



Investor Presentation – Written Procedure

Gammelhavn Vejle ApS

Secured Fixed Rate Corporate Bond Issue

September 2023

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Disclaimer



No due diligence

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- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Proposal, the Bonds, the merits and risks of the Bonds and the Terms and Conditions (as amended by the Proposal) and the information contained or incorporated by reference in this document or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, the Proposal, the Bonds, the Terms and Conditions (as amended by the Proposal) and the impact other bonds will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds (as amended by the Proposal);
- (d) understand thoroughly the Proposal and the Terms and Conditions (as amended by the Proposal); and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the relevant risks.

The Solicitation Agent does not make any recommendation as to whether the Bondholders should participate in the Proposal. The Solicitation Agent has not retained and does not intend to retain any unaffiliated representative to act solely on behalf of the Bondholders of the for purposes of negotiating the Proposal or preparing a report concerning the fairness of the Proposal. The Solicitation Agent does not do not take a position as to whether you ought to participate in the Proposal.

This Presentation does not discuss the tax consequences to Bondholders. Bondholders are urged to consult their own independent financial or other professional advisors regarding possible tax consequences of the Proposal to them under the laws of any relevant jurisdiction. The Bondholders are liable for their own taxes and have no recourse to the Issuer, the Solicitation Agent or any of their Representatives with respect to taxes arising in connection with the Proposal.

Responsibility for complying with the procedures of the Proposal

The Bondholders are responsible for complying with all of the procedures for participation and voting in respect of the Proposal as set out in the notice of written procedure. Neither the Issuer nor the Solicitation Agent assumes any responsibility for informing any Bondholder of irregularities with respect to such Bondholder's participation in the Proposal (including any errors or other irregularities, manifest or otherwise, in any voting instruction).

Conflict of interest

The Solicitation Agent and/or its Representatives may hold shares, options or other securities of the Group and may, as principal or agent, buy or sell such securities. The Solicitation Agent may have other financial interests in transactions involving these securities or the Group.

Consent solicitation fee

The Solicitation Agent will be paid a fee by the Issuer for its consent solicitation in respect of the Proposal.

Audit review of financial information

The financial information contained in this Presentation has not been reviewed by the Group's auditor or any other auditor or financial expert. Hence, such financial information might not have been produced in accordance with applicable or recommended accounting principles and may furthermore contain errors and/or miscalculations. The Group is the source of the financial information, and none of the Solicitation Agent or any of its Representatives shall have any liability (in negligence or otherwise) for any inaccuracy of the financial information set forth in this Presentation.

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A word from the CEO

The development in the Danish property market has in 2023 so far been characterized by a general declining activity level caused by high inflation and correspondingly high interest rates in Q1 and Q2. The inflation has dropped significantly in Q3 and are approaching the low level before COVID. The interest rates have, however, not yet dropped correspondingly and this has caused some uncertainty in the market. Thus, the number of transactions has dropped due to an increasing gap between sellers' and buyers' expectations. A significant number of new projects have been either cancelled or postponed awaiting a more transparent market.

This development has taken place even though the overall Danish economy remains very strong with continuous GDP growth, very low unemployment, significantly declining inflation, and a lower-than-expected declining tendency for ownership house prices.

The drop in inflation is expected to continue over the next quarters eventually leading to a drop in interest rates around Q2 2024. The current high interest rates have as mentioned above led to lower asking prices among investors – especially within the office segment in the provinces (including Vejle). In the light of this development, we have decided to convert the office part of our Vejle project into residential, as the demand in this segment remains significant in Vejle due to a continuous substantial migration.

Especially the demand for micro living is expected to undergo a positive development, as Vejle has been appointed to house the new regional IT University.

Apart from the postponement caused by the global economic crisis the development of Vejle is following the plans originally laid out. The first 16 000 sqm residential building rights have been sold off to a joint venture between AKP (a Danish pension fund) and NPV. The construction of this project has commenced and is expected to be finalized in Q4 2024. The building activities on the plot is facilitating and supporting the interest of other investors and financiers, and we are frequently receiving serious inquiries regarding the erection of the remaining part of the Vejle project. Thus, we recently received a financing offer comprising the erection of the micro living part of the project (11 500 sqm distributed on 360 apartments plus common facilities – costs DKK 219m ex VAT) based on which we expect to commence the construction of the micro living part of the project in Q4 2023.

Also, the building costs will benefit from the expected drop in inflation eventually leading to better profitability in Vejle – as well as in our projects in general.

Overall, the activities of NPV are going well given the circumstances of the global financial and economic unrest. We have complied with our diverse strategy to benefit from the current “correction mode” of the market by acquiring a “stressed asset” with the acquisition of an attractive property centrally located in the city of Kiel in Northern Germany. We expect to make a substantial profit on this investment, and we expect more investments of this kind to follow.

Sincerely
Jens Schaumann
Chief Executive Officer



Jens Schaumann – NPV A/S – CEO and majority owner

Summary

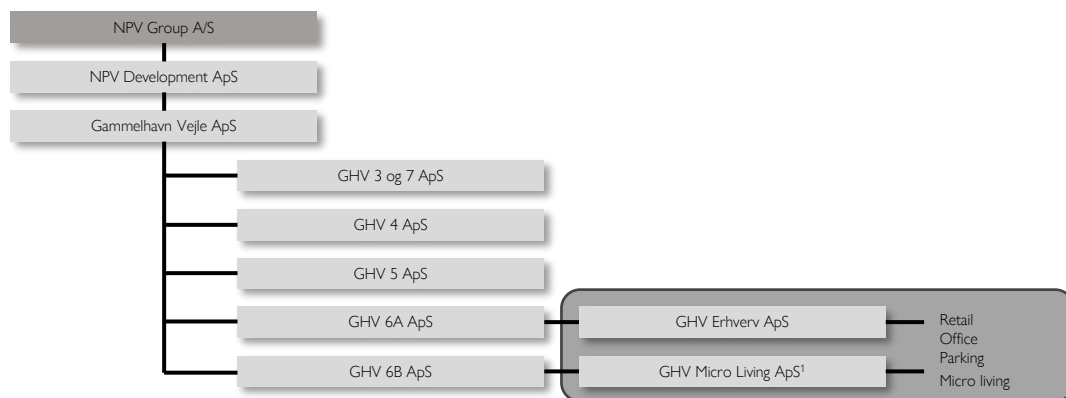
Introduction

Gammelhavn Vejle ApS (the “**Issuer**”) is a subsidiary of NPV Group A/S (“**NPV**”), a Danish developer of residential and commercial real estate, active mainly in Copenhagen. The Issuer is developing the properties with title nos. 17b Vejle Bygrunde and 690a and 690e, Vejle jorder (the “**Properties**” or the “**Project**”). The Properties are located in the city center of Vejle, at prime location. Vejle municipality is Denmark’s fifth most populous municipality.

The Issuer has sent out a written procedure for the bond issue, asking the investors for a prolongation of the maturity of the bonds by 24 months. The prolongation allows the Issuer to develop the project on their own books, hence getting more value out of the project, and does not force the Issuer to sell parts of or the whole project before the maturity in February 2024 in the current tough market conditions.

Proposal in short

- Prolong the maturity with 24 months until February 11th 2026
- Increasing the interest rate from 12 % to 15 % during the prolongation period
- Roll up of interest from the current maturity date until the new maturity date
- Allowing voluntary partial redemption of at least 20 % of the outstanding nominal volume
- Allowing the lender of construction financing to get a share pledge in the relevant PropCo



Highlights

- Interest will still be paid out to investors until maturity on the 11th of February 2024. Two additional quarterly payments are left
- Prolongation allows the Issuer to develop the micro-living part of the project themselves and to wait to sell the other building rights. This does not force the Issuer to sell the project in current market conditions
- By increasing the interest rate from 12% to 15% p.a. during the prolongation period, the Issuer targets to compensate the Investors for the extended maturity.
- The Issuer is determined to finalize the project (construction and selling) and repay all debt to investors
- The micro-living project will start construction when financing is secured (after the bond is formally prolonged)

¹ GHV 6 A & B ApS is replacing GHV 6 ApS. More information about the group structure in the Appendix.

