



BPT HANSA LUX SICAV-SIF

QUARTERLY FUND REPORT Q1 2020

COMMENTARY

BPT Hansa SICAV-SIF is a direct real estate fund investing in commercial properties in Northern Germany, mainly Berlin. The fund is designed for institutional investors, German and international, and should be seen as a long-term investment product.

ACTIVITIES OVER THE QUARTER

The NAV was EUR 149.33 at the end of March - slightly above Q4 2019 NAV (audited) of EUR 149.02

The average occupancy rate increased from 89.4% to 91.6%, which is related to new leases in Trachenbergring in Berlin. The net rental income increased during the quarter from EUR 473 thousand (December 2019) up to EUR 546 thousand.

Consequently, the Fund's direct property yield (DPY) increased from 5.0% to 5.8%.

The DPY in Bessemerstraße slightly increased from 8.8% to 8.9% and is slightly below the budget (9.2%). The DPY in Walsroder Straße increased from 5.3% to 6.7% which is above the budget (6.0%). The DPY in Trachenbergring increased from 3.0% to 3.8% which is as well above the budget figure (2.8%).

The application for the planning permission for the external staircase for Bessemerstraße in Berlin was submitted in April 2020. A realistic estimation of the planning permission process is hard to tell yet because the workflow of the authorities is currently affected by the coronavirus. The maximum period is estimated with six months. However, the team still believes that a closing in 2020 is realistic.

As presented in the last report, the team was negotiating with several banks for a bridge financing for the Trachenbergring asset in Berlin. This process is currently on hold as the banks signalled that they stopped any business with new clients under the current circumstances. During the first four months of the year, the asset management team executed a tender process for a new facility management company for the Trachenbergring property. After a successful process, the facility management agreement went to Engie Deutschland GmbH. Together with the team of Engie, we are able to

Fund performance

NAV per share (IFRS)	EUR 149.33
Latest dividend per share, EUR (paid out in 2019)	EUR 27.6
Total return since inception	99.0%
Return since inception annualised	5.8%

Portfolio

Number of properties	3
Average gross property value	EUR 18.0m
Occupancy ratio (quarter average)	91.6%

Fund facts

Fund inception (as of the first NAV)	January 2008
Expected exit	2023
Status	Closed-end
Total share capital	EUR 24.3m
Net asset value	EUR 36.4m
Gross property value	EUR 53.9m
Gross asset value (GAV)	EUR 63.7m
Total cash and cash equivalents	EUR 5.9m
Loans	EUR 21.6m
Loan to value	40.1%
Interest coverage	4.03

Top 3 holdings

Bessemerstrasse	Office	Berlin
Trachenbergring 93	Office	Berlin
Walsroder Strasse	Office	Hanover
Weight of total gross value		100%

Top 3 holdings based on gross property value.

Fees

Management fee	0.75% p.a. of GAV of the portfolio
Acquisition fee	0.3% of the total acquisition sum
Incentive fee	20% above a hurdle rate of 7% RoE
Subscription fee	max. 1.95% (depending on size)

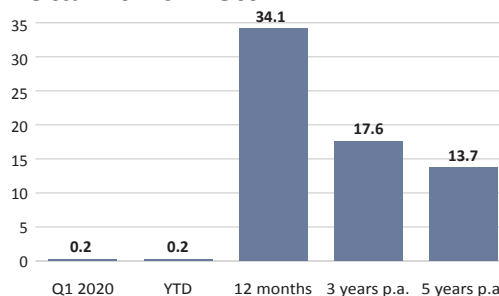
proceed with the CapEx and letting management plan to achieve the anticipated value enhancement for the property.

