

ML 33 Holding AS - Year-end financial report

31 December 2022



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Highlights 2022

Overview of the highlights of the year-end financial statement as at 31 December 2022

Rent level	<ul style="list-style-type: none"> Rent 2022 of -NOK 245,5m (2021 -NOK 234,3m)
EBIT	<ul style="list-style-type: none"> EBIT 2022 of -loss NOK 351,9m (profit 2021 -NOK 322,6m)
Profit/loss	<ul style="list-style-type: none"> Loss 2022 of -NOK 289,0m (profit 2021 -NOK 193,3m)
Property Value (IFRS)	<ul style="list-style-type: none"> Fair value 2022 of -NOK 3,74b (2021 -NOK 4,3b)
Non-current liabilities (IFRS)	<ul style="list-style-type: none"> Fair value of bonds 2022 of -NOK 2,2b (2021 -NOK 3,0b). The junior bond is booked at amortized cost in 2022 after the refinancing. The junior bond was refinanced in December 2022 with a down payment of -NOK 322m. New issuer amount is -NOK 360m and interest rate increased from 5 % to 9 %. The senior bond was refinanced in January 2023 with an interest rate increase from 4,5 % to 6,5 %.
Equity	<ul style="list-style-type: none"> Total equity 2022 of -NOK 781m (2021 -NOK 1,2b)
Total assets / equity and liabilities	<ul style="list-style-type: none"> Total assets / equity and liabilities 2022 of -NOK 3,9b (2021 -NOK 4,5b)
Management update	<ul style="list-style-type: none"> The company has reached an agreement with Equinor ASA for a lease renewal from 2023. The main terms of the Lease Renewal are a tenor extension equivalent of approx. 5 years to 15 years and a reduction of leased area to -44,700 sqm from -67,000 sqm. Arctic Real Estate Management and Akershus Eiendom is working on renting out the vacant premises. The company has received a one-of-compensation of NOK 406 million for Equinor's remaining lease obligation in the former lease agreement.

Income statement

ML 33 Holding AS - Consolidated income statement (IFRS)

NOKm	2022	2021
Operating income and operating expenses:		
Rental income	245,5	234,3
Other operating expenses	(32,4)	(11,7)
Operating profit before fair value adjustments	213,0	222,6
Net gain/(loss) fair value adjustment of investment property	(565)	100,0
Operating profit	(351,9)	322,6
Financial income and expenses:		
Net gain/(loss) fair value adjustment of int.bearing liabilities	49,1	72,9
Other interest income	1,9	0,2
Other financial expenses	(144,5)	(147,6)
Net financial income and expenses	(93,5)	(74,5)
Operating result before tax	(445,5)	248,0
Tax on ordinary result	(156,5)	(54,8)
Operating result after tax	(289,0)	193,3
Profit / (loss) for the period	(289,0)	193,3

