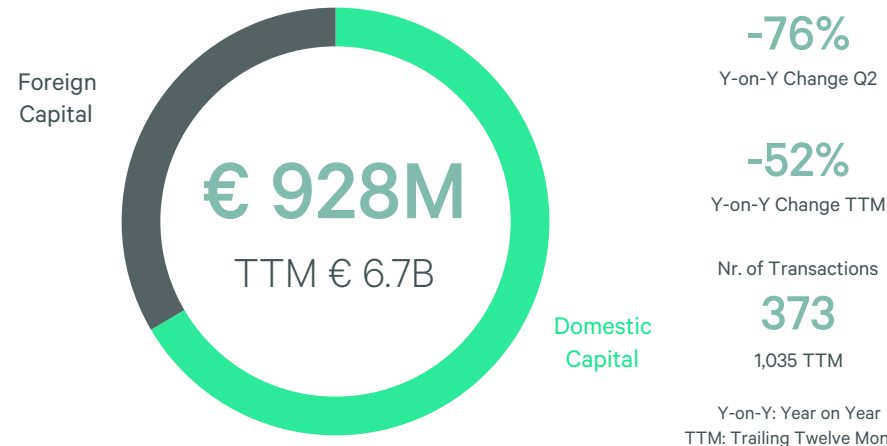


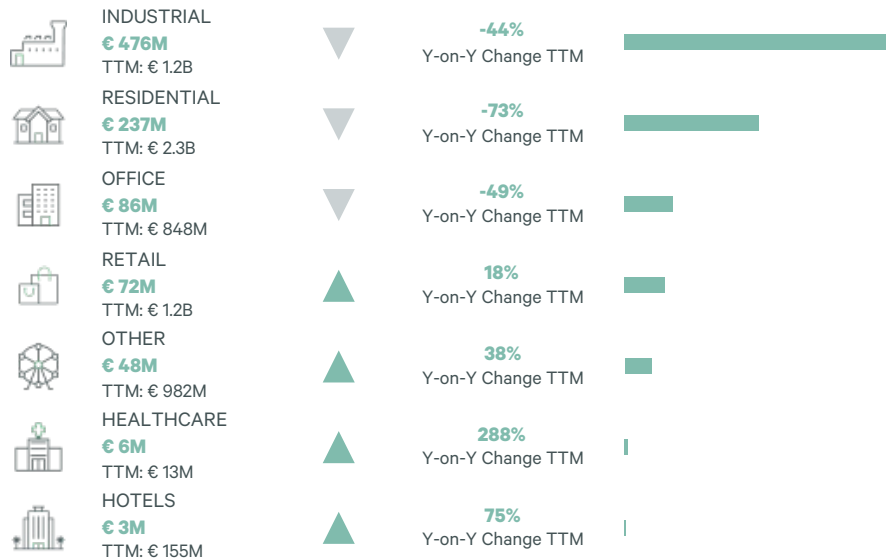
Denmark Real Estate Investment Volumes Q2 2023

Investment into Danish real estate totalled €2bn in H1 2023, down 70% compared to the same period of 2022. Investment volumes for Q2 2023 (EUR 0.9bn) decreased by 75% compared to Q2 2022. The decline in H1 was expected and is a result of tightened financial conditions, challenging capital availability and absence of large deals and platform activity. A gradual recovery in transaction activity is expected in the remainder of the year. While some investors might maintain a wait and see position, other investors will come under pressure to either release or deploy capital as the year progresses. However, any recovery is likely to be uneven, with investors showing more appetite at present for logistics and residential assets.

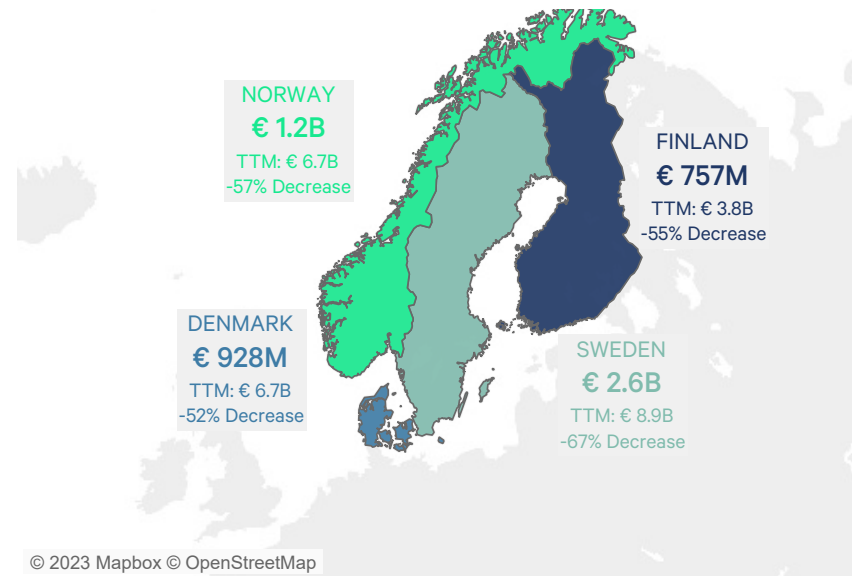
As financing costs went up, yield widening started in Q2 2022 across all sectors. Repricing of assets is a key issue in the current investment market, presenting both a challenge and an opportunity for investors. Since bottoming out in late 2021 and early 2022, prime yields are up by 35-115 bps across all property types, translating to a decline in values through 2022 and H1 2023. Further expansion of prime yields, though limited, could be expected in H2 2023.



