

2020 Half-year Report

Helvetica Swiss Opportunity Fund

Real Estate Fund
under Swiss Law



Key Figures

6.9

**Unexpired lease term
(years)**

High WAULT thanks to long-term
lease agreements

67

**Total fund assets
(in CHF million)**

Achieved through the initial issue
and acquisitions

6.9

**Gross actual yield
(%)**

Reflects interesting portfolio of
special purpose real estate

3.6

**Target rental income
per year
(in CHF million)**

Slightly above market rent

51

**Market value of
properties
(in CHF million)**

The market values remained stable
throughout the reporting period

98.2

Occupancy ratio (%)

The high occupancy rate is secured
by long-term lease agreements

22.7

**Debt financing ratio
(%)**

Below the regulatory limit of 50%

202

**Rent per square
meter (CHF)**

Slightly above market rent

103.85

**Net asset value per
share (CHF)**

Up 3.85% since the issue on
November 29, 2019

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Helvetica Swiss Opportunity Fund (HSO Fund)

Real Estate Fund under Swiss Law

Half-yearly Report as of June 30, 2020

Key Financial Figures

Key Data		Notes	as of June 30, 2020
Securities number			43472505
Initiation date			November 29, 2019
Issued shares	Quantity		500,000
Outstanding shares	Quantity		500,000
Redeemed shares	Quantity		0
Net asset value per share	CHF		103.85
Weighted real discount rate	%		3.83
Balance Sheet			
Fair market value of the properties	CHF	1	51,140,000
Gross Asset Value (GAV)	CHF		67,032,648
Debt financing ratio	%		22.68
Debt ratio	%		22.54
Residual term debt financing	Years		1.53
Interest rate debt financing	%	8	0.55
Net asset value (NAV)	CHF		51,925,967
Income Statement			
Rental income	CHF		1,551,333
Net profit	CHF	15	732,172
Rental income loss rate	%		19.56
Weighted average unexpired lease term (WAULT)	Years		6.90
Maintenance and repairs	CHF		77,829
Operating profit margin	%		47.65
Return and Performance			
Distribution of profits	CHF	13	n/a
Distribution per share	CHF	13	n/a
Distribution yield	%		n/a
Payout ratio	%		n/a
Return on equity (ROE)	%		3.85
Return on invested capital (ROIC)	%		3.21
Return on investment	%		3.85
Premium/discount	%		-2.74
Total expense ratio TER _{REF} GAV*	%	15	1.52
Total expense ratio TER _{REF} NAV**	%	15	1.96

* See also TER_{REF} (GAV) on the balance sheet date in Note 15

** See also TER_{REF} (NAV) on the balance sheet date in Note 15

Past performance is no guarantee for future results. The performance mentioned does not take into account any commissions and costs charged on subscriptions and redemptions of shares.

No like-for-like figures are available since the date of the initial issue was November 29, 2019.



Schaffhausen, Solenbergstrasse

The Half-year in Brief

First half-year period (11/29/2019 - 06/30/2020)

The Helvetica Swiss Opportunity Fund (HSO) was launched in the fourth quarter of 2019 with an extremely successful initial issue, which was fully paid up on November 29, 2019.

The initial issue generated an inflow to the Fund of around CHF 50 million in liquid assets.

As the Fund Management Company had begun preparing for this project far in advance, it was able to expand Helvetica's range of regulated Swiss real estate funds prior to the end of 2019, bringing the number of investment vehicles offered up to a total of three different products.

Shortly after payment in full, it acquired its first portfolio in December 2019 that contained one property in Wädenswil and one in Rümlang. The same month also saw the acquisition of a property in Schaffhausen, where use of the shell and peripheral areas of the local soccer stadium was purchased.

Another property in Schaffhausen, a modern and fully leased pharmaceutical logistics center, was also acquired in a forward deal. The property will be transferred to the HSO portfolio in August 2020 after the end of the reporting period, which extends from November 29, 2019, to June 30, 2020, for the Helvetica Swiss Opportunity Fund.

The current valuations for the Helvetica Swiss Opportunity Fund proved extremely stable during the COVID-19 crisis. The occupancy rate on June 30, 2020, was at around 98 percent. The maximum rent reductions that

could arise as a result of COVID-19 rent reduction legislation are expected to amount to approximately CHF 10,000. This amount has been set up as provision for the half year closing.

The portfolio of Helvetica Swiss Opportunity Fund was valued at around CHF 51 million on the reporting date of June 30, 2020. The Fund Management Company is optimistic about the second half of the year, when the focus will be on conducting additional high-quality acquisitions to help the Fund quickly reach critical mass.

The properties currently offered to the HSO Fund are extremely appealing, both in respect to the volume of properties and their qualities. The Helvetica Swiss Opportunity Fund is specifically looking into two very interesting investment properties with assets under management of nearly CHF 60 million; these acquisitions would help achieve further diversification, boost risk capacity and stabilize the Fund's ability to distribute profits. Particularly the risk/return ratio of the properties mentioned seems extremely attractive.

To further increase the Fund's assets under management and enable attractive distributions to be made in the future, the Fund Management Company will likely consider a capital increase during October 2020.

In Asset Management, the focus in the second half of the year will be primarily on improving processes, reducing low vacancy rates and maintaining the attractive occupancy rate and renewing strategic rental agreements.

Investment Management Highlights

November 2019 to June 2020 – Schaffhausen Industriestrasse 2b



Use of the commercial property on Industriestrasse 2b in Schaffhausen was acquired with condominium ownership (shell and peripheral areas, the soccer stadium itself was not acquired); it has a condominium ownership value ratio of 71.5%. The property is fully rented. It was sold by Methabau, which also developed and built the property.

Market value (in CHF million)

26.9

Gross income per year (in CHF million)

1.6

Rental space (m²)

9,300

November 2019 to June 2020 – Wädenswil Steinacherstrasse 101



The rental space in what was formerly used as an office building was converted for school use. The Canton of Zurich will start teaching classes at the school in August 2020. Rental income will be around CHF 1.1 million in 2020 and around CHF 1.4 million from 2021 onward (the Canton of Zurich will start paying rent as of mid-March 2020). The long-term lease agreement with the Canton of Zurich expires in 2030.

Market value (in CHF million)

18.5

Gross income per year (in CHF million)

1.4

Rental space (m²)

4,440



 Kantonsschule
Zimmerberg

**Wir
wachsen
mit dir.**

Wädenswil, Steinacherstrasse 101

Executive Board of the Fund Management Company



Michael Müller
Chief Executive Officer (Switzerland)

Born	1964
Nationality	Switzerland
Management position since	2020
Equity participation Fund Management Company	Yes
Member of the Investment Committee	Yes

Education

Graduated as an Architect HTL after his apprenticeship as a construction draughtsman, continued his studies to obtain a Graduate Industrial Engineer STV degree and received federal certification as a real estate trustee.

Executive and non-executive positions

Highly skilled professional with an outstanding career and track record in the real estate industry where he got to know the investors and owners as well as the managerial and the principal side of the business. From 2010 to 2018, he was at the helm of Ledermann Immobilien and headed up several major real estate projects. Earlier in his career, he acted as CEO of bwf Liegenschaften and played an instrumental role in its IPO.

Previous experience	
CEO	■
CFO	
Commercial Real Estate	■
Residential Real Estate	■
Project Management	■
IT and Technology	
Finance and Asset Management	
Institutional Sales and Marketing	■
Manufacturing and Industrial	
Transactions and M&A	■
Advisory, Consulting and Trust	■
Architecture and Legal	■



Peter R. Vogel
Chief Financial Officer

Born	1964
Nationality	Switzerland
Management position since	2019
Equity participation Fund Management Company	Yes
Member of the Investment Committee	No

Education

Master's degree in Business Administration with focus on audit and financial accounting from the University of St. Gallen (HSG), CAS for the position of Chief Digital Officer from HSLU.

Executive and non-executive positions

Extensive and outstanding career, during which he gained a wealth of strategic and operational management experience within the real estate industry and in the manufacturing industry. Former Head of Shared Service center of Zehnder Group and Head Accounting and Controlling of PSP Swiss Property. Earlier in his career, he served as commercial manager of the Siemens Metering and Siemens Switzerland business units.

Previous experience	
CEO	
CFO	■
Commercial Real Estate	■
Residential Real Estate	■
Project Management	■
IT and Technology	■
Finance and Asset Management	
Institutional Sales and Marketing	
Manufacturing and Industrial	■
Transactions and M&A	■
Advisory, Consulting and Trust	
Architecture and Legal	



Frederic Königsegg
Chief Investment Officer

Born	1969
Nationality	Switzerland and Germany
Management position since	2016
Equity participation Fund Management Company	Yes
Member of the Investment Committee	Yes

Education

Master of Science degree in Economics and Business Administration from the University of St. Gallen.

