4 May 2023

Corporates

Norwegian Property ASA
Kingdom of Norway, Real Estate

SCOPE BBB- STABLE

Key metrics

			Scope estimates	
Scope credit ratios	2021	2022	2023E	2024E
Scope-adjusted EBITDA interest cover	2.3x	2.1x	2.4x	2.8x
Scope-adjusted debt/EBITDA	14.8x	13.2x	11.7x	10.3x
Scope-adjusted loan-to-value ratio	45%	45%	45%	43%

Rating rationale

NPRO's business risk profile remains supportive for the rating, with strong asset quality demonstrated by a 94% occupancy rate and an above-average WAULT of 5.0 years and high profitability of around 80%. Limited geographic diversification and tenant concentration remain constraints. NPRO's leverage, currently at 45%, is expected to remain stable despite negative fair-value depreciations thanks to strong cash flows allowing for nominal debt deleveraging. Interest cover is expected to fall to 2.1x from 2.3x due to rising rates, dampened by around 70% hedging, before recovering above 2.2x in 2024 on expected strong operating cash flows and abating rates. Liquidity remains adequate.

Outlook and rating-change drivers

The Outlook for NPRO is Stable and incorporates our expectation of a stable property portfolio given current market dynamics, with very few transactions. Our rating case therefore includes no acquisitions or disposals of properties. This results in a Scope-adjusted loan/value ratio of around 45%. Interest coverage is expected to drop to 2.1x due to increasing rates, before recovering above 2.2x thereafter. We do not include the expected dividends of the NORDR joint venture in the issuers EBITDA for the time being, as the joint venture's ability to pay a relevant amount of dividends on a permanent basis has not yet been proven.

A negative rating action could occur if the Scope-adjusted loan/value ratio climbed significantly above 50% or Scope-adjusted EBITDA interest cover fell below 2.2x on a sustained basis. This could be caused by a severe reduction in the fair value of properties compared to Scope's base case, a large drop in achievable rents due to new regulations, drastically different demand patterns or an unexpected economic downturn. The Scope-adjusted loan/value ratio could also increase due to a large debt-financed acquisition.

A positive rating action would require a Scope-adjusted loan/value ratio below 40% and significant growth in assets leading to better diversification of cash flow. The loan/value trigger could be driven by a lower proportion of debt-funded capex, lower refinancing needs through stronger-than-anticipated portfolio cash flow, a substantial improvement in market sentiment resulting in strong fair-value appreciation, or a change in the funding mix. Cash flow diversification could be driven by renting out the part of the Telenor property that is currently vacant but guaranteed or by broadening geographies and tenants.

Rating history

Date	Rating action	Issuer rating & Outlook
4 May 2023	Affirmation	BBB-/Stable
28 April 2022	New	BBB-/Stable

Ratings & Outlook

Issuer BBB-/Stable

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Related Methodologies and Related Research

General Corporate Rating Methodology; July 2022

European Real Estate Rating Methodology; January 2023

ESG considerations for the credit ratings of real estate corporates; April 2021

Real Estate Outlook 2023; October 2022

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Rating and rating-change drivers

Positive rating drivers	Negative rating drivers
• Norwegian Tier 1/European Tier 2 commercial real estate company with comparatively high market shares in its core markets • Grade-A office stock, young economic age and prime locations positively influence strength and stability of operating cash flow throughout the cycle. • Stable and peer-group-leading profitability with EBITDA margins around 80% • Stable EBITDA interest cover, helped by a relatively high hedging ratio	• Dominant exposure to one market, partially mitigated by economic strength and low cyclicality in Oslo • Modest tenant diversification with top three and top 10 accounting for 31% and 48% of rental income, driven and partially mitigated by good credit quality of largest tenant Telenor, as well as good tenant quality of the remainder and tenant industry diversification

Positive rating-change drivers	Negative rating-change drivers
• Scope-adjusted loan/value ratio below 40% on a sustained basis and growth in size leading to better diversification of cash flow	• Scope-adjusted loan/value ratio rising significantly above 50% or Scope-adjusted EBITDA interest cover fell below 2.2x, both on a sustained basis

Corporate profile

Norwegian Property ASA (NPRO) is a commercial real estate company headquartered in Oslo with direct activities in Norway and exposure to Sweden through a joint venture. Its core business involves the acquisition, sale, development and management of high-quality office buildings in prime locations. The company mostly focuses on managing its properties and limits development to refurbishing. In addition, the company owns a 42.4% joint venture share in NORDR, a residential real estate developer active in Norway and Sweden. NPRO was founded in 2006, and it owned NOK 26.9bn of assets as at Q1 2023.

