

2021 Annual Report

Helvetica Swiss Commercial Fund

Real Estate Fund
under Swiss Law



Key Figures

781

**Gross asset value
(in CHF million)**

An increase of 1.5 percent over
12/31/2020

750

**Property portfolio
(in CHF million)**

An increase of 0.8 percent com-
pared with 12/31/2020

45.4

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

Has remained stable since
12/31/2020

93.1

Occupancy rate (%)

The occupancy rate declined by
1.5 percentage points compared to
12/31/2020

3.9

**Unexpired lease term
(years)**

The weighted unexpired lease term
was down 0.6 years compared to
12/31/2020

31.0

**Debt financing ratio
(%)**

Increase of 0.6 percentage points
over 12/31/2020

116.04

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

Raised by 5.4 percent since
12/31/2020, after adjustment for the
distribution of profits

5.7

**Gross actual return
(%)**

Has remained stable year over year

5.4

**Return on investment
(%)**

1.5 percentage points lower than at
the end of 2020

4.6

Distribution yield (%)

Has remained stable year over year

5.30

**Distribution per unit
(CHF)**

An increase of 4 percent compared
to 2020

115.00

Price per unit (CHF)

Performance, taking the distribution
of profits into consideration, since
12/31/2020: 10.4 percent

Contents

Key Figures.....	2
Key Financial Figures	5
The Year in Brief.....	6
Portfolio Report.....	7
Sustainability.....	12
Annual financial statements as of December 31, 2021	13
Balance Sheet	14
Income Statement.....	15
Notes	16
Principles Used for Valuation of the Fund Assets and for Calculating Net Asset Value.....	24
Report of the Valuation Experts.....	25
Auditor's Report	28
Organization of the Fund Management Company.....	30
Further Information for Investors	31
Glossary.....	32
Imprint.....	33

Helvetica Swiss Commercial Fund (HSC Fund)

Real Estate Fund under Swiss Law

Audited Annual Report as of December 31, 2021



Kantonsstrasse 115, Triengen

Key Financial Figures

Key Data		Notes	as of 12/31/2021	as of 12/31/2020	as of 12/31/2019
Securities number			33550793	33550793	33550793
Initiation date			09/12/2016	09/12/2016	09/12/2016
Issued units	Quantity		0	0	1 563 426
Outstanding units	Quantity		4 342 851	4 342 851	4 342 851
Redeemed units	Quantity		0	0	0
Net asset value per unit	CHF		116.04	115.17	112.71
Weighted real discount rate	%		3.68	3.82	4.01
Balance Sheet			as of 12/31/2021	as of 12/31/2020	as of 12/31/2019
Fair market value of the properties	CHF	1	749 757 000	743 946 000	628 944 000
Gross asset value (GAV)	CHF		781 320 903	770 131 664	654 729 403
Debt financing ratio*	%		31.04	30.48	20.87
Debt ratio*	%		35.50	35.05	25.24
Residual term debt financing*	Years	8	0.60	0.96	1.39
Interest rate debt financing*	%	8	0.30	0.43	0.56
Net fund assets (NAV)	CHF		503 944 221	500 184 280	489 475 302
Income Statement			as of 12/31/2021	as of 12/31/2020	as of 12/31/2019
Rental income and income from ground rent	CHF		42 035 693	38 842 073	29 292 317
Net profit	CHF		27 740 622	27 311 568	23 032 696
Rent default rate*	%	1, 13	6.45	7.34	6.56
Weighted average unexpired lease term (WAULT)*	Years		3.90	4.50	4.40
Maintenance and repairs	CHF		2 873 069	1 343 810	3 429 365
Operating profit margin*	%		68.58	71.96	68.60
Return and Performance			as of 12/31/2021	as of 12/31/2020	as of 12/31/2019
Distribution of profits	CHF	12	23 017 110	22 148 540	21 714 255
Distribution per unit	CHF	12	5.30	5.10	5.00
Distribution yield*	%	12	4.61	4.68	4.06
Payout ratio*	%	12	82.97	83.23	87.58
Return on equity (ROE)*	%		5.18	6.62	6.18
Return on invested capital (ROIC)*	%		3.45	4.71	4.73
Performance*	%		10.38	-7.86	14.17
Return on investment*	%		5.42	6.93	6.33
Price per unit	CHF		115.00	109.00	123.30
Premium/discount*	%		-0.90	-5.36	9.40
Total expense ratio TER _{REF} GAV*	%		0.95	0.99	1.04
Total expense ratio TER _{REF} NAV	%		1.47	1.42	1.42
Total expense ratio TER _{REF} MV*	%		1.52	1.39	1.34
Price/earnings ratio (P/E ratio)*	Ratio		19.28	14.60	17.61