Executive and non-executive positions

More than 20 years of extensive investment and asset management experience. Former Director of Real Estate at Valartis Asset Management and Investment Director of Jargonnant Partners's real estate division. Earlier in his career, he acted as deputy CEO and member of the board of TK Liegenschaften.

Previous experience	
CEO	
CFO	
Commercial Real Estate	■
Residential Real Estate	■
Project Management	■
IT and Technology	
Finance and Asset Management	■
Institutional Sales and Marketing	■
Manufacturing and Industrial Transactions and M&A	■
Advisory, Consulting and Trust	
Architecture and Legal	



Salman Baday
Head Sales (Switzerland)

Born	1985
Nationality	Switzerland
Management position since	2019
Equity participation Fund Management Company	As of 2020
Member of the Investment Committee	No

Education

Swiss banking and finance degree, degrees in wealth management, marketing, and sales.

Executive and non-executive positions

More than 10 years of experience in the areas of institutional sales and the provision of investment advisory services on sustainable funds in every asset class at Vontobel, Vescore and Bank J. Safra Sarasin. Before switching to asset management, he worked as a private banker at Bank Sarasin where he served wealthy private clients and the advisors of family offices in Switzerland.

Previous experience	
CEO	
CFO	
Commercial Real Estate	■
Residential Real Estate	
Project Management	
IT and Technology	
Finance and Asset Management	■
Institutional Sales and Marketing	■
Manufacturing and Industrial Transactions and M&A	
Advisory, Consulting and Trust	■
Architecture and Legal	



Lucas Schlageter
Head Asset Management

Born	1979
Nationality	Switzerland
Management position since	2019
Equity participation Fund Management Company	As of 2020
Member of the Investment Committee	No

Education

Law degree from the University of Basel and a post-graduate degree in real estate management from the University of Zurich. Swiss federal certificate in real estate valuation and a Certificate of Advanced Studies in Real Estate Finance from the University of Bern.

Executive and non-executive positions

A seasoned real estate asset management expert with more than ten years of industry experience. Former Deputy Head of Asset Management Real Estate at Zürcher Kantonalbank. Earlier positions include management roles at Hess Family Estates and Immooveris.

Previous experience

CEO	
CFO	
Commercial Real Estate	■
Residential Real Estate	■
Project Management	■
IT and Technology	
Finance and Asset Management	■
Institutional Sales and Marketing	
Manufacturing and Industrial	
Transactions and M&A	
Advisory, Consulting and Trust	
Architecture and Legal	■

HSO Fund Portrait

General Information About the HSO Fund

The Helvetica Swiss Opportunity Fund is an investment fund under Swiss law set up as a real estate fund in accordance with the Swiss Federal Act on Collective Investment Schemes (CISA) of June 23, 2006, that is offered to qualified investors within the meaning of Art. 10 para. 3, 3bis and 3ter CISA. The fund contract was drafted by Helvetica Property Investors AG, Zurich, in its capacity as the Fund Management Company and was presented with the consent of Banque Cantonale Vaudoise (the custodian bank at the time) to the Swiss Financial Market Supervisory Authority FINMA, which approved it for the first time on July 26, 2018.

The HSO Fund is based on a collective investment agreement (fund contract) in which the Fund Management Company undertakes to allow investors to participate in the HSO Fund to a degree that is proportionate to the number of fund shares acquired by them and to manage the Fund independently and in its own name in accordance with the provisions of the law and the fund contract. The custodian bank will be involved in the fund contract to the extent of the duties assigned to it by law and in accordance with the fund contract.

Investment Goal

The investment objective of the HSO Fund is to build up a portfolio of commercially used properties throughout Switzerland. Another goal of the HSO Fund lies in ensuring the long-term preservation of assets and an appropriate distribution of earnings.

Investment Policy

The HSO Fund invests in commercial real estate throughout Switzerland. The focus of the HSO Fund is on properties with special usages as well as operator properties such as logistics, data centers, industry and production as well as healthcare and nursing care facilities in Swiss business centers. Priority is on properties that offer stable rental income due to high occupancy rates and long-term lease agreements with a small number of tenants. The aim is to achieve a broad diversification in terms of types of use and locations in order to generate a risk-appropriate, long-term increase in value and earnings.

The HSO Fund does not invest directly in real estate but holds its properties through individual special purpose vehicles.

Fund Management Company Portrait

Helvetica Property is a Zurich-based provider of fund and asset management services within the real estate sector that is supervised by the Swiss Financial Market Supervisory Authority FINMA.

Helvetica Property is a successful, independent Fund Management Company and asset management service provider, which is committed to sustainable value creation through active, long-term, and responsible investment. We focus exclusively on real estate. We are dynamic, growing quickly and stand out through our integrity, our passion and our sense of responsibility.

We have built up our good reputation by offering reliable and stable real estate investments and services to institutional clients such as pension funds, asset managers, private banks, insurance and investment companies, foundations, private investors, companies and family offices.

Our fully integrated real estate investment platform comprises a series of proven strategies and investment solutions that are offered both in standardized products as well as in customized investment plans based on geographies, risk profiles and structures.

Our team stands out thanks to its passion and enterprising spirit, which we incorporate into every aspect of our work. We pursue an entrepreneurial, client-oriented approach and use our strong values to create a culture in which our investments, assets, business transactions and employees can benefit and flourish.

We have been approved and are regulated by the Swiss Financial Market Supervisory Authority FINMA.

Corporate Philosophy

Increase the value of invested capital through a long-term vision, a hands-on entrepreneurial approach, as well as a proven strategy and excellent quality in execution.

Our Approach

As a professional innovator in the Swiss real estate market, our aim is to identify hidden potential and – combined with a proactive, hands-on real estate asset management approach – to create value and optimize the results.

