

# ANNUAL REPORT 2024

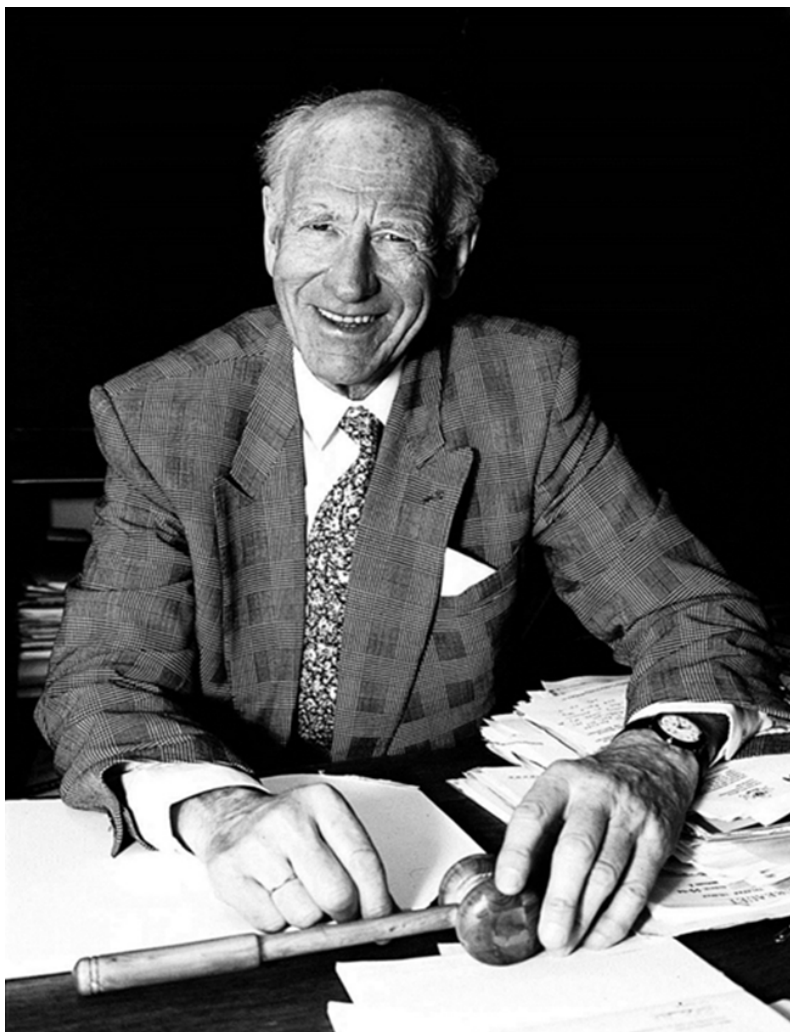
OLAV THON  
EIENDOMSSKAP



# CONTENTS

<u><b>3</b></u>	In memory of Olav THon
<u><b>4</b></u>	Olav Thon Eiendomsselskap in brief
<u><b>5</b></u>	Highlights 2024
<u><b>6</b></u>	Key Figures
<u><b>7</b></u>	Board of Directors' Report 2024
<u><b>17</b></u>	Declaration Pursuant to the Norwegian Securities Trading Act
<u><b>18</b></u>	Statement of Comprehensive Income
<u><b>18</b></u>	Statement of Financial Position
<u><b>19</b></u>	Statement of Cash Flow
<u><b>20</b></u>	Statement of Changes in Equity
<u><b>22</b></u>	Alternative Performance Measures

# Olav Thon 1923 - 2024



Olav Thon passed away in 2024, 101 years old.

Throughout his life, he was a central figure in Norwegian business and built up the country's largest privately owned real estate company, the Olav Thon Group.

Olav Thon founded Olav Thon Eiendomsselskap ASA in 1983. Until 2022, he was CEO and Chairman of the Board, and he remained an active board member until his death. In 2013, he established the Olav Thon Foundation, which today manages the ownership of the group.

Olav Thon leaves a significant footprint. He will be remembered for his exceptional commitment, his work capacity and his great contribution as a community builder.

Olav Thon is remembered with great gratitude and joy for everything he has meant to his employees, to his customers, and to his family and close friends.

# OLAV THON EIENDOMSSKAP ASA

## IN BRIEF

### HISTORY

Olav Thon Eiendomsselskap ASA was founded in 1982 and its shares were listed on the Oslo Stock Exchange in 1983.

The company has grown significantly since the beginning, with its annual rental income from properties having risen from NOK 27 originally to NOK 4 125 million by the start of 2025. In the same period, the company's market capitalisation has increased from NOK 200 million to NOK 23,0 billion.

Since the early 1990s, its main focus area has been shopping center properties, and today, Olav Thon Eiendomsselskap ASA is the largest shopping center actor in Norway and also an important player in the Swedish shopping center market. Paralelly, the company has built up a portfolio of commercial properties within other property segments, mainly in the Oslo area.

The company is part of the Olav Thon Gruppen AS, which is Norway's largest private property player and one of Norway's largest hotel operators (Thon Hotels). Olav Thon Gruppen AS is owned by the Olav Thon Foundation.

### MAIN STRATEGY

#### ACQUIRE - DEVELOP - OWN

The company's strategy is to invest in properties with development potential within various property segments.

The company aims to realise the development potential of the property portfolio through active development, effective management and satisfied tenants. In a capital intensive industry, it is important for the company to have an unconditional and strong financial position.

The combination of a high current return on the property portfolio and value creation through active property development is expected to help maximise growth in value in both short- and long-term.

### BUSINESS OBJECTIVES

The overall goal for Olav Thon Eiendomsselskap ASA's business is to achieve maximum growth in equity per share so that shareholders achieve a long-term return that is competitive with comparable investment alternatives.

Prior to business growth, a strong financial position must be fulfilled.

### BOARD AND SENIOR MANAGEMENT

Kjetil Nilsen, Chairman of the Board  
Sissel Berdal Haga Thon, Board member  
Line Norbye, Board member  
Elisabeth Holvik, Board member  
Stig O. Jacobsen, Deputy board member  
Dag Tangevald-Jensen, CEO

# HIGHLIGHTS 2024

- The Group posted another good operating result in 2024, and profit before income tax amounted to NOK 2 863 (-2 177) million.
- Profit before income tax, fair value adjustment and currency result amounted to NOK 2 129 (2 261) million.
- Fair value adjustments of investment property and financial instruments totalled NOK 774 (-4 330) million.
- The Group's rental income in 2024 amounted to NOK 3 807 (3 722) million.
- The Group's financial position is solid, and the Group's equity ratio at year-end was 51 % (50 %), while its liquidity reserves were NOK 6 561 (5 382) million.
- Retail sales<sup>1</sup> in the shopping center portfolio were NOK 62 558 million, an increase by 3,3 % from 2023.
- The Board proposes a dividend of NOK 7,25 per share (7,0) to be paid for 2024.