Financial overview

				Scope estimates		
Scope credit ratios	**2020**	**2021**	**2022**	**2023E**	**2024E**	**2025E**
Scope-adjusted EBITDA interest cover	2.1x	2.2x	2.3x	2.1x	2.4x	2.8x
Scope-adjusted debt/EBITDA	20.9x	15.9x	14.8x	13.2x	11.7x	10.3x
Scope-adjusted loan/value ratio	47%	44%	45%	45%	45%	43%
Scope-adjusted EBITDA in NOK m						
EBITDA	613	736	810	908	996	1,076
Operating lease payments	0	0	0	0	0	0
Other items	-56	0	0	0	0	0
Scope-adjusted EBITDA	**557**	**736**	**810**	**908**	**996**	**1,076**
Funds from operations in NOK m						
Scope-adjusted EBITDA	557	736	810	908	996	1,076
less: (net) cash interest paid	-261	-331	-358	-432	-417	-391
less: cash tax paid per cash flow statement	0	0	0	0	0	0
add: dividends from associates	2	0	0	100	150	330
Funds from operations (FFO)	**298**	**405**	**451**	**576**	**729**	**1,015**
Net cash interest paid in NOK m						
Net cash interest per cash flow statement	261	331	358	432	417	391
add: interest component, operating leases	0	0	0	0	0	0
Change in other items	0	0	0	0	0	0
Net cash interest paid	**261**	**331**	**358**	**432**	**417**	**391**
Scope-adjusted total assets in NOK m						
Total assets	25,389	26,781	26,911	26,588	26,083	25,874
Less: derivatives (assets)	-203	-44	-18	-18	-18	-18
Less: cash and equivalents	-666	-314	-185	-267	-36	-98
Scope-adjusted total assets	**24,520**	**26,423**	**26,708**	**26,303**	**26,029**	**25,758**
Scope-adjusted debt in NOK m						
Reported gross financial debt	12,097	12,005	12,186	12,202	11,687	11,177
less: cash and cash equivalents	-666	-314	-185	-267	-36	-98
add: non-accessible cash	0	0	0	0	0	0
add: derivatives	203	44	18	18	18	18
add: operating lease obligations	0	0	0	0	0	0
Other items	0	0	0	0	0	0
Scope-adjusted debt (SaD)	**11,634**	**11,735**	**12,019**	**11,953**	**11,669**	**11,097**

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Environmental, social and governance (ESG) profile[1]

Environment		Social		Governance	
Resource management (e.g. raw materials consumption, carbon emissions, fuel efficiency)	Green leaf	Labour management		Management and supervision (supervisory boards and key person risk)	Grey leaf
Efficiencies (e.g. in production)		Health and safety (e.g. staff and customers)		Clarity and transparency (clarity, quality and timeliness of financial disclosures, ability to communicate)	Grey leaf
Product innovation (e.g. transition costs, substitution of products and services, green buildings, clean technology, renewables)		Clients and supply chain (geographical/product diversification)		Corporate structure (complexity)	Grey leaf
Physical risks (e.g. business/asset vulnerability, diversification)		Regulatory and reputational risks		Stakeholder management (shareholder payouts and respect for creditor interests)	Grey leaf

Legend

Green leaf (ESG factor: credit-positive)
Red leaf (ESG factor: credit-negative)
Grey leaf (ESG factor: credit-neutral)

ESG profile: certification assures stable cash flow

Several new ESG reporting requirements were put into legislation in Norway in 2022. NPRO reports according to the Transparency Act and the Equality and Anti-Discrimination Act, the social conditions of which are expected to be in line with the EU Taxonomy. NPRO has already defined environmental targets according to the UN SDGs, with a base year of 2019 and goal year of 2025, although its overall ESG strategy is still under development. As part of its ESG strategy, NPRO intends to have all properties certified 'very good' or better with BREEAM or BREEAM In-Use by 2025. Some 66% of all office, retail and restaurant space is certified already, increasing the attractiveness and of its portfolio and strengthening asset quality which will support rental growth and stable cash flow going forward (positive ESG factor).

[1] These evaluations are not mutually exclusive or exhaustive as ESG factors may overlap and evolve over time. We only consider ESG factors that are credit-relevant, i.e. those that have a discernible, material impact on the rated entity's cash flow and, by extension, its credit quality.

