

SUSTAINABLE PROPERTY SOLUTIONS



Factsheet Note

GREEN SQUARE LOGISTICS II-III

Aalsmeer (Amsterdam)

Coupon per annum CHF 6.0%, EUR 6.5%, USD 7.25%

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

Subscription deadline 16 June 2023 | Issue volume 45 million | 100% Contingent Capital Protection



NOTE

GREEN SQUARE LOGISTICS II-III LOGISTICS CENTRE IN AALSMEER, (AMSTERDAM)

Underlying/Business Case

The issuer ABS Securitisation SA, Luxembourg, acting in on behalf of the compartment Green Square Logistics II-III (compartment EMTN22-12), intends to place a mortgage-backed bond with a total volume of 45 million (CHF, EUR, USD) with qualified investors. The full amount will be transferred 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 XII B.V. as working capital for the realisation of the GREEN SQUARE LOGISTICS II-III logistics centre. This special purpose vehicle already owns the 45346 m² plot of land.

GREEN SQUARE LOGISTICS II-III

The planned and approved GREEN SQUARE LOGISTICS II-III project comprises a total gross floor area of 38300 m² divided into two building parts of 24671 m² (Part A) and 13605 m² (Part B). The property will be developed and certified with modern architecture and in accordance with the requirements of BREEAM sustainability level 'excellent'. It already meets or exceeds the new EU taxonomy regulation for real estate in many areas. The two parts of the building can be used as separate areas, each with its own loading bays and office space and can be further subdivided if required.

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 7.25% per annum, with a maximum maturity of 18 months and a minimum maturity of 14 months.

Financing/Equity

The logistics centre will be built on a turnkey basis by renowned general contractor Aan de Stegge Twello. The total cost of the project is estimated at EUR 74.2 million, including EUR 26.9 million for the value of the land and will be funded as follows:

+ Necron equity – EUR 29.2 million
+ Note – EUR 45.2 million
= Total EUR 74.2 million

This makes Necron's equity 39.4% of total cost.

Lease – fully leased

Dutch Industrial Properties XII B.V., the real estate special purpose vehicle, has signed a long-term triple net lease with Bausch & Lomb for the entire Part A space for a term of 15 years and a net rent of EUR 2.4 million per annum. Bausch & Lomb will also invest approximately EUR 40 million in fit-out and will establish its European headquarters there. Listed on the NYSE, Bausch & Lomb is one of the world's leading manufacturers of high-tech products for the eye, including contact lenses, surgical instruments, and pharmaceuticals. Final negotiations are currently underway with 3 international companies to fully occupy part B, of which a tenant will be selected prior to commencement of construction.

On 2 May 2023, an international, family-owned freight forwarder and logistics company signed a 15-year lease for the entire Part B space at a net indexed rent of EUR 1.37 million. The company employs 7000 people in over 200 offices and operates in more than 100 countries.

Exit Strategy

The exit strategy is to sell the logistics building to an institutional investor before or after completion. Discussions with potential interested parties are well advanced.

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

Note – Guarantees/Collateral

- Registration of a real estate lien on the still unencumbered property (including development) in the amount of the issue volume in favour of the note holders; and
- pledge of the rent receivables 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.

Definition of Credit Event

- Bankruptcy: Insolvency of the Underlying or inability to pay its debts.
- Default: Failure of the Underlying to make payments when due.
- Restructuring: Change in the terms of the loan agreement.

No Issuer Risk

One of the main advantages of the Luxembourg securitisation law is that the compartments are legally segregated i.e., the assets are legally separated at the compartment level. As a result, a compartment (the issuer) cannot go bankrupt.

Investor Benefits

- Sustainable project certified to BREEAM level 'excellent' in an outstanding location
- Extensive guarantees and security in favour of note holders
- Low-risk real estate project
- Long term lease in place
- High Necron equity stake of 39.4%
- Regular interest income
- Fixed return
- Short term