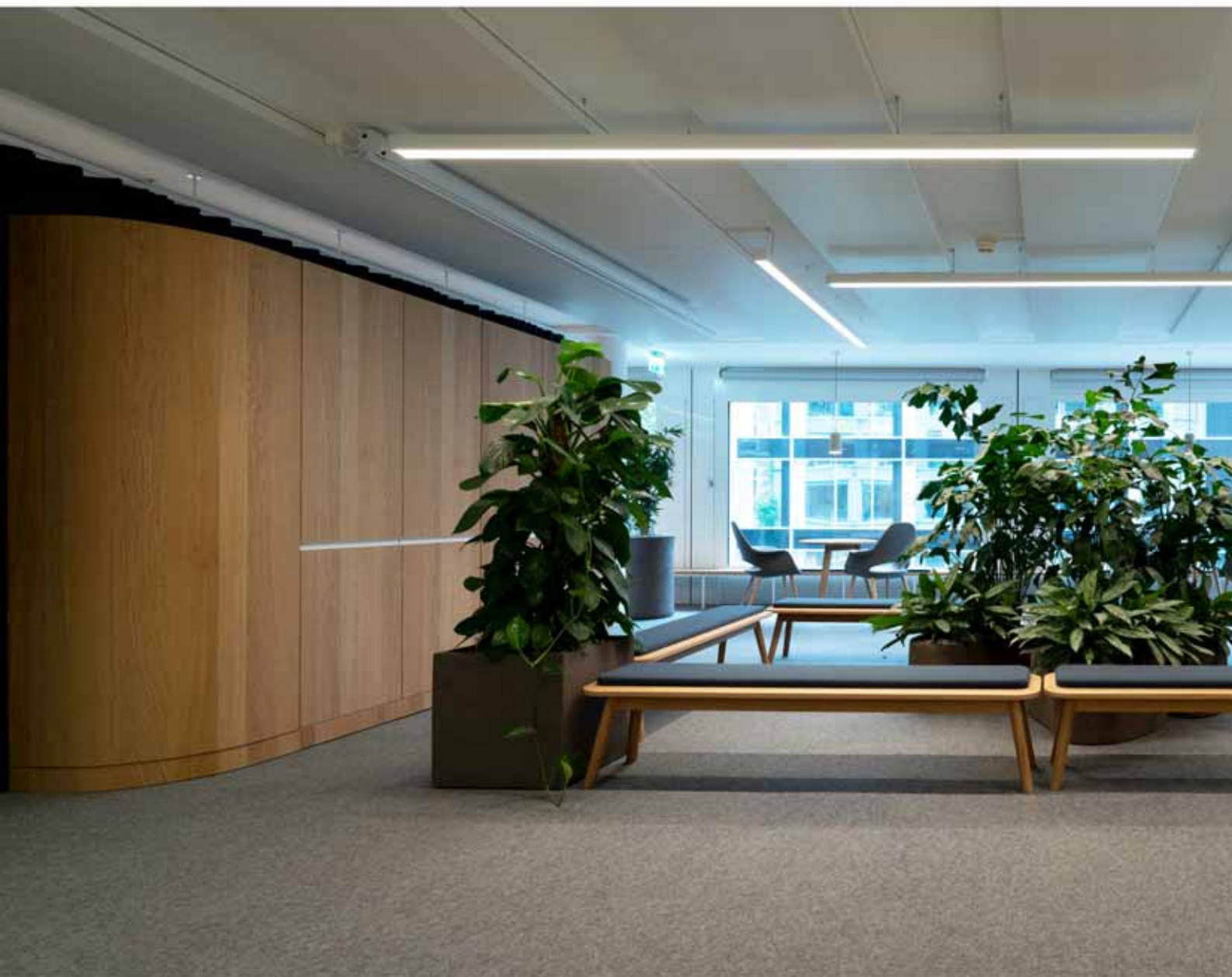
Values

- Honesty and responsibility
- Integrity and passion
- Transparency and longevity
- Independence and ambition

Social Media

A wide range of business areas are now shifting their focus to social media. As a Fund Management Company, we have decided to follow this path as well to increase our presence.

We would appreciate it if you follow us on LinkedIn. We regularly publish interesting articles on real estate, exciting news from our company and sometimes even personal stories. We publish articles that we like and that mean something to us. Sometimes these are controversial, sometimes not - but they are always candid and honest.



 **Helvetica**

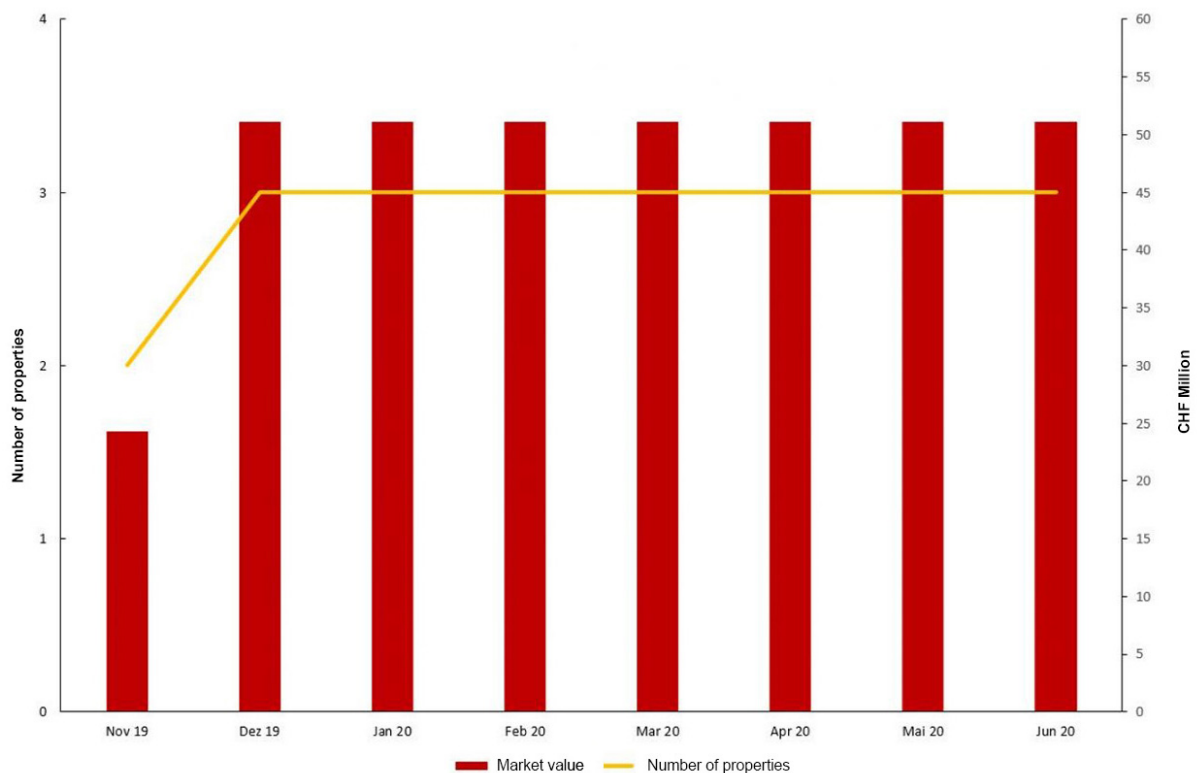


Investment Management Report

In the period under review, properties worth more than CHF 16 billion were offered for sale to the Fund Management Company of Helvetica for inclusion in its various investment products. In the end, detailed reviews and assessments were performed for properties worth around CHF 5.2 billion, which then led to due diligence processes common in the industry for a few, selected investment vehicles.

Based on the applicable investment guidelines and the high-quality requirements that the Fund Management Company considers when making acquisitions, three properties with a market value of over CHF 51 million were added to the Helvetica Swiss Opportunity Fund's portfolio during the period under review from November 2019 to June 2020.

A transaction imposing a legal obligation was concluded during the period under review for another property ("NextPharma – Schaffhausen") with a market value of CHF 15.2 million. This property was acquired on 10 August 2020.



Acquisitions in the First Half of the Year

Shortly after the Fund's launch in November 2019, a property was acquired in **Wädenswil in the Canton of Zurich** that had originally been built in 1989 but was undergoing renovations at the time. Our decision to purchase the property hinged largely on its secure long-term cash flow, the main tenant's very high creditworthiness as well as the long-term usability of the rented spaces. The building is along a roadway with a moderate level of traffic and is beautifully situated above Lake Zurich. The extraordinary view, which is visible from the building, is incomparable.

The location of the property purchased in Wädenswil as well as the ability to offer training rooms in the facility were key factors that convinced the Canton of Zurich to use it as the site of a new cantonal school (high school). In the long term, another cantonal school site is being built in Wädenswil am See, and the property purchased by the Fund Management Company will allow the canton to start teaching classes in Wädenswil as early as 2020, even though the final (cantonal school) site on the lake is still in the project development phase and therefore far from being available.

The Canton of Zurich signed a 10-year lease agreement for the property with a term that expires in 2030. It has a break option in 2027, meaning that the building has an average lease commitment of 7 years.

This building is on a lot of over 7'600 square meters in size and has a rentable space of around 4'440 square meters. The annual rent generated for the Fund was initially at somewhat more than CHF 1 million per year, after which it will increase to around CHF 1.4 million per year. More than 85 percent of the space will be used commercially, i.e. as a cantonal school. The remainder of the space contains rented apartments, ancillary and storage rooms as well as parking spaces. The market value of the property, which was acquired within the scope of a share deal, amounted to CHF 18.5 million on June 30, 2020.

November 2019 also saw the acquisition of another property within the scope of a share deal, this time in **Rümlang in the Canton of Zurich**; this attractive, multi-tenant commercial property was built in 1999 at a prime location near the airport. The property has a market value

of around CHF 5.8 million. It is situated in an extremely well-connected, high-frequency thoroughfare in close proximity to Zurich Airport amid a large number of other businesses. The property, which was constructed under leasehold, has a rentable space of almost 6'000 square meters and generates income of around CHF 0.7 million per year.

The largest, most prominent tenant is the company that produces the popular ZAMBA brand of fruit juices.

A property was purchased in **Schaffhausen-Herblingen in the Canton of Schaffhausen** in December 2019. The building – Schaffhausen's soccer stadium – was constructed in 2016/2017, whereby the portion acquired comprises condominiums that make up 71.5% of the whole building. In more precise terms, the non-soccer-related portions of the building were purchased, which translates to the shell and peripheral areas of Schaffhausen Stadium.

The property's secure long-term cash flow and the business-oriented environment are impressive. Bearing the catchy name of "Lipo Park", this property benefits from unbeatable accessibility with both public and private transport. It has its "own" train station and is only a one-minute drive from the freeway.

This building is on a lot of over 13'000 square meters in size and has a rentable space of around 9'300 square meters. The annual rent generated for the Fund amounts to nearly CHF 1.6 million per year, with 100 percent of the space devoted to commercial use. The market value of the property, which was acquired within the scope of an asset deal, amounted to over CHF 26.9 million on June 30, 2020.