Business risk profile: BBB-

Industry risk profile: BB

NPRO's core business is the management of its commercial real estate portfolio (industry risk of BB), with a property value of NOK 24.7bn as of Q1 2023. In 2020, the company teamed up with Fredensborg and Union Real Estate Fond to acquire Veidekke Eiendom (renamed NORDR), focussing on the development of residential real estate. Its 42.4% stake in the joint venture is dwarfed by the remainder of its property portfolio. In 2023 the joint venture is due to generate a cash inflow of NOK 98m for NPRO, with increasing dividends expected in the following years. We have not yet taken the contribution into consideration in the blended industry risk profile, as we would like to first observe a relevant amount of dividends on a permanent basis. Given that the development of residential real estate (homebuilding) also carries an industry risk of BB, the blended outcome would remain unchanged, but potentially has an impact on the other components of the business risk profile in the future.

Medium-sized commercial real estate corporate

NPRO is a medium-sized, publicly listed real estate corporate based in Norway with a core property value of NOK 25.1bn (EUR 2.2bn) and NOK 26.9bn (EUR 2.4bn) of Scope-adjusted total assets as of end-March 2023. The company's gross lettable area is 505,000 sq m. The company commands a dominant market share within its niche areas of Aker Brygge, a part of Oslo's CBD, Nydalen and Fornebu, but it only holds an estimated 6% of office space in the wider Oslo market.

Given the highly fragmented nature of the market, in which the largest listed player Entra holds around 7% of Oslo office space, NPRO's size and concentration on Oslo's CBD leads to a relatively high market share (assessed at around 6%) and high visibility for tenants and investors in Oslo. The market share also provides good access to capital markets, demonstrated by the regular issuance of secured bonds in NOK and capital raises during the pandemic. The acquisition of all remaining outstanding shares by Geveran Trading Co. Ltd. in July 2021 and the subsequent delisting from the stock exchange were seen as neutral for NPRO's capital market standing because: i) the company continues to actively use the bond market and maintains the same reporting routines and commitment to financial policy, mitigating a potential risk of increased extraordinary dividends; and ii) even before the delisting, the major shareholder was dominant and therefore the main source of equity injections, which we expect to continue as needed. We understand that NPRO is hesitant to grow or shrink its asset portfolio under the current uncertain market conditions, so we have assumed a steady-state portfolio in the short-term.

Weak geographical diversification mitigated by asset quality

NPRO's portfolio is solely based in Norway, and its direct ownership is only in greater Oslo as the company offloaded its Stavanger portfolio into a joint venture (50% ownership). Hence, we assess the company's geographical diversification as weak, mitigated by a still-healthy macroeconomic outlook; high asset quality in sought-after areas; and a diverse tenant mix in its core market of Aker Brygge/Nydalen that demonstrated resilience during the pandemic. Furthermore, we view NPRO's focus on centrally located 'value-add' office space – a mix of ground-floor retail/restaurants and underground parking facilities to make the space attractive and more liveable – as a mitigating factor to its modest diversification across property segments.

The acquisition of 42.5% of NORDR Eiendom in 2020 via a joint venture will enhance NRPO's geographical reach going forward once material cash flows are paid out to NPRO, as NORDR develops residential real estate across Sweden and Norway with a focus on the capitals and larger cities. We understand that development activities are still ongoing in Norway, while they are more muted in Sweden given a challenging market for private residential properties.

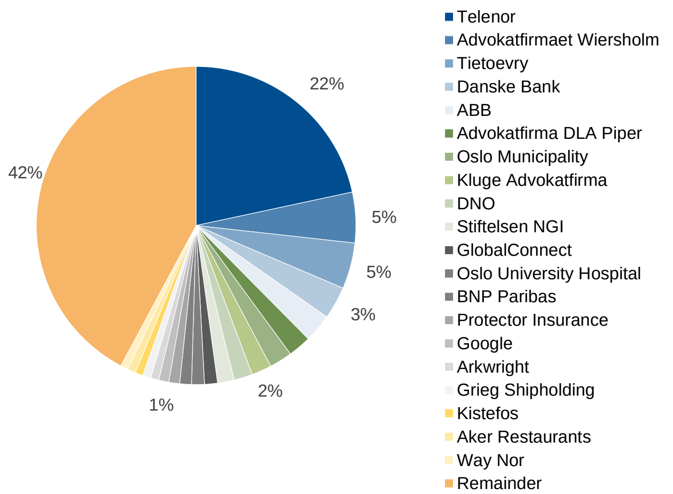
Modest tenant diversification mitigated by good tenant quality