NOTE

Note details	CHF	EUR	USD
ISIN/Valor	CH1108675427/110867542	CH1108675435/110867543	CH1108675443/110867544
Bloomberg Ticker	ABSCRT 6 12/20/24 Corp	ABSCRT 6½ 12/20/24 Corp	ABSCRT 7¼ 12/20/24 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.	7.25% p.a.
Issuer	ABS Securitisation SA, Luxembourg, acting in on behalf of the compartment Green Square Logistics II-III [Compartment EMTN22-12]		
Issue volume	CHF/EUR/USD 45 million		
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, phone +41 41 561 38 22		
Strategy	GREEN SQUARE LOGISTICS II-III [GSL II-III] in Aalsmeer, Netherlands		
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 still unencumbered property (including development); and · pledge of the rent receivables until the transfer of the project to the buyer; 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	16 June 2023		
Issue date	20 June 2023		
Issue price	100 %		
Final maturity	20 December 2024		
Early repayment option	from 20 June 2024 with 10 days' notice		
Early redemption price	100 % plus accrued interest		
Redemption price at final maturity	100 %		
Capital protection	100 %, unless a credit event occurs		
Offer	Private placement (not for public distribution), to qualified investors only		
Paying agent	ISP Securities AG, Zurich		
Subscriptions OTC	ISP Securities AG, phone +41 43 499 14 14, trading@ispsecurities.ch		
Clearing/Settlement	SIX SIS AG, Olten		
Secondary market	Daily pricing will be available on Bloomberg [ISIN CH1108675427/CH1108675435/CH1108675443]. 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

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GREEN SQUARE BUSINESS CAMPUS AALSMEER, METROPOLREGION AMSTERDAM

Aalsmeer

The city of Aalsmeer is located in the centre of the Amsterdam metropolitan region, a stone's throw from Schiphol Airport. It is the world's largest trade and knowledge centre for floriculture and home to the world's largest flower auction, Royal FloraHolland with a daily trade volume of more than 20 million flowers and plants from the Netherlands and 50 other countries. A footprint of 518 000 m² and a total floor space of 990 000 m² make the huge central auction building in Aalsmeer the fourth largest building in the world. Within this region, more than 50 000 people work for growers, auctions, trading companies, exporters, horticultural suppliers and flower and plant breeders. Together, these companies generate a turnover of EUR 3 billion a year.

Green Square Business Campus Aalsmeer

The campus in the heart of Aalsmeer will comprise a total building floor space of approximately 250 000 m². With 80 000 sqm of logistics space and 170 000 sqm of other functions such as a hotel, light industrial, offices, retail and a wide range of other facilities, the campus will be the new place to work, do business, learn, stay and relax. The new 500-room hotel, designed in the style of the former greenhouses in the area, will be the landmark of the campus.

The plans for the campus were unanimously approved by the Aalsmeer Municipal Council on 29 September 2022. The development of the entire site is expected to take 5 to 7 years.

On 28 October 2022, Green Square Logistics I was completed as the first sub-project of the development.

Necron Group AG is financing and developing the high-quality GREEN SQUARE LOGISTICS II-III project.

Dutch City Development

Dutch City Development, the overall planner of the Green Square Business Campus, is a nationally active area developer that works with the philosophy of 'Urban Wishes, Human Solutions'. It pursues a clear vision based on knowledge of the location and future users, creating added value for the location, the city and the owners and users of the individual buildings and areas. Together with Dutch City Development, Necron Group AG will realise GREEN SQUARE LOGISTICS II-III and other high-quality properties in the future.

Sustainability

The municipality of Aalsmeer has consistently pursued the goal of transforming the campus into a high-quality and sustainable central area. A circular ecosystem, a sustainable energy concept and a climate-resilient green landscape are at the top of the agenda.

The project is also being developed in line with Necron's sustainability strategy and the Green Square Business Campus sustainability concept mentioned above.

