

SUSTAINABLE REAL ESTATE SOLUTIONS



Factsheet Note NECRON FOOD PARK I

Distribution centre
Port of Rotterdam, NL

Coupon CHF 6.0%, EUR 6.75%, USD 7.5%

18 months maturity | callable at 100% after 14 months

Subscription deadline 26 September 2023 | Issue volume 40 million

100% Contingent Capital Protection



NOTE

NECRON FOOD PARK I DISTRIBUTION CENTRE PORT OF ROTTERDAM

Underlying/Business Case

The issuer ABS Securitisation SA, Luxembourg, acting in the name and on behalf of the account of the compartment NECRON FOOD PARK I [compartment EMTN22-18] intends to place a mortgage-backed note with a total volume of 40 million [CHF, EUR, USD] with qualified investors.

The full amount will be transferred via Necron Group AG to Necron's subsidiary Dutch Properties Capital B.V., which will make it available - also in full - to the real estate special purpose entity Dutch Industrial Properties XIII B.V. as working capital for the realisation of the NECRON FOOD PARK I distribution centre in the port of Rotterdam on a 90 000 m² site. The NECRON FOOD PARK I distribution centre is the first of three development phases of the NECRON FOOD PARK, for which Necron Group AG has acquired 170 000 m² of land in the 600 000 m² Rotterdam Food Hub business area of the Port of Rotterdam.

NECRON FOOD PARK I Distribution Centre

The planned distribution centre comprises a gross floor area of approx. 56 000 m², including 43 093 m² of storage space (on three levels with drive-in racks, partly refrigerated), 10 993 m² of industrial space on the mezzanine floor for extended services, and approx. 1 125 m² of office space. The mezzanine floor meets the tenant's requirement for dedicated space to provide extended services such as repackaging, packaging, small packaging, ripening and refrigeration of various types of fruit and vegetables.

The NECRON FOOD PARK I distribution centre will feature modern architecture and will be developed and certified according to the requirements of the BREEAM sustainability level "excellent". This level already meets or exceeds the new EU Taxonomy Regulation for Real Estate in many areas.

Note - Investment Opportunity

Qualified investors are invited to participate in the financing. They will be offered a coupon of CHF 6.0%, EUR 6.75% and USD 7.5% per annum, with a maturity of 18 months, callable after 14 months.

Financing/Equity

The logistics centre will be built on a turnkey basis by renowned general contractor Aan de Stegge Twello B.V. The total cost of the project is estimated at EUR 66.8 million, including the 90 000 m² plot of land and will be funded as follows:

+ Necron equity – EUR 26.8 million
 + Note [1st tier] – EUR 40 million
 = **Total EUR 66.8 million**

This means that Necron's equity accounts for 40.1% of the total costs. To date, Necron subsidiary Dutch Industrial Properties XIII B.V. has already invested approx. EUR 18.2 million in the acquisition of the building rights and the project development.

Lease - Fully Leased

The real estate special purpose vehicle Dutch Industrial Projects XIII B.V. has entered into a long-term lease agreement with R&M Forwarding B.V. for a fixed term of 20 years, with the option of a 5 years extension. The lease agreement includes an indexed minimum rent plus a revenue-based component. The minimum rent is EUR 5.67 million on a triple net basis.

R&M Forwarding B.V. is a fast-growing Dutch fruit and vegetable forwarding company founded in 2005, which already operates the RIDDERKERK I logistics centre, also developed by Necron Group AG.



Triple Net Rental Agreement

The concept of the triple net lease originated in the Anglo-Saxon world but has recently become a preferred lease type for commercial property on the European continent. In a triple net lease, the tenant pays the net cold rent plus all the running costs and taxes for the property, the cost of property insurance and all maintenance and repair costs.

The lessor's rental income is therefore "three times net", which makes such properties popular with investors as they offer a low-risk, steady income.

Exit Strategy

The exit strategy is to sell the NECRON FOOD PARK I distribution centre to an institutional investor before or after its completion. Talks with potential interested parties are well advanced.

If no sale has taken place by the time the note matures, the distribution centre will be refinanced through ABN Amro Bank.