MARKET REVIEW AND OUTLOOK

In the beginning of the 1st quarter 2020 all market participants were talking about a continuation of the real estate market boom. That was before the coronavirus began its grim journey. Since then, this has all turned out to be empty talk. A return to a new normality that will be required once the pandemic is over will take patience and time. It will be possible to provide more detailed information when all the effects of the pandemic have become apparent and government rescue packages are in place. However, in the first three months of this year, the effect of the COVID-19 pandemic had yet be felt. Numerous processes and transactions had already been initiated or were in the final stages of negotiation, so that a "deal freeze" or slump in the investment market is at least not yet apparent in the real estate market figures. According to JLL, the total German transaction volume amounted to approx. EUR 28 billion (EUR 18.3 billion for commercial real estate and EUR 9.7 billion for residential property) in the 1st quarter of 2020. Included in the figures are some very large company takeovers and investments (such as Adler's almost 90% investment in Ado in the residential sector or Aroundtown's 77.8% stake in TLG), which amount to a total of EUR 11.3 billion. But even without these indirect real estate transactions, it would still have been a very strong quarter. More than 20 direct single-asset deals above EUR 100 million also took place, mostly in the office sector. Around EUR 5 billion were invested in office properties. More than twice as much were invested in residential assets; EUR 10.7 billion were invested into residential portfolios, student housing, micro apartment or retirement and care homes. Retail properties accounted for approx. EUR 4 billion. Investors paid approx. EUR 2 billion for logistic properties in the 1st quarter.

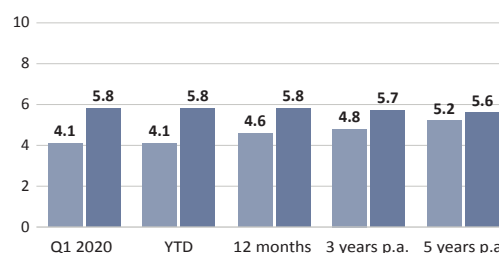
The inflation rate was with 1.4% in March on a same level compared to end of 4th quarter 2019 (1.5%). In March 2020, the unemployment rate was with 5.1% stable, compared to same quarter of previous years. The COVID-19 pandemic had in the 1st quarter no impact on the German labour market.

Total Fund Return



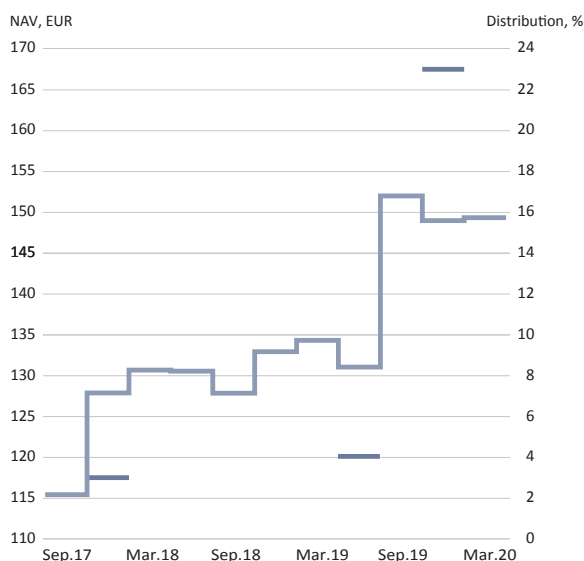
Total fund return is calculated as NAV-to-NAV taking into account distributed dividend and net capital invested for the year

Net initial yield (NIY) p.a. and direct property yield (DPY) p.a.



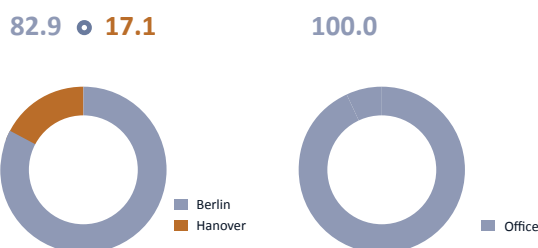
NIY (light blue) is calculated as the net operating income divided by gross property value annualized. DPY (dark blue) is calculated as the net operating income divided by the acquisition costs annualized.

Development in NAV per share



Development in NAV (light blue) is excluding reinvested dividends. Historical dividends (dark blue) will be shown at the time they are deducted from the NAV per share.

Allocation in percent



Allocation is calculated based on gross property value.

FUND MANAGER



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