Project update

Development per September 2023

- The S1 and S2 plots were sold into a JV with AKP (Danish pension fund). The sale, completed at fair market value and arm's length, generated a cash flow of DKK 53,3m to the Issuer. The Bondholders have no financial interest in the future development.
- The pension fund provides financing for the construction of the two plots
- The groundwork for the remaining plots is going according to plan
- The Issuer intends to develop the micro-living part of the project themselves
- The Issuer has negotiated the terms of a turnkey construction contract and a lender that has offered construction financing for the micro-living project
- The lender is a strong actor in the market and will provide the construction financing on market terms
- The lender needs the bonds to be prolonged before giving a green light to the financing
- EY has been acting as an advisor to the Issuer in the micro-living project
- EY has also made a market analysis for the project
- The decision to develop the project themselves is based on the current market conditions for building rights
- The Issuer has ongoing discussions with potential buyers for the building rights but deems the timing to sell the building rights now as not desirable



Project status

Recap

- Gammelhavn is a development project located in Vejle, in prime city location, close to the railway and within walking distance to the city centre and harbor
- NPV acquired the three properties from the state-owned companies DSB, Banedanmark and Post Danmark during the spring of 2021 with the proceeds from the Initial bond issue and bank financing
- The acquisition was performed at approx. DKK 160m where the valuation suggested the value at that time to be DKK 196,5m
- The purpose of the project was that by constructing a mix of rental apartments, student housing, and condominiums, the project should attract buyers and tenants of all ages and family constellations
- The general plan from the start was to develop the properties and prepare the groundwork for coming buyers
- The aim of the project was to, all in all, shorten the investment horizon for a potential buyer who will only need to deliver financing when construction commences
- The total project size was, before the sale of the first two parts, 84 000 sqm

Current

- The construction of the project is ongoing, with ongoing works on the plots S1 and S2, which NPV divested before the construction
- The groundwork for the entire project is also ongoing (see page 27 for pictures of this)
- Infrastructure investments by the municipality have been done in terms of roads, plumbing, electricity etc.
- The sale of the rest of the building rights has been postponed due to the current market conditions
- The Issuer now intends to start the construction of the micro-living part on their own books, latest in Q4 2023
- An agreement with a contractor is already in place
- There is an agreement for construction and construction financing in place, the bank will release the funds when the bonds are prolonged



Future

- The initial phase for the Issuer will involve the development of micro-living apartments, for which they have already secured a contractual agreement
- A promising trend in micro-living and the demographic profile of Vejle strongly indicate a robust market demand for such apartments
- The strategy for the remaining segments of the project is to offer the plots as building rights for sale
- The Issuer is committed to collaborating closely with prospective buyers in order to identify a suitable purchaser for the remaining building rights
- Anticipating positive market dynamics for the outstanding building rights in the upcoming years, the Issuer is inclined to execute sales once the plots attain their optimal valuation
- Through the sale of these plots, the Issuer aims to do a partial redemption of the Bond. This strategic move will result in a reduction of the total outstanding debt, consequently leading to a reduction in financial costs

Detailed Background

Background

As presented to the Bondholders in connection with the initial bond issue, the Issuer's business plan was to enter into an agreement with three state-owned companies, Banedanmark, DSB, and Posten to develop a centrally located plot in Vejle, Denmark, into an attractive city development. The Issuer managed to get a local plan in line together with all three plot owners. The Issuer then negotiated an acquisition with the three plot owners and in May 2021 an agreement with all three plot owners was in place. The strategy for the Gammelhavn Vejle project is to develop and sell off plots or obtain building permit then construct and sell off the plots after completed construction.

Due to the war in Ukraine and the following increase in construction costs and a significant increase in the interest rates, there has been a delay in the Issuer's initial time plan and the investor appetite has generally decreased. The value of the plots is a residual of the sales prices after construction, minus interests and construction costs. When these parameters go in the wrong direction, they negatively influence the project and profitability. This – and the sale of certain plots as described below – has affected the valuation of the plots negatively, down from approx. DKK 421,300,000 on 31.01.2022 to approx. DKK 200,100,000 as of 01.02.23 for the plots now remaining in the project. No subsequent valuation exists. Consequently, at the current valuation, the sale proceeds from a potential sale of the plots would not cover the outstanding amounts under the Bonds.

The Issuer believes that it is currently not a good market sentiment to sell parts of the project now or in the next twelve months and that it is therefore important that the maturity date of the Bonds is extended to cater for a sale of the plots in more favorable market conditions. The Issuer also believes it will take around 24 months to see the full effect of lower inflation, lower yields, and lower construction costs. In combination with the above mentioned, the Issuer believes that the project will be more sellable and profitable in 24 months, and the Issuer also believes that the start of the construction of a micro-living project of around 11,500 sqm will affect the other plots in a positive way and make the other plots more sellable.

Since the acquisition of the three plots, a number of significant milestones have been achieved. This includes the successful adoption of a finalized local plan, paving the way for the procurement of building permit for the micro-living project. Additionally, fruitful negotiations with the municipality have resulted in a completed infrastructure investment by the municipality surpassing EUR 10 million. The Issuer and the municipality also oversee land preparation and the deconstruction of existing structures, with a deliberate focus on reutilizing salvaged materials in the new project's construction.

Despite the challenging market conditions, another notable achievement has been attained. Approximately 15,000 sqm of building rights were successfully divested to a joint venture with AKP (Danish pension fund). The divestment was at a price of approx. DKK 53,300,000. The funds from the sale have among others been applied by the Issuer to pay interest to the Bondholders and repayment of senior financing. This strategic sale was predicated on the Issuer's belief in the favorable pricing, exceeding the acquisition cost (of the specific plot), and serves as a testament to the project's intrinsic appeal. Given that the plots now have been sold to a JV outside of the bond structure, the Bondholders have no financial interest in the two plots sold, but successful project development in the area could have a positive spillover effect on the plots that are still in the structure. Therefore, it should be noted that the joint venture has secured a turnkey construction contract for 15,000 sqm for the two plots and has secured construction financing for this segment of the project.

Furthermore, the Issuer has commitment and currently is negotiating final terms and conditions for a construction financing with a conditional turnkey contract for the approximately 11,500 sqm micro-living development in place. However, two important conditions for receiving the construction financing are that the Issuer can meet all its financial obligations during the construction period, which includes the Bonds and that the lender receives 1st priority pledge over the shares in the property company owning the relevant plot. As mentioned above, with the current market situation, it is likely that the issuer will not be able to repay the Bonds in full on the original Final Maturity Date, why the maturity date of the Bonds needs to be prolonged for the full 24 months, ensuring that the micro-living housing will have enough time to be constructed. It is estimated that once the micro-living development has been finalized, it will result in a sufficient cash flow to repay the Bonds at the end of the prolonged maturity period. The main plan for the remaining plots is to sell off the plots within the extended maturity period for the Bonds. The Issuer believes that the commencement of the construction of the project with AKP and the micro living project will make the whole area more mature and therefore a better price for the plots can be achieved.

In addition, given the current situation, as described above, the Issuer will during the construction period, face liquidity challenges, why Bondholders are also asked to agree that the interest payments following the original maturity date on 11 February 2024 are capitalized during the prolongation period and paid at the new proposed final maturity date on 11 February 2026. Accrued Interest will however be paid on 11 November 2023 and 11 February 2024.

As consideration for the Bondholders agreeing to the proposed amendments to the Terms & Conditions, the Issuer offers an increased Interest Rate of 15.00% per annum, from the current rate of 12.00% per annum. The new Interest Rate will accrue and be capitalized (without compounding) during the prolongation period and be payable in connection with the new Final Maturity Date on 11 February 2026 (or earlier if the Bonds are repaid in full).

Finally, the current Terms & Conditions do not allow for partial redemption of the Bonds. Given that there could be opportunities to sell of plots or part of them during the prolongation period, the Bondholders are in addition asked to approve of a new provision to the Terms & Conditions to cater for partial optional pro rata redemption of the Bonds with a minimum of 20% of the outstanding amounts under the Bonds each time.

The prolongation is believed by the Issuer to allow continued delivery of good results, benefiting all stakeholders involved and allow the redemption of the outstanding debt.

The Proposal

Proposal

Based on the above background and to continue developing and subsequently selling the properties within the project and increase the likelihood of a full repayment of the Bonds, the Bondholders are kindly asked to approve and consent to:

1. a prolongation of the Final Maturity Date from 11 February 2024 until 11 February 2026;
2. an increase of the Interest Rate from 12.00% per annum to 15.00% per annum, as from 12 February 2024;
3. that Interest during the period 12 February 2024 until 11 February 2026 shall accrue and be capitalized (without compounding) and be payable in connection with the new Final Maturity Date on 11 February 2026 (or earlier if the Bonds are repaid in full);
4. that a new provision is added to the Terms & Conditions to cater for partial optional pro rata redemption of the Bonds with a minimum redemption of 20% of the outstanding amounts under the Bonds each time;
5. the granting of a first priority share pledge in shares of the newly established property company which is to become the owner of the micro living project in favour of a third party Construction Facility lender as security for such facility;
6. to acknowledge the limitation of liability set out in above under the heading "**LIMITATION OF LIABILITY OF THE AGENT**"; and
7. to approve and authorize the Agent to execute the amended and restated Terms and Conditions reflecting the Proposals and any consequential amendments thereto which the Agent deems necessary in its opinion including updating of the definitions of the relevant Properties to reflect the current ownership and property portfolio (as described in the Investor Presentation), without any liability for the Agent.

The requests for approvals and consents set out in Items 1-7 above are jointly referred to as the "**Proposal**".

