



INVESTOR UPDATE

REAL DANMARK A/S - 2020 Q4

JANUARY, 2021



REAL DANMARK
EJENDOMME A/S

OSKAR
GROUP

REAL DANMARK UPDATE

Since we acquired the three properties, many exciting things have happened.

As Blegdamsvej is still proceeding according to plans, the development process around Roskildevej has now been intensified as the property was ultimately acquired by year's end.

In addition, Oskar Group has assigned Anna-Maria Paamand as special project manager for the Roskildevej project.

The team of architects, engineers, contractors and Oskar Group's own staff are continuously in close dialogue with municipalities and other bodies.

Finally, we have the honor of presenting a new Board member – Ulrich Hejle. Ulrich is partner in DLA Piper and has a unique combination of legal and real estate financing competences. We are pleased that Ulrich has joined the Board of Directors. Ulrich is replacing Nils Thygesen.



MARKEDSUPDATE 4. KVARTAL 2020: 2020 – fra bust til boom inden for få måneder

Al Peter Weidner,
CEO, Partner, Colliers

Det nu snart færdiggjorte år vil gå over i
historien som et af de mest omskiftelige
og mest urolige år nogensinde, men samtidig

En tur i rutsjebanen
Vi er snart på vej ud af det, hvor stem-
ningen er ubehagelig og usikkerhed er

EJENDOMSWATCH

Investor Udvikling Alment byggeri Rådgiver Service Regulering Navne/7

Heimstaden køber danske ejendomme for 12,1 mia. kr.

Den svenske investor overtager godt 6200 boliger fra Niam, som hidtil har ligget under HD Ejendomme i Odense. Danmark bliver dermed det største marked for Heimstaden, som styrker sin position som landets største private boligudlejer med snart over 16.000 lejeboliger herhjemme.



AF JØRGEN BENDSEN
Offentliggjort: 15.12.20 kl. 14.03

Årets og måske den største ejendomshandel i Danmark
nogensinde er en realitet.

Svenske Heimstaden, der er kontrolleret af den norske velhaver
Ivar Tollefsen og desuden har en række pensionskasser i
ejer kredsen, overtager således HD Ejendomme med hjemsted i
Odense. Det sker fra ligeledes svenske Niam i en handel til 12,1
mia. kr., oplyser Heimstaden.



Læs også

Danske kontor- og
industri ejendomme
indgår i mulig
milliardhandel

Kapitalforvalter bejder
til professionelle: "Vi
konkurrerer på
købsmarkedet til
markedet"

Boliger faldt uden for
strategien og førte til
tre cifret millionhandel
med Pensam

Castellum-formand

MARKET UPDATE SINCE OUR LATEST REPORT

The situation around Covid-19 saw a two-fold development in Denmark during Q4. Tighter restrictions were reinstated in December, reinforcing a partial lockdown until January 17. But on the positive note the vaccines are now being rolled-out nationwide with a normalization of society approaching.

Several larger Danish RE transactions were also concluded by end 2020, proving that investment appetite is strong, especially for the right assets, where prices haven't really been affected.

The most notable during Q4 was Heimstaden's takeover of a residential and commercial portfolio of 777k m² across 187 different properties from Niam in a DKK 12bn transaction, the largest of the year and potentially the largest in DK history. Other larger transactions during Q4 involved on the buy side the likes of Goldman Sachs, Highbrooks Investors, various Danish pension funds, Axa IM Real Estate etc.

Turning the 2020 page, the RE transaction outlook for 2021 is quite positive as the effects from the vaccines commences, although the kick on the retail and hotel segment might evolve at a somewhat slower pace.

Sources: Colliers, Ejendomswatch



THE PORTFOLIO



KØBMAGERGADE 57 is located in the inner-city, prime high-street of Copenhagen. The two buildings include two retail units and seven residential units with a total gross lettable area of 1,309 sqm. The building is fully-let.



BLEGDAMSVEJ 124 is a 6,186 sqm (vacant) office building located less than 2.5 kilometers from the CBD of Copenhagen. The Metro stop, Trianglen, is just 30 meters from the building, offering convenient and speedy accessibility to the rest of Copenhagen.



ROSKILDEVEJ 547 is located next to one of our other projects in Brøndby. The property is currently an empty site with construction initiation pending. A lease contract with Zleep Hotels has already been signed, while we are in final negotiations with Carls Jr. and Burger King a fast-food unit. The project has been delayed due to Covid-19.

