

12 April 2024

News Release

Ad hoc message pursuant to Art. 53 LR:

UBS «Sima»: Capital increase with subscription rights

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

From 2 to 10 May 2024 UBS Switzerland AG will carry out a capital increase with subscription rights for UBS (CH) Property Fund – Swiss Mixed «Sima».

Basel, 12 April 2024 – UBS «Sima» is continuously carrying out acquisitions and commissioning construction projects. The activities of the last few months underline the steady growth of the portfolio and further improve its quality and diversification. Acquisitions and construction projects in excellent locations in the regions of Aargau and Zurich have enabled the portfolio volume to grow by approximately CHF 213 million. UBS «Sima» has proven its successful investment concept as a Swiss real estate fund with a long-standing growth and diversification in the portfolio of residential buildings and commercial properties generating stable income and sustainable growth throughout Switzerland.

The advantages of UBS «Sima»

- Largest Swiss real estate fund with average ten-year performance of 6.6% p.a. (31 December 2013 to 31 December 2023).
- Very broadly diversified property portfolio in sought-after locations comprising 362 properties and a volume of around CHF 11.7 billion.
- At 2.7%, the investment return (based on the net asset value) developed positively in 2023, independent of the market price.
- At 2.4%, the distribution yield is attractive in the current environment.

The capital increase

To support the further development of UBS «Sima», UBS Switzerland AG is carrying out a capital increase from 2 to 10 May 2024, finishing at 12.00 p.m. Official subscription rights trading will take place on the SIX Swiss Exchange from 2 to 8 May 2024.

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 2023 plus the 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 2 May 2024 onwards (ex-date of subscription rights), the usual market price correction 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 2024. The payment date for the new units will be 17 May 2024.

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 1 February 2024 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:	1 442 087
Securities no. subscription rights:	132 590 540
Subscription ratio (new : existing units):	1 : 35
Number of existing units:	71 633 529
Number of new units (maximum):	2 046 673
Subscription price:	CHF 104.30
Stock exchange price 19 March 2024:	CHF 138.50
Theoretical market price following distribution:	CHF 135.25
Theoretical value of subscription right following distribution:	CHF 0.86
Theoretical opening price per unit on 1 st day of subscription period:	CHF 134.39
Issue volume:	Around CHF 213 million

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

Redevelopment residential property, Zelgstrasse, Uster



- Investment volume approx. CHF 87 million
- Completion planned for 1st quarter 2025

Redevelopment residential property, Anna-Heer-Strasse, Zurich



- Investment volume approx. CHF 41 million
- Completion planned for 1st quarter 2025

Acquisition of commercial property, Industriestrasse, Oftringen



- Investment volume approx. CHF 85 million
- Handover 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 2023 plus the accrued income up to the payment date and the issuing commission.

Further information

Real Estate Switzerland: www.ubs.com/real-estate-switzerland

Distributions

Based on the accounts for the accounting year ending 31 December 2023, the fund management company has defined the following distributions for the UBS real estate funds listed below:

Ex-date 16 April 2024 – payable on 18 April 2024

Income distribution				
Securities no.	Fund	Distribution (gross) in CHF	35% with-holding tax*	Distribution (net) in CHF
1 442 087	UBS (CH) Property Fund – Swiss Mixed «Sima»	2.80	0.9800	1.8200
1 442 085	UBS (CH) Property Fund – Léman Residential «Foncipars»	2.75	0.9625	1.7875
1 442 088	UBS (CH) Property Fund – Swiss Commercial «Swissreal»	2.65	0.9275	1.7225
10 061 233	Residentia	3.35	no withholding tax	3.3500

* 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.

Capital distribution				
Securities no.	Fund	Distribution (gross) in CHF	35% with-holding tax	Distribution (net) in CHF
1 442 087	UBS (CH) Property Fund – Swiss Mixed «Sima»	0.45	no withholding tax	0.4500

As a result of the pleasing business development, UBS «Foncipars» is increasing its dividend payout to CHF 2.75 (previous year: CHF 2.60) per share. Residentia is also significantly increasing its income distribution, from CHF 3.00 in the previous year to CHF 3.35 per share. UBS «Swissreal» and UBS «Sima» will maintain their dividend payouts at the previous year's level. The distribution of UBS «Sima» (CHF 3.25 per share) will be split into two coupons, as the fund will distribute one-off capital (free of withholding tax) of CHF 0.45 from accumulated capital gains from previous years as part of an adjustment.

Net asset values

The following net asset values result from the annual financial statements as of 31 December 2023:

Securities no.	Fund	Net asset value as at 31.12.23 in CHF (before distribution)	Net asset value as at 31.12.22 in CHF (before distribution)
1 442 087	UBS (CH) Property Fund – Swiss Mixed «Sima»	103.63	104.11
1 442 085	UBS (CH) Property Fund – Léman Residential «Foncipars»	101.50	99.07
1 442 088	UBS (CH) Property Fund – Swiss Commercial «Swissreal»	62.16	63.26
10 061 233	Residentia	110.74	115.05

The funds will be traded based on their new net asset values on SIX Swiss Exchange for the first time on Monday, 15 April 2024. The usual market price correction, roughly equivalent to the distribution, is expected from 16 April 2024 (ex-date) onwards.

The net asset values and distributions will be published from Friday, 12 April 2024 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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