



INVESTOR UPDATE

REAL DANMARK A/S – 2021 Q1

APRIL, 2021



REAL DANMARK
EJENDOMME A/S

OSKAR
GROUP

REAL DANMARK GENERAL UPDATE

Blegdamsvej is still progressing according to plans and the conditional lease contract mentioned in the Q4-2020 report has now become final and without any modifications.

At Roskildevej 547, a turn-key contract has now been signed with the Danish contractor HP Byg. Construction is to be initiated shortly.

Købmagergade has started moving towards the next step in the planning phase, as initial future floor plan drawings have been laid out and forwarded to the municipality for preliminary reviews.

On the organizational note, Oskar Group has assigned Flemming Jensen as a general project manager. Fleming will primarily be focusing on getting Blegdamsvej finished on time.

Finally, we have the honor of presenting a new Board member, Axel U. Henriques. Axel has been working in the financial sector for +35 years during which he held top level positions in Nykredit and Nordea for 18 years.

EJENDOMSWATCH

Investor Udvikling Alment byggeri Rådgiver Service Regulering Navn

Kontorbygning i København solgt for over 900 mio. kr.

Entreprenørkoncernen Skanska sælger det 17.000 kvm store kontorprojekt Cph Highline i København til britisk investor for over 900 mio. kr.



ANNOUNCE

Visualisering af det netop solgte København Skanska

AF EMIL BIRKELAND KLINTORP
Offentliggjort: 18.03.21 kl. 07:43

Det omkring 17.000 kvm store kontorprojekt i Havneholmen i København er netop solgt til en britisk investor. Udviklings- og entreprenørkoncernen Skanska i en pressemeddelelse.

Køber er Aviva Investors under datterselskabet Aviva Capital Investment og danske Capital Investment har også Cushman & Wakefield Real Estate.

"Vi er glade for sammen med Lend Lease at have leveret denne fantastiske ejendom for Aviva Capital Investment og Cushman & Wakefield Real Estate."

Colliers forudser op mod 50% stigning i globale investeringer i 2021

RESEARCH REPORT
10 JAN 2021

Ny rapport fra Colliers viser, at 85% af globale investorer har planer om at udvide deres ejendomsporteføljer.

Colliers, som opererer i over 68 lande, konkluderer i en ny rapport, at globale investorer langt overvejende ser optimistisk på muligheden for at opbygge i markedet i 2021. Ifølge rapporten forventer Colliers en stigning på 50% i investeringerne i 2021 i forhold til 2020. De fleste globale investorer har således ønske om at udvide deres porteføljer med over 10%, og næsten 1/3 af investorer ønsker at øge eksponeringen mod ejendomme med 20% eller mere.

Netop den forudsigelse stemmer godt overens med de tendenser, som i øjeblikket præger det danske marked, fortæller Colliers' danske direktør, Peter Vainthor.

Skanska har for det seneste år solgt 10% af deres danske ejendomme til britiske investorer.

MARKET UPDATE SINCE OUR LATEST REPORT

Following a close-to-full lockdown in December 2020, the end of Q1-2021 saw the gradual easing of government restrictions with retailers, liberal service businesses etc. allowed to open once again.

On the backdrop of falling positive test rates, a decreasing number of covid patients at Danish hospitals and vaccines being rolled-out nationwide at a high pace a further reopening has been outlined by the government following the Easter Holiday.

The real estate transaction market prolonged the positive ending of 2020 with several notable deals recorded during the first months of 2021. Amongst those are Nrep's acquisition of a Greater Copenhagen office portfolio from Niam and Skanska's divestment of Cph Highline to Aviva.

A recent global study from Colliers also shows that despite Covid-19, investment appetite for RE assets remains strong with 98% of respondents expecting to increase overall exposure during 2021. This view is supported by the Danish Colliers department, who expects the DK market to yield solid absolute returns throughout the year.

Sources: Colliers, Ejendomswatch



OSKAR
GROUP

THE PORTFOLIO



KØBMARGERGADE 57 is located at the inner-city, prime high-street of Copenhagen. The property was acquired with two ground floor retail units and seven residential leases distributed across a total gross lettable area (GLA) of 1,309 sqm. The property offers value-add development opportunities with room for two new penthouse apartments and an expansion of the current retail space.



BLEGDAMSVEJ 124 is a 6,186 sqm (fully 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. The property has been acquired with development in mind.



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 various fast-food operators. The project has been delayed due to effects from Covid-19.

UPDATE ON
KØBMAGERGADE 57



KØBMAGERGADE 57

DEVELOPMENT PLAN

- The plan is to expand the current retail space into the courtyard through a simple “box” solution, lifting the current courtyard terrain from ground to first floor level.
- Moreover, the attic space will be completely renovated, creating two new and attractive penthouse apartments with private balconies.
- Finally, we are assessing the option of a simple new-built residential side building - adjacent to the front building - adding an extra 250 sqm.
- Construction and development is estimated to be completed within the next 18-20 months.