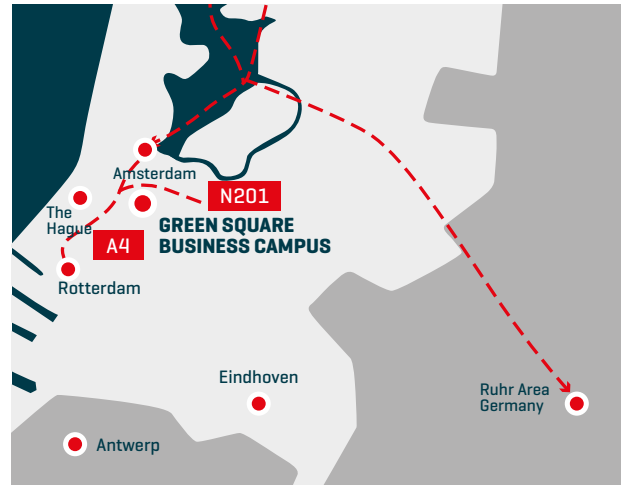


Green Square Business Campus,
250 000 m² total floor space

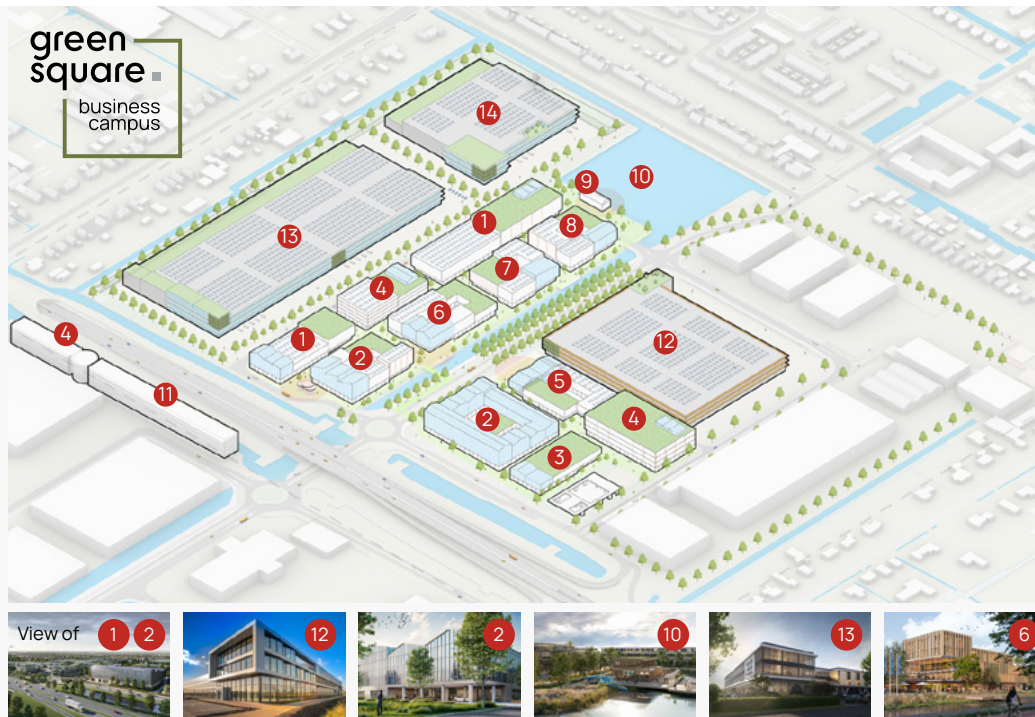
GREEN SQUARE BUSINESS CAMPUS

MACRO LOCATION

- Central location in the Netherlands, 10 minutes by car from Schiphol Airport
- Region with a strong economy and more than 50 000 jobs in innovative companies generating a turnover of more than EUR 3 billion
- 7 minutes by car on the N201 to the A4 [Amsterdam-Rotterdam] with direct access to the A9 [East-West]
- 5 minutes by car from the Royal Flower Auction Royal FloraHolland, the world's largest flower market and logistics centre for the flower trade
- Less than a 20-minute drive from the Amsterdam city centre and less than 50 minutes by car from the port of Rotterdam
- About 2 hours' drive from Antwerp and less than 3 hours' drive from the Ruhr area



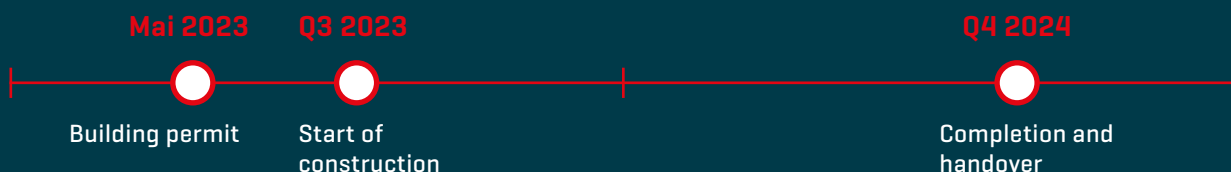
MICRO LOCATION



LEGEND

- 1 Light Industrial
- 2 Hotel & Hospitality
- 3 Services & Amenities
- 4 Parking
- 5 Sports & Medical Centre
- 6 Short stay & Leisure
- 7 Knowledge & Information Centre
- 8 Home, Gift & Garden Centre
- 9 Hospitality
- 10 Zwanenwater
- 11 Office spaces
- 12 Green Square Logistics I
- 13 Green Square Logistics II & III
- 14 Green Square Logistics IV

