

**SkiStar AB  
Lindvallen  
78067 Sälen**

**Attn: Board of Directors**

Oslo, 25.05.2021

## **FAIRNESS OPINION - 4 HOTEL PROPERTIES IN HEMSEDAL AND TRYSIL**

DNB Næringsmegling (DNB NM), at the request of SkiStar AB through the law firm Advokatfirmaet Wiersholm AS, has undertaken to prepare a Fairness Opinion, i.e., a statement from an independent expert on the reasonableness of the terms and conditions of a planned transaction regarding four hotel properties in Norway: **Hemsedal Alpin Lodge**, Holleskardvege 45–51, Hemsedal, **Hemsedal Alpin Suites**, Holleskardvegen 45–51, Hemsedal, **Trysil Mountain Resort**, Fageråsen 800, Trysil and **Trysil Radisson Blu**, Hotellvegen 1, Trysil.

DNB NM has assessed the marketability of draft purchase agreements related to the transfer of the four hotel properties in Norway to a wholly owned subsidiary of Skiab Invest AB and the associated leases where SkiStar Norge AS leases the properties from the respective new owner companies. Furthermore, we have issued a second opinion on previous valuations of the properties that CBRE prepared on behalf of SkiStar in February 2021. The assessment is based on a desktop analysis of received material. We have compared key figures against our reference database and reconciled key figures for this type of hotel (on an anonymised basis) with other operators in the market that have knowledge of this type of property. Apart from this, we have not obtained any further information, nor have we inspected the properties. DNB NM assumes that the information received from the client is correct and gives a fair presentation of the properties.

### **Valuation assessment**

DNB estimates the gross property value of the hotel portfolio at a total of NOK 999 million. This is based on annual estimated net rental income of NOK 59.8 million and a weighted net yield of 5.00%. CBRE's assessment is based on a total gross property value of NOK 1,108 million, also based on an average return of 5.00%. The difference in value is due to different cost of ownership estimates. DNB has estimated the cost of ownership at a total of NOK 9.8 million (16.3% of annualised contracted rent), while CBRE estimates the cost of ownership at NOK 3.9 million (6.5% of annualised contracted rent). CBRE is from 6% to 11% higher in its valuations than DNB NM's estimates. Few hotels were sold during the ongoing Coronavirus pandemic, so it is difficult to find relevant references. DNB NM therefore considers that CBRE's estimates could be as accurate as DNB NM's estimates.

DNB NM considers CBRE's market values to be within a price range that can be expected to be fetched on the open market today based on the leases submitted with SkiStar AB as counterparty.

### **Comment on draft lease**

The leases with which SkiStar will lease the properties from the new property companies are based on *Standard leieavtale for næringsbygg (brukt som det er)* 6. utgave 01/19 (*Standard Lease for Commercial Building (Used/As Is)*, 6th edition 01/19), prepared by Forum for Næringsmeglere and Norges Eiendomsmeglerforbund (Norwegian Association of Real Estate Agents).

The submitted lease requires that a specially agreed guarantee must be attached as an appendix to the lease. DNB NM has not received this appendix, but we assume that a market guarantee will be provided or that the lease will be entered directly with the listed parent company SkiStar AB.

In the submitted drafts, somewhat greater maintenance and replacement responsibility is imposed on the lessor compared to the provisions of the standard lease agreement, but they are still within the scope of expectations in an adjusted lease. On the other hand, a provision has been made for an annual minimum adjustment to the rent

of 2%, and we therefore consider this to be fair and balanced.

DNB NM considers that changes and clarifications in the leases relative to standard leases are within the scope of expectations from lease negotiations on the open market.

**Comment on draft purchase agreement**

The draft agreement, where the relevant hotel properties are to be transferred to the wholly owned Norwegian subsidiary Skiab Invest AB, is based on *Meglerstandard mars 2020 om salg av aksjeselskap uten oppgjørsansvarlig (Broker Standard March 2020 on Sale of a Company Without Settlement Manager)* prepared by Forum for Næringsmeglere and Norges Eiendomsmeidlerforbund (Norwegian Association of Real Estate Agents).

DNB NM considers that changes and clarifications in the purchase agreements relative to standard agreements are within the scope of expectations from purchase agreement negotiations on the open market.

With best regards,  
for **DNB Næringsmegling AS, Oslo**

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