

SUSTAINABLE PROPERTY SOLUTIONS



Factsheet Note

LOGISTICS CENTRE

RIDDERKERK II
Dutch Fresh Port
(Rotterdam)

Coupon per annum CHF 6.0%, EUR 6.5%, USD 7.0%

18-months term | callable after 14 months at 100%

100% contingent capital protection | February 2023 | Issue volume 40 million



NECRON GROUP AG NOTE, SWITZERLAND

LOGISTICS CENTRE RIDDERKERK II (ROTTERDAM)

Underlying/Business Case

Necron Group AG intends to raise a loan with a total volume of 40 million [CHF, EUR, USD] from qualified investors. The amount will be passed on in full to Necron's subsidiary Dutch Properties Capital B.V., which will make it available – also in full – to the special purpose entity Dutch Industrial Properties VIII B.V. as working capital for the realisation of the logistics centre "RIDDERKERK II" in Ridderkerk. A long-term lease agreement for the entire logistics centre has already been concluded with the company Perishable Services B.V., an subsidiary of R&M Holding.

RIDDERKERK II/Logistics Centre

The RIDDERKERK II project will be Perishable Services B.V.'s second fruit storage and packing facility at Dutch Fresh Port Ridderkerk. The custom-built structure will enable the future tenant to not only store fruit, but also facilitate repacking, packaging, small packaging, ripening and cooling of various types of fruit. The planned fresh logistics centre offers approximately 56 000 m² GFA, including approximately 38 000 m² storage space (3 layers high on drive-in racks, partly refrigerated), approximately 16 000 m² industrial space at ground level for extended services, and approximately 2 500 m² office space.

Note – Investment Opportunity

Qualified investors are invited to participate in the financing. They will be offered a coupon of CHF 6.0%, EUR 6.5%, USD 7.0% per year, with a maximum term of 18 months and a minimum term of 14 months.

Equity and Financing

The logistics centre will be built by the renowned general contractor Ten Brinke Bouw BV under a turnkey contract at an expected total project cost of EUR 105.8 million (including land). The project costs will be funded as follows:

+ Senior bank loan – max. EUR 40 million
 + Note – EUR 40 million
 + Necron equity – EUR 25.8 million
 = Total 105.8 million

This means that Necron's equity accounts for 24.4% of the total costs. To date, Necron subsidiary Dutch Industrial Properties VIII B.V. has already invested EUR 20.7 million in the acquisition of the land and the development costs.

Renting

Dutch Industrial Properties VIII B.V. signed a 20-year triple-net lease with Perishables Services B.V. for the entire space with a net rent of EUR 6.08 million per year. Perishables Services B.V. is part of R&M Holding B.V. (R&M), a fast-growing Dutch fruit and vegetable forwarding company founded in 2005.

Exit strategy

With effect from the date of completion, the RIDDERKERK II logistics centre was sold to an European institutional investor.

Note – Guarantees/Collateral

- Registration of a real estate lien in the amount of the issue volume in favour of the note holders on the unencumbered property; and
- pledge of rental income receivables until transfer of title; and
- in the event of payment of the purchase price before repayment of the note, pledge of the purchase price claim in the amount of the issue volume.

Repayment/Definitions

- If no credit event occurs in relation to the underlying during the term of the note, the investor will receive 100% of the investment back at maturity.
- If a credit event related to the underlying occurs during the life of the note, the underlying is liquidated for the benefit of the investors.
- Credit events are defined in the 2014 ISDA Credit Derivatives Definitions (ISDA is the International Swaps and Derivatives Association Inc.) and its supplements and in the Terms and Conditions.

Definition of Credit Event

- Bankruptcy: Insolvency of the Underlying or inability to pay its debts.
- Non-payment: Failure of the Underlying to make payments when due.
- Restructuring: changes in the conditions of the loan agreement.

No Issuer Risk

One of the main advantages of the Luxembourg Securitisation Law is that the compartments are segregated by law, i.e. the assets are legally separated at the compartment level. As a result, a compartment [the issuer] cannot go bankrupt.

BREEAM "Excellent" Sustainability Certification

Necron is committed to responsible, sustainable project development and uses BREEAM. RIDDERKERK II is developed and certified according to the requirements of the BREEAM 4-star level "Excellent".

BREEAM, first published in 1990 by the Building Research Establishment (UK), is the world's longest established method for assessing, rating, and certifying the sustainability of buildings. More than 550 000 buildings have been BREEAM certified and over two million are registered for certification in more than fifty countries worldwide. BREEAM is an assessment conducted by independent licensed assessors using science-based sustainability criteria. It assesses the entire life cycle of the project in terms of energy and water consumption, occupant/user health and well-being, pollution, transport, materials, waste, ecology, and management processes. More than 550 000 buildings have been BREEAM certified and over two million are registered for certification in more than 50 countries worldwide.