STATUS AND INDICATIVE TIME LINE





Facts and figures

- 45 346 m² Land area
- 38 300 m² Gross floor area [GFA]
- Building dimensions: approx. length 265 m, width 110 m, height 14 m [gross]
- Plot of land owned since February 2023
- Rental volume: EUR 3.77 million p.a.
- Investment volume: EUR 74.2 million
- Target completion date: Q4 2024
- BREEAM certification 'excellent'
- Green facades and roofs, solar panels

Key figures Part A – 24 671 m² GFA

- 16 362 m² Storage area
- 4 714 m² Mezzanine area
- 3 595 m² Office space
- 27 truck loading bays, including 1 overhead bay
- 160 parking spaces

Key figures Part B – 13 605 m² GFA

- 10 125 m² Storage area
- 2 330 m² Mezzanine area
- 1 150 m² Office space
- 15 truck loading bays, including 1 overhead bay
- 150 parking spaces

General Contractor

Aan de Stegge Twello is a Dutch construction company with 50 years of project execution experience in the logistics, food, manufacturing, chemical and parking sectors. The company is part of Aan de Stegge Verenigde Bedrijven [ASVB], a network of 23 innovative companies in the construction and real estate sector with a combined turnover of approximately EUR 872 million [2021] and activities in residential and commercial real estate in the Netherlands, Belgium and Germany.

Leasing of Part A

The entire area of Part A is let to Bausch & Lomb, a company founded in 1853 and listed on the NYSE. The triple net lease has a term of 15 years. The annual net rent is EUR 2.4 million.

Bausch & Lomb is one of the world's leading manufacturers of technology-based products for the eye, including contact lenses, surgical instruments, and pharmaceuticals.

The company employs over 12000 people worldwide. The company is best known for its famous RayBan eyewear brand, which was sold to Italy's Luxottica Group in 1999. Bausch & Lomb Corporation is part of Bausch Health Companies Inc, a global diversified pharmaceutical company also listed on the NYSE.

Leasing of Part B

On 2 May 2023, an international, family-owned freight forwarder and logistics company signed a 15-year lease for the entire Part B space at a net indexed rent of EUR 1.37 million. The company employs 7000 people in over 200 offices and operates in more than 100 countries.

Team

Architects: **SEC.architecten**

Project Management:

Necron Management AG & Dutch City Development

General Contractor:

Aan de Stegge Twello

THE NIEDERLANDS – THE LOGISTIC HUB OF EUROPE

Gateway to Europe

Capitalising on its long history as a trading nation, the Netherlands has become Europe's distribution hub. 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 Northeast Passage. This 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. The significant savings in travel time and fuel costs result in a reduction in transport costs of around 20-30%.



Infrastructure

The Netherlands is one of the most densely populated countries in Europe. It has an excellent infrastructure with centrally located airports, modern road and motorway networks and rail links.

The well-developed seaports occupy a special position. The rapid pace of climate change is making them increasingly important, with a resultant surge in investment in port structures such as logistics and distribution centres.

The strategic location of the ports of Amsterdam and Rotterdam, combined with the country's efficient infrastructure, means that goods can be delivered to 170 million

European consumers in 24 hours or less.

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

BREEAM AND EU-TAXONOMIE SUSTAINABILITY IN THE REAL ESTATE SECTOR



The 'EU Taxonomy', part of the 'Green Deal', is a system for assessing the sustainability of companies' economic activities across all sectors and came into force across the EU on 1 January 2022. It requires large companies to report regularly on their compliance with a set of sustainability criteria across a wide range of business activities. This will enable fund managers and investors to make informed choices about sustainable investments, prevent 'greenwashing' and channel private capital into genuinely '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 its new developments certified to BREEAM's 4-star 'excellent' level. Published 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 awarded BREEAM certification

and more than two million are presently registered for certification worldwide. Because of its focus on buildings, BREEAM is far more specific and demanding than the EU taxonomy. For example, the latter requires a 10% reduction in the primary energy consumption of buildings compared to today's standard [BENG], while BREEAM aims to achieve energy neutrality over the whole life cycle of the project. In addition, BREEAM includes other criteria such as water use during construction and operation, health and well-being, environmental impact, transport, materials, waste and management processes.

