

8 April 2022

News Release

UBS «Swissreal»: Capital increase with subscription rights

UBS «Swissreal», UBS «Foncipars», UBS «Sima»: Distribution and net asset value

From 28 April to 6 May 2022 UBS Switzerland AG will carry out a capital increase with subscription rights for UBS (CH) Property Fund – Swiss Commercial «Swissreal».

Basel, 8 April 2022 – UBS «Swissreal» is continuously carrying out acquisitions and commissioning construction projects. The activities of the last few months underline the steady growth of the portfolio that further improve its quality and diversification. Acquisitions and construction projects in excellent locations in the regions of Basel, Lausanne and Zurich have enabled the portfolio volume to grow by approximately CHF 111 million. UBS «Swissreal» has proven its successful investment concept as a Swiss real estate fund with a long-standing growth and diversification in the portfolio of commercial properties generating stable income and sustainable growth in selected locations throughout Switzerland.

The advantages of UBS «Swissreal»

- A consistently high-yielding Swiss real estate fund with an attractive average five-year stock market performance of 5.9% p.a. (31 December 2016 to 31 December 2021).
- Broadly diversified commercial portfolio in sought-after locations throughout Switzerland, comprising 81 properties and a volume of more than CHF 2.0 billion.
- Attractive distribution yield of 3.8% (28 February 2022) and stable distribution amount of CHF 2.65 per unit.
- At 5.0%, the investment return (based on the net asset value) developed positively again in 2021, independent of the market price.

The capital increase

To support the further development of UBS «Swissreal», UBS Switzerland AG is carrying out a capital increase 28 April to 6 May 2022, finishing at 12 noon. Official subscription rights trading will take place on the SIX Swiss Exchange from 28 April to 4 May 2022.

The issue price of the new units is composed of the net asset value (following distribution) as per financial year end as of 31 December 2021 plus accrued income up to the payment date and the issuing commission. The issue is being carried out on a commission basis («best-effort») in the context of a public subscription offer in Switzerland. At the end of the subscription period, subscription rights that have not been exercised will expire as worthless.

The number of new units to be issued is determined by the fund management company UBS Fund Management (Switzerland) AG, on the basis of the exercised subscription rights after expiry of the subscription period. As a result, the actual number of new units issued may fall short of the specified maximum that can be issued. In addition, the value of subscription rights traded on the SIX Swiss Exchange may fluctuate due to supply and demand. Their intrinsic value cannot therefore be guaranteed.

From 28 April 2022 (ex-date of subscription rights), the standard correction of the market price is expected to match the approximate value of the subscription right.

The new units carry a dividend entitlement backdated for the full current financial year as of 1 January 2022. The payment date for the new units will be 13 May 2022.

During the subscription period, existing unit holders are entitled to buy new units in the real estate fund based on their subscription rights. New investors may participate in the capital increase in the course of market trading of subscription rights.

The fund management company already announced the capital increase as of 14 January 2022 in a media release, on the website of Real Estate Switzerland and on Swiss Fund Data and has now defined the terms and conditions of the issue:

Terms and conditions of issue	
Securities no. units:	1 442 088
Securities no. subscription rights:	116 369 618
Subscription ratio (new : existing units):	1 : 13
Number of existing units:	22 879 799
Number of new units (maximum):	1 759 985
Subscription price:	CHF 63.30
Stock exchange price 14 March 2022:	CHF 73.00
Theoretical market price following distribution:	CHF 70.35
Theoretical value of subscription right following distribution:	CHF 0.50
Theoretical opening price per unit on 1 st day of subscription period:	CHF 69.85
Issue volume:	Around CHF 111 million

A large part of the issue proceeds will be used for the following projects:

Acquisition commercial property, Lagerstrasse, Dietikon



- Investment volume approx. CHF 54 million
- Handover 4th quarter 2020

Refurbishment commercial property, Avenue Villamont, Lausanne



- Investment volume approx. CHF 7 million
- Start of construction 2nd quarter 2021

Refurbishment mixed-use property, Route de Berne, Lausanne



- Investment volume approx. CHF 20 million
- Start of construction 1st quarter 2022

New construction commercial property, Güterstrasse, Muttenz



- Investment volume approx. CHF 30 million
- Start of construction 4th quarter 2023

The remaining proceeds from the capital increase will primarily be used to acquire additional properties, to finance refurbishments and development projects, and to repay debt.

Why participate in the capital increase?

- Participation in the capital increase provides further access to high-quality Swiss properties.
- Clear investment guidelines and professional management ensure that new capital is invested carefully.
- The purchase of further properties improves diversification and stability, reduces the age of the portfolio and therefore increases its appeal for tenants and ultimately also for investors.
- The issue of new units is based on the net asset value (following distribution), independent of the market price, as per financial year end as of 31 December 2021 plus accrued income up to the payment date and the issuing commission.

Further information

Swiss UBS Real Estate Funds: www.ubs.com/realestate-switzerland

Distributions

Based on the accounts for the accounting year ending 31 December 2021, the fund management company has defined the following distributions for the UBS real estate funds listed below:

Ex-date 12 April 2022 – payable on 14 April 2022

Securities no.	Fund	Distribution (gross) in CHF	35% with-holding tax*	Distribution (net) in CHF
1 442 088	UBS (CH) Property Fund – Swiss Commercial «Swissreal»	2.65	0.9275	1.7225
1 442 085	UBS (CH) Property Fund – Léman Residential «Foncipars»	2.60	0.9100	1.6900
1 442 087	UBS (CH) Property Fund – Swiss Mixed «Sima»	3.25	1.1375	2.1125

* May be reclaimed by investors domiciled in Switzerland. May be reclaimed or partially reclaimed by investors domiciled abroad, should a double taxation agreement exist with Switzerland.

UBS «Foncipars» very pleasing financial year has enabled the fund to increase the distribution. UBS «Swissreal» and UBS «Sima» will maintain their distributions at the previous year's level.

Net asset values

The following net asset values result from the annual financial statements as of 31 December 2021:

Securities no.	Fund	Net asset value as at 31.12.21 in CHF (before distribution)	Net asset value as at 31.12.20 in CHF (before distribution)
1 442 088	UBS (CH) Property Fund – Swiss Commercial «Swissreal»	63.27	62.90
1 442 085	UBS (CH) Property Fund – Léman Residential «Foncipars»	95.72	92.11
1 442 087	UBS (CH) Property Fund – Swiss Mixed «Sima»	102.94	98.04

The funds will be traded based on their new net asset values on SIX Swiss Exchange for the first time on Monday, 11 April 2022. The usual market price correction, roughly equivalent to the distribution, is expected from 12 April 2022 (ex-date) onwards.

The net asset values and distributions will be published from Friday, 8 April 2022 after the close of trading on www.swissfunddata.ch.

Further information on the Swiss real estate funds can be found at www.ubs.com/realestate-switzerland. The latest information on market prices, premiums and distribution yields can be found at www.ubs.com/fundgate.

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