---

<sup>1</sup> The retail sales figures, which relate to wholly and jointly owned companies, are as reported by the tenants.



Pictures: Thon Storo

# KEY FIGURES

	APM <sup>1)</sup>	31.12.24	31.12.23
<i>NOK million</i>			
Net rental income		3 317	3 366
Fair value adjustments in investment properties and interest rate derivatives	<a href="#">1</a>	774	-4 330
Profit before income tax		2 863	-2 177
Profit before income tax, fair value adjustments and currency result	<a href="#">2</a>	2 129	2 261
Equity ratio	<a href="#">3</a>	51 %	50 %
Equity per share (NOK)	<a href="#">4</a>	312	297
Long-term net asset value per share (NOK)	<a href="#">4</a>	367	348
Net cash flow from operations		1 953	2 035
Liquidity reserves	<a href="#">5</a>	6 561	5 382
Amortisation next 12 months	<a href="#">6</a>	3 405	1 527
Interest-bearing debt	<a href="#">7</a>	21 342	20 997
Interest per balance sheet date	<a href="#">8</a>	4,92 %	5,17 %
Loan to value ratio	<a href="#">7</a>	36 %	37 %
Interest coverage ratio	<a href="#">9</a>	3,0	3,1
Net investments	<a href="#">10</a>	1 763	2 025
Market value properties	<a href="#">11</a>	58 612	56 568
Annualized rental income level	<a href="#">12</a>	4 125	3 800
Yield properties	<a href="#">13</a>	6,2 %	5,9 %
Sales, owned shopping centers		62 558	60 568
Share price (NOK)		227,0	186,5

<sup>1)</sup> Definitions, calculations and explanations on the use of alternative performance measures (APM) are included at page [22](#) in the report.



# BOARD OF DIRECTORS' REPORT 2024

## STATEMENT REGARDING THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

The consolidated annual financial statements are presented in accordance with the International Financial Reporting Standards (IFRS) which is approved by the EU, as well as the requirements of the Norwegian Accounting Act. The accounting policies have been applied consistently to all periods presented.

In accordance with the requirements of the Norwegian Accounting Act, the Board of Directors confirms that the basis for continued operations is still present. The annual financial statements for 2024 have been prepared based on this assumption.

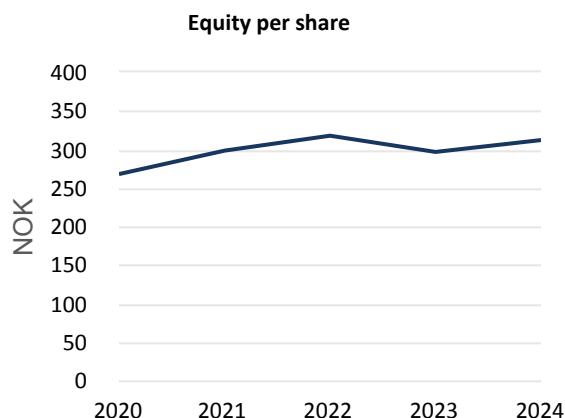
## SUMMARY OF INCOME STATEMENT AND BALANCE SHEET

### Financial position/Balance sheet as at 31.12.24

The Group's total assets were NOK 63 058 (60 501) million, with investment properties accounting for NOK 58 633 (56 577) million of that figure.

Equity amounted to NOK 32 045 (30 437) million and the equity ratio was 51 % (50 %).

Equity per share (attributable to controlling interests) was NOK 312 (297), while the long-term net asset value per share was calculated at NOK 367 (348).



Interest-bearing debt was NOK 21 342 (20 997) million, with a loan-to-value ratio of 36 % (37 %).

The Group's share of the equity in joint ventures and associated companies was NOK 1 770 (1 899) million.

### Summary of the income statement for 2024

Profit before income tax was NOK 2 863 (-2 177) million.

Fair value adjustments of investment properties and interest rate derivatives (inclusive of joint ventures and associated companies) amounted to NOK 774 (-4 330) million.

Profit before income tax, fair value adjustment and currency result amounted to NOK 2 129 (2 261) million.

### Rental income and property-related income/ expenses

Rental income amounted to NOK 3 807 (3 722) million.

Property-related income amounted to 1 080 (1 098) million and consisted mainly of payments from the Group's tenants to cover property service charges and operation of shopping center associations.

Property-related expenses amounted to NOK 1 570 (1 454) million, including the above-mentioned service charges of NOK 945 (921) million.

Maintenance expenses for the property portfolio amounted to NOK 261 (207) million.

Net rental income amounted to NOK 3 317 (3 366) million.

### Fair value adjustments of investment properties

The value of the Group's investment properties increased by 346 (-4 361) million.

The Group's property portfolio consists of the following property segments:

- Shopping center properties in Norway and Sweden
- Commercial property including rental housing, primarily in the Oslo area

The value of the Group's shopping center properties increased by NOK 448 (-2632) million, while the value of its commercial property fell by -102 (-1 729) million.

For further details please refer to the section on property operations later in the report and note 14 in the consolidated annual financial statements.

### **Share of results of joint ventures and associated companies**

The Group's share of the results of joint ventures and associated companies amounted to NOK 137 (-28) million.

The increase from 2023 can be mainly explained by fair value adjustments of shopping center properties and interest rate derivatives which amounted to NOK -1 (-152) million.

A summary of the income statements and balance sheets for these companies can be found in notes 3, 4 and 5.

### **Other operating income and expenses**

Other operating income amounted to 75 (56) million and consisted mainly of sales revenue from other activities.

Other operating and administrative expenses amounted to NOK 260 (234) million, while depreciation and amortisation amounted to NOK -13 (-17) million.

### **Financial income and expenses**

The Group's net financial items amounted to NOK -739 (-959) million, with fair value adjustments of interest rate derivatives accounting for NOK 429 (183) million.

Net interest expenses amounted to NOK -1 070 (-1 036) million.

Higher interest expenses are due to a higher average interest rate on the Group's interest-bearing debt.

Net losses related to the SEK exchange rate amounted to NOK -24 (-93) million.

### **Fair value adjustments of interest rate derivatives**

The value of the Group's interest rate derivatives increased by 429 (183) million, primarily due to higher long-term market interest rates throughout 2024 in both Norway and Sweden.

### **Cash flow and liquidity**

Net cash flow from operations in 2024 was NOK 1 953 (2 035) million.

Net cash flow from operating activities was NOK 1 741 (2 030) million.

