

# Q2

Quarterly Report 2023



Vahls gate 1-3, Oslo



Central, high-quality and environment friendly office properties

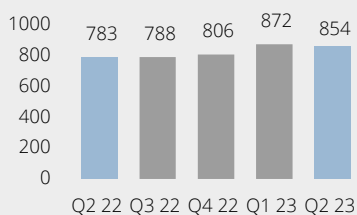
# Highlights

- Rental income of 854 million (783 million)
  - CPI growth and finalised projects
- Net income from property management of 350 million (445 million)
  - Higher interest costs
- Net value changes of -2,063 million (-857 million)
  - Net yield up 62 bps from peak valuations in Q1 2022
- Loss before tax of 1,739 million (413 million)
- Net letting of -1 million (64 million)
- Finalised four development projects, started up two newbuild projects
- Divestment of two properties with gross asset value of 1,473 million
- Extended three bank facilities totalling 6.5 billion in June/July

Rental income

+71 mill.

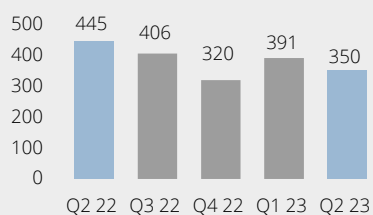
Rental income  
(NOKm)



Property management

-95 mill.

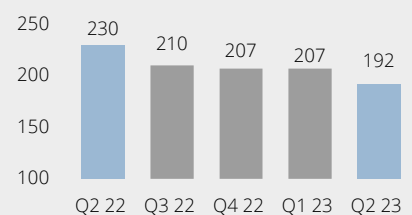
Net income from PM  
(NOKm)



EPRA NRV

-16 %

EPRA NRV  
(NOK per share)



# Key figures

All amounts in NOK million	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22	2022	2021	2020
Rental income	854	783	1 726	1 564	3 158	2 508	2 353
Change period-on-period	9 %	30 %	10 %	31 %	26 %	7 %	1 %
Net operating income	787	723	1 584	1 440	2 895	2 274	2 142
Change period-on-period	9 %	34 %	10 %	34 %	27 %	6 %	0 %
Net income from property management <sup>1)</sup>	350	445	741	877	1 603	1 534	1 451
Change period-on-period	-21 %	20 %	-16 %	19 %	5 %	6 %	-1 %
Net value changes <sup>1)</sup>	-2 063	-857	-2 515	2 288	-2 046	5 264	5 705
Change period-on-period	141 %	-213 %	-210 %	40 %	-139 %	-8 %	192 %
Profit/loss before tax	-1 739	-413	-1 809	3 170	-467	6 825	7 274
Change period-on-period	321 %	-137 %	-157 %	31 %	-107 %	-6 %	95 %
Profit/loss after tax	-1 331	-327	-1 383	2 488	-569	5 373	5 696
Change period-on-period	307 %	-137 %	-156 %	31 %	-111 %	-6 %	77 %
Market value of the property portfolio <sup>1)</sup>	73 899	82 229	73 899	82 229	78 571	67 547	56 746
Net nominal interest-bearing debt <sup>1)</sup>	39 149	40 172	39 149	40 172	40 578	26 594	20 930
EPRA LTV <sup>1)</sup>	53.4 %	49.1 %	53.4 %	49.1 %	52.8 %	40.6 %	37.0 %
Effective leverage <sup>1)</sup>	50.5 %	47.2 %	50.5 %	47.2 %	50.1 %	38.4 %	36.4 %
Interest coverage ratio – last 12 months <sup>1)</sup>	2.04	3.32	2.04	3.32	2.48	3.68	3.50
Average outstanding shares (million)	182.1	182.1	182.1	182.1	182.1	182.1	182.1
All amounts in NOK per share	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22	2022	2021	2020
EPRA NRV <sup>1)</sup>	192	230	192	230	207	218	189
Change period-on-period	-16 %	16%	-16 %	16%	-5 %	15 %	23 %
EPRA NTA <sup>1)</sup>	190	227	190	227	205	216	187
Change period-on-period	-17 %	16%	-17 %	16%	-5 %	15 %	23 %
EPRA Earnings <sup>1)</sup>	1.39	1.80	2.95	3.55	6.45	6.07	5.73
Change period-on-period	-23 %	24 %	-17 %	22 %	6 %	6 %	-1 %
Cash Earnings <sup>1)</sup>	1.90	2.33	4.03	4.68	8.63	8.32	7.83
Change period-on-period	-18 %	16 %	-14 %	16 %	4 %	6 %	-2 %
Dividend <sup>2)</sup>	TBD	2.60	TBD	2.60	5.10	5.10	4.90
Change period-on-period	TBD	4 %	TBD	4 %	0 %	4 %	4 %

## Reference

<sup>1)</sup> Refer to section "Alternative performance measures" for calculation of the key figure

<sup>2)</sup> Entra has a policy of semi-annual dividends. Entra will resolve and communicate dividend for the first half of 2023 in October 2023. The resolution will be affected by the development in the financing and property market, and the decision may be to retain up to 100 % of the cash flow in order to strengthen the company's balance sheet

# Financial development

## Results

### Rental income

Rental income was up 9 per cent from 783 million in Q2 2022 to 854 million in Q2 2023, and 10 per cent from 1,564 to 1,726 for the first six months of 2023. The changes in rental income are explained by the factors in the income bridge below.

All amounts in NOK million	Q2-22 Q2-23	YTD Q2-22 YTD Q2-23
Rental income previous period	783	1 564
Finalised development projects	46	95
Vacated properties for redevelopment	0	-10
Acquisitions	0	18
Divestments	-16	-34
CPI growth	48	89
Like-for-like growth above CPI	-8	-7
Other	1	12
<b>Rental income</b>	<b>854</b>	<b>1 726</b>

Net contribution from development projects was 46 million compared to the same quarter last year. During the last 12 months, Entra has finalised several redevelopment and newbuild projects, contributing a total of 46 million on rental income compared to the same quarter last year. Divestments reduced rental income in the quarter by 16 million.

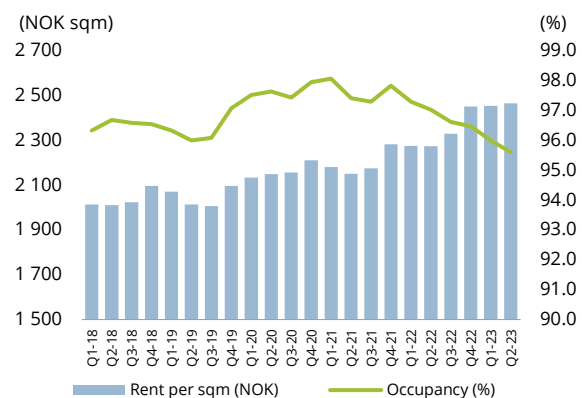
Compared to Q2 last year, rental income has been positively affected by an underlying like-for-like growth of 5.3 per cent (40 million). The CPI adjustment was 6.5 per cent (48 million). The like-for-like growth is lower than the CPI adjustment due to

reduced occupancy in the period. Near all of Entra's lease contracts are 100 per cent linked to positive changes in CPI. The annual adjustment is mostly made on a November to November basis, effective 1 January the following year.

Other effects of 1 million is mainly related to one lease buyout agreement in the quarter.

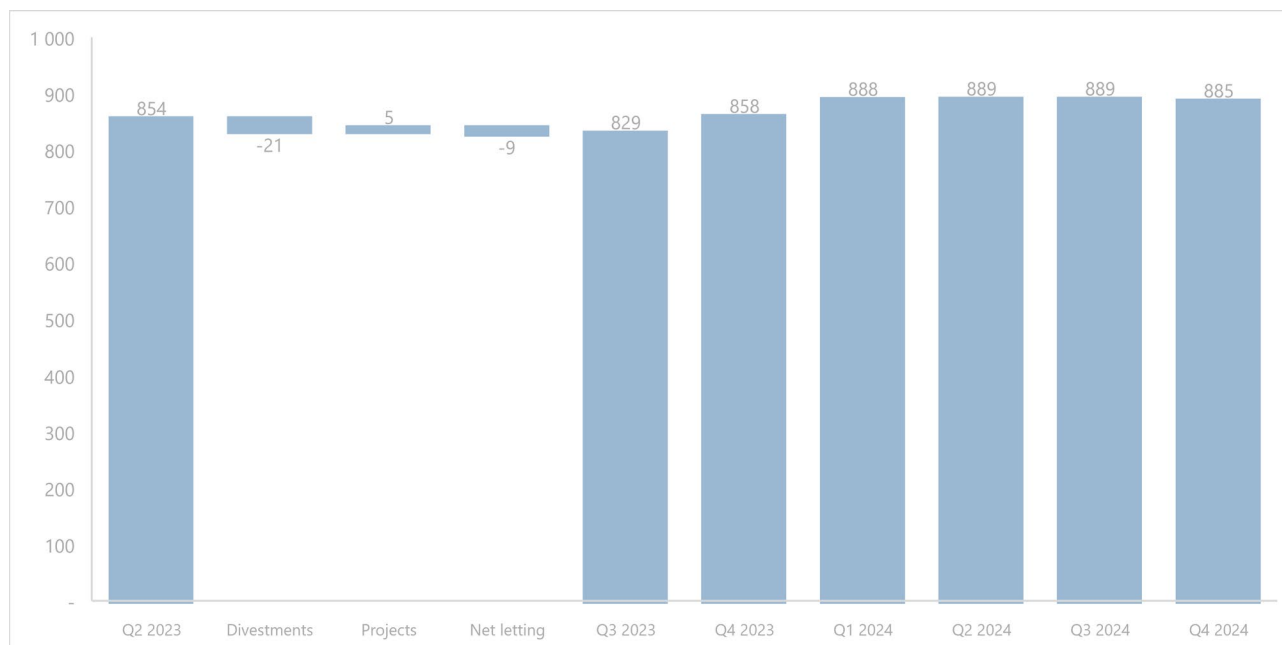
Average 12 months rolling rent per square meter was 2,465 (2,274) as of 30.06.23. The increase in 12 months rolling rent over the last four quarters is mainly a result of acquisitions and finalised projects with higher income per sqm.

### RENT (12M ROLLING) PER SQM AND OCCUPANCY RATE



Compared to the same quarter last year, the occupancy rate went down by 140 basis points to 95.6 per cent (97.0 per cent as of 30.06.22). The market rental income assessment of vacant space as of 30.06.23 is estimated to 162 million on an annualised basis.

## RENTAL INCOME DEVELOPMENT



The graph above shows the estimated development of contracted rental income based on all reported events, including income effect from acquisitions and divestments, development projects, net letting based on new and terminated contracts in the management portfolio, and other effects such as estimated CPI adjustments. CPI adjustment with effect for 2024 is estimated to 5.0 per cent. The graph does not reflect any letting targets on the vacant areas in the portfolio or on contracts that will expire, where the outcome of any renegotiation process is not known, i.e., not yet reported in "Net letting". The graph therefore does not constitute a forecast, but rather aims to demonstrate the rental income trend in the existing contract portfolio on the balance sheet date based on all reported events. There is upside in the above graph with regards to letting of vacant space and potential rent uplift on a relatively large share of tenant renegotiations in 2023, but also a possible downside of up to 50 million in rental income for 2023 compared to the graph above if these leases are not renewed.

### Operating costs

Total operating costs amounted to 67 million (60 million) in the quarter and 142 million (124 million) in the first six months of 2023, and is split as follows:

All amounts in NOK million	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22
Maintenance	7	5	11	10
Tax, leasehold, insurance	18	18	37	35
Letting and prop. adm.	23	21	52	46
Direct property costs	19	16	41	32
<b>Operating costs</b>	<b>67</b>	<b>60</b>	<b>142</b>	<b>124</b>

The increase in direct property costs is mainly driven by increased vacancy. For areas occupied by tenants, the tenants are paying the full energy costs.

### Net operating income

As a consequence of the effects explained above, net operating income came in at 787 million (723 million) in the

quarter and 1,584 million (1,440 million) for the first six months of 2023.

