

GALLERIERNE HILLERØD - INFORMATION JUNIOR AND SENIOR BOND

Hillerød May 27. 2021

Dear Bond Investors.

With the summer well on its way, we are also on our way into the construction phase of the project. Steel has been installed throughout the building and this week and next week steel will be installed for the cinema halls and the roof. In just one week, a three-week phase will commence, where we go from a completely open roof to an entirely closed property. The office hotel is well underway and the inserted deck is taking shape. The division of leases into ground floor and basement plans is underway and within the next few weeks the leases will really come into view.

Currently, we are putting the finishing touches on the launch of Senior Bond tap II, where we raise the senior bond pool final approx. DKK 30 million.

Our tap 1 at the beginning of the year went really well and we expect to be able to thank current as well as new investors shortly after launch again.

Leases:

We have since last newsletter, signed a lease with Ild.pizza which adds a stone oven pizza concept to the property with a focus on quality ingredients. Ild.pizza have currently 15 locations and Ild.pizza expect to open a minimum of 17 more locations in 2021 and hit 100 by the end of 2025. We will also sign a contract with an Outlet store that has chosen to establish an approx. 1,000 m² shop and arrival reception in our basement. This store will serve as their flagship store and be the cornerstone of their growth journey with unprecedented concepts in re-use and upcycling of clothing and combating waste of resources in clothing and consumer goods production.

In our previous newsletter, we informed about a large tenant for a major part of the ground floor. Unfortunately, this tenant did not get the lease approved by their board. On that basis, we have redesigned the area so that this is flexible in size and we expect to offer the lease when the external framework of the lease is completed.

The remaining leases on the ground floor have been developed and here we have the Head of Terms negotiations with a games concept on the ground floor/basement and a larger coffee chain are designing an interior design proposal of 55 m² (with the possibility of expansion) on the ground floor.

A gym is also drawing interior design proposals for a circular training concept. We expect to be able to sign leases with these tenants this summer.

In relation to Covid19, Denmark is well on the way with its vaccine programme, which can be felt positively in the city center and especially in the real estate market in general. We have put further

focus on our exit strategy and already have some interesting opportunities that we are pursuing over the next period.

Our work in the coming period will be focused on the last leases and the further conversion of the property to Hillerød's future entertainment destination in the city center.

We will send out regular updates as we reach milestones or other exciting things happen in relation to the property. Should you have any questions in the meantime, we are always available by mail or telephone. CEO Tom Høeg can be contacted at tomhoeg@sarofie.dk or telephone +45 28492929 and Developer Casper Rømer Rasmussen can be contacted at crr@canton.as or +45 40288710

On behalf of the development team behind Gallerierne in Hillerød

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