Balance sheet

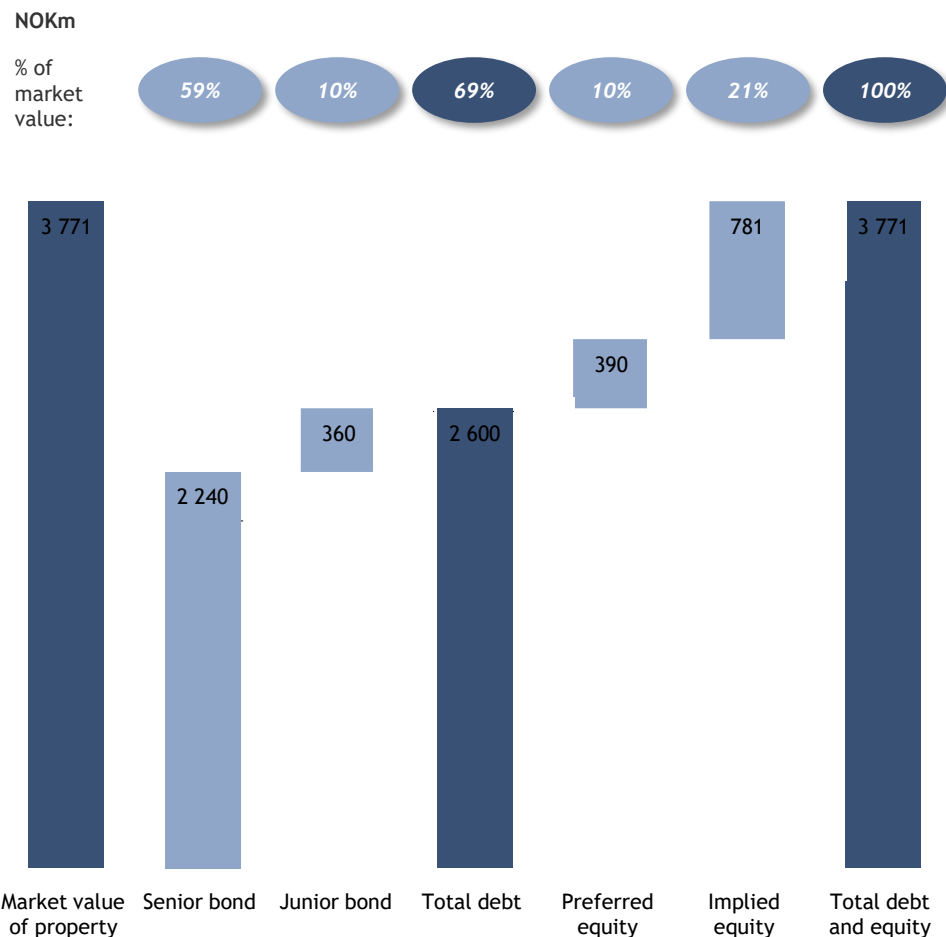
ML 33 Holding AS - Consolidated balance sheet (IFRS)

NOKm	31 December 2022	31 December 2021
Deferred tax	27,8	0
Investment property	3 735	4 305,6
Total non-current assets	3 762,8	4 305,6
Accounts receivables	49,9	0
Other receivables	20,7	2,8
Group receivables	2,0	14,4
Cash and bank deposits	118,3	129,1
Total current assets	190,9	146,3
Total assets	3 953,8	4 451,9

NOKm	31 December 2022	31 December 2021
Share capital	0,1	0,1
Share premium reserve	730,2	835,4
Other equity	50,9	339,9
Total equity	781,2	1 175,5
Deferred tax	0	128,6
Total provisions	0	128,6
Bonds	2 240	2 284,1
Total non-current liabilities	2 240	2 284,1
Bonds	360	687,0
Public duties payable	6,9	0
Trade creditors	1,5	0,3
Current liabilities	564,2	176,5
Total current liabilities	932,6	863,8
Total equity and liabilities	3 953,8	4 451,9

Last valuation from Newsec states a property value of NOK 3,735m and last valuation from Malling states a property value of NOK 3,806m

Capital structure based on last Newsec valuation¹⁾



Comments

- Current valuation LTV's²⁾:
 - Senior: LTV 59.0 %
 - Junior: LTV 67.9 %

Valuation history (NOKm)	January 2023 Malling	31.12.2022 Newsec	1.9.2022 Newsec	10.6.2022 Newsec
Current rent	174.9	175.4	162.5	244.4
Rehabilitation cost CAPEX	53.1			
Owner's cost	7.5	5.0	5.0	4.8
Net rent	114.4	170.4	157.5	239.6
Net initial yield	4.37 %	4.56 %	4.09 %	5.57 %
Gross m. rent	181.3	197.9	193.4	185.6
Net m. rent	173.8	192.9	188.4	180.8
Valuation Yield	4.53 %	4.9 %	4.6 %	4.25 %
Gross property value		3 936.4	4 096.2	4 254.1
NPV surplus rent		58.8	51.4	275.7
NPV vacancy and investment		(278,7)	(294,3)	(224,1)
NPV Other		18.4	(3.2)	(5.6)
Market value property	3 806	3 735	3 850	4 300

Note: 1) From Newsec per 31.12.2022 and from Malling per January 2023.

2) Gross debt divided by gross property value as at 1. February 2023. The new senior bond agreement requires two valuations to use the average as the property value.