Net cash flow from investment activities was -1 470 (-1 975) million, while net cash flow from financing activities reduced liquidity by -419 (-92) million.

The exchange rate effect on the Group's cash and cash equivalents was NOK 5 (9) million.

In 2024 the Group's liquidity reserves fell by NOK -143 (-28) million.

The Group's liquidity reserves were NOK 6 561 (5 382) million at year-end, consisting of short-term investments of NOK 83 (226) million and undrawn long-term credit facilities of NOK 6 478 (5 156) million.

## **PARENT COMPANY'S FINANCIAL STATEMENTS AND ALLOCATION OF PROFIT FOR THE YEAR**

The parent company Olav Thon Eiendomsskap ASA's financial statements have been prepared in accordance with Norwegian accounting rules (NGAAP).

Olav Thon Eiendomsskap ASA has been a pure holding company since 2020, and the Group's property portfolio is owned indirectly through subsidiaries.

The parent company's operating income amounted to NOK 0,4 (0,4) million, and the profit before tax was NOK 87 (2 751) million, where NOK 28 329 million was a result of dividends from subsidiaries.

Profit after tax for the year was NOK 72 (2 775) million.

The Board of Directors proposes the following allocation of the parent company's profit for the year:

Proposed dividend NOK 7,25 per share:	NOK 736 million
Transferred to other equity:	NOK -664 million
Allocated net result	NOK 72 million

The book value of the parent company's assets was NOK 26 602 (26 862) million.



Book equity was NOK 5 470 (6 134) million, and the equity ratio was 20,6 % (22,8 %) at year-end.

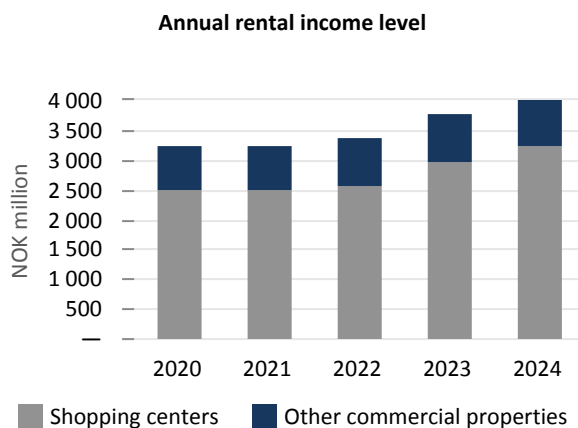
## PROPERTY OPERATIONS

### Property operations as at 31.12.24

The Group's portfolio of investment properties is carried at fair value. For information about the valuation model and the variables used in the valuation, please see note 14.

The property portfolio was valued at NOK 58 612 (56 568) million, based on an average yield of 6,2 % (5,9 %).

The annual rental income level, which shows the property portfolio's expected market rent for let and vacant space, increased by NOK 325 million to 4 125 (3 800) million in 2024.



The property portfolio is made up of the following main segments:

Segment	Market value (Share)	Rental income level (Share)	Yield
Shopping center properties	74 % (73 %)	79 % (78 %)	6,5 % (6,2 %)
Other commercial properties	26 % (27 %)	21 % (22 %)	5,2 % (4,9 %)

As at 31.12.24, the vacancy rate in the property portfolio was 3,8 % (3,6 %).

### Property portfolio owned by joint ventures and associated companies

In addition to the property portfolio carried on the Group's balance sheet, the Group owns shares in a

further 7 shopping centers through joint ventures and associates. The shares in these companies are between 25 % and 50 %.

The Group's share of the rental income level was NOK 185 (230) million at year-end, while the value of the property portfolio is estimated at NOK 2 831 (3 345) million.

The rental income level is affected, among other things, by 4 shopping centers owned by Amco Eiendom AS (50%) being taken over by a company outside the group in December 2024 (see later in the report).

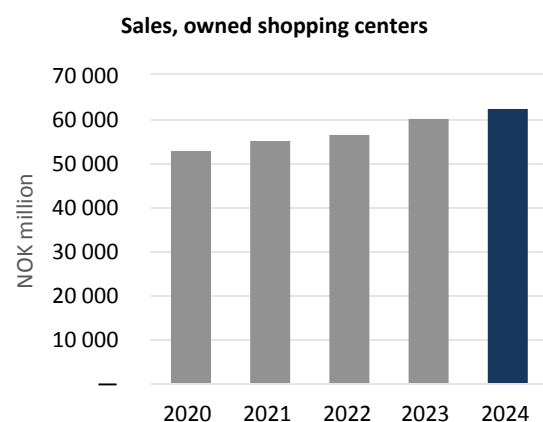
### The shopping center business area

At year-end, Olav Thon Eiendomsselskap ASA wholly or partly owned 56 shopping centers in Norway and Sweden.

Olav Thon Eiendomsselskap ASA is Norway's leading shopping center player with a solid market position.

The shopping center portfolio includes 6 of Norway's 8 largest shopping centers, including Lagunen Storsenter in Bergen, Norway's largest shopping center in terms of retail sales.

Total retail sales in 2024 amounted to MNOK 62 558 (60 568), made up of MNOK 58 582 (56 679) in Norway and MSEK 3 909 (3 904) in Sweden<sup>1</sup>.



### Commercial property

Olav Thon Eiendomsselskap ASA has a substantial property portfolio in addition to the Group's shopping center portfolio.

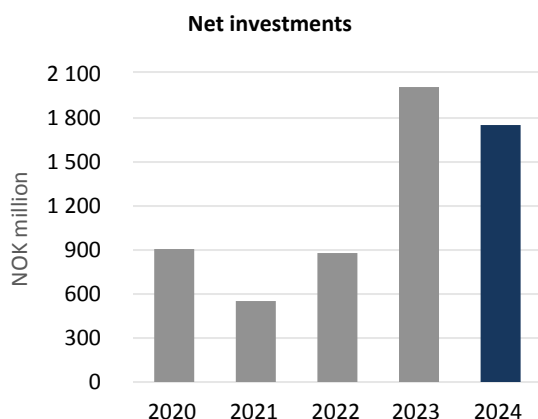
<sup>1</sup> The turnover figures are reported by the tenants, and they show wholly and partly owned companies.

The Commercial Property segment comprises 60 properties in different segments, including, retail, offices, logistics, hotel properties and 500 residential rentals. The properties are mainly located in the Oslo area.

Further information on property operations can be found on the company's website [olt.no](https://olt.no).

### Investments

The Group's total net investments in 2024 amounted to NOK 1 763 (2 025) million and mainly consist of investments in property projects under construction and upgrades of the existing property portfolio.