By developing and certifying the GREEN SQUARE LOGISTICS II-III project to the BREEAM 4-star 'excellent' level, Necron is providing investors and future owners with the assurance that it not only meets all current requirements of Section 7.7 of the EU Taxonomy [Acquisition and Ownership of Buildings] but also future sustainability requirements. BREEAM's focus on operation, health and well-being also ensures that the project will be usable for many years to come and will therefore retain its value.

REFERENCES OF PREVIOUS NOTES

TOTAL DEVELOPMENT VOLUME OVER EUR 770 MIO. SINCE 2019

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



Nijkerk DC, Amsterdam region,
GFA 8 200 m²

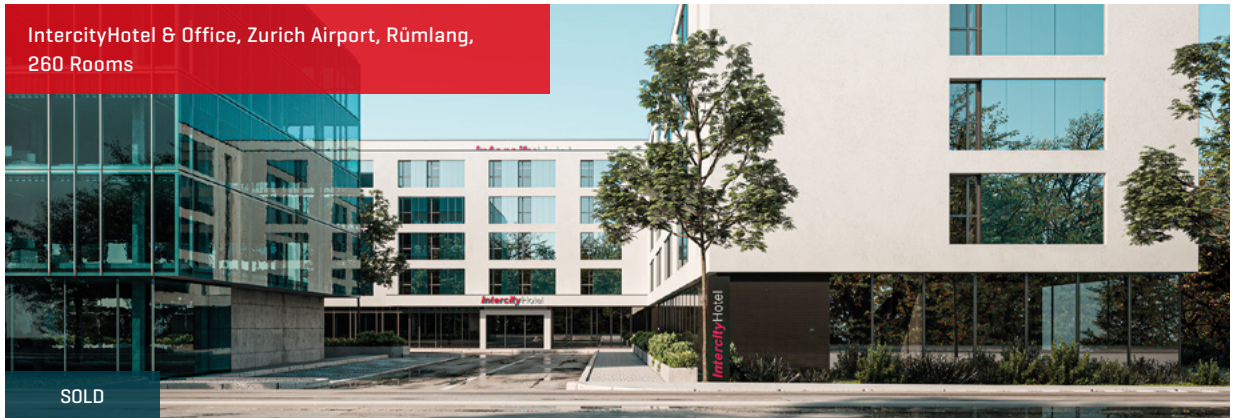


Flevokust DC, Lelystad, region
Amsterdam, 78 700 m² GFA