The tenant structure is well diversified and consists of a furniture store, a well-known fitness center and other tenants. 100 percent of the investment property is leased. The average lease commitment is nearly 7 years. Completed in 2017, the building contains not only the areas purchased by the HSO Fund but also the stadium of FC Schaffhausen and areas with soccer-related uses such as lounges, locker rooms, etc.

The Fund Management Company was also able to contractually secure yet another property in **Schaffhausen-Herblingen in the Canton of Schaffhausen** as part of

a forward deal in the first quarter of 2020. This relates to a new building that is rented in full to NextPharma, which operates a pharmaceuticals logistics facility at the building. The fund has sole ownership of the property, that is located in the immediate vicinity of Lipo Park.

The property's secure long-term cash flow and economic environment were key factors in the acquisition. Like Lipo Park, this property benefits from unbeatable accessibility by both public and private transport. The freeway entrance is less than a two-minute drive away. From there, it takes about 10 minutes to reach the Switzerland-German border and the A1 toward Zurich / St. Gallen is about a 20-minute drive. That makes the location more than suitable as a logistics facility – including for other potential tenants at a later point in time.

This building is on a lot of over 10'000 square meters in size and has a rentable space of around 5'900 square meters. The annual rent generated for the Fund amounts to around CHF 0.7 million per year, with 100 percent of the space devoted to commercial use. The market value of the property, which was acquired within the scope of an asset forward deal, amounts to over CHF 15.2 million.

The investment property is fully rented. The lease commitment is 15 years. The building is nearing completion and will be taken over in the summer of 2020 by the tenant and the Helvetica Swiss Opportunity Fund. Beneficial ownership and the largest portion of the purchase price was transferred in August 2020.

Investing in the Current Market Environment

The reporting period in January 2020 got off to an unspectacular start and the beginning of the year was rather quiet, as usual. The value of properties being offered to us for the Helvetica Swiss Opportunity Fund began to rise over the course of the month. The trend indicating an attractive first quarter remained intact until late February and early March 2020, when the COVID-19 situation took on dramatic proportions. Various transactions and review processes were halted just a few days before the official lockdown and the closing of the Swiss borders and the value of properties on offer plunged to zero practically overnight.

Both the transaction business and the review process preceding it came to a complete standstill during the lockdown. The first few purchase offers started trickling in

once the market and the market players had recovered from the initial big shock, although they were more modest than in the past, both in terms of quantity and value. As is often the case during crises triggered by an external shock, potential buyers and sellers disagreed about changes in market prices and assessments regarding the medium and long-term consequences of the crisis. This also prompted the Helvetica Swiss Opportunity Fund to suspend a few real estate purchases.

While a strong increase has been observed since June 2020 in the properties we offer in all asset classes, talking about a normalization of markets would be premature. All transactions are still impacted by the COVID-19 crisis and not it cannot be said across the board that buyers and sellers have adjusted their expectations to reflect the new realities. Because of this, the value of the transactions can be expected to remain comparatively low, especially regarding commercial properties.

In the current market environment, focusing on the two main risks is more important than ever when assessing an investment property: the future amount and long-term security of the acquired cash flows as well as the impact that the COVID-19 crisis may have on future valuations.

As a result, the Fund Management Company consults with its valuation experts much more intensively than in the past for every property review. Additionally, an effort is made for each acquisition to safeguard the future cash flow streams as well as possible through the use of supplemental agreements to the lease agreements and other measures. The focus is on commercial properties with long-term lease agreements, whose cash flows are safeguarded by additional guarantee mechanisms. Plus, as in the past, building and space flexibility, a rent level that is in line with the market and as low as possible are pivotally important. If all these conditions apply to a property, the price environment can be expected to remain stable, rather than deteriorate.

In this market environment, the importance of the Fund Management Company's experience and discipline should not be underestimated. The transaction and review process for properties has become even more challenging. Of course, that also means the likelihood that a transaction will be selected, in other words its "deal security", has declined.

The Fund Management Company of the Helvetica Swiss Opportunity Fund takes all these factors into account and, based on its experience and expertise, is extremely

confident that it will be able to conduct some attractive transactions in the second half of 2020 that boast an above-average risk-return profile.

Asset Management Report

As of June 30, 2020, the Asset Management division of the Fund Management Company managed a Helvetica Swiss Opportunity Fund portfolio containing three properties with a total rentable space of around 17,400 square meters and target rental income of CHF 3.6 million (annualized). On the reporting date, the market value of the portfolio managed by the Asset Management division for the HSO Fund amounted to around CHF 51 million. This value was most recently determined by the independent accredited valuation company Wüest Partner AG on June 30, 2020.

Report from the Asset Management Division of the Fund Management Company

The achievements of the Asset Management division have been pivotal to the results and performance of the HSO Fund. The Helvetica Swiss Opportunity Fund focuses on real estate with special risk/return ratios. All HSO properties share one common characteristic: each and every one of them is a special or special-purpose property. When managed with a systematically hands-on approach, these properties are capable of generating above-average returns for investors.

However, if they are to achieve these higher return targets both sustainably and over their entire life cycle, their management needs to be particularly intensive, professional and strict.

Consequently, an asset manager from the Fund Management Company is responsible for a significantly lower level of assets under management and a significantly

smaller number of investment properties than is usually the case with other fund management companies in order to guarantee that the investment properties receive more personal, intensive and business-minded support.

As of the reporting date, the Asset Management division of the Fund Management Company employed a total of five people. It is now headed up by Lucas Schlageter, who is a member of the Extended Management Board. Lucas Schlageter previously worked in the Fund Management Company of Swisscanto (Zürcher Kantonalbank). Additionally, the Asset Management division now reports directly to Chief Investment Officer Frederic Königsegg, meaning that acquisitions, business plans and subsequent property management are closely coordinated and responsibility for all these aspects bundled. During the reporting period, the following asset management achievements made a special contribution to the results of the Helvetica Swiss Opportunity Fund:

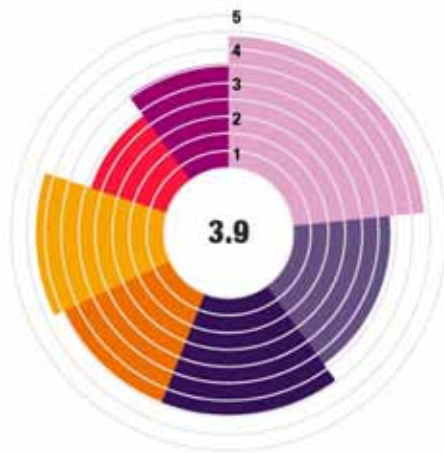
Wädenswil ZH

Renovation work to convert the property into a special-purpose property is proceeding according to plan. The Canton of Zurich will set up a high school here in the third quarter of 2020. A grand total of around CHF 3.8 million are being invested in this property to meet the needs of this tenant with a strong credit rating. The average lease term for the Wädenswil property is now over 7 years. From 2021 onward, it will generate rental income of CHF 1.43 million per year.

Schaffhausen SH ("NextPharma Logistic")

The company that is building and selling this logistics facility was able to complete the project ahead of schedule. Preliminary checks and preliminary acceptance proceeded without any major issues. The property will be handed over to the tenant earlier than planned in August 2020 and to the Helvetica Swiss Opportunity Fund as the building's new owner shortly after the first rent payment. The current tenant pays CHF 730'000 per year in rent, which corresponds to CHF 124 per square meter. The lease agreement has a term of 15 years and does not provide an option for early termination.

Quality Profile Evaluation



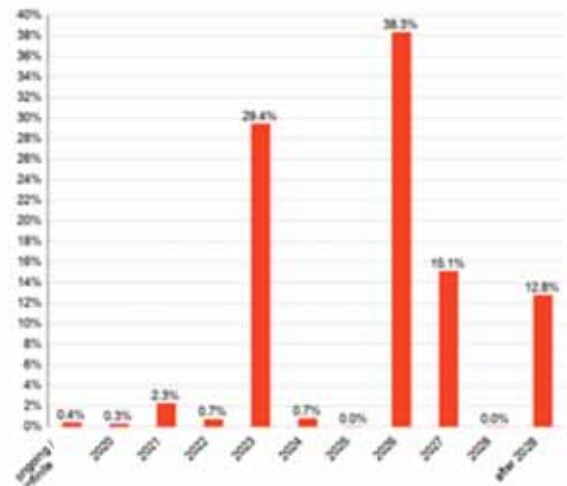
	Grade	Weighting
Overall Rating	3.9	
Location	4.1	40
Macro-location	4.4	40
Micro-location	3.3	28
Property	4.0	40
Usability	3.9	40
Standard	3.9	30
Condition	4.2	30
Market attraction	3.2	20
Lettability	2.8	50
Saleability	3.5	50
Earnings risk		0

Note: 1 = lowest score, 5= best score

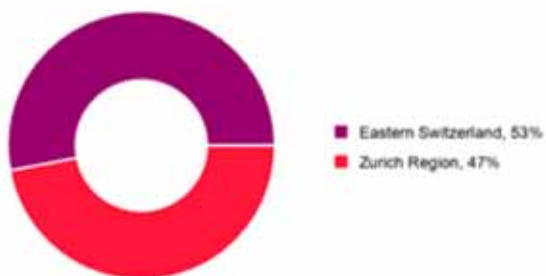
Property Quality / Location Quality



Lease term



Geographical Distribution (Market values)



Rental Income According to Main Use (Target rental income)



In line with this strategy, all rental income is generated from commercial rentals.

