

# AB ALTERNATIVE SICAV-SIF AB EUROPEAN REAL ESTATE



## Fund Factsheet – Q1 2024

*For Qualified Investors only / Not for use by Retail Investors*

### 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, Belgium, Italy and Luxembourg, representing a total area of 220'606 sqm and a total fair value of c. €216.4 million (value date 31.12.2023).

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 4% per annum on initial contributed capital).

**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 6bn.

**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)

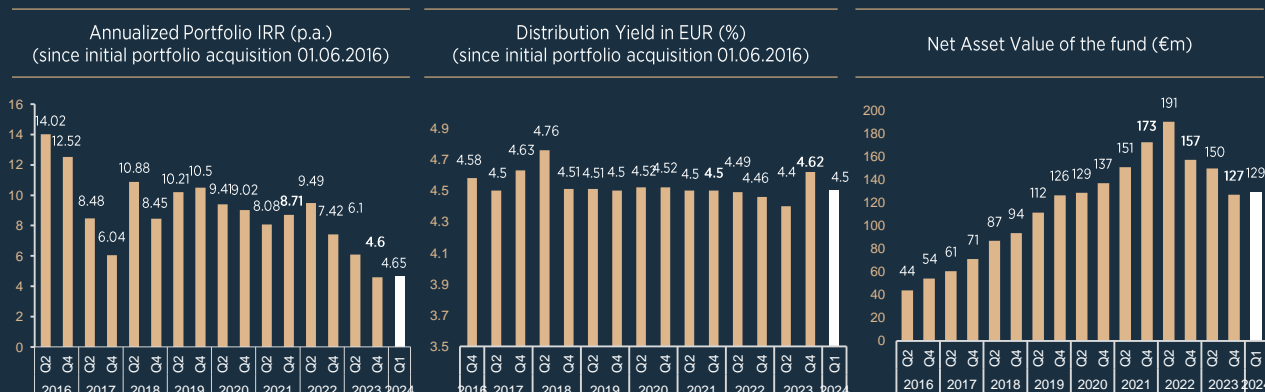
#### Real Estate Portfolio (as of 31.03.2024)

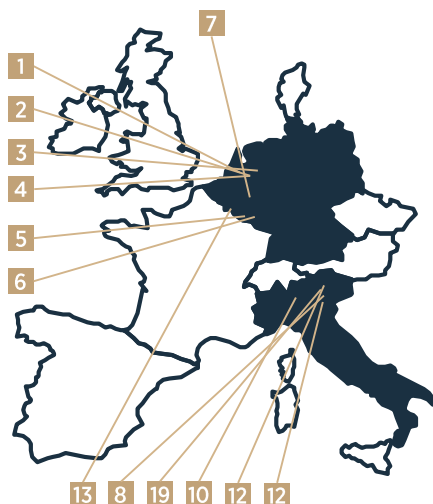
- The portfolio consists of 13 assets representing a total area of 220'606 sqm, a total fair value of c. €216.4 million and a total gross rental income of c. €16.8 million.

- Balanced geographical spread with an exposure to mature markets: Netherlands (37%), Germany (9%), Luxembourg (12%), Belgium (14%) and Italy (28%)
- Well-adjusted diversification across logistics (63%) and offices (37%)
- Reputable and creditworthy tenants with Inflation-linked lease agreements
- DHL in Rho (Italy) renewed its lease for 12 years
- Two new leases signed for 9 years in Louvain-la-Neuve, Belgium
- The team is advancing with the planned extension project in Casteletto Cervo, in Italy, delivery of the building is expected in Q2 2024
- Almere asset has been disposed in February, Goch is expected to close in Q2 2024

<b>FUND SIZE</b>	c. €257.2 million (Target €500 million)
<b>NAV</b>	c. €128.9 million (Arab Bank equity commitment: c. €13 million)
<b>STRUCTURE</b>	Open-ended SICAV-SIF AIFM (Luxembourg)
<b>SUBSCRIPTION</b>	Quarterly, EUR or USD (fully hedged)
<b>MIN. INVESTMENT</b>	Share Class D: €100'000 Share Class E: €1'000'000 Share Class F: €5'000'000 (or USD equivalent) Prices at 100 as of Q4 2022
<b>MANAGEMENT FEES</b>	Class D 1.2% / Class E 1.0% / Class F 0.8% on GAV Performance Fees: 20% above Target Rate of Return of 5.5%
<b>REDEMPTION</b>	Yearly (6-months notice) Declining redemption fees (6% in y1, 4% in y2, 2% in y3&4, 1% in y5, 0% afterwards)
<b>REPORTING</b>	Quarterly performance Reports Annual audited accounts INREV standards
<b>TARGET RETURNS</b>	Distributions*: 4% p.a. paid quarterly IRR*: 8-10% net over 5y (*on contributed capital in Q4 2022)