UPDATE ON
KØBMAGERGADE 57



KØBMAGERGADE 57

DEVELOPMENT PLAN

- We are currently evaluating several development options for the property.
- As initially scheduled, the plan to fully renovate the attic persists, creating two new spacious penthouse apartments with private terraces.
- Materials have been received from our architects illustrating a ground floor courtyard filling of approx. 400 m² with new retail space. Additionally, we are assessing the option of a simple new-built residential side building - adjacent to the front building - of around 250 m².
- Construction and development is estimated to be completed within the next 21 months.

PROGRESS

- Due to the current Covid-19 situation and the subsequent impact on the brick-and-mortar retail sector in Denmark, the project development is deliberately slowed down and postponed to 2021. The positive outlook from the roll-out of the new vaccines is expected to ease the ongoing uncertainty and speed-up the development process. Application for building permit will be submitted before the end of Q1 2021.
- The residential investment market hasn't been impacted by Covid-19. This market remains strong. The retail sector is currently negatively impacted by Covid-19. However, a number of international brands have entered into new leases in the center of Copenhagen during Q4 2020 and there is a significant interest in our property with regards to retail leases and from investors.
- Telenor's contract has been terminated by year's end and the lease is currently vacant. The property is still creating a good cash flow from the other tenants. Telia is paying its rent "as usual" and the same goes for the residential tenants.

FINANCIALS

- Acquisition costs of MDKK 112.
- Future valuation of MDKK 203 made by Colliers based on a yield of 3.50%
- Value creation due to the 400 m² courtyard extension and the two penthouse apartment additions.
- NOI estimated to increase from MDKK 3.34 to MDKK 7.11 upon completion.

UPDATE ON
BLEGDAMSVEJ 124





BLEGDAMSVEJ 124

DEVELOPMENT PLAN

- Full renovation and refurbishment of all office areas.
- The ground floor will include an approx. 1,360 m² Netto supermarket unit.
- The remaining areas will be leased to established companies for office use. Office users will have access to the various outdoor terraces.
- Construction and development is estimated to be completed by the end of Q3-2021.

PROGRESS

- The property has been sold to a Danish Pension Fund on a turn-key basis.
- A lease contract for the supermarket has been signed with Salling Group (Netto brand), accounting for 37% of the future total rental income.
- Negotiations with various office tenants are ongoing and a conditional lease contract for 2,560 m² has been signed, accounting for 55% of the total lettable office areas. Combined with the signed Netto lease contract, this has pushed the signed future rental income up to 72%. The new tenant has been approved by the Danish Pension Fund.
- The construction work has been initiated and the internal stripping has been completed. Construction is progressing according to plans.

FINANCIALS

- Acquisition costs of MDKK 143.
- Future value of MDKK 308 based on agreed turn-key yield of 4.00% with the buyer, PenSam
- Value increase due to refurbishment and optimization of the property.
- NOI of MDKK 12.33 upon completion with office rental levels of DKK 1,800 per m².
- The property will be up-sized with close to 200 new m² for the supermarket.

UPDATE ON
ROSKILDEVEJ 547



ROSKILDEVEJ 547

DEVELOPMENT PLAN

- New construction of a 5,757 m² hotel building with a fast-food restaurant in the ground floor and parking facilities in the basement.
- The site is logistically excellent located in the Greater Copenhagen area right at the intersection between Roskildevej and the Motorway III.
- Upon completion 136 rooms and an estimated NOI of MDKK 7.8 annually.
- Construction is estimated to be completed during H1-2022.

PROGRESS

- The property has been acquired end of Q4-2020. With the roll-out of the Covid-19 vaccines, the project is now progressing at a higher pace.
- A lease contract (20Y) with Zleep Hotels is signed. The Zleep owners are supportive to our project and to the Zleep chain in general.
- Negotiations for the fast-food unit was delayed in Q4 2020 due to Covid-19 but is expected to be concluded shortly with either Carls Jr. or Burger King.
- Building permits have been received conditional upon laying out access conditions from the public road.
- A total contract is expected to be signed during January. Construction is expected to be initiated by end of Q1-2021.
- The sales process is to be initiated medio or end H1-2021. Colliers has been appointed as sales representative and materials are being prepared.

FINANCIALS

- Acquisition costs of MDKK 19.5.
- Future value of MDKK 141 with a yield of 5.25%.
- NOI of MDKK 7.8 when completed.
- Additional building rights valued at MDKK 15.7 resulting in a total sales price of MDKK 158.