Impact of COVID-19 on the HSO Fund Portfolio

The official measures imposed in the wake of the COVID-19 pandemic caused considerable economic disruption worldwide, including in Switzerland, from February 2020 onward. Politicians additionally enacted emergency legislation and intervened in normal, day-to-day life in Switzerland to an unprecedented degree, not even stopping short of interfering with the freedom of contract that usually exists between tenant and landlord. The situation was confusing and changed daily, especially during the lockdown phase, with retail and catering establishments as well as the hotel and tourism industries among the hardest hit.

Switzerland found itself in an advanced stage of a gradual easing of these measures toward the end of the reporting period, meaning that the country is slowly moving towards normalization. Normality, defined as the state of the country at the start of 2020, is probably still a long way away, however. A second wave of infections posing more new challenges can also be expected.

Tremendous uncertainty among all players was one of the main impacts felt during the active lockdown phase. For the time being, the Fund Management Company has decided not to write off any rent amounts prematurely and instead offered a deferment for the lockdown period to any tenants that had been in touch regarding the issue. This offer hinged on whether the tenant had taken advantage of federal support measures decided by the federal government, such as short-time work and bridging loans.

During this phase, the Fund Management Company also focused on taking immediate measures and ensuring that it could gain an overview of the extent of the expected losses.

Among tenants in the HSO Fund, which fortunately has nearly no exposure in the catering and tourism industry, we estimate that 26% of rental income was directly impacted by the lockdown. Some 88% of the directly impacted rental income comes from large tenants with strong credit ratings that will be able to cushion the impact of the pandemic. Only 12% of the impacted rental income comes from smaller tenants that are harder to assess.

The five largest tenants of the Helvetica Swiss Opportunity Fund are:

1. Canton of Zurich
2. Lipo Einrichtungsmärkte AG
3. Zamba Fruchtsäfte AG
4. Clever Sports AG
5. Methabau Immobilien AG

We generate around 85% of our total rental income through the HSO Fund's five largest tenants. These tenants have lease agreements with an average term of 6.3 years.

The Fund Management Company's strategy for the next steps with respect to a COVID-19-related reduction in rent will largely be shaped by legislation on the topic that is currently in the consultation phase. It can be assumed that the bill will be implemented in the form that is currently under discussion, albeit possibly only in 2021 or later if a referendum is held. However, the Fund Management Company is striving to clarify the situation more quickly for all stakeholders – meaning tenants, investors and all other parties affected – and restore certainty to greatest possible extent.

In this context, the Asset Management division will contact the tenants in question over the course of the next few weeks and offer them solutions that are tailored to each individual case and the different circumstances that apply to every tenant. We will use the expected legislation as a guideline. In the case of tenants not covered by a statutory rent reduction, we will make individual proposals on a case-by-case basis and try to negotiate extended lease terms with these tenants if rent reductions are unavoidable. We adhere to the basic principle that we, as a Fund Management Company with fiduciary activities, must endeavor to reach agreements with our tenants that are commercially viable and in our investors' interest. These agreements should ensure that attractive distributions can continue to be paid out in the future as well. No rent reductions had been granted yet as of the reporting date. CHF 0.3 million in rent payments had been deferred until July 31, 2020.

If a proposal were to be made to all tenants of the HSO Fund affected by COVID-19 in line with the new and expected legal framework – regardless of the amount of their rent and thus irrespective of any legal entitlement – this would result in a one-time requirement to set aside reserves of around CHF 0.12 million at the general fund level; this would impact the 2020 annual result.

The estimated amount of CHF 0.12 million also includes those rental agreements that would not have any entitlement whatsoever under the new legal framework expected (e.g. rents in excess of CHF 20,000 per month). Adjusted by these rental agreements, the reserve requirement would be even lower and amount to around CHF 10,000; this amount has been factored into the half-year financial statements.

With total rental income of around CHF 3.6 million per year, this translates to a maximum reserve requirement of 0.3 percent if the legislation under consultation is actually adopted.

The long-term effects of the COVID-19 pandemic are not entirely clear at this time and difficult to assess. In that respect, the HSO Fund benefits from the fact that it generally and strategically invests in buildings with fairly low rents per square meter and that the cases hit hardest by the pandemic account for only 26 percent of rental income.

In the case of the non-food retail space, which was hit particularly hard, the rental income of 91 percent of all affected spaces comes from more corporate-style tenants with good credit ratings and longer lease terms. They cannot fall back on the statutory solutions currently being planned.

The effects of the COVID-19 crisis on the global and Swiss economy cannot be clearly assessed yet, as the pandemic is not yet over. However, the fund management company Helvetica Property Investors AG remains convinced of the potential of the Swiss real estate market. Based on the solid half-year results, the expansion of the portfolio through the special logistics property and assuming that further attractive properties can be acquired in the fourth quarter of 2020, the fund management company currently expects a distribution for the 2020 financial year in the range of CHF 4.50 to 4.75 per share.

However, due to the pipeline, which currently includes extremely interesting and high-yield properties, the Fund Management Company expects to achieve its distribution targets for 2021. This requires that an HSO capital increase in late Q3 2020 is successful and that the properties currently under review can be acquired.

Initially it was assumed that the COVID-19 crisis would likely have a direct and strong impact on valuations of the commercial real estate fund. The updated valuation for the HSO Fund shows that these fears were unfounded. The valuations remained stable overall and the valuation experts only added a comment regarding the currently heightened level of uncertainty as a result of the COVID-19 pandemic.

The valuation of some buildings was even raised due to the high level of cash flow security. Here, too, the HSO Fund benefits from the fact that it only owns very few buildings that are heavily impacted by COVID-19 and that the rents for these are reasonable.

Conclusion:

In the case of the HSO Fund, the fund management estimates that around 26 percent of rental income was affected by the lockdown. Nevertheless, the estimated loss of rental income when applying the future statutory regulations (excluding the tenancies which, due to the size of the rent, are not entitled to rent reductions) is only around 10,000 Swiss francs, which was taken into account as a corresponding provision in the half-yearly financial statements 2020. It is not possible to estimate at this stage what impact the COVID 19 crisis will have on the tenant structure of the HSO Fund in the long term and what loss of rent will only become apparent in the medium or long term. Here it also depends on whether and how strong a second wave has to be mastered. The evaluations of the total fund remained stable despite COVID 19 crisis.

Half-year Report as of June 30, 2020

Since the HSO Fund was launched on November 29, 2019, the first half-year is longer than usual and extends from November 29, 2019, to June 30, 2020. Total fund assets grew to CHF 67 million during this time.

November 2019 saw the successful completion of the initial issue of the HSO Fund, which attracted funds in the amount of CHF 50 million from the initial issue.

Three properties were acquired during the period under review.

The Fund reported a net asset value per share of CHF 103.85 on June 30, 2020, which corresponds to a return on investment of 3.85 percent and a return on equity of the same amount for the extra-long year.

TER_{REF} GAV amounts to 1.52% and TER_{REF} NAV is 1.96%.

Balance Sheet

Total fund assets reflect the acquisitions of the first half year and amount to CHF 67 million. At the balance sheet date, the market value of the properties was CHF 51 million, cash and cash equivalents came to CHF 13 million, and current receivables amounted to CHF 3 million.

After deducting liabilities of CHF 13 million and liquidation taxes of around CHF 2 million, the net asset value amounted to CHF 52 million on the balance sheet date.

At 22.7 percent, the debt financing ratio is below the limit of 50%.

Income Statement

The properties purchased generated rental income of CHF 1.6 million during the period under review. Expenses came to around CHF 1 million.

Unrealized gains of CHF 1.8 million were booked due to acquisitions and slight increases in valuation since the date of purchase.

