

To the general meeting of KMC Properties ASA**RECOMMENDATION FROM THE NOMINATION COMMITTEE¹**

The general meeting of KMC Properties ASA (the "**Company**") has previously resolved to establish a nomination committee for the Company. The mandate of the nomination committee is set forth in section 7 of the Company's articles of association.

The nomination committee currently consists of Finn Haugan (chair), Andreas Akselsen and Gabriel Cronstedt, all of whom are independent from the Company's board of directors and general management. The members were elected by the annual general meeting on 11 May 2023, with the exception of Gabriel Cronstedt who was elected at the extraordinary general meeting held on 1 December 2023. All members are elected for a term until the Company's annual general meeting in 2025.

The nomination committee has not reached a consensus on a joint recommendation. As a result, the nomination committee will present both a recommendation and a dissenting opinion (please refer to page 4). Finn Haugan and Gabriel Cronstedt represent the majority.

1. Amendment to the board of directors

The current board of directors consists of the following shareholder-elected members:

- Bjørnar André Ulstein (chair)
- Morten Eivindsson Astrup
- Marianne Bekken
- John Thoresen
- Hege Aasen Veiseth
- Haakon Morten Sæter
- Jonas Peter Grandér
- Ingrid Mia Arnhult

All of the shareholder-elected board members are elected for a term until the annual general meeting in 2024, and are thus up for election.

The nomination committee has considered the candidates, as well as the composition of the board of directors. The nomination committee has been in dialogue with all the proposed board members to discuss their capabilities and has studied their CV, and noted in general significant experience from management of real estate in both private and public markets. In its work, the nomination committee has also consulted the Company's management and certain large shareholders. Further, the nomination committee has indicated a desire for a reduction of the number of members of the board of directors.

On this background, the nomination committee recommends to the annual general meeting of the Company that the following board members are elected to the Company's board of directors for the period until the annual general meeting in 2026:

¹ This proposal has been prepared both in Norwegian and in English. In case of discrepancies between the two, the Norwegian version shall prevail.

- Bjørnar Andre Ulstein (chairperson)
- Jonas Peter Grandér
- Morten Eivindsson Astrup
- Mia Arnhult
- Marianne Bekken
- Hege Buer

Hege Aasen Veiseth has informed the nomination committee that she does not wish to continue as a member of the board of directors with effect from the annual general meeting. The nomination committee would like to thank Hege, for her work for the Company and important and valuable contributions in the board.

Information about the proposed board members and new board composition

Bjørnar André Ulstein (chairperson)

Bjørnar André Ulstein is the CEO of BEWI Invest AS. He serves as a member of the board of directors of BEFORM and SinkabergHansen AS. He has previously held positions within the corporate banking department in DNB Bank ASA; from 2012- 2021 as a senior relationship manager and regional responsibility within seafood and from 2008 to 2011 as a credit analyst/relationship manager. He previously held the position as chair of the nomination committee in the Company from may 2023 until 1 December 2023. Ulstein holds a bachelor and master of Science in Economics and Business Administration, Financial Economics from the Norwegian School of Economics (NHH).

Jonas Peter Grandér

Jonas Grandér is the founding principal and CEO of Nordika, a position he has held since its incorporation in 2011, and he serves as a member of the board of directors in Logitea AB. He was elected as a new member of the Board of Directors at an extraordinary general meeting held on 1 December 2023 following a proposal from Nordika. Jonas Grandér has previously served as Executive Director and Partner of Lehman Brothers Real Estate Fund in London, United Kingdom, from 2005 to 2007 and as Head of the Nordic region and Partner of Doughty Hanson & Co from 1999 to 2005. In addition, he previously worked at GE Capital Real Estate in the Lending, Debt Structuring and Acquisition department. Grandér holds a Master of Science from the Stockholm School of Economics.

Morten Eivindsson Astrup

Morten Astrup is the owner of Surfside Holding AS, a larger shareholder in the Company, and Storm Norge AS (previous manager of KMC Properties ASA), and has 20 years of asset management experience. He is a specialist within alternative investments, private equity and real estate. He has held board positions in several international companies and been an advisor to both private and institutional investors in Europe. Astrup holds a Master's degree in Business and Economics from BI Norwegian Business School/City University London.

Mia Arnhult

Mia Arnhult is a current board member and the former CEO of M2 Asset Management AB. She held both positions in the period from 2017 until 2022 when she stepped down as CEO. From 2009 to 2022 she also held the position as CEO of M2 Gruppen. Arnhult is currently the chair of Devyser and TCS Lidingöloppet (where she previously served in the management group), and a board member of M2 Gruppen AB. Previously, Arnhult has held several other long-term board positions in, among others, M2 Capital Management AB, Devyser Holding AB, Odd Molly, Bactiguard AB, Footway Group AB og Candix AB. In addition, Arnhult worked as an auditor at Grant Thornton

Sweden from 1999 to 2004 and Anebring Revision from 1995 to 1999. Arnhult studied economics at Lund University and later pursued further education at Dale Carnegie in Sweden.

