KMC PROPERTIES ASA

(A public limited liability company incorporated under the laws of Norway)

Listing of 40,660,016 new Shares issued in connection with the Private Placement launched on 29 September 2023 comprising of 50,000,000 new Shares

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This prospectus (the "**Prospectus**") has been prepared in connection with the listing by KMC Properties ASA (the "**Company**" or "**KMC Properties**"), a public limited liability company incorporated under the laws of Norway, (together with its consolidated subsidiaries, the "**Group**") on Oslo Børs, a stock exchange being part of Euronext and operated by Oslo Børs ASA (the "**Oslo Stock Exchange**") of 40,660,016 new shares in the Company (the "**Listing Shares**"), each with a nominal value of NOK 0.2, issued at a subscription price of NOK 5.50 per new share in connection with a private placement launched on 29 September 2023 comprising of a total of 50,000,000 new shares.

The Company's existing shares (the "**Existing Shares**") are, and the Listing Shares will be, listed on the Oslo Stock Exchange under the ticker code "KMCP". Except where the context requires otherwise, references in this Prospectus to "Shares" will be deemed to include the Existing Shares in the Company, as well as the Listing Shares as the context requires (the "**Shares**"). All of the Existing Shares are, and the Listing Shares will be, registered in the VPS in book-entry form. The Shares, excluding the Listing Shares, are issued on ISIN NO0010360175, while the Listing Shares are issued on a separate ISIN NO0013062877 and will be transferred to the listed ISIN following publication of this Prospectus. All of the issued Shares rank *pari passu* with one another and each Share carries one vote.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities law of any such jurisdiction. See Section 12 "Selling and transfer restrictions".

THIS PROSPECTUS SERVES AS A LISTING PROSPECTUS ONLY. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OF, OR INVITATION TO PURCHASE, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SHARES, BENEFICIAL INTERESTS OR OTHER SECURITIES ARE BEING OFFERED OR SOLD IN ANY JURISDICTION PURSUANT TO THIS PROSPECTUS.

Investing in the Shares involves a high degree of risk. Any prospective investor should read the entire Prospectus and, in particular, consider Section 2 "Risk Factors " beginning on page 8 when considering an investment in the Company.

Trading in the Listing Shares on the Oslo Stock Exchange is expected to commence shortly after publication of this Prospectus, on or about 15 December 2023.

The date of this Prospectus is 15 December 2023

IMPORTANT INFORMATION

This Prospectus has been prepared in connection with the listing of the Listing Shares on the Oslo Stock Exchange.

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC1, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"), in addition to ancillary regulation, including without limitations Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the EU Prospectus Regulation (the "**Commission Delegated Regulation**"). This Prospectus has been prepared solely in the English language. This Prospectus is based on the simplified disclosure regime for secondary issuances, cf. Article 14 of EU Prospectus Regulation

This Prospectus has been approved by the Financial Supervisory Authority of Norway (*Nw.: Finanstilsynet*) (the "**Norwegian FSA**"), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

For definitions of certain other terms used throughout this Prospectus, see Section 14 "Definitions and glossary".

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Shares and which arises or is noted between the time when the Prospectus is approved by the Norwegian FSA and the listing of the Listing Shares on the Oslo Stock Exchange, will be included in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus, nor the sale of any Share, shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as at any date subsequent to the date of this Prospectus.

No person is authorised to give information or to make any representation concerning the Group or in connection with the listing of the Listing Shares other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or by any of the affiliates, representatives, advisors or selling agents of any of the foregoing.

No Shares or any other securities are being offered or sold in any jurisdiction pursuant to this Prospectus. The distribution of this Prospectus in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Shares in any jurisdiction in which such offer, sale or subscription would be unlawful. Neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that is in compliance with applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. In addition, the Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. See Section 12 "Selling and transfer restrictions".

A reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its content is prohibited.

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group, including the merits and risks involved. None of the Company, the Group, or any of its representatives or advisers, is making any representation to any purchaser of the Shares regarding the legality of an investment in the Shares by such purchaser under the laws applicable to the purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

All Sections of the Prospectus should be read in context with the information included in Section 4 "General information".

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Shares.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited company incorporated under the laws of Norway. As a result, the rights of holders of the Shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions.

The members of the Company's board of directors (the "**Board Members**" and the "**Board of Directors**", respectively) and the members of the Group's senior management (the "**Management**") are not residents of the United States. Virtually all of the Company's assets are located outside the United States. As a result, it may be impossible or difficult for investors in the United States to effect service of process on the Company, the Board Members and members of Management in the United States or to enforce judgments obtained in U.S. courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United States (including any State or territory within the United States).

The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its Board Members or members of Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its Board Members or members of Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway.

Similar restrictions may apply in other jurisdictions.

AVAILABLE INFORMATION

The Company has agreed that, for so long as any of the Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, it will, during any period in which it is neither subject to Sections 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) under the U.S. Exchange Act, provide to any holder or beneficial owners of Shares, or to any prospective purchaser designated by any such registered holder, upon the request of such holder, beneficial owner or prospective owner, the information required to be delivered pursuant to Rule 144A(d)(4) of the U.S. Securities Act. The Company is not currently subject to the periodic reporting and other information requirements of the U.S. Exchange Act.

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APPENDICES

1 SUMMARY

Warning..................................	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. An investment in the Company's Shares involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
Securities................................	The Company has one class of shares in issue. The Shares, excluding the Listing Shares, are issued on ISIN NO0010360175, while the Listing Shares are issued on a separate ISIN NO0013062877 and will be transferred to the listed ISIN following publication of this Prospectus.
Issuer......................................	The Company's business registration number in the Norwegian Register of Business Enterprises is 990 727 007 and its Legal Entity Identifier code is 5967007LIEEXZX8NJK85. The Company's registered address is at Dyre Halses gate 1A, 7042 Trondheim, Norway, with telephone number +47 480 03 175 and e-mail post@kmcp.com. The Company's website can be found at https://www.kmcp.no/en/.
Offeror....................................	Not applicable.
Competent authority	The Financial Supervisory Authority of Norway (*Nw.: Finanstilsynet*), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and with telephone number +47 22 93 98 00, has reviewed and, on 15 December 2023, approved this Prospectus.

Key information on the issuer

Who is the issuer?

Corporate information..........	The Company is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act. The Company was incorporated 2 January 2007 as a private limited liability company and transformed to a public limited liability company following the extraordinary general meeting held 12 May 2010. The Company's business registration number in the Norwegian Register of Business Enterprises is 990 727 007 and its LEI code is 5967007LIEEXZX8NJK85.
Principal activities..................	The Company is a real estate company of which activities includes trading, investing in real estate and securities, as well as other activities in connection therewith, including participation in other companies with similar activities through equity, loans or by issuing guarantees. The Company's investment strategy is acquisition, sales and operations of yielding real estate and/or real estate instruments. This strategy aims to provide a secure income with gearing potential to increase return on equity, invest in properties with solid and diverse tenants and does not involve any development risk.
Major Shareholders...............	Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. As of the date of this Prospectus, no shareholder, other than those set out in the table below holds more than 5% of the Company's Shares.

Shareholder	Number of Shares	%
BEWI Invest AS	139,019,470	35.27%
HAAS AS...	76,875,801	19.51%[1]

Flugfiskaren AB[2]	50,000,000	12.69%
M2 Asset Management AB	41,627,422	10.56%

1 *HAAS AS has called an option to sell 30,000,000 shares in the Company which is expected to be transferred and settled on or about 11 January 2024. Following the transfer of shares, HAAS AS will own 46,875,801 in the Company, representing approx. 11.89% as of the date of this Prospectus.*

2 *A wholly owned subsidiary of Nordika Blue AB. The Shares are held through a nominee account in Swedbank AB.*

Key managing directors: The Company's executive Management consists of five individuals. The names of the members of the Management and their respective positions are presented in the below table.

Name	**Position**
Liv Malvik	Chief Executive Officer
Kristoffer Holmen	Chief Financial Officer
Audun Aasen	Chief Operating Officer
Ove Rød Henriksen	Chief Accounting Officer
Kristoffer Formo[1]	Head of M&A

1 *Kristoffer Formo has resigned from his position as Head of M&A of the Company with effect from 29 February 2024.*

Statutory auditor: The Company's auditor is PricewaterhouseCoopers AS, with business registration number 987 009 713 and registered address Dronning Eufemias gate 71, 0194 Oslo, Norway.

What is the key financial information regarding the issuer?

The following key financial information has been extracted from the Company's audited consolidated financial statements for the year ended 31 December 2022, prepared in accordance with applicable International Financial Reporting Standards (IFRS) as adopted by the European Union, as well as additional Norwegian reporting requirements pursuant to the Norwegian Accounting Act of 17 July 1998 no. 56 and the Company's unaudited interim financial statements for the three and nine months period ended 30 September 2023 which has been prepared in accordance with International Accounting Standard 34 (IAS 34).

Consolidated statement of comprehensive income

In NOK million	**Three months ended 30 September**		**Nine months ended 30 September**		**Year ended 31 December**
	2023 *(unaudited)*	**2022** *(unaudited)*	**2023** *(unaudited)*	**2022** *(unaudited)*	**2022** *(audited)*
Rental income	104	66	303	193	273
Net operating income	102	65	299	191	270
Profit from continued operations	(114)	77	(84)	214	244
Profit	(114)	46	(84)	133	163

Consolidated statement of financial position

In NOK million	**Three months ended 30 September**		**Nine months ended 30 September**		**Year ended 31 December**
	2023 *(unaudited)*	**2022** *(unaudited)*	**2023** *(unaudited)*	**2022** *(unaudited)*	**2022** *(audited)*
Total assets	6,262	4,848	6,262	4,848	5,781
Total equity	2,476	2,024	2,476	2,024	2,377

Consolidated statement of cash flows

In NOK million	Three months ended 30 September		Nine months ended 30 September		Year ended 31 December
	2023 *(unaudited)*	**2022** *(unaudited)*	**2023** *(unaudited)*	**2022** *(unaudited)*	**2022** *(audited)*
Net cash flows from operating activities.......	146	71	282	185	279
Net cash flows used in investment activities	(60)	(245)	(593)	(484)	(1,357)
Net cash flows from financing activities........	(102)	144	255	198	1,053

What are the key risks that are specific to the issuer?

Material risk factors..............

- The Group is exposed to changes in the value of its property portfolio due to the economic cycle and macroeconomic fluctuations, as changes in the general global economic situation, such as the level of inflation and the rate of economic growth, could materially affect the value of the Group's properties. Any significant reduction in property value would have a material negative impact on the Group's earnings and financial position.
- Most of the Group's revenue is sourced from a few number of tenants, which makes the Group vulnerable towards significant downturns in the industries where these tenants operate. Consequently, if the Group looses either of such tenants or the industries in which these tenants operate in experiences a significant downturn, this will affect the Group's revenue and cash flow, and could have a material adverse effect on the Group's business, financial condition and results of operations.
- The Group is currently involved in several construction projects and is therefore subject to development risks in its business of developing industrial properties. The ability to carry out a profitable construction project is dependent upon a number of factors, such as the Group's ability to retain and recruit employees and hire contractors for the project's implementation on terms acceptable to the Group. The profitability of projects can also be affected by, among other things, insufficient planning, analysis and cost control, change of taxes and charges. Should the Group not be able to successfully develop its projects, this could have a negative impact on the Group's operations, financial position, and earnings.
- The Group may be unable to let a property following the expiry or termination of a lease. The Group's properties are generally tailored to and leased by one specific industrial tenant and located at areas optimal for such tenant. Should the tenant shut down its production, downsize or move, the Group may encounter difficulties leasing the properties at the current rent levels to other tenants and significant investments may be required for the properties to be suitable for a new tenant. Thus, the Group may suffer a rental shortfall, and may also be obliged to cover the common costs allocated to the vacant areas until the property is leased.
- The Group is exposed to the risk of hidden defects and pollution of its properties. Such hidden defects and/or pollution may render further development of the relevant property/ground (including excavation) more expensive due to required soil surveys or otherwise, and any refurbishment may be subject to approval from the authorities.
- All the Group's lease agreements are triple net bare-house lease agreements, which means long-term lease contracts, whereby maintenance, insurance and property tax are covered by the tenant (as further described under Section 2.1.5 "Risks related to hidden defects, pollution and conditions on the properties"). However, the Group is responsible for maintenance and insurance and property taxes under some of the triple net bare-house lease agreements. Should unexpected costs occur if such costs are greater than

expected, this will have a negative impact on the net earnings and financial position of the Group.

- The failure by tenants of the Group to meet their obligations, or the termination of lease agreements by tenants, could result in significant loss of rental income, increase in debts and decrease in the value of the Group's properties.
- The industrial property market in which the Group invests and operates may have lower liquidity than investment markets for other types of assets. To the extent the Group wishes to engage in divestment activities, its general ability to sell parts of its property portfolio would depend on the state of investment markets and on market liquidity and no assurance can be made that the Group will be able to sell any portion of its property portfolio on favourable terms or at all.
- The Group's insurance coverage could be insufficient for potential liabilities or other losses. Should an uninsured loss or a loss in excess of insured limits occur, the Group could also lose capital invested in the affected property, as well as future revenue from that property. There can be no assurance that material losses in excess of insurance coverage limits or losses not insured at all will not occur in the future. Any uninsured losses or losses in excess of insured coverage limits could have a material and adverse effect on the Group's business, financial condition, results of operations and cash flow.
- The Group depends on external construction companies and service providers in connection with the development and construction of new projects. The Group may suffer losses and may be exposed to additional costs on projects if a contractor should experience financial or other difficulties. This may impact the Group's ability to complete a project in accordance with the original schedule, or at all, which in turn could negatively affect the Group's financial position, earnings and prospects.
- Because of uncertainty of the inputs, in particular expected market rents, discount rates and inflation, estimates of sellable or lettable areas and estimated development costs for projects still in development, there is no assurance that the fair values assigned to the Group's properties in the Group's existing or future published annual or interim financial information accurately reflect the proceeds that the Group can generate from the sale of the valued properties, which could have material adverse effect on the Group's business, financial condition, results of operations and cash flow.
- The Group's degree of leverage and ability to incur additional indebtedness could have a material adverse effect on the Group's ability to obtain additional financing or make it more vulnerable in the event of a downturn in the business or the economy generally.
- The Group is subject to risks related to changes in laws and rules regarding tax and duties which may involve new and changed parameters for the Company's investors and the Group. Any changes in tax laws or challenges made by tax authorities to the Group's tax assessment could have material negative impact on the Group's financial position.

Key information on the securities

What are the main features of the securities?

Type, class and ISIN .... All of the Shares are common shares in the Company and have been created under the Norwegian Public Limited Liability Companies Act. The Existing Shares and the Listing Shares are ordinary Shares in the Company and are created under the Norwegian Public Limited Liability Companies Act. All of the Existing Shares are, and the Listing Shares will be, registered in the VPS in book-entry form. The Shares, excluding the Listing Shares, are issued on ISIN NO0010360175, while the Listing Shares are issued on a separate ISIN NO0013062877 and will be transferred to the listed ISIN following publication of this Prospectus.

Currency, nominal value and number of securities.................................	The Shares will be traded in NOK on the Oslo Stock Exchange. As of the date of this Prospectus, the Company's share capital is NOK 78,825,916 divided into 394,129,580 Shares, each with a nominal value of NOK 0.2.
Rights attached to the securities.................................	The Company has one class of shares in issue, and in accordance with the Norwegian Public Limited Liability Companies Act, all shares in that class provide equal rights in the Company. Each Share carries one vote.
Transfer restrictions..............	The Shares are freely transferable. The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal for the Shares. Share transfers are not subject to approval by the Board of Directors.
Dividend and dividend policy	The Company's dividend policy is based on the principle of fair distribution of profit among all its shareholders pro rata their respective holdings of Shares, taking into account a rational correlation of the amount paid in dividends and the funds needed to carry out the strategic plans of the Company's development. Dividend rights arise on the date they are approved by the general meeting. There are no restrictions involved for non-resident holders. The Company is focusing on pursuing growth through both organic and inorganic initiatives, and anticipates to pay dividends according to a dividend pay-out ratio in the 30-50% range of the Company's net income in the coming years.

What are the key risks that are specific to the securities?

Material risk factors..............	BEWI Invest AS, HAAS AS, M2 Asset Management AB and Nordika Blue AB (through Flugfiskaren AB) could, as major shareholders, exercise significant influence over the Company, and the goals and interests of these shareholders may not always be aligned with those of the Company and/or other shareholders.

Key information on the admission to trading on a regulated market

Under which conditions and timetable can I invest in this security?

Admission to trading	The Existing Shares have been admitted to trading on the Oslo Stock Exchange, and it is expected that the Listing Shares will be listed, and tradeable on the Oslo Stock Exchange on or about 20 December 2023.
Total expenses of the listing of the Listing Shares..............	The Company's total costs and expenses of, and incidental to, the listing of the Listing Shares are estimated to amount to approximately NOK 3 million.

Who is the offeror and/or the person asking for admission to trading?

Brief description of the Offeror....................................	Not applicable.

Why is this Prospectus being produced?

Reasons for the offer/admission to trading....	This Prospectus has been prepared in order to facilitate for the listing of the Listing Shares on the Oslo Stock Exchange.
Conflicts of interest................	There are no material conflicts of interest pertaining to the listing of the Listing Shares.

2 RISK FACTORS

An investment in the Company and the Shares, involves inherent risk. Investors should carefully consider the risk factors and all information contained in this Prospectus, including the Financial Information and related notes incorporated by reference hereto. The risks and uncertainties described in this Section 2 are the material known risks and uncertainties faced by the Group as of the date hereof, and represents those risk factors that the Company believes to represent the most material risks for investors when making their investment decision in the Shares. An investment in the Company is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.

The risk factors included in this Section 2 are presented in a limited number of categories, where each risk factor is placed in the most appropriate category based on the nature of the risk it represents. Within each category, the risk factors deemed most material for the Group, taking into account their potential negative effect for the Company and its subsidiaries and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties in that risk factor are not genuine and potential threats, and they should therefore be considered prior to making an investment decision. If any of the following risks were to materialise, either individually, cumulatively or together with other circumstances, it could have a material adverse effect on the Group and/or its business, results of operations, cash flow, financial condition and/or prospects, which may cause a decline in the value and trading price of the Shares, resulting in loss of all or part of an investment in the Shares. Additional factors of which the Company is currently unaware, or which it currently deems not to be risks, may also have corresponding negative effects.

2.1 Risks related to the Group and its operations

2.1.1 Risks related to changes in property values

The Group is exposed to the economic cycle and macroeconomic fluctuations, as changes in the general global economic situation, such as the level of inflation, exchange rates and the rate of economic growth which leads to fluctuations in the value of the Group's properties. In particular, an economic downturn may decrease the market value of some or all of the Group's properties long term. In addition, any changes in the segment of the real property industry in which the Group operates, including, among other things, reduction in the demand for industrial properties, reduced availability and increased cost of financing for industrial properties and slowdown in the market for the sale and purchase of industrial properties, could have a negative effect on the value of the Group's properties. Any significant medium or long term reduction in the property value of the Group's property portfolio would have a material negative impact on the Group's earnings and financial position. As a part of the valuation report prepared by Cushman & Wakefield Debenham Tie Leung Limited on the Group's properties (as further described in Section 4.4.3 "Valuation report and other third party information"), a sensitivity analysis is performed. A sensitivity analysis determines how different values of an independent variable affect a particular dependent variable under a given set of assumptions. As shown in the table below, independent variables such as exit yield, discount rate, operating costs, market rent and average rental growth can effect the value of the Group's properties negatively and positively within a range. Such independent variables are closely linked to the economic cycle and macroeconomic fluctuations. The sensitivity analysis as of 30 September 2023 is included herein:

In NOK million

Variables	Change of variables	Value change (+)	Value change (-)
Exit yield	+/- 0.25 per cent point	(44.6)	47.8
Discount rate	+/- 0.25 per cent point	(115.6)	114.7
Operating costs	+/- 10%	(11.2)	11.0
Market rent	+/- 10%	222.4	(222.2)
Average rental growth	+/- 0.5 percentages points next 10 years	197.8	(191.0)

Except for two of the Group's lease agreements (one of which has an 80% consumer price index ("**CPI**") adjustment clause), all lease agreements in the Group's property portfolio have a 100% CPI adjustment clause, allowing the Group to increase rental rates based on an increase in the CPI each year. A lower rate of inflation or reduced CPI levels could lead to lower than anticipated rent levels for the Group's property portfolio which, in turn, may result in a temporary or permanent revaluation of the Group's property portfolio, leading to a potential downward adjustment of the valuation of the Group's property portfolio. A potential downward adjustment will result in lower expected sales value of the Group's property portfolio, a lower net profit for the financial period due to fair value adjustments, and reduced flexibility for the relevant loan-to-value covenants.

2.1.2 Most of the Group's revenues are sourced from a few number of tenants

The largest tenant of the Group is the Oslo Stock Exchange listed packing- and insulation company BEWI ASA ("**BEWI**") together with its subsidiaries (the "**BEWI Group**"), leasing 35 properties and accounting for 49.15% of the Company's operating income as of 30 September 2023. The Nordic seafood company, Insula AS ("**Insula**"), is the Group's second largest tenant, leasing 10 properties and accounting for 15.28% of the Company's operating income for the same period. Subject to the successful completion of Tranche 3, as further described in Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement", the largest tenant of the Group's property portfolio will continue to be companies within the BEWI Group. Furthermore, given the relative dependency the Group has on the BEWI Group and Insula, the Group is vulnerable towards significant downturns in the fishing industry and other connected industries where these tenants operate. Consequently, if the Group loses either of its two largest tenants or the industries in which these two tenants operate in experiences a significant downturn, this will affect the Group's revenue and cash flow, and could have a material adverse effect on the Group's business, financial condition and results of operations.

2.1.3 Risks related to the construction and development projects

The Group is currently involved in several construction projects and is therefore subject to development risks in its business of developing industrial properties. The Group's portfolio of project properties represents a significant percentage of the market value of the Group's total property portfolio. The Group is exposed to the risk that the completion of a development or construction project may be delayed and/or that the construction costs will exceed the cost budget. Over the recent years, construction costs have increased materially. The ability to carry out a profitable construction projects is dependent upon a number of factors, such as the Group's ability to retain and recruit employees with the necessary competence and hire contractors for the projects implementation on terms acceptable to the Group. The profitability of the Group's projects can also be affected by, among other things, insufficient planning, analysis and cost control, change of taxes, currency rates, material cost and charges. For example, the Group has two ongoing greenfield projects, of which the construction of a NOK 620 million salmon slaughterhouse facility at Florø on the Norwegian western coast with Slakteriet Holding AS as tenant is delayed due to a development plan. Should the Group not be able to successfully develop these projects, this could have a negative impact on the Group's operations, financial position, and earnings.

2.1.4 The Group may be unable to let a property following the expiry or termination of a lease

As of 31 December 2022, the weighted average remaining fixed lease term (where the weighted average is based on the lease agreement’s rental income) under the lease agreements for the Group's properties was 11 years. In the event the Group is unable to let its properties on satisfactory terms or at all upon expiry or termination of lease agreements, the Group will suffer a rental shortfall, and may also be obliged to cover the common costs allocated to the vacant areas until the property is leased. Expenditures related to a property, such as renovation and maintenance costs, are generally not reduced in proportion to any decline in rental income from that property. The Group's properties are generally tailored to and leased by one specific local industrial tenant and located at areas optimal for such tenant. Should the local industrial tenant shut down its production, downsize or move, the Group may encounter difficulties leasing the properties at the current rent level to other tenants and significant investments may be needed for the properties to be suited for a new tenant.

Consequently, should the Group be unable to continue leasing out its properties upon the expiry or termination of lease agreements, this could have a material adverse effect on the Group's financial condition, results of operations and cash flows.

2.1.5 Risks related to hidden defects, pollution and conditions on the properties

The Group is exposed to the risk of hidden defects and pollution on its properties. Such hidden defects and/or pollution may render further development of the relevant property/ground (including excavation) more expensive due to required soil surveys or otherwise, and any refurbishment may be subject to approval from the relevant authorities. If such hidden defects and/or pollution is detected, such property may be less attractive for tenants which, together with possible substantial costs related to refurbishment, may have a negative effect on the Group's net earnings and financial position. The risks related to hidden defects, pollution and conditions can be divided into (i) risks related to hidden pollution and soil conditions and (ii) hidden defects and conditions in the buildings at the Group's properties.

As for hidden pollution and soil conditions, these risks are usually only detected due to work on the land plot, or by analysing businesses who have been operating on the property, meaning that such risks might not be easily detectible. As for hidden defects and the condition of buildings, certain factors might not be easily detectible such as hidden defects due to the quality of construction, maintenance history and previous renovation. However, as the majority of the Group's properties have been acquired after 2020 where both technical and legal due diligence has been carried out by the Group for such acquisitions, including a review of public registers to obtain information about any registered pollution and orders imposed by the authorities on these properties the risks of hidden pollution and soil condition is mitigated. All properties acquired before 2021 have been inspected by the Group's asset management team. In addition to inspections by the insurers of properties associated with higher risk. In addition, the tenants also have an individual duty to report material issues with the properties, and they must control the electrical installation at least once a year. As at the date of this Prospectus, there are no uncovered material defects or other negative conditions in the Group's property portfolio that are unresolved, either through a maintenance plan or a capex project (upgrade investments usually covered by the tenant). In addition, most of the buildings owned by the Group can be described as large "boxes" with open installations, which are easy to maintain and risks are easier to detect. Another risk mitigating factor is that most of the Group's lease agreements are triple net bare-house lease agreements, which means lease agreements, whereby maintenance, insurance and property tax are covered by the tenant ("**Triple Net Bare-House Lease Agreement**") and in which the tenant is responsible for ensuring that the property at all times satisfies relevant laws and regulations without exception, including laws and regulations concerning pollution, construction or real estate, which also includes hidden defects and hidden pollution, as well as responsibility to correct deficiencies the Group as the landlord is required by law to correct. Hence, if pollution or other negative conditions in the soil or in the buildings are detected, and they need to be rectified, the tenant is generally required to pay for such costs, but it is not certain that the Group will be able to pass on all costs related to hidden defects, pollution and conditions to its tenants.

2.1.6 The Group is exposed to maintenance, technical condition and operation risks

As mentioned above, most of the Group's lease agreements are Triple Net Bare-House Lease Agreements, however, some of the agreements are not Triple Net Bare-House Lease Agreements, which means that the Group's generally has greater responsibilities under such lease agreements compared to under Triple Net Bare-House Lease Agreement, however such responsibilities varies depending on what is agreed between the Group as the landlord and each tenant. As of the date of this Prospectus, the Group is responsible for maintenance under two lease agreements, insurance under nine lease agreements and property taxes under three lease agreements The Group is not responsible for the maintenance, replacement, upgrading etc. of its properties under its Triple Net Bare-House Lease Agreements, unless the Group has explicitly taken on such responsibilities. However, the Group might take on such responsibilities from time to time to attract new tenants to certain properties in order to make the properties and the related lease agreements more attractive to future tenants. However, there is a general risk that the costs related to maintenance, replacements, upgrading, etc., for which the Group is responsible for which may be higher than expected. Further, the Group may experience unexpected capital expenditure requirements related to its properties. The scope of the Group as a landlord and its obligations will depend on the term of each lease agreement and the technical state and condition of the lease object/property. Further, after expiry or termination of the respective lease agreements, the premises may have to be renovated or adapted to attract new tenants. Should unexpected costs occur, this will have a negative impact on the net earnings and financial position of the Group.

2.1.7 Risks related to the tenants and the rental market in which the Group operates

The failure by tenants of the Group to meet their obligations, or the termination of lease agreements by tenants, could result in significant loss of rental income and decrease in the value of the Group's properties due to increased uncertainty and higher risk related to a bad tenant or a vacant property. Tenants unable to pay rent or fulfil duties under lease agreement, or vacant properties for longer periods, will affect the Group's property value as the valuation of the Group's properties are linked to its contractual cash flow and expected market rent after the lease agreement has expired. Further, entering into lease agreements with any new tenants may require upgrades and refurbishing in order to accommodate the new tenants needs, which reduces the property's cash flow and might result in a decreased value of the Group's property. Any significant reduction in rental income and/or property value would have a negative impact on the Group's future earnings and position.