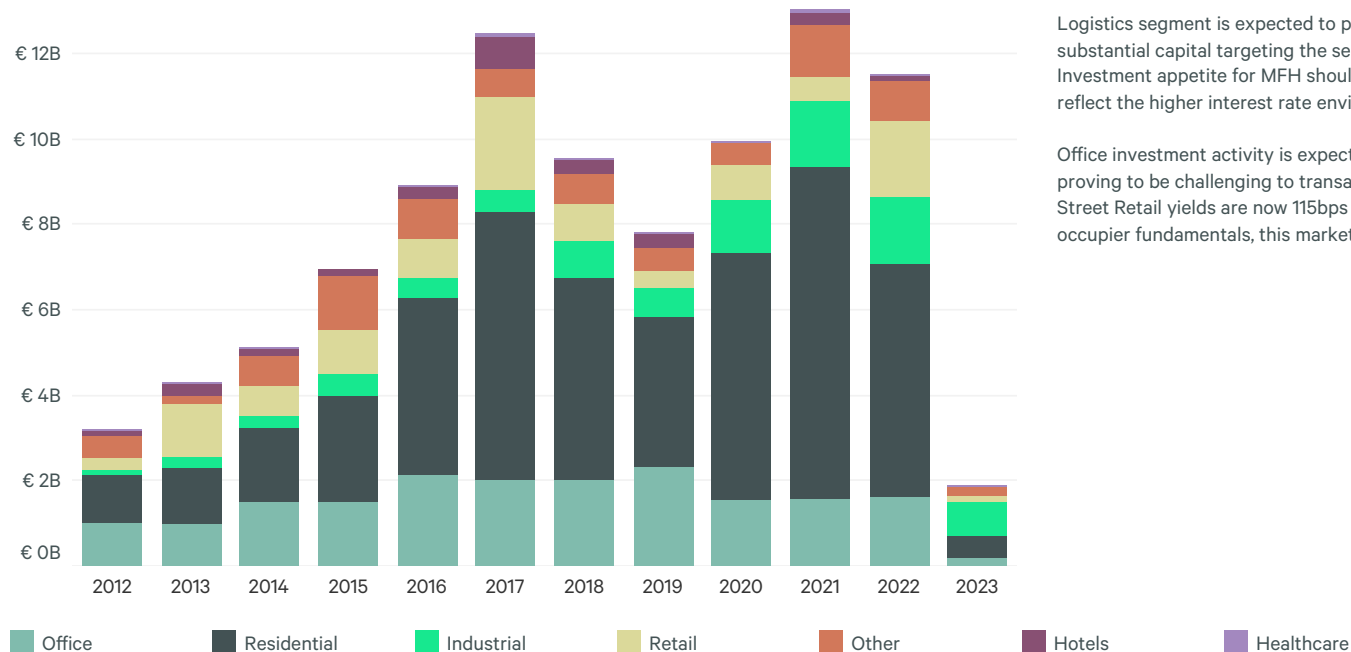
Investment Volumes by Sector (Denmark)



Investment Volumes in Nordics region



Investment Volumes Annual by Sector (Denmark)



Total investment volume in 2023 is projected to be significantly below 2022.

Logistics segment is expected to perform good in current conditions, as there is still substantial capital targeting the sector with smaller lot sizes particularly in demand. Investment appetite for MFH should also hold up. However, pricing would adjust to reflect the higher interest rate environment.

Office investment activity is expected to remain constraint, with secondary assets proving to be challenging to transact. Following a strong outward movement, High Street Retail yields are now 115bps higher than in early 2022. Combined with challenging occupier fundamentals, this market segment will see limited investment activity.

Note: 2023 annual numbers account till 6/30/2023

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