RHEOS CAPITAL

Whitepaper

2026

From sourcing to liquidity

The European infrastructure for real estate tokenisation

Document intended for qualified investors

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The thesis

Real estate is the world's foremost store of value. It remains the least liquid.

Investing in property today calls for three concessions. Capital locked away with no means of release for several years. An entry ticket that rules out any real diversification. Lasting opacity over valuation, over the fees borne and over the performance actually delivered.

RHEOS CAPITAL lifts these three constraints by relying on a European regulatory framework that has reached maturity. We select institutional-grade real estate assets, we house them in legally ring-fenced compartments in Luxembourg, and we issue the securities representing those compartments as digital financial securities compliant with the ERC-3643 standard and with the European MiFID II directive. Income returns to holders through the execution of a self-executing contract, and every movement remains verifiable.

The distributed ledger is a tool. It makes ownership divisible, distributions automatic and traceability continuous. Value itself is created when the asset is bought and in the rigour with which it is managed.

> We offer real, direct exposure to bricks and mortar. Technology serves to make it mobile.

Two offerings carry this conviction.

- FORGE brings together the portfolios that we structure and manage ourselves, as manager, for our own account.
- MAESTRO places our structuring apparatus at the service of property operators and management companies wishing to tokenise their own transactions, in order to distribute or finance them with capital beyond their reach today.

Both run on the same legal, technical and documentary rails.

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The market and the window

The world's real estate stock, residential and commercial combined, represents USD 393.3 trillion, roughly four times the planet's gross domestic product. No other asset class approaches that volume. None is as slow to sell.

The tokenised share remains minute, and that is precisely what measures the road ahead. Deloitte placed the global stock of tokenised real estate below USD 300 billion in 2024 and projects USD 4 trillion by 2035, a compound annual growth rate of 27%. On public chains alone, distributed ledgers open to all and without a single owner, where measurement is direct and verifiable, the outstanding value of tokenised real-world assets, all classes combined and stablecoins excluded, approaches USD 39 billion in September 2026.

Benchmark	Value	Source
World real estate stock	USD 393.3 tn	Savills, January 2025
Tokenised real estate, 2024 outstanding	under USD 300 bn	Deloitte Center for Financial Services, April 2025

Benchmark	Value	Source
Tokenised real estate, 2035 projection	USD 4 tn, 27% CAGR	Deloitte Center for Financial Services, April 2025
Tokenised real-world assets on public chains, September 2026	approx. USD 39 bn	rwa.xyz, 24 September 2026
Average SCPI distribution rate, 2025	4.91%	ASPIM and IEIF, February 2026

The projections quoted are those of their authors. They illuminate a trend and commit in no way the performance of RHEOS CAPITAL compartments.

Four converging factors

- A settled legal framework. The MiFID II directive, the Prospectus Regulation as revised by the 2024 Listing Act and the European pilot regime for market infrastructures based on distributed ledger technology form a clear foundation. The securities we issue are financial instruments in their own right, excluded from the scope of the MiCA regulation by its Article 2.
- Proven infrastructure. Institutional custody, compliance embedded in the ERC-3643 standard, independent code audit before any deployment. The level of requirement matches that of traditional finance.
- Institutional adoption under way. Several of the world's leading asset managers, among them BlackRock, Franklin Templeton, J.P. Morgan Asset Management and Amundi, now operate tokenised money market funds in production. The asset class has left the prototype stage for that of infrastructure.
- A sourcing window. A durably high cost of capital, restricted bank lending, a scarcity of conventional institutional buyers. Real estate professionals are seeking alternative liquidity channels and accept entry terms that the market refused three years ago.

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FORGE, the proposition offered to investors

A subscriber to a FORGE compartment holds digital financial securities representing a pro-rata share of the economic rights of that compartment, which in turn holds the entire share capital of the companies owning the buildings. The subscriber receives a pro-rata share of net income and, upon realisation, a pro-rata share of capital gains.

A fee grid of deliberate simplicity

This is where the proposition departs most clearly from traditional real estate vehicles, thanks in particular to digital automation and to the integration of AI throughout our chain. The investor bears a single annual management fee payable to RHEOS CAPITAL and a performance fee conditional on outperformance alone, measured against a threshold predefined in the investment thesis of each portfolio.

