

# AB ALTERNATIVE SICAV-SIF AB EUROPEAN REAL ESTATE



## Fund Factsheet – Q3 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 174'721 sqm and a total fair value of c. €202.8 million (value date 30.09.2024).

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)

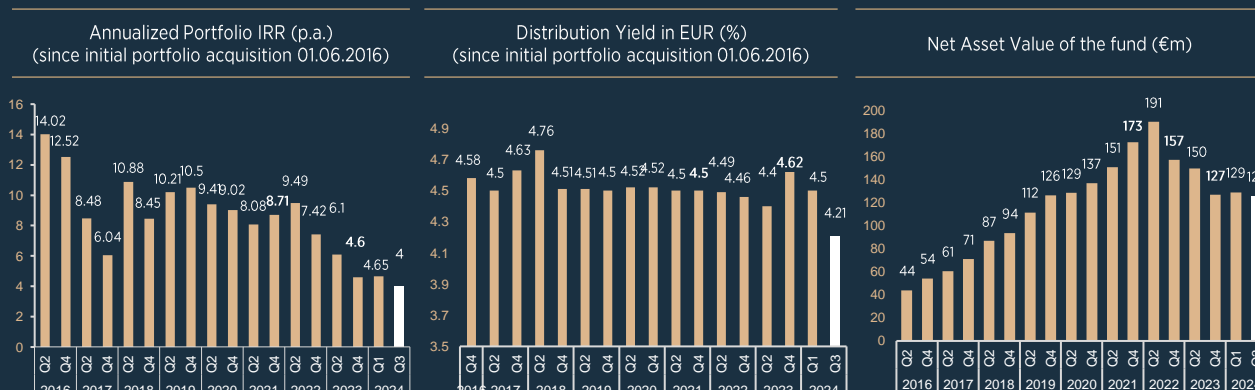
#### Real Estate Portfolio (as of 30.09.2024)

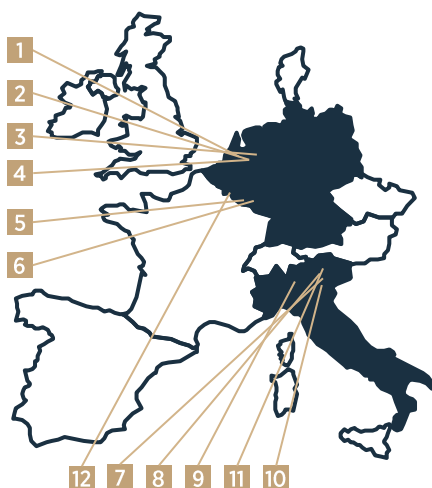
- The portfolio consists of 12 assets representing a total area of 174'721 sqm, a total fair value of c. €202.8 million and a total gross rental income of c. €15.9 million.

- Balanced geographical spread with an exposure to mature markets: Netherlands (31%), Luxembourg (15%), Belgium (16%) and Italy (38%)
- Well-adjusted diversification across logistics (57%) and offices (43%)
- 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 extension project in Casteletto Cervo, in Italy, has been delivered as planned end of July, and the new lease started 1<sup>st</sup> of August
- Almere asset has been disposed in February, Goch asset end of July 2024

|                        |   |
|------------------------|---|
| <b>FUND SIZE</b>       | c. €240.4 million<br>(Target €500 million)  |
| <b>NAV</b>             | c. €126.1 million<br>(Arab Bank equity commitment: c. €13 million)  |
| <b>STRUCTURE</b>       | Open-ended SICAV-SIF<br>AIFM (Luxembourg)   |
| <b>SUBSCRIPTION</b>    | Quarterly, EUR or USD (fully hedged)  |
| <b>MIN. INVESTMENT</b> | Share Class D: €100'000<br>Share Class E: €1'000'000<br>Share Class F: €5'000'000<br>(or USD equivalent)<br>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<br>Performance Fees: 20% above Target Rate of Return of 5.5%                          |
| <b>REDEMPTION</b>      | Yearly (6-months notice)<br>Declining redemption fees (6% in y1, 4% in y2, 2% in y3&4, 1% in y5, 0% afterwards)                         |
| <b>REPORTING</b>       | Quarterly performance Reports<br>Annual audited accounts<br>INREV standards   |
| <b>TARGET RETURNS</b>  | Distributions*: 4% p.a. paid quarterly<br>IRR*: 8-10% net over 5y<br>(*on contributed capital in Q4 2022)                               |