* The figures were calculated according to the SFAMA's specialist information factsheet on the key figures of real estate funds dated September 13, 2016, issued by Asset Management Association Switzerland (AMAS). The rent default rate is 6.4 percent as of 12/31/2021. Including the rent reductions, the rent default rate would amount to 7.7 percent. If COVID-19-related rent reductions were also included in this figure, the rent default rate would be 8.5 percent.

The units of the HSC Fund have been listed on SIX Swiss Exchange since 11/11/2019.

Past performance is no guarantee for future results and does not reflect any commissions or costs that arise in connection with subscriptions and redemptions of units.

Key Financial Figures

The Year in Brief

The Helvetica Swiss Commercial Fund reported several successful leasing activities in 2021 and increased its rental income by 8.2 percent as a result. The portfolio's market value rose to 750 million Swiss francs.

The Fund Management Company looks back on a successful financial year for the HSC Fund. The Fund is fully invested and acquisitions from the previous year contributed to earnings throughout the full year for the first time. This caused rental income to increase from 38.7 million Swiss francs to 42.0 million Swiss francs. The market value rose from 743.9 million Swiss francs at the end of the previous year to 750 million at the end of 2021. This corresponds to an increase of 0.8 percent, which is largely attributable to dedicated asset management. The goal is to increase the occupancy rate and boost the attractiveness of the Fund's portfolio even further through cost-conscious investments.

Proactive asset management resulted in a variety of successful leasing activities in the past financial year. Some examples of this include the properties in Arbon and Zurich, which are fully leased with the exception of a few parking spaces. A detailed explanation of the successful leasing activities is provided in the portfolio report.

Performance

Net asset value per unit rose from 115.17 Swiss francs to 116.04 Swiss francs in the past year. After adjustment for the distribution of profits for the 2020 financial year, this corresponds to a 5.4 percent return on investment. Additionally, the market price for the units rose from 109.00 Swiss francs to 115.00 Swiss francs. After adjustment for the distribution of profits of April 2021, this increase corresponds to a performance of 10.4 percent. As the chart below clearly shows, it significantly outperformed the SXI Real Estate Funds Broad benchmark. The discount to NAV was 0.9 percent at the end of the year compared with a discount of 5 percent on December 31, 2020. Based on these solid results, the fifth distribution of profits will be paid out to investors on April 29, 2022. Compared to the previous year, this distribution of profits will be raised from 5.10 to 5.30 Swiss francs per unit, which is equivalent to an increase of around 4 percent. This corresponds to a distribution yield of 4.6 percent.

Performance

Performance in CHF (reset to base 100) and annual performance



Performance in %

in %	YTD	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
HSC Fund	10.38%	4.45%	-3.36%	10.38%	17.54%	35.02%	35.02%
Benchmark	7.32%	3.87%	0.83%	7.32%	43.50%	44.84%	46.98%

Outlook

Premium properties are to be added to the portfolio on a selective basis with a view to the capital market and if attractive acquisition opportunities arise. The focus of those activities will be on "office and commercial" uses as well as mixed-use commercial properties. To ensure that the Fund's portfolio is even more efficiently diversified and more attractive properties can be acquired, growth steps will be examined for the current year.

Portfolio Report

Rental income increased by 3.2 million Swiss francs to 42 million Swiss francs. The Fund contained 35 properties with total rental space of 308,203 square meters at the end of the year under review.