COLLATERAL

VALUATIONS

- As is" valuation of Købmagergade, Blegdamsvej and Roskildevej are based on valuations performed by various property valuation professionals
- A valuation of the property at Købmagergade made by an expert represents a yield of 3.50% and a value of DKK 203m
- Future value of Roskildevej has been valued to DKK 158m by Nordic Hotel Consulting on a yield of 5.50%
- The Group has signed an SPA for Blegdamsvej 124 with a Danish Pension Fund on a turn-key basis. Sales price has been set to yield of 4.00%, corresponding to an exit price of DKK 308m



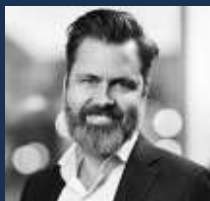
Nordic Hotel Consulting is the leading hotel advisory in the Nordics and provide fully integrated solutions to investment advisory and asset management





HENRIK WESSMANN JENSEN

- 40 years of experience within property development in Denmark and has worked in Oskar Group since 1979
- Became CEO and owner in 1991
- Previous key projects include the HQs of D/S Norden and Finanstilsynet, store facilities for A&F, Acne and H&M Group



CHRISTOFFER PLOUG

- +15 years of experience from the real estate sector
- Specialist within property tax and financing
- Prior to Oskar Group, Christoffer has been working in executive and management roles in the RE and telecom sectors
- Holds a law degree from University of Copenhagen



LISE MADSEN

- +20 years of experience with RE development
- Previous experience from Rambøll and Copenhagen Airport.
- Holds a BA in Organization and a Master's degree within marketing



ALBERT HORVATH

- Worked as a Junior Analyst at Oskar Group for 4 years
- Specialist within corporate finance and spreadsheet modeling
- Previous experience from Danske Bank Loan Capital Markets in London and Wealth Management in Denmark
- Holds an MSc degree in Accounting and Finance from CBS



ANNA-MARIA PAAMAND

- +20 years of experience with RE development
- Previous experience as project manager domestically and internationally at NPV, Sjælsø, Kuben, TK Development etc.
- Holds an MSc in construction engineering, an HD from CBS and an AP degree in Real Estate Management from Niels Brock



BO SATTRUP

- +20 years of experience as CFO and top executive mgmt. from listed and PE owned firms in various sectors
- More than 7 years of experience from the RE sector including 2 years as CEO, spear heading a turn-around
- Holds a BA in finance and accounting from CBS and an Executive Business Master Certificate from Center for Ledelse



MATHIAS HARTMANN BONDE

- 8 years of experience from the RE sector
- Prior to Oskar Group, Mathias worked as investment broker and have great experience within the field of commercial RE investment and valuation
- Holds an MSc degree within International Business and Law



JESPER CORDSEN

- +20 years of experience from international business development and management
- Previous executive and mgmt. experience from KEH Group, YOU Brands Denmark, BASF, Hempel and Schulman Plastics
- Holds an MBA from Newport University, California



KARIN CRILLESEN

- Professional and experienced Finance Director with an international perspective and solid finance competences working both at operational and strategic level.
- Broad finance experience in knowledge-based companies mainly within IT and with mgmt. experience at different levels.

THE BOARD

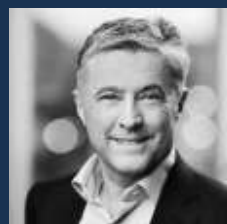
BOARD MEMBERS:

**HENRIK FRISCH**

- Extensive experience at C level positions in large Danish companies. Among those Toms Gruppen and Scandlines
- Investor in Real Estate for more than 30 years.
- Board experience from different industries. Among those Chairman in listed BoStad A/S
- Holds a Master of Science (MSc) i Business Administration

**ULRICH HEJLE**

- +15 years of experience within finance structure.
- Extensive experience in real estate finance.
- Partner at DLA Piper.
- Has been advising various Danish and International RE companies and asset managers in several larger finance transactions.

**HENRIK WESSMANN JENSEN**

- 40 years of experience within property development in Denmark and has worked in Oskar Group since 1979
- Became CEO and owner in 1991
- Previous key projects include development of the HQ of Rederiet Norden and Finanstilsynet, store facilities for Abercrombie & Fitch, Acne and H&M Group in Copenhagen