What the investor bears	Level	Content
On subscription	0%	No entry charge, no subscription fee
On exit	0%	No redemption or disposal fee

What the investor bears	Level	Content
Annual management fee	1.75%	RHEOS CAPITAL remuneration, a single rate on assets under management. The compartment's own charges are distinct from this fee and appear in the order of distributions
Performance fee	20%	On the portion of return exceeding the performance fee hurdle specific to each strategy alone, assessed at compartment level. Nil where that hurdle is not reached

The basis of the management fee is the value of the assets, revalued each year by an approved independent expert. The compartment's own charges, distinct from this fee, are deducted at the first rank of the order of distributions.

Three strategies, one compartment per strategy

Each compartment brings together several assets of the same nature, for a target size of €8m to €12m. The subscriber chooses a risk profile by choosing a compartment, and diversifies by subscribing to several.

Strategy	Underlying	Performance driver	Target return	Performance fee hurdle
Sale and leaseback, SMEs	Operating premises of sound companies, bought and leased back to the seller under a firm long-term commercial lease	Contractual rent, set together with the price at closing	6%	7%
Residential stock	Developers' unsold units and programmes acquired in bulk, with an entry discount	Current rent and recovery of the discount on resale	4%	6%
Property trading	Purchase, refurbishment and resale operations on a short cycle	Capital gain on disposal, created by the work carried out on the asset, and rent charged to the trading partner on our share	11%	15%

These two columns are not to be confused. The target return is the management assumption set out in the investment thesis of the compartment, without guarantee or undertaking as to result. The performance fee hurdle is the level beyond which RHEOS CAPITAL receives 20% of outperformance alone. It sits deliberately above the target return, so that the management company earns its fee only once its own objective has been exceeded.

The entry discount belongs to the residential compartment alone, where it constitutes a selection criterion. In sale and leaseback, performance derives from the quality of the lease and from the balance negotiated simultaneously between the price of the premises and the rent. In property trading, it derives from the transformation work carried out on the asset and from the rent charged to the trading partner during the works phase.

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MAESTRO, engineering for third parties

Property operators, management companies and project sponsors hold assets and often investors. What they lack is the structuring apparatus, the vehicle, the documentation, the compliance and the regulatory reporting. MAESTRO places ours at their disposal.

We open a dedicated compartment, incorporate the holding companies, issue the securities and provide reporting to subscribers. The sponsor retains operational control of the transaction and decides on its exit, within the rules set for the compartment.

Service	Basis	Level
Structuring	Fixed fee by tier, according to transaction size	From €25,000 below one million to €125,000 between fifteen and thirty million. Approximately 0.4% above
Placement	Capital placed, charged only where RHEOS CAPITAL mobilises its network	5%
Servicing	Structured assets, for as long as the transaction lives	0.4% per year

A sponsor bringing its own investors bears no placement fee. The modularity of the grid is deliberate.

Measured against bank credit, crowdfunding or private debt, MAESTRO structuring follows another logic. It does not weigh on the operator's balance sheet and opens access to equity capital contributed by qualified investors. The costed comparison is established transaction by transaction, market conditions varying with the nature of the asset and the quality of the signature.

The selection applied to MAESTRO transactions is that of the compartments managed on our own account, because the standing of RHEOS CAPITAL is engaged. The sponsor borrows our rails. It also borrows our discipline.

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Legal and technical architecture

The credibility of a tokenisation infrastructure is measured by the rigour of its architecture. That of RHEOS CAPITAL has been built with the assistance of a financial law firm and of a notarial office, with the intention of satisfying the most demanding institutional investor.

Layer	Content	Applicable regime
The security	Digital financial securities to the ERC-3643 and T-REX standards, representing a pro-rata share of the economic rights of a compartment. Compliance embedded in the self-executing contract. Identity is verified off-chain by a specialist provider, after which transfer restrictions apply automatically to every movement on the basis of the attestations.	Financial instrument within the meaning of the MiFID II directive. Outside the scope of the MiCA regulation, Article 2
The vehicle	Luxembourg issuing company with multiple compartments. Each compartment constitutes a distinct estate, sized at €12m at most in the light of the European prospectus exemption threshold, bringing together several assets of the same category.	Securitisation company governed by the Luxembourg law of 22 March 2004, as amended. Creation of compartments under Article 5, ring-fencing enforceable against third parties under Article 62

Layer	Content	Applicable regime
The assets	French companies holding the buildings directly, wholly owned by the compartment. Sociétés civiles immobilières subject to corporate income tax in the great majority of cases, sociétés civiles de construction vente or sociétés à responsabilité limitée according to the nature of the transaction.	French law. Liability to corporate income tax opening component-based depreciation
Management	Sourcing, structuring, compliance, reporting and asset management, under a servicing agreement concluded with each compartment.	Portfolio management company, licence under review. Distribution provided in the interim under tied agent status
Distribution	Private placement with qualified investors, directly under tied agent status and through a network of authorised investment firms distributing under their own European passport.	Private placement reserved for qualified investors

What compartment ring-fencing protects

Ring-fencing between compartments is a legal protection, enforceable against third parties, of greater force than a simple contractual undertaking between parties. The assets of a compartment answer exclusively for the rights of the investors in that compartment and for claims arising on the occasion of its formation, its operation or its liquidation. A compartment may be liquidated alone, without entailing the liquidation of the others.