### Other revenues and other costs

Other revenues were 27 million (26 million) in the quarter and 45 million (47 million) for the first six months of 2023, while other costs were 19 million (22 million) in the quarter and 31 million (41 million) for the first six months of 2023. Other revenue and other costs mainly consists of additional services provided to tenants and income and costs related to inventory properties (properties in the Bryn portfolio which will be zoned for residential development and subsequently sold to a third party at a predetermined price).

### Administrative costs

Administrative costs amounted to 48 million (44 million) in the quarter and 97 million (109 million) for the first six months of 2023. The decrease is mainly driven by one-off costs in the first quarter of 2022 of 14 million following the acquisition of Oslo Areal in January 2022.

## Share of profit from associates and JVs

All amounts in NOK million	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22
Income from property management	-2	-1	0	-8
Other income and costs	-27	-6	-24	-8
Changes in market value	-2	-1	-13	5
Gain on sale of JV	0	6	0	6
Tax	3	1	2	1
<b>Share of profit from associates and JVs</b>	<b>-28</b>	<b>-2</b>	<b>-35</b>	<b>-3</b>

Share of profit from associates and JVs in the quarter is negative in the quarter. See the section Partly owned companies for a detailed breakdown of the results from associates and JVs.

## Net realised financials

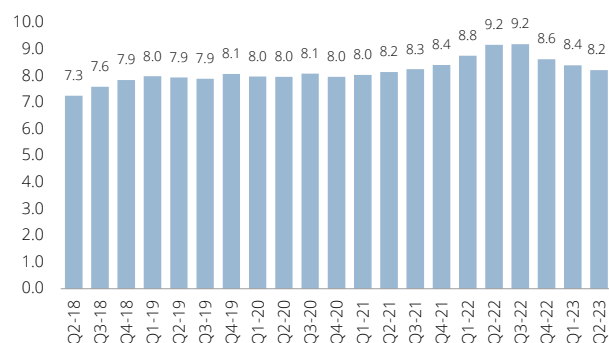
All amounts in NOK million	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22
Interest and other finance income	2	3	12	5
Interest and other finance expense	-396	-240	-772	-457
<b>Net realised financials</b>	<b>-394</b>	<b>-238</b>	<b>-761</b>	<b>-452</b>

Net realised financials have increased in the second quarter and first half of 2023 mainly due to higher average Nibor interest rates on floating rate debt.

## Net income and net income from property management

Net income came in at 324 million (444 million) in the quarter and 706 million (882 million) for the first six months of 2023. Net income from property management was 350 million (445 million) in the quarter and 741 million (877 million) in the first half of 2023. This represents a decrease of 21 per cent from the second quarter in 2022 and 16 per cent from the first six months of 2022, mainly driven by higher financing costs. For calculation of Net income from property management, see the section Alternative performance measures.

## Net Income from property management per share (Annualised, rolling 4 quarters)



## Value changes

Net value changes amounted to -2,063 million (-857 million) in the quarter, and -2,515 million (2,288 million) for the first six months of 2023.

The quarterly valuation of all assets in the property portfolio by two external appraisers, resulted in negative changes in value of investment properties of 2,466 million (1,040 million). The negative value change is predominantly due to an adjustment of the appraisers' estimated required rate of return due to higher market financing costs, with some offsetting effects on the value changes from other factors such as market rent expectations due to higher expected CPI adjustments.

Changes in value of financial instruments were 403 million (183 million) in the quarter, mainly explained by higher long-term interest rates.

## Tax

Tax payable amounted to 3 million (21 million) in the second quarter and 7 million (25 million) in the first half of 2023. The change in deferred tax was 412 million (107 million) in the quarter and 433 million (-658 million) in the first half of 2023. The tax payable occurs in the partly owned subsidiary Papirbredden Eiendom in Drammen. Entra with wholly owned subsidiaries is not in a tax payable position.

## Profit/loss

Loss before tax was 1,739 million (413 million) in the quarter and 1,809 million (profit of 3,170 million) for the first six months of 2023, mainly due to the changes in value of investment properties more than off-setting the healthy operating performance. Loss after tax was 1,331 million (327 million) in the quarter and 1,383 million (2,488 million) year to date 2023, which also equals the comprehensive income for the period.

## EPRA Earnings

EPRA Earnings amounted to 252 million (327 million) in the quarter and 537 million (646 million) for the first six months of 2023.

## Balance sheet

The Group's assets amounted to 78,200 million (85,703 million) as of 30.06.23. Of this, investment properties amounted to 73,913 million (82,294 million).

Long-term receivables and other assets, including other operating assets, which until 2023 was presented as a separate line item, increased to 909 million (686 million) at the end of the quarter due to a 250 million seller credit in relation to the divestment of Akersgata 51 and Tordenskiolds gate 6.

Inventory properties of 478 million (474 million) at the end of the quarter relates to the properties expected to be zoned for residential development at Bryn in Oslo, and subsequently sold to a third party at a predetermined price.

Other receivables and other current assets increased to 576 million (380 million) at the end of the quarter due to a 184 million seller credit in relation to the divestment of Sørkedalsveien 6.

Borrowings were 39,015 million (40,008 million) as of 30.06.23, of which 21,619 million were bank financing and 17,396 million were bonds outstanding.

Book equity totalled 29,789 million (35,225 million) at 30.06.23. EPRA NRV per share was 192 (230) and EPRA NTA 190 (227).

## Cash flow statement

Net cash flows from operating activities came in at 309 million (315 million) in the quarter and 668 million (779 million) for the first six months of 2023. The decrease in net income from property management is to a large extent offset by working capital movements and other timing effects.

The net cash flows from investment activities were 1,446 million (-702 million) in the quarter and 1,376 million (-13,840 million) for the first six months of 2023. Proceeds from property transactions of 2,059 million (94 million) in the quarter is related to the divestment of Akersgata 51, Tordenskiolds gate 6 and Sørkedalsveien 6. The cash effect from investment in and upgrading of investment properties was -610 million (-754 million).

Net cash flows from financing activities were -1,832 million (366 million) in the quarter and -2,027 million (12,900 million) year to date 2023. During the quarter, Entra had a net decrease in bond and commercial paper financing of 470 million and 900 million, respectively, partly offset by a net increase in bank financing of 29 million.

The net change in cash and cash equivalents was -77 million (-21 million) in the quarter and 17 million (-161 million) for the first six months of 2023.

## Financing

In the second quarter, Entra has extended bank credit facilities with a total volume of 5,500 million, bringing average weighted maturity for these facilities to 3.0 years. In July, Entra extended a short-term bank credit facility of 1,000 million into a new 3-year maturity.

As of 30.06.23, net nominal interest-bearing debt after deduction of liquid assets of 242 million (147 million) was 39,149 million (40,172 million).

Effective leverage as of 30.06.23 was 50.5 per cent (47.2 per cent) and EPRA LTV was 53.4 per cent (49.6 per cent).

The average remaining term for the Group's debt portfolio was 4.3 years at 30.06.23 (4.2 years as of 30.06.22 and 4.1 years as of 31.03.23). The calculation takes into account that available long-term credit facilities can replace short-term debt.

Entra's financing is mainly based on negative pledge of the Group's assets, which enables a broad and flexible financing mix. As of 30.06.23, approximately 87 per cent of the Group's assets were non-pledged, and 45 per cent (49 per cent) of the Group's financing came from debt capital markets.

## Maturity profile and composition interest-bearing debt

Maturity profile	0-1 yrs	1-2 yrs	2-3 yrs	3-4 yrs	4+ yrs	Total	%
Commercial papers (NOKm)	0	0	0	0	0	0	0
Bonds (NOKm)	1 608	600	1 579	4 044	9 915	17 746	45
Bank loans (NOKm)	944	0	9 670	10 032	1 000	21 646	55
<b>Total (NOKm)</b>	<b>2 552</b>	<b>600</b>	<b>11 249</b>	<b>14 076</b>	<b>10 915</b>	<b>39 392</b>	<b>100</b>
<b>Unutilised credit facilities (NOKm)</b>	<b>310</b>	<b>0</b>	<b>1 330</b>	<b>5 605</b>	<b>0</b>	<b>7 245</b>	
Unutilised credit facilities (%)	4	0	18	77	0	100	

## Financing status, policy and financial covenants

All amounts in NOK millions	30.06.2023	Internal finance policy	Financial covenant
EPRA LTV (Loan-to-value)	53.4 %	Below 50 per cent over time	Below 75 per cent
Effective Leverage	50.5 %	N/A	N/A
Interest coverage ratio (ICR) – last 12 months <sup>1)</sup>	2.04x	Min. 1.80x	Min. 1.40x
Debt maturities <12 months	6 %	Max 30 %	N/A
Maturity of hedges <12 months	48 %	Max 60 %	N/A
Average time to maturity of interest rate hedge portfolio	4.5 years	N/A	N/A
Average interest rate hedge maturity of the Group's debt portfolio	2.6 years	2-6 years	N/A
Back-stop of short-term interest-bearing debt	315 %	Min. 100 %	N/A
Average time to maturity (debt)	4.3 years	Min. 3 years	N/A

<sup>1)</sup> From Q4 2022, Entra reports ICR for last 12 months in line with the Group's financial covenants. Refer to section "Alternative performance measures" for the calculation.

## Interest rates and maturity structure

The average nominal interest rate<sup>1)</sup> of the debt portfolio was 3.96 per cent (2.49 per cent) as at 30.06.23. The change in average interest rate mainly stems from higher market interest rates. The average effective interest rate of the debt portfolio was 4.11 per cent as of 30.06.23. The effective interest rate is higher than the nominal interest rate mainly due to bond issuances below par value.

As of 30.06.23, Entra's portfolio of fixed interest rate hedges had a total volume of 22,239 million (22,634 million) and an average term to maturity of 4.5 years (5.0 years). 52 per cent (50 per cent) of the Group's debt financing was hedged at a fixed interest rate as at 30.06.23.

As of 30.06.23, credit margins for the debt portfolio had an weighted average fixed term of 2.3 years (2.6 years).

The Group manages interest rate risk through floating-to-fixed interest rate swaps and fixed rate bonds. The table below shows the maturity profile and contribution from these fixed rate instruments, as well as the maturity profile for credit margins on debt.

	Fixed rate instruments <sup>2</sup>		Forward starting swaps <sup>3</sup>			Average credit margin	
	Amount (NOKm)	Interest rate (%)	Amount	Interest rate (%)	Tenor (years)	Amount (NOKm)	Credit margin (%)
<1 year	250	3.66	200	1.75	7.0	13 634	1.52
1-2 years	3 100	2.77	1 400	2.51	7.0	600	0.64
2-3 years	3 879	2.04				6 479	1.06
3-4 years	3 410	1.96				7 764	0.75
4-5 years	3 200	1.82				2 000	0.84
5-6 years	0	0.00				1 700	0.40
6-7 years	5 500	1.98				4 500	0.57
7-8 years	100	1.75				2 215	0.55
8-9 years	1 200	2.80				500	0.85
9-10 years	0	0.00				0	0.00
>10 years	0	0.00				0	0.00
<b>Total</b>	<b>20 639</b>	<b>2.15</b>	<b>1 600</b>	<b>2.41</b>	<b>7.0</b>	<b>39 392</b>	<b>1.02</b>

<sup>1)</sup> Average floating interest rate (Nibor) is 3.81 per cent as of 30.06.23. It is impacted by Nibor interest rate fixings, both in terms of duration and fixing date

<sup>2)</sup> Excluding forward starting swaps and credit margins on fixed rate bonds (credit margins are displayed in the table to the right)

<sup>3)</sup> The table displays future starting point, notional principle amount, average fixed rate and tenor for forward starting swaps



# The property portfolio

Entra's management portfolio consists of 92 properties with a total area of approximately 1.4 million square meters. As of 30.06.23, the management portfolio had a market value of 71.0 billion. The occupancy rate was 95.6 per cent (97.0 per cent). The weighted average lease term for the Group's leases was 6.2 years (6.2 years) for the management portfolio and 6.4 years (6.5 years) when the project portfolio is included. For the management portfolio, the public sector represents approximately 57 per cent (57 per cent) of the total rental income. The entire property portfolio consists of 99 properties with a market value of 73.9 billion.

