

NRE

Nova Real Estate Sub-fund 1

SICAV fund of qualified investors

Price as of October 31, 2019 denominated in:

1.1140 CZK**5.6193 EUR**

Exchange rate EUR/CZK as of October 31: 25.51

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 (EUR) CZ 000 804 3049 (CZK) | Minimum initial subscription: | 40,000 EUR or 1,000,000 CZK |
| Inception: | August 20, 2015 | Subscriptions: | monthly |
| AUM: | 254 mil. EUR | Redemptions: | Max 4 months - Up to 1 mil. EUR * Up to date Max 6 months - Up to 3 mil. EUR portfolio value Max 12 months - Over 3 mil. EUR |
| Fond currency: | CZK | Target return: | 6 % p. a. (net of fees) |
| Fund manager: | REDSIDE investiční společnost, a.s. | Auditor: | PricewaterhouseCoopers Audit s.r.o. |

PERFORMANCE:

AS OF OCTOBER 31, 2019

| | |
|---------------------------|-------------------------|
| NAV: | 121.026 mil. EUR |
| NAV: | 3.087 bn. CZK |
| 2018 RETURN: | 8.65 %* |
| LAST MONTH RETURN: | 0.62 %* |
| 6 MONTH RETURN: | 4.51 %* |
| 12 MONTH RETURN: | 8.03 %* |
| YTD RETURN: | 6.17 %* |

* 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:

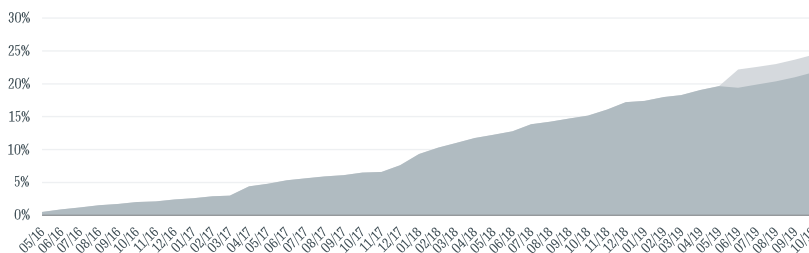
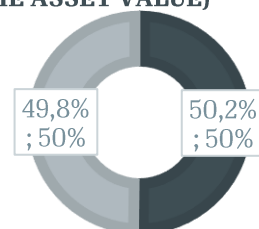
The fund has appreciated by 0.62 % in October and the overall growth in value has reached 6.17 % since the beginning of 2019 (excluding the effect of the dividends paid).

Following our long-term ownership plan, we have tackled another item from it; a refurbishment of the building's elevator interiors in Andel 17 building. This is to be followed by a refurbishment of the reception area, encompassing reception desk, lighting in the area and seating for visitors. The goal is to breathe a new life into this entry area and make it somewhat up-to-date and relevant in terms of design and materials.

We always select from several concepts from various independent architects/designers. These works are done gradually across all the office buildings in the fund's portfolio.

CUMULATIVE PERFORMANCE

24.43 % since inception
21.76 % after dividend distribution

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

■ Office ■ Retail

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 %* |
| 2019 | 0.18 % | 0.51 % | 0.22 % | 0.67 % | 0.47 % | 2.13 % | 0.33 % | 0.36 % | 0.51 % | 0.62 % | | | |

* 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.