### Fund performance





## The Netherlands

- 1 Oosterhout, Warehouse (9.75% of total GRI)
- 2 Tiel, Warehouse (5.16% of total GRI)
- 3 Leeuwarden, Offices (9.35% of total GRI)
- 4 Utrecht, Offices (4.96% of total rent)

## Luxembourg

- 5 Contern (SIGI/TTLux), Warehouse / Offices (8.11% of total GRI)
- 6 Contern (DHL), Warehouse / Offices (4.92% of total GRI)

## Italy

- 7 Brescia, Warehouse (3.19% of total GRI)
- 8 Melzo, Warehouse / Offices (8.64% of total GRI)
- 9 Castelletto C., Warehouse / Offices (12.52% of total GRI)
- 10 Rho, Warehouse / Offices (4.06% of total GRI)
- 11 Assago, Offices (6.53% of total GRI)

## Belgium

- 12 Louvain-la-Neuve, Offices (22.81% 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 (30/06/2024) | €24.86m      |
| Passing Rent                  | €1.5m        |
| Net Initial Yield**           | 7.10%        |



**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 (30/06/2024)  | €12.6m       |
| Passing Rent                   | €0.8m        |
| Net Initial Yield**            | 5.88%        |



**3**  
LANGE MARKTSTRAAT 26, LEEUWARDEN (THE NETHERLANDS)

Area 11,846 sqm

Modern office space, centrally located with 5 min walking distance from the train station.

| Tenant                        | Lease Expiry             |
|-------------------------------|--------------------------|
| KvK A.S.R.                    | 31/12/2034<br>30/11/2029 |
| Net Market Value (30/06/2024) | €16.24m                  |
| Passing Rent                  | €1.5m                    |
| Net Initial Yield**           | 7.88%                    |



**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 (30/06/2024) | €8.98m       |
| Passing Rent                  | €0.8m        |
| Net Initial Yield**           | 6.75%        |



**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 (30/06/2024) | €11.06m      |
| Passing Rent                  | €0.7m        |
| Net Initial Yield**           | 6.36%        |



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

Area 5,520 sqm

A high quality and multifunctional office building, with a warehouse and extension potential.

| Tenant                        | Lease Expiry             |
|-------------------------------|--------------------------|
| SIGI TTLux                    | 30/06/2029<br>31/12/2030 |
| Net Market Value (30/06/2024) | €18.88m                  |
| Passing Rent                  | €1.3m                    |
| Net Initial Yield**           | 6.87%                    |

\*GRI=Gross Rental Income

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

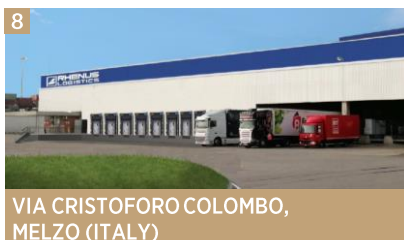




**VIA BAINISZA 23, BRESCIA (ITALY)**

**Area** 4,970 sqm  
A brand new typical last-mile warehouse, benefiting from a cross-docking base to operate efficiently.

| <b>Tenant</b>                 | <b>Lease Expiry</b> |
|-------------------------------|---------------------|
| SDA (Italian Post)            | 19/11/2028          |
| Net Market Value (30/06/2024) | €7.8m               |
| Passing Rent                  | €0.5m               |
| Net Initial Yield**           | 6.36%               |



**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.

| <b>Tenant</b>                 | <b>Lease Expiry</b> |
|-------------------------------|---------------------|
| Rhenus Logistics              | 31/01/2028          |
| Net Market Value (30/06/2024) | €22.00m             |
| Passing Rent                  | €1.37m              |
| Net Initial Yield**           | 6.12%               |