Investor Benefits

- Sustainable project with BREEAM Standard "Excellent" in an outstanding location
- Extensive guarantees and collateral in favour of note holders
- Low-risk real estate project
- Long-term lease in place
- Logistics centre sold per completion date
- High equity share of 24.4%
- Regular interest income
- Fixed return



NOTE

Note details	CHF	EUR	USD
ISIN / Valor	CH1108675294 / 110867529	CH1108675302 / 110867530	CH1108675310 / 110867531
Bloomberg Ticker	PRAETO 6 08/20/24 Corp	PRAETO 6½ 08/20/24 Corp	PRAETO 7 08/20/24 Corp
Issue currency	CHF	EUR	USD
Denomination	CHF 1 000.–	EUR 1 000.–	USD 1 000.–
Minimum investment	CHF 1 000.–	EUR 1 000.–	USD 1 000.–
Coupon	6.0% p.a.	6.5% p.a.	7.0% p.a.
Issuer	Praetorian Asset Sarl, acting for the Compartment Necron [EMTN20-26]		
Issue volume	total 40 million [CHF, EUR, USD]		
Price calculation	monthly		
Interest date	quarterly		
Legal form	Bearer note secured by real estate lien [Senior Secured Note]		
Underlying	Necron Group AG, Bahnhofstrasse 16, 6300 Zug, T. +41 41 561 38 22		
Strategy	Logistics project Dutch Fresh Port, Ridderkerk		
Guarantees/collateral	<ul style="list-style-type: none"> · Registration of a real estate lien in the amount of the issue volume in favour of the note holders on the unencumbered property; and · pledge of rental income receivables until transfer of title; and · in the event of payment of the purchase price before repayment of the note, pledge of the purchase price claim in the amount of the issue volume. 		
Subscription period	until 17 February 2023		
Issue date	20 February 2023		
Issue price	100 %		
Final maturity	20. August 2024		
Early repayment option	from 20 April 2024 with a 10 days' notice		
Early redemption price	100% plus accrued interest		
Redemption price at final maturity	100 %		
Capital protection	100%, provided no credit event occurs		
Offer	Private placement (not for public distribution), to qualified investors only		
Paying agent	ISP Securities AG, Zurich		
Drawings OTC	ISP Securities AG, +41 43 499 14 14, trading@ispgroup.com		
Clearing/Settlement	SIX SIS AG / Euroclear Bank S.A. / Clearstream Banking S.A.		
Secondary market	Daily pricing will be available on Bloomberg [ISIN CH1108675294 / CH1108675302 / CH1108675310] Secondary market under normal market conditions, on a best-effort basis with 1.00 % Bid-Offer		
Listing/Exchange	Vienna Stock Exchange		
Place of jurisdiction	Zurich 1, Switzerland		

DISCLAIMER

This document is for informational purposes only. It does not constitute an invitation to buy or sell securities, nor does it constitute investment advice or any other recommendation. **It is a non-public offer intended exclusively for qualified investors who understand and accept the risks involved. Past investment performance is no indication of future returns.** Full details of the senior secured Notes can be found in the current terms and conditions [Terms of Issue], which is the sole binding basis for the purchase, and which is available free of charge from Praetorian Securitisation SA. The information contained in this document reflects current information or estimates at the time of preparation. Changes may be made without prior notice. Although this information has been compiled with great care, no guarantees are given whatsoever with respect to its accuracy, completeness, or adequacy. The information contained in this document is based on the assessment of Necron Group AG and the current legal and tax situation at the time of preparation. However, the tax treatment of an investment in the Note depends on the investors' personal circumstances and may be subject to change in the future. This document is a promotional message. It is to be kept confidential at all times.

DUTCH FRESH PORT LOGISTICS CENTRE RIDDERKERK II

Dutch Fresh Port Ridderkerk

Major national and international companies such as The Greenery, Bakker Barendrecht, Hillfresh, Van Oers, Olympic Fruit and Van Gelder Groente & Fruit make the Dutch Fresh Port Ridderkerk, the largest agri-food cluster in the Netherlands. Today, 25% of Dutch produce exports are traded in the Dutch Fresh Port, which is near the port of Rotterdam.

The industrial park's future-proof energy and sustainability concept relies largely on self-generation of electricity by means of on-site wind turbines and photovoltaics. It also includes a central energy management system to balance supply and demand. A fibre optic network ensures fast communication within the industrial park itself and high-speed connections to the outside world.

