

AB ALTERNATIVE SICAV-SIF AB EUROPEAN REAL ESTATE



Fund Factsheet – Q2 2022

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Fund presentation

The Fund • AB ALTERNATIVE SICAV-SIF – EUROPEAN REAL ESTATE (Société d'investissement à capital variable - Specialized Investment Fund) is a euro-denominated, open-ended fund domiciled in Luxembourg. Established in October 2015, the Fund currently owns a diversified and well-balanced portfolio of 14 properties located in Germany, The Netherlands, Italy and Luxembourg, representing a total area of 183'851 sqm and a total fair value of c. €213 million (value date 30.06.2022).

The fund provides a unique opportunity to invest in a diversified and well-balanced commercial property portfolio in Europe, with great potential return (net target IRR of c. 8-10% on an asset by asset basis), along with a recurring income stream (target distributions of c. 4.5% per annum on average over a 5-year investment period).

Portfolio Manager • Arab Bank (Switzerland) Ltd. is a FINMA-regulated Swiss bank, specializing in asset management and investment counseling for a sophisticated clientele with current assets under management of more than USD 5.5bn.

Investment Strategy • The fund follows a core + investment strategy, investing in logistics and office real estate assets across continental Europe, with a specific focus on the Benelux countries, Germany and Italy. The fund is continuously assessing potential investments when opportunities arise and in turn is also reviewing the optimal timing for the disposal of the existing assets.

Main objectives

- Enhance potential return through diversification and investing in a tangible product with a recurring income stream
- Protect investments against rising inflation
- Tax efficient structure (shareholders are not liable to any taxation in Luxembourg; investors are responsible for filing their own taxes with the relevant authorities and should consult their own tax advisors)

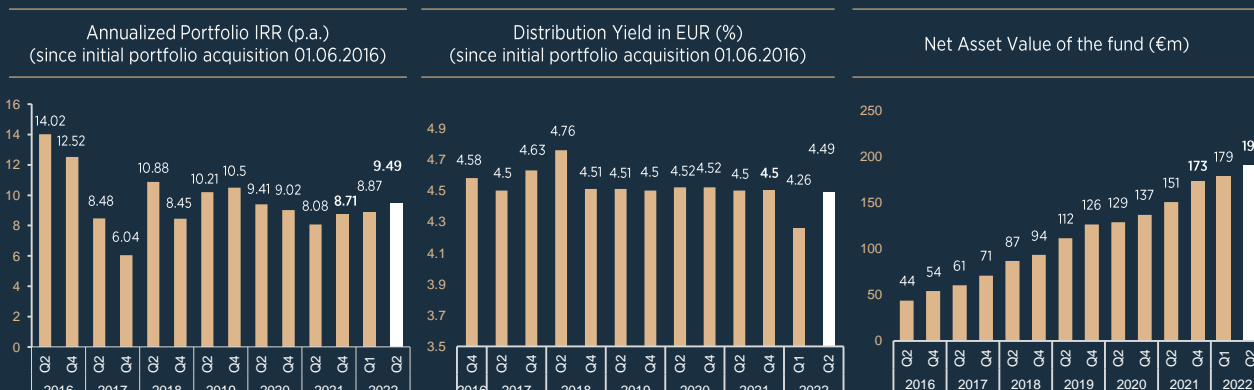
Real Estate Portfolio (as of 30.06.2022)

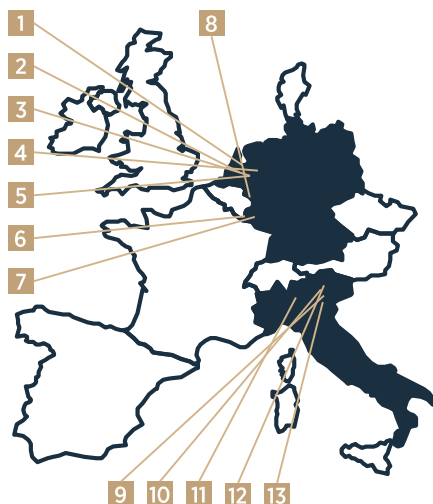
- The portfolio consists of 13 assets representing a total area of 183'851 sqm, a total fair value of c. €213 million and a total gross rental income of c. €13.3 million.