2021 was a solid year that was focused on actively managing the existing property portfolio. No new acquisitions or disposals were made. The portfolio's market value rose by 0.8 percent during the reporting period, from 743.9 million Swiss francs to 749.8 million Swiss francs. The key factors behind this increase were investments of around 3 million Swiss francs and the 0.14 percentage point reduction in the discount rates from 3.82 percent to 3.68 percent as well as successful leasing activities.

The portfolio's geographical breakdown remained unchanged and continues to paint a diversified picture across the regions of Zurich, Eastern and Central Switzerland, which account for a total of 63 percent of the market value. The remaining 37 percent are divided between the regions of Berne, French-speaking Switzerland, Lake Geneva, Northwestern Switzerland and Southern Switzerland. For more information, please refer to the chart entitled "Geographical distribution".

Target rental income according to main use falls into the categories of commercial and office use (69 percent), retail use (23 percent), parking spaces (6 percent) and residential and other miscellaneous uses (2 percent). For more information, please refer to the chart entitled "Rental Income According to Main Use".

According to Wüest Partner, the portfolio's quality profile is stable with an attractive overall score of 3.6. Both letability and the property ratings remain high, largely due to investments made in the portfolio properties, which can be seen in the chart on the next page.

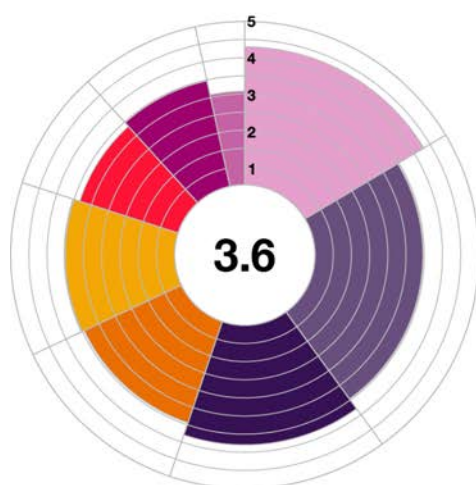
All in all, lease extensions were concluded for around 5,600 square meters of space with an average fixed

lease term of five years. This had a positive impact and successfully counteracted the declining average unexpired lease terms of the lease agreements, which amounted to 3.9 years at the end of the year. As a result of the extensions, around 46 percent of the rental agreements now have a fixed term of more than 4 years, as shown in the chart on the next page entitled "Weighted Average Unexpired Lease Terms". The focus for the current year is on extending the contracts with the five largest tenants of the properties in Arbon in the Canton of Thurgau, Rothenburg in the Canton of Lucerne and Wallisellen in the Canton of Zurich. The Asset Management team's goal is to increase the weighted average unexpired lease term to more than 4 years over the next few years. The Asset Management team is currently in the midst of negotiations with a major tenant of the property in Montreux in the Canton of Vaud, with the goal of extending the contract for rental space of around 1,500 square meters with a lease term of more than 5 years. Not only would the new conditions extend the unexpired lease term of the leases for the property, but they would also result in around 10 percent more income for the rental property in question.

The occupancy rate fell slightly by 1.5 percentage points year over year, from 94.6 percent to 93.1 percent, which corresponds to a difference of around 0.6 million Swiss francs in rental income as of the cut-off date of the report. This is mainly attributable to the loss of one major tenant from each of the properties in Fribourg in the Canton of Fribourg and Goldach in the Canton of St. Gallen. In addition to the direct involvement of the Asset Management team, additional reletting activities were launched to further strengthen the marketing presence. These have already yielded some initial negotiations with prospective tenants. New tenants were also found for around 11,700 square meters of rental space. This will generate new, secure long-term rental income of roughly 1.8 million Swiss francs per year. Around 90 percent of the new leases signed have a fixed lease term of five or more years.

Gross actual return declined slightly from 5.8 percent in the previous year to 5.7 percent in the year under review due to the portfolio's rising market value and a higher vacancy rate.