The demand for office, industrial and logistics space is influenced by several factors. Negative financial changes in the general economic situation, including business and private spending, may adversely affect the demand for office/logistics space and consequently have a negative impact on the Group's future earnings and financial position. The Group offers Triple Net Bare-House Lease Agreements, which makes the credit risk in respect of the tenants higher, and it may be harder to find suitable tenants. In the event the Group's tenants struggle to meet their financial obligations or the Group is unable to let its property, the Group will suffer a rental shortfall, and may be obliged to cover the common costs for the vacant areas until the property is re-let. There is no assurance that renewals or replacements will be on terms that are as favourable to the Group as before or that the new tenants will be as creditworthy as the previous tenants. Expenditures related to the property, such as renovation and maintenance costs, are generally not reduced in proportion to any decline in rental income from that property. Any vacancies or decline in the rental income generated by the letting of a property, could, unless related costs decline correspondingly or unless the Group manages to pass on or recoup such related costs, have a material and adverse effect on the Group's business, financial condition, results of operations and cash flow.

2.1.8 Due to the potentially illiquid nature of the industrial properties in which the Group has invested, the Group could be unable to sell any portion of its total portfolio on favourable terms or could be unable to sell at all

The industrial property market in which the Group invests and operates may have lower liquidity than investment markets for other types of assets. To the extent the Group wishes to engage in divestment activities, its general ability to sell parts of its property portfolio would depend on the state of investment markets and on market liquidity. In particular, these risks could arise from weakness in or even the lack of an established market for a property, changes in the financial condition or prospects of prospective purchasers, changes in national or international economic conditions and changes in laws, regulations or fiscal policies of jurisdictions in which the Group's properties are located. If the Group was required to liquidate any part of its property portfolio for any reason, there is no assurance that the Group would be able to sell any portion of its property portfolio on favourable terms or at all, which could have a material and adverse effect on Group's business, financial condition, results of operations and cash flow.

2.1.9 The Group's insurance coverage could be insufficient for potential liabilities or other losses

The Group's insurance policies, which currently comprise (inter alia) property damage insurance, business interruption insurance and third-party liability insurance, could be inadequate to compensate for losses associated with damage to the Group's property assets or other assets, including loss of rent. The Group could incur significant losses or damage to its assets or business for which it may not be fully or at all compensated. The Group could be liable to repair damage caused by uninsured risks. As the Group's insurance policies only cover up to two to three years of lost rent in the event of a total loss of a property caused by fire (depending on the reconstruction period). Insurance may not cover loss of rental income in the event that property damage leads tenants to terminate or not renew their lease agreements. Should an uninsured loss or a loss in excess of insured limits occur, the Group could also lose capital invested in the affected property, as well as future revenue from that property. In addition, the Group could be liable to repair damage caused by uninsured risks. The Group could also remain liable for any debt or other financial obligation related to a damaged building.

Under the Group's Triple Net Bare-House Lease Agreements, the Group does not always directly manage all its insurances, as the tenants under the Triple Net Bare-House Lease Agreements are responsible for having sufficient and adequate insurances on the leased properties. However, the Group is responsible for maintaining the insurances and actively participates in ensuring that the Group's properties are sufficiently insured taking into account the interests of the Group. If any tenant fails to pay the insurance, the Group will be ultimately be responsible for the payment under such insurance to ensure sufficient insurance coverages at all times for its properties. Such structuring of insurances does not itself imply that the Group is not sufficiently covered nor pose a risk to the Group. Beyond this, any uninsured losses or losses in excess of insured coverage limits could have a material and adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.1.10 The Group is dependent on the services of external construction companies

The Group depends on external construction companies and service providers in connection with the development and construction of new projects. The Group may suffer losses and may be exposed to additional costs on projects if a contractor should experience financial or other difficulties. The Group may further, through its contractors, encounter difficulties with respect to engineering, equipment or deliveries of material, schedule changes, delays in designs, weather-related delays and other problems associated with projects and the use of contractors and such problems may impact the Group's ability to complete a project in accordance with the original schedule, or at all, which in turn could negatively affect the Group's financial position, earnings and prospects.

2.1.11 Inaccuracies in calculations of fair value of property could negatively affect the Group

The Group's investment properties are measured at their fair value by the independent external valuer Cushman & Wakefield Debenham Tie Leung Limited quarterly. The valuations are based on the individual property's assumed future cash flows, and property values are arrived at by discounting cash flow with an individual risk-adjusted required rate of return. Because of the uncertainty surrounding inputs, in particular expected market rents, discount rates and inflation, estimates of sellable or lettable areas and estimated development costs for projects still in development, there is no assurance that the fair values assigned to the Group's properties in the Group's existing or future published annual or interim financial information accurately reflect the proceeds that the Group can generate from the sale of the valued properties. Moreover, valuation methods that are currently generally accepted and that have been used for the purpose of determining the fair value of the Group's properties could subsequently be determined to have been unsuitable. Revised valuation techniques, erroneous valuations in connection with acquisition of property portfolios and other unforeseeable events could result in the Group being unable to achieve its projected yields and could have significant adverse effects on the Group's business, financial condition, results of operations and cash flow.

In addition, the fair value of the properties is impacted by a number of external factors, including interest rates, rental market for the properties, credit margins, the financial institution's lending conditions (including covenants, requirements for equity in transactions and availability of funds) and conditions in the investor market (including investors required return on capital and balance in the transaction market for properties). Changes in fair value are recorded quarterly in the income statement and are based on third party valuations. Consequently, any adjustment to the value of the Group's property portfolio based on changes in fair value could negatively affect the Group's financial condition, results of operations and equity. This could in turn, among other things, have an impact on the Group's ability to satisfy the financial covenants under its loan agreements.

2.1.12 The Group's business may be adversely affected if the acquisition and integration of property companies is not successful

The Group has a growth strategy and considers itself to be well positioned to pursue further growth opportunities through both acquisition of or merger with other property companies and through the profitable development of existing properties, as and when such opportunities should arise. With this dual focus on growth and profitability, the Group intends to reinvest any increases in revenues to seize these opportunities, but however also intends to distribute dividends to its shareholders. The Company's ability to distribute dividends is restricted subject to the terms and conditions of the Bonds and DNB RCF, as defined in Section 5.13 "Debt financing of the Group" and set out in further detail in Section 6.1 "Dividend policy" below. Organic growth may not, however, be sufficient to achieve the desired growth objectives. The Company's Board of Directors will continuously evaluate if further investments are needed to enable the Group to grow at a faster pace and capture more of the available growth opportunities.

If the Group acquires or merge with other property companies in the future, there can be no assurances that the Group will be able to carry out and complete suitable acquisitions on favourable terms, nor that the Group will be able to integrate such acquisitions successfully into the Group's existing business with respect to time, resources, attention from the Management and/or without the disruption of ordinary business functions. Any such failure may adversely affect the Group's operations, financial performance, reputation and/or future prospects. Further, as for profitable developments of existing property, the success of such development is dependent upon a number of factors, such as the Group's ability to retain and recruit employees with the necessary competence, obtain necessary permits and decisions from authorities and hire contractors for each project on terms acceptable to the Group. Whether the development of properties will be economically profitable, can also, among other things, be affected by whether the projects to a sufficient extent correspond to the marked demand, a general change in the demand or price of property, insufficient planning, analysis and cost control, change of taxes and charges and other factors which may result in delays or increased or unexpected costs in the project. Furthermore, there is always a risk that the Group does not obtain necessary decisions or permits for changed usage of the relevant property, or that a change in permits, plans, regulations or laws, may result in delays, increased expenditures or non-completion of the project. Should any of the above risks materialise, it could have a negative impact on the Company's operations, financial position, and earnings. Further, the Group's business, results of operations and financial position and the development and commercialisation of its new solutions and products will depend, in part, on its ability to manage future growth effectively.

2.2 Risks related to financing and market risk

2.2.1 The Group's leverage and ability to incur additional indebtedness could have a material effect on the Group's ability to obtain additional financing or make it more vulnerable in the event of a downturn in the business or the economy

The Group primarily finances its operations through equity, own cash flow and interest-bearing debt. The Group's financing arrangements contain certain covenants and general undertakings, which are customary to finance companies in the industry in which the Group operates, which impose financial and operational restrictions on the Group. As of 30 September 2023, the Group's interest-bearing debt consists of the debt facilities listed and further described in Section 5.13 "Debt financing of the Group". The financing agreements limit the Group's ability to, among other things, incur additional indebtedness, make certain disposals of assets or subsidiaries, conduct corporate reorganisations, make investments or acquisitions. In addition, the financing agreements includes cross-default provisions which means that default under one financing agreement may lead to default under the other agreements. As of the date of this Prospectus, the Group is not in breach of any of the covenants under its loan agreements as mentioned in Section 5.13 "Debt financing of the Group".

Even though the restrictions set out in the financing agreements are subject to carve-outs and limitations, some of the covenants applicable to the Group, such as for example incurrence test covenants, could limit the Group's ability to finance future operations and capital needs and its ability to pursue investments and acquisitions in accordance with its current strategy that may be in the Company's and/or the Group's interest. In particular, the Group is subject to certain financial covenants, restrictions on its ability to pay dividends or other distributions. Consequently, there is a risk that the Group's financing arrangements may limit the Group's business and distributions to its shareholders.

The Group's degree of leverage could affect its ability to obtain additional financing for working capital, capital expenditures, acquisitions, development or other general corporate purposes. The Group may now or in the future have a greater degree of leverage than its regional or international peers, or both. The Group's degree of leverage could also make it more vulnerable to a downturn in business or the economy generally. The Group could default on its debt service obligations, or, if the Group becomes more leveraged in the future, the resulting increase in debt service requirements could cause the Group to default on its obligations, any of which could materially and adversely affect the Group's business, financial condition, results of operations and cash flows. Moreover, any changes that increase the Group's leverage could be viewed negatively by investors and cause a decline in the price of the Shares.

2.2.2 The Group is exposed to currency risk

The Group is exposed to foreign exchange risk arising from various currencies, primarily with respect to NOK, DKK, SEK, PLN and EUR. Foreign exchange risk arises when operations, future commercial transactions or recognised assets and liabilities are denominated in a currency that is not NOK, which is the Group's functional currency. Almost all interest-bearing debt and all rental income is denominated in the Group's functional currency, meaning that properties in Norway have rental income in NOK and are financed by interest-bearing debt in NOK. The same principle applies through the Group's property portfolio.

Hence, this reduces the Group's currency risk to fluctuations affecting the equity share of the Group's properties, which is not hedged. In addition, the Group is exposed to currency risk fluctuations due to the equity share of the Group's properties with rental income in other currencies than NOK. For example, if a property has a loan to value ratio of 55%, 45% of the value of the property will be the equity value. If the property has rental income in, for example, SEK, this will fluctuate with currency fluctuations.

2.2.3 Interest rate fluctuations could materially and adversely affect the Group's business, financial condition, results of operations and cash flows

The Group is exposed to interest rate risk primarily in relation to its long-term borrowings issued at floating interest rates and has adopted a hedging strategy in relation to such exposure. The Group evaluates the share of interest rate hedging based on an assessment of the Group's total interest rate risk and the Group's strategy to manage interest rate risk in order to achieve a balance between the desired interest rate expense and interest rate risk.

The Group's interest rate risk is managed through the requirements for fixed interest rates for approximately 40-60% of the debt portfolio, an average duration in the range of two to eight years and diversification of the maturity structure for fixed interest rates. The average interest rate maturity of the total loan portfolio (including derivatives) was 3.2 years as of 30 September 2023. For example, as of 30 September 2023, a decrease in market interest rates of 100 basis points would have resulted in a decrease in total profit (after tax) in relation to interest-bearing debt of NOK 17.2 million. Such interest rate fluctuations could have a material and adverse effect on the Group's business, financial condition, results of operations and cash flow.

As of 30 September 2023, the Group had hedged 37% of its interest rate exposure through the use of interest rate derivatives, including forward rate agreements, interest rate options, swaps, swaptions or other forms of derivative instruments. The use of interest rate derivatives exposes the Group to the risk of losses on its positions, which may not always be offset by corresponding gains on the related physical position, as a result of unanticipated market changes. In addition, the Group could be exposed to market interest rate risk when the interest rate swaps which the Group entered into in connection with its financing arrangements expire, if the Group requires financing and cannot hedge its interest rate exposure on commercially reasonable terms, or at all. To the extent that the Group does not hedge its exposure to interest rate fluctuations, or to the extent that such hedging is inaccurate or otherwise ineffective, the Group could incur higher than expected interest rate expenses, which could have a material and adverse effect on the Group's business, financial condition, results of operations and cash flow.

Interest rate developments could not only directly impact the Group's financing costs, but could also have an impact on the valuation of its properties. The Group's investment properties are recorded at fair value in its financial statements based on market values estimated by an independent valuer. The valuations are based on the individual property's assumed future cash flows and property values are arrived at by discounting cash flows with an individual risk-adjusted required rate of return. Gains or losses as a result of changes in the market value of investment properties are recognised as profit or loss as they arise. Any change in the discount rate and the market yield (exit yield) applied by the Independent Appraiser following changes in market interest rates will be reflected in changes in the value of investment properties. As a result, changes in interest rates during a given period may have a significant impact on changes in value of investment properties, which will in turn influence the Group's results of operations for such period.

The occurrence of any of these factors could have a material and adverse effect on the Group's business, financial condition, results of operations and cash flow.

2.2.4 The Company is dependent on cash flows from subsidiaries

The Company's main assets consist of shares in underlying (operating) subsidiaries which hold properties that contribute to a positive cash flow from operations. The ability to bear the costs for e.g. interest-bearing debt are dependent of payments and dividends from subsidiaries, as this represents the Company's and the Group's cash flow. The transfer of funds from subsidiaries may be limited or prevented by both legal and contractual requirements applicable to the Group, including, but not limited to, any limitations with respect to dividend payments set out in shareholders' agreements entered into by a Group company, legal requirements regarding available funds for dividend payments and thin-capitalisation rules. Should any such limitations with respect to the possibility of transferring funds from subsidiaries occur, or should such subsidiaries for any other reason not generate sufficient liquidity to the Company, this may adversely affect the Company's liquidity and results.

2.3 Risks related to laws, regulations and litigation

2.3.1 The Group could be subject to litigation and disputes, including disputes with tax authorities that could have a material adverse effect on the Group's business, financial condition, results of operation and cash flow

Certain elements of tax laws may from time to time be subject to interpretation. Such interpretation may also change over time, and could lead to disputes with tax authorities, especially with respect of potential disputes regarding transfer pricing. Transfer pricing refers to the rules and methods for pricing transactions within and between the companies in the Group. As transfer pricing is regulated by discretionary rules, this may involve different interpretation of laws and regulations outside the Group's control and lead to disputed with the relevant tax authorities regarding such interpretation. The Group has significant intercompany cross-border transactions (mainly related to interests on intra group outstanding balances (*Nw.: konsernmellomværende*), and the tax consequences of such transfers may be difficult to predict precisely from time to time. This represents a potential additional tax exposure (resulting both from historic and current tax treatment). To the extent that the Board of Directors is aware of such disputable tax issued, the Board of Directors will to the extent possible take steps to mitigate such risks. There are currently no ongoing material disputes to which the Group is a party or that the Group is otherwise involved in. However, should any such material disputes arise, then such a dispute and any associated legal process could have a material and adverse effect on the Group's business, financial condition, results of operations and cash flow.

The Group may from time to time be subject to legal claims from tenants, tax authorities and/or other third parties. The Group 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 the Group's business, financial condition, results of operations and cash flow.

2.3.2 Changes in, or completion of, planning regulations and existing exemption practices by authorities could significantly affect the Group's operations and financial position and changes in infrastructure could materially impact the Group's operations

Changes in existing planning regulations or legislation to which the Group is subject by relevant authorities and lawmakers in the various jurisdictions in which the Group operates, may affect the operations of the Group, including the interest of potential tenants in future rental of premises or interest of future purchasers of the properties. New laws may be introduced which may be retrospective and affect environmental planning, land use and development regulations. Furthermore, existing planning regulations may limit the possibility to further develop the properties. Consequently, planning regulations may lead to increased costs and reduced earnings for the Group and have a material adverse effect on the Group's financial position. However, the Group has no specific plans of relevance for development projects or existing project with increased risks related to planning regulations and legislations as of the date of this Prospectus.

2.3.3 Operations in certain countries in Europe may cause business interruptions, reputational damage and compliance risks

The Group owns properties in the Nordic countries and in the Netherlands, and subject to the closing of Tranche 3 (as further described in Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement"), the Group will own properties in Germany, Belgium and Poland, which entails a risk of business interruptions that may result from political circumstances or inadequacies in the legal systems and law enforcement mechanisms in certain countries in which the Group own properties. This risk is particularly prominent to the properties located in Poland, due to among other things, the ongoing war between Russia and Ukraine. As a result of the war, certain countries, such as Norway, and international bodies has imposed laws and regulations with extra territorial application (such as sanctions and bribery and corruption legislation), which may further increase the risk of business interruptions and reputational damage resulting from the Group's cross-border activities in Poland, as a neighbouring country to Ukraine. In a worst-case scenario, the Group's ability to operate within Poland including entities and individuals linked to such properties, may be severely restricted. Although the Group monitors its own operations and the global political situation closely, and has adopted a strict anti-bribery and anti-corruption policy, the political circumstances or inadequacies of the legal systems and law enforcement mechanisms in certain countries in which the Group operates may have a material negative impact on the Group's reputation, revenue, cash flow and financial condition.

2.4 Risks related to the Shares

2.4.1 Major shareholders could exercise significant influence

As of the date of this Prospectus, BEWI Invest AS and HAAS AS holds approximately 35.27% and 19.51% of the Shares in the Company, respectively, following the completion of the Private Placement (please see Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement"). In addition, Nordika Blue AB (through its wholly owned subsidiary, Flugfiskaren AB) holds approximately 12.69% of the Shares of the Company and M2 Asset Management AB holds approximately 10.56% of the Shares in the Company. Hence, BEWI Invest AS, HAAS AS, Nordika, and M2 Asset Management AB have significant influence of matters subject to approval by the shareholders in the Company, including continued significant influence over the Company's Management and business. These matters also include election of members to the Board of Directors, mergers or sales of assets and issuance of additional shares or other equity related securities, which may dilute the economic and voting rights of the existing shareholders. The interests of these major shareholders may not be aligned with and may differ significantly from or may compete with the Company's interests or those of the other shareholders. It is possible that BEWI Invest AS, HAAS AS, Nordika Blue AB or M2 Asset Management AB could exercise their respective influence over the Company in a manner that does not promote the interests of the other shareholders. For example, there could also be a conflict between the interests of as the major shareholders and the interests of the Company or its other shareholders with respect to dividends or other fundamental corporate matters. Such conflicts could have a material adverse effect on the Company's business and prospects.

The concentration of ownership on a few larger shareholders could furthermore delay, postpone or prevent a change of control in the Company, and impact mergers, consolidations, acquisitions or other forms of combinations, as well as distributions of profit, which may or may not be desired by other investors, or could, as an alternative result in larger Share sales should any of them want to significantly reduce their exposure in the Company's Share. Any future sales of substantial numbers of Shares could affect the market price and make it more difficult for shareholders to sell their Shares at a time and price that they deem appropriate.

3 RESPONSIBILITY FOR THE PROSPECTUS

This Prospectus has been prepared in connection with the listing of the Listing Shares on the Oslo Stock Exchange.

The Board of Directors of KMC Properties ASA accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that to the best of their knowledge, the information contained in this Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

15 December 2023

The Board of Directors of KMC Properties ASA

__________________	__________________	__________________
Bjørnar André Ulstein *Chairperson*	Morten Eivindssøn Astrup *Board member*	Nini Eugenie Høegh Nergaard *Board member*
__________________	__________________	__________________
Marianne Bekken *Board member*	John Thoresen *Board member*	Hege Aasen Veiseth *Board member*
__________________		__________________
Haakon Morten Sæter *Board member*		Jonas Grandér *Board member*

4 GENERAL INFORMATION

4.1 The approval of this Prospectus by the Norwegian FSA

This Prospectus has been approved by the Norwegian FSA as the competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval shall not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities. The Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the EU Prospectus Regulation.

4.2 Other important investor information

The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Shares and which arise or are noted between the time when the Prospectus is approved by the Norwegian FSA and the listing of the Shares on the Oslo Stock Exchange, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstance imply that there has not been any change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

No person is authorised to give information or to make any representation concerning the Group other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or any of its affiliates, representatives or advisers.

4.3 Expenses for listing the Listing Shares

The Company's total costs and expenses of, and incidental to, the listing of the Listing Shares are estimated to amount to approximately NOK 3 million.

4.4 Presentation of financial and other information

4.4.1 Historical financial information

The Company has published financial statements for the year ended 31 December 2022 (the "**Financial Statements**") and for the three and nine months' periods ended 30 September 2023 (the "**Interim Financial Statements**" and together with the Financial Statements, the "**Financial Information**"). The Financial Information is incorporated into this Prospectus by reference, please see Section 13.4 "Incorporation by reference".

The Financial Statements have been prepared in accordance with applicable International Financial Reporting Standards ("**IFRS**") as adopted by the European Union (the "**EU**"), as well as additional Norwegian reporting requirements pursuant to the Norwegian Accounting Act. The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") as adopted by the EU.

The Financial Statements as of, and for the year ended 31 December 2022 have been audited by PricewaterhouseCoopers AS ("**PwC"**), as set forth in their report thereon included therein. The Interim Financial Statements have not been audited.

4.4.2 Industry and market data

This Prospectus contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Group's future business and the industries and markets in which it may operate in the future. Unless otherwise indicated, such information reflects the Company's estimates based on analysis of multiple sources, including data compiled by professional organisations, consultants and analysts and information otherwise obtained from other third party sources, such as annual financial statements and other presentations published by listed companies operating within the same industry as the Company may do in the future. Unless otherwise indicated in the

Prospectus, the basis for any statements regarding the Company's competitive position in the future is based on the Company's own assessment and knowledge of the potential market in which it may operate.

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 Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these 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 statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments 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 Prospectus (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Company'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 Section 2 "Risk Factors" and elsewhere in this Prospectus.

4.4.3 Valuation report and other third party information

Included in this Prospectus is a valuation report on the Group's properties prepared by Cushman & Wakefield Debenham Tie Leung Limited ("**Cushman & Wakefield**"), with business registration number 997 013 263 and registered business address at 125 Old Brad Street, London EC2N 1AR, the United Kingdom.

The valuation report by Cushman & Wakefield was prepared at the request of the Company in connection with the listing of the Listing Shares. Cushman & Wakefield regularly assists companies with valuation of their real estate portfolios, please see https://www.cushmanwakefield.com/en for more information with regard to experience and qualifications. The content of https://www.cushmanwakefield.com/en is not incorporated by reference into and does not otherwise form part of this Prospectus. Cushman & Wakefield have consented to their report being included in the Prospectus. Cushman & Wakefield has no material interest in the Company.

The valuation report does not include the properties comprised of Tranche 3, as listed in Section 5.3.6 "Additions to the property portfolio following closing of Tranche 3", as Tranche 3, as further described below in Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement", has not been completed as of the date of this Prospectus. The Company confirms that where information has been sourced by a third party, including information from Cushman & Wakefield, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

4.4.4 Other information

In this Prospectus, all references to "**NOK**" are to the lawful currency of Norway, all references to "**USD**" or "**U.S. Dollar**" are to the lawful currency of the United States, all references to "**SEK**" are to the lawful currency of Sweden and all references to "**Euro**" or "**EUR**" are to the lawful common currency of the EU member states who have adopted the Euro as their sole national currency. No representation is made that the NOK, USD, SEK and EUR amounts referred to herein could have been or could be converted into NOK, USD, SEK or EUR as the case may be, at any particular rate, or at all. The Financial Information is published in NOK.

4.4.5 Rounding

Certain figures included in this 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 for the same category presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

4.5 Cautionary note regarding forward-looking statements

This Prospectus includes forward-looking statements that reflect the Company'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. They appear in the Section 5 "Business of the Group" of this Prospectus, and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, financial strength and position of the Group, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to the Group's future business development and financial performance, and the industry in which the Group operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry and potential market in which the Group may operate in the future, may differ materially from those made in, or suggested by, the forward-looking statements contained in this Prospectus. The Company 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:

- the effect of changes in demand, pricing and competition for the Group's existing and future products and services;
- the Group's strategy, outlook and growth prospects and the ability of the Group to implement its strategic initiatives;
- the competitive nature of the business the Group operates in and the competitive pressure and changes to the competitive environment in general;
- earnings, cash flow, dividends and other expected financial results and conditions;
- the state of the Group's relationships with major clients, suppliers and affiliated companies;
- technological changes and new products and services introduced into the Group's market and industry;
- fluctuations of interest and exchange rates;
- changes in general economic and industry conditions, including changes to tax rates and regimes;
- political, governmental, social, legal and regulatory changes;
- dependence on and changes in Management and failure to retain and attract a sufficient number of skilled personnel;
- access to funding;
- legal proceedings;
- operating costs and other expenses;

- environmental and climatological conditions;
- consequences of consolidation in the industry, resulting in fewer but stronger competitors;
- acquisitions and integration of acquired business; and
- other factors described in Section 2 "Risk Factors".

The risks that are currently known to the Company and which could affect the Group's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 2 "Risk Factors".

The information contained in this Prospectus, including the information set out under Section 2 "Risk Factors", identifies additional factors that could affect the Group's financial position, operating results, liquidity and performance. Prospective investors in the Shares and/or the Subscription Rights are urged to read all Sections of this Prospectus and, in particular, Section 2 "Risk Factors" for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Group operates when considering an investment in the Company.

These forward-looking statements speak only as at the date on which they are made. The Company 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 Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

5 BUSINESS OF THE GROUP

5.1 Introduction

The Company is a public limited liability company incorporated and operating under the laws of Norway. The Company was incorporated on 2 January 2007, with business registration number 990 727 007. The Company's registered address is Dyre Halses gate 1A, 7042 Trondheim, Norway with its telephone number at this address being +47 480 03 175.

The Company's legal name is KMC Properties ASA, which is identical to its commercial name. Prior to 30 December 2020, the Company's legal and commercial name was Storm Real Estate ASA.

5.2 History and development of the Group

The Company (named Storm Real Estate ASA until 30 December 2020) was established in 2007 and has had multiple investments in real estate across several countries in recent years. Before the Combination (as further described and defined below), the Company was a single asset company, owning only an office building in Moscow, Russia (the Gasfield building). This building was sold in Q4 2022, and the Company no longer has any activities in Russia.

On 17 November 2020, the Company entered into an agreement with Kverva Industrier AS, EBE Eiendom AS, Invest Neptun AS, Zebrafish AS and Aconcagua Management Ltd., whereby the Company acquired all of the shares in KMC Properties AS ("**KMCP AS**") for a consideration of NOK 1,076 million (the "**Combination**"), and with transaction costs of approximately NOK 18.3 million. KMCP AS was prior to the Combination a privately owned real estate company established in January 2020 and with no operational activities prior to 26 May 2020. Between 26 May 2020 and 30 September 2020, KMCP AS acquired several properties.

The Combination combined the two entities, the Company and KMCP AS, thus transforming the Company from a single asset company to a strong and diversified industrial real estate company, owning 40 properties in six countries. Further, and in connection with the Combination, the Company issued bonds with a notional amount of NOK 1.85 billion with floating coupon rate and three years to maturity. Issuance costs for the bonds were NOK 23.8 million.

As a part of the Combination, the Company entered into an agreement with Synbra B.V (a subsidiary of KMCP AS) to acquire the four subsidiaries from Holland Industrial Properties B.V, i.e., Wijchen Investment Properties B.V., Oldenzaa1 Investment properties B.V., Someren Investment properties B.V., and Zwartsluis Investment properties B.V. (together the "**Dutch Companies**"). Furthermore, the Company acquired Grøntvedt Næringsbygg AS (registration number 979 959 567 and with registered business address at Havnevegen, N-7142 Uthaug, Norway) ("**Grøntvedt**", and together with the Dutch Companies, the "**Pipeline Companies**"). The total consideration for the Pipeline Companies was approximately NOK 378.3 million, whereas Grøntvedt was acquired for a total consideration of approximately NOK 12 million (and pricing the property to NOK 220 million in the transaction) and the Dutch Companies were acquired for a total consideration of approximately NOK 366.3 million. The acquisition of the Pipeline Companies was closed on 23 December 2020. Transaction costs related to the acquisition of the Pipeline Companies were approximately NOK 0.5 million.