- Balanced geographical spread with an exposure to mature markets: Netherlands (48%), Germany (9%), Luxembourg (14%) and Italy (29%)
- Well-adjusted diversification across logistics (74%) and offices (26%)
- Reputable and creditworthy tenants with Inflation-linked lease agreements
- DHL in Rho (Italy) renewed its lease for 12 years
- The team is advancing with the planned extension project in Casteletto Cervo, in Italy, and has acquired an adjacent plot of land after completing the due diligence exercise

FUND SIZE	c. €289.6 million (Target €500 million)
NAV	c. €190.5 million (Arab Bank equity commitment: c. €13 million)
STRUCTURE	Open-ended SICAV-SIF AIFM (Luxembourg)
SUBSCRIPTION	Quarterly, EUR or USD (fully hedged)
MIN. INVESTMENT	Share Class A: €125'000 Share Class B: €1'000'000 Share Class C: €5'000'000 (or USD equivalent)
MANAGEMENT FEES	Class A 1.2% / Class B 1.0% / 0.8% on GAV Performance Fees: 20% above Target Rate of Return of 5.5%
REDEMPTION	Yearly (6-months notice) Declining redemption fees (6% in y1, 4% in y2, 2% in y3&4, 1% in y5, 0% afterwards)
REPORTING	Quarterly performance Reports Annual audited accounts INREV standards
TARGET RETURNS	Distributions*: 4-5% p.a. paid quarterly IRR*: 8-10% over 5y (*on initial contributed capital)

Fund performance





The Netherlands

- 1 Almere, Warehouse / Offices (14.75% of total GRI*)
- 2 Oosterhout, Warehouse (10.76% of total GRI)
- 3 Tiel, Warehouse (5.93% of total GRI)
- 4 Leeuwarden, Offices (10.70% of total GRI)
- 5 Utrecht, Offices (5.16% of total rent)

Luxembourg

- 6 Contern (SIGI/TTLux), Warehouse / Offices (8.63% of total GRI)
- 7 Contern (DHL), Warehouse / Offices (5.16% of total GRI)

Germany

- 8 Goch, Warehouse (9.37% of total GRI)

Italy

- 9 Brescia, Warehouse (3.35% of total GRI)
- 10 Melzo, Warehouse / Offices (9.31% of total GRI)
- 11 Castelletto C., Warehouse / Offices (5.60% of total GRI)
- 12 Rho, Warehouse / Offices (4.06% of total GRI)
- 13 Assago, Offices (7.22% of total GRI)



RONDEBELTWEG 102, ALMERE (THE NETHERLANDS)

Area 25,514 sqm

High quality logistic center consisting of two warehouses. Almere is one of the fastest growing cities in the Netherlands.

Tenant	Lease Expiry
Staples	31/12/2027
Net Market Value (30/06/2022)	€33.9m
Gross Rental income	€1.9m
Net Initial Yield**	5.34%



VISSERIJWEG 4, OOSTERHOUT (THE NETHERLANDS)

Area 33,118 sqm

A logistic center consisting of a warehouse plus offices. New façade fitted to north-side of the building in 2009.

Tenant	Lease Expiry
Rietveld	31/12/2026
Net Market Value (30/06/2022)	€27.4m
Gross Rental income	€1.4m
Net Initial Yield	4.64%



DE GEER 14, TIEL (THE NETHERLAND)

Area 7,140 sqm

Multifunctional warehouse, built in 2021, ideally located in an expanding logistics zone. Excellent rail and road connections.

Tenant	Lease Expiry
Axalta Coating Systems Benelux	31/01/2036
Net Market Value (30/06/2022)	€14.0m
Gross Rental income	€0.8m
Net Initial Yield	5.62%



LANGE MARKTSTRAAT 26, LEEUWARDEN (THE NETHERLANDS)

Area 11,846 sqm

Modern office space, centrally located with 5 minute walking distance from the train station of Leeuwarden.