Balance Sheet

in CHF

Assets	Notes	06/30/2020
Cash, post and bank deposits on sight including fiduciary investments with third-party banks		13,172,875
Current receivables		2,719,773
Properties		
Building land and construction in progress		0
Residential properties		0
Residential properties with condominium ownership		0
Mixed properties		0
Commercial properties	1	51,140,000
Total properties		51,140,000
Other assets		0
Total fund assets		67,032,648
Liabilities		
Accounts payable		
Short-term interest-bearing mortgages	8, 9	-225,000
Other current liabilities		-1,484,767
Long-term interest-bearing mortgages	8, 9	-11,375,000
Other non-current liabilities		-120,214
Total liabilities		-13,204,980
Net asset value before estimated liquidation taxes		53,827,668
Estimated liquidation taxes		-1,901,701
Net asset value		51,925,967
Further Information		
Change in net asset value		
Net asset value at the start of the reporting period		0
Distribution of profits	13	0
Balance from trade in shares		50,000,000
Total profit		1,925,967
Net asset value at the end of the reporting period		51,925,967
Development of the number of shares		
Number of shares at the start of the reporting period		0
Issued shares		500,000
Redeemed shares		0
Number of shares at the end of the reporting period		500,000
Net asset value per share at the end of the reporting period		103.85
Further information (Art. 95 CISO-FINMA)		
Balance of the depreciation account of the properties		0
Balance of the provision account for future repairs	15	703,878
Balance of the account for reinvestment of retained earnings		0
Number of shares redeemed as of the end of the next financial year		0
Total insurance value of the assets		47,155,000

Income Statement

in CHF

Income	Notes	11/29/2019 - 06/30/2020
Interest income		0
Rental income		1,551,333
Capitalized construction interest		0
Other income		199,109
Participation in current income from share issuance		0
Total income		1,750,442
Expenses		
Mortgage interest		-58,434
Other interest on liabilities		-164,271
Maintenance and repairs		-77,829
Property management		
Property expenses		-65,894
Administrative expenses		-8,239
Taxes		-42,447
Evaluation and auditing expenses		-60,990
Consulting expenses		-162,418
Transaction costs		-296
Change in reserves for future repairs		
Regulatory fees		
Management fee	12	-307,492
Custodian bank fee	12	-16,800
Real estate management (third-party and Fund Mgmt. Company)	12	-40,350
Other expenses		
Bank charges		-493
Miscellaneous expenses		-12,315
Payment of current net income due to redemption of shares		0
Total expenses		-1,018,270
Profit		
Net profit	15	732,172
Realized gains/losses		0
Realized profit	15	732,172
Unrealized gains/losses		1,806,809
Incidental costs attributed to the fund assets for the issue of shares		0
Liquidation taxes	15	-613,014
Total profit in the reporting period		1,925,967

Notes

1. Inventories of the Properties Held

Address	Use	Market value	Initial costs	Rental income	Occupancy rate
Wädenswil, Steinacherstrasse 101	Commercial	18,480,000	16,756,603	338,259	95.6%
Rümlang, Hofwisenstrasse 48	Commercial	5,770,000	5,639,340	359,834	100.0%
Schaffhausen, Industriestrasse 2b	Commercial	26,890,000	24,491,401	740,877	100.0%
Total		51,140,000	46,887,344	1,438,971	

2. Real Estate Transactions

Purchases

Address	Type	Canton	Use	Transfer of ownership
Wädenswil, Steinacherstrasse 101	Purchase	Zurich	Commercial	11/30/2019
Rümlang, Hofwisenstrasse 48	Purchase	Zurich	Commercial	11/30/2019
Schaffhausen, Industriestrasse 2b	Purchase	Schaffhausen	Commercial	12/12/2019

Sales

None

3. Total Amount of Contractual Payment Obligations After the Balance Sheet Date for Real Estate Purchases as well as for Construction Contracts and Investments in Properties

A contractual commitment and deposit were made to secure a second property in Schaffhausen ("Nextpharma") in December 2019. The HSO Fund is obligated to take over the property after it has been completed and is ready for occupancy and to pay the remainder of the purchase price at such time. The transfer of the property with a market value of CHF 15.2 million took place on August 10th, 2020. Construction contracts and outstanding investments of around CHF 1.3 million still exist in relation to the renovation of the cantonal school.

4. Participations in Real Estate Companies

As of June 30, 2020, the Fund holds one hundred percent of the share capital of Helvetica Swiss Opportunity AG, headquartered in Zurich. All properties in the HSO Fund are now held by Helvetica Swiss Opportunity AG.

5. Shares in Other Real Estate Funds and Certificates

None

6. Rental Income per Tenant over 5 Percent

Tenant	Annual rent in percent
Canton of Zurich	38.2
Zamba Fruchtsäfte AG	12.7
Clever Sports AG	12.2
Total	63.1

7. Information on Derivatives

The Fund does not use derivatives.

8. List of Mortgage Debts with a Residual Term of 1-5 Years

Type	Interest rate	Amount	Date of issue	Maturity
Libor mortgage	0.55%	11,600,000	02/25/2019	12/31/2021
Total		11,600,000		

9. List of Mortgage Debts with a Residual Term of Over 5 Years

None

10. Fees and Incidental Costs Charged to the Investors

Remuneration	Maximum rates	Actual rates	Basis
Issuing commission on shares	3.00%	1.50%	Net asset value of shares
Redemption commission on shares	1.50%	-	Net asset value of shares

11. Incidental Costs Attributed to the Fund Assets Accruing from the Paid-in Amount Invested or from the Sale of Shares

Remuneration	Maximum rates	Actual rates	Basis
Premium to NAV	2.50%	-	Net asset value of shares
Discount to NAV	1.50%	-	Net asset value of shares

12. Fees and Incidental Costs Charged to the Fund

Remuneration	Maximum rates	Actual rates	Basis
Remuneration to the Fund Management Company			
Management fee	1.00%	0.70%	Total fund assets
Purchase/sales compensation	3.00%	1.50%	Purchase/sale price
Building and renovation fee	3.00%	-	Construction costs
Property management	5.00%	-	Gross rental income
Remuneration to Third Parties			
Remuneration to custodian bank (custodian bank commission)	0.05%	0.05%	Net asset value of shares
Remuneration to property managers	5.00%	2.80%	Gross rental income

13. Distribution of profits

None

14. Events After the Balance Sheet Date

None

15. Collected Footnotes

1. The TER_{REF} GAV according to SFAMA guidelines is based on the Fund's average total assets during the reporting period. During the setup phase of a fund, this average is naturally lower, which leads to a higher total expense ratio. This figure is 1.52 percent in relation to the fund assets on June 30, 2020.
2. The TER_{REF} NAV according to SFAMA guidelines is based on the Fund's average net asset value during the reporting period. During the setup phase of a fund, this average is naturally lower, which leads to a higher total expense ratio. This figure is 1.96 percent in relation to the fund assets on June 30, 2020.
3. The tax-motivated provisions for maintenance and repairs of the underlying statutory companies (Helvetica Swiss Opportunity AG) are additionally reported at fund level.

Valuation Principles and Net Asset Value Calculation

The net asset value of the real estate fund is calculated at the fair market value in Swiss francs at the end of the first half-year period, at the end of the financial year as well as at each share issue.

The Fund Management Company mandates the independent valuation experts to re-evaluate the fair market value of the Fund's properties at the end of each half-year period, each financial year and at each share issue. With the supervisory authority's approval, the Fund Management Company mandates at least two natural or one corporate entity as independent valuation experts. Property inspections by the valuation experts must be repeated at least every three years. In the case of acquisitions or disposals of properties, the Fund Management Company has the properties valued in advance. A new valuation is not needed in the case of disposal if the existing valuation is not older than three months and circumstances have not changed substantially.

Investments that are traded on a stock market or another regulated market that is open to the public are to be valued at the current prices paid on the main market. Other investments or investments with no current prices available must be valued at a price that is likely to be paid in a prudent sale at the time of valuation. In such a case, the Fund Management Company applies reasonable valuation models and principles that are recognized in practice to determine the fair market value.

Open collective investment schemes are valued at their redemption price or their net asset value. If they are regularly traded on a stock market or another regulated market open to the public, the Fund Management Company may value them according to para. 16, sect. 3 of the fund contract.

The value of short-term fixed-income securities that are not traded on a stock exchange or another regulated market open to the public is calculated as follows: Based on the net purchase price and presuming a stable return on investment, the valuation price of these investments is adjusted gradually to the redemption price. In the case of significant changes in market conditions, the valuation basis of the individual investments is adjusted to the new market return. In this case, if there is no current market price, valuation is usually based on money market instruments with the same characteristics (quality and domicile of the issuer, issuing currency, maturity).