Guarantees/Collateral

- Registration of a real estate lien on the unencumbered property in the amount of the issue volume in favour of the note holders; and
- Pledge of the rent receivables in the amount of the issue volume until the project is transferred to the buyer; and
- In the event of payment of the purchase price prior to repayment of the note, pledge of the purchase price claim in the amount of the issue volume.

Repayment/Definitions

- If no credit event relating to the Underlying occurs during the term of the Note, investors will receive 100% of their investment back at maturity.
- If a credit event relating to the Underlying occurs during the term of the Note, the Underlying will be liquidated in favour of the Investors.
- Credit events are defined in the 2014 ISDA Credit Derivatives Definitions [ISDA being the International Swaps and Derivatives Association Inc.] and its supplements and in the final Terms of the Note.

Credit Event Definition

- Bankruptcy: Insolvency of the Underlying or inability to pay its debts.
- Default: Failure of the Underlying to make payments when due.



Issuer - SPV

Special purpose vehicles (SPVs) are typically set up to eliminate any corporate link with the originator and to avoid potential consolidation for bankruptcy accounting or tax purposes.

The issuer ABS securitisation is a special purpose vehicle (SPV) and is only a means to an end. From an investor's perspective, only the project and the underlying collateral are relevant.

No Issuer Risk

One of the main advantages of the Luxembourg securitisation law is that securitisation vehicles can be divided into legally separate compartments, i.e. the assets are legally segregated at the compartment level. As a result, a compartment (the issuer) reflects only the risks and rewards of the real estate SPV.

This compartmentalisation approach is valued by investors as it avoids spill-over of risks and liabilities between compartments, while reducing the administrative costs associated with setting up and managing separate entities.

BREEAM "excellent" Sustainability Certificate

The Necron Group AG is committed to responsible and sustainable project development and the use of BREEAM certification is part of this commitment.

The NECRON FOOD PARK I distribution centre has been developed and certified in accordance with the requirements of BREEAM 4 stars "excellent". First published in 1990 by the Building Research Establishment (UK), BREEAM is the world's longest established method of assessing, rating and certifying the sustainability of buildings. More than 550 000 buildings have been awarded BREEAM certification and over two million are registered for certification in more than 50 countries worldwide. BREEAM is an assessment carried out by independent, licensed assessors using scientifically based sustainability metrics. It assesses energy and water use, health and well-being, pollution, transport, materials, waste, ecology and management processes.

Investor Benefits

- BREEAM "excellent" certified sustainable development in a prime location
- Extensive guarantees and security in favour of noteholders
- Low-risk real estate project
- Signed long-term lease
- High Necron equity stake of 40.1%
- Regular interest income
- Fixed return
- Short term of the note



NOTE

Note details	CHF	EUR	USD
ISIN/Valor	CH1108677811/110867781	CH1108677829/110867782	CH1108677837/110867783
Bloomberg Ticker	ABSCRT 6 03/29/25 Corp	ABSCRT 6 ¾ 03/29/25 Corp	ABSCRT 7 ½ 03/29/25 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.	6.75% p.a.	7.5% p.a.
Issuer	ABS Securitisation SA, Luxembourg, acting for NECRON FOOD PARK I [Compartment EMTN22-18]		
Issue volume	total 40 million [CHF, EUR, USD]		
Price calculation	monthly		
Interest date	quarterly		
Legal form	Bearer bond (senior secured bond)		
Underlying	Necron Group AG, Bahnhofstrasse 16, 6300 Zug, T. +41 41 561 38 22		
Strategy	NECRON FOOD PARK I distribution centre in the port of Rotterdam, Netherlands		
Guarantees/collateral	<ul style="list-style-type: none"> · Registration of a real estate lien on the unencumbered property in the amount of the issue volume in favour of the note holders; and · Pledge of the rent receivables in the amount of the issue volume until the project is transferred to the buyer; and · In the event of payment of the purchase price prior to repayment of the note, pledge of the purchase price claim in the amount of the issue volume. 		
Subscription period	ending 26. September 2023		
Issue date	29. September 2023		
Issue price	100%		
Final maturity	29. March 2025		
Early redemption option	from 29 November 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), only to qualified investors		
Paying agent	ISP Securities AG, Zurich		
Drawings OTC	ISP Securities AG, T. +41 43 499 14 14, trading@ispsecurities.ch		
Clearing/Settlement	SIX SIS AG, Olten		
Secondary market	Prices are updated regularly on Bloomberg and SIX Telekurs [ISIN CH1108677811/ CH1108677829/ CH1108677837]. 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 ABS 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.