**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.

| <b>Tenant</b>                    | <b>Lease Expiry</b> |
|----------------------------------|---------------------|
| Mondoffice Srl.                  | 30/06/2044          |
| Net Market Value (30/06/2024)    | €26.4m              |
| Passing Rent at handover (05/24) | €2m                 |
| Net Initial Yield**              | 7.34%               |



**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.

| <b>Tenant</b>                 | <b>Lease Expiry</b> |
|-------------------------------|---------------------|
| DHL Express (Italy) Sàrl.     | 31/12/2034          |
| Net Market Value (30/06/2024) | €11.30m             |
| Passing Rent                  | €0.64m              |
| Net Initial Yield**           | 5.6%                |



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

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

| <b>Tenants</b>                | <b>Lease Expiry</b> |
|-------------------------------|---------------------|
| 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 (30/06/2024) | €9.9m               |
| Passing Rent                  | €1.04m              |
| Net Initial Yield**           | 10.26%              |



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

**Area** 11'289 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.

| <b>Tenants</b>                | <b>Lease Expiry</b> |
|-------------------------------|---------------------|
| AGC Glass                     | 18/11/2037          |
| Larcier                       |                     |
| Net Market Value (30/06/2024) | €32.8m              |
| Passing Rent                  | €3.6m               |
| Net Initial Yield**           | 9.53%               |

**Daniel DELÉCHAT, CFA**  
Head of Asset Management  
ded@arabbank.ch  
Tel: +41 22 715 1232

**Pierre-Marie GIET**  
Portfolio Manager  
gpm@arabbank.ch  
Tel: +41 22 715 1315

**Simon REMBRY, FCCA**  
Finance Manager  
rei@arabbank.ch  
Tel: +41 22 715 1602

**Gauthier GUÉGAND, MRICS**  
Portfolio Manager  
gug@arabbank.ch  
Tel: +41 22 715 1261

**Samuel OUHIBI**  
Corporate Manager  
souhibi@ab-alternative.com  
Tel: +352 20 601 891

## DISCLAIMER

This presentation has been prepared for information purposes only, and is solely designed to present the terms of AB ALTERNATIVE FUND SICAV-SIF (the "Fund"). Nothing herein constitutes or forms part of an offer to subscribe for or purchase, or an invitation or inducement or solicitation of an offer to subscribe for or purchase, any securities or enter into any investment activity whatsoever. Nothing herein forms the basis of, or shall be relied on in connection with, any contract or commitment whatsoever. This presentation and the information contained therein is confidential and may neither be reproduced nor distributed, in whole or in part, without the prior written authorization of the Fund. Information for Swiss Distribution: As defined in article 10 of the Swiss Federal Collective Investment Schemes Act of 23 June 2006, as amended ("CISA"), "Qualified Investors" are public entities and retirement benefits institutions with professional treasury operations as well as high net worth individuals who have explicitly declared in writing that they wish to be treated as Qualified Investors (Opt In), have to be aware of the risk associated with the investment and must also demonstrate that, at the time of investment in an AIF, they either have assets of

at least CHF 500,000 (five hundred thousand Swiss Francs) and sufficient knowledge to assess the investment's risk based on their education and professional experience or comparable experience in the financial sector, or that they have assets of at least CHF 5,000,000 (five million Swiss Francs) at their disposal. In the latter case, the required assets of CHF 5,000,000 (five million Swiss Francs) may also include real estate holdings of up to a maximum of CHF 2,000,000 (two million Swiss Francs) in net value (market value less any mortgage on the property). "Comparable experience" may be assumed if the investor has conducted transactions of significant size in the relevant markets at an average frequency of ten per quarter over the previous four quarters. Independent asset managers are not considered qualified investors themselves, although distribution to their clients is deemed to be distribution to Qualified Investors, but it is still possible to approach them if they undertake in writing to use the information received only for clients who are Qualified Investors within the meaning of article 10 CISA.