NPRO gained a significant new tenant thanks to its acquisition of Telenor's headquarters building (Norway's largest telecom company, majority-owned by the state). Telenor alone accounts for 16% of rental income as at Q1 2023. The company guarantees the rent for the portion of the building that is currently vacant and undergoing refurbishment, resulting in a total share of 21%. The concentration risk of the largest tenant Telenor is somewhat mitigated by its strong credit quality (investment-grade) characteristics and its majority ownership by the Norwegian state. In addition, low reletting risk is a mitigant as Telenor has a remaining 23-year rental agreement for its headquarters (15% of the property's rental run rate) and guarantees the rent for currently vacant spaces for the next seven years, bringing the WAULT of this property to 7.6 years.

The next largest tenant after Telenor is Wiersholm Lawyers with 5.1%, followed by Evry (IT) with 4.7%, bringing top three tenant concentration to 31%. Top 10 tenant concentration is naturally concentrated too, at 48%.

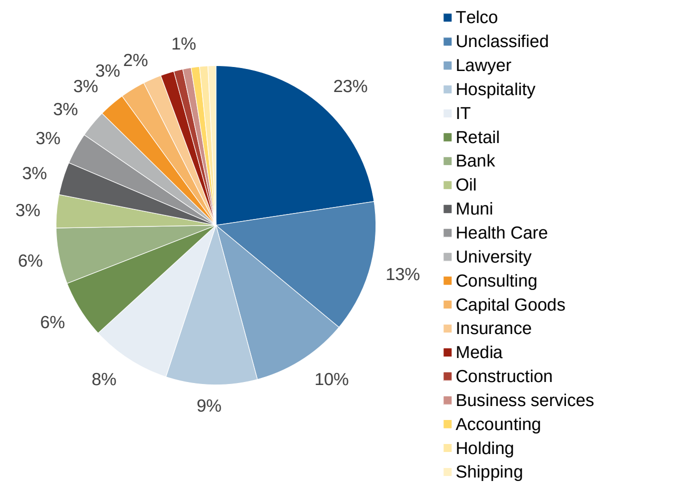
The company's multi-tenant strategy for all its properties should broaden tenant diversity and reduce lumpy renewal risk at contract maturity for single-tenant buildings, which is positive from a cash-flow visibility point of view. NPRO's total implied tenant quality, based on the percentage of bad debt during the last five years, is assessed as investment-grade.

Figure 1: Tenant diversification by NRI as at Q1 2023[2]



Sources: NPRO, Scope

Figure 2: Tenant industry diversification by NRI as at Q1 2023



Sources: NPRO, Scope

Good tenant industry diversification

The company's aim is to own attractive office properties with retail/restaurant facilities and underground parking facilities attached. This can be observed from its property diversification, comprising 67% offices, 17% indoor parking, 8% retail/restaurants and 6% warehouse space (remainder: others; as measured in sq m; normally all categories exist within one building). This results in very diverse tenants who operate in a variety of industries exposed to different degrees of cyclicality and business cycles. The top five segments are telecom (16% Telenor; including guaranteed rent: 21%), lawyers (10%), IT services (8%), hospitality (6%), banks (6%) and retail (3%), with each facing a different business cycle pattern. The remainder is split across a variety of industries, with each only making up a small single-digit percentage share. Governmental tenants make up around 7% of rental income, but this is set to increase in January 2024 when the

[2] NRI = net rental income

Norwegian National Security Authority (NSM) moves into the newly refurbished property at Snarøyveien 36 in Fornebu.

NPRO's portfolio consists mainly of modern (or refurbished), energy-efficient (mostly class A), inner-city locations in A location-ranked Oslo. 63% of its properties (measured by rental income) are in prime locations in Aker Brygge (the CBD) or Nydalen, with the remainder in Fornebu, a hub for the oil and gas industry and telecoms. Through its joint venture, the company is exposed on the office side to a small portfolio in Stavanger and on the residential side to developments predominantly in the Oslo and Stockholm areas.