NECRON FOOD PARK PORT OF ROTTERDAM

Port of Rotterdam

The Port of Rotterdam is the largest import and export port for agri-food products in Western Europe. With the development of the 600 000 m² Rotterdam Food Hub at the corner of the Beerkanaal and the Calandkanaal, the port aims to further strengthen its leading position for products from the agricultural, horticultural and fisheries sectors.

The Rotterdam Food Hub is part of the modernisation of the 3 700-hectare Europoort port and industrial complex. It is located at the entrance to the Port of Rotterdam and offers direct barge, rail and road connections to Europe's metropolitan areas. The Rotterdam Food Hub has berths for ocean-going vessels with chilled cargo and for inland vessels. In addition, warehouses are being built directly on the quayside for the efficient storage, processing, and onward transport of chilled and frozen products.

Just over a year ago, Innocent, a subsidiary of Coca-Cola, built and commissioned its first completely CO₂-neutral beverage plant in the Food Hub. The plant has an annual production capacity of up to 300 million litres of fruit juices and smoothies. Innocent considers the location to be its best choice.

NECRON FOOD PARK

NECRON FOOD PARK, with a total area of 170 000 m², is part of the Rotterdam Food Hub.

The site offers shared facilities such as quays for overseas and inland freighters, transport facilities, storage, access control and customs. It will be specially equipped for agri-food companies and will

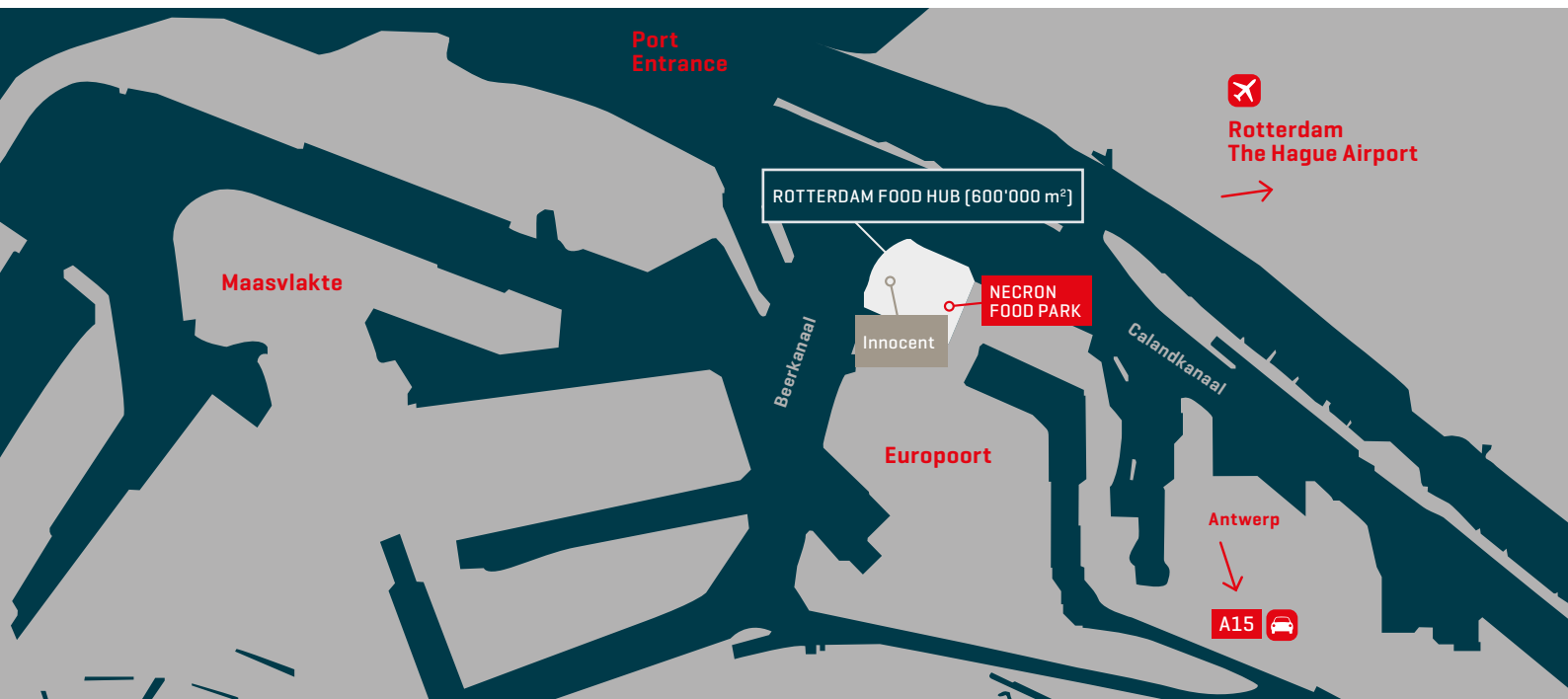
perfectly complement the existing agri-food hotspots in the Port of Rotterdam, such as the Cool Port and the large cold storage facilities on the Maasvlakte. The proximity to green ports such as Barendrecht, Ridderkerk and the Westland is also ideal.