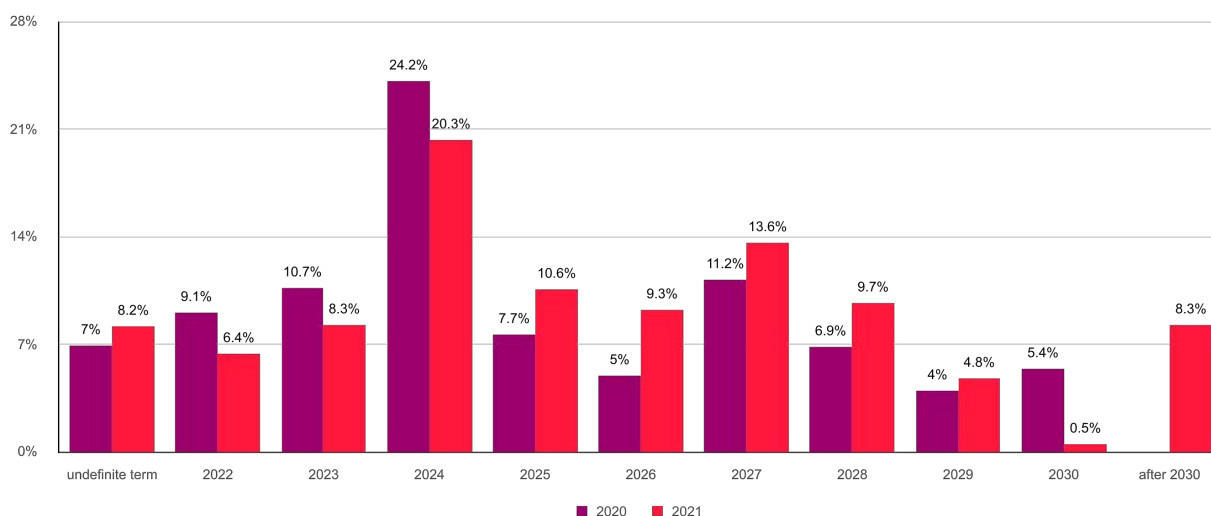
Quality Profile



	Grade	Weighting
Overall rating	3.6	
Location	3.8	40
Macro-location	4.3	41
Micro-location	3.5	59
Property	3.6	40
Usability	3.8	38
Standard	3.4	32
Condition	3.5	30
Investment	3.4	20
Lettability	3.3	41
Saleability	3.5	41
Income risk	3.1	17

Note: 1 = lowest score, 5 = best score

Breakdown of the Weighted Average Unexpired Lease Terms



Portfolio Outlook

Efforts are focused on reletting the five largest vacant spaces, which account for around 2.4 million Swiss francs of the total of 3.5 million Swiss francs as of the report cut-off date. The vacancies mentioned are located at the properties in Fribourg in the Canton of Fribourg, Schindellegi in the Canton of Schwyz, St. Gallen in the Canton of St. Gallen, Münchwilen in the Canton of Thurgau and Goldach in the Canton of St. Gallen. Solutions involving temporary uses are currently being sought to revive rental spaces that have been vacant for extended periods of time in order to optimize rental income. The Asset Management team is in contact with the providers

of pop-up concepts. Long-term leases are being sought at the same time. The Asset Management team will discuss the situation with the 20 largest tenants to enable it to respond swiftly to changed tenant needs and extend leases at an early point in time. By summer, potential analyses are also scheduled to be completed for all properties in the portfolio. The rental spaces will be fully digitalized by mid-year. The Fund Management Company expects this to yield more meaningful marketing documents, which should enable vacant space to be leased more quickly at more attractive terms and conditions.

The Fund Management Company expects the occupancy rate for the existing property portfolio to increase

Portfolio Report

from 93.1 percent to 94 percent for the current year. In the case of the vacancies at the properties in Fribourg in the Canton of Fribourg and Goldach in the Canton of St. Gallen, the steps taken are forecast to increase the occupancy rates from 70.8 percent to around 80 percent and for Goldach from 62.8 percent to around 69 percent.

Market Assessment

The transaction market volume, which has picked up noticeably since the start of 2021, stabilized at an elevated level at the end of the year. The quality of the properties offered during the year under review varied greatly. Only properties that increase the quality of the portfolio are considered as potential acquisitions.

The Fund Management Company's goal is to improve the portfolio's key figures on an ongoing basis. In that context, attention is paid both to location qualities that are appropriate for the portfolio as well as a good tenant structure featuring lease terms that suit the portfolio.