Financial information

Budget Gammelhavn Vejle

- The budget presented on the right outlines the projected outcome for the Issuer's venture involving the development of micro-living apartments and the sale of remaining building rights.
- Following bond repayment, a net profit of approximately DKK 36m is anticipated for the Issuer. Under these assumptions, the Bondholders can expect full repayment along with accrued interest.
- The valuation depicted in the chart on page 29 offers an estimate of the progression in building rights prices. The Issuer has posited that the future value of building rights is poised to surpass current valuations. Additionally, various scenarios have been examined to assess how fluctuations in building rights prices might impact the project and, by extension, Bondholders.
- Financing costs are estimated to be reduced by approx. DKK 30m (included in the budget) as a consequence of selling the plots during the maturity of the Bond and using the new term of partial redemption of the Bond
- The Issuer estimates the net income from the micro-living to be approx. DKK 430m
- Valuation of the building rights is estimated by the Issuer to approx. DKK 177,5m, more info about the valuation and the estimation on page 29
- Construction costs are negotiated, and a turnkey contract is signed with a reputable construction company in Denmark
- Bond debt and debt to Sparekassen will be repaid when plots are sold and further when the construction of micro living is finished, and a buyer has acquired the property

Gammelhavn Vejle budget

(all figures in DKK)

Debt 31-08-23

	GHV	GHV 3&7	GHV 4	GHV 5	Micro living	GHV 6	Total
- Bond	-207 000	0	0	0	0	0	-207 000
- Sparekassen DK	0	-24 382	0	-19 836	0	-14 338	-58 556
- Other debt and creditor	-25	-60	-25	-362	0	-1 390	-1 862
Actual debt in total	-207 025	-24 442	-25	-11 148	0	-1 378	-244 018
Income/payments	2 018	0	0	0	430 394	0	432 412
Costs until Feb - 2026							
- Development & planning	0	0	0	0	-5 507	-3 500	-9 007
- Asset management	0	-1 557	549	-783	-7 178	0	-8 969
- Sales letting & marketing	0	0	0	0	-1 103	0	-1 103
- Ground works	0	0	0	0	-1 281	0	-1 281
- Construction costs	0	0	0	-200	-204 536	0	-204 736
- Regulatory costs	0	0	0	0	-7 598	0	-7 598
- Operating costs	0	-2 735	-1 208	-445	-5 608	0	-9 996
- Financing costs	-51 738	-4 239	0	-2 191	-42 000	-292	-100 460
Total costs (net)	-49 720	-8 531	-659	-3 619	155 583	-3 792	89 262
Cash balances 31-08-23	17 262	432	92	18 227	0	704	36 717
Est. Liquidity Feb 2026	-32 458	-8 099	-567	5 558	155 583	-17 438	102 579
Position incl. Debt	-239 483	-32 541	-592	-5 590	155 583	-18 816	-141 439
Value of buildings rights							177 532,2
Estimated net position of GHV							36 093,2

¹ Project budget is estimated by NPV and is forward looking statement based on the current plots owned by the Issuer

Consequences of not accepting the Proposal

Consequences

- The revenue generated from the sale of building rights in the current market, as of 2023, falls significantly below the 2022 estimations.
- The latest valuation, conducted in February 2023, indicates a downturn in the building rights market. Consequently, the assessed value is notably lower than the previous estimates.
- Presented below is a budget illustrating the projected outcome if the Issuer is compelled to directly sell the building rights prior to the bond maturity.
- With a loss of DKK -52.45 million, the Issuer will not be able to fully repay outstanding debt, potentially resulting in bondholders not receiving the nominal invested amount.
- It's essential to acknowledge that the value of the building rights may be further impacted by a forced sale in the current market conditions, potentially leading to a more pronounced budgetary deficit. If the sales price per building right drops by 1 000 DKK/sqm, the deficit will go up by DKK 45m.

Gammelhavn Vejle						
(all figures in DKKk)						
	GHV	GHV 3&7	GHV 4	GHV 5	GHV 6	Total
Debt 31-08-23						
- Bonds	-207 000	0	0	0	0	-207 000
- Sparekassen DK	0	-24 382		0-19 836	-14 338	-58 556
- Other debt and creditor	-25	-60	-25	-362	-1 390	-1 862
Actual debt in total	-207 025	-24 442	-25	-20 198	-15 728	-267 418
Income/payments	2 018					2 018
Costs until feb-2024						
- Asset management	0	-346	-121	-174	0	-641
- Construction costs	0	0	0	-200	0	-200
- Operating costs	0	-547	-302	-89	0	-938
- Financing costs	-19 619	-791	0	-640	-440	-21 490
Total costs (net)	-17 601	-1 684	-423	-1 103	-440	-21 251
Cash balances 31-08-23	17 262	432	92	18 227	704	36 717
EST. LIQUIDITY FEB 2024	-339	-1 252	-331	17 124	264	15 466
Position incl. Debt	-207 364	-25 694	-356	-3 074	-15 464	-251 952
Value of buildings rights						199 503
Estimated net position of GHV						-52 449



¹ Project budget is estimated by NPV and is forward looking statement based on the current plots owned by the Issuer

Voting information

Voting information

Timeline and delivery of votes

The Agent must have received the votes by mail, courier, or e-mail to the address indicated below no later than by **12.00 (CET) on 11th of October 2023**. Votes received thereafter will be disregarded.

Votes shall be sent to the Trustee, Intertrust (Sweden) AB:

By regular mail:

- Intertrust (Sweden) AB
- Attn: Linus Löfgren, P.O. Box 16285, 103 25 Stockholm

By courier:

- Intertrust (Sweden) AB
- Attn: Linus Löfgren, Sveavägen 9, 10th floor, 111 57 Stockholm

By e-mail:

- trustee@intertrustgroup.com.

Quorum and majority

Quorum is obtained in the written procedure if bondholders representing at least 50 % of the adjusted nominal amount participate in the voting and reply to the Proposal.

Approval of the Proposal requires acceptance from at least 66,67 % of the registered votes.

In a second written procedure, the quorum requirement is 0 %.

Issued volume

The bonds are issued with the following nominal volumes:

SEK: 139 000 000

EUR: 15 198 000

The bond issue matures on the 11th of February 2024.

Risk Factors I

RISK FACTORS

You should carefully consider the risk factors set forth below, as well as the other information contained in the investor presentation, before purchasing any bonds. Any of the following risks could materially and adversely affect the Group's (as defined below) business, financial condition or results of operations. In addition, the risks described below are not the only risks that the Group face. Additional risks and uncertainties not currently known or those that are currently viewed not to be material could also materially and adversely affect the Group's business, financial condition or results of operations. In any such case, you may lose all or a part of your investment in the Bonds.

These risk factors have been prepared in connection with the written procedure (the “**Written Procedure**”) initiated on or around the date hereof by Intertrust (Sweden) AB as agent to the holders of bonds (the “**Bondholders**”) issued by Gammelhavn Vejle ApS, company reg. (CVR) no. 41 71 46 38 (the “**Issuer**” and together with its subsidiaries, the “**Group**”) under a framework of up to DKK 250,000,000 equivalent in SEK and/or EUR secured fixed rate bonds governed by certain terms and conditions dated 9 February 2021 (the “**Terms and Conditions**”). The bonds issued by the Issuer under the Terms and Conditions are referred to as the “**Bonds**”.

Vinga Corporate Finance AB is acting as corporate finance adviser for the Written Procedure.

Unless the context otherwise indicates, capitalised terms used but not defined in these risk factors shall have the meaning given to them in the Terms and Conditions.

These risk factors relate to the Issuer, the Issuer's Subsidiaries (the “**Subsidiaries**” or “**PropCos**”), the building plots, title no. 678 Vejle Bygrunde (“**Property 3**”), title no. 17c Vejle Bygrunde (“**Property 7**”), title no. 17d Vejle Bygrunde (“**Property 4**”), title no. 690h Engene, Vejle Jorder (“**Property 5A**”), title no. 702 and 703 Engene, Vejle Jorder (“**Property 5B**”), title no. 690i Engene, Vejle Jorder (“**Property 6**”) will be parcelled out (in Danish: “*udmatrikuleret*”) in part no. 1 (Retail, Office & Parking) and part no. 2 (Micro living) (collectively the “**Properties**” or “**Vejle Gammelhavn**”), and the contemplated transaction involving, *inter alia*, the Written Procedure, the security under the Bonds, and the acquisition of the Properties.

Property 3 and Property 7 are developed and owned through Gammelhavn Vejle 3 og 7 ApS, CVR no. 37611565, Property 4 is developed and owned through Gammelhavn Vejle 4 ApS, CVR no. 42549223, Property 5A and Property 5B are developed and owned through Gammelhavn Vejle 5 ApS, Property 6 will be split in 6A and 6B. Property 6A is developed and owned through Gammelhavn Vejle Erhverv ApS (no CVR yet), and Property 6B is developed and owned through Gammelhavn Vejle 6 ApS, (CVR no. 42549207).

In connection with the Written Procedure, a high-level review has been performed to identify material changes to the credit story communicated to the Bondholders. The review has been limited to selected data and material related to the Properties and the Issuer provided by NPV A/S, company reg. (CVR) no. 32 32 90 20 (“**NPV**”), and limited public searches. The risk factors described below are updated on the basis of a bring down questionnaire answered by the Issuer's executive management. Consequently, there could be material risks falling outside of the scope of the review and which have not been identified when conducting the review and the bring down process. If any such risks would materialize, it could have a material adverse effect on the Issuer's operations, results and financial position, which may impact the Issuer's ability to repay the Bonds.

No review has not been conducted in respect of NPV Development ApS, company reg. (CVR) no. 31 18 65 95 (the “**Sole Shareholder**”).

The data provided has not been independently verified and no technical, commercial, financial or environmental due diligence with respect to the Issuer or any of the Properties has been conducted in connection with the Written Procedure other than a bring down questionnaire answered by the Issuer's executive management.

General risk factors

An investment in the Bonds involves inherent risks.