In addition, and concurrently with the Combination, KMCP AS acquired 100% of the shares in Pesca Property AS (the "**Pesca Transaction**"). The Pesca Transaction was closed on 23 December 2020. As a part of the Pesca Transaction, 10 more properties were acquired by the Group. Transaction costs related to the Pesca Transaction were approximately NOK 0.9 million.

On 3 March 2021, the Company announced a letter of intent with BEWI for the development of a new packaging facility on Jøsnøya, Hitra, on the west coast of central Norway, and on 8 July 2021, the Company entered into a long-term lease agreement with BEWI for the property. The initial lease term was 15 years, with an option for BEWI to extend the lease term two times by five years per extension. The construction cost was estimated to be above NOK 100 million, with a yield of 7.5%. The project is expected to be completed in Q4 2023 or Q1 2024.

On the 13 April 2021, the Company acquired an industrial property in Denmark from the Danish paper packaging company Honeycomb Cellpack A/S ("**Honeycomb**"). The property included a total of six buildings, comprising a total gross floor area of

5,858 m^2 and a plot area of 53,235 m^2. A Triple Net Bare-House Lease Agreement was entered with Honeycomb with an initial lease term of 12 years, and an option for Honeycomb to extend the lease term two times with five years per extension. The Company acquired an industrial property in Hustadvika, outside of Molde on the west coast of Norway from Perfect Temperature Group AS on the 27 May 2021. Entering into a Triple Net Bare-House Lease Agreement with the tenant, PTG Frionordica AS, with a lease term of 17 years. The property was bought for NOK 44 million, a yield of 7.1% of the total investment cost.

An agreement for the construction of a new production facility for Oppdal Spekemat was signed on 2 July 2021. The agreement stipulated that the Company was to acquire a plot from Oppdal Spekemat, finance and build the new production facility. At completion Oppdal Spekemat would enter the property on a Triple Net Bare-House Lease Agreement with an initial lease of 15 years and with an option to extend. The construction was completed in 2022 and cost approximately NOK 80 million with a yield of 7.5%.

On 12 July 2021, the Company acquired a property at Mongstad, Norway from Ragde Eiendom. The property was bought for NOK 285 million with a yield at the time of 7.7%. The property, located at Storemyra, composed of a 10,734 m^2 gross building area ("**GBA**") industrial plant constructed in 2019, and 62,091 m^2 GBA of land, strategically located at the Mongstad industrial site. The property came with a Triple Net Bare-House Lease Agreement with the tenant, PSW Technology AS, and an initial lease term of 12 years and with an option of a ten-year extension.

On 26 November 2021, the Company acquired an industrial property at Ågotnes, Norway for NOK 128 million. The property composed of a 5,781 gross area power and automation plant that was in large part constructed in 2019-2020, with further development potential. The property, strategically located close to the Coast Center Base, a leading service and supply base to the North Sea oil and gas fields, and the planned new eco-friendly, state-of-the-art goods cargo port at Ågotnes, scheduled to open by 2030. The property came with a lease agreement of which there was 8.4 years left of the initial lease term with the tenant PSW Technology AS and a yield of 7.0%.

On 3 January 2022, the Company announced the acquisition of the shares in Kampenveien 5A AS and the signing of a rental agreement in Kongsvinger Norway. The acquisition of the real estate company Kampenveien 5A AS, in Fredrikstad, Norway, was for NOK 52 million, with a gross yield of 7.5%. The seller of the property was BE Form Holding AS, owner of the plastics company Biobe AS. The property came with a Triple Net Bare-House Lease Agreement with Biobe and an initial lease of 12 years. The rental agreement in Kongsvinger was with First Seafood AS for its production facility. The agreement was a Triple Net Bare-House Lease Agreement, with an initial lease of ten years, and an option for two extensions of five years each. The annual CPI adjusted lease rate was to NOK 2.8 million from 1 January 2022. First Seafood AS is owned by Insula AS, the Group's second largest tenant.

On 21 January 2022, the Company acquired a herring production facility in Sweden from Klädesholmen Seafood AB. Klädesholmen Seafood AB is a modern herring production company based on generations of knowledge and experience from the industry and close customer relationships. The Company acquired the 19,873 m^2 GBA of land and 11,670 m^2 GBA of buildings for approximately SEK 94 million, with a yield of 7.5%. The Company and Klädesholmen Seafood AB agreed on a Triple Net Bare-House Lease Agreement, with an initial lease term of 15 years. Klädesholmen Seafood AB is owned by Grøntvedt Pelagic AS, which is the Group's third-largest tenant.

A meat processing facility in Fagernes, near Narvik, Norway was acquired from Kubera AS for NOK 100 million on 2 February 2022. The property composed of 10 303 m^2 GBA of land and 6 093 m^2 GBA of building that was erected in 1998 and substantially upgraded in 2001 and 2003. The meat processing facility strategically located south of Narvik city centre, near the E6 motorway, the railway and port terminal. The property came with a Triple Net Bare-House Lease Agreement with the tenant, Kuraas AS, which was on a 6.5-year lease with the option to extend, and with a yield of 7.8%.

KMCP AS received an acceptance of the conditional offer for the acquisition of two industrial properties in Denmark on 19 June 2022. On the 15 July 2022 KMCP AS announced that the two parties had signed an agreement for the acquisition. The properties composed of a total 85 866 m^2 GBA of land and 43 361 m^2 GBA of buildings, which were developed or upgraded in the period from 1985 to 2010, with further development potential. The properties came with a Triple Net Bare-House Lease Agreement with the tenants KpK Døre og Vindue A/S and Outline Vinduer A/S, both part of the listed company Inwido AB, with an initial lease of 10 years and an option to extend. Total consideration for the two properties was approximately DKK 151.1 million, with a gross yield of 7.85%.

On 30 June 2022, the Company and BEWI entered into a sale and purchase agreement for the Company's acquisition of up to 24 properties and one land plot in Norway, Sweden, Denmark, Finland, Germany, Belgium and Poland (the "**Target Portfolio**") with a total gross asset value of approximately NOK 2.0 billion divided into two tranches (the "**BEWI Transaction**"). The Target Portfolio consisted of a total of 244,415 m^2 GBA of buildings and 999,714 m^2 GBA of land. 19 of the properties were owned by Jackon Holding AS, which BEWI at the time was in the process of acquiring. The first tranche of the BEWI Transaction was completed on 9 November 2022, when the Company acquired ten properties and one plot of land in Norway and Sweden for approximately NOK 900 million ("**Tranche 1**"). Tranche 1 included a follow-up purchase of one additional property in Norway for NOK 25 million. The second tranche consisted of properties in Germany, Belgium, Poland, Finland, and Denmark, which included an exclusive right (but no obligation) to acquire the properties in question within a twelve month period from 30 June 2022 ("**Tranche 2**"). On 31 March 2023, the Company acquired parts of the properties included in Tranche 2, which consisted of one property in Denmark and three properties in Finland for a total price of NOK 348.3 million. The properties have a rental income in 2023 of DKK 3.5 million and EUR 1.6 million respectively, giving a gross yield of approximately 6.6%, and a weighted average unexpired lease term ("**WAULT**") of 17 years. The BEWI Transaction also included a set of contractual changes, including extending five lease agreements from seven to fifteen years and a cancellation of a buy-back clause related to one of the Company's previously acquired properties. The option to purchase the remaining properties of Tranche 2 was not exercised by 30 June 2023, however the Company entered into a agreement to acquire the remaining seven properties in Tranche 2 on 29 September 2023, referred to as Tranche 3, consisting of properties in Belgium, Germany and Poland, as further described below in Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement".

On 9 November 2022, the Company acquired a NOK 52 million industrial property outside of Ålesund, Norway. The tenant, Cflow Fish Handling AS was on a 14-year Triple Net Bare-House Lease Agreement with a gross yield of 8.65%. The property was composed of a total 13,743 m^2 GBA of land and a 3,679 m^2 GBA building. In addition, the property came with a quay-area including an 85-metres long deep-water quay of 1,140 m^2.

On 29 November 2022 the Company announced it had received payment of EUR 9.6 million for the sale of its office building in Moscow, Russia. A complete sanction control and ownership research had been carried out of the buyer. The settlement was made outside Russia. The sale value was in line with the booked value on 30 September 2022.

The acquisition of a logistics property, including a dry, cold and freeze storage facility outside of Narvik, Norway, for NOK 90 million was agreed on the 7 December 2022. The property composed of 22,357 m^2 GBA of land and 16,400 m^2 of a building that was erected in 1998, 2001 and 2011. All buildings were substantially upgraded in 2011. The property is strategically located in a logistic hub south of Narvik city centre, close to the E6 motorway, the railway and port terminal. The property had a lease agreement with the Norwegian meat producer Kuraas AS for approximately 4,500 m^2, with an initial lease of 15 years and an option to extend, starting 2 January 2023. The new logistic property is located next to the meat processing facility acquired by the Company in February 2022, also with a lease agreement with Kuraas AS. As a part of the new agreement, Kuraas AS replaced its existing Triple Net Bare-House Lease Agreement with 6 years remaining lease with a new 15-year Triple Net Bare-House Lease Agreement for the processing facility. In addition, the Company signed a lease agreement with a service provider for an additional 4,100 m^2, with an initial lease of 10 years and an option to extend, starting between 2 January and 1 March 2023. The annualised lease for the current contracts amounted to NOK 5.7 million for 2023 and NOK 8.0 million (excluding CPI adjustment) for 2024. The contracts will be subject to 100% CPI adjustment from 1 January 2024. In addition, almost half the property is currently vacant, enabling a potential for significant additional income.

On 9 September 2023, the Company sold a property located at Liaveien 22 in Fredrikstad, Norway for NOK 8 million, which was 18% above book value.

On 13 October 2023, the Company sold a property located in Täby, Sweden, for SEK 68 million to Frentab Fastigheter. The property comprises of a total land area of 14,196 m^2 GBA and a building area of 4,278 m^2 GBA with potential for further development in the form of unused building rights.

5.2.1 Tranche 3 of the BEWI Transaction and the Private Placement

On 29 September 2023, the Company announced that it has agreed to acquire the remaining seven properties in Tranche 2 of the BEWI Transaction, consisting of properties located in Belgium, Germany and Poland (as further described above) from BEWI for NOK 625 million, at a gross yield of 8.75% ("**Tranche 3**"). Tranche 3 will be funded by approximately NOK 290 million in bank debt with an interest margin of 1.00% from Nordea Denmark, a branch of Nordea Bank Abp ("**Nordea Denmark**"), NOK 275 million new equity (gross proceeds) from Nordika Blue AB ("**Nordika**"), through Flugfiskaren AB ("**Flugfiskaren**"), a wholly owned subsidiary of Nordika, a Swedish unlisted real estate company owned by Nordic pension funds and institutions, by the subscription of 50,000,000 new shares (the "**New Shares**") at a subscription price of NOK 5.50 per share (the "**Private Placement**"), representing approximately 12.69% of the Shares in the Company post issuance of the New Shares, and NOK 61 million in available liquidity, as further described below. In connection with completion of Tranche 3, long-term Triple Net Bare-House Lease Agreements will be entered into for the properties with a WAULT of 17 years and 100% CPI adjustments (50% CPI adjustment 1 January 2024). Tranche 3 is expected to be completed in stages during the fourth quarter of 2023 and the first quarter of 2024.

In connection with the Private Placement, the Company's Board of Directors resolved to increase the share capital of the Company with NOK 10,000,000 by the issuance of 50,000,000 New Shares, each with a nominal value of NOK 0.2 pursuant to an authorisation to the Company's Board of Directors granted by the annual general meeting on 11 May 2023. Of the New Shares, 40,660,016 Shares are issued to Flugfiskaren (Nordika) on a separate ISIN pending publication and approval of this Prospectus prepared with the purpose of listing these Shares on the Oslo Stock Exchange. The share capital increase in connection with the Private Placement was registered with the Norwegian Register of Business Enterprises on 3 November 2023.

Further, pursuant to the transaction agreement entered into between the Company and Nordika in connection with the Private Placement, Nordika has been granted a call option to subscribe for and be allotted additional new Shares in the Company for a total amount of NOK 130 million at a subscription price of NOK 5.75 per Share. The call option may be exercised from the date of the agreement and up to four months after the delivery of the New Shares in the Private Placement to Nordika's VPS account. The delivery of the New Shares in the Private Placement took place on 10 November 2023. If deciding to exercise the call option, Nordika has the possibility to further increase its shareholding in the Company to approximately 17.4%.

5.2.1.1 Participation of major existing shareholders, members of the Management, and supervisory and administrative boards of the Company in the Private Placement

As further described above, Nordika subscribed for 50,000,000 New Shares in the Private Placement. Following completion of the Private Placement, Nordika owns 50,000,000 Shares in the Company.

Other than as stated above, no major shareholder, member of the Company's Management or Board of Directors or related parties of primary insiders were allocated New Shares in the Private Placement. However, following completion of the Private Placement, Jonas Grandér, CEO and co-founder of Nordika, 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.

5.2.2 Overview of key events

The table below provides an overview of key events in the history of the Group:

Year	Event
1980	BEWI Produkter AS is founded by Bekken and Witzøe families. Green field factory at Frøya established
2006	BEWI Produkter AS establishes Genevad Holding AB, and acquires Genevad Celleplast AB, effectively expanding into Sweden
2011	BEWI Produkter AS acquires Norplasta AS, and expands its geographical footprint in Norway.
2012	Genevad Holding AB acquired the Swedish company Thermisol AB
2014	New Topco BEWI Group AB acquires DS Smith in Denmark and Sweden – 6 factories
2014	BEWI Group AB (a sister company of BEWI Produkter AS) encompassing all Nordic countries after merger with Styrochem OY
2017	BEWI Holding AS (owning 100% of the shares in BEWI Produkter AS) acquires Tommen Gram AS and its logistic properties – bundled with factories in Norway marking the inception of a diversified real estate company
2018	Sites in Denmark and Sweden sold to KMC Properties Sverige Danmark AS; facilitating acquisition of Synbra transforming BEWI into a pan-European player
2020	Bekken (Bekken Invest AS and BEWI Holding AS) and ABRA merge their real estate businesses and KMC Properties AS was established
2020	Further acquisitions of real estates with strong tenants in Sweden (June), Holland (December) and Norway
2020	KMC Properties AS acquires all the issued shares in Pesca Property AS
2020	All of the shares in KMC Properties AS was acquired by the Issuer (the Combination)
2020	Hiring Liv Malvik as CEO
2020	NOK 1,850 million senior secured bond
2020	KMC Properties AS is listed on the Oslo Stock Exchange through the reverse merger with Storm Real Estate ASA (the Issuer)
2021	Hiring of Kristoffer Holmen as CFO
2021	NOK 300 million private placement of new Shares with subsequent Share issue of NOK 30 million
2022	NOK 300 million private placement
2022	Transformative transaction to acquire NOK 2.0 billion property portfolio from BEWI (the BEWI Transaction)
2022	Successful and complete exit from Russia (the Group no longer has any activities in Russia)
2023	Full refinancing of NOK 1,850 million senior secured bond and cancellation of NOK 200 million revolving credit facility
2023	Acquisition of seven properties from BEWI, forming the last part of the BEWI Transaction to acquire an industrial real estate portfolio of up to NOK 2.0 billion (Tranche 3)

5.3 Overview of the Group's business areas and the markets in which it operates

5.3.1 Long-term objectives

The Group is a real estate group conducting business primarily within the Nordics. The Group's business idea is primarily to acquire and manage commercial industry properties. The property portfolio is mainly comprised of industrial and logistics properties, in addition to a smaller proportion office properties and is described in further detail below.

The Group's ambition is to be a market leading, attractive industrial real estate partner for existing and new tenants. The Group's geographical catchment area is mainly in the Nordic region. The Group's portfolio shall be let to solid tenants on long term Triple Net Bare-House Lease Agreements.

5.3.2 Strategy and objectives

The Group's investment strategy is acquisitions, sales, greenfield projects, investments in existing portfolio and operations of yielding real estate and/or real estate instruments. This strategy aims to provide a secure income with gearing potential to increase return on equity.

The investment strategy is characterised by investments in properties with strategic locations for the industry in which the tenant operate. In addition, the Group is focused on having a solid client base of market leading companies with long heritage and impressive track records, as well as entering long-term Triple Net Bare-House Lease Agreements with low contract extension risk. The Group furthermore has a strong pipeline of accretive organic and inorganic growth opportunities and supportive and committed owners, with strong operational and financial track records.

The Group's only source of income is rental income from the letting of the Group's properties. The Group's costs are comprised of operating costs (costs related to the properties), administration costs, payroll costs and transaction costs. Interest expenses make up the bulk of financial items. The Issuer has some operating income from the sale of administrative services to subsidiaries, but the Issuer's income is mainly comprised of financial income, interest income, change in value of financial instruments and dividends or other transfers from wholly owned subsidiaries.

When finding new tenants, the Group preferably does so by finding a tenant among existing tenants or the Group's contact network, who is willing to pay market rent. Alternatively, the Group uses a broker to find new tenants.

5.3.3 Principal activities

The Group's operations are related to the activities performed in line with the Group's strategy. The Group endeavors to have an open communication with its shareholders as well as having clear objectives and strategies.

The Group owns several properties in Europe. For further description of these properties, see Section 5.3.4 "Property portfolio of the Group". The Group's operations consist of investment activities and activities related to the management of the properties owned by the Issuer and its subsidiaries.

In addition to acquisitions, sales, and management activities, the Group makes investments in current properties, including projects involving upgrade and expansion, often in exchange for contract extension and/or rent increases. The Group is also involved in development projects, including investments in new facilities in collaboration with new and existing tenants, as well as acquisitions and development of new land in collaboration with new and existing tenants (greenfield projects).

The majority of the Group's lease contracts are Triple Net Bare-House Lease Agreements, whereby maintenance, insurance and property tax are covered by the tenant. All contracts except two are 100% CPI adjusted. The remaining two have 80% and no adjustment. All of the properties leased to Insula AS and Grøntvedt Pelagic AS/Grøntvedt Nutri AS includes a 10 year extension option. Certain contracts have put and/or call options at the end of the lease tenor. Properties leased to subsidiaries of Insula and properties owned by Fiizk Protection AS includes a parent guarantee. The properties owned by Grøntvedt as well as certain other properties have bank guarantees for shorter periods of the contract tenor. Several of the Group's properties have custom-made inventory to meet the needs of the tenants. Upon termination of the lease contracts, the inventory of these properties can however be adapted, and the properties can consequently be utilised for other purposes.

5.3.4 Property portfolio of the Group

5.3.5 Property portfolio as of the date of this Prospectus

As of the date of this Prospectus, the Group owns 65 properties in Europe and the portfolio consists of the square metres rentable area shown in the table below:

Address	Landlord	Ultimate owner tenant	Country	Municipality	Plot area (m^2)	Type
Hammarvikringen 64	KMC Hamarvik AS	BEWI EPS AS (BEWI)	Norway	Frøya	24,366	Warehouse/Industry/Office
Hofstadvegen 15	KMC Hofstadvegen 15 AS	Delprodukt AS	Norway	Melhus	17,500	Warehouse/Industry/Office
Lyngenvegen 5	KMC Lundamo AS	Fiizk Protection AS	Norway	Melhus	4,949	Warehouse/ Industry/Office
Gjerdsvikvegen 208	KMC Gjerdsvika AS	Maritim Food AS (Insula)	Norway	Sande	5,770	Warehouse/Industry/Office
Havnegata 24	KMC Havnegata 24 AS	BEWI Norplasta AS, BEWI Building & industry AS	Norway	Stjørdal	30,559	Warehouse/Industry/Office
Østre Rosten 102B	KMC Østre Rosten 102B AS	Kastor Invest AS	Norway	Trondheim	7,868	Warehouse/Industry/Office
Østre Rosten 102	KMC Østre Rosten 102 AS	Abra Kulelagersenteret AS	Norway	Trondheim	7,036	Warehouse/Industry/Office
Havneveien 1, Uthaug	KMC Uthaug AS	Grøntvedt Pelagic AS/ Grøntvedt Nutri AS	Norway	Ørland	27,251	Warehouse/Industry/Office
Valsnesveien 259	KMC Valsneset AS	Fiizk Protection AS	Norway	Ørland	8,798	Warehouse/Industry/Office
Industrivegen 15	KMC Balsfjord AS	BEWI Food AS (BEWI)	Norway	Balsfjord	11,620	Warehouse/Industry/Office
Industriparken Jøsnøya	KMC Hitra AS	BEWI EPS Norway AS (BEWI)	Norway	Hitra	13,000	Warehouse/Industry/Office
Industriparken Jøsnøya (II)	KMC Hitra II AS	BEWI EPS Norway AS (BEWI)	Norway	Hitra	3,129	Warehouse/Industry/Office
Stømnervegen 1 & 3	KMC Konsvinger AS	Insula Produksjon AS (Insula)	Norway	Kongsvinger	13,705	Warehouse/Industry/Office
Holsneset 23-25	KMC Holsneset AS	Cflow AS	Norway	Sula	13,743	Warehouse/Industry/Office
Torgardsveien 11	KMC Kvenild AS	BEWI Building and Industry AS (BEWI)	Norway	Trondheim	12,900	Warehouse/Industry/Office
Kampenveien 5	KMC Kampenveien 15 AS	BeForm Fredrikstad AS	Norway	Fredrikstad	21,694	Warehouse/Industry/Office
Sørkilen 3 og Østkilen 14	KMC Industrial Properties Norway AS	Jackon AS (BEWI)	Norway	Fredrikstad	34,468	Warehouse/Industry/Office
Krosnesveien 6	KMC Industrial Properties Norway AS	Jackon AS (BEWI)	Norway	Fredrikstad	14,198	Warehouse/Industry/Office
Østkilen 1	KMC Industrial Properties Norway AS	Jackon AS (BEWI)	Norway	Fredrikstad	3,710	Warehouse/Industry/Other
Vikerveien, plot Rally	KMC Industrial Properties Norway AS	-	Norway	Fredrikstad	4,925	Warehouse/Industry/Office
Kvernamoveien 12	KMC Industrial Properties Norway AS	Jackon AS (BEWI)	Norway	Gjesdal	2,507	Warehouse/Industry/Office

Address	Landlord	Ultimate owner tenant	Country	Municipality	Plot area (m^2)	Type
Linneflaten 2, 4, 6	KMC Industrial Properties Norway AS	Jackon AS (BEWI)	Norway	Kristiansand	20,133	Warehouse/ Industry/Office
Holamyra 24	KMC Holamyra AS	PTG Frionordica AS	Norway	Hustadvika	10,250	Warehouse/ Industry/Office
Søndre Industrivegen 50	KMC Oppdal AS	Oppdal Spekemat AS	Norway	Oppdal	18,155	Warehouse/ Industry/Office
Havnegata 16	KMC Havnegata 16 AS	BEWI Norplasta AS (BEWI)	Norway	Stjørdal	17,692	Warehouse/ Industry/Office
Fagernessletta 10	KMC Fagernessletta 10 AS	Kuraas AS	Norway	Narvik	10,303	Warehouse/ Industry/Office
Skarvenesveien 3	Sentrallager Nord-Norge KS	Kuraas AS, Servicegrossistene AS	Norway	Narvik	22,357	Warehouse/ Industry/Office
Strandvegen 4	KMC Båtsfjord AS	AS Båtsfjordbruket (Insula)	Norway	Båtsfjord	16,590	Warehouse/ Industry/Office/ Other
Fagervikveien 2a og 2b	KMC Fagervikveien AS	BEWI Food AS (BEWI)	Norway	Båtsfjord	11,525	Warehouse/ Industry/Office
Strandgata 105, Havøysund	KMC Havøysund AS	Tobø Fisk AS (Insula)	Norway	Måsøy	9,843	Warehouse/ Industry/Office/ Other
Vikaveien 421	KMC Senja AS	BEWI EPS AS (BEWI)	Norway	Senja	7,927	Warehouse/Ind ustry/Office
Skattørvegen 78	KMC Skattørvegen 78 AS	Ventistål AS (Brødrene Dahl AS)	Norway	Tromsø	5,715	Warehouse/ Industry/Office
Havet 45, Leknes	KMC Leknes AS	Insula Produksjon AS (Insula)	Norway	Vestvågøy	45,011	Warehouse/ Industry/Office
Storemyra 200, Mongstad	KMC Storemyra 200 AS	PSW Technology AS (Scana)	Norway	Alver	62,091	Warehouse/ Industry/Office
Bleivassvegen 7 og 11, Ågotnes	KMC Ågotnes AS	PSW Technology AS, PSW Power & Automation AS (Scana)	Norway	Øygarden	13,700	Warehouse/ Industry/Office
Guleskär 56	KMC Kungshamn AB	Marenor AB (Insula)	Sweden	Kungshamn	15,238	Warehouse/ Industry/Office
Halmstadsvägen 32	KMC Laholm AB	BEWI Insulation AS (BEWI)	Sweden	Laholm	24,933	Warehouse/ Industry/Office
Ramshallsvegen 2	KMC Norrkøping AB	BEWI Insulation AS (BEWI)	Sweden	Norrkøping	47,282	Warehouse/ Industry/Office
Bjørkelundsgatan 14	KMC Fårtickan AB	BEWI Automotive AB (BEWI)	Sweden	Skara	21,000	Warehouse/ Industry/Office
Kanalvägen 6	KMC Urshult AB	BEWI Packaging AB (BEWI)	Sweden	Urshult	20,740	Warehouse/ Industry/Office
Traktorvägen 1	KMC Varberg AB	Marenor AB (Insula)	Sweden	Varberg	28,104	Warehouse/ Industry/Office

Address	Landlord	Ultimate owner tenant	Country	Municipality	Plot area (m^2)	Type
Åleden 13	KMC Vårgarda AB	BEWI Insulation AS (BEWI)	Sweden	Vårgårda	15,378	Warehouse/ Industry/Office
Hamnviksvägen 9	KMC Kramfors AB	Jackon AB (BEWI)	Sweden	Kramfors	53,600	Warehouse/ Industry/Office
Järnvägsgatan 39	KMC Skurup AB	Jackon AB (BEWI)	Sweden	Skurup	44,076	Warehouse/ Industry/Office
Diabasvägen 9, Våmb	KMC Våmb AB	Jackon AB (BEWI)	Sweden	Skövde	124,201	Warehouse/ Industry/Office
Ängholmsvägen 14	KMC Klädesholmen AB	Klädesholmen Seafood AB (Grøntvedt)	Sweden	Tjörn	19,873	Warehouse/ Industry/Office
Skelvej 1, Thorsø	KMC Skelvej ApS	BEWI Cellpack A/S (BEWI)	Denmark	Favrskov	53,235	Warehouse/ Industry/Office
Constantiavej 31 and Århusgade 24	KMC Fredrikshavn A/S	Amanda Seafood A/S (Insula)	Denmark	Fredrikshavn	42,573	Warehouse/ Industry/Office
Torvegade 41, Tørring	KMC Industrial Properties Denmark ApS	BEWI Denmark A/S (BEWI)	Denmark	Hedensted	9,572	Warehouse/ Industry/Office
Østerled 30	KMC Industrial Properties Denmark ApS	BEWI Denmark A/S (BEWI)	Denmark	Holbæk	41,503	Warehouse/ Industry/Office
Kidnakken 13, Maribo	KMC Industrial Properties Denmark ApS	BEWI Denmark A/S (BEWI)	Denmark	Lolland	56,000	Warehouse/ Industry/Office
Havrevænget 1, Hobro	KMC Industrial Properties Denmark ApS	BEWI Denmark A/S (BEWI)	Denmark	Mariagerfjord	15,378	Warehouse/ Industry/Office
Rogalandsvej 3, Nykøbing Mors	KMC Nykøbing Mors A/S	KPK Døre og vinduer A/S (Inwido)	Denmark	Morsø	39,509	Warehouse/ Industry/Office
Tungevej 2-4, Hvide Sande	KMC Hvide Sande A/S	Insula Hvide Sande A/S (Insula)	Denmark	Ringkøbing-Skjern	6,224	Warehouse/ Industry/Office
Tvilhovej 8, Tvilhov	KMC Industrial Properties Denmark ApS	BEWI Denmark A/S (BEWI)	Denmark	Vejen	84,825	Warehouse/ Industry/Office
Fabriksvej 3 og 4, Farsø	KMC Farsø A/S	Outline Vinduer A/S (Inwido)	Denmark	Vesthimmerland	46,357	Warehouse/ Industry/Office
Lundagervej 20	KMC Hedensted ApS	BEWI Insulation Danmark A/S (BEWI)	Denmark	Hedensted	33,722	Warehouse/ Industry/Office
Mastotie 7	KMC Kuopio Oy	Escamar Seafood Oy (Insula)	Finland	Kuopio	23,093	Warehouse/ Industry/Office
Muurlantie 438	KMC Muurlantie Oy	Jackon Finland Oy (BEWI)	Finland	Salo	55,624	Warehouse/ Industry/Office
Pajakatu 6	KMC Pajakatu Oy	Jackon Finland Oy (BEWI)	Finland	Sastamala	30,946	Warehouse/ Industry/Office
Toravantie 18	KMC Toravantie Oy	Jackon Finland Oy (BEWI)	Finland	Sastamala	18,178	Warehouse/ Industry/Office
Nieuweweg 235	Wijchen Investment Properties B.V.	Synprodo Produktie B.V. (BEWI)	Finland	Wichjen	72,421	Warehouse/ Industry/Office
Kanalstraat 107	Someren Investment Properties B.V.	Stramit B.V. (BEWI)	The Netherlands	Someren	50,874	Warehouse/ Industry/Office