Successful Leasing Activities

During the year under review, the following asset management achievements made a special contribution to the Fund's positive results:

Arbon, Industriestrasse 23

A lease relating to a 760 square meters of space in Arbon was concluded for a 10-year term at normal market conditions. The annual net rent comes to CHF 43,000. That means the property is fully leased with the exception of a few parking spaces. Additionally, a current tenant, active in the development and production of steel and stainless steel profiles, extended its lease for 1,100 square meters of commercial space until June 30, 2024, at the current terms.

Arbon, St. Gallerstrasse 15

Leases for three spaces covering a total of around 900 square meters were extended at the Novaseta shopping mall. One lease was extended by two years to January 31, 2024, while the other two were extended by five years each, until January 31, 2027, and March 31, 2027, respectively.

Goldach, Blumenfeldstrasse 16

An approximately 1,500 meter square commercial space was newly leased as of April 1, 2021, at normal market conditions of CHF 100,000 for five years. The property's

largest tenant moved out on June 30, 2021, however. This resulted in 4,300 square meters of vacant space. Another tenant will vacate its 1,100 square meters of space at the end of May 2022 due to a company merger at another location. On the other hand, the lease for a roughly 500 square meter space was extended by nearly eight years to June 30, 2029. Another approximately 300 square meters of storage area were leased to a new tenant as of January 1, 2022, for a period of five years. There are prospective tenants interested in leasing another approximately 1,500 square meters of commercial space. All changes are included accordingly in the year-end assessment.

Chiasso, Via Livio 1 / Via Motta 24

As of May 1, 2021, a lease for 450 square meters of office space was signed with a new tenant from the IT sector. The lease provides for a five-year term, has renewal options and was concluded at normal market conditions. As of December 1, 2021, around 500 square meters of office space was also leased to another new tenant from the telecommunications sector. The lease is also for a five-year term and has a renewal option.

Baden-Dättwil, Täferstrasse 3/5

As of October 1, 2021, a 570 square meter office space was leased to a company in the electrical industry for annual net rent of 98,600 Swiss francs. The lease is for a 15-year term.

Zurich, Max-Högger-Strasse 6

The last available office space covering around 1,300 square meters has been leased to a new tenant at normal market conditions and an annual net rent of 290,000 Swiss francs for a five-year term. The contract entered into effect on July 1, 2021. The property is fully leased with the exception of a few parking spaces.

Dietikon, Riedstrasse 1

Several small office spaces were re-let to various tenants, each with a contract term of five years. This relates to a total space of 460 square meters. An existing lease for a retail space 370 square meters in size was extended by another five years as of December 1, 2021.

Glattbrugg, Europa-Strasse 19

One tenant extended its lease by another three years. This tenant leases 340 square meters of office space, 160 square meters of commercial space and nearly 1,000 square meters of storage area for an annual net rent of 213,000 Swiss francs.

Schindellegi, Chaltenbodenstrasse 6A–6F

In a challenging reletting situation, leasing activities were encouragingly successful in Schindellegi. Around 1,100 square meters were re-let, including a 6-room, 315 square meter apartment and 190 square meters of office and commercial space. Leases were also concluded for two other office spaces featuring a total of 390 square meters of floor space. Additionally, a lease was signed with a pub operator for a 180 square meter restaurant. Reviving this space opens up new opportunities for the property. All contracts were concluded for five-year terms.

Fribourg, Route du Jura 37

One major tenant opted against extending its lease, due to expire in mid-October 2021, for an approximately

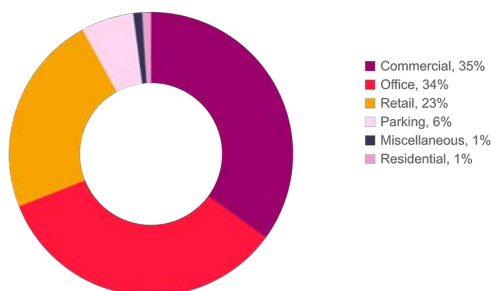
1,800 square meter space, meaning a vacancy opened up as of October 15. Negotiations for the reletting of the newly vacant space are already at an advanced stage. When this property was acquired in 2020, the expiration of this lease was expected and factored into the purchase price and valuation accordingly. Two new leases were concluded in 2021, one for 80 square meters of retail space for an indefinite term and another for 320 square meters of space for a five-year term. Three leases were also extended ahead of schedule: Two office spaces with floor space of around 240 square meters and 400 square meters as well as a restaurant 240 square meters in size.