NECRON FOOD PARK I Distribution Centre

The overall development plan for the site has been approved by the municipality of Rotterdam, ensuring a smooth and timely project permitting and approval process. The building application was submitted in June 2023 and construction will start in Q4 2023.

The project is being developed in line with Necron's sustainability strategy. This includes, for example, green facades and roof, a high-quality insulated building envelope, a powerful photovoltaic system on the roof and highly efficient electric cooling units that can be integrated into the energy management of the new NECRON FOOD PARK. No fossil fuels such as natural gas or oil will be used.

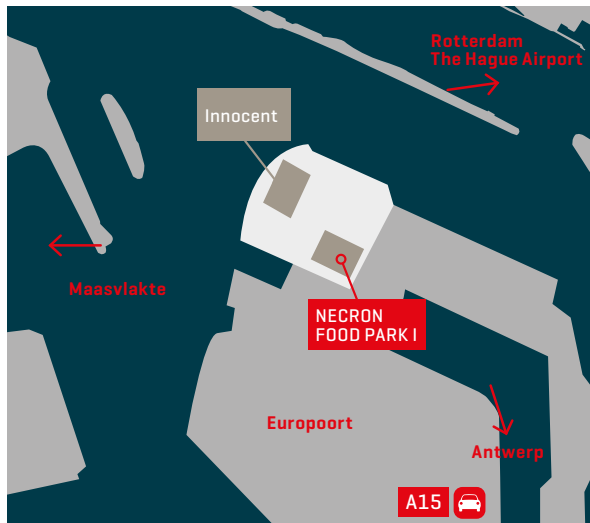
The property, with its modern architecture, has been developed and certified to BREEM "excellent" sustainability level, meeting or exceeding the new EU taxonomy for real estate in many areas.



NECRON FOOD PARK I DISTRIBUTIONS CENTER

MACRO LOCATION

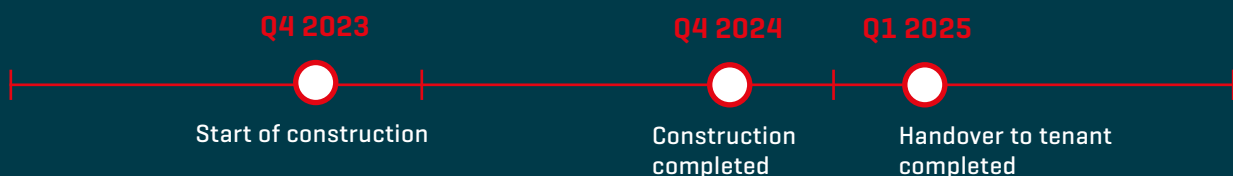
- NECRON FOOD PARK is located in the approx. 3 700 hectare port and industrial area at the entrance to the Port of Rotterdam, south of the Nieuwe Waterweg and east of the Maasvlakte and is part of the Rotterdam Food Hub.
- The excellent national and international transport links are leading to strong growth in logistics activities.
- The A15 motorway is only 3 km away and offers direct connection to Rotterdam, Antwerp and Düsseldorf.
- Rotterdam The Hague Airport is only 35 minutes' drive away.