Address	Landlord	Ultimate owner tenant	Country	Municipality	Plot area (m^2)	Type
Textielstraat 30	Oldenzaal Investment Properties B.V.	Ertecee B.V. (BEWI)	The Netherlands	Oldenzaal	43,643	Warehouse/ Industry/Office
De Kalkovens 10	Zwartsluis Investement Properties B.V.	Besto Verpakkingsindustrie B.V. (BEWI)	The Netherlands	Zwartsluis	12,201	Warehouse/ Industry/Office

5.3.6 Additions to the property portfolio following closing of Tranche 3

Following and conditional of the closing of Tranche 3, as described above in Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement", the Group's property portfolio will also consist of the following seven properties:

Address	Landlord	Ultimate owner tenant	Country	Municipality	Plot area (m^2)	Type
Ritzlebener Str. 1	KMC Mechau GmbH	Jackon Insulation GmbH	Germany	Mechau	207,207	Warehouse/ Industry/Office
Herrenhöfer Landstr. 6	KMC Ohrdruf GmbH	Izoblok GmbH	Germany	Ohrdruf	51,639	Warehouse/ Industry/Office
Industrielaan 39	KMC Olen BV	Jackon Insulation GmbH	Belgium	Olen	21,282	Warehouse/ Industry/Office
Hulshoutsesteenweg 33	KMC Heist-op-den-Berg BV	Kemisol NV	Belgium	Heist-op-den-Berg	128,459	Warehouse/ Industry/Office
4 Olszewskiego Street/15 Legnicka Street	KMC Legnicka Sp. z o.o.	Izoblok S.A.	Poland	Chorzów	22,457	Warehouse/ Industry/Office
11 Kluczborska Str.	KMC Kluczborska Sp. z o.o.	Izoblok S.A.	Poland	Chorzów	54,282	Warehouse/ Industry
15 Narutowicza Str.	KMC Narutowicza Sp. z o.o.	Izoblok S.A.	Poland	Chorzów	10,814	Warehouse/ Industry

5.3.7 The largest tenants of the Group

The three largest tenants of the Group are BEWI, Insula AS and Grøntvedt Pelagic AS/Grøntvedt Nutri AS (when including their subsidiaries and affiliated companies). BEWI was founded in 1980 by the Bekken family, who since inception has developed the company into becoming one of the leading packaging, component and insulation providers in Europe. BEWI is strategically integrated throughout the value chain, with revenue diversified across three operating segments, whereof 1/3 is from upstream and 2/3 from downstream. The company has approximately 40 production facilities located across Norway, Denmark, Sweden, Finland, the Netherlands and Portugal, in addition to 8 recycling sites. BEWI has two 4-year bonds listed at Nasdaq Stockholm – a EUR 75 million bond and a EUR 65 million bond, issued in 2018 and 2019 respectively. BEWI was listed on Euronext Growth Oslo in August 2020, in a transaction where the Bekken family and Kverva retained approximately 70% ownership, and listed at Oslo Børs in December 2020. The Bekken family was prior to the transaction a 50% owner in EBE Eiendom AS. EBE Eiendom was prior to the Combination a 70% owner in KMCP AS.

Insula AS is a Nordic seafood group focused on product development, value-added processing, and sales of fish- and seafood products to the retail and HoReCa markets. Insula AS comprises 20 subsidiaries with in total approximately 1,100 employees in Norway, Sweden, Denmark, Finland and Iceland, and is owned by Kverva Industrier (95.8% ownership).

Grøntvedt Pelagic AS and Grøntvedt Nutri AS together serve as a leading platform within industrial processing of pelagic fish, and Grøntvedt Pelagic AS is the world's largest producer[1] of naturally marinated herring. The traditional fish waste from Grøntvedt Palagic AS' productions are transformed into organic products by Grøntvedt Nutri AS. Grøntvedt Pelagic AS has roots as long back as to approximately 1830, and it is now the sixth generation Grøntvedt (the name of the family owning the company) who runs the company. Grøntvedt Pelagic AS has been headquartered at Ørlandet since 1999, approximately 50 minutes outside of Trondheim by boat. The location is strategic given the rich resources of pelagic fish in the North Sea. Grøntvedt Pelagic AS exports more than 80% of its production. Poland, Japan and Sweden are important export markets. The companies are connected with many well-known labels in their respective market areas.

5.4 Legal proceedings

From time to time, the Group may be involved in litigation, disputes and other legal proceedings arising in the normal course of its business. Neither the Company nor any other company in the Group has been involved in any legal, governmental or arbitration proceeding during the course of the preceding twelve months, which may have, or have had in the recent past, significant effects on the Company's financial position or profitability, and the Company is not aware of any such proceedings which are pending or threatened.

5.5 Material contracts

Other than the BEWI Transaction and Tranche 3, as further described above in Section 5.2 "History and development of the Group" and 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement", including other contracts entered into by the Group as mentioned in Section 5.2 "History and development of the Group", neither the Group nor any member of the Group has entered into any material contracts outside the ordinary course of business for the two year period prior to the date of this Prospectus.

Furthermore, the Group has not entered into any contract outside the ordinary course of business which contains any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of the Prospectus other than those entered into in the ordinary course of business for the two years preceding the publication of this Prospectus.

5.6 Regulatory environment

There has been no material change in the Company's regulatory environment since 31 December 2022 and until the date of this Prospectus.

5.7 Investments

Other than Tranche 3, as further described above in Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement" and a storage building under development with estimated completion in the fourth quarter 2023, the Company has not since 30 September 2023 made any material investments which are in progress and/or for which firm commitments already have been made.

5.8 Trend information

Apart from an increasingly complex economic landscape in the industry in which the Group operates, due to inter alia, an anticipated decrease in property values in the coming years, coupled with rising interest rates in Scandinavia and other European countries and increased challenges for the Group in determining the correct prices for potential acquisitions of new properties as a result of more frequent price fluctuations and hostile property markets, the Group is not aware of any recent trends in production, sales and inventory, and costs and selling prices that are significant to the Group in the period between 31 December 2022 and to the date of this Prospectus.

[1] **Source**: Grøntvedt Pelagic AS, https://grontvedt.no/products/natural-herring/.

Furthermore, the Group is not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group for the current financial year.

5.9 Development of new products or services

The Company has several ongoing greenfield project, such as the construction of a storage building in connection with the Group's packaging hub at Jøsnøya on Hitra, Norway with BEWI as tenant (the "**Hitra Project**") The first part of the Hitra Project was completed and handed over to BEWI in August 2023. The storage building is expected to be completed and handed over to BEWI during the fourth quarter of 2023 or first quarter of 2024. In addition, the Company has a greenfield project relating to the construction of a NOK 620 million salmon slaughterhouse facility at Florø, Norway with Slakteriet Holding AS as tenant. The project is currently postponed due to a development plan.

Further, the Company is also in the process of planning to improve the energy labelling of its properties, including hiring a sustainability manager. The key efforts have been focused on mapping the current energy labelling of the Group's entire property portfolio and analysing feasible measures to improve the properties performance and classification character in accordance with Directive 2002/91/EE Of The European Parliament And Of The Council of 16 December 2002 on the energy performance of buildings. Investment decisions on energy and heating improvements are scheduled for the fourth quarter of 2023.

5.10 Significant changes

Other than Tranche 3, as further described above in Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement", there has been no significant changes in the Group's financial position or performance since 30 September 2023.

5.11 Related party transactions

5.11.1 Introduction

The BEWI Group is regarded as related party by their ownership in the Company through BEWI Invest AS. In the year ended 31 December 2022, the Company purchased services for NOK 2 million from the BEWI Group, mainly cost of interim hiring of employees and office rent. As of 30 September 2023, the Company had purchased services for NOK 1.4 million from the BEWI Group, which mainly consisted of office rent (NOK 1.2 million), which is an entirely forwarded cost.

5.11.2 Transactions carried out with related parties in the nine months period ended 30 September 2023

Other than Tranche 3, as further described above in Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement", and a full repayment under a shareholder loan of a total initial amount of NOK 100 million, where BEWI Invest AS were one of the lenders of an initial amount of NOK 31 million, there has been no significant investments or acquisitions with related parties in the period between 30 September 2023 and the date of this Prospectus. However, as described above a substantial part of the Group's rental income originate from lease agreements with the BEWI Group, which is a related party to the Company. As extracted from note 2 and note 7 in the Interim Financial Statements, NOK 52.4 million of the Group's total rental income of NOK 103.6 million in the nine months period ended 30 September 2023 originated from the BEWI Group.

5.12 Regulatory disclosures

The table below set outs a short summary of the information the Company has disclosed under Regulation (EU) No 596/2014, which is relevant as at the date of the Prospectus, in the 12 months period prior to the date of this Prospectus.

Date disclosed	Category	Summary of the information given
7 December 2023	Prospectus / Admission document	The Company announced its successful listing of a senior secured bond issue of NOK 900 million with ISIN NO0012955105.
6 December 2023	Additional regulated information required to be disclosed under the laws of a member	The Company announced it had filed an application for listing of bonds under ISIN NO0012955105.

Date disclosed	Category	Summary of the information given
5 December 2023	Major shareholding notifications	The Company notified that M2 Asset Management AB had acquired 29,296,487 Shares in the Company on 4 December 2023, and thereby passed the 10% disclosure threshold pursuant to Section 4-2 of the Norwegian Securities Trading Act.
4 December 2023	Major shareholding notifications	The Company announced that BEWI sold 28,807,359 Shares in the Company, and thereby fell below the 5% disclosure threshold pursuant to Section 4-2 of the Norwegian Securities Trading Act.
1 December 2023	Additional regulated information required to be disclosed under the laws of a member	The Company published the minutes from the extraordinary general meeting, where all resolutions proposed by the Board of Directors and the nomination committee were approved.
24 November 2023	Additional regulated information required to be disclosed under the laws of a member	The Company announced that the nomination committee recommended to the extraordinary general meeting to elect Bjørnar André Ulstein (chairperson) and Jonas Grandér as new members to the Company's Board of Directors, and to elect Gabriel Cronstedt as a new member to the Company's nomination committee. The nomination committee also proposed remuneration to the Board of Directors and the nomination committee.
10 November 2023	Additional regulated information required to be disclosed under the laws of a member state	The Company called for an extraordinary general meeting to elect Jonas Grandér, as a member to the Company's Board of Directors and as a member of the Company's nomination committee, both nominated by Nordika, and proposal of a authorisation to the Board of Directors to increase the Company's share capital.
3 November 2023	Total number of voting rights and capital	The Company announced that the share capital increase by issuance of 50,000,000 new Shares, as part of the settlement for Tranche 3, was registered with the Norwegian Register of Business Enterprises. Following such registration, the Company's new share capital is NOK 78,825,916, divided on 394,129,580 Shares, each with a nominal value of NOK 0.2. Of the New Shares, 40,660,015 will be issued on a temporary ISIN blocked from trade on the Oslo Stock Exchange pending publication of the Prospectus.
26 October 2023	Half yearly financial reports and audit reports / limited reviews	The Company announced its third quarter 2023 financial results.
23 October 2023	Major shareholding notifications	The Company announced that HAAS AS had called an option to sell 30,000,000 of its 76,875,801 Shares in the Company. Following the transfer of the Shares, HAAS AS will own 46,875,801 Shares in the Company, representing 11.89 %, and thereby falling below the 15% disclosure threshold pursuant to Section 4-2 of the Norwegian Securities Trading Act.
13 October 2023	Non-regulatory press releases	The Company announced the sale of a property located in Täby, Sweden for SEK 68 million to Frentab Fastigheter.
29 September 2023	Inside information	The Company gave a correction to the stock exchange announcement the same day as published earlier regarding its large property acquisition, new strategic investor and lowering of the overall interest margin. The correction related to overall interest margin post transaction. Following the transaction, the overall interest margin will be reduced to 3.15%, compared to 3.32% at the end of the second quarter 2023.
29 September 2023	Major shareholding notifications	Reference was made to the stock exchange notice published on 29 September 2023 by the Company regarding the completion of a Private Placement of 50,000,000 New Shares in the Company. As a result of Private Placement, Nordika has today subscribed and been allocated 12.69% of the total number of Shares and voting rights in

Date disclosed	Category	Summary of the information given
		the Company, and thereby exceeded the 10% disclosure threshold pursuant to Section 4-2 of the Norwegian Securities Trading Act.
29 September 2023	Inside information	The Company announced that it has agreed to acquire seven properties from BEWI for NOK 625 million. The transaction will be financed by (i) a new bank loan of NOK 290 million provided by Nordea Denmark, (ii) NOK 275 million in new equity from Nordika through a private placement fully directed to Nordika, and (iii) NOK 60 million in available liquidity. The new equity investor, Nordika, is a large and strategic Nordic investor. In connection with the Private Placement, the Board of Directors resolved to increase the share capital of the Company with NOK 10,000,000 by the issuance of 50,000,000 New Shares, each with a nominal value of NOK 0.2 pursuant to an authorisation granted by the annual general meeting on 11 May 2023. Of the New Shares, 40,660,015 will be issued to Nordika on a temporary ISIN blocked from trade pending publication of a listing Prospectus for these Shares. In addition, provided the Private Placement is completed, Nordika has been granted a call option to subscribe for and be allotted additional new shares in the Company for a total amount of NOK 130 million at a subscription price of NOK 5.75 per share.
10 August 2023	Half yearly financial reports and audit reports / limited reviews	The Company announced its second quarter and first half 2023 financial results.
6 July 2023	Additional regulated information required to be disclosed under the laws of a member state	With reference to communication regarding refinancing of the loan, the Company announced that it would exercise an call option on its NOK 1,850 million senior secured bonds (NO0010908163) to redeem all outstanding bonds at a price equal to 101% of the nominal amount plus accrued and unpaid interests on the redeemed bonds.
30 June 2023	Inside information	The Company announced that it had successfully placed new senior secured bonds of NOK 900 million, representing the final part of the refinancing of its NOK 1,850 million senior secured bond issue, a refinancing and cancellation of its NOK 200 million revolving credit facility, and funds for general corporate purposes. The new debt is in the total amount of NOK 2,080 million, of which more than half is new committed bank loans. Following closing of the new bond financing, a call option notice would be issued for repayment for the remaining outstanding bonds in the Existing Bond Issue at the relevant call option price of 101% of nominal value.
23 June 2023	Inside information	The Company announced it has mandated DNB Markets, Pareto Securities and SpareBank 1 Markets as joint lead managers to arrange a series of fixed income investor meetings commencing Monday, 26 June 2023. As a result, the Company may conduct a senior secured bond transaction of NOK 900 million (with a maximum issue amount of NOK 1,500 million under potential subsequent tap issue) with a 3 year tenor.
1 June 2023	Major shareholding notifications	The Company disclosed that BEWI received 20,235,931 new Shares in the Company as consideration for the four properties the Company acquired. Following the issuance of the new Shares in the Company BEWI passed the 5% disclosure threshold pursuant to Section 4-2 of the Norwegian Securities Trading Act. Following the transaction BEWI holds 28,807,359 Shares in the Company, corresponding to approximately 8.4% of the issued share capital and votes.

Date disclosed	Category	Summary of the information given
26 May 2023	Inside information	The Company announced that it has received a committed offers for refinancing of its NOK 1,850 million bond loan of approximately NOK 750 million of the bond loan, reaching approximately NOK 1,065 million in committed financing.
11 May 2023	Additional regulated information required to be disclosed under the laws of a member state	The Company published the minutes from the annual general meeting, where all resolutions proposed by the Board of Directors and the nomination committee were approved.
8 May 2023	Additional regulated information required to be disclosed under the laws of a member state	The Company announced that the nomination committee amended its recommendation to the annual general meeting regarding the election of nomination committee members, and proposed the election of Finn Haugan (chair), Andreas Akselsen and Bjørnar André Ulstein.
4 May 2023	Half yearly financial reports and audit reports / limited reviews	The Company announced its first quarter 2023 financial results.
20 April 2023	Additional regulated information required to be disclosed under the laws of a member state	The Company gave notice of the annual general meeting to, among other things, grant a general board authorisation to increase the Company's share capital, to acquire treasury shares and to issue shares in connection with incentive programs.
19 April 2023	Total number of voting rights and capital	The Company announced that the share capital increase by issuance of 20,235,931 new Shares, as part of the settlement for the four properties acquired from BEWI, was registered with the Norwegian Register of Business Enterprises on 19 April 2023. Following the registration, the Company's new share capital was NOK 68,825,916.00 divided into 344,129,580 Shares, each with a nominal value of NOK 0.2.
31 March 2023	Inside information	The Company announced that it has agreed to acquire four properties from BEWI for a total transaction value of NOK 348.3 million. The acquisition of the four properties represent approximately one third of the value of Tranche 2 of the BEWI Transaction.
31 March 2023	Inside information	The Company announced that it has received a committed offer for refinancing of its NOK 1,850 million bond loan of approximately NOK 315 million of the bond loan and an indicative offer from other banks for approximately NOK 750 million.
30 March 2023	Annual financial and audit reports	The Company published its annual report for 2022.
29 March 2023	Mandatory notification of trade primary insiders	The Company announced that the following employees had been awarded share options under the Company's long-term incentive plan 2023: Liv Malvik, Audun Aasen, Kristoffer Formo, Kristoffer Holmen and Over Rød Henriksen. The total of 3,238,936 share options was awarded under the plan (equivalent to 1,0% of the total number of Shares in issue).
28 February 2023	Additional regulated information required to be disclosed under the laws of a member state	The Company published the minutes from the extraordinary general meeting, where all resolutions proposed by the Board of Directors were approved.
23 February 2023	Half yearly financial reports and audit reports / limited reviews	The Company announced its fourth quarter 2022 financial results.
7 February 2023	Additional regulated information required to be disclosed under the laws of a member state	The Company gave notice of an extraordinary general meeting to elect new members to the Board of Directors, and grant a general board authorisation to increase the Company's share capital.

Date disclosed	Category	Summary of the information given
23 December 2022	Mandatory notification of trade primary insiders	The Company announced that BEWI Invest AS has entered into an agreement for the sale of 13,020,833 Shares in the Company at the price of NOK 7.68 per Share. Following the sale of the Shares, BEWI Invest AS would own 139,019,470 Shares and votes in the Company, equal to 42.92% of the Shares and votes in the Company.

5.13 Debt financing of the Group

5.13.1 Introduction

The Group primarily finances its operations through equity, own cash flow and interest-bearing debt, mainly consisting of (i) senior secured callable bonds with an initial issue amount of NOK 900 million and maximum issue amount of NOK 1,500 million issued by the Company (the "**Bonds**"), (ii) a NOK 763 million term loan facilities agreement dated 30 June 2023 entered into between, among others, KMC Properties VII AS as borrower, DNB Bank ASA and SpareBank 1 SR-Bank ASA as lenders, (iii) a NOK 450 million term loan facilities agreement dated 15 March 2023 entered into between, among others, the KMCP Nord-Norge AS as borrower and Sparebank 1 Nord-Norge AS as lender, (iv) a NOK 600 million term loan facility agreement dated 7 November 2022 entered into between KMC Properties III AS as borrower and DNB Bank ASA as lender and (v) a NOK 120 million revolving credit facility agreement dated 2 November 2023 (the "**DNB RCF**"). As of 30 September 2023 the Group had net nominal interest-bearing debt of NOK 3,504.7 million and an equity ratio of 39.5%.

The Group's financing agreements includes cross-default provisions which means that default under one financing agreement may lead to default under other agreements. The cross-default provisions are identical for all the Group's financing agreements and such cross-default provisions are included in all the financing agreements mentioned in this Section 5.13 "Debt financing of the Group", with identical wording which states that any event of default will trigger cross-default across financing agreements. Furthermore, all of the financing agreements contain standard covenants and general undertakings, which are customary to financing companies in the sector in which the Group operates, which impose financial and operation restrictions on the Group relating to insolvency, change of control, litigation, material adverse change and breach of financial covenants, which are all aligned across the financing agreements. As of the date of this Prospectus, the Group is not in breach of any of the covenants under any loan agreements mentioned in this Section 5.13 "Debt financing of the Group".

5.13.2 Interest-bearing debt as of 30 September 2023

5.13.2.1 Overview

The Group's most material interest-bearing debt as of 30 September 2023 are listed in the table below:

Type	Creditor	Facility	Date of agreement	Currency	Amount 30.09.2023
Bond Loan	Bond	KMC Properties ASA	03.07.2023	NOK	900,000,000
Shareholder loan[1]	Shareholders	KMC Properties ASA	03.07.2023	NOK	100,000,000
Bank loan	SpareBank 1 Nord-Norge AS	KMCP II Norway Nord-Norge AS	15.03.2023	NOK	450,000,000
Bank loan	DNB Bank ASA / SpareBank 1 SR-Bank ASA	KMC Properties VII AS	30.06.2023	NOK	560,725,000
Bank loan	DNB Bank ASA / SpareBank 1 SR-Bank ASA	KMC Properties VII AS	30.06.2023	SEK	202,070,000
Bank loan	SpareBank 1 SMN	KMC Oppdal AS	27.09.2021	NOK	48,533,332
Bank loan	SpareBank 1 SMN	FNH Eiendom AS	11.03.2021	NOK	28,800,000
Bank loan	SpareBank 1 SMN	KMCP II Norway Midt-Norge AS	29.03.2022	NOK	76,240,130
Bank loan	SpareBank 1 SR-Bank ASA	KMCP II Norway Vestlandet AS	13.06.2022	NOK	195,520,000
Bank loan	SpareBank 1 SR-Bank ASA	KMCP II Norway Vestlandet AS	13.06.2022	NOK	75,200,000
Bank loan	DNB Bank ASA	KMC Kampenveien 5 AS	16.12.2021	NOK	29,856,662
Bank loan	DNB Bank ASA	KMC Properties III AS	07.11.2022	NOK	289,098,781

Type	Creditor	Facility	Date of agreement	Currency	Amount 30.09.2023
Bank loan	DNB Bank ASA	KMC Properties III AS	07.11.2022	SEK	277,692,800
Bank loan	Danske Bank	KMC Properties IV AS	19.07.2022	NOK	115,200,000
Bank loan	Danske Bank	KMC Properties IV AS	16.09.2022	NOK	29,760,000
Construction loan	Danske Bank	KMC Properties IV AS	01.11.2022	NOK	118,560,710

1 *The shareholder loan with the total initial amount of NOK 100 million, where BEWI Invest AS were one of the lenders of an initial amount of NOK 31 million, has been repaid in full following 30 September 2023. Please see Section 5.11.2 "Transactions carried out with related parties in the nine months period ended 30 September 2023 for further information".*

5.13.2.2 The Bonds

The Group's Bonds has a weighted average current interest of 9.38% with a weighted average interest terms of 3 months NIBOR + 5.00%. The Bonds has no average amortisation plan and 3.0 weighted average years to final maturity. The Group is in compliance with its covenants under the Bonds.

Under the Bonds, guarantees and security is shared with certain hedging providers and one or more revolving credit facilities and, under the terms of an intercreditor agreement, the bond issue ranks behind the relevant hedging providers and the revolving credit facilities in the payment waterfall.

There exists both a call option and a put option under the Bonds, which sets out certain events in which the Company will either (i) redeem the bonds early or (ii) be required to purchase bonds from any bondholder.

The call option may be exercised under the conditions of (i) the price corresponding to the make whole amount in the first 1.5 years, callable up until January 2025, (ii) thereafter callable to the price corresponding to 100% of par adding one half, one third or one sixth of the margin, being 5.00%, after 18, 24 or 30 months, respectively, and (iii) callable at 100% after 33 months until the maturity date being 6 July 2026.

The put option may be exercised by each bondholder in the event of (i) a change of control event, (ii) failure to list the bond or a delisting of the Company's Shares from Oslo Børs, exercisable at 101% of the nominal amount of the redeemed bond. The exercise of the put option will require the Company to purchase the bonds held by the relevant bondholder.

Covenants included under the Bonds are customary general undertakings applicable to the Company and all its direct and indirect subsidiaries, including maintaining authorisations, compliance with laws, continuation of business, *pari passu* ranking, limitations on investments, limitations on distributions, certain financial support restrictions, restrictions on limiting subsidiaries' right to make distributions. The Company must ensure compliance with the following financial covenants, measured on the Group as a whole, which requires (i) interest cover ratio (calculated by dividing a company's earnings before interest and taxes ("**EBIT**") by the company's interest expenses for the same period) of not less than 1.5x, (ii) net-loan-to-value ratio ("**Net LTV**") below 75%, (iii) minimum liquidity equivalent to 3 months of interest payments and (iv) certain incurrence covenants which entails that (a) any distribution from the Company is subject to an Net LTV of not less than 65% and a liquidity that is 1.5x higher than the liquidity requirement above and (b) the incurrence of certain otherwise permissible new financial indebtedness is subject to a loan-to-value ratio ("**LTV**") of 60%.

5.13.2.3 Shareholder loan

The Group previously had a shareholder loan which has been repaid in full in the period following 30 September 2023, as further described in Section 5.11.2 "Transactions carried out with related parties in the nine months period ended 30 September 2023". The shareholder loan agreement was entered into on 3 July 2023 with an initial loan amounted of NOK 100 million, in which BEWI Invest AS were one of the lenders of an initial amount of NOK 31 million. Under the shareholder loan, the weighted average current interest is 8.63%, the weighted average interest terms is 3 months NIBOR + 4.25%, with no average yearly amortisation plan and 0.3 weighted average years to final maturity. The Group was in compliance with its covenants under the shareholder loan.

5.13.2.4 Bank loans

The Group has bank loans with various banks as illustrated in the table in Section 5.13.2.1 "Overview" above, and consisting of among others (i) a NOK 763 million term loan facilities agreement dated 30 June 2023 entered into between, among others, the KMC Properties VII AS as borrower, DNB Bank ASA and SpareBank 1 SR-Bank ASA, (ii) a NOK 450 million term loan facilities agreement dated 15 March 2023 entered into between, among others, the KMCP Nord-Norge AS as borrower and Sparebank 1 Nord-Norge AS as lender and (iii) a NOK 600 million term loan facility agreement dated 7 November 2022 entered into between KMC Properties III AS and DNB Bank ASA as lender. The total amount of the bank loans as of 30 September 2023 is NOK million 2,379. The weighted average current interest is 6.90% and the weighted average interest term is 3-/6 months NIBOR/ STIBOR + 2.67%. The bank loans has a weighted average amortisation plan of 24.1 years, and a weighted average of 3.8 years to final maturity. The Group is in compliance with its covenants under the bank loans.

5.13.2.5 Construction loan

The Group has entered into a construction loan with Danske Bank of approximately NOK 119 million. The weighted average current interest is 7.13% and the weighted average interest terms is 3 months NIBOR + 2.75%. The construction loan neither has a weighted average amortisation plan or weighted average years to final maturity. The Group is in compliance with its covenants under the construction loan.