> The ownership structure of the issuing vehicle itself is under review with our advisers, as is the application to compartments of the European prospectus exemption threshold, raised to €12m over twelve months since 5 June 2026 and which each Member State may lower to €5m. The definitive form of these points and their consequences for holders will appear in the issue documentation of each compartment. We prefer this reservation to an assertion that the file does not yet permit.

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Investor protection

RHEOS CAPITAL issues are single-class and pari passu. All holders of the same compartment hold exactly the same rank of risk and the same right to cash flows, without tranching, without negotiated priority, without a privileged category. This choice simplifies the reading of risk and removes the conflicts of interest and the artificial yield that a hierarchy of holders ordinarily introduces.

Safeguard	Mechanism
Estate segregation	Legal ring-fencing of compartments, enforceable against third parties. The assets of a compartment answer only for its own commitments
Equality of holders	Single-class pari passu issue, all holders of the same issue at the same rank, with none ranking above another among them
Embedded compliance	Identity verification and anti-money laundering carried out by an external provider. The self-executing contract enables or suspends access according to the attestations received. Any transfer to an unverified address is rejected automatically

Safeguard	Mechanism
Regulated custody	Securities held by a regulated custodian, self-custody remaining open to investors who prefer it
Independent valuation	Annual appraisal of the assets by an approved independent valuer
External audit	Accounts of the vehicle audited each year by an approved statutory auditor. Self-executing contracts audited by a specialist firm before any deployment
Enhanced information	Permanent access to management documentation, time-stamped documentary hash on the distributed ledger, and the ability to commission an external audit by a majority of holders

The order of distributions

The waterfall is contractual and strictly ordered. RHEOS CAPITAL receives its performance fee only once holders have been served in full and beyond the performance fee hurdle alone.

Rank	Beneficiary	Basis
1	Actual charges of the compartment	Accounting, audit, taxes, insurance, property management
2	Cash reserve of the compartment	5% of net income at most, as working capital, up to its ceiling
3	RHEOS CAPITAL	Management fee of 1.75% per year
4	Securities holders	Proportional share of distributable income
5	RHEOS CAPITAL	Performance fee of 20% on outperformance of the compartment alone, upon realisation

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From selection to liquidity

Our involvement covers the complete chain, from detection of the asset through to disposal of the security. Each stage operates under control, with regulated providers wherever regulation requires.

Stage	Content
1 Sourcing and selection	Off-market detection through a network of developers, property traders, brokers and introducers of various origins. Scoring on five pillars, then financial, property, legal and operational due diligence. Fewer than one file in twenty clears the investment committee, which decides unanimously
2 Structuring and tokenisation	Opening of a dedicated compartment within the Luxembourg vehicle once subscription commitments have been gathered, incorporation of the French holding companies, deployment and independent audit of the self-executing contracts, issue of the securities to the ERC-3643 standard
3 Distribution and placement	Identity and qualification verification conducted off-chain by a specialist provider, its attestations conditioning access to the securities through the self-executing contract. Placement with qualified investors, directly under tied agent status and through authorised investment firms distributing under their own European passport

Stage	Content
4 Portfolio management	Property and administrative management of the assets. Distribution of income through execution of the self-executing contract, without manual intervention or processing delay
5 Secondary liquidity	Access to a secondary market operated by a provider authorised under the European pilot regime, the opening of which is targeted from M36. Prices formed by the meeting of supply and demand. Transfer fees specified at the opening of the market
6 Reporting and compliance	Detailed quarterly reporting, time-stamped documentary hash on the distributed ledger, annual audit by an approved statutory auditor, continuous regulatory monitoring

Before M36, the holder's horizon is that of the compartment, from M36 to M72 according to the strategy. Any early exit remains conditional and is handled case by case. Liquidity windows between holders may be organised under the conditions set by the compartment documentation.

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Regulatory trajectory

Our development obeys a simple principle. Establish trust before creating the market. Three phases, each laying the foundations of the next.