Rothenburg, Wahligenstrasse 4

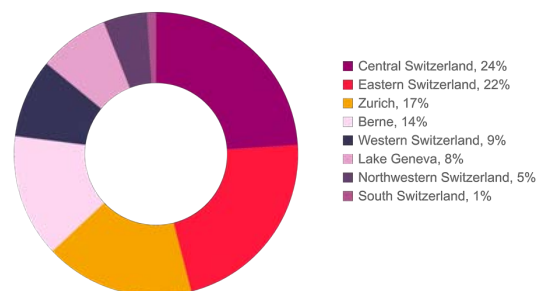
The independent certification process for the recognized Swiss System sustainability label from the DGNB (German Sustainable Building Council), represented in Switzerland by the SGNI (Swiss Sustainable Building Council), was successfully completed with a certificate granted in "Silver".

Rental Income According to Main Use

(Target rental income)

**Geographical Distribution**

(Fair values)





Schorenstrasse 39, Gwatt

Sustainability

In its capacity as a real estate investor, Helvetica's Fund Management Company is aware of its responsibility to ensure a sustainable future. Sustainability forms part of its corporate philosophy and sustainability principles are incorporated into every decision. To that end, the Fund Management Company took initial steps in 2020 aimed at supporting sustainable development as well as effective, ongoing improvements in the environment. The measures initiated are aligned with the Paris Agreement and the federal government's current energy and emission reduction targets. Based on clear targets, the steps taken are measured and communicated to stakeholders and investors in transparent reports.

Sustainable portfolio development is a top priority, particularly at the property level. To adequately take this relevance into account, the Fund Management Company assesses various certification systems in terms of effort, costs and acceptance on the market. One of those is the "Buildings in Use" system offered by DGNB/SGNI. DGNB's certification system is specifically designed for properties in use and focuses on becoming climate neutral.

To understand the certification process, evaluation criteria and the main topics examined, Helvetica had one property from both the HSC Fund and the HSL Fund certified. Both were granted Silver certification in February 2021. The use of photovoltaic systems is being reviewed to determine the portfolios' potential for sustainable power generation.

And going forward, only heating systems powered by renewable energies will be used whenever possible if the systems are scheduled for replacement or in the event of an emergency replacement. Additionally, studies were performed to assess the variants for all properties with heating systems in need of upgrading. This was done

with the goal of ensuring that properties undergo maintenance that is compliant with targets and systems and with an eye to modernization.

Helvetica is not only committed to measurably implementing sustainable development at the property level. The Fund Management Company is also a signatory of the PRI (Principles for Responsible Investment). As a signatory, it pledges to integrate its ESG criteria in every aspect of its investment activities and to present these in a transparent manner.

Dedicated information on the topic of sustainability can be found in Helvetica's first ESG report. This report will be published on April 5, 2022, and address the following topics in detail:

- How Helvetica handles ESG
- Materiality matrix – explanation of the main targets with respect to the material issues
- Issues and how Helvetica deals with them
- Planned standards
- Review – measures implemented in 2021
- Article by Helvetica regarding the United Nations Sustainable Development Goals
- Outlook for 2022

Following its initial publication, the overarching ESG report will be prepared once per year in accordance with the Global Reporting Initiative (GRI). The goal is to publish the first full-fledged GRI report in 2023.

To make Helvetica's fund portfolios comparable, the Fund Management Company is also working to prepare the reports in accordance with the GRESB standard. The funds' specific GRESB scores are to be presented for the first time in 2024.

Signatory of:



Annual financial statements as of December 31, 2021

The gross asset value has risen by 11 million Swiss francs year over year to 781 million Swiss francs and the value of the portfolio has increased slightly.