The financial performance of the Issuer is an important factor to consider when making a decision whether to invest in the Bonds. A number of risk factors and uncertainties may adversely affect the Issuer. If any of these risks or uncertainties materialize, the business, operating results and financial position of the Issuer could be materially and adversely affected, which ultimately could affect the Issuer's ability to make payments of interest and repayments of principal under the Bonds.

In this document, a number of risk factors are illustrated, both general risks pertaining to the Issuer's business operations and material risks relating to the Bonds. There could also be other risks not discussed herein, not currently known or not currently considered to be material which may also affect the Issuer's future operations, performance and financial position, and consequently the Issuer's ability to meet its obligations under the Bonds. Further, the risk factors are not ranked in order of importance. Potential Bondholders should consider carefully the information contained in this section and make an independent evaluation before making any investments in the Bonds.

Risks relating to the Issuer's industry and market

Macroeconomic factors

The Group is affected by macroeconomic factors such as general economic trends, regional economic development, employment rates, production rates of new premises, changes of infrastructure, inflation and interest rates. These factors significantly impact supply and demand in the real estate market and accordingly affect the occupancy rates, rent levels, costs of building material and gross asset values of the Group's properties and property development projects. Economic stagnation affects the level of employment, which is essential for supply and demand to the rental market and thus is expected to result in a decreased demand for premises, more vacancies, decreased production of new premises and potential decreased market rents.

Inflation and resulting increases of borrowing costs affects the Group's property costs, including development costs. In addition, changes in interest rate and inflation also affect yield requirements and therefore the properties' market value. Accordingly, continuing or deepening of current high inflating or interest rates could have an adverse effect on the Group's operations, financial positions and result and, as a consequence, the Issuer's ability to repay the Bonds in part or in full may be materially adversely affected.

Similarly, material adverse effect on the Issuer's ability to repay the Bonds could result from higher than expected vacancy, increased costs and lower rent levels.

Risk Factors II

Development of the global financial markets

The Nordic markets are affected by developments in the global financial markets, which may experience disruptions, including increased volatility and diminished liquidity and credit availability. Concerns about credit risk (including that of sovereigns) have increased globally, especially with the presence of significant sovereign debts and/or fiscal deficits in a number of European countries and the United States. This has raised concerns regarding the financial condition of financial institutions and other corporates located in these countries, having direct or indirect exposure to these countries, and/or whose banks, customers, service providers, sources of funding and/or suppliers have direct or indirect exposure to these countries. The default, or a significant decline in the credit rating, of one or more sovereigns or financial institutions globally, could cause severe stress in the financial system generally and could adversely affect the markets in which the Group operates and the businesses and economic condition and prospects of the Group's counterparties or customers, directly or indirectly, in ways that are difficult to predict.

Adverse developments in the global financial markets could limit the Group's access to the capital it requires to finance its operations and could have a material adverse impact on the Group's financial position, results of operations and thus the Issuer's ability to repay the Bonds in part or in full may be materially adversely affected.

Market competition

The Group's future competitiveness is dependent on, among other things, the Group's ability to successfully complete its property development projects or sell of plots at attractive pricing, to anticipate future changes and trends in the real estate sector, and to rapidly adapt to both current and future market needs. Consequently, it may become necessary for the Group to make investments, restructuring and/or price reductions in order to adapt to a new competitive situation. Furthermore, other competitive factors may consist of the competitors' resources and capacity to better withstand market downturns, to compete more successfully, to better retain skilled personnel, and to respond more rapidly to evolving tenant needs. Increased competition could adversely affect the Group's operations, financial position and result and, as a consequence, the Issuer's ability to repay the Bonds in part or in full may be materially adversely affected.

Risks relating to the Issuer

Credit Risk

Bondholders carry a credit risk towards the Issuer. The Bondholders' receipt of payment under the Bonds is dependent on the Issuer's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Issuer's operations and its financial position. The Issuer's financial position is affected by several factors of which some have been mentioned below.

An increase in the real or perceived credit risk may cause the market to charge the Bonds a higher risk premium, which would affect the Bonds' value negatively. Another aspect of the credit risk is that a deteriorating financial position of the Issuer may reduce the Issuer's possibility to receive debt financing at the time of the maturity of the Bonds.

Downstream of proceeds. No activities in the Issuer

The Issuer may downstream proceeds from the Bonds to its Subsidiaries as intercompany loans or, in some cases, as equity. The Issuer is a holding company and has no operational activity and no earnings of its own and is thus fully dependent on profits from the activities of the Issuer's Subsidiaries, and the ability and willingness of the Issuer's Subsidiaries to upstream such profits (by repayment of downstream loans or dividends) to the Issuer in order for the Issuer to be able to make repayments of principal, payments of interest and other payments to the Bondholders.

Structural subordination

Bondholders' claims against the Issuer will be structurally subordinated to claims of the creditors, financial and operational, in its Subsidiaries.

In the event of insolvency, liquidation or a similar event relating to the Subsidiaries, all creditors of such company would be entitled to payment in full out of the assets of such company before the Issuer, as a shareholder, would be entitled to any payments. Accordingly, the creditors of the Issuer will only receive payments once all creditors of the insolvent Subsidiary have been repaid in full. Further, as all activity, assets and cash flow in the group are located in the Subsidiaries, the Issuer's creditors will have a subordinated claim compared to the claims of creditors of the Subsidiaries.

If the Issuer has downstreamed proceeds as equity in a Subsidiary, the Issuer's right to receive repayment will at any time rank after the claims of operational and financial creditors of that Subsidiary. Moreover, any such creditors will control restructuring, distress or insolvency proceedings of that Subsidiary with right of the Issuer to vote or take part.

The availability of financing

The ability of the Issuer and the Subsidiaries to complete development projects on the plots is dependent on the availability of reasonable priced financing with reasonable maturity dates. The Bonds are a significant component in such financing, and additional construction financing will be required.

If reasonable priced financing is not available or only available for a short period, the Issuer and the Subsidiaries may be forced to sell of plots at accelerated pace at a less? or at prices significantly lower than the price achievable after construction. Any such sale of building rights could have an adverse effect on the Group's operations, financial position and result and, as a consequence, the Issuer's ability to repay the Bonds in part or in full may be materially adversely affected.

Other debt in Subsidiaries

The Subsidiaries may take up significant debt to finance operations and construction. The debt may be with lenders under a Senior Financing and/or lenders under a Con-struction Facility. The lenders may be or include related parties. Immediately after an affirmative Written Procedure the Issuer intends to take up a construction loan of DKK 330.000.000 to be used for construction of a micro living project. Any such debt may adversely affect the Group's ability to make payments under the Bonds, should the Group not be successful in developing and selling the apartments, commercial lease space and/or the Properties. It is permitted for the Issuer and the Subsidiaries to secure such debt, and it is also expected that security will be granted by the Subsidiaries over the Properties, in which case the creditors so secured will be entitled to all enforcement proceeds from such shares and/or assets until fully repaid, see also Section 2.1.1.

Risk Factors III

There are several other risks relating to a high leverage that could have a significant impact on the Issuer's ability to perform its obligations under the Bonds. These risks include, but are not limited to, increased interest costs resulting in default risk, lack of hedging arrangements, refinancing risks, and cross-defaults under other debt arrangements than the Bonds.

Early Stage Project Development Risk

The proceeds from the Bonds have been used, inter alia, to finance the acquisition of the Properties. The proceeds have furthermore been used to demolition and ground works, and costs related to projecting. Furthermore, the proceeds have been used for general working capital purposes.

Property development projects in early stages are always subject to significant risks and the expected value depends upon the successful implementation of the project, the number of sales, etc. The development project thus entails risks relating to the completion of the construction and the divestment of the Properties.

Project Concentration

The project which will be financed by the proceeds from the Bonds comprises a relatively large development project in a mid-sized provincial city located in Denmark, Vejle. The project is fairly large and project concentration leads to increased risk as the Issuer is highly dependent on demand from buyers of apartments, residential/commercial tenants in a single area and the ability to successfully complete project development in plots subject to same local development plan (in Danish: lokalplan) and infrastructure.

Construction Risks

The Group has not commenced construction work on the Properties. Construction of the project as planned will require exemptions from the existing local development plan (in Danish: lokalplan). There is a risk that some of the exemptions from the existing local development plan (in Danish: lokalplan) will not be achieved. If exemptions from the existing local development plan (in Danish: lokalplan) are not obtained, the project must be amended, and such amendments may have a negative valuations impact.

While the Group has no current plans to commence construction on Property 3 and Property 7, Property 4, and Property 5A and 5B, the Group has obtained a building permit for the construction of the micro living project where a conditional turnkey contract is in place, together with a commitment from a bank regarding a Construction facility. The Issuer is contemplating an initiation of the construction of the micro living project, shortly after an affirmative Written Procedure contingent on the finalization of the terms regarding the Construction facility. Prior to commencement of construction and the making of a turnkey contract, there is a risk that costs for construction will increase compared to the costs anticipated in the current budgets and such increase will have a negative effect on expected profits from a sell off of plots or the buildings after construction.

When construction of the Properties has been initiated, the Group may encounter unexpected operational issues, unforeseen technical and ground conditions or other difficulties, including those related to technical engineering issues, disputes with their turnkey contractor and other suppliers and supply chain availability that may require the Group to amend or delay the development and construction of the Properties, and any of which may expose the Group to unexpected costs. Any unanticipated costs arising during the development and construction of the Properties, or a failure to effectively manage them, may result in losses or higher construction costs than anticipated or cause material delays, which could have a material adverse effect on the Group's business, financial condition, results of operations, cash flow and prospects.

