

**NRE**

# Nova Real Estate Sub-fund 1

## SICAV fund of qualified investors

Price as of July 31, 2019 denominated in:

**1.0966 CZK****5.5314 EUR**

Exchange rate EUR/CZK as of July 31: 25.66

**BASIC INFORMATION:**

<b>Fund structure:</b>	Investment fund with variable registered capital SICAV	<b>Depository:</b>	UniCredit Bank Czech Republic and Slovakia, a. s.
<b>ISIN:</b>	CZ 000 804 1845 (EUR) CZ 000 804 3049 (CZK)	<b>Minimum initial subscription:</b>	40,000 EUR or 1,000,000 CZK
<b>Inception:</b>	August 20, 2015	<b>Subscriptions:</b>	monthly
<b>AUM:</b>	254 mil. EUR	<b>Redemptions:</b>	Max 4 months - Up to 1 mil. EUR * Up to date Max 6 months - Up to 3 mil. EUR Max 12 months - Over 3 mil. EUR portfolio value
<b>Fond currency:</b>	CZK	<b>Target return:</b>	6 % p. a. (net of fees)
<b>Fund manager:</b>	REDSIDE investiční společnost, a.s.	<b>Auditor:</b>	PricewaterhouseCoopers Audit s.r.o.

**PERFORMANCE:**

AS OF JULY 31, 2019

<b>NAV:</b>	<b>115.976 mil. EUR</b>
<b>NAV:</b>	<b>2.976 bn. CZK</b>
<b>2018 RETURN:</b>	<b>8.65 %*</b>
<b>LAST MONTH RETURN:</b>	<b>0.33 %*</b>
<b>6 MONTH RETURN:</b>	<b>4.41 %*</b>
<b>12 MONTH RETURN:</b>	<b>7.68 %*</b>
<b>YTD RETURN:</b>	<b>4.59 %*</b>

\* all data include capital yield and dividend earned

**FEES:****Entry fee:**

max. 3 %

**Exit fee:**

max. 5 % in the first 24 months, afterwards 0 %

**Management fee:**

1.6 %

**Performance fee:**

30 % above 6 % IRR

**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**

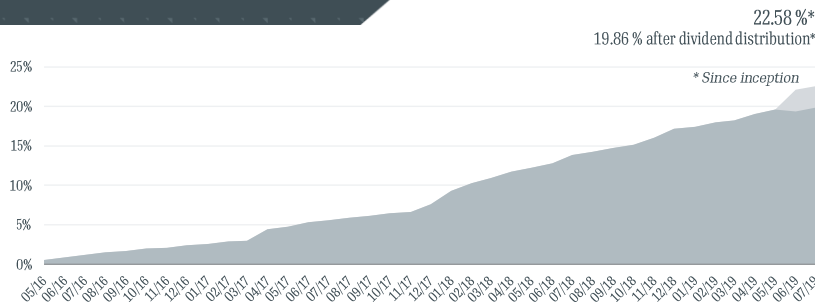
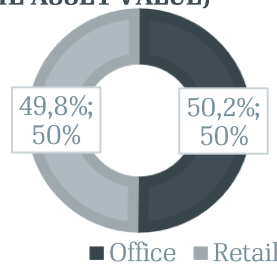
Sub-fund 1 invests in prime office and regional retail properties. Its focus on quality of tenants, attractive locations with enhancement potential and real estate meeting the highest requirements for quality and technical standards are main aspects of the fund investment policy and its value proposition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

**PRIMARY INVESTMENT FOCUS**

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

**MANAGEMENT COMMENTARY:**

The fund value has increased by +0,33 % In July 2019, leading to a year-to-date appreciation of +4,59 % (before/excluding the dividend pay-out). We have used the somewhat calmer summer months to start with the construction works on several buildings. After the preparations, the works have commenced on the Albert hypermarket in Znojmo. A new roof-top hydro insulation layer, followed by the covering weather-proof foil have been laid down as the old roof was coming to the end of its lifetime. In the Panorama Office Centre, new reception area is to be built, including new reception counter, wall decorations and furniture. This is to refresh and revive the entry to the building for the tenants; works are in progress. In the building Anděl 17, we have prolonged the lease contract with a long-term tenant operating a sushi restaurant; the extension is for the next 5 years. During the month of July, the construction of the sauna centre in the shopping centre OC Orlice in Hradec Králové have been in full swing, with the planned opening under the brand Saumia scheduled for autumn this year.

**CUMULATIVE PERFORMANCE****ACTUAL PORTFOLIO COMPOSITION BASED ON THE ASSET TYPE (BASED ON THE ASSET VALUE)**

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

FUND PERFORMANCE	January	February	March	April	May	June	July	August	September	October	November	December	Yearly
2016					0.66 %	0.28 %	0.32 %	0.17 %	0.26 %	0.27 %	0.20 %	0.26 %	3.60 % *
2017	0.23 %	0.19 %	0.22 %	1.40 %	0.48 %	0.35 %	0.28 %	0.17 %	0.28 %	0.41 %	0.10 %	1.07 %	5.29 % *
2018	1.33 %	0.74 %	0.76 %	0.73 %	0.43 %	0.48 %	0.94 %	0.35 %	0.41 %	0.41 %	0.79 %	0.96 %	8.65 % *
<b>2019</b>	<b>0.18 %</b>	<b>0.51 %</b>	<b>0.22 %</b>	<b>0.67 %</b>	<b>0.47 %</b>	<b>2.13 %</b>	<b>0.33 %</b>						

\* Audited yield

**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.