Young economic age of portfolio

The economic age of the CBD locations (51% of portfolio by rental income as at end-March 2023) is around four years. The Nydalen portfolio is a mix of newly refurbished properties and some from the 1990s (partially refurbished since then) and therefore comes in at a dated 14 years, while the Snarøyveien 36 and Snarøyveien 30 buildings are currently undergoing partial refurbishments and are therefore 'very young' in this context. Overall, we assess the portfolio's economic age at around three to four years old, demonstrating the company's ongoing focus on refurbishment, which keeps it attractive for tenants and potential investors alike.

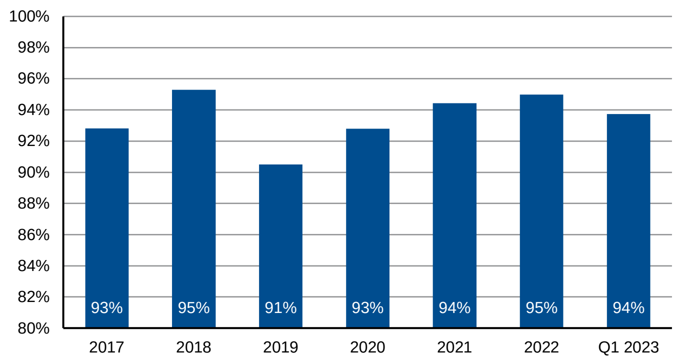
Economic vacancy of 6.3%

At Q1 2023, NPRO's overall economic vacancy stands at 6.3%, down from 6.8% YoY. The rate has been fluctuating between 4.7% and 9.5% for the last five years due to different causes. The property at Snarøyveien 36 in Fornebu was one of the drivers behind the higher vacancy level as a large tenant moved out in 2019 and the company has refurbished the property since then. On 1 January 2024 the Norwegian National Security Authority (NSM) will move into these premises (15-year contract), and they are currently being fitted for this purpose. Another area of vacancies comprises some dated properties in Nydalen, which NPRO is currently refurbishing before approaching potential new tenants.

WAULT of 5.1 years compares favourably to Nordic peers

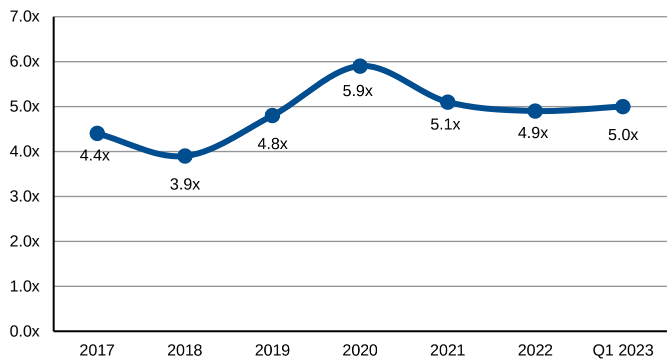
NPRO's focus on multi-tenant buildings reduces lumpy renewal and usage risk at the expense of longer leases. The company has managed to reverse the somewhat declining trend from before 2018 and showed a strong increase in 2019-20 thanks to the acquisition of Snarøyveien 30, lifting WAULT to 5.9 years at YE 2020. This was thanks to Telenor signing a 25-year lease for their headquarters and guaranteeing the rent for the unlet spaces for eight years at acquisition in autumn 2020. NPRO's overall WAULT currently stands at 5.0 (5.1) years and compares favourably to an average Nordic WAULT of four years, although we note that its exposures in Aker Brygge (4.1 years) are in line with peers, while Nydalen (2.7 years) falls a bit behind, demonstrating the need for refurbishment to attract long-term tenants.

Figure 3: Economic occupancy



Sources: NPRO, Scope

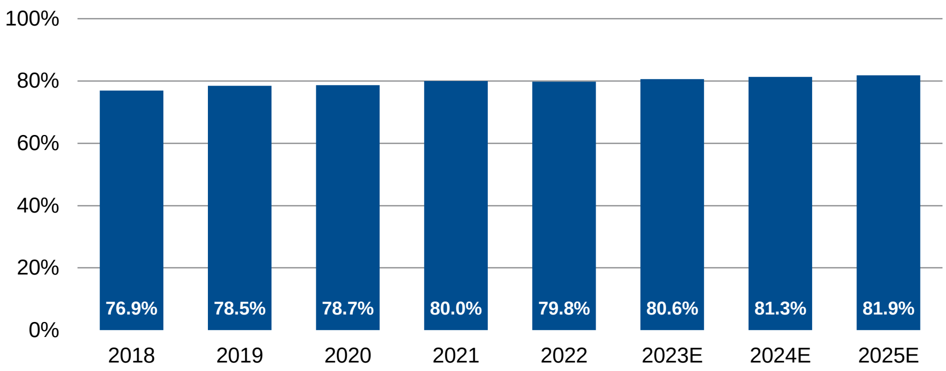
Figure 4: WAULT (years)