Phase	Horizon	Mission
Primary market	M0 to M36	Build an impeccable track record. Sourcing of tangible assets, flawless structuring, placement with qualified investors directly and through the network of authorised distributors. Obtaining the portfolio management company licence
Secondary market	M36 to M60	Move from a placement participant to a liquidity infrastructure. Critical volume of securities issued, broadened holder base, activation of the secondary market, full investment firm licence
The reference	M60 and beyond	Consolidate the position. Mature secondary market, geographical and typological diversification of assets, European institutional distribution under full passport

A cumulative economy

A conventional management company grows by duplication, more assets and more staff at the same pace. Our trajectory follows another logic. Each licence obtained, each brick of infrastructure built becomes a cumulative asset serving every compartment that follows. Once the apparatus is in place, adding a compartment requires no new licence, no new advice, no new technical integration. Marginal cost tends towards a low and stable plateau.

This economy has a direct consequence for holders. It makes a single fee of 1.75% on FORGE assets under management sustainable.

Three identified extensions

- Private wealth broadening. Progressive opening to private wealth clients through independent financial advisers, once the distribution licence is obtained, on the M36 horizon.
- Collateralisation of the securities. Securities compliant with the MiFID II directive fall within the asset class legally eligible for financial collateral arrangements, bank pledges, Lombard lending, securities lending and borrowing. This eligibility is a structural property of the instrument, which will become fully usable from

M36 to M60, as the banking ecosystem integrates it. It may extend to decentralised finance, on protocols open to verified participants alone, subject to the evolution of the European framework.

- Broader European distribution. Placement agreements with authorised partners in the principal markets of the Union, each bearing regulatory responsibility in its own jurisdiction. This phase accompanies the M60 horizon.

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RHEOS CAPITAL against the alternatives

Placing our proposition alongside the vehicles investors already know allows its exact value to be appreciated, without casting doubt on solutions that are proven in their own right.

Criterion	Direct rental property	SCPI	RHEOS CAPITAL
Entry and exit fees	On entry, transfer duties and acquisition costs, 7% to 8% on existing property. On exit, sale costs and capital gains tax	On entry, a subscription fee usually of 8% to 12%. On exit, costs varying with the exit route	None on entry, none on exit
Annual fees	Property management, charges and taxation borne by the owner	Management fee of the order of 10% to 13% of rents collected	1.75% of the value of the assets
Diversification	One asset at a time, concentrated exposure	Broad pooling, strategy not chosen by the holder	Several assets per compartment, strategy chosen at subscription
Liquidity	Very low, several months to several years	Subject to inflows and to market conditions	Secondary market targeted from M36, prices published continuously
Transparency	Variable, according to the expertise engaged	Quarterly reporting	Quarterly reporting, continuous traceability, time-stamped documentary hash
Risk structure	Concentrated on a single asset	Pooled, not segmented	Single-class pari passu, all holders at the same rank

The fee levels indicated for the vehicles compared correspond to usual market practice and vary between participants. The average SCPI distribution rate stands at 4.91% for 2025, for an overall performance of 1.46% once the variation in unit price is included (ASPIM and IEIF, February 2026). This comparison bears on cost structure and on access, performance depending first and foremost on the quality of the underlying assets.

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The team and the ecosystem

Two founding partners, a complementarity covering the entire chain, from detection of the asset to structuring of the financial product and its distribution.

Hakim Boudjerida · Structuring and product

Hakim has structured and led real estate programmes of €15m to €60m, mastering the entire chain from financial engineering to operational execution. At RHEOS CAPITAL, he designs the profitability models, calibrates the target returns and the performance fee hurdles, models the risk of the underlying and structures the architecture of the compartments.

David Hubert · Chief executive, sourcing and investor relations

For more than twenty-five years, David has shaped the French property landscape. An entrepreneur from 2003 at the head of a group of franchised agencies in the Paris region, then in development within a Savoy group leading its market, before taking charge of development for a national group covering four Alpine departments. More than 1,300 transactions completed, some €220m in cumulative volume and 1,700 units committed or delivered. This network is the sourcing engine of RHEOS CAPITAL.

The team grows with assets under management. The first technical and compliance hires take place as thresholds of activity and regulatory progress are cleared.

Ecosystem and independence

Trust rests on verifiable standards and on the identity of those who engage their responsibility alongside ours. Counterparties are named in the issue documentation of each compartment and during due diligence exchanges.