RIDDERKERK II

The project is being developed in line with Necron's sustainability strategy and the Dutch Fresh Port sustainability concept mentioned previously. Key features include a highly insulated building shell, a large-scale photovoltaic installation on the roof and a high efficiency electrically powered refrigeration system, which can be integrated into the energy management of the industrial park. Fossil fuels such as natural gas are not used.

RIDDERKERK I

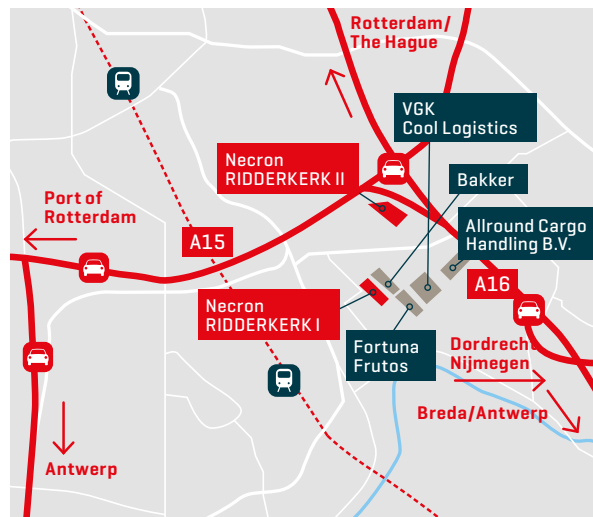
The predecessor project RIDDERKERK I was also built by Necron, and was handed over to both the tenant and the buyer in spring 2022.



LOGISTICS CENTRE RIDDERKERK II

MACRO LOCATION

- The RIDDERKERK II project is located next to the "Ridderkerk" motorway junction with direct access to the A15 (east-west) and A16 (north-south) motorways.
- The junction of motorway 103, which leads directly to the centre of Rotterdam, 9 km away, is only 4 km to the west on the A15.
- The port of Rotterdam can be reached via the A15 in 20 minutes, and the journey to Antwerp via the A16 takes less than one hour.



MICRO LOCATION

- The 96 ha Dutch Fresh Port business park is specifically designated for companies from the agro-logistics, food processing and beverage industries.
- Strong growth of logistics activities in the region thanks to excellent national and international traffic connections.
- The business park features a dedicated truck stop area, which will be expanded by a hydrogen (H2) filling station and battery chargers.
- RIDDERKERK II benefits from Necron's experience with the successfully completed RIDDERKERK I project.



STATUS AND INDICATIVE TIMELINE

Q1 2023



Planning permission

Q2 2023



Start of construction

Q2 2024



Completion



Facts & Figures

- 66 000 m² plot
- 56 000 m² gross floor area (GFA)
- Rental volume: EUR 6.08 million. p.a.
- Investment EUR 105.8 million
- Completion date 2024 Q2

Basic Specifications

- Cold storage plus approx. 5% office space
- 448 parking spaces
- 64 truck loading docks including 3 overhead docks
- Building dimensions: Length 326 m, width 140 m, height 15 m
- BREEAM rating «Excellent»
- 10 000 m² photovoltaic system

General contractor

The Ten Brinke Group B.V. has been a renowned and dependable partner for construction projects for more than 115 years. From its origins as a construction company, the company has evolved to an internationally active full-service provider offering builder, offering project development, financing, and investment services with a turnover of approximately 950 million euros p.a. and more than 1 000 employees. With branches in the Netherlands, Germany, Spain, Portugal, and Greece, TBG stands for the highest quality and reliability.

Lease

The entire project has already been leased for 20 years to Perishables Services B.V., a fast-growing Dutch fruit and vegetable forwarding company. The solid company has been active in fruit forwarding for 17 years, offering transport logistics along with a complete service package including customs clearance, storage, and packaging of fruit consignments.

Sold

With effect from the date of completion, the RIDDERKERK II logistics centre was sold to an European institutional investor.

Team

Architects:

Architecten_Lab, NL

Project Management:

Necron Management AG, CH

General Contractor:

Ten Brinke Bouw B.V., NL



THE NETHERLANDS – THE LOGISTIC HUB OF EUROPE

Gateway to Europe

In accordance with its history as a trading nation, the Netherlands developed into the distribution hub of Europe. Maritime shipping plays a prominent role in this. Global climate change is causing sea temperatures to rise and Arctic ice to melt. As a result, commercial traffic can now pass through this once impassable route. The Northeast Passage reduces the length and duration of the freight route from northwestern Europe to East Asia by a third, compared with the conventional southern route through the Suez Canal and, thanks to significantly lower fuel consumption, reduces transport costs by around 20-30% overall.



