

PIONEER PROPERTY GROUP ASA HAS ENTERED INTO AN AGREEMENT REGARDING THE SALE OF PIONEER PUBLIC PROPERTIES AS AND PIONEER MANAGEMENT AS

Pioneer Property Group ASA ("PPG") has today entered into an agreement with Odin Bidco AS (the "Buyer"), a newly incorporated company funded by a consortium consisting of Australian pension funds managed by Whitehelm Capital ("Whitehelm") and the Whitehelm European Infrastructure Fund II (the "Consortium"), regarding the sale of all of the shares in Pioneer Public Properties AS ("PPP") and Pioneer Management AS ("PM"), which are both wholly-owned subsidiaries of PPG (the "Transaction").

Closing of the Transaction is expected to take place ultimo October 2019 and in no event later than 20 November 2019. The Transaction is only made conditional upon regular conditions related to compliance with the agreement and its warranties in the period up to closing.

PPG is a holding company, and the main part of PPG's business has been carried out through PPP and its direct and indirect subsidiaries (the "Portfolio Companies"). The Pioneer group is the owner of an extensive property portfolio consisting of more than 170 properties located in Finland, Sweden and Norway. The board of directors of PPP consists of Anders H. Løken (chairperson) and Roger Adolfsen (director), while the board of directors of PM consists of Roger Adolfsen (chairperson) and Even Carlsen (deputy director). As of 9 October 2019, there were no employees in PPP, while 2 persons were employed by PM. The persons who conduct the business of both PPP and the Portfolio Companies are employed by PM. The management of PPG is engaged by PM, and will be transferred to the Buyer in connection with the Transaction. Consequently, a new management will need to be retained by PPG. PPG has initiated a recruitment process in this respect and it is intended that the new management of PPG will assume their positions upon closing of the Transaction.

The parties have agreed on a total purchase price for the shares in PPP and PM of NOK 2,725 million prior to adjustments for certain dispositions carried out in 2019 (the "Purchase Price"). Further, the parties have agreed that PPG shall be entitled to an earn-out of up to NOK 100 million. The earn-out is conditional upon the future development of the PPP group.

Parts of the Purchase Price will be settled by way of issuance of a receivable which PPG shall use to reinvest in the Buyer, resulting in PPG obtaining a shareholding of 10% in the Buyer. Hence, PPG secures a long-term partner of interest for future cooperation.

The Transaction implies that PPG will sell several of its subsidiaries, and also main parts of its business. Immediately following closing of the Transaction, PPG's balance sheet will comprise cash of approximately NOK 2,550 million, real property with a total value of approximately NOK 10 million and 10% of the shares in the Buyer (being acquired through the reinvestment). The Pioneer group's financial liabilities are held by PPP, and will be transferred to the Buyer upon completion of the Transaction. Hence, the board of directors and the management are of the opinion that PPG will be well-positioned to engage in further development and investments.

The board of directors of PPG has resolved that PPG's business shall continue to include investments in real property – in addition to the reinvestment in the Buyer – following closing of the Transaction, and that PPG shall continue to enter into long-term lease agreements regarding these properties. The board of directors is also considering to establish a new branch of PPG's business, which shall focus on investments within commercial property, such as office buildings and hotels, which may also include property development. The preference shares issued by PPG will not be affected by the Transaction.

The Buyer expects to refinance the existing financial liabilities of PPP, including PPP's outstanding bond loan with ticker PPU01 and ISIN NO 001076761.9. The repayment will in such event be carried out by exercise of the buy-back option in the loan agreement at 102.75% of par value. PPG has entered into incentive agreements with key employees in PM, which are conditional upon completion of the Transaction.

Key figures from the balance sheet and profit and loss accounts of PPP and PM are attached to this notice. There are no significant assets or liabilities which are not shown in the balance sheets. The business of PPG is not subject to governmental licence requirements (*Nw. "konsesjoner"*).

About Whitehelm

Whitehelm is an independently owned real-asset manager with over 21 years' experience in the acquisition and management of property and infrastructure assets. Whitehelm has a long history of successfully providing key infrastructure to local communities. In Norway, this includes investments in Kvitebjørn Varme, the operator of Tromsø's district heating network, and SAE, a state-of-the-art energy-from-waste plant in Sarpsborg. Other of Whitehelm's investments include Storrund Vindkraft, a 30MW onshore windfarm in Sweden, and ITE College West in Singapore, a technical college with over 7,000 full time students.

Whitehelm focuses on working with local communities to provide sustainable infrastructure that meets the highest Environment, Social and Governance standards. Whitehelm is proud to be a signatory to the United Nations backed Principles for Responsible Investing (UNPRI) and a member of GRESB infrastructure.

Whitehelm and the Consortium are committed to a long-term, stable and supportive ownership of PPP and PM.

Advisors:

Pareto Securities AS is acting as PPG's financial advisor. Advokatfirmaet Thommessen is acting as PPG's legal advisor.

DNB Markets is acting as Whitehelm's financial advisor. Advokatfirmaet Wiersholm is acting as Whitehelm's legal advisor.

For further information, please contact:

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PIONEER PUBLIC PROPERTIES (CONSOLIDATED)

<i>In NOK thousands</i>	FY 2016	FY 2017	FY 2018	Q2 2018	Q2 2019
	Restated				
Profit and Loss					
Total income.....	217,741	255,707	288,246	72,351	77,183
Total operating expenses.....	-25,627	-26,917	-25,288	-7,963	-7,720
Operating profit (EBIT)	437,191	427,115	383,355	64,388	118,160
Net finance.....	-151,664	-103,739	-139,128	-42,737	-36,776
Profit for the period before tax	285,527	323,376	244,227	21,652	81,384
Tax	-95,900	-73,899	-49,168	-4,979	-17,904
Profit for the period.....	189,627	249,477	195,059	16,673	63,479
Statement of financial position					
Total assets	4,222,360	4,838,838	5,538,376	5,097,214	5,505,911
Total equity.....	1,593,480	1,824,196	1,961,909	1,802,022	1,967,831
Total liabilities.....	2,628,879	3,014,644	3,576,467	3,295,192	3,538,080
Total equity and liabilities.....	4,222,360	4,838,840	5,538,376	5,097,214	5,505,911

PIONEER MANAGEMENT AS

<i>In NOK thousands</i>	FY 2016	FY 2017	FY 2018
Profit and Loss			
Total income.....	11,391	16,019	19,281
Total operating expenses.....	-2,669	-5,018	-11,625
Operating profit (EBIT)	8,722	11,001	7,656
Net finance.....	458	8,910	324
Profit for the period before tax	9,179	19,911	7,979
Tax	-2,298	-2,713	-1,851
Profit for the period.....	6,882	17,198	6,128
Statement of financial position			
Total assets	15,755	18,145	9,057
Total equity.....	484	5,995	2,763
Total liabilities.....	15,271	12,150	6,294
Total equity and liabilities.....	15,755	18,145	9,057