

## Summary

Norwegian Property ASA FRN Secured Bond Issue  
2017/2024

NO0010875206  
(Temporary Bonds to be converted into ISIN NO0010794241)



Manager:



Summary

Summaries are made up of disclosure requirements due to Article 7 in the REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2017.

**A - INTRODUCTION AND WARNINGS**

Warning	This summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the 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.
The Bonds	ISIN: NO0010875206 Temporary Bonds to be converted into ISIN NO0010794241 - Norwegian Property ASA FRN Secured Bond Issue 2017/2024.
The Issuer	Norwegian Property ASA is a Norwegian public limited liability company organized under the laws of Norway, including the Public Limited Companies Act. The Company's registration number 988 622 036 and LEI-code 549300XAKTM2BMKIPT85.
The Offeror	Not applicable. There is no offeror. The Bonds are listed on Oslo Børs under the ticker NPRO07. The Prospectus has been produced in connection with listing of the 3 <sup>rd</sup> Tranche tap issue at Oslo Børs.
Competent Authority Approving the Prospectus.	The Financial Supervisory Authority of Norway (Norwegian: <i>Finanstilsynet</i> ), 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 31.03.2020, approved the Prospectus.

**B - KEY INFORMATION ON THE ISSUER**

<b>Who is the issuer of the securities?</b>	
Corporate Information	Norwegian Property ASA is a Norwegian public limited liability company organized under the laws of Norway, including the Public Limited Companies Act. The Company's registration number 988 622 036 and LEI-code 549300XAKTM2BMKIPT85. Website: <a href="http://www.norwegianproperty.no">www.norwegianproperty.no</a>
Principal activities	The Norwegian Property group owns commercial and residential properties in the Oslo and Stavanger regions. Norwegian Property ASA is the parent company in the Group with limited activity other than being the ultimate holding company.
Major Shareholders	Geveran Trading Co Ltd is Norwegian Property ASA's largest shareholder owning more than 79%.
Key managing directors	Bent Oustad - CEO Haavard Rønning - CFO Bjørge Aarvold - EVP Property Management Ellen Cathrine Kobro - EVP Marketing
Statutory auditor	The Company's auditor is PricewaterhouseCoopers AS, Dronning Eufemias gate 71, 0194 Oslo, Norway. Post address: P.O. Box 748 Sentrum, NO-0106 Oslo, Norway. PwC is a member of the Norwegian Institute of Certified Public Accountants.

## Summary

**What is the key financial information regarding the Issuer?****Norwegian Property ASA**

<i>Amounts in NOK million</i>	<i>Parent</i> <b>2018</b> <i>audited</i>	<i>Group</i> <b>2018</b> <i>audited</i>	<i>Group</i> <b>Q2 2019</b> <i>unaudited</i>
Revenue	46,7	798,9	179,2
Total operating expenses	- 106,4	- 194,6	- 41,7
Operating profit	- 59,7	765,7	370,6
Realised net financial items	- 174,1	- 259,6	- 65,2
Profit before income tax	- 233,8	577,4	304,7
<b>Profit for period/year</b>	- 208,4	490,6	240,3
<b>BALANCE SHEET</b>			
Total non-current assets	9 785,0	14 736,7	15 220,7
Total current assets	262,0	2 327,6	1 219,6
<b>Total Assets</b>	10 047,0	17 064,3	16 440,4
Total equity	2 493,5	8 002,8	7 700,7
Total non-current liabilities	4 733,1	5 461,0	7 489,4
Total current liabilities	2 820,4	3 600,5	1 250,3
<b>Total equity and liabilities</b>	10 047,0	17 064,3	16 440,4
<b>CASH FLOW STATEMENT</b>			
Net cash flow from operating activities	- 274,4	419,7	- 57,2
Net cash flow from investing activities	222,2	- 471,6	- 74,6
Net cash flow from financing activities	88,6	87,3	- 185,1
Change in cash and cash equivalents	36,4	35,4	- 316,9
<b>Cash and cash equivalents at the end of the period</b>	42,3	124,6	129,0

**What are the key risk factors that are specific to the Issuer?**

Most material key risk factors	<ul style="list-style-type: none"> <li>• The Company is exposed to the economic cycle and macro economical fluctuations, since changes in the general economic situation could affect rent levels, vacancies and the value of the Company's assets.</li> <li>• Negative changes in the general economic situation, leading to lower business and private spending and increased unemployment, may adversely affect the demand for commercial properties.</li> <li>• The financial status and strength of the Group's tenants, and thus their ability to service the rent etc. will always be a decisive factor when evaluating the risk of property projects.</li> <li>• The Group's financial position, including its financial leverage may have several adverse consequences.</li> <li>• Norwegian Property is to a large extent financed by debt and will be exposed to interest rate fluctuations.</li> </ul>
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**C - KEY INFORMATION ON THE SECURITIES****What are the main features of the securities?**