### Portfolio change - partly owned company

In connection with a restructuring of the jointly controlled company Amco Eiendom AS (50% ownership), Olav Thon Eiendomsselskap took over 100% of the shopping centers Amfi Sogningen, located in Vestland county, and Amfi Eidsvoll in Akershus county.

At the same time, Coop Norge Eiendom took over Amco Eiendom AS' ownership interests in the shopping centers Amfi Årnes in Akershus county, Amfi Nærbø in Rogaland county, Amfi Otta in Innlandet county and Amfi Rørvik in Trøndelag county.

The transaction was completed at the end of December 2024.

### Property development Completed in 2024

#### Arnlfjot Gellines vei 1, Oslo

This property is centrally located at the east side of Oslo with a total areal of 2 500 square meters and contains 22 residential units for rental.

#### Amfi Elverum, Elverum (50%)

This shipping center has been expanded with a new extension at around 4 500 square meters.

#### **Under construction**

The following major property projects were under construction at the end of 2024:

- Expansion of the shopping center Lagunen Storsenter, Bergen (42 % share) with total 17 500 square meters.
- Expansion of warehouse and logistic building at Gardermoen Park with 10 500 square meters.
- Construction of a new building of 2,200 square meters with retail and office space adjacent to the Sandens shopping center in Kristiansand. In addition, a total rehabilitation of the shopping center is being carried out.

In addition, major rehabilitation projects are being carried out on several of the group's larger properties in Oslo.

#### **Projects in planning phase**

Olav Thon Eiendomsselskap ASA is working on a number of major property projects that are primarily linked to the further development of its property portfolio. Whether these projects will be executed depends on factors such as official permits and market conditions.

## FINANCING

The Group's debt portfolio consists of long-term credit facilities with Nordic banks and direct borrowing in the capital markets in Norway and Sweden.

### **Interest-bearing debt and debt maturities**

At year-end, total credit facilities were NOK 27 820 (26 154) million, NOK 6 478 (5 156) million of which was undrawn.

Interest-bearing debt therefore amounted to NOK 21 342 (20 997) million.

The capital markets in Norway and Sweden are important sources of financing and a substantial proportion of the Group's financing is raised in these financing markets.

At year-end, the outstanding certificate and bond debt amounted to NOK 12 943 (11 809) million, made up as follows:

Norway:	MNOK 11 039 (11 100)
Sweden:	MSEK 1 850 (700)

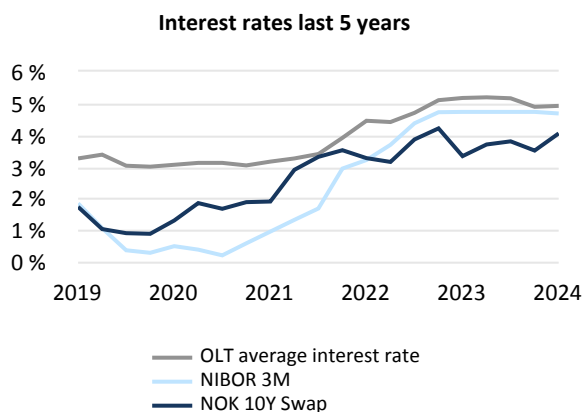
The debt had an average residual term of 3,6 (3,5) years, and 16 % (7 %) of the debt is due for repayment within 1 year.

#### Average interest rate and interest maturity

The Group's average interest rate was 4,92 % (5,17 %), divided between the following currencies:

Currency	Average interest	Share of debt
NOK	5,2 % (5,3 %)	85 % (88 %)
SEK	3,3 % (4,3 %)	15 % (12 %)

At year-end, the Group had a fixed-rate ratio of 62 % (59 %), with an average fixed-rate period of 3,0 (3,5) years.



Further information on financial matters can be found on the company's website [olt.no](https://olt.no).

## ORGANISATION AND WORKING ENVIRONMENT

Olav Thon Eiendomsselskap ASA practises equality and has zero tolerance for any form of discrimination or harassment of employees.

All employees are entitled to equal and fair treatment regardless of age, ethnic origin, disability, skin colour, nationality, political views and religion or other beliefs.

Olav Thon Eiendomsselskap ASA has defined equal pay for men and women with comparable positions as a goal for its gender equality work. No systematic

differences in pay between men and women have been identified in the Group.

Work is in progress to promote universal design of the company's general facilities, so that they can also be used by persons with impaired functional ability.

The Board of Directors considers the above-mentioned conditions and general working environment to be satisfactory.

By the end of 2024, there were 265 (237) FTEs in the Group. On the same date, parent company Olav Thon Eiendomsselskap had 1 FTE.

39 % of the Group's employees are women and 61 % are men. The Group's sick leave rate in 2024 was 5,5 % (5,7 %).

No significant injuries or accidents occurred during business operations in the period. Nor have deficiencies in employee safety or the working environment otherwise been identified.

The company's Board of Directors consists of three women and two men where one of the two are deputy board member.

At the company's Annual General Meeting on 15 of May 2024, the following board members were elected for a term of 2 years ending in 2026:

- Sissel Berdal Haga Thon
- Line Norbye

Stig O. Jacobsen was elected as a deputy board member for a term of 1 year ending in 2025.

Olav Thon Eiendomsselskap ASA has taken out insurance for members of the Board of Directors for their possible liability in relation to the company and third parties.

Statutory reporting regarding equality and anti-discrimination under section 26 of the Norwegian Equality and Discrimination Act for group companies can be found on the company's website [olt.no](https://olt.no).

## SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

Olav Thon Eiendomsselskap ASA follows the Olav Thon Group's guidelines for sustainable development and corporate social responsibility.

Olav Thon Gruppen AS is a member of the UN Global Compact, and works systematically in the areas of

human rights, working conditions, the environment, anti-corruption and social responsibility.

Olav Thon Eiendomsselskap ASA has developed a Sustainability Strategy, which sets out the Group's ambitions, targets and plans for sustainability work until 2030.

Olav Thon Eiendomsselskap ASA has published sustainability report since 2022. It describes the company's extensive work in the areas of corporate social responsibility and sustainability.

Further information on this work and the sustainability report 2024 can be found on the company's website [olt.no](https://olt.no).

### Transparency Act

The Norwegian Transparency Act is intended to ensure that enterprises respect fundamental human rights and decent working conditions in connection with the production of goods and services.

The Act imposes on enterprises a duty to provide information and a duty to carry out due diligence. This has to be done in the form of an account, which must be publicly available.

Olav Thon Eiendomsselskap ASA will publish an "Account of due diligence carried out pursuant to the Transparency Act" on the Group's website at [olt.no](https://olt.no).

## CORPORATE GOVERNANCE

Olav Thon Eiendomsselskap ASA aims to maintain a high level of trust among investors, lenders, tenants and society in general, and therefore strives to achieve good corporate governance.