All of Entra's properties have in the quarter been valued by two external appraisers: Newsec and Cushman & Wakefield Realkapital. The market value of the portfolio in Entra's balance sheet is based on the average of the appraisers' valuation. Valuation of the management portfolio is performed on a property-by-property basis, using individual DCF models and taking into account the property's current characteristics

combined with the external appraiser's estimated required rate of return and expectations on future market development.

The market value is defined as the external appraiser's estimated transaction value of the individual properties on valuation date. The project portfolio and development sites are valued based on the same principles, but with deduction for remaining investments and perceived risk as of valuation date. Unzoned land is valued based on the appraisers' assumptions on the market value of the land using the best estimate on the zoning and development process.

Year-on-year, the portfolio net yield has increased from 3.92 per cent to 4.51 per cent. From 31 December 2022, the net yield has increased by 21 basis points from 4.30 per cent. 12 months rolling rent per square meter increased from 2,274 to 2,465, mainly driven by CPI growth, acquisitions and projects that are finalised in Central Oslo.

The market rent per square meter has increased by 6.4 per cent from the second quarter of 2022, from 2,476 to 2,634.

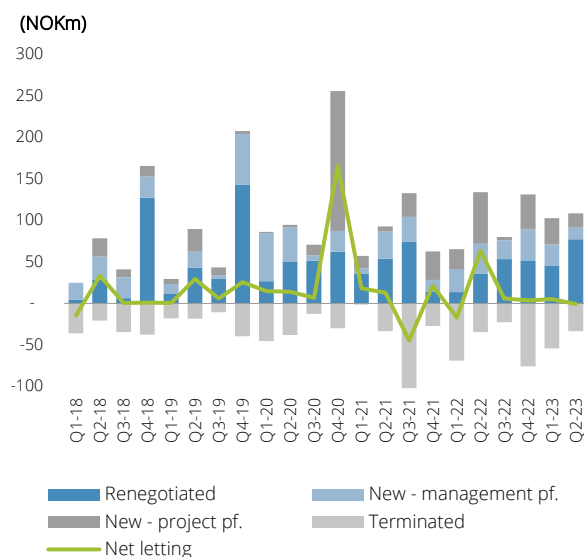
	Properties (#)	Area (sqm)	Occupancy (%)	Wault (year)	Market value (NOKm)		12 months rolling rent (NOK/sqm)		Net yield <sup>1)</sup> (%)	Market rent (NOK/sqm)	
Oslo	51	817 150	95.7	6.4	49 179	60 184	2 237	2 737	4.25	2 419	2 960
Bergen	10	143 391	95.2	4.7	6 769	47 205	344	2 398	4.65	389	2 716
Trondheim	13	187 593	93.4	5.2	6 799	36 243	378	2 017	5.11	396	2 112
Sandvika	10	132 785	96.5	5.8	4 479	33 731	263	1 983	5.57	254	1 913
Drammen	6	61 293	97.4	8.9	2 234	36 451	125	2 046	5.23	119	1 936
Stavanger	2	54 216	99.4	7.1	1 539	28 394	95	1 747	5.60	102	1 880
<b>Management portfolio</b>	<b>92</b>	<b>1 396 428</b>	<b>95.6</b>	<b>6.2</b>	<b>70 999</b>	<b>50 843</b>	<b>3 442</b>	<b>2 465</b>	<b>4.51</b>	<b>3 679</b>	<b>2 634</b>
Project portfolio	4	61 573		11.6	2 369	38 479					
Development sites	3	89 587		0.0	531	5 923					
<b>Property portfolio</b>	<b>99</b>	<b>1 547 589</b>		<b>6.4</b>	<b>73 899</b>	<b>47 751</b>					

<sup>1)</sup> See the section "Definitions". The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 30.06.23 is 6.5 per cent of market rent.

### Letting activity

During the second quarter, Entra signed new and renegotiated leases with an annual rent totaling 109 million (44,800 sqm), of which 14 million is attributable to the project portfolio. Lease contracts with an annual rent of 34 million (14,500 square meters) were terminated in the quarter. Net letting came in negative 1 million (positive 64 million) in the quarter.

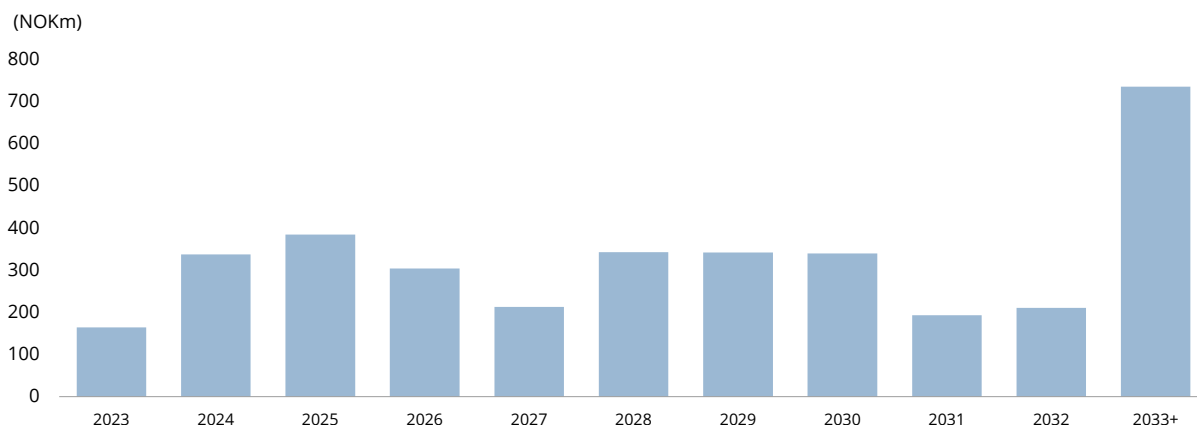
Net letting is calculated as the annualised rent of new lease contracts plus lease-up on renegotiated contracts less terminated contracts. The timing difference between net letting in the management portfolio in the quarter and its effect on the financial results is normally 6-12 months, while new contracts signed in the project portfolio tend to have an even later impact on the results. Reference is made to the project development section for further information regarding project completion.



### Largest new and renegotiated contracts

- New 10-year contract with Mestergruppen for 5,000 sqm in Brynsengfaret 6 in Oslo
- Renegotiated 2-year contract with The Norwegian Labour and Welfare Organization for 5,700 sqm in Hagegata 23 in Oslo
- Renegotiated 2-year contract with Gouda for 3,900 sqm in Schweigaards gate 6-14 in Oslo
- Renegotiated 4-year contract with Advania for 2,600 sqm in Pilestredet 33 in Oslo
- Renegotiated 6-year contract with Essity for 1,200 sqm in Fredrik Selmers vei 6 in Oslo
- New 10-year contract with Plan International for 900 sqm in Storgata 51 in Oslo

### MATURITY PROFILE:



# Investments and divestments

Entra has invested a total of 457 million (709 million) in the portfolio of investment properties in the second quarter, and 988 million (14,881 million) in the first six months of 2023. The decomposition of the investments is as follows:

All amounts in NOK million	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22	2022
Acquisitions	0	16	0	13 530	13 531
Developments	392	645	850	1 243	2 384
- Newbuild projects	65	169	60	371	663
- Redevelopment projects <sup>1)</sup>	272	396	686	739	1 400
- Refurbishment <sup>1)</sup>	55	80	103	133	322
Investment properties	44	36	100	88	179
- No incremental lettable space and tenant incentives	33	29	64	68	143
- Other material non-allocated types of expenditure	11	7	36	20	36
Capitalised interest	21	12	38	19	59
<b>Total Capital Expenditure</b>	<b>457</b>	<b>709</b>	<b>988</b>	<b>14 881</b>	<b>16 153</b>
Conversion from accrual to cash basis	155	63	22	411	56
<b>Total Capital Expenditure on cash basis</b>	<b>612</b>	<b>772</b>	<b>1 010</b>	<b>15 292</b>	<b>16 210</b>

<sup>1)</sup>Also includes tenant alterations and maintenance capex when this is done as a part of asset redevelopment or refurbishment

## Project development

The portfolio of ongoing projects with a total investment exceeding 100 million is presented below.

	Location	BREEAM-NOR/ BREEAM In-Use	Completion	Project area (sqm)	Occupancy (%)	Total project cost <sup>1)</sup> (NOKm)	Of which accrued <sup>1)</sup> (NOKm)	Yield on cost <sup>2)</sup> (%)
<b>Redevelopment</b>								
Stenersgata 1	Oslo	Very good	Q3-23	15 800	79	1 316	1 208	4.50
Schweigaards gate 15	Oslo	Very good	Q2-23 / Q1-24	22 900	83	1 422	1 185	4.80
<b>Newbuild</b>								
Holtermanns veg 1-13 phase 3	Trondheim	Excellent	Q2-25	15 500	60	684	141	5.70
Malmskriveveien 16	Sandvika	Excellent	Q3-24	2 700	100	175	22	5.00
<b>Total</b>				<b>56 900</b>	<b>77<sup>3)</sup></b>	<b>3 596</b>	<b>2 555</b>	

<sup>1)</sup> Total project cost (including book value at date of investment decision/cost of land), excluding capitalised interest cost

<sup>2)</sup> Estimated net rent (fully let) at completion/total project cost (including initial value)

<sup>3)</sup> Weighted average occupancy of the project portfolio

## Status ongoing projects

In Stenersgata 1 in Oslo, Entra is redeveloping 15,800 sqm. This is the first phase of a redevelopment project comprising the office spaces of this property. The project is 79 per cent pre-let and will be finalised in Q3 2023.

In Schweigaards gate 15, Entra is redeveloping a 22,900 sqm office building located near Oslo Central Station. The first part of the redevelopment was completed in Q2 2023 and the second part will be completed in Q1 2024. The project is 83 per cent pre-let.

### Projects started up in the quarter

Entra started a newbuild project totaling 15,500 sqm in Holtermanns veg 1-13 in Trondheim. The project involves the third and final phase of the development of this land plot, and the property is 60 per cent pre-let to the Norwegian Broadcasting Corporation (NRK). NRK will acquire 49 per cent of their rented section at project completion. Expected completion is in Q2 2025.

Entra also started a newbuild project in Malmskriveveien 16 in Sandvika. The property will be 2,750 sqm and is fully let to Akademiet Realfagsgymnas. Expected completion is in Q3 2024.

### Projects finalised in the quarter

Entra has finalised the redevelopment of Kongens gate 87 in Trondheim. The property is 7,100 sqm, 87 per cent let at completion and aims for a BREEAM-In-Use Very Good certification.

Entra also finalized the redevelopment of Brattørkaia 13B in Trondheim. The property is 6,000 sqm, 77 per cent let at completion and aims for a BREEAM-In-Use Excellent certification.

In Holtermanns veg 1-13 in Trondheim, Entra finalized a 20,900 sqm new-built office building. This is the second of three planned buildings totaling 48,000 sqm and is 75 per cent let at completion. The property aims for a BREEAM-NOR Excellent certification.

In Vahls gate 1-3 nearby Oslo Central Station, Entra finalised the refurbishment of a 14,900 sqm office building. The property was 100 per cent let at completion and aims for a BREEAM-In-Use Excellent certification.

## Transactions

Entra will continue to optimise its high-quality management and project portfolio through a flexible acquisition and divestment strategy, allowing Entra to adapt to feedback from customers and market changes, and to create and respond to market opportunities as they arise.

Entra actively seeks to improve the quality of its property portfolio and focus on selected properties and urban development projects in specific areas within its three core

markets: Oslo and the surrounding region, Bergen, and Trondheim. Targeted locations include both areas in the city centers and selected clusters on public transportation hubs outside the city centers.