Sources: NPRO, Scope

NPRO's profitability, as measured by its Scope-adjusted EBITDA margin, stood at 80% for LTM Q1 2023. Its profitability has been above average and fairly stable for the last six years at between 75% and 81%, driven by good cost control and economies of scale in its geographically concentrated property portfolios. This has enabled it to insource most management functions and increase tenant satisfaction. We believe profitability from property management will continue to be stable and high, at around 81% according to our estimates. Management's focus on vacancies, a lean cost structure and a young portfolio provide comfort with regard to NPRO's margin.

Figure 5: Profitability (Scope-adjusted EBITDA margin)



Sources: NPRO, Scope estimates

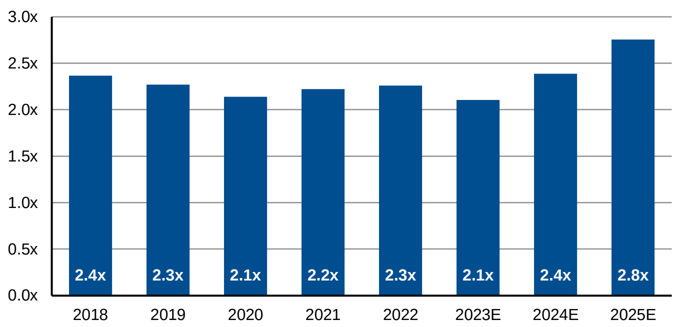
Financial risk profile: BBB-

Interest cover remains resilient thanks to 70% hedging ratio

NPRO's debt protection, as measured by Scope-adjusted EBITDA interest cover, has been above 2.1x since 2017, thanks to: i) deleveraging in 2015-16 that brought down absolute debt levels; and ii) the low interest-rate environment (despite paying high premiums for hedging activities). Given a drastically changed interest-rate environment, we forecast a drop in interest cover to below 2.2x in 2023 from 2.3x as the unhedged portion (32% at Q1 2023) will further spread out, before coming back in in 2024 and 2025. This is balanced by strong rental growth feeding through to EBITDA, which will lead the ratio to strengthen to 2.5x in 2024 all else being equal. The remaining average maturity time of interest rate hedges stands at 5.3 years.

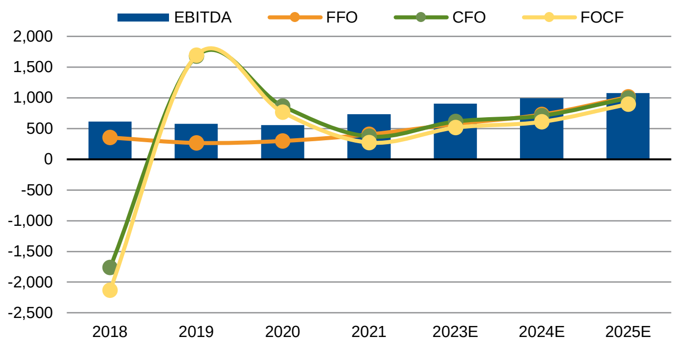
The company's financial policy to hedge 50%-100% of all floating rate debt at all times gives us comfort in our assessment, while its covenant of a 1.4x interest cover ratio is not restrictive enough to benefit the assessment.

Figure 6: Scope-adjusted EBITDA/interest cover (x)



Sources: NPRO, Scope estimates

Figure 7: Cash flows in NOK m



Sources: NPRO, Scope estimates

Positive free operating cashflow, bolstered by dividend income from JV NORDR

NPRO's funds from operations shows stability over the observed history and is expected to grow in tandem with EBITDA going forward, supported by the company's stable rental cash flow. Its cash from operations and free operating cash flow metrics have been impacted historically by the acquisition of the Hasle project, which resulted in extraordinary working capital swings related to the residential development activities that came alongside the commercial real estate part of the property. With the completion and final sale of the remaining flats in 2020, NPRO's free operating cash flow is forecasted at more normalised levels going forward and remains positive, covering all mandatory capex. While forecasted dividends are covered with good headroom by operating cash flows, potential acquisition capex would render discretionary cash flows negative as we assume those to be fully debt-funded. In the current market NPRO has not communicated any appetite to acquire properties, and 2022 was already quiet.