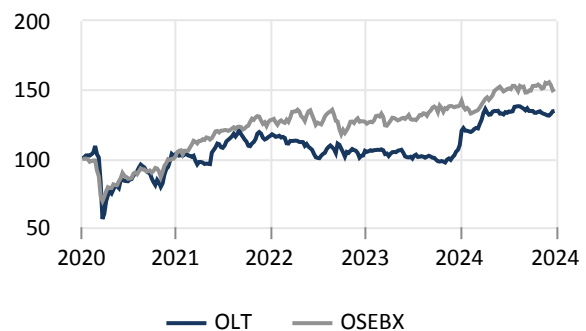
The management of the Group is essentially based on the principles set forth in the Norwegian Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board (NUES). A supplementary report on corporate governance can be found on the company's website [olt.no](https://olt.no).

Olav Thon Eiendomsselskap ASA's Board of Directors held five ordinary board meetings in 2024.

## SHARE INFORMATION

The price of Olav Thon Eiendomsselskap ASA shares at the end of 2024 was NOK 227,0, up from NOK 186,5 at the start of the year.

Share price and OSEBX development last 5 years



In recent years, Olav Thon Eiendomsselskap ASA shares have generated the following return (including dividend) compared with the Oslo Stock Exchange:

	Share price and dividend OLT	Main index Oslo Stock Exchange
<b>2024</b>	25 %	9 %
<b>Last 3 years</b>	26 %	19 %
<b>Last 5 years</b>	50 %	53 %

### Share trades

In 2024, 2,7 (2,6) million shares were traded through 11 865 (6 745) transactions on the Oslo Stock Exchange.

The highest and lowest prices in 2024 were NOK 234 (187) and NOK 184 (160) respectively.

### Shareholders

Olav Thon Eiendomsselskap ASA has issued 101 478 908 shares, which have equal rights.

At year-end, the company had 4 235 shareholders, with Norwegian investors owing 93,3 % of the shares.

At year-end, the company's market capitalisation was NOK 23,0 (18,9) billion, and the company's five largest shareholders were as follows:

Largest shareholders	31.12.24	31.12.23
Olav Thon Gruppen AS (incl. subs)	75,4 %	75,4 %
J. P. Morgan SE (nom.)	4,6 %	1,6 %
MP Pensjon	2,3 %	2,3 %
Folketrygdfondet	1,2 %	1,2 %
Otto Olsen Invest AS	1,0 %	1,0 %
Others	15,5 %	18,5 %
<b>Total</b>	<b>100 %</b>	<b>100 %</b>

### Dividend

The company's dividend policy is that shareholders should receive a dividend equivalent to 30-40 % of the Group's profit excluding fair value adjustments, given a satisfactory solvency ratio and liquidity.

In 2024, a dividend of NOK 7,0 per share for 2023 was paid to shareholders in the company on 21.05.2024.

The Board proposes that a dividend of NOK 7,25 (7,0) per share be paid for 2024.

Further information on shares and shareholders can be found on the company's website [olt.no](https://olt.no).

### OLAV THON EIENDOMSSKAP'S RISK FACTORS

The Group's risk factors can be divided into the following main categories:

- Market risk
- Financial risk
- Operational risk

#### Market risk

The Group's market risk is related to the general development of the property markets, which are affected by both general macroeconomic developments and demand for commercial property as an investment object.

The market risk is related to both the development of properties' market value and the development of rental prices for retail, office and residential properties.

The market value and rental price development of the properties is affected by macroeconomic variables such as changes in gross domestic product (GDP), unemployment, inflation and interest rate changes.

Changes in the market's required returns used in the sale of commercial property and changes in market rents for properties have a direct effect on property values.

Calculations of this effect can be found in note 14 in the annual report.

#### The commercial property market in 2024

The commercial property market improved in 2024, and the demand for commercial property was in general increasing.

Market yields on investments in commercial property showed a stable or slightly decreasing trend, and property values thus showed a generally stable trend.

The turnover volume in the transaction market for commercial property in Norway thus increased in 2024, and the total transaction volume ended significantly higher than the bottoms from 2023.

The rental prices for shopping mall properties showed a generally stable trend.

In the office rental market, rental prices were mainly stable or slightly increasing in the Oslo area, but with some varying development in other parts of the country.

#### The Group's market risk

The value of the shopping center property segment and commercial property segment developed differently in 2024.

The value of the Group's shopping center properties increased by NOK 448 million, while the value of the commercial properties fell by NOK 102 million.

Rental prices showed a stable trend for shopping center properties and stable or slightly rising trend for commercial properties.

The risk of a substantially higher vacancy rate and a significant fall in the Group's rental income is considered moderate.

A sensitivity analysis of what effects any changes in required return and rental income would have on property values and the equity ratio can be found in note 14 and on the company's website [olt.no](https://olt.no).

#### Financial risk

Olav Thon Eiendomsselskap ASA's financial risk is considered mainly to be the Group's access to financing in the banking and capital markets, and the cost of that financing.

Access to financing depends on both developments in the financial markets and the Group's creditworthiness.

The risk is mitigated by maintaining a low loan-to-value ratio, a balanced debt portfolio and significant liquidity reserves.

The cost of financing depends on market interest rates and the specific credit margin the Group has to pay.

The credit margin is linked to both the Group's creditworthiness and developments in the credit market.

### Credit rating

In February 2021, Olav Thon Eiendomsselskap ASA was awarded an Investment Grade Rating of Baa2 with "stable outlook" by Moody's.

In November 2024, the rating class was reconfirmed in February 2024, while the company's outlook was upgraded to "positive".

The credit rating has strengthened the Group's access to financing in the capital market.

### Trends in the financial markets

Access to financing is considered to be very good in 2024 with falling credit margins in the capital and banking market.

### Interest rate development

In 2024, Norges Bank held its policy rate unchanged at 4,50 %.

The short-term Norwegian money market interest rate (3-month NIBOR) went from 4,72 % to 4,68 % at year-end. The long-term money market rate (10-year swap rate) rose from 3,33 % to 4,05 % at year-end.

The Swedish Central Bank lowered its interest rate from 4,00 % to 2,75 % in 2024, this caused the short-term money market interest rate (3-month STIBOR) fell from 4,06 % to 2,54 % at year-end. The long-term money market rate (10-year swap rate) went from 2,36 % to 2,71 % at year-end.

### The credit market

The credit margin indicated for new loans issued by the Group fell gradually through 2024.

At year-end, the credit spread for 5-year unsecured bond issues in Norway was indicated at 1,10 % (1,75 %), while 12-month unsecured commercial papers were indicated at 0,45 % (0,80 %).

