

# NRE Nova Real Estate Sub-fund 1

## SICAV fund of qualified investors

Price as of December 31, 2019 denominated in:

1.1277 CZK

5.6883 EUR

Exchange rate EUR/CZK as of December 31: 25.41

### 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 portfolio value Max 6 months - Up to 3 mil. EUR Max 12 months - Over 3 mil. EUR
<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 DECEMBER 31, 2019

<b>NAV:</b>	126.375 mil. EUR
<b>NAV:</b>	3.211 bn. CZK
<b>2018 RETURN:</b>	8.65 %*
<b>LAST MONTH RETURN:</b>	0.73 %*
<b>6 MONTH RETURN:</b>	3.01 %*
<b>12 MONTH RETURN:</b>	7.39 %*
<b>YTD RETURN:</b>	7.39 %*

\* 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.

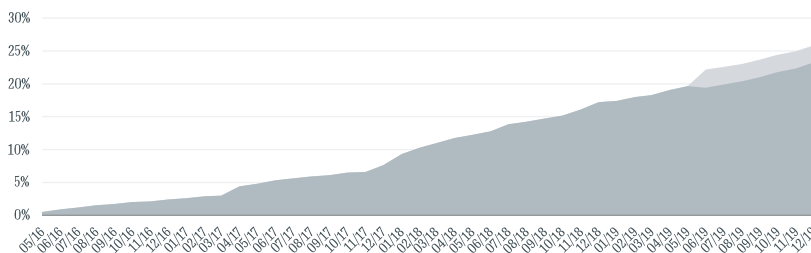
### MANAGEMENT COMMENTARY:

The fund has appreciated by 0,73 % in December and the overall growth in value has reached 7,39 % since the beginning of 2019 (excluding the effect of the dividends paid).

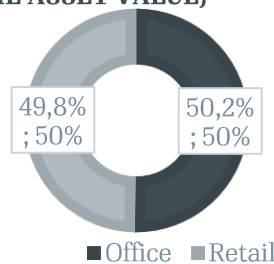
The Asset Management team successfully replaced 980 SQM of expiring office space at Panorama Business Centre. The premises were put under contract with two existing tenants, which expanded their space, before the expiring tenant vacated their space. This confirms that at the stage of the economic cycle, there is still an appetite among certain tenants to expand their office premises and commit to a longer-term contract.

### CUMULATIVE PERFORMANCE

25.85 % since inception  
23.26 % after dividend distribution



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



**CONTACTS:** REDSIDE investiční společnost, a. s.,  
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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>	<b>0.36 %</b>	<b>0.51 %</b>	<b>0.62 %</b>	<b>0.41 %</b>	<b>0.73 %</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.