Entra currently has an asset divestment program ongoing to further strengthen the company's balance sheet.

### Transactions 2022–2023

Acquired properties	Area	Transaction quarter	No of sqm	Gross asset value (NOKm)	Closing quarter
Oslo Areal portfolio	Oslo	Q4 2021	225 100	13 550	Q1 2022
<b>Total</b>			<b>225 100</b>	<b>13 550</b>	

Divested properties	Area	Transaction quarter	No of sqm	Gross asset value (NOKm)	Closing quarter
Borkenveien 1-3	Sandvika	Q3 2021	6 670	87	Q2 2022
Hinna Park Eiendom	Stavanger	Q1 2022	116 000	1 297	Q1 2022
Karenslyst allé 8 A and B	Oslo	Q4 2022	8 600	530	Q4 2022
Kongsgata 51	Drammen	Q4 2022	3 600	130	Q4 2022
Sørkedalsveien 6 <sup>1)</sup>	Oslo	Q4 2022	21 850	1 230	Q2 2023
Grønland 32	Drammen	Q1 2023	7 400	335	Q1 2023
Akersgata 51 and Tordenskiolds gate 6 <sup>2)</sup>	Oslo	Q2 2023	23 400	1 473	Q2 2023
<b>Total</b>			<b>187 520</b>	<b>5 082</b>	

<sup>1)</sup> 184 million of the gross asset value was provided as a seller credit with an annual interest rate of 4.5 per cent and maturity in June 2024

<sup>2)</sup> 250 million of the gross asset value was provided as a seller credit with an annual interest rate of 4.25 per cent and maturity in November 2024

# Partly owned companies

## Papirbredden Eiendom (60 %)

Entra and Drammen Kommune Eiendomsutvikling own Papirbredden Eiendom. The company owns six properties totalling 61,100 sqm and a future development potential of 60,000 sqm in Drammen.

## Entra OPF Utvikling (50 %)

Entra and Oslo Pensjonsforsikring (OPF) own Entra OPF Utvikling. The company owns two office properties totalling 59,800 sqm in Bergen. The company is consolidated in the Group's financial statements as Entra has a controlling vote on the Board of Directors.

## Oslo S Utvikling "OSU" (50 %)

Oslo S Utvikling is a property development company that is undertaking primarily residential development in Bjørvika in Oslo's CBD East.

## Rebel U2 (50 %)

Rebel U2 is the operator of the technology hub in Universitetsgata 2 in Oslo. The company offers full-service solutions, flexible and short-term leases, co-working facilities as well as conference and event activity.

## Galleri Oslo Invest (33.3 %)

Galleri Oslo Invest is a joint venture with the two other owners of the property Schweigaards gate 6-14 in Oslo ("Galleri Oslo"). The company owns and manages 10.6 per cent of Galleri Oslo.

## Quarterly financial figures for partly owned subsidiaries and JVs (based on 100 % ownership)

All amounts in NOK million	Papirbredden Eiendom	Entra OPF Utvikling	Total consolidated companies	Oslo S Utvikling	Galleri Oslo Invest	Rebel U2	Other	Total associated companies & JVs
Share of ownership (%)	60	50		50	50	33		
Revenue	31	40	70	388	34	2	0	424
Net income	21	37	58	2	-7	2	3	0
Net value changes	-53	-106	-160	0	0	-6	0	-6
Profit before tax	-33	-70	-102	2	-7	-4	3	-7
Tax	7	15	23	0	2	8	-1	9
<b>Profit for the period</b>	<b>-25</b>	<b>-54</b>	<b>-80</b>	<b>2</b>	<b>-5</b>	<b>4</b>	<b>2</b>	<b>2</b>
Non-controlling interests	-10	-27	-37					
Entra's share of profit <sup>1)2)</sup>				-27	-3	1	1	-28
Book value				675	0	148	35	857

<sup>1)</sup> Recognised as Share of profit from associates and JVs

<sup>2)</sup> Entra's share of profit of OSU is in Q2-23 adjusted for realisation of excess value of 28 million

# Market development

The current market volatility caused by high inflation and increasing interest rates have significantly reduced the activity in the property transaction market and put upward pressure on yields. During the first half of 2023, the total transaction volume for commercial real estate in Norway was down to around 24 billion compared to 58 billion in the first half of 2022. The interest for centrally located office properties particularly with value-add potential remains intact and there are indications that foreign investors are more active in the Norwegian property market. Market specialists expect transaction activity to pick up during the autumn. Prime yield in Oslo is currently at around 4.2 per cent and is expected to reach a top of around 4.3 per cent in 2023, according to Entra's Consensus Report.

The newbuild volume in Oslo has been, and is expected to continue to be, limited going forward. The significant increase in construction costs creates a temporary imbalance in return calculations. New projects have become expensive relative to existing stock, causing newbuild projects to continue to be postponed.

Year-on-year growth in the November CPI, used to adjust most of Entra's leases in the following year, came in at 5.1 per cent in 2021 and 6.5 per cent in 2022. 12-month June 2023 CPI came in at 6.4 per cent. The key policy rate was increased by 0.50 per cent in June to 3.75 per cent and the guiding from Central Bank of Norway was increased with rates topping out at 4.25 per cent during late 2023/early 2024.

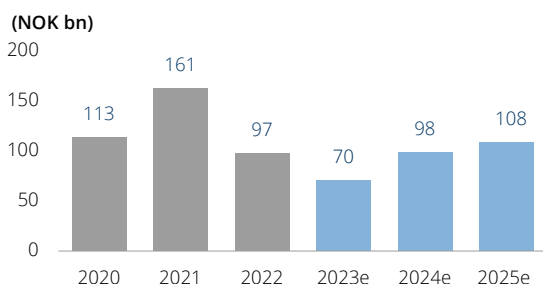
The activity level in the Oslo letting market has been strong, and there has been a broad and robust growth in market rents over the last years. Particularly in 2022, where market rents were up by more than 10 per cent. The work-from-home trend is not very strong in Norway, and the office activity is in total less than 10 per cent lower than pre-pandemic levels according to a study from Akershus Eiendom/JLL. And as working from home primarily occurs on Fridays and Mondays, demand for office space is only marginally impacted as tenants need to take peak days at the office into account.

According to Entra's Consensus Report, office vacancy in Oslo is expected to increase slightly in the coming years, although from low levels. The combination of low vacancy and low newbuild volumes give room for continued market rental growth in the years to come, although at a slower pace than seen over the last years.

In Bergen, the overall office vacancy is currently around eight per cent and six per cent in the city centre. The activity level in the letting market is high, and there is limited supply and solid demand for modern premises in the city centre.

The Trondheim office market has seen a strong development in recent years. Overall vacancy in Trondheim is now at record low levels below five per cent but is expected to increase going forward due to significant newbuild volumes coming into the market. Rent levels in Central Trondheim increased by 10-20 per cent in 2022, depending on location and asset quality.

## Transaction volume Norway



Source: Entra Consensus report, Q2 2023

## Market data Oslo

	2020	2021	2022	2023e	2024e	2025e
Vacancy Oslo, incl. Fornebu and Lysaker (%)	6.8	6.8	5.5	5.8	5.9	6.4
Rent per sqm, high standard Oslo office	3 544	3 600	4 000	4 150	4 232	4 300
Prime yield (%)	3.3	3.3	3.9	4.3	4.3	4.2

Source: Entra Consensus report, Q2 2023

# ESG Metrics

It is of key strategic importance to operate our business in a sustainable manner, and it is a prerequisite for the company's long-term results and value creation. Entra has a systematic approach towards understanding and managing the company's impact on the environment and on society, as well as stakeholder requirements and expectations. The below table outlines selected figures and performance indicators in this respect. For further information on Entra's ESG work and performance, reference is made to the annual report for 2022. Please note that several operational ESG metrics in 2020 and 2021 were impacted by Covid-19.

	Q2 2023	Q2 2022	2022	2021	2020
<b>Resource efficiency in property management portfolio</b>					
Energy consumption (kWh/sqm/L12M)	124	128	126	131	123
Change in energy consumption year on year, like for like	- 2.9%	0.4 %	- 1 %	5.6 %	-10.1 %
Energy consumption – temperature adjusted (kWh/sqm/L12M)	120	130	121	123	118
<b>Fossil free energy in property management portfolio</b>					
Share of produced green energy in % of energy consumption	1 %	1.4%	1.3 %	1.5 %	1.4 %
<b>Waste management</b>					
Waste in property management (kg/sqm/L12M)	3.1	2.6	3.2	2.5	2.7
Waste sorting in % property management	68 %	69 %	70 %	69 %	71 %
Waste sorting in % in project development portfolio	95 %	94 %	94 %	95 %	92 %
<b>Water management</b>					
Water consumption (m <sup>3</sup> /sqm/L12M)	0.2	0.2	0.2	0.2	0.2
<b>BREEAM NOR/BREEAM-In-Use certification of property portfolio<sup>1)</sup></b>					
Certified properties, % of sqm	47 %	51 %	53 % <sup>1)</sup>	51 %	51 %
Certified properties, number of properties	35	36	39	28	24
Certified properties, % of rental income	52 %	62 %	56 %	60 %	54 %
Certified properties, % of property values	57 %	55 %	58 %	53 %	52 %
<b>ESG BENCHMARKS</b>					
GRESB points / stars awarded (out of 5 possible)			90	92/5	87/5
EPRA Sustainability Benchmark			GOLD	GOLD	GOLD
Environment Lighthouse award ("Miljøfyrtårn")			Yes	Yes	Yes
MSCI ESG Rating			AAA	AAA	NA
EU Taxonomy eligible	100 %	100 %	100 %		
Share of green financing (green bonds or bank loans)		46 %	45 %	69 %	48 %
<b>Social</b>					
Number of full-time employees	205	196	208	174	186
Diversity (% women/men)	37/63	37/63	36/64	37/63	38/62
Sick leave (% of total days L12M)	2.3 %	2.7 %	2.9 %	2.6 %	3.1 %
Injuries with long term absence ongoing projects	1	2	5	1	0
Accidents with lost time ongoing projects (per mill. hrs. L12M)	4.1	8.4	4.9	8.1	4.7

<sup>1)</sup> Certified properties, % of sqm, for 2022 is updated from the percentage reported in the 2022 annual report

# Other information

## Share and shareholder information

Entra's share capital is NOK 182,132,055 divided into 182,132,055 shares, each with a par value of NOK 1 per share. Entra has one class of shares, and all shares provide equal rights, including the right to any dividends.

As of 7 July 2023, Entra had 5,181 shareholders. Norwegian investors held approximately 12 per cent of the share capital.

As of 7 July 2023, Fastighets AB Balder held shares, in its own name and through nominees, equaling 39.9 per cent of the shares in Entra ASA and thus had negative control. Castellum AB held shares equaling 33.3 per cent of the shares in Entra.

The 10 largest shareholders (of which most are nominee accounts) as registered in Euronext VPS on 7 July 2023 were:

Shareholder	% holding
Castellum AB (publ)	33.3%
Fastighets AB Balder <sup>1)</sup>	27.5%
Skandinaviska Enskilda Banken (Nominee)	6.9%
Skandinaviska Enskilda Banken	2.6%
Danske Bank (Nominee)	1.4%
Folketrygdfondet	1.3%
State Street Bank and Trust Comp (Nominee)	1.2%
Goldman Sachs International (Nominee)	1.1%
Danske Invest Norske	1.0%
The Bank of New York Mellon (Nominee)	0.8%
<b>SUM 10 LARGEST SHAREHOLDERS</b>	<b>77.0%</b>

<sup>1)</sup> Fastighets AB Balder holds shares, in its own name and through nominees, equaling a total of 39.9 per cent

## Risk management

Entra assesses risk on an ongoing basis, primarily through semi-annually comprehensive reviews of the Group's risk maps, which includes assessments of all risk factors in collaboration with all levels of the organisation. Each risk factor is described and presented with the possible negative outcome given an increased probability of a situation to occur. Entra's main risk factors consist of both financial and non-financial risk. A thorough description and analysis is included on pages 28-39 in the 2022 annual report.