### The Group's financial risk factors

The Group's operations entail various types of financial risk factor:

- Liquidity risk
- Interest rate risk
- Currency risk
- Credit risk

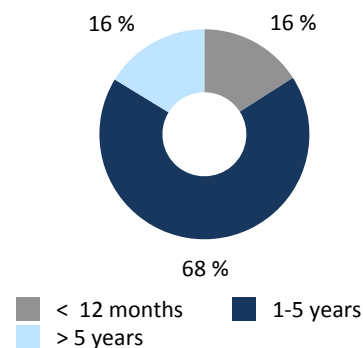
Descriptions of financial risk management and financial risk objectives can be found in note 18 in the annual report for 2024. The status of the different risks factors at year-end is described below.

### Liquidity risk

The Group's liquidity reserves at year-end amounted to NOK 6 561 (5 382) million.

The debt portfolio had an average residual term of 3,6 years (3,5) and 16 % (7 %) of the debt is due for repayment within 1 year.

Maturity profile

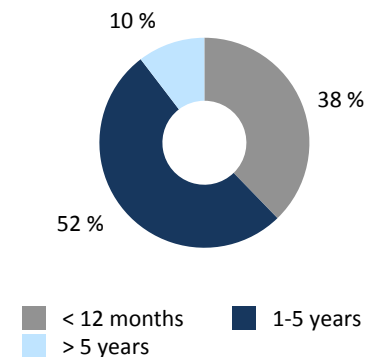


As at 31.12.24, the liquidity reserve represents 193 % of debt maturing in the next 12 months.

### Interest rate risk

At year-end, the Group had a fixed-rate ratio with a fixed-rate period exceeding one year of 62 % (59 %), with an average fixed-rate period of 3,0 years (3,5).

Interest rate profile



The average interest rate at year-end was 4,92 % (5,17 %).

Interest rate hedging in the group is mainly through the use of interest rate derivatives (interest rate swaps) at portfolio level.

At year-end, the portfolio of interest rate derivatives was NOK 23 155 (24 867) million and is made up of the following main groups:

	MNOK
Floating to fixed interest rate	11 579
Fixed to floating interest rate	3 821
Floating to fixed interest rate - future start	7 756
<b>Sum</b>	<b>23 155</b>

At year-end, total fair value was NOK 503 (74) million.

Fair value is affected by changes in long-term interest rates and by the residual term on interest rate derivatives.

It is estimated that a change of 1 percentage point in interest rates would change the market value of the portfolio by approximately NOK 550 - 650 million.

### Currency risk

At year-end, 86 % of the Group asset in Sweden was financed in Swedish kroner, and the Group therefore had a very low exposure towards the Swedish kroner exchange rate development.

The Group had both interest bearing loans in Norwegian and Swedish kroner.

At year-end, 85 % (88 %) of the Group's interest-bearing debt was nominated in Norwegian kroner, with an average interest rate of 5,2 % (5,3 %).

The debt borrowed in Swedish kronor stood at 15 % (12 %) and had an average interest rate of 3,3 % (4,3 %).

### Credit risk

The Group has had relatively low losses on rental receivables in recent years, and the risk that the Group will incur significant losses as a result of bankruptcies among tenants is considered moderate. Realized credit losses have in recent years accounted for less than 0.5% of the Group's rental income. See note [18](#) for more information on credit risk.

### Operational risk

The Group's operational risk is primarily associated with the failure of employees and operational management systems to function as expected.

Management is organised so that the risk arising from the activities and absence of an individual is relatively

low, and the Group's management systems are considered robust.

## OUTLOOK

Growth in the Norwegian economy is still relatively low, but showed an increasing trend throughout last year. Despite a slight increase, unemployment remains low and wage growth relatively high.

Inflation fell significantly through 2024, but is still somewhat higher than Norges Bank's inflation target.

Norges Bank kept the key policy rate unchanged at 4.50 % through 2024, and signals that the key policy rate will likely be lowered in 2025.

Increasing geopolitical uncertainty, persistent price growth somewhat in excess of Norges Bank's inflation target and a higher interest rate level, lead to uncertainty about economic developments both in Norway and globally in the future.

The Group's solid market- and financial position is expected to contribute in maintaining a good operating profit development going forward, despite higher interest rate and macro economy uncertainty.



Oslo 9 april 2025  
Board of directors, Olav Thon Eiendomsselskap ASA



Kjetil Nilsen  
(Chairman of the Board)



Sissel Berdal Haga Thon



Line Norbye



Elisabeth Holvik



Stig O. Jacobsen  
(Deputy board member)



Dag Tangevald-Jensen  
(CEO)

# DECLARATION PURSUANT TO SECTION 5-5 OF THE NORWEGIAN SECURITIES TRADING ACT

We confirm that, to the best of our knowledge, the company's annual financial statements for 2024 have been prepared in accordance with applicable accounting standards and that the disclosures in the financial statements give a true and fair view of the Group's and the company's assets, liabilities, financial position and profit or loss taken as a whole.

The Board of Directors confirms that the Annual Report provides a fair overview of the development and financial performance and position of the Group and the company and describes the principal risks and uncertainties the Group faces.

Oslo, 9 April 2025

Board of directors, Olav Thon Eiendomsselskap ASA



Kjetil Nilsen  
(Chairman of the Board)



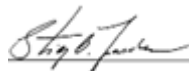
Sissel Berdal Haga Thon



Line Norbye



Elisabeth Holvik



Stig O. Jacobsen  
(Deputy board member)



Dag Tangevald-Jensen  
(CEO)

## OLAV THON EIENDOMSELSKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

**STATEMENT OF COMPREHENSIVE INCOME**

	2024	2023
(Figures in NOK millions)		
Rental income	3 807	3 722
Property-related income	1 080	1 098
Property-related expenses	-1 570	-1 454
<b>Net rental income</b>	<b>3 317</b>	<b>3 366</b>
Other operating income	75	56
Other operating expenses	-64	-56
Administrative expenses	-196	-179
Depreciation	-13	-17
<b>Net income from property management</b>	<b>3 120</b>	<b>3 171</b>
Fair value adjustments, investment property	346	-4 361
Share of profit from joint ventures and associated companies	137	-28
<b>Operating profit</b>	<b>3 603</b>	<b>-1 218</b>
Financial income	249	26
Financial expenses	-1 418	-1 169
Fair value adjustments, interest rate derivatives	429	183
<b>Net financial items</b>	<b>-739</b>	<b>-959</b>
<b>Profit before income tax</b>	<b>2 863</b>	<b>-2 177</b>
Change in deferred tax	-389	841
Income tax payable	-232	-317
<b>Income tax</b>	<b>-621</b>	<b>524</b>
<b>Profit</b>	<b>2 242</b>	<b>-1 653</b>
<b>Other Comprehensive income</b>		
<i>Items to be reclassified to P&amp;L in subsequent periods:</i>		
Currency translation differences from foreign operations	29	116
<b>Total comprehensive income</b>	<b>2 272</b>	<b>-1 538</b>
<b>Profit attributable to:</b>		
Shareholders of the parent	2 234	-1 568
Non-controlling interests	8	-85
<b>Total comprehensive income attributable to:</b>		
Shareholders of the parent	2 263	-1 452
Non-controlling interests	8	-85
Earnings per share, basic and diluted (NOK)	22	-15