MICRO LOCATION

- The 600 000 m² Rotterdam Food Hub is specifically designated for agri-food, food processing and beverage companies.
- NECRON FOOD PARK is just a stone's throw from the large deep-sea container terminals on the Maasvlakte and will have several berths for deep-sea and inland vessels specially equipped to handle refrigerated cargo.
- Innocent [subsidiary of Coca-Cola] has already built a large CO₂ neutral beverage plant on the adjacent site.
- NECRON FOOD PARK I benefits from Necron's experience with the successfully completed sustainable cold storage project RIDDERKERK I and the follow-up project RIDDERKERK II, which is currently being implemented.

STATUS AND INDICATIVE TIMELINE





Facts & Figures

- 90 000 m² site
- 55 238 m² Gross Floor Area [GFA]
- Building dimensions: approx. length 265m x width 188m x height 12.2 m
- Land: The Port of Rotterdam is the legal entity owning the entire Rotterdam port area. In order to maintain control over this largest European port, the land is granted to users on the basis of land lease [building lease]. This lease is granted for a period of 25 years with automatic extension unless terminated by the lease holder.
- Rent income: EUR 5.67 million p.a.
- Investment volume: EUR 66.8 million
- Completion: Q4 2024
- BREEAM certification "excellent"
- Green facades and roofs, with photovoltaic system

Lease

The real estate special purpose vehicle Dutch Industrial Projects XIII B.V. has entered into a long-term lease agreement with R&M Forwarding B.V. for a fixed period of 20 years, with the option to extend by 5 years.

The lease agreement includes an indexed minimum rent plus a revenue based component. The minimum rent is EUR 5.67 million on a triple net basis.

R&M Forwarding B.V. is a fast-growing Dutch fruit and vegetable forwarding company founded in 2005, which already operates the RIDDERKERK I logistics centre, also developed by Necron Group AG.

Basic specifications – 55 238 m² GFA

- 43 093 m² storage area
- 10 993 m² Mezzanine area
- 1 152 m² of office space
- 40 truck loading bays, of which 8 with sectional doors
- 450 parking spaces

Team

Architects:

Architecten Lab B.V.

Project supervision:

Drees & Sommer SE

Project management:

Necron Management AG

General contractor:

Aan de Stegge Twello B.V.

General contractor

Aan de Stegge Twello is a Dutch construction company with 50 years of project experience in the logistics, food industry, production, chemical and parking sectors. Aan de Stegge Twello is part of Aan de Stegge Verenigde Bedrijven [ASVB], a network of 23 innovative construction and real estate companies with a total turnover of approximately EUR 1 070 million [2022], which are active in the construction of residential and commercial properties in the Netherlands, Belgium and Germany.

THE NETHERLANDS THE LOGISTICS CENTRE OF EUROPE

Gateway to Europa

In keeping with its history as a trading nation, the Netherlands has developed into Europe's distribution hub. Shipping plays an important role in this. Global climate change is leading to rising sea temperatures and melting Arctic ice. This means that trade can be routed through the once-impassable Northeast Passage. This reduces the length and duration of the freight route from northwest Europe to east Asia by a third compared to the traditional southern route through the Suez Canal. Combined with significantly lower fuel consumption, this reduces overall transport costs by around 20-30%.



Infrastructure

The Netherlands is one of the most densely populated countries in Europe and has an excellent infrastructure with centrally located airports, modern road and motorway networks and rail links. The well-developed seaports occupy a special position. In times of global warming, they are becoming increasingly important. This is reflected not least in the rapidly growing investment in port structures such as logistics and distribution centres. Within 24 hours, 170 million consumers can be reached from Amsterdam or Rotterdam.