# Outlook

Whilst it still is difficult to make meaningful assessments of the actual impact on the global economy from geopolitical uncertainty and higher inflation and interest rates, increased global demand for energy has provided, and is expected to continue to provide, further stimulus to a solid Norwegian, energy-producing economy. The strong fiscal position of Norway, with an all-time high sovereign wealth fund, will continue to smooth business cycles and improve the performance of the Norwegian economy.

In contrast to what is reported in many other countries, both Norwegian market data and Entra's experience suggest only marginal impact to date on demand for office space from the work-from-home trend. Norwegian employers are seeking attractive, central locations and reshaping offices to become more inviting social spaces that encourage face-to-face collaboration, creativity and serendipitous interactions, which will benefit office property owners like Entra.

The demand for offices particularly in Oslo is still strong combined with limited supply of new office capacity following reduced start of new office projects during the last two-three years. Entra is thus well positioned in a solid Norwegian economy and a property market with low office vacancy rates and expectations for continued rental growth. And, as proven during the pandemic, Entra's high-quality tenants provide a stable and solid fundament for the company's future revenues and cash flow.

Interest rates and credit margins have moved sharply upwards during the last year, which impacts capital intensive industries like the real estate industry. Real estate companies with relatively short debt maturities, high volumes of debt maturing in the near future, exotic debt structures and higher gearing are particularly impacted both in terms of availability of funding and increased cost of debt. Even though Entra is in a different situation, the company's cost of debt has also increased significantly.

The Central Bank of Norway was one of the first central banks to raise policy rates, and to signal that they are approaching peak levels in this business cycle. The policy rate was raised to 3.75 per cent in June and is expected to level out at 4.25 per cent during late 2023/early 2024.

The value of Entra's property portfolio has decreased by around 10 per cent since peak valuations in Q1 2022, with an effective net yield expansion of approximately 85 basis points. CPI growth of 6.5 per cent in 2022, that was 98 per cent implemented into Entra's tenant contracts from 1 January 2023, high CPI growth expected also in 2024, and an expected

continued positive rental market, supported by limited new construction activity, particularly in Oslo, should provide a mitigating force to potentially higher yield levels.

Divestments of eight assets in Oslo and Drammen during the last year of 3.8 billion, and in line with the most recent book values provided by two external appraisers, indicate that Entra's assets are attractive for several types of buyers. Nevertheless, we note increased uncertainty amongst investors primarily driven by increased financing costs. The company is continuing to strengthen the balance sheet and has several active divestment processes ongoing.

Sustainability has been an integrated part of Entra's business model for almost 15 years. Entra is working actively to reduce the CO<sub>2</sub> footprint of its property portfolio and has a firm ambition to become a Net Zero Carbon company by 2030. A significant part of Entra's modern and energy efficient management portfolio is currently, or is in the process of being, BREEAM certified, and Entra is well positioned for the upcoming EU Taxonomy and EPBD (Energy Performance of Buildings Directive) regulations.

In May, Moody's changed Entra's credit rating to Baa2 with negative outlook. Entra's credit quality and strong and long-lasting relationship with its five Nordic partner banks, as evidenced by the company's extending existing bank facilities of 6.5 billion during June and July, is expected to contribute to competitive access to funding also going forward.

Entra's well staggered debt maturity profile with very limited near to medium term debt maturities, combined with ample supply of unutilised credit facilities, makes Entra independent of the bond market for almost five years. Entra will continue to optimise its high-quality management and project portfolio through asset rotations and disciplined capital allocation. Entra will focus on its recognised role as an urban developer and leverage its competitive advantages and ESG leadership.

Uncertainty, particularly in the financial markets, will likely prevail also in the months to come. However, Entra, operating in a strong Norwegian economy with modern, flexible and environmentally friendly assets located in attractive clusters near public transportation hubs, a solid tenant base with long lease contracts, a strong financial position, and an attractive project pipeline for future growth, has a proven and resilient business profile that is well positioned for the future.

Oslo, 13 July 2023

The Board of Entra ASA

# Financial statements

## Statement of comprehensive income

All amounts in NOK million	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22	2022
Rental income	854	783	1 726	1 564	3 158
Operating costs	-67	-60	-142	-124	-263
<b>Net operating income</b>	<b>787</b>	<b>723</b>	<b>1 584</b>	<b>1 440</b>	<b>2 895</b>
Other revenues	27	26	45	47	112
Other costs	-19	-22	-31	-41	-85
Administrative costs	-48	-44	-97	-109	-210
Share of profit from associates and JVs	-28	-2	-35	-3	-37
Net realised financials	-394	-238	-761	-452	-1 095
<b>Net income</b>	<b>324</b>	<b>444</b>	<b>706</b>	<b>882</b>	<b>1 579</b>
<b>- of which net income from property management</b>	<b>350</b>	<b>445</b>	<b>741</b>	<b>877</b>	<b>1 603</b>
Changes in value of investment properties	-2 466	-1 040	-2 888	1 796	-2 519
Changes in value of financial instruments	403	183	373	492	473
<b>Profit/loss before tax</b>	<b>-1 739</b>	<b>-413</b>	<b>-1 809</b>	<b>3 170</b>	<b>-467</b>
Tax payable	-3	-21	-7	-25	-31
Change in deferred tax	412	107	433	-658	-71
<b>Profit/loss for the period</b>	<b>-1 331</b>	<b>-327</b>	<b>-1 383</b>	<b>2 488</b>	<b>-569</b>
Actuarial gains and losses not to be reclassified	0	0	0	0	16
Change in deferred tax on comprehensive income	0	0	0	0	-4
<b>Total comprehensive income/loss for the period</b>	<b>-1 331</b>	<b>-327</b>	<b>-1 383</b>	<b>2 488</b>	<b>-557</b>
<b>Profit/loss attributable to:</b>					
Equity holders of the Company	-1 293	-293	-1 344	2 373	-634
Non-controlling interest	-37	-34	-40	115	65
<b>Total comprehensive income/loss attributable to:</b>					
Equity holders of the Company	-1 293	-293	-1 344	2 373	-621
Non-controlling interest	-37	-34	-40	115	65

## Balance sheet

All amounts in NOK million	30.06.2023	30.06.2022	31.12.2022
Investment properties	73 913	82 294	77 404
Investments in associates and JVs	857	904	891
Financial derivatives	1 124	723	698
Long-term receivables and other assets	909	686	661
<b>Total non-current assets</b>	<b>76 804</b>	<b>84 608</b>	<b>79 655</b>
Inventory properties	478	474	472
Trade receivables	100	93	56
Other receivables and other current assets	576	380	525
Cash and bank deposits	242	147	226
<b>Total current assets</b>	<b>1 396</b>	<b>1 095</b>	<b>1 278</b>
Investment properties held for sale	0	0	1 230
<b>Total assets</b>	<b>78 200</b>	<b>85 703</b>	<b>82 162</b>
Shareholders' equity	27 891	33 161	29 693
Non-controlling interests	1 898	2 064	1 978
<b>Total equity</b>	<b>29 789</b>	<b>35 225</b>	<b>31 671</b>
Borrowings	36 439	36 975	38 091
Deferred tax liability	7 764	8 794	8 216
Financial derivatives	348	331	310
Other non-current liabilities	627	653	673
<b>Total non-current liabilities</b>	<b>45 178</b>	<b>46 753</b>	<b>47 291</b>
Borrowings	2 576	3 032	2 423
Trade payables	294	361	355
Other current liabilities	362	331	421
<b>Total current liabilities</b>	<b>3 233</b>	<b>3 724</b>	<b>3 200</b>
<b>Total liabilities</b>	<b>48 411</b>	<b>50 478</b>	<b>50 490</b>
<b>Total equity and liabilities</b>	<b>78 200</b>	<b>85 703</b>	<b>82 162</b>

## Changes in equity

All amounts in NOK million	Share capital	Treasury shares	Other paid-in capital	Retained earnings	Non-controlling interests	Total equity
<b>Equity 31.12.2021</b>	<b>182</b>	<b>0</b>	<b>3 524</b>	<b>27 557</b>	<b>2 308</b>	<b>33 571</b>
Profit for period				-634	65	-569
Other comprehensive income				12		12
Dividend				-947	-76	-1 023
Divestment of subsidiary with non-controlling interests					-318	-318
Net equity effect of LTI & employee share saving schemes				-1		-1
<b>Equity 31.12.2022</b>	<b>182</b>	<b>0</b>	<b>3 524</b>	<b>25 987</b>	<b>1 978</b>	<b>31 671</b>
Profit for period				-1 344	-40	-1 383
Dividend				-455	-41	-496
Net equity effect of LTI & employee share saving schemes				-3		-3
<b>Equity 30.06.2023</b>	<b>182</b>	<b>0</b>	<b>3 524</b>	<b>24 185</b>	<b>1 898</b>	<b>29 789</b>

## Statement of cash flows

All amounts in NOK million	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22	2022
Profit before tax	-1 739	-413	-1 809	3 170	-467
Income tax paid	-8	-27	-15	-58	-43
Net expensed interest and fees on loans and leases	394	240	761	452	1 096
Net interest and fees paid on loans and leases	-386	-243	-714	-390	-985
Share of profit from associates and jointly controlled entities	28	2	35	3	37
Depreciation and amortisation	1	1	2	2	4
Changes in value of investment properties	2 466	1 040	2 888	-1 796	2 519
Changes in value of financial instruments	-403	-183	-373	-492	-473
Change in working capital	-44	-102	-106	-112	-179
<b>Net cash flows from operating activities</b>	<b>309</b>	<b>315</b>	<b>668</b>	<b>779</b>	<b>1 509</b>
Proceeds from property transactions	2 059	94	2 371	1 215	1 824
Acquisition of investment properties	0	-18	0	-13 464	-13 465
Investment in and upgrading of investment properties	-610	-754	-1 005	-1 522	-2 745
Investment in inventory properties	-2	-1	-5	-4	-4
Acquisition other non-current assets	0	-1	-1	-4	-5
Net payment financial assets	0	-33	15	-33	-23
Net payment of loans to associates and JVs	-3	0	-3	-1	-3
Investments in associates and JVs	0	11	0	-154	-166
Dividends from associates and JVs	3	0	3	128	128
<b>Net cash flows from investment activities</b>	<b>1 446</b>	<b>-702</b>	<b>1 376</b>	<b>-13 840</b>	<b>-14 459</b>
Proceeds interest-bearing debt	4 465	5 960	8 342	20 770	30 900
Repayment interest-bearing debt	-5 806	-5 078	-9 877	-7 354	-16 999
Repayment of lease liabilities	-1	-2	-2	-3	-5
Dividends paid	-455	-474	-455	-474	-947
Dividends paid to non-controlling interests	-35	-40	-35	-40	-82
<b>Net cash flows from financing activities</b>	<b>-1 832</b>	<b>366</b>	<b>-2 027</b>	<b>12 900</b>	<b>12 867</b>
Change in cash and cash equivalents	-77	-21	17	-161	-83
Cash and cash equivalents at beginning of period	319	168	226	309	309
<b>Cash and cash equivalents at end of period</b>	<b>242</b>	<b>147</b>	<b>242</b>	<b>147</b>	<b>226</b>

## NOTE 1 – ACCOUNTING PRINCIPLES

The results for the period have been prepared in accordance with IAS 34 Interim Financial Reporting. Except for the change that the Group's Other operating assets from 2023 is presented as part of Long-term receivables and other assets, the accounting principles that have been used in the preparation of the interim financial statements are in conformity with the principles used in preparation of the annual financial statements for 2022.

The financial reporting covers Entra ASA, subsidiaries, associated companies and jointly controlled entities. The interim financial statements have not been audited.

## NOTE 2 – SEGMENT INFORMATION

The Group has one main operational unit, led by the COO. The property portfolio is divided into six different geographic areas in Oslo, Sandvika, Drammen, Stavanger, Bergen and Trondheim, with management teams monitoring and following up on each area. The geographic units are supported by a Market and Property Development division and a Project Development division. In addition, Entra has group and support functions within accounting, finance, investment, legal, procurement, ICT, communication and HR.