Risks related to the rental income and sale of properties

There is a risk that not all business leases can be let out at the expected rent and/or term or cannot be let out at all. The same applies for residential leases. Further, the commercial lease agreements may contain customary provisions on delayed access for a tenant, which may be applicable in case of construction related delays, such as failure to receive building permits, delays in receiving building permits, overall delays in constructing and finalising the Properties, ultimately affecting when a tenant may commence its business operations in the relevant Property. Should such a delay materialise, it may result in liability for damages for the Issuer which would have an adverse effect on the Issuer's results of operations and financial position.

Moreover, returns from the residential and commercial properties that are not sold will largely depend on the rental income of such properties, and there is also a risk that not all of such leases can be let out at the expected rent or let out at all.

Regulatory risks for the Project

The development of the Properties has been granted a final environmental impact assessment (Da. Vurdering af Virkninger på Miljøet). However, a permission in accordance with the Danish Soil Pollution Act section 8 does not exist for the Properties where no building permit has been obtained. There is a risk that such permission will be appealed or granted on unexpected or unfavourable terms, which could materially affect the expected budget of the project, and substantially jeopardize the repayment of the Bonds. There is also a risk that no permission will be granted at all, which will make the completion of the project impossible. It should be noted that the purchase agreement for Property C is not conditional upon achievement of final environmental permissions, and at this stage, the proceeds from also the Bonds will most likely have been released to the Issuer. In case all of the expected environmental permissions cannot be granted, the Issuer's ability to fulfil its obligations under the Bonds, could be substantially affected.

Under the current Danish environmental legislation, the entity having caused pollution and environmental damages to a property is deemed legally responsible for such pollution (the "polluter pays"-principle). A purchaser of a property that is polluted is not responsible for decontaminating the property but must tolerate that the property is decontaminated at the expense of the polluter. This entails that each PropCo may under certain circumstances be held responsible for pollution and required to decontaminate or remedy the existence or suspicion of pollution in the soil, water areas or the ground water in order to restore the property to the condition necessary in order to meet the higher requirements which apply under the Danish law to real Properties that are used for residential purposes.

The PropCos are - due to limitations of liability in the purchase agreements for the Properties - not able to claim payment from former owners of the Properties for any decontamination obligation imposed on the Subsidiaries. The sellers of the Properties have each informed that the Properties each have been contaminated on knowledge base 2, meaning that the land pollution is of such a nature and concentration that it may have harmful effects on humans and the environment.

There is a risk that the development project is delayed for various reasons (including a more severe pollution of the Properties than expected, finding of treasure trove (in Danish: "Danefæ"), in case of the contractor's bankruptcy, etc.) or that the cost of the project may exceed the estimated budget, which may have a negative effect on the Issuer's operations, financial position, earnings and results. The project may be aborted, become more expensive, exceed budgets and thereby yield less profit than what is estimated by the Issuer, which may have a material adverse effect on the Issuer's operations, results and financial position, which may impact the Issuer's ability to meet its obligations under the Bonds.

Property investments and property management always entail a technical risk related to the operation of the Properties, including, but not limited to, construction issues, hidden defects, damage (including through fire or other natural disasters) and pollution. These types of technical problems could result in significant unforeseen costs relating to the Properties. If the Properties encounter any technical issues in the future this could substantially increase the costs relating to the Properties, which could have a negative effect on the Group's operations, financial position, earnings and results.

Risk Factors IV

Insurance Risks

Even if the Issuer secures adequate insurance coverage there is no guarantee that the Issuer will be able to maintain its insurance coverage on acceptable terms. If the Issuer is unable to maintain its insurance cover on terms acceptable to it or if future business requirements exceed or fall outside the Issuer's insurance cover, or if the Issuer's provisions for uninsured costs are insufficient to cover the final costs, it may adversely impact the Issuer's operations, financial position, earnings and results.

Risk regarding majority owner with decisive influence

The Issuer is wholly-owned by the Sole Shareholder, which means that the Sole Shareholder will exercise a controlling influence over the Issuer and the decisions which require approval of the Issuer's shareholders. The Sole Shareholder's interests may differ from or conflict with those of the Bondholders. There is a risk that such conflicts of interest will have a negative impact on the Issuer's business, results, financial position and future prospects.

Tax related Risks

The Issuer conducts its business in accordance with its own interpretation of applicable tax regulations and applicable requirements and decisions. There is a risk that the Issuer's or its advisers' interpretation and the Issuer's application of laws, provisions and judicial practice has not been, or will in the future not be, correct or that such laws, provisions and practice will be changed, potentially with retroactive effect. If such an event should occur, the Issuer's tax liabilities may increase, which would have a negative effect on the Issuer's results and financial position. Revisions to tax regulations could for example comprise denied interest deductions, additional taxes on the direct or indirect sale of property and/or tax losses carried forward being forfeited, which could affect the Issuer's results and financial position in the future.

Risks relating to the Bonds

Risks relating to the transaction security and diminishing value of the security package

All shares in the Subsidiaries, all Downstream Loans to the Subsidiaries as well as the Properties in the Subsidiaries can be pledged with senior priority to lenders under a Senior Financing and/or lenders under a Construction Facility. The Construction Facilities may be provided by related parties. If Senior Financing is provided, the Bondholders will get a junior priority pledge over all shares in each Subsidiary and over all Downstream Loans to the relevant Subsidiary. In the event of insolvency, bankruptcy or a similar event, enforcement proceeds from the Properties would likely go to such lenders under Senior Financing or Construction Facilities, thus, reducing the value of the project that the Bondholders may realize and rendering share pledges and pledges over intercompany loans from the Issuer to its Subsidiaries potentially worthless.

As part of the Written Procedure, the Issuer has requested a right to pledge the shares of the company that will become the owner of the micro living project in order to secure construction financing to be provided by a third party. Consequently, upon approval of the Written Procedure the Bondholders will release the pledge over the micro living project. The effect of such release will be that the Bondholders have no security rights whatsoever in respect of the micro living project.

Although the Issuer's obligations towards the Bondholders under the Bonds will be secured by pledges over (i) the shares in the Issuer, (ii) the shares in each PropCo, and (iii) any current and future Downstream Loans, it is not certain that the proceeds of any enforcement sale of the security assets would be sufficient to satisfy all amounts then owed to the Bondholders.

If a Subsidiary, the shares of which have been pledged in favour of the Bondholders, is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, the shares that are subject to such pledge may then have limited value because all of the Subsidiary's obligations must first be satisfied, potentially leaving little or no remaining assets in the Subsidiary for the Bondholders. As a result, the Bondholders may not recover the full value (or any value in the case of an enforcement sale) of the shares.

A PropCo may in the future incur debt under a Senior Financing and/or a Construction Facility and request that the Bondholders (represented by Intertrust (Sweden) AB in its capacity as Agent and Security Agent) enter into an intercreditor agreement with the Issuer and the relevant senior lenders. An intercreditor agreement may include customary terms such as (i) agreed stay periods before the junior ranking pledgee may begin enforcing, (ii) turnover of amounts not permitted to be received, (iii) voting provisions and exercise of voting rights, (iv) senior ranking pledgee's right to instruct the security agent or enforce the pledge, (v) security enforcement objectives, and (vi) security agent's right to release the Transaction Security. In accordance with the ranking of debt and subsequently the right to proceeds from the Transaction Security in case of an enforcement of it, there is a risk that the proceeds from an enforcement sale of the security assets will not be sufficient to repay any amounts under the Bonds. Further, the senior ranking lenders' interests may conflict with the interests of the Bondholders as junior ranking creditors which may cause senior ranking debtors to make decisions pursuant to the above mentioned terms that may adversely affect the value of the Bonds and the possibility of receiving payments under the Bonds.

The Issuer's obligations towards the bondholders under the Bonds are, among others, secured by a pledge over 100 per cent. of the shares in each PropCo. The Issuer may, under certain circumstances, sell shares in a PropCo to a third-party buyer or permit a PropCo to issue shares to a third-party investor, which would reduce the size of the share pledge. The security interest in benefit of the bondholders is limited to the shares being pledged by the Issuer. This means that an enforcement of the bondholders' security interests in the shares will not operate to sell 100 per cent. of the assets, thus affecting the size of enforcement proceeds which may be significantly lower due to discounts for lack of control or having to respect minority interests.

The Terms and Conditions, and the pledge agreement relating to any Downstream Loans, will include mechanics which allows the relevant debtor to make repayment of interest and principal on such loans, subject to certain conditions including a replacement of the security. This structure offers two potential legal risks in case the mechanic is put to use and there is a case of bankruptcy within the Group. If so, an administrator of the bankruptcy estate may challenge (a) the perfection of the pledge or (b), in case the bankruptcy occurs before three months have gone by after using the mechanics, argue that the pledge applies to old debt which causes a hardening period of at least three months. If a court were to reach the conclusion that inadequate measures have been taken to replace the security it could materially adversely affect the value of the pledge as the pledge may be considered invalid or of no value.