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

BREEAM AND EU-TAXONOMY SUSTAINABILITY IN THE REAL ESTATE SECTOR



The EU Taxonomy, which came into force across the EU on 1 January 2022 as part of the Green Deal, is a system for assessing the sustainability of companies' economic activities across all sectors. It obliges them to report regularly on their compliance with the sustainability criteria defined in the EU taxonomy, so that fund managers and investors can make informed choices about sustainable investments. This will move private capital beyond 'greenwashing' towards truly 'green' activities. Combined with public sector incentives, this will accelerate the transition to a sustainable economy and ensure that the EU's 2050 climate targets are met.

Necron is aware of these climate targets and has all new projects certified to BREEAM's 4-star "excellent" level. Established in 1990 by the Building Research Establishment (UK), BREEAM is the world's leading system for assessing and certifying the sustainability of buildings. To date, nearly 600,000 buildings have been certified to BREEAM and more than two million are registered for certification worldwide.

Because of its focus on buildings, BREEAM is much more specific and demanding than the EU taxonomy.

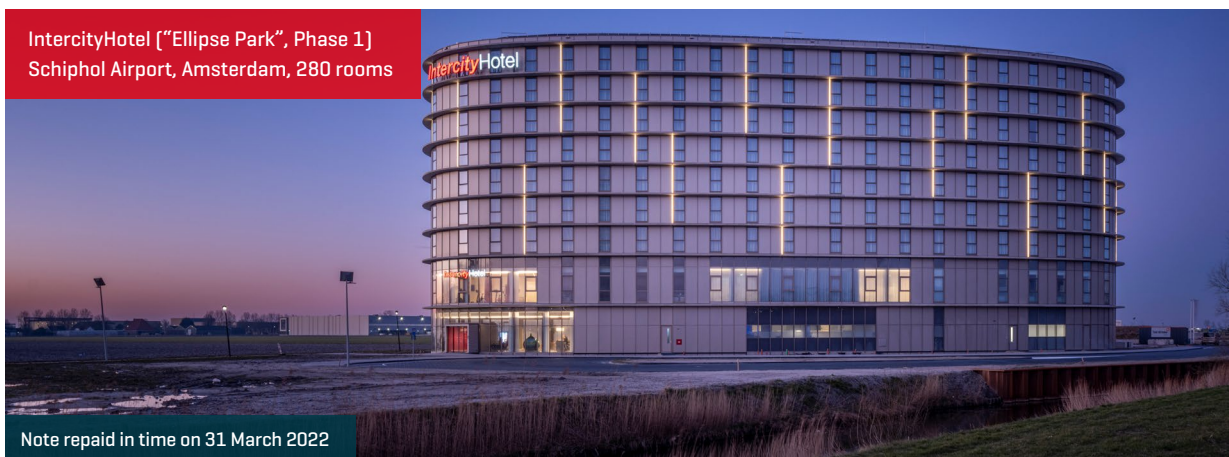
For example, the latter only requires a 10% reduction in the primary energy consumption of buildings compared to today's standard (BENG), whereas BREEAM aims for energy neutrality of the project over its entire life cycle.