The geographic areas do not have their own profit responsibility. The geographical areas are instead monitored on economical and non-economical key figures ("key performance indicators"). These key figures are analysed and reported by geographic area to the chief operating decision maker, which is the board and CEO, for the purpose of resource allocation and assessment of segment performance. Hence, the Group report the segment information based upon these six geographic areas.

### Operating segments Q2–23

	Properties (#)	Area (sqm)	Occupancy (%)	Wault (year)	Market value (NOKm) (NOK/sqm)		12 months rolling rent (NOKm) (NOK/sqm)		Net yield <sup>1)</sup> (%)	Market rent (NOKm) (NOK/sqm)	
Oslo	51	817 150	95.7	6.4	49 179	60 184	2 237	2 737	4.25	2 419	2 960
Bergen	10	143 391	95.2	4.7	6 769	47 205	344	2 398	4.65	389	2 716
Trondheim	13	187 593	93.4	5.2	6 799	36 243	378	2 017	5.11	396	2 112
Sandvika	10	132 785	96.5	5.8	4 479	33 731	263	1 983	5.57	254	1 913
Drammen	6	61 293	97.4	8.9	2 234	36 451	125	2 046	5.23	119	1 936
Stavanger	2	54 216	99.4	7.1	1 539	28 394	95	1 747	5.60	102	1 880
<b>Management portfolio</b>	<b>92</b>	<b>1 396 428</b>	<b>95.6</b>	<b>6.2</b>	<b>70 999</b>	<b>50 843</b>	<b>3 442</b>	<b>2 465</b>	<b>4.51</b>	<b>3 679</b>	<b>2 634</b>
Project portfolio	4	61 573		11.6	2 369	38 479					
Development sites	3	89 587		0.0	531	5 923					
<b>Property portfolio</b>	<b>99</b>	<b>1 547 589</b>		<b>6.4</b>	<b>73 899</b>	<b>47 751</b>					

<sup>1)</sup> See the section "Definitions". The calculation of net yield is based on the appraisers' assumption of ownership costs, which at 30.06.23 is 6.5 per cent of market rent.

## Operating segments Q2-22

	Properties (#)	Area (sqm)	Occupancy (%)	Wault (year)	Market value (NOKm) (NOK/sqm)		12 months rolling rent (NOKm) (NOK/sqm)		Net yield (%)	Market rent (NOKm) (NOK/sqm)	
Oslo	53	823 693	97.0	6.2	53 019	64 368	2 067	2 509	3.66	2 303	2 796
Bergen	10	152 190	97.1	5.9	5 754	37 806	301	1 981	4.93	290	1 908
Trondheim	10	134 260	98.4	6.3	4 748	35 364	242	1 806	4.85	233	1 734
Sandvika	8	115 694	98.2	4.5	5 617	48 550	246	2 129	4.03	297	2 563
Drammen	8	72 237	90.0	9.0	2 864	39 646	129	1 785	4.24	137	1 903
Stavanger	2	54 216	99.5	8.1	1 614	29 771	89	1 643	5.06	88	1 631
<b>Management portfolio</b>	<b>91</b>	<b>1 352 290</b>	<b>97.0</b>	<b>6.2</b>	<b>73 616</b>	<b>54 438</b>	<b>3 075</b>	<b>2 274</b>	<b>3.92</b>	<b>3 349</b>	<b>2 476</b>
Project portfolio	11	150 630		9.5	7 814	51 879					
Development sites	4	102 542		0.0	799	7 787					
<b>Property portfolio</b>	<b>106</b>	<b>1 605 462</b>		<b>6.5</b>	<b>82 229</b>	<b>51 218</b>					

## NOTE 3 – INVESTMENT PROPERTIES

All amounts in NOK million	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22	2022
Closing balance previous period	78 414	82 713	78 634	67 655	67 655
Acquisition of investment properties	0	16	0	13 530	13 531
Investment in the property portfolio	436	681	950	1 331	2 563
Capitalised borrowing costs	21	12	38	19	59
Divestment of investment properties	-2 492	-88	-2 822	-2 038	-2 654
Changes in value of investment properties	-2 466	-1 040	-2 888	1 796	-2 519
<b>Closing balance</b>	<b>73 913</b>	<b>82 294</b>	<b>73 913</b>	<b>82 294</b>	<b>78 634</b>
Investment properties held for sale	0	0	0	0	1 230
<b>Investment properties</b>	<b>73 913</b>	<b>82 294</b>	<b>73 913</b>	<b>82 294</b>	<b>77 404</b>

Divestment of investment properties in the first half of 2023 is related to the divestment of the properties Akersgata 51, Tordenskiolds gate 6 and Sørkedalsveien 6 in Oslo and Grønland 32 in Drammen.

## NOTE 4 – INFORMATION ON THE FAIR VALUE OF ASSETS AND LIABILITIES

All amounts in NOK million	Fair value level	30.06.2023	30.06.2022	31.12.2022
<b>Assets measured at fair value:</b>				
Assets measured at fair value through profit or loss				
- Investment properties	Level 3	73 913	82 294	77 404
- Investment properties held for sale	Level 3	0	0	1 230
- Derivatives	Level 2	1 124	723	698
- Equity instruments	Level 3	313	365	344
<b>Total</b>		<b>75 350</b>	<b>83 383</b>	<b>79 676</b>
<b>Liabilities measured at fair value:</b>				
Financial liabilities measured at fair value through profit or loss				
- Derivatives	Level 2	348	331	310
<b>Total</b>		<b>348</b>	<b>331</b>	<b>310</b>

## DECLARATION OF THE BOARD AND CHIEF EXECUTIVE OFFICER

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Pursuant to Section 5-6 of the Securities Trading Act, we declare to the best of our knowledge that the half-year financial statements for the period 1 January to 30 June 2023 have been prepared in accordance with IAS 34 – Interim reporting, and that the information in the financial statements gives a true and fair view of the Group's assets, liabilities, financial situation and result as a whole. We also declare, to the best of our knowledge, that the half-year report gives a true and fair presentation of important events during the accounting period and their influence on the half-year financial statements, the most important risk and uncertainty factors that the business faces over the next accounting period, as well as material transactions with connected persons.

Oslo, 13 July 2023

Ottar Ertzeid  
*Chair*

Hege Toft Karlsen  
*Deputy Chair*

Widar Salbuvik  
*Board member*

Camilla AC Tepfers  
*Board member*

Joacim Sjöberg  
*Board member*

Erling Nedkvitne  
*Board member*

Marit Rasmussen  
*Board member*

Sonja Horn  
*Chief Executive Officer*



## ALTERNATIVE PERFORMANCE MEASURES

Entra's financial information is prepared in accordance with the international financial reporting standards (IFRS). In addition, the company reports alternative performance measures (APMs) that are regularly reviewed by management to enhance the understanding of Entra's performance as a supplement, but not as a substitute, to the financial statements prepared in accordance with IFRS. Financial APMs are intended to enhance comparability of the results and cash flows from period to period, and it is Entra's experience that these are frequently used by analysts, investors and other parties. The financial APMs reported by Entra are the APMs that, in management's view, provide the most relevant supplemental information of a real estate company's financial position and performance. These measures are adjusted IFRS measures defined, calculated and used in a consistent and transparent manner over the years. Operational measures such as, but not limited to, net letting, vacancy and WAULT are not defined as financial APMs according to ESMA's guidelines.

### ENTRA'S FINANCIAL APMS:

- Net Income from property management
- Cash Earnings
- Net value changes
- Market value of the property portfolio
- Net nominal interest-bearing debt
- Effective leverage
- Interest coverage ratio (ICR)
- Net operating income<sup>1)</sup>
- EPRA Earnings
- EPRA Net Asset Value metrics – EPRA NRV, EPRA NTA and EPRA NDV
- EPRA Net Initial Yield
- EPRA Cost Ratio
- EPRA LTV (Loan-to-Value)

<sup>1)</sup> The calculation of Net operating income is not presented below as it is included in the Statement of comprehensive income.

### NET INCOME FROM PROPERTY MANAGEMENT & CASH EARNINGS

All amounts in NOK million	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22	2022
Net income	324	444	706	882	1 579
<b>Less:</b>					
Net results from residential development in associates and JVs	-27	-6	-24	-8	-31
Value changes in associates and JVs	-2	-1	-13	5	-10
Gain on sale of JV	0	6	0	6	6
Tax from associates and JVs	3	1	2	1	11
<b>Net income from property management</b>	<b>350</b>	<b>445</b>	<b>741</b>	<b>877</b>	<b>1 603</b>
Tax payable	-3	-21	-7	-25	-31
<b>Cash Earnings</b>	<b>347</b>	<b>424</b>	<b>734</b>	<b>853</b>	<b>1 572</b>
Average outstanding shares (million)	182.1	182.1	182.1	182.1	182.1
Cash Earnings per share	1.90	2.33	4.03	4.68	8.63

### NET VALUE CHANGES

All amounts in NOK million	Q2-23	Q2-22	YTD Q2-23	YTDQ2-22	2022
Changes in value of investment properties	-2 466	-1 040	-2 888	1 796	-2 519
Changes in value of financial instruments	403	183	373	492	473
<b>Net value changes</b>	<b>-2 063</b>	<b>-857</b>	<b>-2 515</b>	<b>2 288</b>	<b>-2 046</b>

## MARKET VALUE OF THE PROPERTY PORTFOLIO

All amounts in NOK million	30.06.2023	30.06.2022	31.12.2022
Investment properties	73 913	82 294	77 404
Investment properties held for sale	0	0	1 230
Other	-13	-66	-62
<b>Market value of the property portfolio</b>	<b>73 899</b>	<b>82 229</b>	<b>78 571</b>

## NET NOMINAL INTEREST-BEARING DEBT

All amounts in NOK million	30.06.2023	30.06.2022	31.12.2022
Borrowings	39 015	40 008	40 515
Unamortised borrowing costs	377	311	289
<b>Nominal value of interest-bearing debt</b>	<b>39 392</b>	<b>40 319</b>	<b>40 804</b>
Cash and bank deposits	-242	-147	-226
<b>Net nominal interest-bearing debt</b>	<b>39 149</b>	<b>40 172</b>	<b>40 578</b>

## EFFECTIVE LEVERAGE

All amounts in NOK million except ratio	30.06.2023	30.06.2022	31.12.2022
Borrowings	39 015	40 008	40 515
Other interest-bearing liabilities	453	464	667
<b>Total debt</b>	<b>39 468</b>	<b>40 472</b>	<b>41 182</b>
Total assets	78 200	85 703	82 162
<b>Effective leverage (Total debt/Total assets)</b>	<b>50.5 %</b>	<b>47.2 %</b>	<b>50.1 %</b>

## INTEREST COVERAGE RATIO (ICR)

All amounts in NOK million except ratio	Q3-22	Q4-22	Q1-23	Q2-23	Q2-23 L12M	Q2-22 L12M	Q4-22 L12M
Net income	393	305	382	324	1 403	1 663	1 579
Depreciation	1	1	1	1	4	4	4
Results from associates and joint ventures	17	17	7	28	69	25	37
Net realised financials	275	368	366	394	1 403	749	1 095
<b>EBITDA</b>	<b>685</b>	<b>691</b>	<b>756</b>	<b>747</b>	<b>2 880</b>	<b>2 442</b>	<b>2 715</b>
Interest cost	278	370	364	385	1 398	717	1 079
Commitment fees <sup>1)</sup>	2	4	4	6	17	18	15
<b>Applicable interest cost</b>	<b>281</b>	<b>374</b>	<b>368</b>	<b>391</b>	<b>1 414</b>	<b>735</b>	<b>1 094</b>
<b>Interest Coverage Ratio (ICR) <sup>2)</sup></b>					<b>2.04</b>	<b>3.32</b>	<b>2.48</b>

<sup>1)</sup> From Q4-22, Entra is only including interest cost and commitment fees in the calculation of applicable interest cost, excluding amortisation of previously paid borrowing costs. Comparative figures have been updated to reflect the amended definition.

