	2022	2021
Cash flow from operating activities		
Profit before tax	-8 181 558	-1 565 225
Change in current assets	-36 938	0
Change in current liabilities*	-26 149 822	17 470
Change in other working capital*	-9 376 291	880 686
Net cash flow from operational activities	-43 744 609	-667 069
Cash flow from investment activities		
Payments due from group companies	48 459 524	0
Payments on the purchase of shares	-566 500 000	-1 753 317 563
Net cash flow from investing activities	-518 040 476	-1 753 317 563
Cash flow from financing activities		
Payments due to group companies	-219 769 333	348 540
Paid in capital increase*	886 607 072	1 792 708 688
Capital reduction	0	-33 430
Transaction costs on capital increase	-103 228 910	-31 925 953
Net cash flow from financing activities	563 608 829	1 761 097 845
Net change in liquidity in the period	1 823 744	7 113 213
Cash and cash equivalents at beginning of period	7 146 815	33 602
Cash and cash equivalents at end of period	8 970 559	7 146 815
The cash and cash equivalents relates to:		
Cash and bank deposits	8 970 558	7 146 815

* The Group has issued both cash and non-cash distributions throughout the year. Only the cash issued is counted towards the presented amount.



NOTE 1
PAYROLL EXPENSES

Board of Directors

NOK		Position		Board Fee
Kenneth Frode Goovaerts Bern		Board Chairman		200 000
Gerd Ylva Göransson		Board Member		110 000
Henrik Melder		Board Member		110 000
Arnt Rolf Hillestad		Board Member		110 000
Silje Cathrine Hauland		Board Member		110 000
Total				640 000

Executive Management

Name / Position	Salary	Social security fees	Other	Bonus inc social security fees	Total Compensation
Morten Kjeldby / Chief Executive Officer	1 518 462	214 103	114 284	1 681 363	3 528 212

“The company had one single employee in the financial year.

The CEO is awarded an annual bonus of NOK 750.000 as synthetic shares based on market price of the company shares 31.12. The cost in 2022 also include an added bonus compensation for 2021.

No loans have been granted or guarantees given to the board or other related parties. The company has a group pension insurance that covers all employees.

The scheme is a defined contribution scheme. The company’s pension schemes satisfy the requirements of the OTP – Mandatory Occupational Pensions Scheme.”

NOTE 2
TAX

Tax expense / income		2022	2021
Payable tax – tax effect of group contribution		0	-2 539 206
Change in deferred tax		18 673 606	2 193 668
Sum skattekostnad (inntekt)		18 673 606	-345 538
Taxable income		2022	2021
Profit / loss before tax		-8 181 558	-1 565 225
Permanent differences		-27 334 644	-96 654 325
Basis for tax expense for the year		-35 516 202	-98 219 550
Change in temporary differences		0	0
Taxable income		-35 516 202	-98 219 550
Allocation of loss to be carried forward		57 501 939	0
Group contribution received		93 018 141	11 541 846
Group contribution		0	0
The year’s tax base		0	-86 677 704

Overview of temporary differences	Difference	2022	2021
Loss carried forward	57 501 939	29 181 163	86 683 102
Sum	57 501 939	29 181 163	86 683 102
Not included in the deferred tax calculation	0	0	0
Total	57 501 939	29 181 163	86 683 102
Deferred tax assets (22%)	12 650 427	6 419 856	19 070 283

“*Deferred tax asset is recognised as it is probable that future taxable profits will be sufficient to utilise the tax benefit.”

NOTE 3
SHARE CAPITAL
AND SHAREHOLDER
INFORMATION

Equity 31.12.2022	Share capital	Share premium capital	Not registered	Other equity	Total
Opening balance per 01.01	2 365 289	2 319 244 274	379 326 934	-1 219 516	2 699 716 981
Capital increase 27.01	29 301	29 974 923			30 004 224
Capital increase 14.02	493 619	378 833 315	-379 326 934		0
Capital increase (non cash contribution) 22.02	1	126 140 263			126 140 264
Capital increase 16.05	504 898	543 763 614			544 268 512
Capital increase (non cash contribution) 29.06	203 475	214 529 069			214 732 544
Issue costs net of tax		-21 354 906			-21 354 906
Net profit of the year				-26 855 164	-26 855 164
Group contribution				0	0
Closing balance 31.12.2022	3 596 583	3 591 130 552	0	-28 074 680	3 566 652 455

NOTE 4
INVESTMENT IN
SUBSIDIARIES

Subsidiaries	Ownership	"Net profit of the year"	Share capital	Carrying amount
Public Property Holding AS	100%	-13 663 892	3 544 612 547	3 553 430 014
Public Property Drift AS	100%	0	533 431	540 000

The company is located in Oslo Municipality.
The consolidated financial statements are prepared by
Public Property Invest AS.”

NOTE 5
DEMAND ON PAYMENT
OF SHARECAPITAL

Demand on payment of sharecapital	31.12.2022	31.12.2021
NOK Capital increase from SBB Samfunnsbygg AS	0	293 876 182
Total receivables	0	293 876 182

The Group has issued equity at 27th December 2021.
SBB Samfunnsbygg AS settled the amount 3rd January
2022.

NOTE 6
BALANCE WITH GROUP
COMPANIES

Balance with group companies	31.12.2022	31.12.2021
"Receivables Public Property Holding AS"	93 018 141	11 541 846
Public Property Sub-Holding 1 AS	0	199 166
Public Property Sub-Holding 2 AS	0	8 969 313
Public Property Sub-Holding 4 AS	0	15 180 417
Public Property Sub-Holding 5 AS	0	4 658 356
Public Property Sub-Holding 6 AS	0	6 697 642
Public Property Sub-Holding 7 AS	0	1 212 784
Total receivables	93 018 141	48 459 524
"Debt Public Property Holding AS"	93 018 141	219 769 333
Total debt	93 018 141	219 769 333

The company has received a group contribution with tax effect, and given a group contribution without tax effect.

List of Signatures

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**PPI Annual Report 2022.pdf**

Name	Method	Signed at
Melder, Henrik	BANKID_MOBILE	2023-06-19 13:23 GMT+02
Hillestad, Arnt Rolf	BANKID_MOBILE	2023-06-18 09:44 GMT+02
Bern, Kenneth Frode Goovaerts	BANKID_MOBILE	2023-06-18 08:37 GMT+02
Kjeldby, Morten	BANKID_MOBILE	2023-06-16 13:58 GMT+02
Hauland, Silje Cathrine	BANKID	2023-06-16 13:45 GMT+02
GÖRANSSON, GERD YLVA	BANKID_MOBILE	2023-06-19 22:18 GMT+02



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To the General Meeting of Public Property Invest AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Public Property Invest AS, which comprise:

- the financial statements of the parent company Public Property Invest AS (the Company), which comprise the balance sheet as at 31 December 2022, the revenue statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Public Property Invest AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the



Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 16 June 2023

PricewaterhouseCoopers AS

Chris H. Jakobsen
State Authorised Public Accountant
(This document is signed electronically)

Revisjonsberetning

Signers:

<i>Name</i>	<i>Method</i>	<i>Date</i>
Jakobsen, Chris Håvard	BANKID	2023-06-16 14:24



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