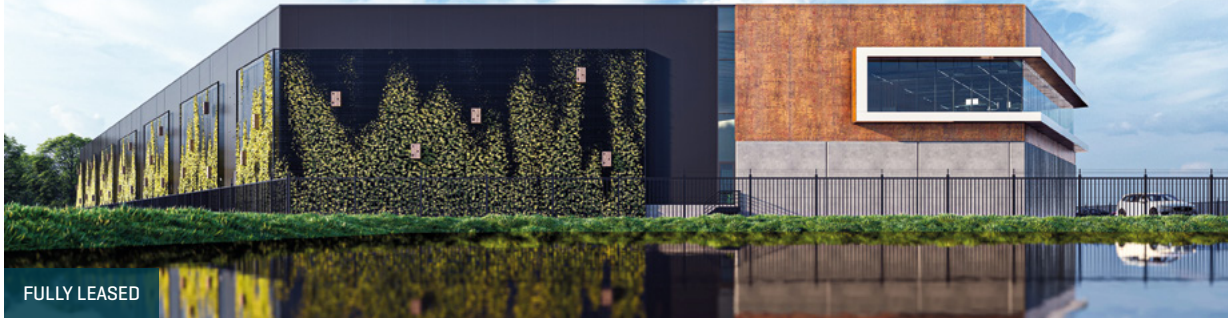


Annona 1 DC, region Amsterdam,
40 020 m² GFA





Logistics Center Deventer/NL,
8 800 m² GFA



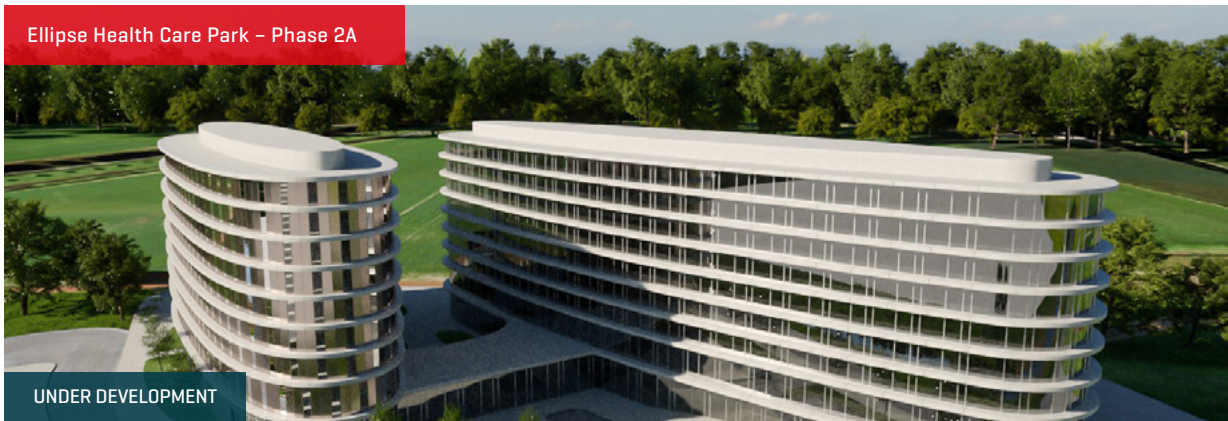
FULLY LEASED

"Ellipse Park", Phase 1 IntercityHotel,
Schiphol airport, Amsterdam,
280 rooms



IN OPERATION

Ellipse Health Care Park - Phase 2A



UNDER DEVELOPMENT


Ridderkerk II DC, larger
Rotterdam area, 56 000 m² BGF



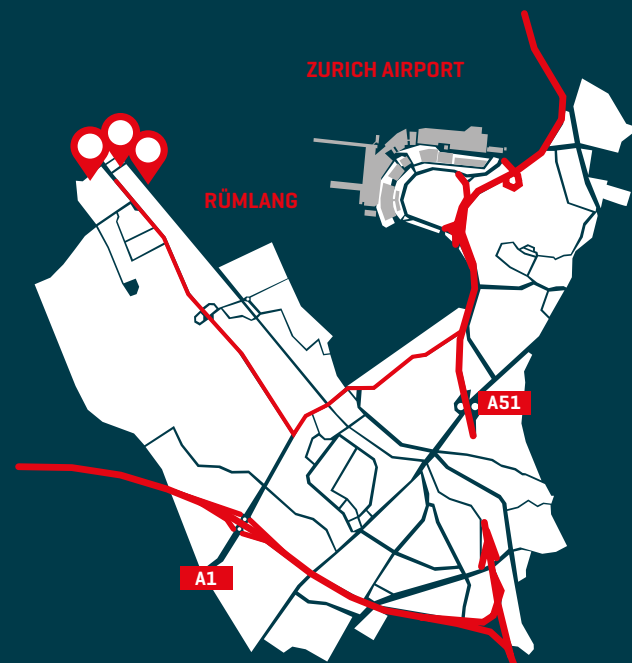
SOLD

THE NETHERLANDS



 Necron Projects completed, under construction or planned

SWITZERLAND



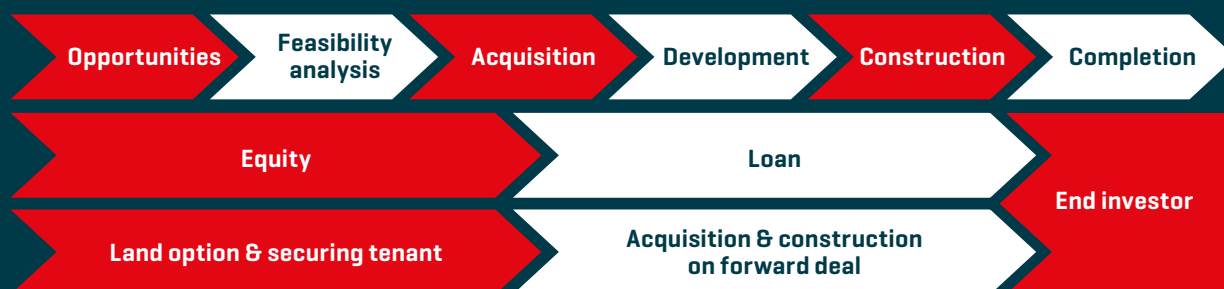
ABOUT NECRON GROUP AG

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 more than EUR 92.4 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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