Risk Factors V

Risks relating to the valuation of the project

The Issuer has procured a valuation of the building rights related to the project. As such valuation was procured approximately 6 months ago, the valuation does not necessarily represent the value of the building rights as of today as the valuation assumes that all exemptions from the existing local development plan (in Danish: lokalplan), which have not yet been granted, will be granted timely. There is a risk that not all necessary exemptions from the existing local development plan (in Danish: lokalplan) will be granted, and in each case, the value of the building rights may be affected negatively. Further, the valuation depends on the development having been finalized in line with the cost budget on which the project value has been based, the projected income from tenants occupying the Properties having materialized and otherwise no other material obstacles or deviations having been encountered during the development. If any of the assumptions for price estimations contained in the valuation are not present, the Issuer and the Subsidiaries may be forced to sell of plots at accelerated pace at less or at prices significantly lower than the price estimations in the valuation. Any such sale of building rights could have an adverse effect on the Group's operations, financial position and result and, as a consequence, the Issuer's ability to repay the Bonds in part or in full may be materially adversely affected.

Refinancing Risk

In the event that cash flows from sales are delayed or insufficient to repay the principal of the Bonds, the Issuer may be required to refinance the Bonds on the Final Maturity Date. The Issuer's ability to successfully refinance the Bonds on the Final Maturity Date is dependent on the then prevailing conditions of the capital markets and its financial condition at such time. The Issuer may not have access to financing sources on favourable terms or at all. The Issuer's inability to refinance the Bonds on favourable terms, or at all, on the Final Maturity Date could have a material adverse effect on the Issuer's business, financial condition and results of operations and on the Bondholders' recovery under the Bonds.

The Market Price of the Bonds may be volatile

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's operating results and those of its competitors, adverse business developments, negative publicity, changes to the regulatory environment in which the Issuer operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market price of the Bonds without regard to the Issuer's operating results, financial condition or prospects.

Investments in the Bonds involve a risk that the market value of the Bonds may be adversely affected by changes in market interest rates.

Liquidity Risks

The Issuer does not intend to apply for listing of the Bonds on any exchange. This may result in that it is difficult or impossible to sell the Bonds (at all or at reasonable terms). Lack of liquidity may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds.

Risks related to early Redemption

Under the Terms and Conditions, the Bondholders will have a right to request redemption of the Bonds in case of a change of control event. If the Bonds are requested to be redeemed before the Final Maturity Date, the Bondholders will have the right to receive an early redemption amount. There is however a risk that Issuer at the time of redemption will lack sufficient funds to complete such redemption.

Bondholders' Meetings

In accordance with the Terms and Conditions, the Agent will represent all Bondholders in all matters relating to the Bonds and the Bondholders are prevented from taking action on their own against the Issuer. The Security Agent has been registered for the Bonds in accordance with Chapter 4 of the Danish Capital Markets Act which expressly permits such provision. Consequently, individual Bondholders do not have the right to take legal actions to declare any default by claiming any payment from, or enforcing any Transaction Security granted by, the Issuer and may therefore lack effective remedies unless and until a requisite majority of the Bondholders agree to take such action. To enable the Agent to represent Bondholders in court, the Bondholders may have to submit a written power of attorney for legal proceedings. The failure of all Bondholders to submit such a power of attorney could negatively affect the legal proceedings. Under the Terms and Conditions the Agent will in some cases have the right to make decisions and take measures that bind all Bondholders. Consequently, the actions of the Agent in such matters could impact a Bondholder's rights under the Terms and Conditions in a manner that would be undesirable for some of the Bondholders.

The Terms and Conditions include certain provisions regarding Bondholders' meetings. Such meetings may be held in order to resolve on matters relating to the Bondholders' interests. The Terms and Conditions allow for stated majorities to bind all Bondholders, including Bondholders who have not taken part in the meeting and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting. Consequently, the actions of the majority in such matters could impact a Bondholder's rights in a manner that would be undesirable for some of the Bondholders.

Appendix



About NPV

NPV Group A/S

- NPV was founded in 2011
- NPV Group A/S generally owns the projects they develop. Some projects have a size that requires NPV to reduce the risk and hence, larger projects are often developed in partnerships
- NPV Group A/S has solid experience with all valuable aspects of handling real estate
- NPV Group A/S's fundamental skills include the identification of properties with potential value increase, negotiation, managing purchases, presenting and managing the investment case on behalf of investors and proprietors, including financial planning
- A significant part of NPV Group A/S 's development process is a thorough preliminary analysis of all project cases, combined with the know-how to adjust the project's relevant market conditions and current market trends
- Whether NPV Group A/S develops shopping centers, commercial buildings, housing, hotels, or other properties, they emphasize that the results meet the wishes and needs of both residents, owners, and others regarding function, aesthetics, and innovation



Employees
27



Ongoing projects
8



225 000 sqm.
Completed



198 000 sqm.
Under
development

Note: Completed area and area under development are approximations by NPV of total sqm.



Note: Picture is from Enghave Brygge.

Management and board of directors

Management



Jens Schaumann
CEO & majority owner

- Founder
- Experienced developer with over 40 years of experience in banking, real estate and entrepreneurship
- Ownership through family: 79,2 %



Kim Lautrup
Director & owner

- Co-founder
- +20 years of experience in banking and real estate
- Ownership: 10,8 %



Kim Lang Sørensen
Director & owner

- Co-founder
- +20 years of experience in property development
- Ownership through family: 10,0 %



Lars Duus Mikkelsen
Technical Director

- +20 years of experience in construction and property development
- Lars started at NPV in 2022

Board of directors



Johannes Rovsing
Chairman of the board

- +20 years experience in real estate and finance
- Background as a Director at Saxo Bank and experience from board work at private and listed companies



Christian Scherfig
Board member

- Attorney at law and partner at the law firm Lundgrens
- Extensive experience in banking, real estate and M&A



Thomas Benedictsén-Nislev
Board member

- +40 years experience as a chartered accountant, working with both private and listed companies
- Experience from board work at Bierholm



Jens Schaumann
Board member

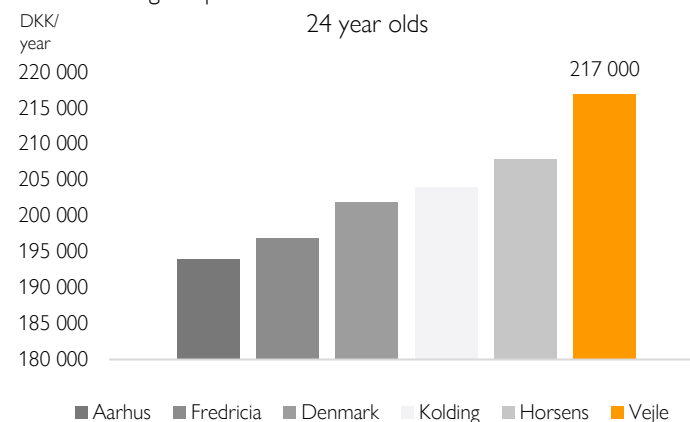
- Founder
- Experienced developer with over 40 years of experience in banking, real estate and entrepreneurship
- Ownership through family: 79,2 %

Market I

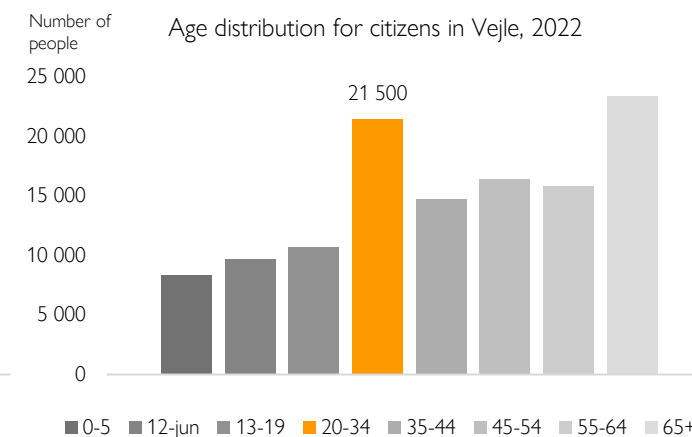
Real estate in Vejle and micro living

- Vejle has a shortage of student and youth housing
- Vejle offers a variety of education opportunities, which makes the market for micro-living grow. Examples of different educational locations in Vejle:
 - SDU Campus Vejle
 - Syddansk Erhvervsskole
 - Campus Vejle, Rosborg Gymnasium, Vejle tekniske Gymnasium and Rødkilde Gymnasium
 - UCL University College
 - Vejle Police College
- Vejle has +6 500 higher education spots
- The market for student housing and micro-living in Vejle is as of today not well developed, only one other project for student housing and micro living has been built in the city since 2002
- +2 000 students will have to find a new apartment when the opening of the new university in Vejle
- To support the new university and the student life in Vejle, the municipality is planning for new transportation connections between the campus and the city center
- Age distribution in Vejle shows a large part of the population to be between 20-34, which is a suitable age for micro-living
- Unemployment in Vejle is lower than most of the bigger cities as well as the country

