

Urban Partners more than doubles its revenue in 2022 – exceeding DKK 1 billion

Urban Partners achieved revenues of DKK 1.3 billion in 2022, according to the company's recently released annual report; equating to a doubling of Revenue compared to 2021. According to COO Henrik Bender, the company expects this growth to continue in the coming years with profitability also reflecting top line growth.

"We have just announced a new and very ambitious strategy for how we will increase our portfolio from DKK 150 billion to DKK 375 billion over the next five years. In 2022, we made significant investments in a range of initiatives, the investment platform and our employees to ensure that we can achieve these goals," says Henrik Bender, COO, Urban Partners.

He explains that these significant investments amongst other new funds and geographical expansion into Germany and Poland suppressed profitability somewhat, with Urban Partners reporting a pre-tax profit of DKK 21 million in 2022, compared to DKK 53 million before tax in 2021 despite Revenue progression.

Improved profitability

"We are very satisfied with the growth in revenue but have a clear expectation that our profitability will increase this year and in the coming years. Our fund management fees and other revenues in 2023 are expected to increase by 5-10% compared to 2022. Additionally, we plan to launch new fund products in the coming years, which will also strengthen our growth and earnings," says Henrik Bender, adding:

"Utilizing the scale of the organization that we have made heavy investments into over 2022 will encourage higher future profits too, despite our intention to continue to support new business initiatives."

A few weeks ago, Urban Partners announced that the company, formerly known as Nrep, will be structured into four different investment verticals. These include a real estate investor (Nrep), a venture capital firm (2150), a credit platform (Velo Capital), and a private equity investor (Luma Equity).

Current investors include Industriens Pension, Novo Holdings, Vækstfonden, Dutch Bouwinvest, the Norwegian sovereign wealth fund Nysnø, and the BMW Foundation. Urban Partners currently has investments in 15 countries.

CO2 reductions

A common goal among the four investment verticals is to drive CO2 reductions in cities, develop healthy and attractive living environments, and ensure balanced cities. This will be achieved through targeted, sustainability-enhancing investments in assets, technologies, companies, and services.

Urban Partners, among other initiatives, focuses on developing "15-minute cities," a holistic approach to urban development at a very local level, where residents can access green spaces, work, daycare, and shopping within 15 minutes without the need for a car. The commitment to 15-minute cities can be seen, for example, in Jernbanebyen (Railway District) in Copenhagen.

"In light of both megatrends and our own market analyses, we are confident that we are heading towards a bright future, where we will secure stable income through innovative investment projects focused on sustainability. These projects will continue to attract a wide range of international institutional investors," says Henrik Bender.

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