5.13.2.6 The DNB RCF

The Group has since 30 September 2023 entered into the DNB RCF, a revolving credit facility agreement, on 2 November 2023. The DNB RCF has a weighted average current interest of 5.54%, a weighted average interest term of 3 months NIBOR + 2.25%, has a weighted amortisation plan and final maturity of 0 years. The Group is in compliance with covenants under the DNB RCF.

6 DIVIDENDS AND DIVIDEND POLICY

6.1 Dividend policy

The Company's dividend policy is based on the principle of fair distribution of profit among all its shareholders pro rata their respective holdings of Shares, considering a rational correlation of the amount paid in dividends and the funds needed to carry out the strategic plans of the Company's development. Dividend rights arise on the date approved by the general meeting. There are no restrictions involved for non-resident holders.

The Company is focusing on pursuing growth through both organic and inorganic initiatives and anticipates paying dividends according to a dividend pay-out ratio in the 30 to 50% range of the Company's cash earnings, defined as net result from property management less payable tax, in the coming years, at the sole discretion of the Company's Board of Directors. As of the date of this Prospectus, the Company has no definite plans to distribute dividends. However, the Company's is currently subject to certain restrictions to distribute dividends under both the Bonds and the DNB RCF (as further described above in Section 5.13 "Debt financing of the Group"). The Bonds sets out certain conditions which must be satisfied to distribute dividends to the Company's shareholders. First and foremost, distributions in each calendar year in aggregate cannot exceed 50% of the Company's net cash earnings, also provided that the Company (i) complies with a incurrence test (as defined in the Bonds) if tested pro forma immediately after making such distribution and (ii) and unutilised portion of the mentioned permitted distribution in any calendar year may not be carried forward. The DNB RCF also restricts the Company's ability to distribute dividends, including that (i) the Company must provide a certificate to the agent showing in reasonable details that the Company would remain in compliance with the financial covenants therein for the next relevant period immediately after such distribution of dividends or (ii) the Company must obtain the prior written consent of all the lenders, for both alternatives providing that no event of default is continuing or would result of such payments of dividend.

No dividend was paid for the year ended 31 December 2022.

6.2 Legal constraints on the distribution of dividends

In deciding whether to propose a dividend and in determining the dividend amount in the future, the Board of Directors must take into account applicable legal restrictions, as set out in the Norwegian Public Limited Companies Act of 13 June 1997 No 45 (*Nw.: allmennaksjeloven*) ("**Norwegian Public Limited Liability Companies Act**"), the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintenance of appropriate financial flexibility. Except in certain specific and limited circumstances set out in the Norwegian Public Limited Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

Dividends may be paid in cash or in some instances in kind. The Norwegian Public Limited Companies Act provides the following constraints on the distribution of dividends applicable to the Company:

- Section 8-1 of the Norwegian Public Limited Companies Act regulates what may be distributed as dividend, and provides that the Company may distribute dividends only to the extent that the Company after said distribution still has net assets to cover (i) the share capital and (ii) other restricted equity (i.e. the reserve for unrealised gains and the reserve for valuation of differences).

- The calculation of the distributable equity shall be made on the basis of the balance sheet included in the approved annual accounts for the last financial year, provided, however, that the registered share capital as of the date of the resolution to distribute dividend shall be applied. Following the approval of the annual accounts for the last financial year, the general meeting may also authorise the Board of Directors to declare dividends on the basis of the Company's annual accounts. Dividends may also be resolved by the general meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date not further into the past than six months before the date of the general meeting's resolution.

- Dividends can only be distributed to the extent that the Company's equity and liquidity following the distribution is considered sound.

Pursuant to the Norwegian Public Limited Companies Act, the time when an entitlement to dividend arises depends on what was resolved by the general meeting when it resolved to issue new shares in the company. A subscriber of new shares in a Norwegian public limited company will normally be entitled to dividends from the time when the relevant share capital increase is registered with the Norwegian Register of Business Enterprises. The Norwegian Public Limited Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 11 "Norwegian Taxation".

6.3 Manner of dividend payments

Any future payments of dividends on the Shares will be denominated in the currency of the bank account of the relevant shareholder, and will be paid to the shareholders through the VPS. Shareholders registered in the VPS who have not supplied the VPS with details of their bank account, will not receive payment of dividends unless they register their bank account details with the DNB Bank ASA (the "**VPS Registrar**"). The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant shareholder's currency will be the VPS Registrar's exchange rate on the payment date. Dividends will be credited automatically to the VPS registered shareholders' accounts, or in lieu of such registered account, at the time when the shareholder has provided the VPS Registrar with their bank account details, without the need for shareholders to present documentation proving their ownership of the Shares. Shareholders' right to payment of dividend will lapse three years following the resolved payment date for those shareholders who have not registered their bank account details with the VPS Registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the VPS Registrar to the Company.

7 CAPITALISATION AND INDEBTEDNESS

The information presented below should be read together with the Financial Information, as further described in Section 4.4.1 "Historical financial information".

7.1 Introduction

This Section provides information about the Group's unaudited capitalisation and net financial indebtedness on an actual basis as of 30 September 2023. The "As adjusted" column provides information on the Group's unaudited capitalisation and net financial indebtedness on an adjusted basis in to give effect to:

- the Private Placement;
- Tranche 3 as described in Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement"; and
- the sale of the property in Täby, Sweden.

Other than stated above, there has been no material changes to the Group's capitalisation and net financial indebtedness since 30 September 2023 and up until the date of this Prospectus.

7.2 Capitalisation

(In NOK million)	**As of 30 September 2023**	**Adjustment for the Private Placement**	**Adjustment for Tranche 3**	**Adjustment for the sale of the property in Täby, Sweden**	**As adjusted**
Total current debt (including current portion of non-current debt):	**457**	**-**	**-**	**-**	**457**
Guaranteed	-	-	-	-	-
Secured[1]	322	-	-	-	322
Unguaranteed/ unsecured[2]	135	-	-	-	135
Total non-current debt (excluding current portion of non-current debt):	**3,329**	**-**	**290**	**(57)**	**3,562**
Guaranteed	-	-	-		-
Secured[3]	3,154	-	290[8]	(57)[9]	3,387
Unguaranteed/ unsecured[4]	175	-	-		175
Shareholders' equity	**2,476**	**274**	**-**	**-**	**2,750**
Share capital	69	10[6]	-	-	79
Legal reserve(s)..	-	-	-	-	-
Other reserves[5]	2,407	264[7]	-	-	2,671
Total capitalisation....................................	**6,262**	**274**	**290**	**(57)**	**6,769**

Amounts as of 30 September 2023

1 *The secured current debt of NOK 322 million consists of the Interim Financial Statements line-item current interest-bearing liabilities of NOK 322 million, which are secured in the Group's property portfolio.*

2 *Unguaranteed and unsecured current debt of NOK 135 million consists of the Interim Financial Statements line items trade payables of NOK 29 million, current tax liabilities of NOK 11 million, other current liabilities of NOK 95 million and liabilities held for sale of NOK 0.2 million.*

3 *Secured non-current debt of NOK 3,154 million consists of the Interim Financial Statements line items non-current interest-bearing liabilities of NOK 3,130 million, which are secured in the Group's property portfolio, and lease liabilities of NOK 24 million, which are secured in the corresponding underlying asset.*

4 *Unguaranteed and unsecured non-current debt of NOK 175 million consists of the Interim Financial Statements line items deferred tax liabilities of NOK 156 million and other non-current liabilities of NOK 18 million.*

5 *Other reserves of NOK 2,407 million consists of share premium of NOK 1,656 million, translation reserve of NOK 54 million and retained earnings of NOK 697 million.*

Adjustment for the Private Placement

6 *The share capital increase of NOK 10 million relates to the issuance of 50,000,000 new Shares with a nominal value of NOK 0.2.*

7 The other reserves increase of NOK 264 million relates to share premium increase in relation to the issuance of 50,000,000 new Shares with a subscription price per Share of NOK 5.5 and nominal value of NOK 0.2, net of NOK 1 million in estimated transaction costs.

Adjustment for Tranche 3

8 The secured non-current debt increase of NOK 290 million relates to increased bank loan from Nordea Denmark to partly finance Tranche 3 (consisting of the acquisition of the remaining seven properties of the BEWI Transaction for NOK 625 million).

Adjustment for sale of the property in Täby, Sweden

9 The secured non-current debt decrease of NOK 57 million relates to downpayment of debt with part of the proceeds received from the sale of property in Täby, Sweden.

7.3 Indebtedness

In NOK million	**As of 30 September 2023**	**Adjustment for the Private Placement**	**Adjustment for Tranche 3**	**Adjustment for the sale of the property in Täby, Sweden**	**As adjusted**
(A) Cash	110	274[3]	(335)[4]	11[6]	60
(B) Cash equivalents	-	-	-	-	-
(C) Other current financial assets.....................	-	-	-	-	-
(D) Liquidity (A)+(B)+(C)	**110**	**274**	**(335)**	**11**	**60**
(E) Current financial debt.....................	-	-	-	-	-
(F) Current portion of non-current financial debt[1]	322	-	-	-	322
(G) Current financial indebtedness (E + F).	**322**	**-**	**-**	**-**	**322**
(H) Net current financial indebtedness (G)-(D).....................	**212**	**(274)**	**335**	**(11)**	**262**
(I) Non-current financial debt (excluding current portion and debt instruments)[2]	3,154	-	290[5]	(57)[7]	3,387
(J) Debt instruments.....................	-	-	-	-	-
(K) Other non-current trade and other payable.....................	-	-	-	-	-
(L) Non-current financial indebtedness (I)+(J)+(K)	**3,154**	**-**	**290**	**(57)**	**3,387**
(M) Total financial indebtedness (H)+(L)...	**3,366**	**(274)**	**625**	**(68)**	**3,649**

Amounts as of 30 September 2023

1 Current portion of non-current financial debt of NOK 322 million consists of the Interim Financial Statements line-item current interest-bearing liabilities of NOK 322 million.

2 Non-current financial debt (excluding current portion and debt instruments) of NOK 3,154 million consists of the Interim Financial Statements line items non-current interest-bearing liabilities of NOK 3,130 million and lease liabilities of NOK 24 million.

Adjustment for the Private Placement

3 The cash increase of NOK 274 million relates to the issuance of 50,000,000 new Shares with a subscription price per Share of NOK 5.5, net of estimated transaction costs of NOK 1 million.

Adjustment for Tranche 3

4 The cash decrease of NOK 335 million partly finance Tranche 3 (consisting of the acquisition of the remaining seven of the BEWI Transaction for NOK 625 million).

5 The non-current financial debt (excluding current portion and debt instruments) increase of NOK 290 million relates to increased bank loan from Nordea Denmark to finance the remaining amount of Tranche 3.

Adjustment for sale of the property in Täby, Sweden

6 The cash increase of NOK 11 million relates to the proceeds from the sale of the property in Täby, Sweden totalling NOK 68 million after downpayment of NOK 57 million in debt, as further described in note 7.

7 The non-current financial debt (excluding current portion and debt instruments) decrease of NOK 57 million relates to downpayment of debt with parts of the proceeds from the sale of the property Täby, Sweden.

7.4 Working capital statement

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements for the period covering at least 12 months from the date of this Prospectus.

7.5 Contingent and indirect indebtedness

The Group's contingent and indirect indebtedness not present in Section 7.3 "Indebtedness" above relates to a storage building under construction, which has an estimated completion date in the fourth quarter of 2023 and with remaining estimated costs of approximately NOK 10 million (as further described in Section 5.9 "Development of new products or services").

Other than as described above, the Group does not have any material contingent or indirect indebtedness as at the date of this Prospectus.

8 MEMBERS OF THE BOARD OF DIRECTORS AND MANAGEMENT

8.1 Introduction

The general meeting is the highest authority of the Company. All shareholders of the Company are entitled to attend and vote at general meetings of the Company and to table draft resolutions for items to be included on the agenda for a general meeting.

The overall management of the Company is vested in the Company's Board of Directors and the Company's 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 Company's business ensuring proper organisation, preparing plans and budgets for its activities, ensuring that the Company's activities, accounts and assets management are subject to adequate control and undertaking investigations necessary to perform its duties.

The Management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Company's chief executive officer, is responsible for keeping the Company's accounts in accordance with existing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner. In addition, the Company's CEO must according to Norwegian law, brief the Board of Directors about the Company's activities, financial position and operating results once each month.

8.2 Board of Directors

8.2.1 The Board of Directors

The Articles of Association provide that the Board of Directors shall consist of a minimum of three Board Members elected by the Company's shareholders. The names and positions of the Board Members as at the date of this Prospectus are set out in the table below.

Name	Position	Served since	Term expires	Shares
Bjørnar André Ulstein	Chairperson	2023	2024	Shares held through indirect ownership in BEWI Invest AS[1]
Morten Eivindssøn Astrup	Board Member	2008	2024	10,000,000[2]
Nini Eugenie Høegh Nergaard	Board Member	2010	2024	2,768,704[3]
Marianne Bekken	Board Member	2020	2024	Shares held through indirect ownership in BEWI Invest AS[4]
John Thoresen	Board Member	2022	2024	Shares held through indirect ownership in Kastor Invest AS[5] and BEWI Invest AS[6]
Hege Aasen Veiseth	Board Member	2023	2024	-
Haakon Morten Sæter	Board Member	2023	2024	-
Jonas Grandér	Board Member	2023	2024	Shares held through indirect ownership in Nordika[7]

1 *Bjørnar André Ulstein owns 0.003% of the shares in BEWI Invest AS and has indirect ownership interest in the Company. BEWI Invest AS owns 35.27% of the Shares in the Company. In addition he holds 0.195% of Bekken Invest AS through his wholly owned company Tindan AS (AS (Bekken Invest AS owns 52.15% of BEWI Invest AS which in turn owns 35.27% of the Company's Shares).*

2 *Morten Eivindssøn Astrup holds his Shares in the Company through Surfside Holding AS, a company of which he owns 100% of the shares.*

3 *Nini Eugenie Høegh Nergaard holds her Shares in the Company through Banan II AS, a company which is wholly owned by her husband, Kristian Nergaard, and his family members.*

4 *Marianne Bekken has ownership interest in the Company through the holding company Marbek Invest AS owning 23.41% of Bekken Invest AS which in turn owns 52.15% of BEWI Invest AS. BEWI Invest AS owns 35.27% of the Shares in the Company.*

5 *Kastor Invest AS is 100% owned by Kastor Invest Holding AS, a company in which 50% of the shares are owned by John Thoresen through the holding company Bajoto AS (with his children).*

6 *John Thoresen has ownership interest in the Company through the holding company Bajato AS (owned with his children) owning 50% of Kastor Invest Holding AS. Kastor Invest Holding AS owns 10.31% of BEWI Invest AS (BEWI Invest AS owns 35.27% of the Shares in the Company) and 10.03% of Bekken Invest AS (Bekken Invest AS owns 52.15% of BEWI Invest AS which in turn owns 35.27% of the Shares in the Company).*

7 *Jonas Grandér has indirect ownership interest in the Company through his indirect holding of 4.34% of the shares in Nordika.*

The business address and the principal place of business of the Board of Directors and the Management is Dyre Halses Gate 1A, 7042 Trondheim, Norway.

8.2.2 Brief biographies of the Board Members

Set out below are brief biographies of the Board Members, including their relevant management expertise and experience and an indication of any significant principal activities performed by them outside the Group and names of companies and partnerships of which a Board Member is or has been a member of the administrative, management or supervisory bodies or partner outside the Group the previous five years.

Bjørnar André Ulstein, Chairperson of the Board of Directors

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).

Current directorships and senior management positions outside the Group..........	*Bewi Invest AS (CEO), Marøy Viking AS (board member), Nextco III AS (chairperson), Tindan AS (chairperson), Frøya Invest AS (chairperson), Beform Holding AS (board member), Sinkaberghansen AS (board member)*
Previous directorships and senior management positions last five years outside the Group..........	-

Morten Eivindssøn Astrup, Board Member

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.

Current directorships and senior management positions outside the Group..........	*Svalbard Adventures AS (chairperson), Svalbard Pub AS (chairperson), Svalbard Snøscooter Utleie AS (chairperson), Spitsbergen Eiendom AS (chairperson), Aconcagua Management Ltd (Bermuda) (chairperson), SurfSide Holding AS (chairperson), S56 Bolig 2 AS (chairperson), Storm Capital Partners Ltd (UK) (chairperson), Storm Fund II – Storm Bond Fund (Luxembourg) (chairperson), Veslebotn AS (chairperson), Strandsol AS (chairperson), Storm Norge AS (chairperson), Hunter Group ASA (chairperson), Mågerø Utvikling AS (chairperson), Kvaløyvågen Gård AS, Gasor Consulting Ltd (Cyprus) (board member), Tiberton Yard Holding 2 Ltd (Cyprus) (board member), Ørn Norden AS (board member), Storm Capital Management AS (board member), Jacktel AS (board member), Global Auto Carriers AS (board member)*
Previous directorships and senior management positions last five years outside the Group..........	*Storm Capital Management Ltd (UK) (chairperson), Neptune Properties AS (chairperson/board member), TK Development AS (Denmark) (board member), Polarbygg Spitsbergen AS (board member)*

Nini Eugenie Høegh Nergaard, Board Member

Nini Eugenie Høegh Nergaard was employed as a financial analyst at Handelsbanken Capital Markets, Oslo between 1998 and 2005. Nergaard has held various board positions in public and private companies, including Opak AS, Mamut ASA and Norwegian Car Carriers ASA. Nergaard has a law degree from the University of Oslo, where she studied between 1992 and 1998. Nergaard is considered an independent member of the Board of Directors.

Current directorships and senior management positions outside the Group	*Dønski Toppidrett AS (chairperson), Hankø Yacht Club (chairperson), Futurexchange AS (chairperson), Servoinvest AS (chairperson), Alfredo AS (board member), Halfdan Holme AS (board member), Bogstad Gårds Venneforening (board member)*
Previous directorships and senior management positions last five years outside the Group	*Servoinvest (chairperson), OPAK AS, Oslo (chairperson), Dønski Toppidrett AS (manager)*

Marianne Bekken, Board Member

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.

Current directorships and senior management positions outside the Group	*Extra 127 AS (chairperson), Marbek Invest AS (chairperson and manager), Hector TRD AS (chairperson), BEWI Drift Holding AS (board member), Dual Air AS (board member), Bekken Invest AS (board member), KMC Family AS (board member), EBE Eiendom AS (board member), Right To Play (board member), Storm Capital Management AS (board member), Bestrong Stiftelsen (board member), Bekken Investment AS (board member)*
Previous directorships and senior management positions last five years outside the Group	*Selmer Holding AS (sales and market), BEWiSynbra Norway AS (manager and head of sales)*

John Thoresen, Board Member

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).

Current directorships and senior management positions outside the Group	*Partner of BEWI Invest AS, Invest42 AS (chairperson), Periscope AS (chairperson), Oppdalslia AS (chairperson), Bajoto AS (chairperson), Response Nordic AS (board member), Boardshop.no AS (board member), Trollinvest AS (board member), GYM2000 AS (board member), Water Linked AS (board member), Club United AS (board member)*
Previous directorships and senior management positions last five years outside the Group	-

Hege Aasen Veiseth, Board Member

Hege Aasen Veiseth is currently CFO of the Norwegian investment company Frøy Kapital AS, one of the Company's larger shareholders. Veiseth has extensive experience from finance and accounting, including the position as CFO for the listed media group Polaris Media ASA and the listed oil service company Electromagnetic Geoservices (EMGS) ASA. Veiseth currently serves at the board of directors of the herring company Grøntvedt Group AS, where she is also chair of the audit committee. Veiseth holds a Master's degree in Economics and Business Administration from the Norwegian School of Economics (NHH) and is a certified accountant from BI Norwegian Business School.

Current directorships and senior management positions outside the Group	*CFO of Frøy Kapital AS. Hav AS (chairperson), Frøyco 6 AS (chairperson), Frøyco AS (chairperson), Njord Pioner AS (chairperson), Adresseavisen Pensjonkasse (chairperson), Husøy Investeringsselskap AS (chairperson), TJ Metall AS, Oceanize AS, Prima Eiendom Trondheim AS, Grand Canyon Holding AS, Oceantech Innovation AS, Kystmiljø AS, Matmortua AS, Nutrishell AS, Circulariaq AS, Grand Canyon Operation AS, Grøntvedt AS, Volstad Construction AS, Prima Holding Trondheim AS (deputy board member)*
Previous directorships and senior management positions last five years outside the Group	*Polaris Media ASA (CFO), Polaris Distribusjon Nord-Norge AS (deputy board member), Polaris Distribuson Nordvestlandet AS (deputy board member), Polaris Distribusjon Midt-Norge AS (deputy board member)*

Haakon Morten Sæter, Board Member

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.

Current directorships and senior management positions outside the Group	*Six-Seven AS (chairperson), Destination Holding AS (chairperson), Fredrikstad Spillerinvest AS (chairperson), Pronofa ASA (board member), Ecoswipe AS (board member), Atom Invest AS (board member), Agrocona AS, Firmus Hospitality AS, Zwart Eiendom AS, Firmus Properties AS, Firmus Development AS, Firmus Real Estate AS, Firmus Group AS, Silvercoin Industries AS, Gentian Diagnostics ASA (member of the nomination committee), NEXT Biometrics Group ASA (member of the nomination committee)*
Previous directorships and senior management positions last five years outside the Group	-

Jonas Grandér, Board Member

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 Logistea 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.

Current directorships and senior management positions outside the Group	*Nordika AB (CEO) and Logistea AB (Board member)*
Previous directorships and senior management positions last five years outside the Group	-

8.3 Management

8.3.1 Overview

The Company's Management is responsible for the daily management and the operations of the Company. As at the date of this Prospectus, the Company's Management team consists of the following individuals:

Name	Current position within the Company	Employed with the Company since	Shares
Liv Malvik	Chief Executive Officer (CEO)	2020	179,285
Kristoffer Holmen	Chief Financial Officer (CFO)	2021	125,000[1]
Audun Aasen	Chief Operating Officer (COO)	2017	577,000[2]
Ove Rød Henriksen	Chief Accounting Officer (CAO)	2022	9,630[3]
Kristoffer Formo[4]	Head of Mergers & Acquisitions (M&A)	2021	3,740,000[5]

1 Kristoffer Holmen holds his Shares in the Company through Mejdell Holmen Holding AS, a company of which he owns 100% of the shares.

2 Audun Aasen holds his Shares in the Company through Tripla Invest AS, a company of which he owns 100% of the shares.

3 Ove Rød Henriksen holds his Shares in the Company through Substrata AS, a company of which he owns 100% of the shares.

4 Kristoffer Formo has resigned from his position as Head of M&A of the Company with effect from 29 February 2024.

5 Kristoffer Formo holds his Shares in the Company through Formo AS, a company of which he owns 100% of the shares.

The table above also presents the number of Shares held by the Company's Management as at the date of this Prospectus (including Shares held through private investment companies).

The Company's business address serves as the business addresses for the members of the Management.

8.3.2 Brief biographies of the members of Management

Set out below are brief biographies of the members of Management, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Group and names of companies and partnerships of which a member of Management is or has been a member of the administrative, management or supervisory bodies or partner outside the Group the previous five years.

Liv Malvik, Chief Executive Officer (CEO)

Liv Malvik has previous experience as CEO of Heimdal Eiendomsmegling AS (2018-2020), Grilstad Marina AS (2011-2018) and Inter Revisjon Norge AS (2008-2011) in addition to experience from Sparebank1 SMN (2001-2008) and Fokus Bank AS (1990-2000). Malvik is a state certified public accountant (*Nw.: statsautorisert revisor*), and holds an MSc in Business Administration from the Norwegian School of Economics (NHH).

Current directorships and senior management positions outside the Group...	*Pesca Property AS (chairperson), Sentrallager Nord-Norge AS (chairperson), Industrieiendom Nord AS (chairperson), Nidarosdomens Jentekor (chairperson), Skarvenesveien 3 Eiendom ANS (chairperson), Pesca Property Invest AS (chairperson), Pesca Property Norway AS (chairperson), Sentrallager Nord-Norge KS (chairperson), HEM Ansatte AS (board member), Heimdal Eiendomsmegling Invest AS (board member), BN Bank ASA (board member)*
Previous directorships and senior management positions last five years outside the Group..	*Heimdal Eiendomsmegling AS (CEO), Grilstad Marina AS (CEO), Trondhjems Stipendiefond (deputy chairperson), Næringsforeningen I Trondheimsregionen (deputy chairperson), DeBank ASA (board member)*

Kristoffer Holmen, Chief Financial Officer (CFO)

Kristoffer Holmen previously held the position as CFO of Storm Capital Management Ltd., and from 2018 to 2020 as CEO/CFO of Storm Real Estate ASA (previous name of the Company). Holmen is a state certified public accountant (*Nw.: statsautorisert revisor*), and prior to joining Storm Capital Management Ltd., he worked for PwC. Holmen holds a BSc in Business and Administration and an MSc in Auditing and Accounting from the Norwegian School of Economics (NHH). In addition, he studied law at the University of Oslo for three years.

Current directorships and senior management positions outside the Group...	*Mejdell Holmen Holding AS (chairperson)*
Previous directorships and senior management positions last five years outside the Group..	-

Audun Aasen, Chief Operating Officer (COO)

Audun Aasen has over 15 years experience from construction and real estate sector. Aasen was previously a property manager and real estate developer in the period from 2014 to 2019. Aasen has a university degree as real estate appraiser and technical construction controller, with relevant work experience from such field from 2011 to 2014. In addition, Aasen holds a masters degree within carpentry and has performed construction work in the period from 2005 to 2011.

Current directorships and senior management positions outside the Group..	*Tripla Invest AS (chairperson and manager), Æsh AS (chairperson), Pesca Property AS (board member), Sveberg AS (board member), Sentrallager Nord-Norge AS (board member), Industrieiendom Nord AS (board member), Skarvenesveien 3 Eiendom ANS (board member), Pesca Property Invest AS (board member), Pesca Property Norway AS (board member), Sentrallager Nord-Norge KS (board member)*
Previous directorships and senior management positions last five years outside the Group...	*Hybelutleie AS (partner and member of management), Bra Bo AS (partner and member of management), Bra Bo AS (board member)*

Ove Rød Henriksen, Chief Accounting Officer (CAO)

Ove Rød Henriksen previously held the position as CFO of Siva - Selskapet for industrivekst SF (The Industrial Development Corporation of Norway). Henriksen is a state authorised public accountant and prior to joining Siva, he worked as a manager for Deloitte. He holds an MSc in Finance from Norwegian University of Science and Technology (NTNU) and an MSc in Accounting and Auditing from the Norwegian School of Economics (NHH).

Current directorships and senior management positions outside the Group...	*Substrata AS (chairperson), Pesca Property AS (board member), Pesca Property Invest AS (board member), Pesca Property Norway AS (board member), Sentrallager Nord-Norge AS (board member), Skarvenesveien 3 Eiendom ANS (board member), Industrieiendom Nord AS (board member), Sentrallager Nord-Norge KS (board member)*
Previous directorships and senior management positions last five years outside the Group..	-

Kristoffer Formo, Head of M&A

Kristoffer Formo has more than 20 years experience from several positions in the finance and real estate sector, whereas the last five years as an independent real estate investor. Formo's previous experience includes DNB Næringsmegling, Real Forvaltning, Sparebank 1 Midt Norge, Orkla Finans ASA, as well as a position as M&A advisor at Nordic Corporate Management. Formo has a Bachelor's degree in finance from the BI Norwegian Business School. Kristoffer Formo has resigned from his position as Head of M&A of the Company with effect from 29 February 2024.

Current directorships and senior management positions outside the Group...	*Formo AS (chairperson and manager), Formo Bolig 1 AS (chairperson), Formo Bolig 2 AS (chairperson), Børsa Utvikling AS (chairperson), FFU (chairperson), Sameiet Skifer Signatur (chairperson), Grong Næringsbygg AS (chairperson and manager), Vangshaug Panorama AS (chairperson), Granmo Bolig AS (chairperson), Børsa Bolig AS (chairperson), Obv 38 AS (chairperson and manager), Fog AS (chairperson), Leitet Gård DA (manager)*
Previous directorships and senior management positions last five years outside the Group..	-

8.4 Conflicts of interests etc.

No Board Member or member of the Management has, or had, as applicable, during the last five years preceding the date of the Prospectus:

- any convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his or her capacity as a founder, member of the administrative body or supervisory body, director or senior manager of a company.