Function	Counterparty
Legal and regulatory advice	Law firm specialising in financial law, on regulatory, corporate and tokenisation structuring
Notarial security	Notarial office, for property transactions and the escrow of funds on a notarial escrow account
Issuance and custody	Provider regulated by a European supervisory authority, handling technical issuance, custody of the securities and maintenance of the register
Identity verification	Provider specialising in know-your-customer and anti-money laundering, carrying out off-chain the identity and qualification verification of subscribers
Distribution	Network of authorised investment firms, distributing under their own European passport to their qualified clients
Secondary market	Operator authorised under the European pilot regime for market infrastructures based on distributed ledger technology
Valuation and audit	Approved independent property valuer, Luxembourg statutory auditor, specialist code audit firm
Hosting and data	Hosting in Europe with an ISO/IEC 27001 certified operator. Identity data held off-chain and encrypted, the register carrying only hashes of verified attestations

RHEOS CAPITAL retains control of its operational data and of its application layer. Technical partnerships are contractually structured to allow substitution by an equivalent provider, with no visible effect for holders.

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Subscribing

The process has been designed to be rigorous without becoming laborious.

Stage	Content
1 Qualification	Verification of your status as a qualified investor and identification procedure, conducted by our authorised partner. This attestation then follows you across every compartment
2 Documentation	Access to the complete compartment documentation, due diligence on each asset, independent appraisals, legal structure, return assumptions and issue document
3 Subscription	Electronic signature of the subscription form and a conventional bank transfer. No technical handling is required on your part
4 Monitoring	Periodic distribution of income through execution of the self-executing contract, quarterly reporting, permanent access to your investor area and to the traceability of your position
5 Exit	Disposal on the secondary market once activated, or holding to the term of the compartment

> The tokenised real estate market is being built today, transaction after transaction.

Those who set the standards of quality, liquidity and compliance by M60 will occupy this market for the decades that follow. We have chosen to invest in compliance, in education and in the construction of a durable apparatus. We have chosen transparency, including where it costs us a comfortable assertion.

Contact us

The partners are at your disposal for a detailed presentation, for a discussion on a compartment under structuring or for an introduction to our distribution partners.

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Glossary

Term	Definition
Tokenisation	Representation of a right over a real asset in the form of a digital financial security, recorded and transferred on a distributed ledger infrastructure
Digital financial security	Financial instrument within the meaning of the MiFID II directive, the recording and transfers of which are operated on a distributed ledger
Public chain	Distributed ledger open to all, without a single owner, each entry on which may be verified by any participant
Compartment	Distinct estate within the issuing vehicle, endowed with its own assets, its own cash and its own liabilities, without communication with the other compartments

Term	Definition
Self-executing contract	Self-executing programme recorded on the ledger, applying the defined rules without human intervention, distribution of income and transfer restrictions in particular
Single-class pari passu	Issue in which all holders of the same compartment hold the same rank of risk and the same rights, without hierarchy or privileged category
Target return	Management assumption specific to each compartment, set out in its investment thesis. It constitutes neither a guarantee nor an undertaking as to result
Performance fee hurdle	Performance level beyond which the management company receives a fee on outperformance alone. It sits above the target return
ERC-3643 and T-REX	Technical standard for permissioned digital securities, natively incorporating compliance controls and transfer restrictions, compatible with the MiFID II directive
Tied agent	Status permitting the distribution of financial instruments under the regulatory responsibility of an authorised investment firm
Investment firm	Firm authorised to distribute financial instruments to its clients under its own regulatory responsibility
SCPI	French unlisted collective property investment vehicle, the domestic benchmark for retail real estate investment
DLT Pilot Regime	European framework authorising market infrastructures based on distributed ledger technology to trade and settle financial instruments
Sale and leaseback	Transaction by which a company sells its operating premises and takes them back on lease at once, freeing its cash while retaining use of the asset
M0, M36, M60	Time markers counted in months from the launch of the activity

Disclaimer

This document is provided for information purposes only. It constitutes neither an offer, nor a solicitation to buy or subscribe for financial securities, nor investment advice. It cannot stand in place of the issue documentation of a compartment, which alone is binding.

Any investment decision must be preceded by a thorough analysis and, where appropriate, by consultation with your legal, tax and financial advisers. The application by RHEOS CAPITAL for a portfolio management company licence is under review with the competent supervisory authority, and the activity is carried on within the perimeter authorised by the status applicable at the date of this document.

The target returns and performance fee hurdles mentioned are management assumptions and management parameters. They in no way constitute an undertaking as to result. Past performance does not prejudge future performance. Investing involves risks, in particular of partial or total loss of capital, illiquidity, rental vacancy, counterparty default and variation in the value of real estate assets. The market projections quoted emanate from their respective authors and are reproduced for indicative purposes.

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