## OLAV THON EIENDOMSSELSKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION

	31.12.24	31.12.23
(Figures in NOK millions)		
<b>ASSETS</b>		
Investment properties	58 633	56 577
Owner-occupied properties	177	184
Fixed assets	55	46
Investments in joint ventures and associated companies	1 770	1 899
Other non-current assets	923	442
<b>Total non-current assets</b>	<b>61 558</b>	<b>59 149</b>
Trade receivables and other current receivables	1 416	1 126
Cash and cash equivalents	83	226
<b>Total current assets</b>	<b>1 499</b>	<b>1 352</b>
<b>Total assets</b>	<b>63 058</b>	<b>60 501</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	101	101
Share premium	318	318
Other equity	31 241	29 677
Non-controlling interests	385	340
<b>Total equity</b>	<b>32 045</b>	<b>30 437</b>
Deferred tax liabilities	7 585	7 149
Lease liabilities	214	204
Interest-bearing non-current liabilities	17 937	19 471
Other non-current liabilities	128	57
<b>Total non-current liabilities</b>	<b>25 863</b>	<b>26 880</b>
Income tax payable	244	308
Interest-bearing current liabilities	3 405	1 527
Trade payables and other current liabilities	1 500	1 349
<b>Total current liabilities</b>	<b>5 149</b>	<b>3 184</b>
<b>Total liabilities</b>	<b>31 012</b>	<b>30 064</b>
<b>Total equity and liabilities</b>	<b>63 058</b>	<b>60 501</b>

Oslo, 9 April 2025

Board of Directors, Olav Thon Eiendomsselskap ASA



Kjetil Nilsen (Chairman of the Board)



Sissel Berdal Haga Thon



Line Norbye



Elisabeth Holvik



Stig O. Jacobsen



Dag Tangevald-Jensen (CEO)

## OLAV THON EIENDOMSELSKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

**STATEMENT OF CASH FLOW**

	2024	2023
(Figures in NOK millions)		
Profit before income tax	2 863	-2 177
Fair value adjustments, investment property	-357	4 350
Fair value adjustment, interest rate derivatives	-429	-183
Expensed interest	1 357	1 062
Paid interest	-1 251	-1 032
Paid income tax	-296	-234
Share of profit from joint ventures and associated companies	-137	28
Depreciation of fixed assets	13	17
Change in operating related accruals	-22	199
<b>Net cash flow from operating activities</b>	<b>1 741</b>	<b>2 030</b>
Purchase of investment properties and property, plant and equipment	-732	-705
Net payments of acquisition of subsidiaries	-901	-1 222
Other investments	164	-48
<b>Net cash flow from investment activities</b>	<b>-1 470</b>	<b>-1 975</b>
Proceeds from interest-bearing liabilities	21 852	8 483
Repayment of interest-bearing liabilities	-21 550	-7 895
Payment on leasing liabilities	-8	-8
Dividends paid	-714	-672
<b>Net cash flow from financing activities</b>	<b>-419</b>	<b>-92</b>
<b>Currency translation effects on cash and cash equivalents</b>	<b>5</b>	<b>9</b>
<b>Net change in cash and cash equivalents</b>	<b>-143</b>	<b>-28</b>
Cash and cash equivalents as at 1 January	226	254
Cash and cash equivalents as at 31 December	83	226
Unutilized overdrafts and other credit facilities	6 478	5 156

## OLAV THON EIENDOMSSELSKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF CHANGES IN EQUITY

(Figures in NOK millions)	Share capital	Share premium	Currency translation differences	Other equity	Hedging reserve	Shareholders of the parent	Non-controlling interest	Total
<b>Equity 31.12.22</b>	<b>101</b>	<b>318</b>	<b>-116</b>	<b>31 943</b>	<b>-12</b>	<b>32 235</b>	<b>438</b>	<b>32 673</b>
Profit				-1 568		-1 568	-85	-1 653
Other comprehensive income			116			116		116
Dividends paid				-660		-660	-12	-672
Other changes				-26		-26	–	-26
<b>Equity 31.12.23</b>	<b>101</b>	<b>318</b>	<b>–</b>	<b>29 689</b>	<b>-12</b>	<b>30 097</b>	<b>340</b>	<b>30 437</b>
Profit				2 234		2 234	8	2 242
Other comprehensive income			29			29		29
Dividends paid				-710		-710	-4	-714
Other changes				10		10	40	50
<b>Equity 31.12.24</b>	<b>101</b>	<b>318</b>	<b>29</b>	<b>31 223</b>	<b>-12</b>	<b>31 660</b>	<b>385</b>	<b>32 045</b>

## OLAV THON EIENDOMSSKAP ASA, CONSOLIDATED FINANCIAL STATEMENTS

**ALTERNATIVE PERFORMANCE MEASURES**

(Figures in NOK millions)

Olav Thon Eiendomsskap ASA prepares consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS). The company also wishes to present alternative performance measures (APM) in order to provide readers with a better understanding of the company's underlying financial results.

**1. Fair value adjustments in investment properties and interest rate derivatives**

Fair value adjustments in investment properties and interest rate derivatives affect the group's profit before tax. These income statement items are considered to be more determined by external factors than the other profit and loss items.

	2024	2023
Fair value adjustments in:		
investment properties recognised in profit and loss	346	-4 361
investment properties in joint ventures	4	-157
investment properties in associated companies	-10	3
interest rate derivatives recognised in profit and loss	429	183
interest rate derivatives in joint ventures	5	2
<b>Fair value adjustments, investment properties and derivatives</b>	<b>774</b>	<b>-4 330</b>

**2. Profit before income tax, fair value adjustment and currency result**

Profit before tax, fair value adjustments and currency is intended to give readers a better understanding of the Group's operating business development.

	2024	2023
Profit before income tax	2 863	-2 177
Income tax in joint ventures	11	7
Income tax in associated companies	6	8
Fair value adjustments investment properties and derivatives	-774	4 330
Currency gain	—	—
Currency loss	24	93
<b>Profit before income tax, fair value adjustment and currency result</b>	<b>2 129</b>	<b>2 261</b>



### 3. Equity ratio

Equity ratio is the Group's total book equity divided by the Group's total equity and debt on the balance sheet date, and indicates the relative proportion of equity used to finance a company's assets.

