



EDMOND DE ROTHSCHILD REAL ESTATE SICAV ("ERRES")

TERMS AND CONDITIONS OF THE CAPITAL INCREASE

As announced in the press release of 28 July 2020, the Board of Directors of Edmond de Rothschild Real Estate SICAV (the "SICAV") has decided to carry out a capital increase of the Edmond de Rothschild Real Estate SICAV - Swiss sub-fund (the "Swiss Sub-fund").

The Swiss Sub-fund's growth strategy as defined by the manager and the Board of Directors continues, and is achieving particularly positive results. Despite a complex and competitive environment, recurring revenues for the past year are up from the previous year (+1.32%) and the level of rent loss has proven sustainably low (2.95%), demonstrating the manager's ability to adapt to market conditions.

The income available for distribution, arising from both the FY 2019-20 earnings of CHF33.2 million and the retained earnings from previous financial years, amounted to a historical level of CHF57.9 million (i.e. CHF6.31 per share). The dividend for FY 2019-20, exclusively from the ordinary real estate income of the year, excluding the contribution of the retained earnings from previous financial years, remains in line with the objectives set, i.e. CHF3.50/share.

In this context, the Board of Directors wishes to continue the development of the Swiss Sub-fund with, in particular, the integration of properties that strengthen the quality of the portfolio, both because of their prime location and their mostly residential positioning. As already mentioned in the previous press release, the capital increase of approximately **CHF 272 million**, corresponding to a **subscription ratio of 1 new share for 4 existing shares**, will finance:

- the integration of a real estate company holding 18 residential and mixed buildings with a market value of more than CHF260 million,

- the already secured acquisition of three residential and mixed buildings in Geneva for a market value of more than CHF55 million,
- the construction in progress of two residential assets in the Canton of Geneva and a mixed asset in the Canton of Bern for a remaining investment volume of more than CHF110 million,
- and allow the level of debt to be managed in accordance with the SICAV's strategy.

On this basis, the conditions of the issue are detailed below:

Number of new shares

The number of new shares issued as part of this capital increase will be a maximum of 2,291,149 and the number of shares will therefore be increased from 9,164,596 to a maximum of 11,455,745.

Subscription deadline

The subscription period will run from 31 August to 11 September 2020 at 12:00 noon.

The new shares will be released on 24 September 2020.

Allocation of the subscription rights

The subscription rights will be allocated on 28 August 2020 (after the close of trading); the shares will be traded ex-subscription rights from 31 August 2020.

Trading of the subscription rights

The subscription rights will trade on the SIX Swiss Exchange from 31 August until 9 September 2020 at 5:15 p.m. The price at which the subscription rights will be traded on the SIX Swiss Exchange depends on the changes in the bid and offer prices. There is no guarantee that an active and dynamic market for the subscription rights will develop during this period. There is no guarantee that the price of the subscription rights will remain constant. Trading will be done in Swiss francs (CHF).

Listing/Trading of the shares

The listing of all shares to be newly issued in accordance with the SIX Swiss Exchange collective investment schemes standard was requested and authorised and will take place on Thursday 24 September 2020. Trading will be done in CHF.

Subscription ratio

A subscription right is granted to each existing share. 4 existing shares give the right to subscribe to 1 new share of the Swiss Sub-fund against payment of the price in cash.

Issue price

CHF 118.80 per new share.

The issue price has been set in accordance with the investment rules. It is based on the net asset value at 31 March 2020 projected at 24 September 2020 and takes into account changes in the value of real estate assets, a current profit-sharing operation (i.e. for the period from 1 April to 24 September 2020), ancillary fees (transfer duties, notary fees, rights, brokerage fees, emoluments, etc.) incurred by the Swiss Sub-fund in placing the amount paid and includes the issuance fee of 2%, which is below the maximum allowed by the investment rules. This amount includes the fees of the custodian bank and the management company.

Amount

Based on the issue price and the subscription ratio, the amount of the capital increase is CHF **272'188'501.20**.

Planned timeline

Share subscription period: **31 August to 11 September 2020 at 12:00 noon.**

Trading of the subscription rights: **31 August to 9 September 2020 at 5:15 p.m.**

Value date of the release of the new shares: **24 September 2020**

Listing of the new shares: **24 September 2020**

Security number and ISIN

	Swiss Sub-Fund Shares	Subscription rights
Security number	12423800	56070111
ISIN code:	CH0124238004	CH0560701119

For more details, please refer to the **offer document** on the SICAV's website, www.edr-realestatesicav.ch, or on the website of the fund's management company, CACEIS (Switzerland) SA.

For any further questions, please contact:

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