The uptick in cash flows in 2023, increasing in 2024 and thereafter, comes from the first cash distribution from its 42.5% preference share stake in the NORDR JV, (dividend of NOK 250m for 2022 to be paid out in Q2 2023, NPRO's share: NOK 98m; NOK 500m to be paid in 2024, NPRO's share: NOK 213m – incl. a 33% haircut by us).

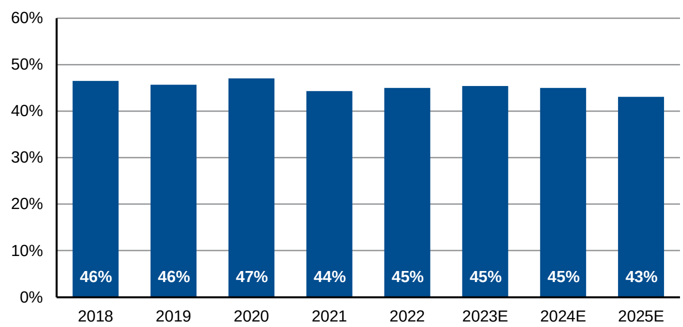
Stable LTV ratio between 45% and 50% despite significant transactions

Leverage as measured by the Scope-adjusted loan/value ratio came down significantly back in 2016. The steps NPRO took to improve its financial metrics (e.g. scrapping dividends, repaying debt after asset sales) and valuation uplifts brought down interest-bearing debt to NOK 6.8bn as at YE 2016 from NOK 9.6bn as at YE 2015 and brought the Scope-adjusted loan/value ratio below 50%, where it has remained ever since. Despite significant transactions in 2020 with the investment in the NORDR joint venture and the acquisition of the Telenor portfolio in Fornebu, the company has managed to keep its loan/value ratio stable by issuing NOK 1.7bn in new equity.

During 2021, NPRO focussed on 'consolidating' its stakes in NORDR and the Telenor portfolio, increasing occupancy and only investing selectively. This resulted in lower capex spend than predicted, which also translated into a decrease in leverage to 44% at year-end 2021. With virtually zero transactions in 2022, the Scope-adjusted loan/value ratio remained stable due to stable overall development of asset values and debt.

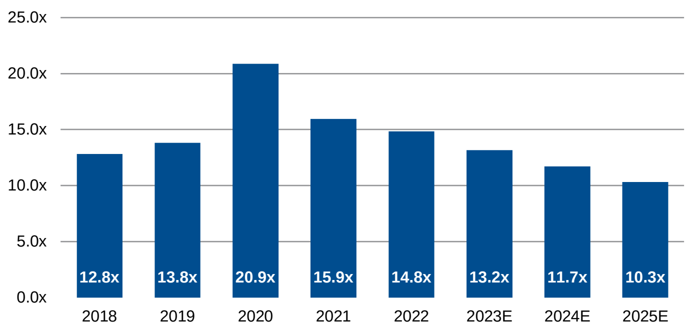
The company's leverage has been around 44%-47% for the last three years, and our base case expects it to stabilise at its current level of 45% for the foreseeable future based on: i) the company's target of an loan/value ratio of 45%-55% through the cycle; ii) no acquisitions expected and positive like-for-like rental growth; and iii) negative fair value changes in our projections, balanced by positive discretionary cash flow allowing for repayment of debt.

Figure 8: Leverage (Scope-adjusted LTV ratio)



Sources: NPRO, Scope estimates

Figure 9: Leverage (Scope-adjusted debt/EBITDA)



Sources: NPRO, Scope estimates

Scope-adjusted debt/EBITDA was around 13x-14x before the large acquisitions in 2020 and has fallen back to 15x in 2022. Given strong expected cash flows from rentals and dividend income from the NORDR JV, we expect deleveraging towards 10x. While this is elevated, the impact on our financial risk assessment remains limited due to the prime characteristics of the buy-and-hold CRE portfolio, where some uncertainty in the medium term is balanced by sought-after central locations and the decreasing nature of leverage. The potential future recognition of JV cash flows under EBITDA given their recurring characteristics and/or the potential deleveraging effects of those support our view.