Post and bank deposits are valued according to their balance plus accrued interest. In the case of significant changes in market conditions or credit rating, the valuation basis for time deposits at banks is adjusted to the new conditions.

The calculation of a share's net value is based on the fair market value of the Fund's gross asset value, less any liabilities as well as any taxes that would likely have to be paid in the case of the Fund's liquidation, divided by the number of outstanding shares. The valuation of the Fund's properties is performed according to the current SFAMA guidelines for real estate funds. The valuation of undeveloped land and buildings in progress is based on the fair value principle. If the Fund Management Company has any buildings in progress that are to be reported at fair market values, it has these appraised at the end of the financial year.

Report of the Valuation Experts



Wüest Partner AG, Bleicherweg 5, 8001 Zurich

Helvetica Property Investors AG
Executive Board
Brandschenkestrasse 47
8002 Zurich

Zurich, 24 August 2020

Helvetica Swiss Opportunity
Independent real estate valuer's report
Valuation as at 30 June 2020

To the Executive Board of Helvetica Property Investors AG

Ref.
118584.2000

Commission

Wüest Partner AG (Wüest Partner) was commissioned by the Fund Management to perform a valuation, for accounting purposes, of the three properties units held by Helvetica Swiss Opportunity as at 30 June 2020 (reporting date).

Valuation standards

Wüest Partner hereby confirms that the valuations comply with the legal provisions of the Collective Investment Schemes Act (CISA) and the Collective Investment Schemes Ordinance (CISO) as well as the guidelines of the Swiss Funds & Asset Management Association (SFAMA) and were furthermore performed in accordance with the customary national and international valuation standards.

Definition of market value

Market value is defined as the amount for which a property would most probably be exchanged on the open market on the valuation date between two independent and knowledgeable parties, willing to buy and sell respectively, with due allowance made for a reasonable marketing period.

In the valuation are excluded property transfer, real property gains and value-added taxes plus any other costs incurred, or commissions paid, during the process of selling real estate. Nor is any account taken of Helvetica Swiss Opportunity's liabilities in respect of taxation (apart from ordinary property taxes) and financing costs.

Valuation method

In valuing Helvetica Swiss Opportunity's investment properties, Wüest Partner applied the discounted cash flow (DCF) method, by which the market value of a property is determined as the total of all projected future net earnings discounted to the valuation date. Net income is discounted separately for each property with due allowance for specific opportunities and threats, and adjustment in line with market conditions and risks.

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Bleicherweg 5
8001 Zurich
Switzerland
T +41 44 289 90 00
wuestpartner.com
Regulated by RICS

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Basis of valuation

Wüest Partner is familiar with all the properties, having carried out inspections and examined the documentation provided. The properties have been analysed in detail in terms of their quality and risk profiles (attractiveness and lettability of rented premises, construction type and condition, micro- and macro-location etc.). Currently vacant premises are valued with due allowance made for a reasonable marketing period.

Wüest Partner inspects the properties normally at least once every three years as well as following purchase and upon completion of larger refurbishment and investment projects. All properties were visited in 2015 and 2019.

Results

A total of three investment properties were valued as at 30 June 2020. The market value of these properties on the valuation date is estimated by Wüest Partner to total 51,140,000 Swiss Francs.

In the property valuation, real discount rates between 3.50% and 4.10% were applied. Considering an inflation rate of 0.50% the nominal discount rates lie between 4.02% and 4.62%. Over the whole portfolio, the average of the discount rates – weighted by market value – is 3.83% in real terms and 4.35% in nominal terms.

Changes in the real estate portfolio

All three investment properties were acquired during the period 29 November 2019 to 30 June 2020.

Independence and confidentiality

The valuation of Helvetica Swiss Opportunity's real estate holdings was performed by Wüest Partner independently and neutrally in conformity with its business policies. It was carried out solely for those purposes specified above; Wüest Partner shall accept no liability in respect of third parties.

Zürich, 24 August 2020

Wüest Partner



Ivan Anton
dipl. Architekt ETH; MSc Real Estate (CUREM)
Partner



Silvana Dardikman
MSc in Finance; Immob. Bew. mit eidg. FA
Director

Annex: valuation assumptions**Investment properties**

The investment property valuations are based on the following general assumptions:

- The rent rolls from Helvetica Property Investors AG used in the valuation have the state of knowledge typically as at April 2020.
- A two-phase DCF model was adopted. The valuation period extends to infinity from the valuation date, with an implicit residual value in the eleventh period.
- Discounting is based on a risk-adjusted interest rate. Rates are determined individually for each property on the basis of appropriate benchmarks derived from arm's-length transactions. They may be broken down as follows: risk-free interest rate + property risk (immobility of capital) + premium for macro-location + premium for micro-location depending on use + premium for property quality and income risk + any other specific premiums.
- Unless otherwise stated, the valuations assume 0.50 percent annual inflation for income and all expenditure. Where a nominal discount rate is applied, this is adjusted accordingly.
- Credit risks posed by specific tenants are not explicitly factored into the valuation.
- Specific indexation of existing rental agreements is accounted for on an individual basis. After expiry of the contracts, an indexation factor of 80 percent (Swiss average) and an average contract term of five years are assumed.
- For existing tenancies, the timing of individual payments is assumed to comply with the terms of the lease.
- In terms of running costs, entirely separate service charge accounts are assumed, with no tenancy-related ancillary costs to be borne by the owner.
- The maintenance (repair and upkeep) costs were calculated using a building analysis tool. This tool is used to estimate the remaining lifespan of individual components based on their present condition, to model periodic refurbishments and to calculate the associated annual renewal fund allowances. The calculated values are plausibility tested using cost benchmarks derived from Wüest Partner surveys.

Auditor's Report



Report on the Review

of half-year report to the Board of Directors of the fund management company Helvetica Property Investors AG, Zürich

According to your request, we have reviewed the half-year report (statement of net assets, income statement and notes) (pages 4, 25 to 29 and 37) of the investment fund Helvetica Swiss Opportunity Fund for the period from 29 November 2019 to 30 June 2020.

The half-year report is the responsibility of the Board of Directors of the fund management company. Our responsibility is to issue a report on the half-year report based on our review.

Our review was conducted in accordance with the Swiss Auditing Standard 910, which requires that a review be planned and performed to obtain limited assurance about whether the half-year report are free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the half-year report is not in accordance with the Swiss Collective Investment Schemes Act, the related ordinances as well as the investment fund agreement and the prospectus.

PricewaterhouseCoopers AG

Raffael Simone

Michael Zobrist

Zürich, 18 August 2020

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Organization

Fund Management Company	Helvetica Property Investors AG, Brandschenkestrasse 47, 8002 Zurich
Executive Management Board of the Fund Management Company	Michael Müller, CEO Peter R. Vogel, CFO, Head of Finance and Corporate Services Frederic Königsegg, CIO, Head of Investment Management
Extended Management Board of the Fund Management Company	Salman Baday, Head of Sales (Switzerland) Lucas Schlageter, Head of Asset Management
Board of Directors of the Fund Management Company	Dr. Hans Ueli Keller, Chairman Peter E. Bodmer, Vice Chairman Herbert Kahlich, Member Hans R. Holdener, Member Thomas Huber (until 05/29/2020)
Asset Manager	Helvetica Property Investors AG, Brandschenkestrasse 47, Zurich
Custodian Bank and Paying Agency	Bank J. Safra Sarasin, Elisabethenstrasse 62, Basel
Market Maker	Bank J. Safra Sarasin, Elisabethenstrasse 62, Basel
Auditors	PricewaterhouseCoopers AG, Birchstrasse 160, Zurich
Accredited Valuation Experts	The Fund Management Company has commissioned the following valuation experts with the approval of the supervisory authority: Marco Feusi, Valuation Expert, (until 12/31/2019) Wüest Partner AG, Zurich Ivan Anton, Valuation Expert (as of 01/01/2020), Wüest Partner AG, Zurich Silvana Dardikman, Valuation Expert, Wüest Partner AG, Zurich
Property Management	The commercial and technical management of the properties is carried out by the Fund Management Company itself or delegated on a case-by-case basis to specialized third-party companies. Corresponding agreements are concluded when the respective property is acquired. Existing agreements will be adjusted as necessary. As of June 30, 2020, contracts exist with: H&B Real Estate AG Bührer&Partner Immobilien AG

Board of Directors of the Fund Management Company



Hans Ueli Keller
Chairman

Position	Chairman
Born	1952
Nationality	Switzerland
Member of the Board since	2014
Equity participation Fund Management Company	Yes
Member of the Investment Committee	Yes (Chairman)

Education

PhD from the University of St. Gallen and has completed the Advanced Management Program of the Business Schools INSEAD and Harvard HBS.