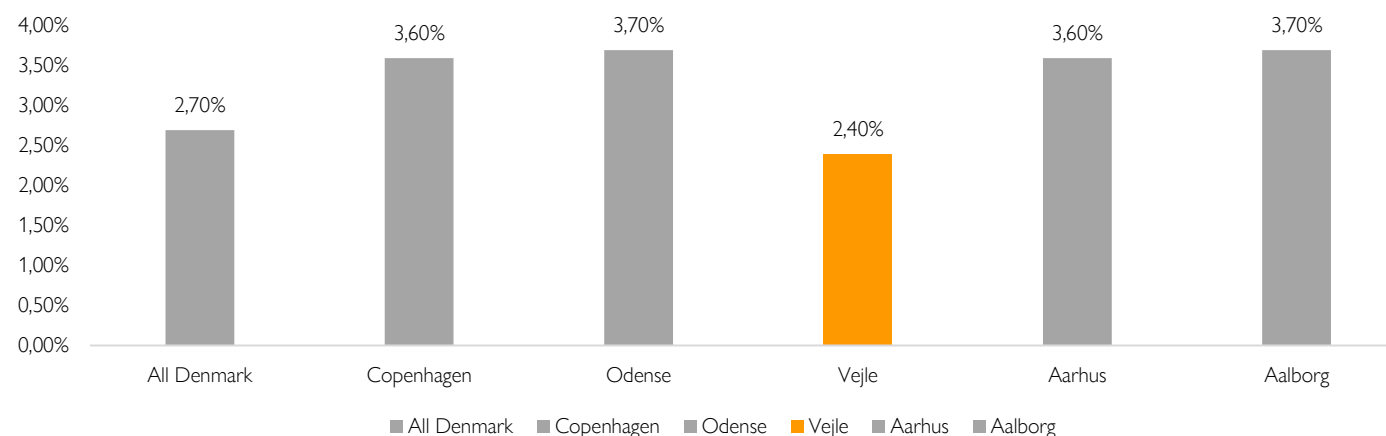
Average disposable income for citizens between 20 and 24 year olds



Age distribution for citizens in Vejle, 2022



Unemployment June 2023



Market II

Project location

The project will be developed in Vejle which is the local capital in Vejle municipality, Denmark's fifth largest municipality in terms of population. Vejle is located in the southern part of Denmark. The region is known as the "Triangle Region" ¹ from the 1960's, when the three municipalities; Vejle, Kolding and Fredericia were known as industrial and communications hubs. Since then, the region has expanded to include seven municipalities in all

- More than 1,5 million people and two of the country's eight universities are located within a 1-hour travelling radius from Vejle. The population is expected to continue to grow for the foreseeable future
- The Triangle Region is considered by many to be Denmark's third largest after Copenhagen and Aarhus
- Recognized as Denmark's Industrial centre
- Industry is supported by strong infrastructure in the form of highways (E20, E45), railways throughout the region, Fredericia industrial port and Billund, Denmark's second largest airport
- The extensive infrastructure has made the region especially popular among logistics companies
- The region benefits from the strong infrastructure and is believed to be a future growth region

Selection of companies in the Triangle Region



CARL HANSEN & SØN
PASSIONATE CRAFTSMANSHIP

Fredericia
1 9 1 1



Key facts

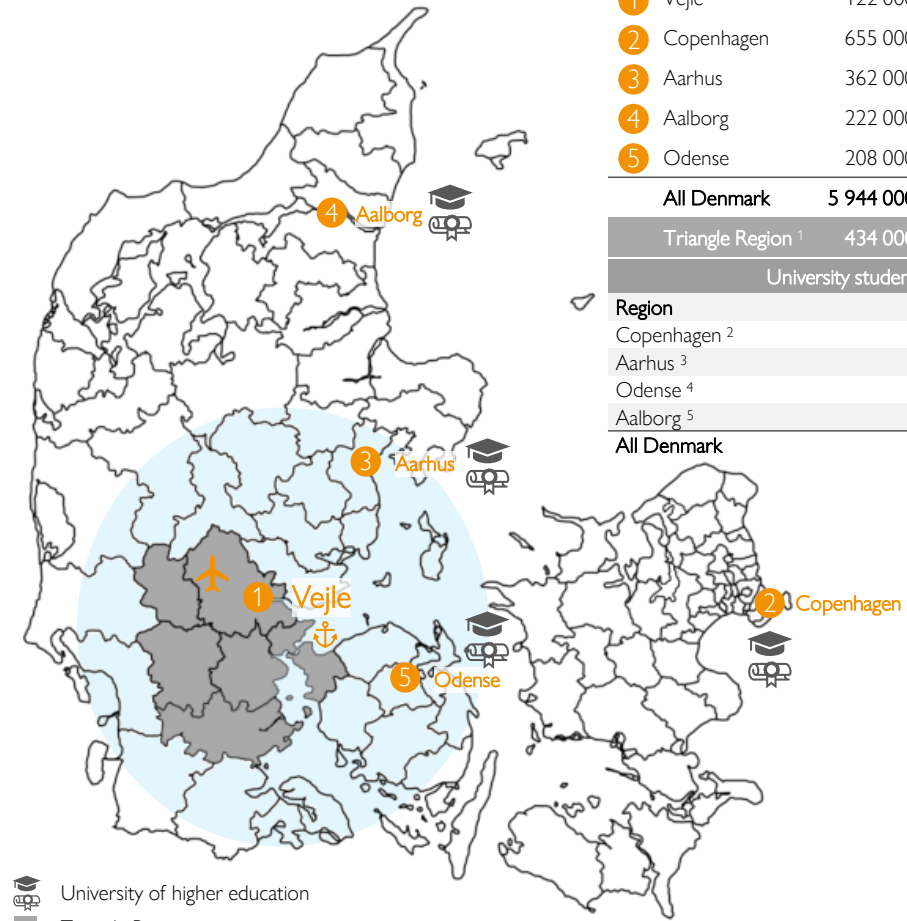
	Municipality	Population	Distance	Travel time ⁶
1	Vejle	122 000		
2	Copenhagen	655 000	235 km	2h
3	Aarhus	362 000	70 km	45 min
4	Aalborg	222 000	170 km	2h
5	Odense	208 000	75 km	45 min

All Denmark 5 944 000

Triangle Region ¹ 434 000

University students, Denmark

Region	Students
Copenhagen ²	73 500
Aarhus ³	44 500
Odense ⁴	32 000
Aalborg ⁵	20 000
All Denmark	170 000



- University of higher education
- Triangle Region
- 1 hour travelling radius from Vejle

Sources: Statistics Denmark, Colliers International Denmark, "Copenhagen Property Market Report, The Triangle Region", Middelfart Kommune: "Denmarks Green Growth Centre"

¹ Triangle Region consist of Vejle, Kolding, Fredericia, Billund, Haderslev, Middelfart and Vejen ² Technical university of Denmark, University of Copenhagen, Copenhagen Business School, IT university of Copenhagen ³ Aarhus university ⁴ University of Southern Denmark

