

NRE

Nova Real Estate Sub-fund 1

SICAV fund of qualified investors



Price as of December 31, 2017 denominated in:

EUR: 4,9778 per investment share

Exchange rate EUR/CZK: 25.54

BASIC INFORMATION:

Fund structure:	Investment fund with variable registered capital SICAV	Depository:	UniCredit Bank Czech Republic and Slovakia, a.s.
ISIN:	CZ 000 804 1845	Minimum initial subscription:	40,000 EUR or 1,000,000 CZK
Inception:	August 20, 2015	Subscriptions:	monthly
AUM:	224 mil. EUR	Redemptions:	monthly
Base currency unit class:	EUR	Target return:	5 % p.a. (net of fees)
Fund manager:	REDSIDE investiční společnost, a.s.	Auditor:	PricewaterhouseCoopers Audit s.r.o.

PERFORMANCE:

AS OF DECEMBER 31, 2017

NAV:	75.352 mil. EUR
NAV:	1.924 bil. CZK
LAST MONTH RETURN:	1.07 %
6 MONTH RETURN	2.32 %
12 MONTH RETURN	5.29 %
YTD RETURN:	5.29 %

FEES:

Entry fee:

0 %

Exit fee:

10 % in the first 24 months, afterwards 0 %

Management fee:

1.3 %

INVESTMENT STRATEGY

Commercial real estate represents a typical diversification tool for any investment portfolio. Commercial properties in lucrative locations offer attractive value preservation and stable return for a conservative investor.

ACQUISITION CRITERIA

Sub-fund 1 invests in prime office and regional retail properties. Its focus on quality of tenants, attractive locations with enhancement potential and real estate meeting the highest requirements for quality and technical standards are main aspects of the fund investment policy and its value proposition to investors.

PRIMARY INVESTMENT FOCUS

The Sub-fund 1 primarily invests in the Czech Republic real estate market, potentially Central Europe.

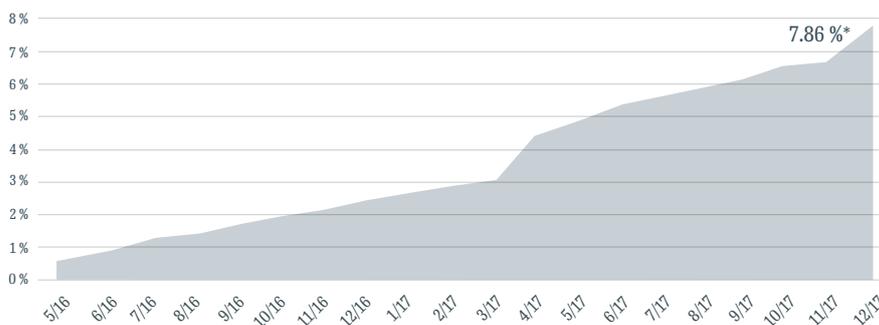
MANAGEMENT COMMENTARY:

In December, two major events took place. We successfully completed refinancing of five project companies with loans from a foreign financial institution and, just before the end of the year, the NRE fund gained ownership of these project companies.

As a result, six new real estate assets were added to our portfolio of revenue-generating properties and at the end of 2017 and early 2018, the AUM increased to EUR 224 million. As far as performance for 2017 is concerned, the fund has fulfilled the assumptions and achieved the target values.

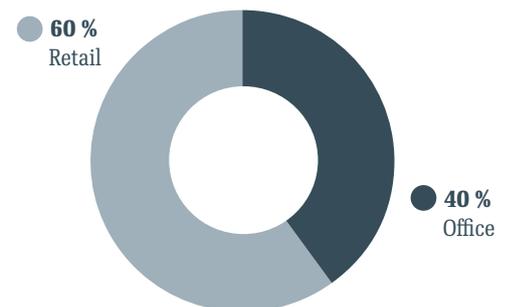
For the first quarter of 2018, the plan is to complete one of the acquisitions already in progress, together with the stabilization of the entire fund at the current performance level as well as active search for suitable opportunities for further acquisitions.

CUMULATIVE PERFORMANCE



* Since inception

DISTRIBUTION OF ASSET VALUE (PROPERTY TYPE)



CONTACTS

REDSIDE investiční společnost, a.s., V Celnici 1031/4, 110 00 Praha 1, +420 222 500 757, www.redsidefunds.com

DISCLAIMER:

The investment is intended exclusively for persons fulfilling the definition of a qualified investor in compliance with Section 272 of Act No. 240/2013 Coll., on Investment Companies and Investment Funds, as amended. In the case of an investment ranging from CZK 1,000,000 to EUR 125,000, the Investment Manager evaluates the suitability of the investment on behalf of the Fund manager. The return on the investment is not guaranteed; detailed information is provided in the fund's statute, which is available at the registered Fund manager's office.