Source: www.fuw.ch/article/nmtm-die-nord-ost-passage/

Infrastructure

The Netherlands is one of the most densely populated countries in Europe and has an excellent infrastructure with its centrally located airports, modern road and highway network and rail connections. The well-developed seaports occupy a special position. In times of global warming, these are becoming increasingly important. This is reflected not least in the rapidly growing investments in port structures such as logistics and distribution centers.

Finally, an interesting figure relates to the catchment area of the Netherlands: within 24 hours, 170 million consumers can be reached from Amsterdam or Rotterdam.

Economy

The country has a strong economic and demographic base, particularly in urbanised areas. The Netherlands is set to outperform Europe on several fronts, such as economic growth, unemployment and investment volumes. The record volume of EUR 19.5 billion in real estate investments in 2017 made the Netherlands the third largest destination for real estate investors in continental Europe. The Netherlands will therefore remain attractive for institutional investors looking to invest in real estate.

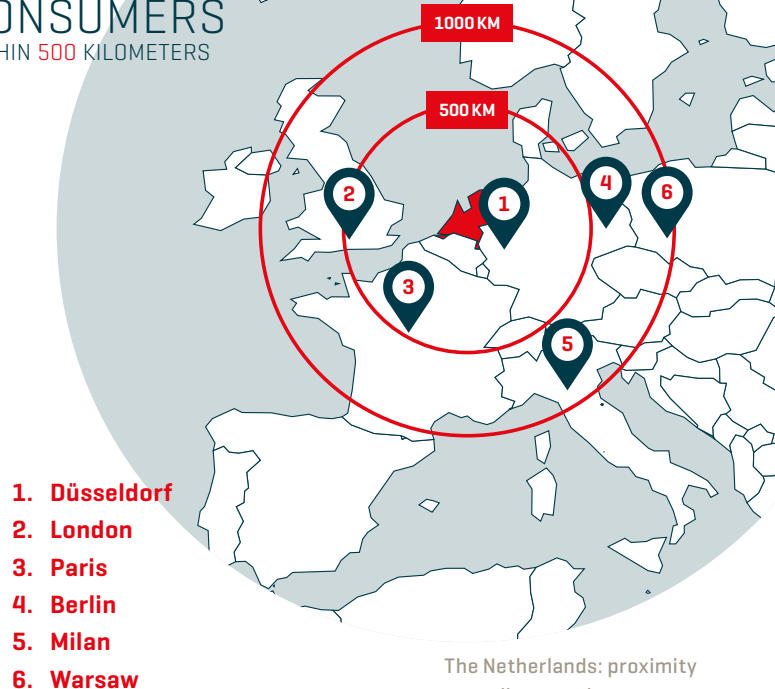
Source: Bouwinvest Research

The Netherlands is fiscally attractive, has a well-educated, multilingual workforce and reliable supply chains and a modern supplier network. For these reasons large companies such as Coca-Cola, IBM, Huawei choose the Netherlands as a logistics and distribution gateway to Europe to best manage their supply chains and expand their e-commerce activities.