<sup>2)</sup> From Q4-22, Entra reports ICR for the last 12 months in line with the Group's financial covenants.

## EPRA REPORTING

The following performance indicators have been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its latest edition of the Best Practices Recommendations Guidelines. The EPRA Best Practices Recommendations Guidelines focus on making the financial statements of public real estate companies clearer and more comparable across Europe.

Summary table EPRA performance measures		Unit	Q2-23 / 30.06.2023	Q2-22 / 30.06.2022
A	EPRA Earnings per share	NOK	1.39	1.80
B	EPRA NRV per share	NOK	192	230
	EPRA NTA per share	NOK	190	227
	EPRA NDV per share	NOK	154	191
C	EPRA Net Initial Yield (NIY)	%	4.48	3.90
	EPRA, "topped-up" NIY	%	4.48	3.90
D	EPRA Vacancy Rate	%	4.4	2.9
E	EPRA Cost Ratio (including direct vacancy costs)	%	13.2	12.8
	EPRA Cost Ratio (excluding direct vacancy costs)	%	11.7	11.1
F	EPRA LTV	%	53.4	49.6

The details for the calculation of the performance measures are shown on the following pages.

### A. EPRA EARNINGS

EPRA Earnings is a measure of the operational performance of the property portfolio. EPRA Earnings is calculated based on the income statement, adjusted for non-controlling interests, value changes on investment properties, changes in the market value of financial instruments and the associated tax effects. In addition, earnings from the jointly controlled entity OSU are adjusted for as the business of this company is development of residential properties for sale and is not considered relevant for measurement of the underlying operating performance of the property portfolio under management.

#### Quarterly

All amounts in NOK million	Q2-23	Q2-23	Q2-23	Q2-23	Q2-22	Q2-22	Q2-22	Q2-22
	IFRS reported	Non-controlling Interests	Other EPRA adjustments	EPRA Earnings	IFRS reported	Non-controlling Interests	Other EPRA adjustments	EPRA Earnings
Rental income	854	-32	0	822	783	-30	0	753
Operating costs	-67	2	0	-65	-60	3	0	-57
<b>Net operating income</b>	<b>787</b>	<b>-30</b>	<b>0</b>	<b>756</b>	<b>723</b>	<b>-27</b>	<b>0</b>	<b>696</b>
Other revenues	27	0	0	27	26	0	0	26
Other costs	-19	0	0	-19	-22	0	0	-22
Administrative costs	-48	1	0	-48	-44	1	0	-43
Share of profit from associates and JVs	-28	0	26	-2	-2	0	1	-1
Net realised financials	-394	3	0	-391	-238	2	0	-236
<b>Net income</b>	<b>324</b>	<b>-27</b>	<b>26</b>	<b>323</b>	<b>444</b>	<b>-25</b>	<b>1</b>	<b>420</b>
Net value changes	-2 063	75	1 989	0	-857	68	789	0
<b>Profit/loss before tax</b>	<b>-1 739</b>	<b>48</b>	<b>2 015</b>	<b>323</b>	<b>-413</b>	<b>43</b>	<b>790</b>	<b>420</b>
Tax payable	-3	1	0	-2	-21	1	0	-19
Change in deferred tax	412	-12	-469	-69	107	-11	-170	-73
<b>Profit/loss for period/EPRA Earnings</b>	<b>-1 331</b>	<b>37</b>	<b>1 546</b>	<b>252</b>	<b>-327</b>	<b>34</b>	<b>621</b>	<b>327</b>
Average outstanding shares (million)				182.1				182.1
EPRA Earnings per share				1.39				1.80

## Year to date

All amounts in NOK million	YTD Q2-23	YTD Q2-23	YTD Q2-23	YTD Q2-23	YTD Q2-22	YTD Q2-22	YTD Q2-22	YTD Q2-22
	IFRS reported	Non-controlling Interests	Other EPRA adjustments	EPRA Earnings	IFRS reported	Non-controlling Interests	Other EPRA adjustments	EPRA Earnings
Rental income	1 726	-64	0	1 662	1 564	-64	0	1 500
Operating costs	-142	5	0	-137	-124	5	0	-118
<b>Net operating income</b>	<b>1 584</b>	<b>-59</b>	<b>0</b>	<b>1 525</b>	<b>1 440</b>	<b>-59</b>	<b>0</b>	<b>1 381</b>
Other revenue	45	0	0	45	47	0	0	46
Other costs	-31	0	0	-31	-41	0	0	-40
Administrative costs	-97	1	0	-95	-109	2	0	-107
Share of profit from associates and JVs	-35	0	36	0	-3	0	-3	-6
Net realised financials	-761	6	0	-755	-452	6	0	-446
<b>Net income</b>	<b>706</b>	<b>-52</b>	<b>36</b>	<b>688</b>	<b>882</b>	<b>-51</b>	<b>-3</b>	<b>828</b>
Net value changes	-2 515	103	2 412	0	2 288	-94	-2 195	0
<b>Profit/loss before tax</b>	<b>-1 809</b>	<b>51</b>	<b>2 447</b>	<b>688</b>	<b>3 170</b>	<b>-145</b>	<b>-2 197</b>	<b>828</b>
Tax payable	-7	3	0	-4	-25	3	0	-22
Change in deferred tax	433	-14	-566	-148	-658	27	470	-161
<b>Profit/loss for period/EPRA Earnings</b>	<b>-1 383</b>	<b>40</b>	<b>1 881</b>	<b>537</b>	<b>2 488</b>	<b>-115</b>	<b>-1 727</b>	<b>646</b>
Average outstanding shares (million)				182.1				182.1
EPRA Earnings per share				2.95				3.55

## B. EPRA NET ASSET VALUE METRICS

## EPRA NET REINSTATEMENT VALUE (NRV)

The objective of the EPRA NRV measure is to highlight the value of net assets on a long-term basis and assumes that no divestment of assets takes place. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Real estate transfer taxes are generally not levied on property transactions in Norway, and such taxes are accordingly not included in Entra's valuation certificates. Consequently, no adjustment is done for real estate transfer taxes in Entra's calculation of EPRA NRV.

All amounts in NOK million	30.06.2023	30.06.2023	30.06.2023	30.06.2022	31.12.2022
	Total	Attributable to non-controlling interests	Attributable to shareholders (EPRA NRV)	Attributable to shareholders (EPRA NRV)	Attributable to shareholders (EPRA NRV)
IFRS equity	29 789	-1 898	27 891	33 161	29 693
Revaluation of investments made in JVs	155	0	155	492	268
<b>Net Asset Value (NAV) at fair value</b>	<b>29 944</b>	<b>-1 898</b>	<b>28 046</b>	<b>33 652</b>	<b>29 961</b>
Deferred tax properties and financial instruments	8 014	-362	7 652	8 547	8 133
Net fair value on financial derivatives	-776	0	-777	-395	-390
<b>EPRA Net Reinstatement Value (NRV)</b>	<b>37 181</b>	<b>-2 260</b>	<b>34 921</b>	<b>41 804</b>	<b>37 703</b>
Outstanding shares at period end (million)			182.1	182.1	182.1
EPRA NRV per share (NOK)			192	230	207

**EPRA NET TANGIBLE ASSETS (NTA)**

The EPRA NTA is focused on reflecting a company's tangible assets and assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax liability. Entra has adopted the second option in the EPRA BPR guidelines to adjust for deferred tax, estimating the real tax liability based how the company has completed property transactions in recent years.

All amounts in NOK million	30.06.2023	30.06.2023	30.06.2023	30.06.2022	31.12.2022
	Total	Attributable to non-controlling interests	Attributable to shareholders (EPRA NTA)	Attributable to shareholders (EPRA NTA)	Attributable to shareholders (EPRA NTA)
IFRS equity	29 789	-1 898	27 891	33 161	29 693
Revaluation of investments made in JVs	155	0	155	492	268
<b>Net Asset Value (NAV) at fair value</b>	<b>29 944</b>	<b>-1 898</b>	<b>28 046</b>	<b>33 652</b>	<b>29 961</b>
Reversal deferred tax liability as per balance sheet	7 764	-301	7 463	8 463	7 902
Adjustment estimated real tax liability	-171	-42	-212	-369	-201
Net fair value on financial derivatives	-776	0	-777	-395	-390
<b>EPRA Net Tangible Assets (NTA)</b>	<b>36 761</b>	<b>-2 241</b>	<b>34 520</b>	<b>41 351</b>	<b>37 272</b>
Outstanding shares at period end (million)			182.1	182.1	182.1
EPRA NTA per share (NOK)			190	227	205

<sup>1)</sup> Estimated real deferred tax liability related to temporary differences of properties has been calculated to 1.2 per cent of the based on a discount rate of 5.0 per cent and the assumption that 50 per cent of the property portfolio are realised over 50 years in transactions structured as sale of properties in corporate wrappers, with an average tax discount of 6.5 per cent. Further, the real tax liability related to the gains/losses account is estimated by assuming an amortisation of 20 per cent annually and a discount rate of 5.0 per cent.

**EPRA NET DISPOSAL VALUE (NDV)**

The EPRA NDV measure illustrates a scenario where deferred tax, financial instruments, and certain other adjustments are calculated as to the full extent of their liability. This enables readers of financial reports to understand the full extent of liabilities and resulting shareholder value under an orderly sale of business and/or if liabilities are not held until maturity. The measure should not be viewed as a "liquidation NAV" for Entra, as fair values may not represent liquidation values, and as an immediate realisation of Entra's assets may be structured as sale of property-owning companies, resulting in the deferred tax liabilities only partially crystallising.

All amounts in NOK million	30.06.2023	30.06.2023	30.06.2023	30.06.2022	31.12.2022
	Total	Attributable to non-controlling interests	Attributable to shareholders (EPRA NDV)	Attributable to shareholders (EPRA NDV)	Attributable to shareholders (EPRA NDV)
IFRS equity	29 789	-1 898	27 891	33 161	29 693
Revaluation of investments made in JVs	155	0	155	492	268
<b>Net Asset Value (NAV) at fair value</b>	<b>29 944</b>	<b>-1 898</b>	<b>28 046</b>	<b>33 652</b>	<b>29 961</b>
Fair value adjustment fixed interest rate debt, net of tax	-76	0	-76	1 057	1 089
<b>EPRA Net Disposal Value (NDV)</b>	<b>29 868</b>	<b>-1 898</b>	<b>27 970</b>	<b>34 709</b>	<b>31 050</b>
Outstanding shares at period end (million)			182.1	182.1	182.1
EPRA NDV per share (NOK)			154	191	170

### C. EPRA NET INITIAL YIELD

EPRA Net Initial Yield (NIY) measures the annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.

EPRA "topped-up" NIY incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).