PROGRESS

- The Covid-19 pandemic and the subsequent impact on the brick-and-mortar retail sector has deliberately slowed down the process. However, as the vaccines have now started rolling out and as the government has allowed for a gradual reopening of society, the project has started moving forward once again.
- Initial floor plan drawings have been laid out by the assigned architect, “Over Byen Arkitekter”, and forwarded to the proper municipal authorities for initial review. Feedback is pending and will be expected during Q2-2021.
- On the letting note, the former Telenor space remains vacant with no immediate intention of reletting the space as it is today. A long-term solution for the remodeled “box” solution is explored. The property is still creating a solid cash flow from the other tenants, who are paying rent “as usual”.

FINANCIALS

- Acquisition costs of MDKK 112.
- Future valuation of MDKK 203 based on a yield estimate from Red/Cushman & Wakefield of 3.50%.
- Value creation from a 400 sqm courtyard extension and two new penthouse apartments. Potentially, more added space from a new side-building.
- 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 existing office areas, while most of the ground floor will be allocated for supermarket use for the Netto brand, ultimately owned by Salling Group.
- The remaining areas will be leased to 1-3 office tenants. The future office users will have access to 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 turn-key terms.
- Lease contracts have been signed with Netto (Salling Group) and Liewood, accounting for a combined 72% of the future rental income. Both leases have been approved by the Danish Pension Fund.
- Negotiations with various office tenants are ongoing for the remaining office space.
- The construction work is progressing according to plans and the property is expected to be completed and delivered by the end of Q3-2021.

FINANCIALS

- Acquisition costs of MDKK 143.
- Future value of MDKK 308 based on the pre-agreed turn-key yield of 4.00% with the buyer, PenSam
- Value increase due to refurbishment and significant optimization of the property.
- NOI of MDKK 12.33 upon completion with office rental levels in the DKK 1,800 per/sqm region.

UPDATE ON
ROSKILDEVEJ 547



ROSKILDEVEJ 547

DEVELOPMENT PLAN

- Construction of a new 5,757 m² hotel building with a fast-food restaurant in the ground floor and parking facilities in the basement.
- The site is logistically well-located in the Greater Copenhagen region right at the intersection between Roskildevej and the Motorway III.
- Upon completion the new building will include 136 rooms and an estimated NOI of MDKK 7.8 p.a.
- Construction is estimated to be completed during H2-2022.

PROGRESS

- The property has been acquired by year's end 2020 and with the roll-out of the Covid-19 vaccines, the project is now progressing at a higher pace.
- A 20Y lease contract with the Zleep Hotels has been signed. The Zleep owners are still supporting the project and are generally positive about the future of the chain with various other expansions still in pipeline. Zleep Hotels is a limited-service concept, servicing the low-budget segment.
- Negotiations for the fast-food unit is ongoing with various operators in the loop. A lease is expected to be concluded shortly.
- Building permits have been received conditional upon laying out access conditions from the public road. A turn-key contract for the construction has been signed with the Danish contractor, HP Byg. The reviewed timeline expects completion during H2-2022.
- The sales process is currently on hold as the hotel transaction market is yet to fully reopen. 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 5.50%.
- 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.
- Købmagergade 57 future value of MDKK 203 based on the expected future NOI and the RED/Cushman & Wakefield estimated yield of 3.50%.
- Roskildevej 547 has been valued at MDKK 158 by Nordic Hotel Consulting, representing a yield of 5.50%.
- The Group has signed an SPA for Blegdamsvej 124 with a Danish Pension Fund on turn-key terms. The eventual sales price will be based on a yield of 4.00%, corresponding to an exit price of c. 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



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



ANNE SOFIE SPLIID

- +6 years of experience in architecture and design.
- Has previously worked at Årstiderne Arkitekter before founding her own company.
- Holds an MA in Cultural Heritage, Transformation and Restoration from the Royal Danish Academy of Fine Arts.



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



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



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



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.



FLEMMING JENSEN

- +25 years of experience within building consultancy, construction and project management from previous positions at Salling Group, MT Højgaard etc.
- Flemming holds a BA in Architectural Technology and Construction Management

THE BOARD

BOARD MEMBERS:

**HENRIK FRISCH**

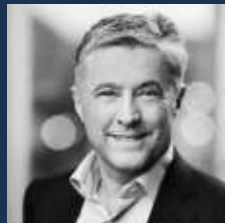
- Extensive experience at C level positions in large Danish companies. Among those Toms Gruppen and Scandlines
- Investor in Real Estate for more than 30 years.
- Board experience from different industries. Among those Chairman in listed BoStad A/S
- Holds a Master of Science (MSc) i Business Administration

**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.

**AXEL U. HENRIQUES**

- +35 years of experience within the finance sector.
- Top level positions in Nykredit and Nordea.
- Extensive experience from B2C and B2B with hundreds of Danish and Nordic companies.
- Axel has participated in numerous executive leadership programs incl. at INSEAD.

**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