Source: investinholland.com/business-operations/logistics-distribution

244
MILLION
CONSUMERS
WITHIN 1,000 KILOMETERS

170
MILLION
CONSUMERS
WITHIN 500 KILOMETERS



1. Düsseldorf
2. London
3. Paris
4. Berlin
5. Milan
6. Warsaw

The Netherlands: proximity
to clients and customers

Source: dutchglory.com

REFERENCES OF PREVIOUS NOTES

TOTAL DEVELOPMENT VOLUME OVER EUR 665 MIO. SINCE 2019

Ridderkerk I DC, larger Rotterdam area,
GFA 24 000 m²



Nijkerk DC, Amsterdam region,
GFA 8 200 m²



Flevokust DC, Lelystad, region
Amsterdam, 78 700 m² GFA



Annona 1 DC, region Amsterdam,
40 020 m² GFA



Eemshaven DC, Hafen von Eemshaven,
57 950 m² GFA

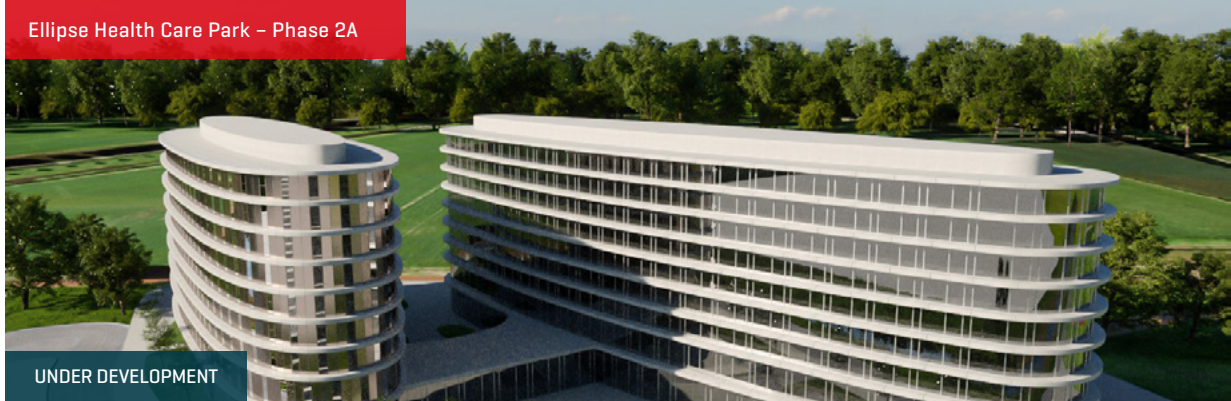


Dordrecht DC, Grossraum
Rotterdam, 6 400 m² GFA



IntercityHotel & Office, Zurich Airport, Rümlang,
260 Rooms

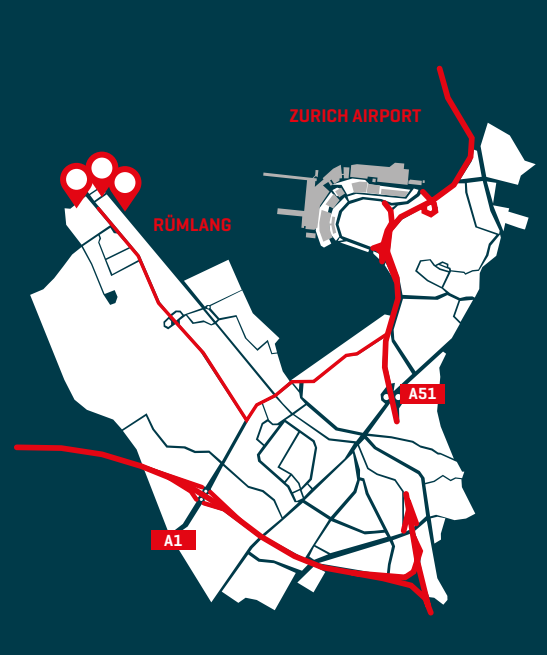




THE NETHERLANDS



SWITZERLAND

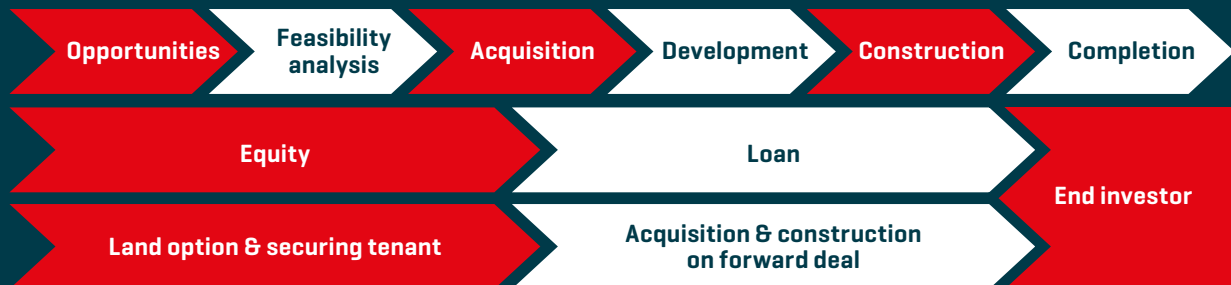


ABOUT NECRON GROUP AG

Necron Group AG is a Swiss real estate investment company based in Zug, Switzerland, specialising in the development and implementation of industrial real estate projects in the EU, preferably in the Netherlands. Necron secures prime building sites in strategically interesting locations for the development of sustainable real estate projects. Upon completion, these are sold to end investors on a turnkey basis.

As of 30 June 2022, the Dutch accounting and tax consulting firm, Londen & Van Holland valued the cumulative net present value [NPV] of all ongoing projects of Necron Group AG at EUR 578 million. Necron Group AG also has sufficient liquidity and equity of more than EUR 85 million, which underlines the company's sound financial situation.

WORKING METHOD, RISK PROFILE, EXIT AND VALUE CHAIN



FINANCING AND DISTRIBUTION PARTNERS OF THIS NOTE

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