Other than John Thoresen, which is related to the Company's largest shareholder BEWI Invest AS, through Kastor Invest AS being a major shareholder of BEWI Invest AS, Marianne Bekken which is related the Company's largest shareholder BEWI Invest AS, Bjørnar André Ulstein which is related the Company's largest shareholder BEWI Invest AS, Hege Aasen Veiseth which was proposed as a Board Member by the Company's larger shareholder, Frøy AS, Haakon Morten Sæter which was proposed as a Board Member by the Company's larger shareholder HAAS AS and Jonas Grandér who was proposed as a Board Member by Nordika, there are no other arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any Board Member or member of Management was selected as a member of the Board of Directors or Management nor other actual or potential conflicts of interest between the Company and the private interests or other duties of any of the

Board Members and the members of the Management, including any family relationships between such persons to the Company's knowledge.

8.5 The Group's equity incentive schemes

8.5.1 Discounted Share purchase

The Company's Management may purchase Shares in the Company at a 20% discount compared to the market price of the Shares for an amount limited to NOK 1 million each financial year, on condition that the respective member of the Management is obliged to hold the Shares for a period of minimum three years (lock-up period).

8.5.2 Share option program for the Management and selected employees

To further align the interests of the Management and other employees of the Company with the shareholders of the Company, options to acquire shares in the Company may be granted as a part of the total remuneration package by the Company. The options are granted by the Company on an individual basis to selected recipients (each an "**Option Holder**"). The options gives the Option Holder the right, but not the obligation, to subscribe for or purchase one share in the Company. The strike price shall be equal to the market price of the Company's Shares on or around the grant date of the options (as determined by the Company's Board of Directors).

The options vests according to the following vesting schedule once granted: (i) 20% of the options vests 12 months after the grant date; and (ii) an additional 30% of options vest 24 months after the grant date, and (iii) the remaining 50% of the options vest 36 months after grant date. All options granted expires five years after the grant date. The granting of options will on an annual basis be considered by the Board of Directors. The options granted will be adjusted for share splits, reverse share splits and dividends, but not for rights offerings. The Company reserves the right to settle any options in cash instead of Shares. As of the date of this Prospectus, the Company has granted 3,238,936 options.

9 CORPORATE INFORMATION AND DESCRIPTION OF THE SHARE CAPITAL

The following is a summary of certain corporate information and material information relating to the Shares and share capital of the Company and certain other shareholder matters, including summaries of certain provisions of the Articles of Association and applicable Norwegian law in effect as of the date of this Prospectus. The summary does not purport to be complete and is qualified in its entirety by the Articles of Association, included in Appendix A to this Prospectus, and applicable law.

9.1 Company corporate information

The Company's current registered and commercial name is KMC Properties ASA. The Company's general meeting resolved to change the Company's legal name from Storm Real Estate ASA to KMC Properties ASA in an extraordinary general meeting held on 18 December 2020 and registered with the Norwegian Register of Business Enterprises (the "**NRBE**") on 30 December 2020. The Company is a public limited liability company organised and registered under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act. The Company's registered office is in the municipality of Trondheim, Norway. The Company was incorporated in Norway on 2 January 2007 as a private limited liability company and converted to a public limited liability company following the extraordinary general meeting held on 12 May 2010.

The Company's Shares are listed on the Oslo Stock Exchange under ticker code "KMCP". The Company's business registration number in the Norwegian Register of Business Enterprises is 990 727 007 and its Legal Entity Identifier ("**LEI**") code is 5967007LIEEXZX8NJK85.

The Shares have been created under the Norwegian Public Limited Liability Companies Act. Except for the Listing Shares, all of the Shares are registered in book-entry form with the VPS under ISIN NO0010360175. The Listing Shares are issued on a separate ISIN NO0013062877 and will be transferred to the listed ISIN following publication of this Prospectus. The Company's register of shareholders in the VPS is administrated by the VPS Registrar, DNB Bank ASA.

The Company's registered address is at Dyre Halses gate 1A, 7042 Trondheim, Norway, it's telephone number is +47 480 03 175 and its e-mail is post@kmcp.com. The Company's website can be found at https://www.kmcp.no/en/. The content of https://www.kmcp.no/en/ is not incorporated by reference into and does not otherwise form part of this Prospectus.

9.2 Listing on the Oslo Stock Exchange

The Existing Shares are, and the Listing Shares will be, admitted to trading on the Oslo Stock Exchange under ISIN NO 0010360175 and ticker code "KMCP". The Listing Shares are issued on a separate ISIN NO0013062877 and will be transferred to the listed ISIN following publication of this Prospectus.

Trading in the Listing Shares on the Oslo Stock Exchange is expected to commence on or about 20 December 2023. The Company has not applied for admission to trading of the Shares on any other stock exchange or regulated market.

9.3 Share capital

As of the date of this Prospectus, the Company's share capital is NOK 78,825,916, divided into 394,129,580 Shares, each with a nominal value of NOK 0.2. All the Shares have been created under the Norwegian Public Limited Companies Act, and are validly issued and fully paid.

In the twelve month' period prior to the date of this Prospectus, the Company has completed three share capital increases, as set out in the table below:

Date of registration with the NRBE	Type of change	Change in share capital	New share capital	Nominal value	New number of Shares	Subscription price per Share
12 December 2022	Share capital increase	NOK 350,000	NOK 64.778.729,80	NOK 0.2	1,750,000	NOK 8.00
19 April 2023	Share capital increase	NOK 4,047,186.20	NOK 68.825.916,00	NOK 0.2	20,235,931	NOK 7.33
3 November 2023	Share capital increase	NOK 10,000,000	NOK 78.825.916,00	NOK 0.2	50,000,000	NOK 5.75

9.4 Major shareholders

There are no differences in voting rights between the shareholders.

Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. As at the date of this Prospectus, no shareholders other than BEWI Invest AS (35.27%), HAAS AS (19.51%), Nordika (through Flugfiskaren) (12.69%) and M2 Asset Management AB (10.56%) held more than 5% of the Company's Shares as of the date of this Prospectus.

The Company is not aware of any persons or entities that, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company. The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.

The Articles of Association do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Company. The Shares have not been subject to any public takeover bids during the current or last financial year.

9.5 Board authorisations

9.5.1 Authorisations to increase the share capital and issue new shares

At the annual general meeting held on 11 May 2023, the Board of Directors was granted an authorisation to increase the Company's share capital by up to NOK 1,000,000 for the purpose of facilitating for the Company's ability to issue shares in connection with granted options and future grants of options to the Company's Management and selected employees, as further described in Section 8.5.2 "Share option program for the Management and selected employees". The authorisation is valid until the annual general meeting of the Company in 2024, but not longer than 30 June 2024. The preferential rights of the existing shareholders to subscribe for new shares pursuant to Section 10-4 of the Norwegian Public Limited Liability Companies Act may be deviated from pursuant to the rules set out in Section 10-5 of said Act. The authorisation was registered in the Norwegian Register of Business Enterprises on 13 May 2023.

Further, at the Company's extraordinary general meeting held on 1 December 2023, the Board of Directors was granted an authorisation to increase the share capital by up to NOK 15,765,183.20, which represented approximately 20% of the Company's share capital at the time of the extraordinary general meeting. The authorisation may be used in situations where it is considered beneficial for the Company, inter alia in connection with capital raisings for the financing of the Company's business and in connection with potential acquisitions. The authorisation is valid until the annual general meeting of the Company in 2024, but not longer than 30 June 2024. An authorisation to increase the Company's share capital with up to NOK 13,765,183.20 and 20% of the share capital at that time with the same purpose was granted at the annual general meeting held on 11 May 2023 in which NOK 3,765,183.20 remained under the authorisation which was replaced with the new authorisation granted on the extraordinary general meeting held on 1 December 2023. The preferential rights of the existing shareholders to subscribe for new shares pursuant to Section 10-4 of the Norwegian Public Limited Liability Companies Act may be deviated from pursuant to the rules set out in Section 10-5 of said Act. The authorisation will be registered in the Norwegian Register of Business Enterprises after the approval of this Prospectus.

9.5.2 Authorisation to acquire treasury shares

At the annual general meeting held on 11 May 2023, the Board of Directors was granted an authorisation to acquire own shares in the Company within a total nominal value of NOK 4,800,000. The authorisation may be used by the Board of Directors to optimise the Company's capital structure, and to facilitate that the Company in an efficient manner for example shall be able to deliver shares for its share-based incentive schemes. The Board of Directors is authorised to acquire own shares, but not at higher prices than NOK 20 or lower than NOK 1 per share. The authorisation is valid until the annual general meeting of the Company in 2024, but not longer than 30 June 2024. The authorisation was registered in the Norwegian Register of Business Enterprises on 13 May 2022.

9.6 Other financial instruments

Other than the call option granted to Nordika in connection with the Private Placement to subscribe for and be allotted additional new shares in the Company for a total amount of NOK 130 million at a subscription price of NOK 5.75 per share as further described in Section 5.2.1 "Tranche 3 of the BEWI Transaction and the Private Placement", neither the Company nor any of its subsidiaries have issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any Shares in the Company or its subsidiaries.

9.7 Shareholder rights

The Company has only one class of Shares in issue, and in accordance with the Norwegian Public Limited Companies Act, all Shares in that class provide/will provide equal rights in the Company, including the rights to any dividend. Each Share carries one vote. The Shares are freely transferable.

9.8 The Articles of Association

The Articles of Association as of 28 September 2023, are appended to this Prospectus in Appendix A. Below is a summary of provisions of the Articles of Association.

9.8.1 Objective of the Company

Pursuant to Article 3, the Company's business shall comprise of trading, investment in real estate property and security instruments and other business operations in this relation, including participation in other companies with corresponding business through equity, loan or issuance of guarantees.

9.8.2 Share capital and nominal value

Pursuant to Article 4, the Company's registered share capital is NOK 78,825,916, divided into 394,129,580 Shares, each with a nominal value of NOK 0.2. The Company's Shares shall be registered with the Norwegian Central Securities Depository. The Company's Shares are freely transferable.

9.8.3 Board of Directors

Pursuant to Article 5, the Company's Board of Directors shall consist of a minimum of three members, according to the shareholders' decision at the general meeting of the Company. The chairperson of the Board of Directors alone, or two members of the Board of Directors jointly, shall have authority to sign on behalf of the Company. The Board of Directors may designate procurators.

9.8.4 General meetings

Pursuant to Article 6 of the Articles of Association, the annual general meeting shall consider and decide on:

(i) approval of the annual accounts and annual report, including distribution of dividend; and

(ii) other matters which by law or the Articles of Association belong to the general meeting.

Pursuant to Article 9 of the Articles of Association each Share carries one vote in the general meeting. Shareholders who wish to participate in the general meeting must give the company notice which must be received by the company two working days prior to the general meeting. A shareholder with its Shares registered with a custodian is entitled to vote coherent with the number of Shares registered with the custodian, if the shareholder no later than two days prior to the general meeting presents the Company with name, address and a confirmation stating that the shareholder is the beneficial owner of the Shares.

According to Section 6-16a of the Norwegian Public Limited Liability Companies Act, the general meeting shall also resolve the board of director's declaration for remuneration of the executive management team. A consultative vote over the board of directors' guidelines of the remuneration of the executive management shall be carried out. The general meeting shall approve any guidelines on remuneration as set out in the Norwegian Public Limited Liability Companies Act Section 6-16a, first section, third sentence, number 3.

According to Section 5-11b of the Norwegian Public Limited Liability Companies Act, the notice for the general meeting shall be sent to the shareholders no later than 21 days prior to the date of the general meeting. The general meeting may, with a majority vote as for amendments to the Articles of Association, and with effect for the next annual general meeting, decide that the notice for extraordinary general meetings shall be sent to the shareholders no later than two weeks prior to the extraordinary general meeting is held.

9.8.5 Nomination Committee

Pursuant to Article 7, the Company shall have a nomination committee consisting of three members. The members shall be elected for a period of two years, unless the general meeting decides a shorter period.

9.9 Certain aspects of Norwegian corporate law

9.9.1 General meetings

Through the general meeting of shareholders, shareholders exercise supreme authority in a Norwegian public limited liability company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that written notice of annual general meetings, which sets forth the date and time of, the venue for and the agenda of the general meeting, is sent to all shareholders with a known address no later than 21 days before the date of the annual general meeting of a Norwegian public limited liability company listed on a stock exchange or a regulated market shall be held, unless the articles of association stipulate a longer deadline. The latter is currently not the case for the Company. If the Shares are held by a nominee, the notice of the annual general meeting must also be sent to the nominee which in turn must forward the notice to the holder of the nominee-registered Shares.

A shareholder may vote at the general meeting either in person or by proxy appointed at its own discretion. Pursuant to the Norwegian Securities Trading Act, a proxy voting form shall be appended to the notice of the general meeting of shareholders in a Norwegian public limited liability company listed on a stock exchange or a regulated market unless such form has been made available to the shareholders on the company's website and the notice calling the meeting includes all information the shareholders need to access the proxy voting forms, including the relevant internet address.

Under Norwegian law a shareholder may only exercise rights that pertain to shareholders, including participation in general meetings of shareholders, when it has been registered as a shareholder in the register of shareholders maintained with the VPS. A shareholders' right to attend and vote at a general meeting may only be exercised if it has been entered into the register of shareholders (VPS) five business days prior to the general meeting (record date) or if it has reported and documented an acquisition as per the record date.

Apart from the annual general meeting of shareholders, extraordinary general meetings of shareholders may be held if the Board of Directors considers it necessary. An extraordinary general meeting of shareholders must also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 5% of the share capital demands this in writing. The requirements for notice and admission to participate in the annual general meeting also apply to extraordinary general meetings. However, the annual general meeting of shareholders of a Norwegian public limited liability company may with a majority of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting resolve that extraordinary general meetings may be convened with a 14 days' notice period until the next annual general meeting provided that the company has procedures in place allowing shareholders to vote electronically. This has currently not been resolved by the Company's general meeting.

9.9.2 Voting rights – amendments to the articles of association

Each of the Company's Shares carries one vote. In general, decisions that shareholders of a Norwegian public limited liability company are entitled to make under Norwegian law or the articles of association may be made by a simple majority of the votes cast. In the case of elections or appointments, the person(s) who receive(s) the greatest number of votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe for shares in connection with any share issue in the company, to approve a merger or demerger of the company, to amend the articles of association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants by the company or to authorise the board of directors to purchase shares and hold them as treasury shares or to dissolve the company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the articles of association.

Decisions that (i) would reduce the rights of some or all of the company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the shares, require that at least 90% of the share capital represented at the general meeting in question vote in favour of the resolution, as well as the majority required for amending the articles of association.

Only a shareholder registered as such in the VPS is entitled to vote for shares of a Norwegian public limited liability company listed on a stock exchange or regulated market. Beneficial owners of the shares who are registered in the name of a nominee are also entitled to vote under Norwegian law, but any person who is designated in the VPS register as the holder of such shares as a nominee is not entitled to vote under Norwegian law unless being instructed with a proxy by the beneficial owner. A nominee may not meet or vote for shares registered on a nominee account. A shareholder holding shares through a nominee account must, in order to be eligible to register, meet and vote for the nominee-registered shares at the general meeting, notify the company two days prior to the date of the general meeting (unless the board of directors prior to issuing the notice of the general meeting has decided on a shorter notification period).

There are no quorum requirements that apply to the general meeting of a Norwegian public limited liability company.

9.9.3 Additional issuances, preferential rights and dilution

If the Company issues any new shares, including bonus share issues, the Articles of Association must be amended, which requires the same vote as other amendments to the Articles of Association. In addition, under Norwegian law, a company's shareholders have a preferential right to subscribe for new shares issued by the company. Preferential rights may be derogated from by resolution in a general meeting passed by the same vote required to amend the articles of association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding shares. Existing shareholders who do not participate in an issuance of new shares, including bonus shares, will be diluted.

Under Norwegian law, the general meeting may, by the same vote as is required for amending the articles of association, authorise the board of directors to issue new shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the nominal value of the shares to be issued may not exceed 50% of the registered nominal share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, a company may increase its share capital by a bonus share issue, subject to approval by the shareholders, by transfer from the company's distributable equity and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be carried out either by issuing new shares to the company's existing shareholders or by increasing the nominal value of the company's outstanding shares.

Issuance of new shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United States under United States securities laws. Should the Company in such a situation decide not to file a registration statement, the Company's U.S. shareholders may not be able to exercise their preferential rights. If a U.S. shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the rights would be sold on the shareholder's behalf by the Company. Shareholders in other jurisdictions outside Norway may be similarly affected if the rights and the new Shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. The Company has not filed a registration statement under the U.S. Securities Act in connection with the Listing or sought approvals under the laws of any other jurisdiction outside Norway in respect of any pre-emptive rights or the Shares, does not intend to do so and doing so in the future may be impractical and costly. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new shares nor receive nor trade such subscription rights, the value of their subscription rights will be lost and such shareholders' proportional ownership interests in the Company may be reduced.

9.9.4 Minority rights

Norwegian law sets forth a number of protections for minority shareholders of the Company, including, but not limited to, those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the Board of Directors or the Company's shareholders which has been made at the general meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary a dissolution of the Company.

Non-controlling shareholders holding 5% or more of the Company's share capital have a right to demand in writing that the Board of Directors convene an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified within seven days before the deadline for convening the general meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the relevant general meeting has not expired.

9.9.5 Rights of redemption and repurchase of Shares

The share capital of the Company may be reduced by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the general meeting cannot be granted for a period exceeding two years.

9.9.6 Shareholder vote on certain reorganisations

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the Articles of Association stipulate that, made available to the shareholders on the Company's website, at least one month prior to the general meeting to pass upon the matter.

9.9.7 Liability of members of the Board of Directors

Board Members owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the Board Members act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Board Members may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the general meeting to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting passing upon the matter. If a resolution to discharge the Board Members from liability or not to pursue claims against such a person has been passed by the general meeting with a smaller majority than that required to amend the Articles of Association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Company's Board Members from liability or not to pursue claims against the Company's Board Members is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

9.9.8 Civil proceedings against the Company in jurisdictions other than Norway

Investor shall note that they may be unable to recover losses in civil proceedings in jurisdictions other than Norway. The Company is a public limited liability company organised under the laws of Norway. As a result, it may not be possible for investors to effect service of process in other jurisdictions upon such persons or the Company, to enforce against such persons or the Company judgments obtained in non-Norwegian courts, or to enforce judgments on such persons or the Company in other jurisdiction.

9.9.9 Indemnification of Board Members

Neither Norwegian law nor the Articles of Association contains any provision concerning indemnification by the Company of the Board of Directors. The Company is permitted to purchase insurance for the Board Members against certain liabilities that they may incur in their capacity as such.

9.9.10 Distribution of assets on liquidation

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at a general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

9.10 Shareholders' agreements

To the knowledge of the Company, there are no shareholders' agreements related to the Shares.

10 SECURITIES TRADING IN NORWAY

Set out below is a summary of certain aspects of securities trading in Norway and the possible implications of owning tradable securities on the Oslo Stock Exchange. The summary is based on the rules and regulations in force in Norway as at the date of this Prospectus, which may be subject to changes occurring after such date. This summary does not purport to be a comprehensive description of securities trading in Norway. Investors who wish to clarify the aspects of securities trading in Norway should consult with and rely upon their own advisors.

10.1 Introduction

The Oslo Stock Exchange was established in 1819 and offers the only regulated market for securities trading in Norway. Oslo Børs ASA is 100% owned by Euronext Nordics Holding AS, a holding company established by Euronext N.V following its acquisition of Oslo Børs VPS Holding ASA in June 2019. Euronext is a pan-European stock exchange with its registered office in Amsterdam and corporate headquarters at La Défense in Greater Paris. Euronext owns seven regulated markets across Europe, being Amsterdam, Brussels, Dublin, Lisbon, London, Oslo and Paris.

10.2 Market value of the Shares

The market value of all shares listed on the Oslo Stock Exchange, including the Shares, may fluctuate significantly, which could cause investors to lose a significant part of their investment. The market value of listed shares could fluctuate significantly in response to a number of factors beyond the respective issuer's control, including quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, announcements by the respective issuer or its competitors of new product and service offerings, significant contracts, acquisitions or strategic relationships, publicity about the issuer, its products and services or its competitors, lawsuits against the issuer, unforeseen liabilities, changes in management, changes to the regulatory environment in which the issuer operates or general market conditions.

Furthermore, future issuances of shares or other securities may dilute the holdings of shareholders and could materially affect the price of the shares. Any issuer, including the Company, may in the future decide to offer additional shares or other securities to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes, including refinancing purposes. There are no assurances that any of the issuers on the Oslo Stock Exchange will not decide to conduct further offerings of securities in the future. Depending on the structure of any future offering, certain existing shareholders may not have the ability to purchase additional equity securities. If a listed company raises additional funds by issuing additional equity securities, the holdings and voting interests of existing shareholders could be diluted, and thereby affect the share price.

10.3 Trading and settlement

As of the date of this Prospectus, trading of equities on the Oslo Stock Exchange is carried out in Euronext's electronic trading system Optiq®. This trading system is in use by all markets operated by Euronext.

Official trading on the Oslo Stock Exchange takes place between 09:00 hours (CET/CEST) and 16:20 hours (CET/CEST) each trading day, with pre-trade period between 07:15 hours (CET/CEST) and 09:00 hours (CET/CEST), a closing auction from 16:20 hours (CET/CEST) to 16:25 hours (CET/CEST) and a trading at last period from 16:25 hours (CET/CEST) to 16:30 hours (CET/CEST). Reporting of Off-Book On Exchange trades can be done from 07:15 hours (CET/CEST) to 18:00 hours (CET/CEST).

The settlement period for trading on the Oslo Stock Exchange is two trading days (T+2). This means that securities will be settled on the investor's account in VPS two trading days after the transaction, and that the seller will receive payment after two trading days.

The Oslo Stock Exchange offers an interoperability model for clearing and counterparty services for equity trading through LCH Limited, EuroCCP and Six X-Clear.

Investment services in Norway may only be provided by Norwegian investment firms holding a licence under the Norwegian Securities Trading Act, branches of investment firms from an EEA member state or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a licence to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a licence to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the Norwegian FSA or the Oslo Stock Exchange except for the general obligation of investment firms that are members of the Oslo Stock Exchange to report all trades in stock exchange listed securities.

10.4 Information, control and surveillance

Under Norwegian law, the Oslo Stock Exchange is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of the Oslo Stock Exchange monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company. Inside information means precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available or commonly known in the market. A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. The Oslo Stock Exchange may levy fines on companies violating these requirements.

10.5 The VPS and transfer of shares

The Company's principal share register is operated through the VPS. The VPS is the Norwegian paperless centralised securities register. It is a computerised book-keeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. The VPS and the Oslo Stock Exchange are both wholly-owned by Euronext Nordics Holding AS.

All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (being, Norway's central bank), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, the relevant company's articles of association or otherwise.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS' control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an ongoing basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

10.6 Shareholder register – Norwegian law

Under Norwegian law, shares are registered in VPS in the name of the beneficial owner of the shares. Beneficial owners of the shares that hold their shares through a nominee account (such as banks, brokers, dealers or other third parties) are able to vote for such shares at the general meeting in their own name provided that the Company has received notification of such attendance two days prior to the date of the general meeting (unless the board of directors prior to sending the notice for the general meeting has decided on a shorter notification deadline). As a general rule, there are no arrangements for nominee registration and Norwegian shareholders are not allowed to register their shares in the VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions, but cannot vote in general meetings on behalf of the beneficial owners. There is no assurance that beneficial owners of the shares will receive the notice of any general meeting in time to instruct their nominees or others to vote for their shares in the manner desired by such beneficial owners, or notify the Company of its own attendance. See Section 9.9 "Certain aspects of Norwegian corporate law" under the subheading "Voting rights – amendments to the articles of association" for more information on nominee accounts.

10.7 Foreign investment in shares listed in Norway

Foreign investors may trade shares listed on the Oslo Stock Exchange through any broker that is a member of the Oslo Stock Exchange, whether Norwegian or foreign.

Foreign investors should note that the rights of holders of shares listed on the Oslo Stock Exchange and issued by Norwegian incorporated companies are governed by Norwegian law and by the respective company's articles of association. These rights may differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For instance, under Norwegian law, any action brought by a company in respect of wrongful acts committed against such company will be prioritised over actions brought by shareholders claiming compensation in respect of such acts. In addition, it may be difficult to prevail in a claim against the company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions. See Section 9.9 "Certain aspects of Norwegian corporate law" for more information on certain aspects of Norwegian law.

10.8 Disclosure obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify the Oslo Stock Exchange and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

10.9 Insider trading

According to Norwegian law, subscription for, purchase, sale or exchange or other acquisitions or disposals of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in Article 7 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, and as implemented in Norway in accordance with Section 3-1 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value or price either depends on or has an effect on the price or value of such financial instruments or incitement to such dispositions.

10.10 Mandatory offer requirement

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third (or more than 40% or 50%) of the voting rights of a company listed on a Norwegian regulated market (with the exception of certain foreign companies) to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third (or more than 40% or 50% as applicable) of the voting rights in the company and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by the Oslo Stock Exchange before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a general meeting, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that runs until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a company listed on a Norwegian regulated market (with the exception of certain foreign companies) is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated group that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

10.11 Compulsory acquisition

Pursuant to the Norwegian Public Limited Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited liability company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the company has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing more than 90% of the total number of issued shares, as well as more than 90% of the total voting rights, through a voluntary offer in accordance with the Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorised to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. However, where the offeror, after making a mandatory or voluntary offer, has acquired more than 90% of the voting shares of a company and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to Section 4-25 of the Norwegian Public Limited Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory/voluntary offer unless specific reasons indicate another price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price or any other objection to the price being offered, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline.

10.12 Foreign exchange controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a company that has its shares registered with the VPS who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

11 NORWEGIAN TAXATION

Set out below is a summary of certain Norwegian tax matters related to an investment in the Company. The summary regarding Norwegian taxation is based on the laws in force in Norway as of the date of this Prospectus, which may be subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis.

The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares in the Company. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisors. Shareholders resident in jurisdictions other than Norway and shareholders who cease to be resident in Norway for tax purposes (due to domestic tax law or tax treaty) should specifically consult with and rely upon their own tax advisors with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway for tax purposes.

Please note that for the purpose of the summary below, a reference to a Norwegian or non-Norwegian shareholder refers to the tax residency rather than the nationality of the shareholder.

The tax legislation in the Company's jurisdiction of incorporation and the tax legislation in the jurisdictions in which the shareholders are resident for tax purposes may have an impact on the income received from Shares in the Company.

11.1 Norwegian taxation

11.1.1 Taxation of dividends

11.1.1.1 Norwegian Personal Shareholders

Dividends distributed by the Company to shareholders who are individuals resident in Norway for tax purposes ("**Norwegian Personal Shareholders**") are taxable in Norway for such shareholders currently at an effective tax rate of 37.84% to the extent the dividend exceeds a tax-free allowance; i.e. dividends received, less the tax-free allowance, shall be multiplied by 1.72 which are then included as ordinary income taxable at a flat rate of 22%, increasing the effective tax rate on dividends received by Norwegian Personal Shareholders to 37.84%.

The tax-free allowance is calculated on a share-by-share basis. The allowance for each share is equal to the cost price of the share multiplied by a determined risk free interest rate based on the effective rate of interest on treasury bills (*Nw.: statskasseveksler*) with three months maturity plus 0.5 percentage points, after tax. The allowance is calculated for each calendar year, and is allocated solely to Norwegian Personal Shareholders holding shares at the expiration of the relevant calendar year.

Norwegian Personal Shareholders who transfer shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated allowance one year exceeding the dividend distributed on the share ("**Excess Allowance**") may be carried forward and set off against future dividends received on, or gains upon realisation, of the same share.

Norwegian Personal Shareholders may hold the shares through a Norwegian share saving account (*Nw.: aksjesparekonto*). Dividends received on shares held through a share saving account will not be taxed with immediate effect. Instead, withdrawal of funds from the share saving account exceeding the paid in deposit, will be regarded as taxable income, regardless of whether the funds are derived from gains or dividends related to the shares held in the account. Such income will be taxed with an effective tax rate of 37.84%, cf. above. Norwegian Personal Shareholders will still be entitled to a calculated tax-free allowance. Please refer to Section 11.1.2 "Taxation of capital gains on realisation of shares" for further information in respect of Norwegian share saving accounts.