Description of the securities, including ISIN	ISIN: NO0010875206 Temporary Bonds to be converted into ISIN NO0010794241. Secured bond issue with floating rate. Tap Issue Date 3 <sup>rd</sup> Tranche: 17 February 2020, Maturity Date 31 May 2024. The third tranche is NOK 119,000,000 and the Amount Outstanding
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Summary

	<p>Bonds after the increase is NOK 428,000,000. The Initial Nominal Amount of each Bond is NOK 1,000,000 each and among themselves pari passu ranking. The Bonds are floating rate bonds; NIBOR + 1.44 per cent.</p>
<p>Rights attached to the securities</p>	<p>The Bond Terms has been entered into between the Issuer and the Trustee. The Bond Terms regulates the Bondholder's rights and obligations in relations with the issue. The Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.</p> <p>The Bonds including interest and expenses shall be secured by the Security Interest or the Cash for Refinancing Security (as applicable). The security of the Bond Issue shall be shared with the Fixed Rate Bond Issue, pro rata between them and on a pari passu basis.</p> <p>The Issuer may provide Cash for Refinancing Security to a Cash for Refinancing Security Account against release of the Security Interest in the event of a Refinancing in the period of three months before the Maturity Date.</p> <p>In the event the Issuer has provided Cash for Refinancing Security in accordance with the Bond Terms, each Bondholder shall have a right of pre-payment of its Bonds at 100 per cent of their Nominal Amount plus interest accruing up to the Maturity Date.</p> <p>If at any time from Issue Date to the date falling 75 calendar days prior to the Maturity Date a Change of Control Event occurs, each Bondholder shall have a right of pre-payment of Bonds at 101 per cent of the Nominal Amount plus accrued interest.</p> <p>The Bond Terms includes different "Events of default" clauses such as; "Non-payment", "Breach of undertaking", "Misrepresentation", "Cross acceleration", "Cross default", "Insolvency or creditor's process", "Dissolution" and "Unlawfulness".</p>
<p>Status of the bonds and security</p>	<p>The Issuer's payment obligations under the Bond Terms shall rank ahead of all subordinated payment obligations of the Issuer and the Bond shall rank pari passu between themselves and will rank at least pari passu with all the Issuer's obligations, save for (i) secured obligations to the extent they are secured and (ii) obligations which are mandatorily preferred by law.</p> <p>The Bonds including interest and expenses shall be secured by the Security Interest or the Cash for Refinancing Security (as applicable). The security of the Bond Issue shall be shared with the Fixed Rate Bond Issue, pro rata between them and on a pari passu basis.</p> <p>The Issuer may provide Cash for Refinancing Security to a Cash for Refinancing Security Account against release of the Security Interest in the event of a Refinancing in the period of three months before the Maturity Date.</p>
<p>Any restrictions on the free transferability of the securities</p>	<p>Not applicable - there are no restrictions on the free transferability of the Bonds.</p>

Summary

<b>Where will the securities be traded?</b>	
Admission to trading	The Outstanding Bonds are listed on Oslo Børs under the ticker NPRO07. The Third Tranche will be listed as soon as the Prospectus has been approved by the Norwegian FSA.
<b>What are the key risks that are specific to the securities?</b>	
Most material key risks	<ul style="list-style-type: none"> <li>Credit risk is the risk that the Issuer fails to make the required payments under the Bonds (either principal or interest) pursuant to the obligations in the Bond Terms. In case of a bankruptcy, the bondholder risk losing its entire investment, and settlement of any potential dividend will not take place until the bankruptcy proceedings have been completed.</li> </ul>

**D - KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKED**

<b>Under which conditions and timetable can I invest in this security?</b>	
Terms and conditions for the offer	Not applicable. The Additional Bonds have not been subject to a public offer, the Additional Bonds are already issued and settled.
<b>Why is the Prospectus being produced?</b>	
Admission to trading	The Prospectus is produced in connection with listing of the Additional Bonds on the Oslo Børs.
Use of proceeds	The Issuer will use the net proceeds – NOK 123 237 158 - from the issuance of the Bonds together with the proceeds from the issuance of the Fixed Rate Bond Issue for its general corporate purposes.
Material conflicts of interest	<p>Norwegian Property ASA has mandated SEB as Manager for the issuance of the Bonds. The Manager has acted as advisor to Norwegian Property ASA in relation to the pricing of the Bonds.</p> <p>The Manager and/or any of their affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in this Securities Note and may perform or seek to perform financial advisory or banking services related to such instruments. The Manager corporate finance department may act as manager or co-manager for this Issuer in private and/or public placement and/or resale not publicly available or commonly known.</p>