Marianne Bekken

Marianne Bekken is a co-owner of Bekken Invest AS, and takes part in strategic decisions in the family company. She has actively worked in the organisation since 2013, as former CEO of KMC Properties AS and BEWI Insulation Norway AS. Bekken holds a Bachelor's degree in Business and Marketing from BI Norwegian Business School.

Hege Buer

Hege Buer has been the chief financial officer of TORPO mobility since February 2023. Buer sits on the board of Pronofa and Slåttland, positions she has held since September 2021 and June 2020, respectively. From 2015 to 2020 Hege served as CFO, and from 2020 to 2022 as CEO, of Jackon. She has previously held positions in Handicare Norge AS, Spectrum ASA, Factor Eiendom ASA, Höegh Autoliners and Ernst & Young. Buer holds a Master in Business from BI Norwegian Business School.

If the recommendation is adopted by the annual general meeting, the board of directors will consist of the following members until the annual general meeting in 2026:

- Bjørnar André Ulstein (styreleder)
- Jonas Peter Grandér
- Morten Eivindsson Astrup
- Mia Arnhult
- Marianne Bekken
- Hege Buer

Further information regarding the re-elected board members may be found at the Company's website <https://www.kmcp.no/en/>. In addition, such board members competence is described in the annual report of the Company.

2. Proposal of remuneration to the members of the board of directors, the audit committee, the nomination committee and the remuneration committee in KMC Properties ASA

Prior to the annual general meeting held on 1 June 2022, the nomination committee conducted a thorough evaluation with regard to the determination of remuneration for relevant positions in KMC Properties ASA. The committee used, among others, the annual publication "Board remunerations for publicly listed and state-owned companies" as a basis for its assessment. Based on the Company's size and industry, the committee found it appropriate to use the report's median value for the relevant positions, with some adjustments.

The annual general meeting in 2023 resolved remuneration in the amount of NOK 525,000 for the chairperson of the board of directors, NOK 315,000 for the other board members, NOK 55,000 for the chairperson of the audit committee and NOK 40,000 for the members of the audit committee for the period from the annual general meeting in 2022 until the annual general meeting in 2023. Further, it was resolved remuneration of NOK 35,000 for the chairperson of the nomination committee and NOK 25,000 for members of the nomination committee, as well as a remuneration for members of the compensation committee of NOK 30,000 for the same period.

The nomination committee proposes that the current remuneration for the members of the board of directors and its committees, in addition to the nomination committee, shall be continued for the period from the annual general meeting in 2024 until the annual general meeting in 2025.

The nomination committee's proposal for remuneration is as follows:

Board of directors	Remunerated with NOK 525,000 for the chair and NOK 315,000 for board members
Audit committee	Remunerated with NOK 55,000 for the chair and NOK 40,000 for the members
Compensation committee	Remunerated with NOK 30,000
Nomination committee	Remunerated with NOK 35,000 for the chair and NOK 25,000 for members

* * *

8 May 2024

Finn Haugan (chair)

Gabriel Cronstedt

DISSENTING OPINION

The member of the nomination committee, Andreas Akselsen, wishes to present his own recommendation. Based on this, it is proposed to the Company's annual general meeting that the following board members are elected to the Company's board of directors for the period until the ordinary general meeting in 2026:

- Bjørnar André Ulstein (chairperson)
- Jonas Peter Grandér
- Morten Eivindsson Astrup
- Mia Arnhult
- Marianne Bekken
- Haakon Morten Sæther
- John Thoresen
- Hege Buer

Information about the proposed board members

Haakon Morten Sæther

Haakon Sæter has more than 30 years of experience from investments and capital markets. He is the owner of the two investment companies Six-Seven AS and Silvercoin Industries AS, and has been actively engaged through investments in several listed and non-listed companies, as well as real estate development projects. Sæter is currently a board member of Pronofa ASA, in addition to several other private companies, and serves at the nomination committee for the listed companies Gentian Diagnostics ASA and Next Biometrics Group ASA. Sæter was educated at the Oslo Business School.

John Thoresen

John Thoresen is currently partner and co-owner of BEWI Invest AS, the largest shareholder of KMC Properties. Thoresen has almost 20 years of experience from working as an auditor and was the CFO of Reitangruppen from 2002 to 2003. Thoresen established an investment firm in 2003, together with his brother, and has since then been actively involved in strategic- and financial development of the companies invested in. Thoresen has held several directorships, including the board of SalMar AS. Thoresen holds a Master in accounting from the Norwegian School of Economics (NHH).

The dissenting opinion is supportive of the majority's recommendation on the remaining matters.

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8 May 2024

Andreas Akselsen