11.1.1.2 Norwegian Corporate Shareholders

Dividends distributed by the Company to shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**"), are effectively taxed at a rate of currently 0.66% (3% of dividend income from such shares is included in the calculation of ordinary income for Norwegian Corporate Shareholders and ordinary income is subject to tax at a flat rate of currently 22%). For Norwegian Corporate Shareholders that are considered to be "Financial Institutions" under the Norwegian financial activity tax (banks, holding companies), the effective rate of taxation for dividends is 0.75%.

11.1.1.3 Non-Norwegian Personal Shareholders

Dividends distributed by the Company to shareholders who are individuals not resident in Norway for tax purposes ("**Non-Norwegian Personal Shareholders**"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. The withholding obligation lies with the company distributing the dividends and the Company assumes this obligation.

Non-Norwegian Personal Shareholders resident within the EEA for tax purposes may apply individually to Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share, please see Section 11.1.1 "Taxation of dividends" above. However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation of the dividends than the withholding tax rate of 25% less the tax-free allowance.

If a Non-Norwegian Personal Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Personal Shareholder, as described above.

Non-Norwegian Personal Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

All Non-Norwegian Personal Shareholders must document their entitlement to a reduced withholding tax rate by obtaining a certificate of residence issued by the tax authorities in the shareholder's country of residence, confirming that the shareholder is resident in that state. The documentation must be provided to either the nominee or the account operator (VPS) and cannot be older than three years.

Non-Norwegian Personal Shareholders should consult their own advisors regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming a refund of withholding tax.

Non-Norwegian Personal Shareholders resident in the EEA for tax purposes may hold their shares through a Norwegian share saving account. Dividends received on and gains derived upon the realisation of shares held through a share saving account by a Non-Norwegian Personal Shareholder resident in the EEA will not be taxed with immediate effect. Instead, withdrawal of funds from the share saving account exceeding the Non-Norwegian Personal Shareholder's paid in deposit, will be subject to withholding tax at a rate of 25% (unless reduced pursuant to an applicable tax treaty). Capital gains upon realisation of shares held through the share saving account will be regarded as paid in deposits, which may be withdrawn without taxation. Losses will correspondingly be deducted from the paid in deposit, reducing the amount which can be withdrawn without withholding tax.

The obligation to deduct and report withholding tax on shares held through a saving account, cf. above, lies with the account operator.

11.1.1.4 Non-Norwegian Corporate Shareholders

Dividends distributed by the Company to shareholders who are limited liability companies (and certain other entities) resident outside of Norway for tax purposes ("**Non-Norwegian Corporate Shareholders**"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident.

Dividends distributed to Non-Norwegian Corporate Shareholders resident within the EEA for tax purposes are generally comprised by the Norwegian participation exemption method and therefore exempt from Norwegian withholding tax provided that the shareholder is considered as the beneficial owner of the shares and that the shareholder is genuinely established and performs genuine economic business activities within the EEA.

If a Non-Norwegian Corporate Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Corporate Shareholder, as described above.

Non-Norwegian Corporate Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted. The same will apply to Non-Norwegian Corporate Shareholders who have suffered withholding tax although qualifying for the Norwegian participation exemption.

All Non-Norwegian Corporate Shareholders must document their entitlement to a reduced withholding tax rate by either (i) presenting an approved withholding tax refund application or (ii) present an approval from the Norwegian tax authorities confirming that the recipient is entitled to a reduced withholding tax rate. In addition, a certificate of residence issued by the tax authorities in the shareholder's country of residence, confirming that the shareholder is resident in that state, must be obtained. Such documentation must be provided to either the nominee or the account operator (VPS) and cannot be older than three years.

In order for a Non-Norwegian Corporate Shareholder resident in the EEA to be exempt from withholding tax pursuant to the Norwegian participation exemption, the Company must provide all documentation mentioned above, as well as a declaration stating that the circumstances entitling the Company to the exemption have not changed since the documentation was issued.

The withholding obligation in respect of dividends distributed to Non-Norwegian Corporate Shareholders and on nominee registered shares lies with the company distributing the dividends and the Company assumes this obligation.

Non-Norwegian Corporate Shareholders should consult their own advisors regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming a refund of withholding tax.

11.1.2 Taxation of capital gains on realisation of shares

11.1.2.1 Norwegian Personal Shareholders

Sale, redemption or other disposal of shares is considered a realisation for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholder through a disposal of shares is taxable or tax deductible in Norway. The effective tax rate on gain or loss upon the realisation of shares by Norwegian Personal Shareholders is currently 37.84%; i.e. capital gains (less the tax-free allowance) and losses shall be multiplied by 1.72 which are then included in or deducted from the Norwegian Personal Shareholder's ordinary income in the year of disposal. Ordinary income is taxable at a flat rate of 22%, increasing the effective tax rate on gains/losses realised by Norwegian Personal Shareholders to 37.84%.

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of.

The taxable gain/deductible loss is calculated per share as the difference between the consideration for the share and the Norwegian Personal Shareholder's cost price of the share, including costs incurred in relation to the acquisition or realisation of the share. From this capital gain, Norwegian Personal Shareholders are entitled to deduct a calculated tax-free allowance provided that such allowance has not already been used to reduce taxable dividend income. Reference is made to Section 11.1.1 "Taxation of dividends" above for a description of the calculation of the allowance. The allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realisation of a share will be annulled. Unused allowance may not be set off against gains from realisation of other shares.

If the Norwegian Personal Shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Special rules apply for Norwegian Personal Shareholders that cease to be tax-resident in Norway.

Gains derived upon the realisation of shares held through a share saving account will be exempt from immediate Norwegian taxation and losses will not be tax deductible. Instead, withdrawal of funds from the share saving account exceeding the Norwegian Personal Shareholder's paid in deposit, will be regarded as taxable income, subject to tax at an effective tax rate of 37.84%. Norwegian Personal Shareholders will be entitled to a calculated tax-free allowance provided that such allowance has not already been used to reduce taxable dividend income, reference is made to Section 11.1.1 "Taxation of dividends" above. The tax-free allowance is calculated based on the lowest paid in deposit in the account during the income year, plus any unused tax-free allowance from previous years. The tax-free allowance can only be deducted in order to reduce taxable income, and cannot increase or produce a deductible loss. Any Excess Allowance may be carried forward and set off against future withdrawals from the account or future dividends received on shares held through the account.

Norwegian Personal Shareholders holding shares through more than one share saving account may transfer their shares or securities between the share saving accounts without incurring Norwegian taxation.

11.1.2.2 Norwegian Corporate Shareholders

Norwegian Corporate Shareholders are exempt from tax on capital gains derived from the realisation of shares qualifying for participation exemption, including shares in the Company. Losses upon the realisation and costs incurred in connection with the purchase and realisation of such shares are not deductible for tax purposes.

Special rules apply for Norwegian Corporate Shareholders that cease to be tax-resident in Norway.

11.1.2.3 Non-Norwegian Personal Shareholders

Gains from the sale or other disposal of shares by a Non-Norwegian Personal Shareholder will not be subject to taxation in Norway unless the Non-Norwegian Personal Shareholder holds the shares in connection with business activities carried out or managed from Norway. Reference is made to Section 11.1.1 "Taxation of dividends" above for a description of the availability of a Norwegian share saving accounts.

11.1.2.4 Non-Norwegian Corporate Shareholders

Capital gains derived by the sale or other realisation of shares by Non-Norwegian Corporate Shareholders are not subject to taxation in Norway unless the shareholding is effectively connected to the conduct of trade or business activities carried out in or managed from Norway.

11.1.3 Taxation of subscription rights

11.1.3.1 Norwegian Personal Shareholders

A Norwegian Personal Shareholder's subscription for shares pursuant to a subscription right is not subject to taxation in Norway. Costs related to the subscription for the shares, including the purchase price for any purchased subscription rights, will be added to the cost price of the shares.

Sale and other transfer of subscription rights are considered a realisation for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholders through a realisation of subscription rights is taxable or tax deductible in Norway and subject to the same taxation as a capital gain or loss generated through realisation of shares, reference is made to Section 11.1.2 "Taxation of capital gains on realisation of shares " above.

Subscription rights acquired as a consequence of ownership of shares held on a share savings account may be held on the share savings account, reference is made to Section 11.1.2 "Taxation of capital gains on realisation of shares" above, but will not be covered by the tax exemption.

11.1.3.2 Norwegian Corporate shareholders

A Norwegian Corporate Shareholder's subscription for shares pursuant to a subscription right is not subject to taxation in Norway. Costs related to the subscription for the shares will be added to the cost price of the shares.

11.1.3.3 Non-Norwegian Shareholders

A Non-Norwegian (Personal or Corporate) Shareholder's subscription for shares pursuant to a subscription right is not subject to taxation in Norway.

11.1.4 Net wealth tax

The value of shares is included in the basis for the computation of net wealth tax imposed on Norwegian Personal Shareholders. Currently, the marginal net wealth tax rate is 1% of the value assessed in excess of NOK 1,700,000 and 1.1% of the value assessed in excess of NOK 20,000,000. For assessment purposes the shares are valued to 80% of the listed value as of 1 January in the year of assessment (i.e. the year following the relevant fiscal year). The value of debt allocated to the listed shares for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 80%).

Norwegian Corporate Shareholders are not subject to net wealth tax.

Non-Norwegian (Personal and Corporate) Shareholders are generally not subject to Norwegian net wealth tax. Non-Norwegian Personal Shareholders can, however, be taxable if the shareholding is effectively connected to the conduct of trade or business activities carried out in or managed from Norway.

11.1.5 VAT and transfer taxes

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of shares.

11.1.6 Inheritance tax

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

12 SELLING AND TRANSFER RESTRICTIONS

The Shares may, in certain jurisdictions, be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Receipt of this Prospectus shall not constitute an offer for Shares and this Prospectus is for information only and should not be copied or redistributed. Accordingly, if an existing shareholder receives a copy of this Prospectus, the existing shareholder should not distribute or send the same, or transfer the Shares to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If an existing shareholder forwards this Prospectus into any such territories (whether under a contractual or legal obligation or otherwise), the existing shareholder should direct the recipient's attention to the contents of this Section 12 "Selling and transfer restrictions".

The Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, any jurisdiction in which it would not be permissible to offer the Shares and this Prospectus shall not be accessed by any person in any jurisdiction in which it would not be permissible to offer the Shares.

Neither the Company nor its representatives, is making any representation to any purchaser of Shares regarding the legality of an investment in the Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

The information set out in this Section 12 "Selling and transfer restrictions" is intended as a general guide only. If you are in any doubt about any of the contents of these restrictions, or whether any of these restrictions apply to you, you should obtain independent professional advice without delay.

13 ADDITIONAL INFORMATION

13.1 Independent auditor

The Company's independent auditor since 17 July 2020 is PricewaterhouseCoopers AS, with business registration number 987 009 713 and registered address at Dronning Eufemias gate 71, 0194 Oslo, Norway. PwC is a member of The Norwegian Institute of Public Accountants (*Nw.: Den Norske Revisorforening*).

13.2 Advisor

Advokatfirmaet Thommessen AS, with business registration number 957 423 248 and registered address at Ruseløkkveien 38, 0251 Oslo, Norway, is acting as Norwegian legal counsel to the Company.

13.3 Documents on display

For a period of twelve months from the date of this Prospectus, copies of the documents listed below will be available at the Company's offices at Dyre Halses gate 1A, 7042 Trondheim, Norway, (telephone number: +47 480 03 175) and at the Company's website https://www.kmcp.no/en/:

- the Company's Articles of Association; and
- all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in this Prospectus.

13.4 Incorporation by reference

The information incorporated by reference in this Prospectus should be read in connection with the cross reference table set out below. Except as provided in this Section 13.4 "Incorporation by reference", no other information is incorporated by reference to this Prospectus.

Section in the Prospectus	Disclosure requirement	Reference document and link	Page in reference document
Sections 4.3 and 8	Annex 3, item 11.1	Annual Report 2022: https://www.kmcp.no/en/investors/Annual-Report-2022.pdf	Page 48 – 92 (Accounts and notes)
Sections 4.3 and 8	Annex 3, item 11.2	Auditor's Report 2022: https://www.kmcp.no/en/investors/Annual-Report-2022.pdf	Page 93 - 97
Sections 4.3 and 8	Annex 3, item 11.1	Interim Financial Statements for the three and nine months period ended 30 September 2023: https://www.kmcp.no/en/investors/KMCP+Q3+2023+print.pdf	Page 11 - 21 (Accounts and notes)

14 DEFINITIONS AND GLOSSARY

Articles of Association....................	The Company's articles of association attached as Appendix A to this Prospectus.
BEWI	BEWI ASA.
BEWI Group	BEWI, together with its subsidiaries.
BEWI Transaction	The Company's sale and purchase agreement entered into on 30 June 2022 between the Company and BEWI in connection with the Target Portfolio.
Board Members	The members of the Company's Board of Directors.
Board of Directors	The Board of Directors of the Company.
Bonds	Senior secured callable bonds with an initial issue amount of NOK 900 million and maximum issue amount of NOK 1,500 million issued by the Company.
Combination...................................	The acquisition by the Company of 100% of the shares in KMCP AS for a consideration of NOK 1,076 million, pursuant to an agreement entered into 17 November 2020 with Kverva Industrier AS, EBE Eiendom AS, Invest Neptun AS, Zebrafish AS and Aconcagua Management Ltd.
Commission Delegated Regulation	(EU) 2019/980 of 14 March 2019 supplementing the EU Prospectus Regulation.
Company...	KMC Properties ASA.
CPI..	Consumer Price Index.
Cushman & Wakefield	Cushman & Wakefield Debenham Tie Leung Limited, with business registration number 997 013 263 and registered address 125 Old Brad Street, London EC2N 1AR, the United Kingdom.
DNB RCF	A NOK 120 million revolving credit facility agreement dated 2 November 2023.
EBIT	Earnings before interest and taxes.
EU	The European Union.
EU Prospectus Regulation.............	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act.
Euro or EUR	The lawful common currency of the participating member states in the EU.
Excess Allowance	Any part of the calculated allowance one year exceeding the dividend distributed on the share.
Existing Shares	The Existing Shares in the Company before the issuance of the Listing Shares.
Financial Information......................	The Company's Financial Statements and the Interim Financial Statements.
Financial Statements	The Company's financial statements for the year ended 31 December 2022.
Flugfiskaren	Flugfiskaren AB, a wholly owned subsidiary of Nordika.
GBA..	Gross building area.
Group	The Company together with its consolidated subsidiaries.
Hitra Project....................................	The Company's ongoing greenfield project for the construction of a packaging hub at Jøsnøya on Hitra, Norway with BEWI as tenant.
Honeycomb	Honeycomb Cellpack A/S.
IAS 34...	International Accounting Standard 34 as adopted by the EU.

IFRS	International Financial Reporting Standards as adopted by the EU.
Insula	Insula AS.
Interim Financial Statements	The Company's financial statements for the three and nine months' periods ended 30 September 2023.
KMC Properties	KMC Properties ASA.
KMCP AS..	KMC Properties AS.
LEI	Legal Entity Identifier.
Listing Shares	The Company's listing of 40,660,016 new shares, each with a nominal value of NOK 0.2, issued at a subscription price of NOK 5.50 per share in connection with the Private Placement compromising of a total of 50,000,000 New Shares.
LTV	Loan-to-value ratio.
Management	The senior management team of the Company.
MiFID II	EU Directive 2014/65/EU on markets in financial instruments, as amended.
MiFID II Product Governance Requirements.................................	MiFID II, Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II and local implementing measures, jointly.
Net LTV	Net-loan-to-value-ratio.
New Shares.....................................	The 50,000,000 New Shares issued to Flugfiskaren (Nordika) in the Private Placement.
NOK	Norwegian Kroner, the lawful currency of Norway.
Non-Norwegian Corporate Shareholders	Shareholders who are limited liability companies and certain similar corporate entities not resident in Norway for tax purposes.
Non-Norwegian Personal Shareholders	Shareholders who are individuals not resident in Norway for tax purposes.
Nordea Denmark	Nordea Denmark, a branch of Nordea Bank Abp.
Nordika	Nordika Blue AB, a Swedish unlisted real estate company owned by Nordic pension funds and institutions.
Norwegian Accounting Act	The Norwegian Accounting Act of 17 July 1998 no. 56.
Norwegian Corporate Shareholders	Shareholders who are limited liability companies and certain similar corporate entities resident in Norway for tax purposes.
Norwegian FSA	The Financial Supervisory Authority of Norway (*Nw.: Finanstilsynet*).
Norwegian Personal Shareholders	Shareholders who are individuals resident in Norway for tax purposes.
Norwegian Public Limited Companies Act	Norwegian Public Limited Liability Companies Act of 13 June 1997 No 45 (*Nw.: allmennaksjeloven*).
Norwegian Securities Trading Act .	The Norwegian Securities Trading Act of 29 June 2007 No 75 (*Nw.: verdipapirhandelloven*).
NRBE..	Norwegian Register of Business Enterprises.
Option Holder.................................	Selected recipients granted options by the Company on an individual basis in connection, as further described in Section 8.5.2 "Share option program for the Management and selected employees".
Oslo Stock Exchange......................	Oslo Børs, a stock exchange being part of Euronext and operated by Oslo Børs ASA.
Pesca Transaction	The acquisition by KMCP AS of 100% of the shares in Pesca Property AS, in addition, and concurrently with the Combination.
Pipeline Companies	Grøntvedt Næringsbygg AS together with the Dutch Companies.

Private Placement	The directed share issue towards Nordika consisting of 50,000,000 New Shares in the Company.
Prospectus	This Prospectus dated 15 December 2023.
PwC	PricewaterhouseCoopers AS.
SEK	Swedish Kroner, the lawful currency of Sweden.
Share(s)	Means the shares of the Company, each with a nominal value of NOK 0.2, or any one of them, including the Listing Shares.
Target Market Assessment	The Shares have been subject to a product approval process, subject to the MIFID II Product Governance requirements, which has determined that each Share is: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II.
Target Portfolio	The property portfolio to be acquired by the Company from BEWI, consisting of to 24 properties and one land plot in Norway, Sweden, Denmark, Finland, Germany, Belgium and Poland with a total gross asset value of approximately NOK 2.0 billion in the BEWI Transaction.
Tranche 1	The first tranche of the BEWI Transaction.
Tranche 2	The second tranche of the BEWI Transaction.
Tranche 3	The acquisition of the remaining seven properties in Tranche 2 of the BEWI Transaction, consisting of properties located in Belgium, Germany and Poland from BEWI for NOK 625 million announced on 29 September 2023.
Triple Net Bare-House Lease Agreement	Lease agreements, whereby maintenance, insurance and property tax are covered by the tenant.
USD or U.S. Dollar	United States Dollars, the lawful currency of the United States of America.
U.S. Exchange Act............................	The United States Exchange Act of 1934, as amended.
VPS Registrar	DNB Bank ASA.
WAULT	Weighted average unexpired lease term.

APPENDIX A - ARTICLES OF ASSOCIATION OF KMC PROPERTIES ASA

VEDTEKTER

FOR

KMC PROPERTIES ASA

(org. nr. 990 727 007)

Endret 28. september 2023.

§ 1

Selskapets navn er KMC Properties ASA.

§ 2

Selskapets forretningskontor er i Trondheim kommune.

Selskapet kan avholde generalforsamlingen i Oslo kommune.

§ 3

Selskapets virksomhet skal omfatte handel, investering i fast eiendom og verdipapirer samt annen virksomhet i tilknytning til dette, herunder deltagelse i andre selskaper med tilsvarende virksomhet gjennom egenkapital, lån eller ved avgivelse av garantier.

§ 4

Selskapets aksjekapital er NOK 78 825 916 fordelt på 394 129 580 aksjer, hver med pålydende satt til NOK 0,2. Selskapets aksjer skal være registrert i Verdipapirsentralen. Selskapets aksjer er fritt omsettelige.

§ 5

Selskapets styre skal bestå av minimum 3 medlemmer. Selskapets firma tegnes av styrets leder alene eller av 2 styremedlemmer i fellesskap. Styret kan tildele prokura.

§ 6

I den ordinære generalforsamling skal følgende spørsmål behandles og avgjøres: (i) godkjennelse av årsregnskap og årsberetning, herunder utdeling av utbytte, og (ii) andre saker som etter lov eller vedtekter hører under generalforsamlingen.

Aksjeeiere kan avgi skriftlig forhåndsstemme i saker som skal behandles på generalforsamlinger i selskapet. Slike stemmer kan også avgis ved elektronisk kommunikasjon. Adgangen til å avgi forhåndsstemme er betinget av at det foreligger en betryggende metode for autentisering av avsender. Styret avgjør om det foreligger en slik metode i forkant av den enkelte generalforsamling. Styret kan også fastsette nærmere retningslinjer for skriftlige forhåndsstemmer.

§ 7

Nominasjonskomiteen skal bestå av tre medlemmer. Medlemmene velges for en periode på to år med mindre den ordinære generalforsamlingen beslutter en kortere periode.

Nominasjonskomiteen skal forberede et forslag til den ordinære generalforsamlingen vedrørende: Valg av styremedlemmer og styreleder til styret.

Valg av medlemmer til og leder av nominasjonskomiteen.

Styrehonorar til styremedlemmene og medlemmene av nominasjonskomiteen. Eventuelle endringer i nominasjonskomiteens mandat eller vedtekter.

Allmennaksjeloven §§ 6-7 og 6-8 skal gjelde tilsvarende for nominasjonskomiteens medlemmer.

§ 8

Når dokumenter som gjelder saker som skal behandles på generalforsamlingen, er gjort tilgjengelige for aksjeeierne på selskapets internettsider, gjelder ikke lovens krav om at dokumentene skal sendes til aksjeeierne. En aksjeeier kan likevel kreve å få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen.

§ 9

I selskapets generalforsamling har hver aksje én stemme. En aksjeeier som har aksjer registrert gjennom en godkjent forvalter etter allmennaksjeloven § 4-10, er stemmeberettiget for det antall aksjer forvalteroppdraget omfatter dersom aksjeeieren innen to virkedager før generalforsamlingen overfor selskapet oppgir navn og adresse og fremlegger bekreftelse fra forvalteren om at aksjeeieren er den reelle eier av de forvaltede aksjer, og under forutsetning av at styret ikke nekter godkjennelse av slikt reelt eierforhold.

Aksjeeiere som ønsker å delta på generalforsamlingen må gi selskapet melding om dette på forhånd. Slik melding må være mottatt av selskapet senest to virkedager før generalforsamlingen. Styret kan likevel, før det er sendt innkalling til generalforsamlingen, fastsette en senere frist for meldingen.

§ 10

Generalforsamlingen ledes av styrets leder med mindre styret har utpekt en annen møteleder.

ARTICLES OF ASSOCIATION

FOR

KMC PROPERTIES ASA

(reg.no. 990 727 007)

Last amended on 28 September 2023
(office translation from Norwegian)

§ 1

The company's name is KMC Properties ASA.

§ 2

The company's registered office is in the municipality of Trondheim.

The company may hold general meetings in the municipality of Oslo, Norway.

§ 3

The company's business shall comprise of trading, investment in real estate property and security instruments and other business operations in this relation, including participation in other companies with corresponding business through equity, loan or issuance of guarantees.

§ 4

The company's share capital is NOK 78,825,916, divided between 394,129,580 shares, each with a par value of NOK 0.2. The company's shares shall be registered with the Norwegian Central Securities Depository. The company's shares are freely transferable.

§ 5

The board of directors of the company shall consist of minimum 3 members. The chairperson of the board of directors alone, or two members of the board of directors jointly, shall have authority to sign on behalf of the company. The board of directors may designate procurators.

§ 6

At the annual general meeting, the following issues shall be considered and decided: (i) approval of the annual accounts and annual report, including the distribution of dividends, and (ii) other matters which by law or the articles of association belong to the general meeting.

Shareholders may cast a prior written vote on matters to be considered at general meetings of the company. Such votes can also be cast by electronic communication. The right to vote in advance is conditional on the existence of a reassuring method for authenticating the sender. The board decides whether such a method exists in advance of the individual general meeting. The board may also lay down more detailed guidelines for written advance votes.

§ 7

The nomination committee shall consist of three members. The members shall be elected for a period of two years, unless the general meeting decides a shorter period.

The nomination committee shall prepare proposals to the general meeting in relation to the following:

- The appointment of the members of the board of directors and the chairman of the board of directors.
- The appointment of the members of the nomination committee and the chairman of the nomination committee.
- The remuneration of the board of directors and the nomination committee.
- Any changes in the mandate of the nomination committee or in the articles of association.

The Norwegian Public Limited Liabilities Act paragraphs 6-7 and 6-8 shall apply correspondingly for the members of the nomination committee.

§ 8

When documents pertaining to matters which shall be handled at a general meeting have been made available for the shareholders on the company's website, the documents are not required to be sent to the shareholders. A shareholder may nonetheless demand to be sent documents that shall be dealt with at the general meeting.

§ 9

Each share carries one vote in the general meeting. A shareholder with its shares registered with a custodian in accordance with the Norwegian Public Limited Liabilities Act paragraph 4-10, is entitled to vote coherent with the number of shares registered with the custodian, if the shareholder no later than two days prior to the general meeting presents the company with name, address and a confirmation from the custodian stating that the shareholder is the beneficial owner of the custodian registered shares, provided however that the board of directors does not refuse approval of such beneficial ownership.

Shareholders who wish to participate in the general meeting must give the company notice of this in advance. Such notice must be received by the company no later than two working days prior to the general meeting. The board may, however, before the notice to the general meeting has been sent, set a later deadline for such notice.

§ 10

The chairman of the board of directors shall chair the general meeting, unless the board of directors have appointed another chair.

