

Factsheet

October 2023

BETTING ON CZECH FARMS is paying off for investors. Verdi Agro Fund credits investors with an annual return of 11.7%. At a time of market volatility, it has outperformed inflation and innovated farms in western Bohemia and the Vysočina region. The Fund enters the next few months stronger than before and with a plan for growth and new investments.

Dear investors,

The annual valuation of the Verdi Agro Fund shows an excellent result. We have managed to improve the financial operations of the companies Agropol Starý Pelhřimov and Agrowild Nová Ves, where we operate on more than 2,600 hectares. This has led to an increase in asset value of the Fund and we have achieved a higher return than our original expectations. In 2023, we focused on strengthening our management and effective financial planning. We invested in the purchase of new farm machinery, expanded the land under cultivation and added additional acreage for which we can draw subsidies.

The year 2023 is full of uncertainties and obstacles for farmers. Input prices have risen, commodity prices have fallen and some crops have also been damaged by the weather. At the same time, Czech farmers have to cope with new subsidy rules that add to their administrative burden.

We also faced these obstacles, but thanks to early preparation we successfully overcame them – we fixed electricity prices, we signed contracts for land sales in advance, or we obtained new subsidies from the rural development programme.

The strategy for the end of this year and the beginning of next year is to continue with the innovations. We will be purchasing new equipment and technology for planting, harvesting and cattle breeding. We plan to increase the housing capacity of farms, expand herds and acquire more new calves. We are working on fixing the most favourable purchase price for electricity from our sources and we are planning to build solar power plants on the farms.

We also want to increase our investment activity in the coming months. It is clear that there will be a gradual increase in sales of agricultural entities at attractive prices and we intend to take advantage of this opportunity. We are already being approached by a number of farms with sale proposals, and we are continuously analysing and evaluating their offers. We are currently in the process of acquiring a farm in western Bohemia, which focuses on crop and livestock production. An attractive location with lucrative land would suitably complement our agricultural portfolio and contribute to further growth of the Fund's value.

Dear investors, thank you for your trust so far. We continue to work to make the Verdi Agro Fund one of the the most stable investment funds, represent an alternative investment independent of financial market movements and deliver returns above current inflation. So that you, we and the whole of Czech agriculture can benefit from our success.

Václav Štekr
Executive Director
Verdi Agro Fund



11.7%

annual return

2

farms owned by the Fund

2600+

hectares of operated land

80 mil.

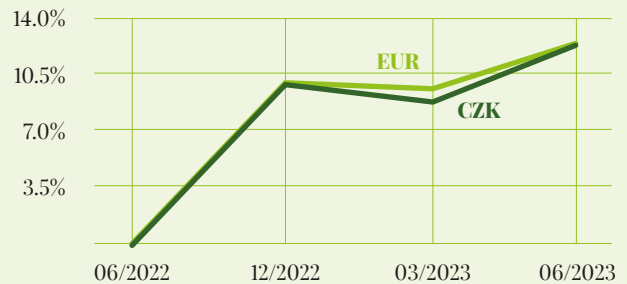
EUR of planned investments



We are the first fund on the Czech market to offer qualified investors a share of profits from the management of agricultural farms. On our farms Agrospol Starý Pelhřimov and Agrowild Nová Ves we are engaged in crop and livestock production, we produce clean electricity and deliver attractive valuations to qualified investors. We are currently negotiating the acquisition of additional farms to modernise and develop. And you can join us.

Current data as of 30/06/2023

| | |
|---|-------------------|
| Performance since inception (01/07/2022) | |
| Share class in CZK | 11.71% |
| Share class in EUR | 11.79% |
| <hr/> | |
| Share price CZK | CZK 1.1171 |
| Share price EUR | EUR 1.1179 |



Our strategy

- We purchase, modernise farms in the Czech Republic and Slovakia and preserve the tradition of agricultural production.
- With balanced economic growth, we emphasise animal welfare and respect for the landscape.
- In the next two years, we plan to raise EUR 50 million in capital from investors.
- In combination with bank financing, we plan to invest up to EUR 80 million.
- Even in uncertain times, we want to deliver a stable return to qualified investors that is independent of financial market movements.

Investment terms

| | |
|---|--|
| Legal form | Investment company with variable capital (SICAV) |
| Fund type | Qualified investor fund |
| Fund domicile | Czech Republic |
| Underlying assets | Agricultural farms and cultivated land |
| Type of security | Bearer share |
| Investment horizon | 5 years |
| Minimum investment | CZK 1,000,000 / EUR 50,000 |
| Manager and administrator | Winstor investicni spolecnost a.s. |
| Depository | CSOB |
| Auditor | PwC |
| Frequency of subscription/redemption | Quarterly |



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Verdi SICAV a.s. is a qualified investor fund according to Act No. 240/2013 Coll., on Investment Companies and Investment Funds and its shareholder can only become a qualified investor according to Section 272 of this Act. The Fund warns investors that the value of the investment may fluctuate and the return of the amount originally invested is not guaranteed. Past performance is neither a guarantee nor an indication of the future performance of the Fund. Prospective investors should particularly consider the specific risks that may arise from the Fund's investment objectives as set out in its statute. This material is for informational purposes only and does not constitute an offer or investment.