All amounts in NOK million except ratio	Oslo	Bergen	Trondheim	Sandvika	Drammen	Stavanger	Total 30.06.23	Total 30.06.22
Investment property - wholly owned	51 714	3 764	7 220	4 557	0	1 594	68 848	76 421
Investment property - share of JVs <sup>1)</sup>	0	1 551	0	0	1 341	0	2 891	3 150
<b>Total property portfolio</b>	<b>51 714</b>	<b>5 315</b>	<b>7 220</b>	<b>4 557</b>	<b>1 341</b>	<b>1 594</b>	<b>71 739</b>	<b>79 571</b>
Less projects, land and developments	-2 535	-97	-399	-78	0	-54	-3 163	-8 613
<b>Completed management portfolio</b>	<b>49 179</b>	<b>5 218</b>	<b>6 820</b>	<b>4 479</b>	<b>1 341</b>	<b>1 539</b>	<b>68 576</b>	<b>70 958</b>
Allowance for estimated purchasers' cost	71	11	18	13	4	3	118	127
<b>Gross up completed management portfolio valuation</b>	<b>49 250</b>	<b>5 229</b>	<b>6 838</b>	<b>4 491</b>	<b>1 344</b>	<b>1 542</b>	<b>68 694</b>	<b>71 085</b>
12 months rolling rent	2 237	260	378	263	75	95	3 309	2 960
Estimated ownership cost	149	23	31	14	5	9	231	185
<b>Annualised net rents</b>	<b>2 088</b>	<b>237</b>	<b>347</b>	<b>249</b>	<b>70</b>	<b>86</b>	<b>3 078</b>	<b>2 775</b>
Add: Notional rent expiration of rent-free periods or other lease incentives	0	0	0	0	0	0	0	0
<b>Topped up net annualised net rents</b>	<b>2 088</b>	<b>237</b>	<b>347</b>	<b>249</b>	<b>70</b>	<b>86</b>	<b>3 078</b>	<b>2 775</b>
<b>EPRA NIY</b>	<b>4.24%</b>	<b>4.53%</b>	<b>5.08%</b>	<b>5.55%</b>	<b>5.22%</b>	<b>5.59%</b>	<b>4.48%</b>	<b>3.90%</b>
<b>EPRA "topped-up" NIY</b>	<b>4.24%</b>	<b>4.53%</b>	<b>5.08%</b>	<b>5.55%</b>	<b>5.22%</b>	<b>5.59%</b>	<b>4.48%</b>	<b>3.90%</b>

<sup>1)</sup> The value of "Investment property - share of JVs" is from Q1-23 updated to reflect Entra's ownership in the JVs consolidated in Entra's financial statements as the annualised net rents exclude the net rents attributable to non-controlling interests. Comparative figures are updated.

### D. EPRA VACANCY RATE

Estimated Market Rental Value (ERV) of vacant space divided by the ERV of the whole portfolio. All figures are adjusted for actual share of ownership of each property.

All amounts in NOK million except rate	Oslo	Bergen	Trondheim	Sandvika	Drammen	Stavanger	Total 30.06.23	Total 30.06.22
Market rent vacant areas	105	14	26	9	2	1	156	93
Total market rent	2 419	305	396	254	71	102	3 546	3 223
<b>EPRA vacancy rate</b>	<b>4.3%</b>	<b>4.8%</b>	<b>6.6%</b>	<b>3.5%</b>	<b>2.6%</b>	<b>0.6%</b>	<b>4.4%</b>	<b>2.9%</b>

### E. EPRA COST RATIO

Administrative & operating costs (including & excluding costs of direct vacancy) divided by gross rental income.

All amounts in NOK million except ratio	Q2-23	Q2-22	YTD Q2-23	YTD Q2-22	2022
Operating costs	-67	-60	-142	-124	-263
Administrative costs	-48	-44	-97	-109	-210
Less: Ground rent cost	3	4	7	7	15
<b>EPRA cost (including direct vacancy cost)</b>	<b>-112</b>	<b>-100</b>	<b>-232</b>	<b>-225</b>	<b>-459</b>
Direct vacancy cost	-13	-14	-32	-22	50
<b>EPRA cost (excluding direct vacancy cost)</b>	<b>-100</b>	<b>-87</b>	<b>-200</b>	<b>-203</b>	<b>-409</b>
Gross rental income less ground rent	854	783	1 726	1 564	3 158
<b>Total gross rental income less ground rent</b>	<b>854</b>	<b>783</b>	<b>1 726</b>	<b>1 564</b>	<b>3 158</b>
<b>EPRA cost ratio (including direct vacancy cost)</b>	<b>13.2%</b>	<b>12.8%</b>	<b>13.4%</b>	<b>14.4%</b>	<b>14.5 %</b>
<b>EPRA cost ratio (excluding direct vacancy cost)</b>	<b>11.7%</b>	<b>11.1%</b>	<b>11.6%</b>	<b>13.0%</b>	<b>13.0 %</b>

## F. EPRA LTV

Loan-to-Value (LTV) is an expression of the gearing of a company. In the BPR guidelines released in March 2022, EPRA introduced guidance on recommended LTV disclosure called EPRA LTV. The main overarching concepts in EPRA LTV are: (1) any capital which is not equity (i.e. which value accrues to the shareholders of the company) is considered as debt irrespective of its IFRS classification, (2) assets are included at fair value, net debt at nominal value, and (3) the EPRA LTV is calculated based on proportional consolidation (i.e. include the Group's share in the net debt and net assets of joint ventures and material associates). Entra has included its share of net debt and net assets in all joint ventures. In the periods disclosed below, Entra has no material associated companies.

All amounts in NOK million except ratio	30.06.2023 Group as reported	Proportionate consolidation		30.06.2023 Combined EPRA LTV	30.06.2022 <sup>3)</sup> Combined EPRA LTV	31.12.2022 Combined EPRA LTV
		Share of joint ventures	Non-contr. interests			
Bond loans	17 746	0	0	17 746	18 704	17 541
Bank loans	21 646	583	-256	21 972	20 870	22 852
Commercial papers	0	0	0	0	950	820
Net payables <sup>1)</sup>	26	45	-3	68	628	777
Cash and bank deposits	-242	-42	12	-272	-200	-248
<b>Net debt</b>	<b>39 176</b>	<b>586</b>	<b>-247</b>	<b>39 515</b>	<b>40 952</b>	<b>41 743</b>
Investment properties	73 913	139	-2 446	71 606	79 808	75 009
Properties held for sale <sup>2)</sup>	478	1 654	0	2 132	2 461	3 695
Other financial assets (equity instruments)	313	0	0	313	365	344
<b>Total property value</b>	<b>74 703</b>	<b>1 793</b>	<b>-2 446</b>	<b>74 050</b>	<b>82 634</b>	<b>79 048</b>
<b>EPRA LTV (Net debt/Total property value)</b>	<b>52.4 %</b>			<b>53.4 %</b>	<b>49.6 %</b>	<b>52.8 %</b>

<sup>1)</sup> Net payables include trade payables, other current and non-current liabilities, trade receivables, and other receivables and other assets, excluding financial assets

<sup>2)</sup> Properties held for sale include investment properties held for sale and inventory properties, i.e. properties classified as inventories as they are held with the intent to be sold in the future

<sup>3)</sup> Net payables as of 30.06.22 is updated to include other non-current liabilities and long-term receivables and other assets, excluding equity instruments, in accordance with updated guidance from EPRA issued in Q3-22. Combined Net payables as of 30.06.22 is consequently increased from 280 million to 628 million, increasing the combined EPRA LTV from 49.1 per cent to 49.6 per cent

## DEFINITIONS

12 months rolling rent	- The contractual rent of the management properties of the Group for the next 12 months as of a certain date, adjusted for (i) signed new contracts and contracts expiring during such period, (ii) contract based CPI adjustments based on Independent Appraisers' CPI estimates and (iii) the Independent Appraisers' estimates of letting of current and future vacant areas.
Capital expenditure	- Property related capital expenditure, split into four components: (i) Acquisition, (ii) Development, (iii) Like-for-like portfolio and (iv) Other. The components Development and Like-for-like portfolio combined ties to the line item Investment in the property portfolio in the investment properties rollforward, while the two other categories ties to separate line items in the rollforward.
Back-stop of short-term interest-bearing debt	- Unutilised credit facilities divided by short-term interest-bearing debt.
Borrowings	- Carrying amount of interest-bearing debt
Cash Earnings	- Net income from property management less tax payable. Cash Earnings per share is calculated as Cash Earnings divided by the average outstanding shares for the period.
Contractual rent	- Annual cash rental income being received as of relevant date
Effective Leverage	- Total interest-bearing liabilities, including debt, lease liabilities, pension liabilities and seller's credits, divided by total assets
EPRA LTV ("Loan-to-value")	- Net debt divided by total property value. Property values are included at fair value, net debt at nominal value. EPRA LTV is calculated based on proportional consolidation for partly-owned subsidiaries, associates and JVs.
EPRA NDV – Net Disposal Value	- EPRA NDV is a NAV metric reflecting the IFRS equity including the full extent of the deferred tax liability as per the balance sheet, including fair value of fixed interest rate debt and excluding goodwill as a result of deferred tax.
EPRA NRV – Net Reinstatement Value	- EPRA NRV is a NAV metric reflecting the IFRS equity excluding (i) deferred tax liability as per the balance sheet in respect of properties and financial instruments, (ii) fair value of financial instruments and (iii) goodwill as a result of deferred tax.
EPRA NTA – Net Tangible Assets	- EPRA NTA is a NAV metric reflecting the IFRS equity including only the estimated real tax liability, and excluding (i) fair value of financial instruments, and (ii) goodwill and intangible assets as per the balance sheet.
Gross yield	- 12 months rolling rent divided by the market value of the management portfolio
Interest Coverage Ratio ("ICR")	- Net income from property management excluding depreciation and amortisation for the Group (i.e. the Group's EBITDA – Earnings Before Interest, Taxes, Depreciation and Amortisation), divided by net interest on interest-bearing nominal debt and commitment fees related to investment activities. ICR is presented for last four quarters in line with Entra's financial covenants.
Independent Appraisers	- Newsec and Cushman & Wakefield Realkapital
Land and dev. properties	- Property / plots of land with planning permission for development
Like-for-like	- The percentage change in rental income from one period to another given the same income generating property portfolio in the portfolio. The figure is thus adjusted for acquisition and divestments of properties and active projects
Management properties	- Properties that are actively managed by the company
Market rent	- The annualised market rent of the management properties, fully let as of the relevant date, expressed as the average of market rents estimated by the Independent Appraisers
Market value of the property portfolio	- The market value of all properties owned by the parent company and subsidiaries. The figure does not include Inventory properties.
Net Asset Value ("NAV")	- Net Asset Value the total equity that the company manages for its owners. Entra presents NAV calculations in line with EPRA recommendation, where the difference mainly is explained by the expected turnover of the property portfolio.
Net income from property management	- Net Income less value changes, tax effects and other income and other costs from residential development in associates and JVs
Net letting	- Annualised rent of new lease contracts plus lease-up on renegotiated contracts less terminated contracts
Net nominal interest-bearing debt	- Nominal interest-bearing debt less cash and bank deposits
Net operating income	- Rental income less operating costs such as maintenance, property tax, leasehold expenses (not including financial expenses on leases recognised in accordance with IFRS 16), insurance fees, letting and property administration costs and direct property costs.
Net rent	- 12 months rolling rent less the Independent Appraisers' estimate of ownership costs of the management properties of the Group
Net yield	- Net rent divided by the market value of the management properties of the Group
Newbuild	- A new building on bare land
Occupancy	- Estimated market rent of occupied space of the management properties, divided by the market rent of the total space of the management portfolio.
Outstanding shares	- The number of shares registered less the company's own repurchased shares at a given point in time. EPRA Earnings and Cash Earnings per share amounts are calculated using the weighted average number of ordinary shares outstanding during the period. All other per share amounts are calculated using the number of ordinary shares outstanding at period end.
Period-on-period	- Comparison between one period and the equivalent period the previous year
Property portfolio	- Properties owned by the parent company and subsidiaries, regardless of their classification for accounting purposes. Does not include the market value of properties in associates and jointly controlled entities
Project properties	- Properties where it has been decided to start construction of a new building and/or renovation
Redevelopment	- Extensive projects such as full knock-down and rebuild, and projects where external walls are being materially impacted (e.g. taking a building back to its core or changing brick facades to glass).
Refurbishment	- Projects extensively impacting an existing building, but not knocking it down or materially affecting external walls
Total area	- Total area including the area of management properties, project properties and land / development properties
Total net nominal interest-bearing debt	- Net nominal interest-bearing debt and other interest-bearing liabilities, including seller's credits and lease liabilities for land and parking lots in connection with the property portfolio
WAULT	- Weighted Average Unexpired Lease Term measured as the remaining contractual rent amounts of the current lease contracts of the management properties of the Group, including areas that have been re-let and signed new contracts, adjusted for termination rights and excluding any renewal options, divided by Contractual rent, including renewed and signed new contracts.



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## Financial calendar

Third quarter 2023 **18.10.2023**

Fourth quarter 2023 **09.02.2024**