APPENDIX B - VALUATION REPORT

KMC Properties

Arne T.W. Eriksen
M: 957 06 730
E: ae@cwrealkapital.com

Rapportdato: 06.11.2023
Verdivurderingsdato: 30.09.2023

På oppdrag fra KMC Properties ASA

CUSHMAN & WAKEFIELD | Realkapital

VALUATION REPORT

INNHOLD:

Verdi i NOK
5 899 890 580

Totalareal bygg
562 264 m2

Durasjon
11,1 år

Net yield
6,99 %

Pris per m^2
10 493

Land	Verdi mNOK	Antall eiendommer	FX - rate
Norge	3 499	35	NOK/NOK = 1
Sverige	843	12	SEK/NOK = 0,98
Danmark	790	11	NOK/DKK = 1,51
Finland	296	4	NOK/EUR = 11,25
Nederland	471	4	NOK/EUR = 11,25
Total	5 900	66	

	ID	Eiendom	Country	County	Value mNOK	Previous Value	Change	% change	Value mNOK	Value NOK/m2	Lease kNOK	Lease NOK/m2	ERV kNOK	ERV NOK/m2	Opex kNOK	Opex per m2	Building sqm	Construction year	Land sqm	Net Yield	Exit yield	Wault
Norway	26429-1	Gjerdsvika	Norway	Møre og Romsdal	23,6	23,4	0,2	0,85 %	23,6	4 917	2 134	445	2 134	445	72	15	4 800	1981, 1992, 1996	5 770	8,74 %	9,00 %	5,6
	26414-1	Havøysund	Norway	Troms og Finnmark	36,3	37,7	-1,4	-3,71 %	36,3	5 135	2 826	400	2 828	400	75	11	7 069	1940, 1983, 2006	9 843	7,58 %	9,00 %	10,6
	26428-1	Havet 45, Leknes	Norway	Nordland	294,3	304,1	-9,8	-3,22 %	294,3	20 453	20 791	1 445	20 791	1 445	366	25	14 389	2010, 2020	45 011	6,94 %	8,00 %	10,6
	26412-1	Båtsfjord	Norway	Troms og Finnmark	39,5	41,1	-1,6	-3,89 %	39,5	5 090	2 923	377	3 104	400	62	8	7 761	1985,2004,2020	16 590	7,24 %	9,00 %	10,6
	26430-1	Stømnervegen 1 & 3	Norway	Innlandet	38,4	39,8	-1,4	-3,52 %	38,4	9 600	2 987	747	2 987	747	80	20	4 000	1990, 2010, 2017	13 705	7,57 %	8,25 %	8,3
	26406-1	Lyngenvegen 5	Norway	Trøndelag	15,4	16,3	-0,9	-5,52 %	15,4	7 000	1 358	617	1 358	617	61	28	2 200	1 975	4 949	8,43 %	9,00 %	6,3
	26407-1	Østre Rosten 102	Norway	Trøndelag	54,2	58,4	-4,2	-7,19 %	54,2	21 899	3 316	1 340	3 316	1 340	62	25	2 475	2 004	7 036	6,00 %	6,50 %	6,3
	26408-1	Østre Rosten 102 b	Norway	Trøndelag	124,8	134,5	-9,7	-7,21 %	124,8	21 895	7 550	1 325	7 553	1 325	57	10	5 700	2 006	7 868	6,00 %	6,50 %	6,3
	26409-1	Valsnesveien 259	Norway	Trøndelag	47,8	51,1	-3,3	-6,46 %	47,8	17 071	3 404	1 216	3 404	1 216	101	36	2 800	2016/2017	8 798	6,91 %	8,00 %	6,3
	25783-1	Hammarvikringen 64	Norway	Trøndelag	168,6	169	-0,4	-0,24 %	168,6	21 043	11 453	1 430	11 453	1 430	443	55	8 012	2 012	24 366	6,53 %	8,00 %	14,5
	25781-1	Havnegata 24	Norway	Trøndelag	140,8	144,9	-4,1	-2,83 %	140,8	8 431	6 500	389	13 360	800	276	17	16 700	1 971	30 559	4,42 %	8,00 %	4,8
	25335-1	Havnegata 20B	Norway	Trøndelag	133,8	140,4	-6,6	-4,70 %	133,8	21 071	8 473	1 334	8 473	1 334	259	41	6 350	1 985	17 692	6,14 %	6,75 %	8,8
	25782-1	Industriparken Jøsnøya	Norway	Trøndelag	157,2	110,5	46,7	42,26 %	157,2	30 377	10 500	2 029	7 763	1 500	98	19	5 175	2 023	13 000	6,62 %	7,50 %	14,9
	25779-1	Industrivegen 15	Norway	Troms og Finnmark	72,8	76,6	-3,8	-4,96 %	72,8	10 866	6 441	961	6 700	1 000	551	82	6 700	2 009	11 620	8,09 %	8,50 %	7,3
	25784-1	Skattørvegen 78	Norway	Troms og Finnmark	27,9	29,7	-1,8	-6,06 %	27,9	14 864	2 213	1 179	2 213	1 179	36	19	1 877	1 999	5 715	7,80 %	8,50 %	6,8
	25780-1	Torgardsveien 11, Torgård	Norway	Trøndelag	80,4	85,8	-5,4	-6,29 %	80,4	24 151	4 757	1 429	4 757	1 429	118	35	3 329	2 012	12 900	5,77 %	6,50 %	4,3
	23695-1	Hofstadvegen 15	Norway	Trøndelag	80,4	84,9	-4,5	-5,30 %	80,4	19 248	5 136	1 230	5 012	1 200	63	15	4 177	2 008	17 500	6,31 %	7,50 %	13,0
	24824-1	Klubben Næring, Senja	Norway	Troms og Finnmark	118,7	121,1	-2,4	-1,98 %	118,7	31 237	7 235	1 904	5 985	1 575	156	41	3 800	2 021	7 927	5,96 %	7,50 %	12,9
	27999-1	Holamyra	Norway	Møre og Romsdal	50,2	50,3	-0,1	-0,20 %	50,2	17 198	3 428	1 174	3 357	1 150	117	40	2 919	2012,,2021	10 250	6,60 %	8,00 %	14,3
	28495-1	Storemyra 200	Norway	Vestlandet	324,7	335,9	-11,2	-3,33 %	324,7	30 250	24 389	2 272	21 957	1 300	161	15	10 734	2 019	62 091	7,46 %	8,00 %	8,1
	28496-1	Oppdal Spekemat	Norway	Trøndelag	92,1	91,4	0,7	0,77 %	92,1	16 999	6 188	1 142	6 188	1 142	81	15	5 418	2 022	18 155	6,63 %	8,00 %	13,8
	17468-1	Havneveien 1	Norway	Trøndelag	334,2	340,3	-6,1	-1,79 %	334,2	23 854	26 427	1 886	26 427	1 886	112	8	14 010	1 990	27 251	7,87 %	5,50 %	12,2
	29348-1	Ågotnes	Norway	Vestlandet	140,9	146,1	-5,2	-3,56 %	140,9	24 373	9 991	1 728	8 565	1 300	116	20	5 781	2008,,2020	13 700	7,01 %	7,50 %	8,5
	30041-1	Fagernessletta 10	Norway	Nordland	115,4	117,1	-1,7	-1,45 %	115,4	18 940	7 762	1 274	6 093	1 000	91	15	6 093	1998,,2002	10 303	6,65 %	8,00 %	15,2
	29672-1	Kampenveien 5	Norway	Viken	60,8	62,6	-1,8	-2,88 %	60,8	13 837	4 472	1 018	4 394	1 000	66	15	4 394	1970,,2009	21 694	7,25 %	8,25 %	10,3
	32044-1	Holsneset 23-25	Norway	Møre og Romsdal	56	55,4	0,6	1,08 %	56,0	15 222	4 793	1 303	3 311	900	74	20	3 679			8,43 %	8,50 %	13,2
	33072-1	Sørkilen 3 og Østkilen 14	Norway	Viken	216,4	220,9	-4,5	-2,04 %	216,4	14 622	13 078	884	13 320	900	104	7	14 800			6,00 %	7,75 %	16,1
	33072-2	Krosnesveien 6	Norway	Viken	107,3	109,5	-2,2	-2,01 %	107,3	14 500	6 539	884	6 539	884	74	10	7 400			6,03 %	7,75 %	16,1
	33072-3	Østkilen 1	Norway	Viken	33,4	34,5	-1,1	-3,19 %	33,4	19 798	1 850	1 097	1 850	1 097	34	20	1 687			5,44 %	6,75 %	15,9
	33072-4	Plot Rally	Norway	Viken	7,39	7,39	0,0	0,00 %	7,4										4 925			
	33072-5	Linneflaten 2, 4, 6	Norway	Agder	76,2	76,2	0,0	0,00 %	76,2	8 650	5 495	624	5 495	624	115	13	8 809			7,06 %	8,75 %	16,1
	33072-6	Kvernamoveien 12	Norway	Rogaland	14,1	14,1	0,0	0,00 %	14,1	8 813	998	624	960	600	32	20	1 600			6,85 %	9,00 %	16,1
	33582-1	Fagervikveien 2A og 2B	Norway	Troms og Finnmark	25,2	24,5	0,7	2,86 %	25,2	8 968	1 780	634	1 780	634	56	20	2 810			6,84 %	8,75 %	16,2
	33919-1	Skarvenesveien 3	Norway	Nordland	161,7	155,2	6,5	4,19 %	161,7	9 657	6 486	752	15 932	1 000	820	49	16 744			3,50 %	9,00 %	9,5
	31470-1	Hitra II	Norway	Trøndelag	28,2	22,8	5,4	23,68 %	28,2	22 560	-	-	2 550	2 040	25	20	1 250			-0,09 %	7,50 %	10,0
		Total in NOK			**3 499,09**	**3 533,49**	**-34,4**	**-0,97 %**	**3 499**	**16 241**	**233 676**	**1 085**	**241 911**	**1 123**	**5 013**	**23**	**215 442**		**429 218**	**6,53 %**	**7,61 %**	**11,1**
		Total in NOK			**3 499,09**	**3 533,49**	**-34,4**	**-0,97 %**	**3 499**	**16 241**	**233 676**	**1 085**	**241 911**	**1 123**	**5 013**	**23**	**215 442**		**429 218**	**6,53 %**	**7,61 %**	**11,1**

	ID	Asset	Country	Value mDKK	Previous Value	Change	% change	Value mNOK	Value DKK/m2	Lease kDKK	Lease DKK/m2	ERV kDKK	ERV DKK/m2	Opex kDKK	Opex per m2	Building sqm	Construction year	Land sqm	Net Yield	Exit yield	Wault
Denmark	26629-1	Tungevej 2-4	Denmark	13,8	14,0	(0,2)	-1,43 %	20,8	4 916	941	335	941	335	9,4	3	2 807	1946, 1947, 1978, 1990, 2014, 2020	6 224	6,75 %	9,00 %	10,6
	26628-1	Constantiavej 31 and Århusgade 24	Denmark	57,0	57,9	(0,9)	-1,55 %	86,0	4 708	4 156	343	3 632	300	42	3	12 106	1984, 2001, 2014, 2020	42 573	7,22 %	9,00 %	10,6
	18193-1	Havreværnget 1, 9500 Hobro, Danmark	Denmark	32,4	33,0	(0,6)	-1,82 %	48,9	6 391	2 281	450	1 775	350	23	4	5 070	1 983	15 378	6,97 %	9,00 %	14,5
	18193-2	Østerled 30, 4300 Holbæk, Danmark	Denmark	49,0	49,8	(0,8)	-1,61 %	73,9	5 175	2 851	301	2 851	301	29	3	9 469	1938,,2009	41 503	5,76 %	9,00 %	14,5
	18193-3	Torvegade 41, 7160 Tørring, Danmark	Denmark	22,2	22,4	(0,2)	-0,89 %	33,5	3 868	1 710	298	1 710	298	17	3	5 739	1 976	9 572	7,63 %	9,00 %	4,5
	18193-5	Tvilhovej 8, 6752 Tvilhov	Denmark	69,4	70,4	(1,0)	-1,42 %	104,7	4 099	4 743	280	4 743	280	47	3	16 931	1 970	84 825	6,77 %	9,00 %	11,9
	27565-1	Skelvej 1, 8881 Thorsø	Denmark	42,4	34,4	8,0	23,26 %	64,0	7 238	1 698	290	1 698	290	17	3	5 858	1892,,2015,,2020	53 235	3,96 %	9,00 %	15,0
	18193-4	Kidnakken 13, 4930 Maribo	Denmark	24,3	24,7	(0,4)	-1,62 %	36,7	2 894	1 820	217	1 820	217	18	2	8 396	1970-2007	56 000	7,42 %	9,00 %	11,8
	31254-1	Frabriksvej 4, 9640 Farsø	Denmark	84,2	85,0	(0,8)	-0,94 %	127,1	3 846	7 016	321	5 692	260	35	2	21 891	1985-2005	46 357	8,29 %	9,00 %	8,8
	31253-1	Rogaladsvej 3, 7900 Nykøbing Mors	Denmark	76,1	76,8	(0,7)	-0,91 %	114,8	3 557	6 049	283	6 049	283	30	1	21 393	1990-2005	39 509	7,91 %	10,00 %	8,8
	34594-1	Lundagervej 20, Hedensted	Denmark	53,0	54,0	(1,0)	-1,85 %	80,0	6 659	3 478	437	3 478	437	35	4	7 959			6,50 %	8,75 %	16,5
		Total in DKK		**523,8**	**522,4**	**1,4**	**0,3 %**	**790,5**	**4 453**	**36 743**	**312**	**34 389**	**292**	**302**	**3**	**117 619**		**395 176**	**6,96 %**	**9,12 %**	**11,2**
		Total in NOK		**790,47**	**821,00**	**-30,5**	**-3,72 %**	**790**	**6 721**	**55 450**	**471,4**	**51 896**	**441**	**456**		**117 619**		**395 176**	**6,96 %**	**9,12 %**	**11,2**

	ID	Asset	Country	Value mEUR	Previous Value	Change	% change	Value mNOK	Value EUR/m2	Lease kEUR	Lease EUR/m2	ERV kEUR	ERV EUR/m2	Opex kEUR		Building sqm	Construction	Land sqm	Net Yield	Exit yield	Wault
Finland	26614-1	Mastotie 7, Kuopio	Finland	5,5	5,6	-0,1	-1,79 %	61,9	1 089	509	90	439	82	5		5 051	1991, 2000-2010	23 093	9,16 %	8,2 %	5,6
	35026-1	Toravantie 18, Sastamala	Finland	12,40	12,4	0	0,00 %	139,5	776	933	58	911	57	10		15 985			7,44 %	8,5 %	16,5
	35025-1	Pajakatu 6, Sastamala	Finland	4,30	4,3	0	0,00 %	48,4	815	330	63	301	57	5		5 275			7,55 %	8,5 %	16,5
	35024-1	Muurlantie 438, Salo	Finland	4,10	4,1	0	0,00 %	46,1	915	291	65	291	65	5		4 482			6,98 %	7,5 %	16,5
		Total in Euro		**26,30**	**26,40**	**-0,1**	**-0,4 %**	**296,0**	**854**	**2 063**	**67**	**1 942**	**63**	**25**		**30 793**		**23093**	**7,75 %**	**8,28 %**	**13,81**
		Total in NOK		**295,97**	**308,99**	**-13,02**	**-4,2 %**	**61,89**	**9 612**	**23 216**	**753,9271233**	**21 856**	**710**	**281,3375**		**30793**	**0**	**23093**	**7,75 %**	**8,28 %**	**13,81**

	ID	Asset	Country	Value mSEK	Previous Value	Change	% change	Value mNOK	Value SEK/m2	Lease kSEK	Lease SEK/m2	ERV kSEK	ERV SEK/m2	Opex kSEK	Opex per m2	Building sqm	Construction	Land sqm	Net Yield	Exit yield	Wault
Sweden	26431-1	Varberg Getakärr 2:40	Sweden	82,8	87,5	-4,7	-5,37 %	80,8	5 224	10 395	656	6 416	405	300	19	15 850	1955, 2007, 2016	28 104	12,19 %	8,50 %	5,6
	26432-1	Sotenäs, Gravarne 3:41	Sweden	74,2	74,4	-0,2	-0,27 %	72,4	10 354	5 603	782	5 514	769	112	16	7 166	1995, 2004	15 238	7,40 %	7,40 %	10,6
	18183-1	Åleden 13, 44735 Vårgårda, Sverige	Sweden	31,5	31,5	0,0	0,00 %	30,7	4 629	2 745	403	2 620	385	122	18	6 805	1976	15378	8,33 %	8,40 %	4,6
	18182-1	Halmstadsvägen 32, 31291 Laholm, Sverige	Sweden	39,2	36,7	2,5	6,81 %	38,3	2 841	3 244	235	3 244	235	248	18	13 800	1929	24933	7,64 %	8,70 %	14,0
	23787-1	Kanalvägen 6, 360 16 Urshult, Sverige	Sweden	35,4	35	0,4	1,14 %	34,5	3 915	3 084	341	2 713	300	163	18	9 043	2007	20740	8,25 %	8,85 %	14,5
	30335-1	Ängholmsvägen 14	Sweden	95,4	95,5	-0,1	-0,10 %	93,1	8 175	7 782	667	7 200	617	180	15	11 670	2005,2015	19873	7,97 %	8,05 %	13,4
	23786-1	Bjørkelundsgatan 14, 53237 Skara, Sverige	Sweden	41,4	41,1	0,3	0,73 %	40,4	6 369	3 354	516	2 990	460	117	18	6 500	1988	21000	7,82 %	8,15 %	12,3
	25336-1	Ramshallsvegen 2, NoRemmaren 1, Norrkøping, Sveri	Sweden	56,9	56,9	0,0	0,00 %	55,5	8 493	5 340	797	3 518	525	121	18	6 700	1973/74/76	47 282	9,17 %	8,20 %	8,7
	33113-1	Täby	Sweden	67,7	68,0	-0,3	-0,44 %	66,1	16 054	4 217	1 000	4 224	1 002	40	9	4 217			6,17 %	6,15 %	4,1
	33112-1	Kramfors	Sweden	54,4	54,2	0,2	0,37 %	53,1	5 140	6 822	645	2 911	275	32	3	10 584			12,48 %	13,20 %	16,1
	33114-1	Våmb	Sweden	176,6	176,5	0,1	0,06 %	172,3	8 360	13 805	654	10 133	480	88	4	21 124			7,77 %	7,50 %	16,1
	33197-1	Skurup	Sweden	108,7	108,8	-0,1	-0,09 %	106,1	8 627	8 168	648	6 300	500	38	3	12 600			7,48 %	7,25 %	9,1
		Total SEK		**864,20**	**866,10**	**-1,9**	**-0,22 %**	**843,3**	**6 856**	**74 559**	**591**	**57 782**	**458**	**1 561**		**126 059**		**192 548**	**8,45 %**	**8,09 %**	**11,2**
		Total in NOK		**843,29**	**858,65**	**-1,9**	**-0,22 %**	**843,3**	**6 690**	**72 755**	**577**	**56 384**	**447**	**1 523**		**126 059**		**192548**	**8,45 %**	**8,09 %**	**11**

	ID	Asset	Country	Value mEUR	Previous Value	Change	% change	Value mNOK	Value EUR/m2	Lease kEUR	Lease EUR/m2	ERV kEUR	ERV EUR/m2	Opex kEUR		Building sqm	Construction	Land sqm	Net Yield	Exit yield	Wault
Holland	26975-1	Nieuweweg 235, Wichjen	Holland	17,2	17,6	-0,3718	-2,1 %	194,0	564	1 280	41,83	1 261	41	19		30 588	1970-2007	72 421	7,31 %	6,90 %	9,2
	26974-1	Textielstraat 30, Oldenzaal	Holland	7,8	8,1	-0,23	-2,9 %	88,1	604	452	34,87	849	65	14		12 974	1970-2007	50 874	5,60 %	7,45 %	9,2
	26976-1	Kanalstraat 107, Someren	Holland	13,8	13,9	-0,13	-0,9 %	155,2	572	1063	44,09	933	39	14		24 104	1970-2017	43 643	7,60 %	7,00 %	9,2
	26973-1	De Kalkovens 10, Zwartsluis	Holland	3,0	3,4	-0,43	-12,5 %	33,8	640	304	64,81	209	45	3		4685	1980-2001	12 201	10,02 %	7,00 %	9,2
		Total in EURO		**41,86**	**43,02**	**-1,1638**	**-2,7 %**	**471,1**	**579**	**3 098**	**43**	**3 252**	**45**	**50**		**72 351**		**179139**	**7,28 %**	**7,04 %**	**9,20**
		Total in NOK		**471,08**	**503,56**	**-32,48**	**-6,89 %**	**471,1**	**6 511**	**34 868**	**482**	**36 599**	**506**	**561**		**72351**		**179139**	**7,28 %**	**7,04 %**	**9,20**

Beskrivelse av metodikk

For avkastningseiendom benytter vi en modell basert på diskonterte kontantstrømmer. Modellen og metoden vi bruker for å verdsette eiendommer følger International Valuation Standard Council (IVSC) sine retningslinjer. Både RICS og TEGoVA legger IVSC sin tilnærming til grunn for sine medlemmer og de definisjoner som påvirker verdsettelser og deres formål.

Vår modell beregner 4 ulike nåverdier som summert blir totalverdien:

1. Nåverdi av brutto leie:
Brutto løpende leie diskonteres med tre alternative avkastningskrav (A, B & C), i hovedsak basert på leietakers antatte soliditet. Løpende leie er i vår modell i tillegg diskontert med en lavere sats enn mer usikre fremtidige inntekter.

Kategori A: Statlig og kommunale leietakere.
Kategori B: Leietakere med god økonomi basert på vurdering av likviditet, lønnsomhet og soliditet.
Kategori C: Leietakere med svak økonomi basert på vurdering av likviditet, lønnsomhet og soliditet.

2. Nåverdi av fremtidig leie
Fremtidig leie diskonteres som med en diskonteringsrente som settes lik exit yield pluss langsiktig inflasjonsforventning. Exit yield settes individuelt og beregnes som normal salgsyield gitt utleie til markedsvilkår på alle arealer.

3. Nåverdi av restverdi
Restverdi beregnes som netto markedsleie dividert med exit yield. Verdien beregnes pr 31. desember i siste år hvor det er satt opp kontantstrømberegning og med basis i påfølgende års netto markedsleie. Det gjøres ikke fradrag for strukturell ledighet eller gjenstående investeringsbehov ved beregning av restverdi, slik risiko er i stedet reflektert i exit yield.

4. Nåverdi av kostnader
Kostnadene beregnes i fire hovedgrupper

a) **Løpende driftskostnader.** Omfatter utleiers direkte kostnader vedlikehold, administrasjon, forsikring og hvis aktuelt (festeavgift, innleiekostnader og eiendomsskatt). Beregnes i NOK/m2 på totalareal (unntatt for festeavgift, innleiekostnad og eiendomsskatt som er basert på oppgitt beløp).
b) **Leietakertilpasninger.** Omfatter antatte tilpasningskostnader samt utleiekostnader for hver arealtype gitt forutsatt markedsleie for de samme arealene. Vi estimerer tilpasningskostnader både ved utløp av løpende kontrakter og for fremtidige kontraktsutløp. Beregnes i NOK/m2 inkludert fellesareal per arealkategori.
c) **Eiers andel felleskostnad.** Estimert inndekning av felleskostnader ved ledighet. Vi tar utgangspunkt i antatt total felleskost pr kvm og en antatt prosentdel av disse som påløper ved ledighet. Beregnes i NOK/m2 på totalarealet basert på antall dagers ledighet ved hvert kontraktsutløp.
d) **Investeringer.** Investeringer utover ovenfornevnte poster. Beregnes som samlebeløp.

Som hovedregel vil festeavgift, innleiekostnad og eiendomsskatt samt investeringer være basert på opplysninger fra oppdragsgiver mens de øvrige kostnadene vil være basert på sjablongtall fra observert markedspraksis. Det foretas jevnlig avstemming og verifiseringer mellom sjablongtallene og det kostnadsnivå oppdragsgiver faktisk opplever i et normalår. Av offentlige kilder for å hente inn kostnadsreferanser bruker vi blant annet Norsk Prisbok og Basalerapporten. I tillegg henter vi informasjon fra vårt søsterselskap Realkapital Utvikling som også har relevant informasjon vedrørende kostnader.

Fastsettelse av exit yield
For å estimere en yield for gjeldende eiendom har vi tatt utgangspunkt i prime yield med påslag for beliggenhet, standard, eierforhold, utviklingspotensial og kontraktstruktur.

Fastsettelse av markedsleie
CWR fastsetter et antatt riktig nivå for markedsleien gjennom blant annet dialog med vår leiesøkavdeling som har inngående informasjon om inngåtte kontrakter i det aktuelle området. Markedsleien er satt på bakgrunn av kjente leiekontrakter i området, informasjon fra arealstatistikk, samt informasjon fra våre verdsettelser i og omkring det aktuelle området. Merk at forutsatt markedsleie og leietakertilpasning/investeringer må sees i sammenheng.

Ledighet
Ledighet beregnes i vår modell med antatt antall dager uten leie ved hvert enkelt kontraktsutløp. Forutsetningen gjøres separat for hver arealkategori. Vi tar også konkrete forutsetninger om fremtidige kontrakters varighet, slik at påfølgende ledighet (og kostnader til leietakertilpasninger) kan beregnes for senere utskiftingssykluser.

Avstemming mot referansetransaksjoner
Verdsettelsen er sum av mellomvariablene nevnt over. Disse må alltid sees i sammenheng når man vurderer totalverdien. Den estimerte totalverdien og nøkkeltall som netto yield blir alltid avstemt mot referansetransaksjoner. CWR loggfører alle transaksjoner av næringseiendom over 50 mNOK. Ved hver loggført transaksjon går et bredt team fra CWR gjennom transaksjonen i detalj for å få best mulig klarhet i transaksjonen, slik at sammenligningen blir best mulig når den benyttes som en referansetransaksjon senere. Typiske detaljer som vi vurderer er overleie/underleie, durasjon, utviklingspotensial, festeproblematikk, fordeling av areal, standard og beliggenhet.

General terms & conditions

The following shall apply for this valuation report unless otherwise stated in the valuation report:

Scope of the valuation report
The object of the valuation covers the real property or the equivalent stated, with appurtenant rights and obligations in the form of easements, rights of way, community association and other rights or obligations stated in extracts from the Land Register pertaining to the object of the valuation. The valuation report also covers, where applicable, fixtures and fittings of the property and fixtures and fittings of the building relating to the object of the valuation, however not industrial fixtures and fittings to an extent other than as set forth in the report. For the purpose of this valuation report, Cushman & Wakefield Realkapital has not been instructed to extract information from the Land Register, hence, we assume that registered rights in respect of the property can be verified by means of an extract from the Land Register and that the information obtained from the Land Register is accurate and complete. Furthermore, that the object of the valuation is not encumbered by any unregistered easements, right of use agreements or any other agreements which limit, in any respect, the property owner's right to use the property and that the object of the valuation is not encumbered by onerous expenses, fees or other encumbrances or disputes

Assumptions for the valuation report
The information included in the valuation report has been obtained from sources which are deemed to be reliable. All information obtained from the client/owner or his representative and any holders of rights of use has been assumed to be accurate. The information has only been verified through a general assessment of reasonableness. In addition, it has been assumed that no information of relevance to the valuation opinion has been omitted by the client/owner or his representative. The land areas which form the basis of the valuation have been obtained from the client/owner or his representative. The valuer has relied on these land areas and has not measured them on site or on drawings, but the areas have been verified by means of an assessment of reasonableness. The areas have been assumed to be measured in accordance with the "Norwegian Standards" applicable. As regards tenancies and leasehold conditions relating to land or other rights of use, the valuation report has, where applicable, been based on applicable leases of property and leases of land, and other rights of use agreements. Copies of these, or other documents, indicating relevant terms and conditions have been obtained from the client/owner or his representative. It has been assumed that the object of the valuation complies with all requisite requirements from public authorities and terms and conditions applicable to the property, such as plans, etc., and has obtained all requisite permits from public authorities for its use in the manner stated in the report.

Environmental matters
The valuation opinion is conditional on land or buildings relating to the object of the valuation not being in need of an environmental clean-up and there being no form of environmental encumbrance. In light of the provisions stated above, the valuer shall not be liable for any loss incurred by the client or a third party as a consequence of the inaccuracy of the valuation opinion due to the object of the valuation being in need of an environmental clean-up or there being any form of environmental encumbrance.

Inspection, technical condition
The physical condition of the property as described in the valuation report is based on an overall ocular inspection. The inspection conducted has not been of such a nature as to satisfy a seller's duty of disclosure or a buyer's duty to investigate pursuant. The object of the valuation is assumed to be in a condition and to be of the standard which the ocular inspection indicated at the time of the inspection. The valuer assumes no liability whatsoever for any latent defects or circumstances which are not obvious on the property, under the ground or in the building and which might affect the value. No liability is assumed for; any matter which would require specialist expertise or special knowledge to discover or; the functionality (freedom from defects) and/or the condition of fixtures of buildings, mechanical equipment, pipes or electrical components.

Liability
Any claims for damages arising from proven loss arising from any error in the valuation report must be made within one year from the date of the valuation (the date on which the valuation is signed). The maximum amount of damages which may be payable for proven loss arising from an error in the valuation report is 5 times the price base amount at the date of the valuation. Any force majeure that could affect the market value after the date of the valuation report cannot be used to hold the valuer responsible.

Validity of the valuation report
Depending on whether the factors influencing the market value of the object of the valuation change, the valuation opinion referred to in the report is only valid at the date of the valuation, subject to the assumptions and reservations in the report. Future incoming payments and outgoing payments and growth in value as declared in the report, where applicable, have been made based on a scenario which, in the opinion of the valuer, reflects the future projections of the property market. The valuation opinion does not constitute any undertaking as regards actual future growth in cash flow and growth in value.

Use of the valuation report
The content of the valuation report and its appendices is the property of the client and shall be used in its entirety for the purpose set forth in the report. Where the valuation report is used for legal matters, the valuer shall only be liable for direct and indirect loss which may affect the client provided that the report is used in accordance with what is stated above. The valuer shall have no liability whatsoever for any loss incurred by any third party as a consequence of such third party having used the valuation report or information provided therein. The valuations are governed by the laws of the Kingdom of Norway. Any disputes will be settled by the court of Oslo (Oslo Tingrett). Prior to the valuation report or parts thereof being reproduced, or referred to in any other written document, the valuer must approve the content and the manner in which the report is to be referred.

Realkapital

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