⁵ Aalborg university ⁶ Fastest Travel time with car or public transportation

Group Structure

Future group structure



S1 & S2

Stage 1 and 2 sold to a JV with AKP

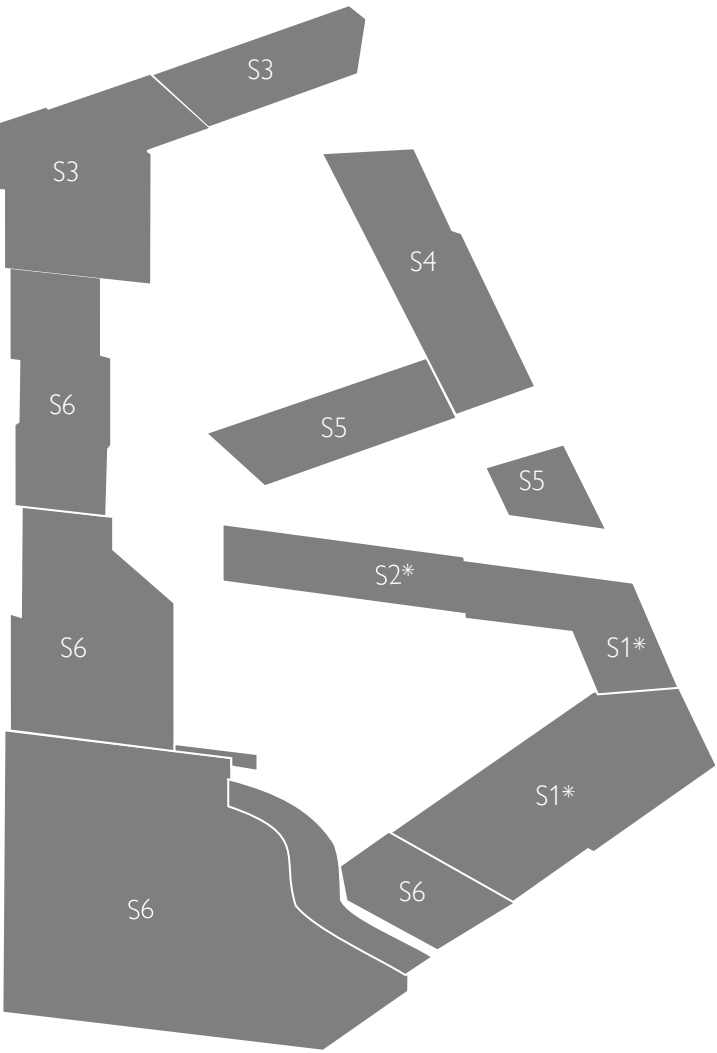
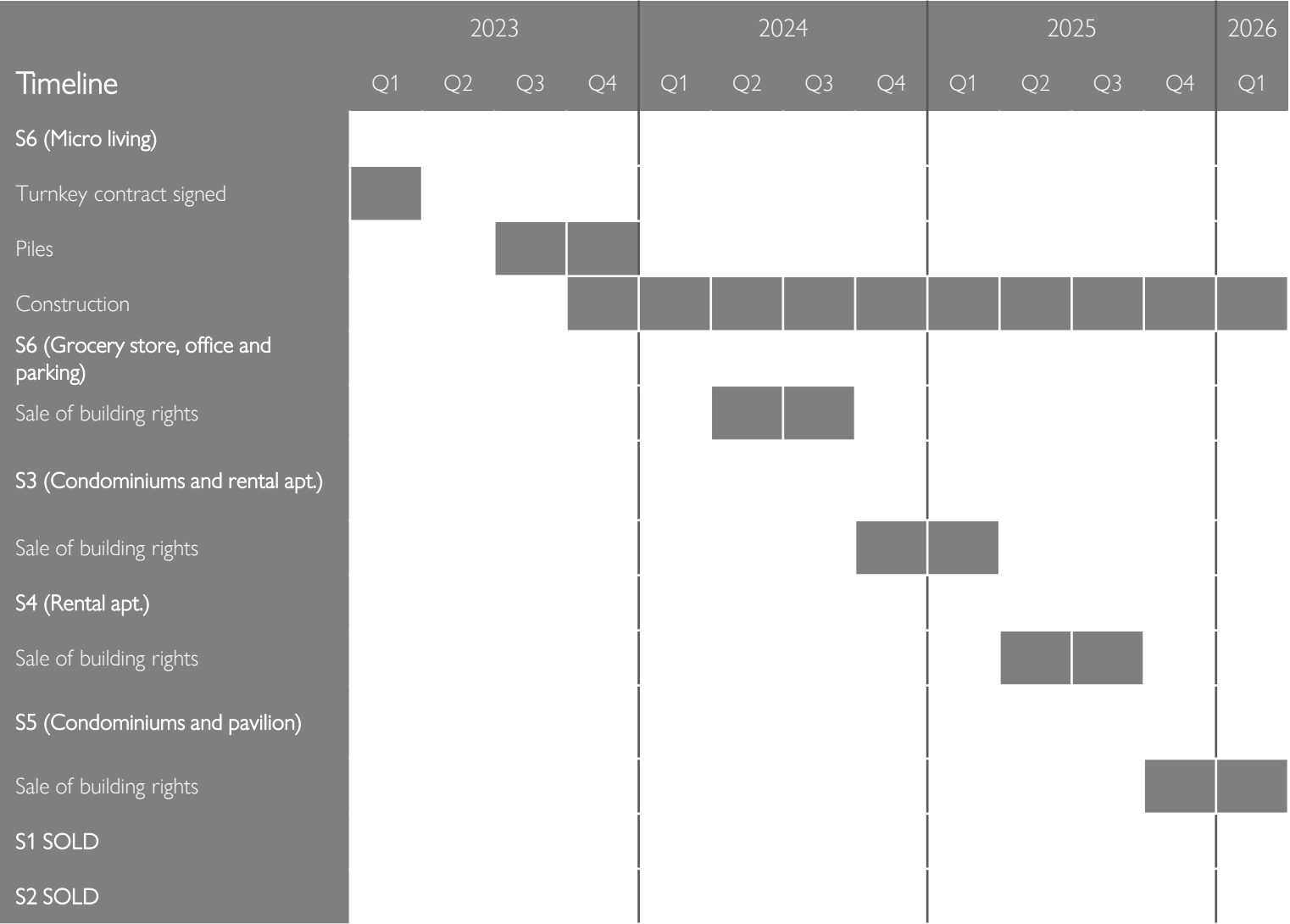
- NPV has recently entered into a joint venture with Akademikerpension, an institutional investor, for the development of Gammelhavn in Vejle (S1 and S2).
- The Issuer got paid DKK 53,3m for the plots.
- The initial phase of the project encompasses three residential blocks, totaling 16 000 sqm. This section will feature 63 owner-occupied homes, 100 rental apartments, and five retail and dining spaces. Additionally, it will introduce a new public city park covering 4 000 sqm.
- This significant joint venture represents the culmination of an extensive multi-year development effort. It involves the transformation of Vejle's former postal terminal, bus terminal, and goods station into a lively, green urban precinct.
- Akademikerpension underlines Vejle's appeal as a growth-oriented city with a steady demand for quality housing across various segments.
- JCN Bolig will oversee the construction of the initial phase's residences as a turnkey project, with groundbreaking in summer of 2023. Completion is projected for the second and third quarters of 2025.



Sources: NPV, Akademikerpension, Estate media and Ejedomswatch



Updated Timeline



* S1 and S2 are sold

Pictures

Pictures of ongoing construction – pictures taking during summer of 2023



Pictures

Rendered pictures Gammelhavn Vejle



Valuations

Valuations ¹

- The valuations for the building rights in the Gammelhavn Vejle project were conducted in 2020 and were subject to update in 2022, and 2023
- These valuations have experienced fluctuations, primarily influenced by prevailing market conditions and the level of interest from potential investors in acquiring the building rights
- The most recent valuation, conducted in February 2023, is reflective of a market grappling with challenges such as escalating inflation rates and increased interest rates
- The Issuer anticipates a resurgence in the market over the forthcoming 1-2 years, resulting in the formulation of multiple scenarios outlining potential trajectories for building rights prices
- In the Base case scenario, it is posited that the value of the building rights surpasses the latest valuation provided by Colliers by DKK 1 500 per square meter
- Furthermore, the Issuer has conducted estimations to gauge the impact of both more adverse and more favorable market sentiments on valuations, as evidenced in the Base case +, Base case -, and Base case -- scenarios
- The Issuer maintains the view that the Base case scenario represents the most probable outcome

Historical buildings rights valuation

Type	Owner occ.	Rental	Office	Grocery	F&B	Retail	Valuation ² (DKK/m)
<i>Colliers valuation (DKK/sqm)</i>							
2020	4 600	1 200	2 500	7 600	3 450	6 600	196,3
2022	5 000	3 100	5 550	11 850	4 350	7 700	421,2
2023	3 550	2 750	1 150	5 150	6000	6000	252,7

NPV estimations in DKK ³

Base case	1 500	5 050	4 250	2 650	6 650	7 500	7 500	177 532
Base case +	variable	6 750	4 500	1 150	7 500	7 500	7 500	212 478
Base case -	1000	4 550	3 750	1 150	6 150	7 000	7 000	160 142
Base case --	500	4 050	3 250	1 150	5 650	6 500	6 500	142 752

¹ Estimations on the development of the valuations are made by NPV. ² The valuations is including the plots 1 and 2 that are sold. ³ NPV estimates do not include the value of the Micro living site..

Q&A

Who has provided Senior financing for the Project?

- Jutlander Bank, now called Sparekassen Danmark due to a fusion of banks in September 2021. Now Denmark's largest "sparekasse". The interest on the bank loan is currently 6,45 % p.a.

How is the deal with AKP structured?

- The transaction with AKP was structured as a share deal, where Gammelhavn Vejle ApS sold 100% of the companies Gammelhavn Vejle 1 ApS and Gammelhavn Vejle 2 ApS to a company jointly owned (50/50) by AKP and NPV Development ApS

Does the Issuer have enough funds to facilitate the interest for the additional 24 months after the maturity in February 2023?

- The Issuer doesn't have sufficient liquidity to operate the company during the prolongation period. Therefore, the Issuer might be in need of limited senior financing if building rights sales are timely disconnected from costs. For this reason, the Issuer asks for a possibility to do partial redemption when plots are sold

Where in your group structure is the sold Vejle plot situated?

- The sold Vejle plots (owned by Gammelhavn Vejle 1 ApS and Gammelhavn Vejle 2 ApS) is situated in the holding company Gammelhavn Vejle 1 og 2 K/S, which is owned 50% by NPV Development ApS and 50% by AKP

How will the construction be financed?

- The construction will be financed with a bank financing facility

Who has made the valuations, and when are they dated?

- The valuation is made by Colliers and is dated to February 2023

How will the interest be paid out, and when?

- The interest will be 12 % p.a until the original maturity date 11th February 2024. If the WP is approved, the interest will be 15 % p.a. and it will be rolled up until the final maturity date

Why do you want to have an option to do a partial redemption?

- The option to do a partial redemption is a good thing for both us and all investors. We plan to sell building rights when the right buyers want to buy at the right price, and we do not know when this will happen. So, partial redemption is a way for us to effectively pay back to our investors when we sell building rights

Will the share pledges be the same after the Written procedure?

- No. See the new group structure, there has been a change in the group structure which involves new companies. Some pledges will be released as a consequence of the new structure

Why does the construction lender want to have a share pledge?

- The construction lender will have the first and best right to the property via mortgage certificates, to also have a share pledge is a demand for the lender. Bondholders will still have the share pledge over the Issuer and its subsidiaries

What is the status of the lease agreements?

- The agreement with Rambøll is canceled. The grocery store agreement is under negotiation to raise the rent. The contract with Apcoa is still valid