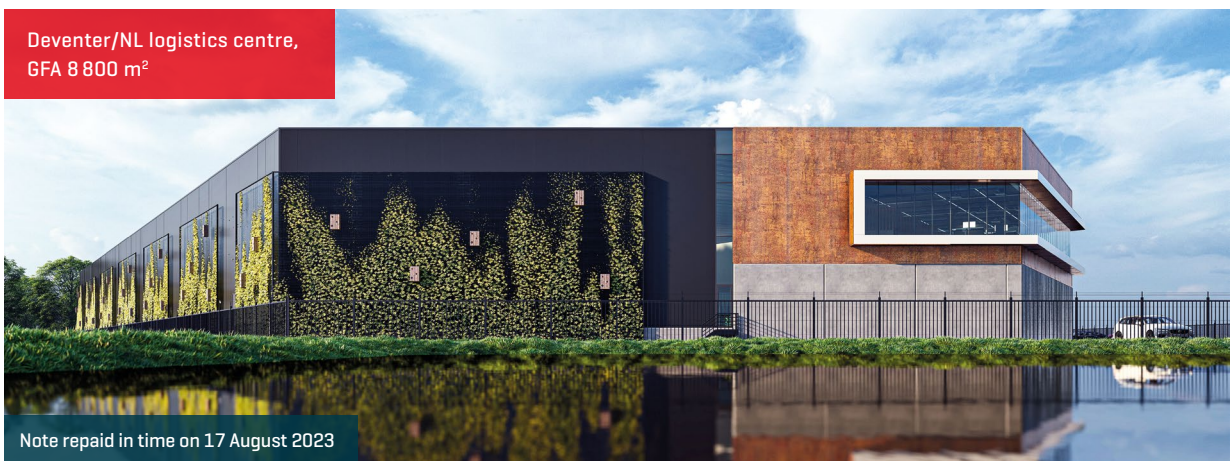
BREEAM also includes other criteria such as building management, water consumption during construction and operation, occupant health and well-being, environmental impact, transport, materials and waste management processes.

With the development and certification of the NECRON FOOD PARK I project to BREEAM 4-star "excellent" level, Necron's investors and future owners can be assured that not only will all current and future sustainability requirements be met, but that the project will also meet the requirements of Section 7.7 of the EU Taxonomy [Acquisition and Ownership of Buildings]. BREEAM's focus on operation, health and well-being also ensures the long-term usability and therefore value of the project.

REFERENCES OF PREVIOUS NOTES SINCE 2019

TOTAL DEVELOPMENT VOLUME OVER EUR 844M SINCE 2019





Eemshaven distribution centre,
Eemshaven Port, GFA 57 950 m²



Note scheduled for repayment on 04 October 2023

Nijkerk distribution centre,
Amsterdam region, GFA 8 200 m²



Note scheduled for repayment on 04 October 2023

Annona I distribution centre,
Amsterdam region, GFA 40 020 m²



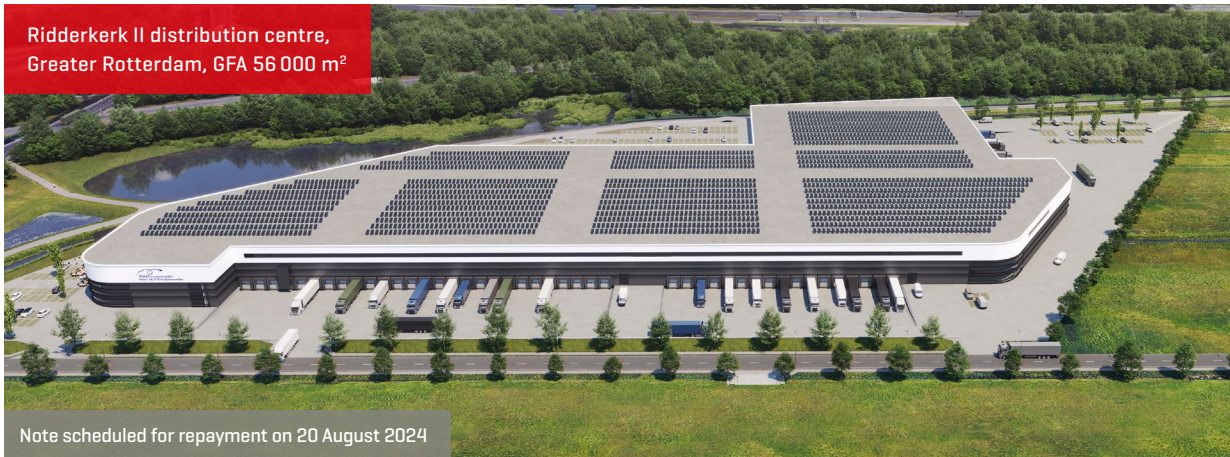
Note scheduled for repayment on 14 May 2024