### Fund performance





## The Netherlands

- 1 Oosterhout, Warehouse (9.23% of total GRI)
- 2 Tiel, Warehouse (4.83% of total GRI)
- 3 Leeuwarden, Offices (6.50% of total GRI)
- 4 Utrecht, Offices (4.70% of total rent)

## Luxembourg

- 5 Contern (SIGI/TTLux), Warehouse / Offices (7.57% of total GRI)
- 6 Contern (DHL), Warehouse / Offices (4.50% of total GRI)

## Germany

- 7 Goch, Warehouse (8.47 % of total GRI)

## Italy

- 8 Brescia, Warehouse (3.02% of total GRI)
- 9 Melzo, Warehouse / Offices (8.42% of total GRI)
- 10 Castelletto C., Warehouse / Offices (11.79% of total GRI)
- 11 Rho, Warehouse / Offices (3.85% of total GRI)
- 12 Assago, Offices (6.18% of total GRI)

## Belgium

- 13 Louvain-la-Neuve, Offices (20.94% of total GRI)



**1**  
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	31/12/2029
Net Market Value (31/12/2023)	€24.54m
Passing Rent	€1.5m
Net Initial Yield**	5.65%



**2**  
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 (31/12/2023)	€12.9m
Passing Rent	€0.8m
Net Initial Yield**	5.76%



**3**  
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 (31/12/2023)	€16.13m
Passing Rent	€1.1m
Net Initial Yield**	6.12%



**4**  
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 (31/12/2023)	€9.25m
Passing Rent	€0.8m
Net Initial Yield**	7.69%

\*GRI=Gross Rental Income

\*\* Net Initial Yield = Passing Rent / Gross Market Value





**5**  
RUE E. REUTER 11A, CONTERN  
(LUXEMBOURG)

Area 3,843 sqm  
A high quality and multifunctional warehouse, built in 2005 and equipped with 30 loading docks and 41 sectional doors. The building meets all modern requirements for its determined use.

Tenant	Lease Expiry
DHL Express Luxembourg S.A.	31/12/2026
Net Market Value (31/12/2023)	€10.85m
Passing Rent	€0.7m
Net Initial Yield**	6.47



**6**  
RUE E. REUTER 11, CONTERN  
(LUXEMBOURG)

Area 5,646 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 (31/12/2023)	€18.21m
Passing Rent	€1.2m
Net Initial Yield**	6.41%



**7**  
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	31/12/2028
Net Market Value (31/12/2023)	€21m
Passing Rent	€1.36m
Net Initial Yield**	6.00%



**8**  
VIA BAINSIZZA 23, BRESCIA (ITALY)

Area 5,210 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 (31/12/2023)	€7.8m
Passing Rent	€0.5m
Net Initial Yield**	6.36%



**9**  
VIA CRISTOFORO COLOMBO,  
MELZO (ITALY)

Area 28,808 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 (31/12/2023)	€22.30m
Passing Rent	€1.24m
Net Initial Yield**	6.12%



**10**  
VIA PER GATTINARA 17, CASTELLETTO  
CERVO (ITALY)

Area 51,872 sqm  
Built in 2002 and ideally located between Turin and Milan, the warehouse is under-extension by another 25'000 sqm with a 20y lease.

Tenant	Lease Expiry
Mondoffice Srl.	30/06/2044
Net Market Value (31/12/2023)	€17.3m
Passing Rent at handover (05/24)	€2m
Net Initial Yield**	11.21%



**11**  
VIA LODOVICO ARIOSTO 44, RHO  
MILANO (ITALY)

Area 9,667 sqm  
This last-mile warehouse was built in 2001 and designed according to DHL preference.

Tenant	Lease Expiry
DHL Express (Italy) Srl.	31/12/2034
Net Market Value (31/12/2023)	€11.30m
Passing Rent	€0.64m
Net Initial Yield**	5.57%



**12**  
VIALE MILANOFIORI STRADA 3 B10,  
ASSAGO, MILANO (ITALY)

Area 6'328sqm  
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	31/03/2029
Net Market Value (31/12/2023)	€10.4m
Passing Rent	€1m
Net Initial Yield**	9.72%



**13**  
AVENUE JEAN MONNET 4, LOUVAIN-LA-  
NEUVE (BELGIUM)

Area 11'279 sqm  
This building is a near zero energy building and is BREEAM certified. It is located in the science park and university of Louvain-la-Neuve.

Tenants	Lease Expiry
AGC Glass	18/11/2028
Net Market Value (31/12/2023)	€34.65m
Passing Rent	€3.5m
Net Initial Yield**	9.62%

\*GRI=Gross Rental Income

\*\* Net Initial Yield = Passing Rent / Gross Market Value

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