Adequate liquidity

NPRO's internal liquidity cover was and is expected to be below par as the company keeps relatively limited cash on its balance sheet, and its revolving RCFs are partially one year rolling. NPRO has one rolling one-year RCF with DNB that is currently drawn at NOK 600m of NOK 662m and another one-year rolling RCF of NOK 482m with DNB/SEB that is undrawn.

The company has a three-year RCF of NOK 588m with SEB (currently NOK 500m drawn, matures in 2025) and another RCF of NOK 595m with Swedbank (currently undrawn, matures in 2025). All RCFs are secured in property portfolios.

The company has secured the refinancing of its upcoming NOK 530m RCF loan and NOK 600m bank loan in June (both secured, in different properties) with a bank loan. The next upcoming refinancing thereafter is a NOK 400m bond in November, which the company intends to refinance via a new bond if possible, but otherwise it has a backstop on the RCF and could roll it into bank debt.

However, we consider liquidity to be a manageable risk thanks to: i) all outstanding debt being secured in properties with a current average LTV ratio of 44% and a maximum LTV ratio allowance of 65%-75% providing ample headroom; ii) the company's proven access to capital and bank markets through frequent issuances of debt instruments and a willingness to raise equity if needed; and iii) a spread-out maturity profile and the company's financial policy of not allowing maturing debt of more than 20% of total loans over the next 12 months to be rolling.

While the secured nature of NPRO's debt eases refinancing, the encumbrance of the whole portfolio limits the company's flexibility to rake on capital market debt (especially senior unsecured debt).

Balance in NOK m	2023E	2024E	2025E
Unrestricted cash (t-1)	185	267	36
Open committed credit lines (t-1)	1,227	1,227	1,227
Free operating cash flow	516	609	897
Short-term debt (t-1)	1,834	2,615	3,110
Coverage	**105%**	**80%**	**69%**

Appendix: Peer comparison

	Norwegian Property ASA	Fastpartner	Globe Trade Centre S.A.	Inmobilaria Colonial SOCIMI S.A. **	Merlin Properties SOCIMI S.A.
	BBB-/Stable	BBB-/Stable	BBB-/Stable/--	--/--*	--/--*
Last reporting date	31 Mar 2023	30 Jun 2022	30 Sep 2022	31 Dec 2022	31 Dec 2022
Business risk profile					
Scope-adjusted total assets (EUR m)	2,540	3,702	2,574	13,309.7	11,622
Portfolio yield	4.5%	4.8%	6.5%	2.7%	4.7%
Gross lettable area (million sq m)	505	1,573	758	1,688	3,182
No. of residential units	na	na	na	na	na
No. of countries active in	2	1	6	2	2
Top three tenants (%)	22%	9%	11%	10%	10%
Top 10 tenants (%)	48%	19%	25%	26%	21%
Office (share of NRI)	67%	46%	65%	96%	54%
Retail (share NRI)	8%	12%	35%	3%	27%
Residential (share NRI)	0%	0%	na	0%	na
Hotel (share NRI)	0%	4%	na	na	na
Logistics (share NRI)	6%	24%	na	0%	13%
Others (share NRI)	19%	14%	na	1%	na
Property location	Mainly ‘A’	‘A’ and ‘B’	Mainly 'B'	Mainly ‘A’	‘A’ to ‘B’
EPRA occupancy rate	95%	92%	89%	96%	95%
WAULT (years)	5.0	4.6	3.6	5.0	3.2
Tenant sales growth	na	na	na	na	27.7%
Like-for-like rental growth	na	na	na	7.0%	7.3%
Occupancy cost ratio	na	na	na	na	na
Scope-adjusted EBITDA margin	80%	68%	84%	77%	75%
EPRA cost ratio (incl. vacancy)	na	na	na	21.9%	26.7%
EPRA cost ratio (excl. vacancy)	na	na	na	20.1%	24.5%
Financial risk profile					
Scope-adjusted EBITDA interest cover	3.1x	5.1x	3.2x	3.1x	3.3
Scope-adjusted loan/value ratio	40%	44%	46%	38%	33%
Scope-adjusted debt/EBITDA	14.8x	13.5x	10.7x	17.9x	11.6
Weighted average cost of debt	2.1%	1.5%	2.2%	1.7%	2.0%
Unencumbered asset ratio	204%	230%	203%	235%	>250%
Weighted average maturity (years)	5.3	3.7	4.5	na	na

* Subscription ratings available on ScopeOne

Sources: Public information, Scope

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