	2024	2023
Total equity	32 045	30 437
Total equity and debt	63 058	60 501
<b>Equity ratio</b>	<b>51 %</b>	<b>50 %</b>

### 4. Long term net asset value per share and equity per share

Long term net asset value per share takes into account a fair value assessment of the deferred tax liabilities. Equity per share is calculated as the majority's share of equity divided by the number of shares.

	2024	2023
Majority share of equity	31 660	30 097
Deferred tax liabilities (deferred tax liabilities current assets excluded)	7 623	7 143
Fair value of debt - deferred tax liabilities - 6 %	-2 079	-1 948
<b>Long term net asset value</b>	<b>37 204</b>	<b>35 292</b>
Number of shares (own shares not included)	101 478 908	101 478 908
<b>Long term net asset value per share in NOK</b>	<b>367</b>	<b>348</b>
<b>Equity per share in NOK</b>	<b>312</b>	<b>297</b>

### 5. Liquidity reserves

Calculation of liquidity reserves is considered to give the reader a better understanding of the Group's ability to service short-term liquidity needs.

	2024	2023
Unutilized overdrafts and other credit facilities	6 478	5 156
Cash and cash equivalents	83	226
<b>Liquidity reserves</b>	<b>6 561</b>	<b>5 382</b>

## 6. Amortisation next 12 months

Amortisation for the next 12 months show interest-bearing debt that falls due over the next 12 months, and provides a picture of the Group's future obligations.

	2024	2023
Commercial papers	257	–
Bonds	1 885	1 500
Bank loans	1 263	27
<b>Amortisation next 12 months</b>	<b>3 405</b>	<b>1 527</b>

## 7. Net Interest-bearing debt and loan to value ratio

Splitting the Group's total debt into interest-bearing debt and non-interest-bearing debt is intended to give readers a better understanding of the Group's debt situation and the Group's financial position. Net interest-bearing debt is calculated by deducting the Group's cash and cash equivalents from its interest-bearing debt. Net interest-bearing debt is used in, among other things, the calculation of the Group's loan to value ratio.

	2024	2023
Bonds, non-current	10 801	10 309
Bonds, current	1 885	1 500
Commercial papers, current	257	–
Debt to credit institutions, long-term	7 135	9 161
Debt to credit institutions, short-term	1 263	27
<b>Interest-bearing debt <sup>1)</sup></b>	<b>21 342</b>	<b>20 997</b>
Cash and cash equivalents	-83	-226
<b>Net interest-bearing debt</b>	<b>21 259</b>	<b>20 772</b>
Market value properties (see APM 11)	58 612	56 568
<b>Loan to value ratio</b>	<b>36 %</b>	<b>37 %</b>

<sup>1)</sup> Unsecured part of interest-bearing debt (where the Group has not provided collateral)

12 943                      11 809

## 8. Interest per balance sheet date

Interest on the balance sheet date is accounted interest expenses on the balance sheet date converted to annualized interest divided by interest-bearing debt on the balance sheet date.

	2024	2023
Annualized interest expenses on interest-bearing debt as of the balance sheet date	1 187	1 130
Annualized interest expenses on current interest rate swaps per balance sheet date	-137	-43
<b>Annualized interest expenses per balance sheet date</b>	<b>1 049</b>	<b>1 086</b>
Interest-bearing debt	21 342	20 997
<b>Interest per balance sheet date</b>	<b>4,92 %</b>	<b>5,17 %</b>

## 9. Interest coverage ratio

The interest coverage ratio shows the group's ability to pay its interest obligations. It is calculated by dividing the net income from property management before depreciation (12-month rolling) on net interest expenses from interest-bearing debt (12-month rolling).

	2024	2023
Net income from property management (12-month rolling)	3 120	3 171
Depreciation last (12-month rolling)	13	17
<b>Net income from property management before depreciation (12-month rolling)</b>	<b>3 133</b>	<b>3 188</b>
Interest expenses on interest-bearing debt (12-month rolling)	1 258	1 048
Interest income (12-month rolling)	-201	-26
<b>Net interest expenses (12-month rolling)</b>	<b>1 057</b>	<b>1 023</b>
<b>Interest coverage ratio</b>	<b>3,0</b>	<b>3,1</b>

## 10. Net investments

Net investments is calculated by using fair value of investments in investment properties in addition to net supply of other fixed assets and other investments.

	2024	2023
Investment properties	707	692
Acquisitions and divestments companies	901	1 222
Other fixed assets	13	11
Other investments	142	99
<b>Net investments</b>	<b>1 763</b>	<b>2 025</b>

## 11. Market value properties

Market value of properties shows the sum of the market value of investment properties owned and owner-occupied properties, which are accounted for according to different accounting principles in the Group's balance sheet. The market value does not include investment property defined as right-to-use assets.

	2024	2023
Market value investment properties - owned	58 427	56 382
Market value owner-occupied properties	185	187
<b>Market value properties</b>	<b>58 612</b>	<b>56 568</b>

In addition, the Group owns properties through joint ventures and associated companies:

Market value of properties joint venture (Group share)	1 931	2 410
Market value of properties associated companies (Group share)	882	896

## 12. Annualized rental income level

The annualized rental income level shows the real estate portfolio's expected market rent for leased and vacant premises, and provides a picture of the Group's earning potential.

	2024	2023
Annualized market rent leased premises	3 968	3 665
Annualized market rent vacant premises	157	135
<b>Annualized rental income level</b>	<b>4 125</b>	<b>3 800</b>

In addition, the Group owns properties through joint ventures and associated companies:

Annualized market rent leased premises owned through JV's and associated companies	177	224
Annualized market rent vacant premises owned through JV's and associated companies	8	6
<b>Annualized rental income level owned through joint ventures and associated companies</b>	<b>185</b>	<b>230</b>
<b>Total annualized rental income level</b>	<b>4 310</b>	<b>4 030</b>

### 13. Yield properties

Yield is the annualized rental income level less normalized (over time) lessor's owner costs divided by the market value of properties adjusted for plots and the relevant non-rental part of properties.

	2024	2023
Annualized rental income level	4 125	3 800
Lessor's owner cost	542	499
<b>Annualized net rental income level</b>	<b>3 583</b>	<b>3 301</b>
Market value properties	58 612	56 568
Adjustment market value for plots etc	437	586
<b>Market value properties after adjustment</b>	<b>58 175</b>	<b>55 983</b>
<b>Yield properties</b>	<b>6,2 %</b>	<b>5,9 %</b>

