

"GALLERIERNE", HILLERØD - INFORMATION RE. THE SENIOR AND JUNIOR BOND

Hillerød August 31. 2021

Dear investors.

The summer went and the construction is well on its way.
In the cinema centre the six movie halls are in process the lay out takes form.
The ground floor is also taking shape and the leases can now be experienced via a walk in the raw setting to Restaurant Flammen's kitchen and experience the layout through the property.

Before the summer holidays, we completed Senior tap II, which was quickly fully booked. Thank you to previous and new investors for the trust you show us via your investment in our bonds.

Our turnkey contractor with his three construction managers are working with focus on keeping full force on the momentum, which is a tough task at the moment. We are experiencing demand for craftsmen and increasing prices for raw materials and building materials, including wood and steel, due to rapid progress in construction in Denmark and materials with delivery delays due to the covid-19 situation.
It was on this background we in June 2021 chose to take advantage of the extended repayment.

Leases:

We have recently signed a lease with a retail concept "Outletland", where we are establishing an approx. 1,000 m2 shop and arrival-reception rental downstairs.
This store will serve as their flagship store and be the cornerstone of their growth journey with unprecedented concepts in re-use of clothing and combating waste of resources in clothing and consumables production.

The remaining ground floor is in negotiations with a large sports equipment chain and their interior design is already underway, as the only outstanding point is an approval from the municipality in relation to signage, which is expected to be approved in the near future.

The coffee chain mentioned in the latest investor information is about to be ready to enter into a lease, where they will take an extended area, where the lease will spread over our and our neighbour's lease via a double lease.

The gaming hall on the ground floor is a bit hesitant in relation to their commissioner, so we have worked on a plan B, where the lease is developed into a wine bar that will have perfect interaction with the office hotel, guests to the cinema or just shoppers in need of a nice break. The remaining tenancies in the basement are currently being assessed by an escape-room event business, which wants to establish itself centrally in Hillerød.

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

Our exit strategy is in process and we have entered collaboration with CBRE, which has set a strategy in relation to their foreign investors, where we especially experience great interest from German investors.

We will inform you with regular updates as we reach milestones or other exciting things happen in relation to the property.

If you have any inquiries, we would be happy to assist. We are always available by mail or telephone.
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On behalf of the development team behind the Galleries in Hillerød

Tom Høeg
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