Ellipse Health Care Park – Phase 2A
Schiphol Airport, Amsterdam



Note scheduled for repayment on 27 June 2024

Ridderkerk II distribution centre,
Greater Rotterdam, GFA 56 000 m²




Note scheduled for repayment on 20 August 2024

Green Square II-III logistics
centre Aalsmer, GFA 38 300 m²



Note scheduled for repayment on 20 December 2024

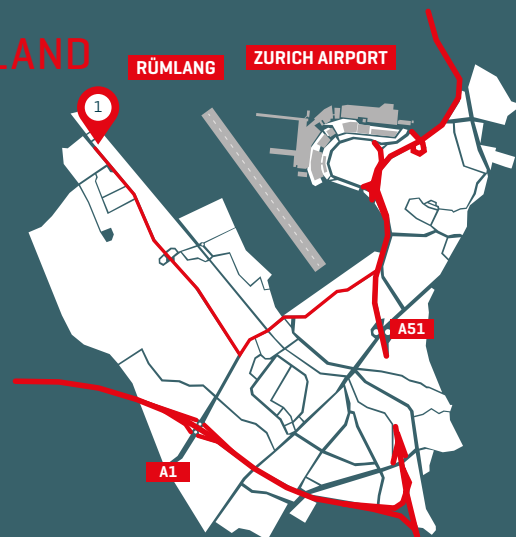
NETHERLANDS

 Projects of past and current notes

- 1 IntercityHotel & Office, Zurich Airport, Rümlang
- 2 IntercityHotel («Ellipse Park», Phase 1) Schiphol Airport, Amsterdam
- 3 Ridderkerk I DC, Greater Rotterdam
- 4 Flevokust DC, Lelystad, Greater Amsterdam
- 5 Logistics Center Hoeksche Waard/NL
- 6 Dordrecht DC, Greater Rotterdam
- 7 Logistics Center Deventer/NL
- 8 Eemshaven DC, Eemshaven Port
- 9 Nijkerk DC, Amsterdam region
- 10 Annona 1 DC, Amsterdam region
- 11 Ellipse Health Care Park, Schiphol Airport
- 12 Ridderkerk II DC, Greater Rotterdam
- 13 Green Square Logistics II-III, Aalsmeer



SWITZERLAND



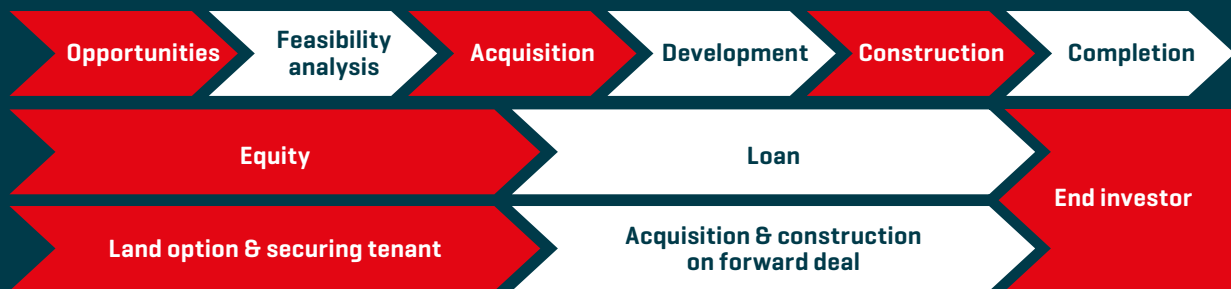
ABOUT NECRON GROUP AG

Necron Group AG is a Swiss real estate investment and development company based in Zug, Switzerland, specialising in the development and implementation of industrial real estate projects in Switzerland and 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 31 December 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 601.4 million. Necron Group AG also has sufficient liquidity and equity of EUR 92.6 million, which underlines the company's sound financial situation.

Since 2023, BDO AG is the fiduciary company of Necron Group AG and PWC PricewaterhouseCoopers AG is the auditor.

WORKING METHOD, RISK PROFILE, EXIT AND VALUE CHAIN



FINANCING AND DISTRIBUTION PARTNERS OF THIS NOTE

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