Tenant	Lease Expiry
Aegon N.V.	30/11/2029
Net Market Value (30/06/2022)	€16.2m
Gross Rental income	€1.4m
Net Initial Yield	8.33%



PTOLEMAEUSLAAN 80, UTRECHT (THE NETHERLANDS)

Area 2,933 sqm

First Dutch office property holding both a WELL and a BREEAM certification, this outstanding asset is centrally located in an important business park.

Tenant	Lease Expiry
AM Holding / BAM Group	31/12/2028
Net Market Value (30/06/2022)	€10.1m
Gross Rental income	€0.7m
Net Initial Yield	6.54%

*GRI=Gross Rental Income

** Net Initial Yield = NOI / Net Market Value

REAL ESTATE PORTFOLIO



RUE E. REUTER 11A, CONTERN (LUXEMBOURG)

Area 3,843 sqm
A high quality and multifunctional warehouse, built in 2005 and equipped with 41 loading docks. The building meets all modern requirements for its determined use.

Tenant	Lease Expiry
DHL Express Luxembourg S.A.	31/12/2026
Net Market Value (30/06/2022)	€11.75m
Gross Rental income	€0.7m
Net Initial Yield	4.84%



RUE E. REUTER 11, CONTERN (LUXEMBOURG)

Area 5,531 sqm
A high quality and multifunctional office building, with a warehouse and extension potential.

Tenant	Lease Expiry
SIGI	30/06/2026
TTLux	31/12/2030
Net Market Value (30/06/2022)	€17.68m
Gross Rental income	€1.1m
Net Initial Yield	5.45%



SIEMENSSTRASSE 65, GOCH (GERMANY)

Area 20,371 sqm
A high quality and multifunctional logistic warehouse, meeting modern requirements. Strategic location near the border with the Netherlands.

Tenant	Lease Expiry
Vos Logistics GmbH	31/12/2024
Net Market Value (30/06/2022)	€19.9m
Gross Rental income	€1.2m
Net Initial Yield	6.27%



VIA BAINISZA 23, BRESCIA (ITALY)

Area 5,100 sqm
A brand new typical last-mile warehouse, benefiting from a cross-docking base to operate efficiently.

Tenant	Lease Expiry
SDA (Italian Post)	19/11/2028
Net Market Value (30/06/2022)	€8.29m
Gross Rental income	€0.4m
Net Initial Yield	5.04%



VIA CRISTOFORO COLOMBO, MELZO (ITALY)

Area 26,480 sqm
This complex is located in eastern Milan, one of the top Italian logistic areas, and has been completely refurbished in 2020.

Tenant	Lease Expiry
Rhenus Logistics	31/12/2027
Net Market Value (30/06/2022)	€22.96m
Gross Rental income	€1.15m
Net Initial Yield	3.83%



VIA PER GATTINARA 17, CASTELLETTO CERVO (ITALY)

Area 26,223 sqm
Constructed in 2002, the site has a total surface area of circa 49,500 with a total of 20 loading docks, ideally located between Turin and Milan.

Tenant	Lease Expiry
Staples Italy (Mondoffice Srl.)	01/08/2030
Net Market Value (30/06/2022)	€8.66m
Gross Rental income	€0.7m
Net Initial Yield	7.09%



VIA LODOVICO ARIOSTO 44, RHO MILANO (ITALY)

Area 9,095 sqm
This last-mile warehouse was built in 2001 and designed according to DHL preference.

Tenant	Lease Expiry
DHL Express (Italy) Sàrl.	30/06/2023
Net Market Value (30/06/2022)	€12.2m
Gross Rental income	€0.5m
Net Initial Yield	3.66%



VIALE MILANOFIORI STRADA 3 B10, ASSAGO, MILANO (ITALY)

Area 6'615 sqm
Efficient office space, in the Milanofiori district.

Tenants	Lease Expiry
Speed	31/12/2027
Captrain ItaliaS.r.l	31/08/2028
IPG	31/03/2027
Nvent Italy S.r.l	31/03/2023
Net Market Value (30/06/2022)	€10.7m
Gross Rental income	€0.9m
Net Initial Yield	7.75%

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