Executive and non-executive positions

Longstanding career as member of the Executive Board of Credit Suisse and President of Swisscard. Board member of both Engel & Völkers Commercial Switzerland and Ebix. Inc. He also served as Delegate of the board of directors of Goldbach Media and gained additional experience as former Chairman of the board of directors of Swisscontent.

Previous experience	
CEO	■
CFO	
Real Estate Industry	■
Project Management	
IT and Technology	
Finance and Asset Management	■
Industry	
Transactions and M&A	■
Consulting and Trust	
SME Experience	■



Peter E. Bodmer
Vice Chairman

Position	Vice Chairman
Born	1964
Nationality	Switzerland
Member of the Board since	2015
Equity participation Fund Management Company	Yes
Member of the Investment Committee	Yes

Education

Degree in Business Administration from the University of Zurich and an MBA from IMD Lausanne.

Executive and non-executive positions

Former member of the Executive Committee of the Implenia Group, GKN Sinter Metals Group and Maag Holding. Active in various boards of directors such as Peach Property Group, Arbonia Forster, Klinik Schloss Mammern and member of the Board of Trustees of the Wilhelm Schulthess Foundation. Chairman of the Board of Trustees of the Profond Foundation.

Previous experience	
CEO	■
CFO	■
Real Estate Industry	■
Project Management	■
IT and Technology	
Finance and Asset Management	■
Industry	■
Transactions and M&A	■
Consulting and Trust	
SME experience	■



Herbert Kahlich
Member

Position	Member
Born	1944
Nationality	Austrian
Member of the Board since	2015
Equity participation Fund Management Company	Yes
Member of the Investment Committee	No

Education

Graduated with a degree from an advertising school in Zurich, ongoing business education and attendance of banking, finance and management courses.

Executive and non-executive positions

Has more than twenty years of international asset management experience. He began his career at Credit Suisse and was a senior executive in the global fund business within Credit Suisse Group for more than 10 years, responsible for the group's real estate funds.

Previous experience	
CEO	■
CFO	
Real Estate Industry	■
Project Management	■
IT and Technology	■
Finance and Asset Management	■
Industry	
Transactions and M&A	■
Consulting and Trust	■
SME experience	■



Hans R. Holdener
Member

Position	Member
Born	1966
Nationality	Switzerland and Norway
Member of the Board since	2006
Equity participation Fund Management Company	Yes
Member of the Investment Committee	Yes

Education

Master program in Customer Relationship Management and a Bachelor in Marketing from the Norwegian Business School BI in Oslo.

Executive and non-executive positions

Co-founder and CEO of the Helvetica Property Group. Managing director and founding member of Wohnspar and managing director of Immospar. Extensive experience as investment advisor to wealthy individuals and as a private investor in the Swiss real estate market for residential and commercial properties.

Previous experience	
CEO	■
CFO	
Real Estate Industry	■
Project Management	■
IT and Technology	■
Finance and Asset Management	■
Industry	
Transactions and M&A	■
Consulting and Trust	■
SME Experience	■

Further Information for Investors

Changes to Fund Contract

The fund contract of October 8, 2019, was amended and approved by FINMA on March 27, 2020. It entered into force on April 1, 2020.

Apart from purely formal or editorial changes, the amendments essentially comprise the following points in accordance with the publication dated March 9, 2020:

- Para. 1 Name, company name and registered office of the Fund Management Company and custodian bank "Fund" was added to the name of the real estate fund. Accordingly, para. 1 sect. 1 reads as follows: "The Helvetica Swiss Opportunity Fund is a contractual fund set up as a real estate fund (the "Real Estate Fund") within the meaning of Art. 25 et seq. in conjunction with Art. 58 et seq. of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (CISA) that is offered to qualified investors within the meaning of Art. 10 para. 3, 3bis and 3ter CISA."
- The addresses of the Fund Management Company and custodian bank were crossed out in para. 1 sect. 2 and 3. After amendment, para. 1 sect. 2 and 3 now read as follows: "2. The Fund Management Company is Helvetica Property Investors AG in Zurich. The custodian bank is Bank J. Safra Sarasin in Basel."

Legal Disputes

There are no pending or threatened legal disputes.

Compliance with Investment Restrictions

The Fund Management Company confirms that the Helvetica Swiss Opportunity Fund fulfills all investment restrictions in accordance with the fund contract.

Information About Related-party Transactions

The Fund Management Company confirms that the transactions mentioned in Note 2, Rümlang and Wädenswil, took place with related parties. FINMA approved these transactions in August 2018.

Apart from the transactions mentioned, the Fund Management Company confirms that no other properties were transferred to or from related parties and that all other transactions with related parties were concluded at standard market terms (section 18, line 52 of the Guidelines for Real Estate Funds from the Swiss Funds & Asset Management Association SFAMA of April 2, 2008, version dated September 13, 2016).

Change of Fund Management Company and Custodian Bank

There were no changes in the Fund Management Company or the custodian bank during the reporting period.

Departure from the Board of Directors

Thomas Huber stepped down from his position as a member of the Board of Directors of the Fund Management Company with effect on May 29, 2020, for personal reasons.

Miscellaneous

Helvetica Property Investors AG changed its headquarters to Brandschenkestrasse 47 in 8002 Zurich as of April 1. The impact of COVID-19 on the real estate fund is described in the Asset Management Report. Otherwise, no significant events are known.

Definitions

Gross actual return

The current gross actual return is defined as the percentage of the current actual rental income measured against the market value.

Discount rate

The discount rate is the percentage used to discount all cash flows. The level of the chosen discount rate reflects the risk assessment.

Rent default rate

The rent default rate is the sum of all reductions in the target rental income due to vacancies, for example, expressed as a percent.

Debt financing ratio

The debt financing ratio corresponds to the percentage of the borrowed capital measured against the market value of the properties.

Debt ratio

The debt ratio corresponds to debt capital as a share of the total fund assets in percent.

Maintenance costs

Maintenance is also described as "ordinary maintenance". Maintenance refers to all measures taken to ensure the usability of the property (such as service work, minor repairs).

Repair costs

Repair work is also referred to as "extraordinary maintenance". It includes all investments that completely replace substantial components and/or are associated with a noticeable qualitative improvement. This may also include value-enhancing investments.

Actual rental income

Actual rental income is calculated based on the target rental income less the loss of income.

Vacancy

A rental property is regarded as vacant if no lease agreement exists.

Property quality

The property quality is a measure of the quality of a property, taking into account its condition, prevailing standards, usability and the mix of uses. The information required to determine the quality of the property is derived from the quality profile of the property.

Market rent / potential

The long-term, sustainable development of a property's respective income stream is reflected by an estimate of its market rent or potential to generate income.

Market value

The market value is the estimated amount for which a property is expected to be sold on the valuation date between a willing seller and a willing buyer in a transaction in the ordinary course of business, after an appropriate marketing period, where each party acts with skill, prudence, and without coercion.

Rental space

The rental space is the sum of leased and rentable spaces.

Rental income

Rental income corresponds to the actual rental income earned in the reporting period.

Net yield

The net yield is the ratio of the annual net yield to the determined market value of the property.

Target rental income

Possible income in the event of full occupancy, corresponding to the total amount of rental income agreed by contract plus vacancies based on market rent. Incidental costs specified in lease agreements are not taken into consideration.

Total net income

Net income is calculated as the sum of all income less all costs.

Maintenance and repair

Maintenance costs are composed of all costs incurred for maintenance and repairs.

Occupancy rate

Actual income as a percentage of target rental income.

WAULT

The WAULT (Weighted Average Unexpired Lease Term) adds up the weighted average unexpired terms of contractually fixed rents for a property or a portfolio (up to the earliest possible termination date without renewal options). The WAULT is reported in years. The following uses must be considered: office, hotel, retail, medical practices, restaurants and catering, warehouse, and other commercially used properties. Unlimited lease agreements will be included in the calculation with a term of six months. Property types not to be taken into account are: apartments, parking spaces, advertising spaces, basements/attics. Vacancies are not taken into account.

Total Expense Ratio Real Estate (TER_{REF})

Fund operating expenses as a percentage of average total fund assets and as a percentage of average market value. If there is no trading, the net asset value per unit must be capitalized.

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