Since the focus in the 2021 financial year was on further development of the portfolio of existing properties, no transactions or capital increases took place during the year.

Calculated based on net income earned, return on equity at the end of the financial year remained stable at 5.55 percent (previous year: 5.58 percent). Calculated based on total income, however, return on equity amounted to 5.18 percent (previous year: 6.62 percent). The higher return on equity of the previous year is mainly the result of valuation gains generated through acquisitions. Since no acquisitions were made in 2021, no valuation gains arose through acquisitions.

Net asset value per fund unit amounted to 116.04 Swiss francs at the end of 2021, which corresponds to a return on investment of 5.42 percent after taking the distribution of profits of 5.10 Swiss francs for 2020 into consideration. Like the return on investment, the return on equity declined by 1.51 percentage points, from 6.93 percent in the previous year to 5.42 percent in the year under review, which can also be explained by the lack of valuation gains.

TER_{REF}GAV was reduced by 4 basis points to 0.95 percent compared to 0.99 percent in the previous year. The Fund Management Company is continuing its efforts to optimize the TER and has established an internal monitoring system to that end.

Balance Sheet

Gross asset value amounted to 781 million Swiss francs as of the reporting date. The fair market value of the properties rose by just under 6 million Swiss francs to end the period at 750 million Swiss francs (previous year: 744 million Swiss francs). Cash and cash equivalents increased by 3 million Swiss francs to 18 million Swiss francs compared to the previous year. Other assets declined by 2 million Swiss francs to 9 million Swiss francs compared to 11 million Swiss francs in 2020.

The slight portfolio appreciation of 6 million Swiss francs comprises gains of 4 million Swiss francs due to capitalized investment costs and investments as well as fair value adjustments of 2 million Swiss francs. Less liabilities of 258 million Swiss francs and liquidation taxes of 19 million Swiss francs, this results in net fund assets of 504 million Swiss francs. That corresponds to a change of 3.8 million Swiss francs over the previous year. At 31 percent, the debt financing ratio is minimally higher than in the previous year (30.5 percent).

Income Statement

Rental income of 42.0 million Swiss francs was posted in the financial year compared to 38.8 million Swiss francs in the previous year. That corresponds to an increase of 8.2 percent.

This increase can be explained by the acquisitions made in 2020, which were now recognized in profit or loss for the first time for the entire one-year period under review. All in all, expenses of 15.1 million Swiss francs were incurred, which corresponds to a year-over-year increase of 4.2 million Swiss francs. The 1.5 million Swiss franc increase in expenses for maintenance and repairs as well as the 1.2 million Swiss franc increase in expenses for property management were particularly significant. With respect to the fair value adjustment of 2 million Swiss francs mentioned above, an appreciation of 1.8 million Swiss francs and "unrealized gains on marketable securities" of 0.2 million Swiss francs were recognized for the portfolio under "unrealized capital gains" in the income statement, whereas appreciation gains of 8.7 million Swiss francs were realized for the portfolio in the same period of the previous year.

Balance Sheet

in CHF

Assets	Notes	12/31/2021	12/31/2020
Cash, post and bank deposits on sight including fiduciary investments with third-party banks		18 333 517	15 289 603
Land/buildings			
Commercially used properties	1	749 757 000	743 946 000
Total for land/buildings		749 757 000	743 946 000
Units of other real estate funds and shares in real estate investment companies	1	3 895 469	0
Other assets		9 334 918	10 896 061
Gross asset value		781 320 903	770 131 664
Liabilities			
Current liabilities			
Short-term interest-bearing mortgages and other mortgage-backed liabilities	8	-205 250 000	-189 700 000
Other current liabilities		-15 944 177	-16 752 242
Total current liabilities		-221 194 177	-206 452 242
Non-current liabilities			
Long-term interest-bearing mortgages and other mortgage-backed liabilities	7, 8	-27 500 000	-37 050 000
Other non-current liabilities		-9 425 000	-11 474 307
Total non-current liabilities		-36 925 000	-48 524 307
Total liabilities		-258 119 177	-254 976 549
Net fund assets before estimated liquidation taxes		523 201 726	515 155 114
Estimated liquidation taxes		-19 257 506	-14 970 834
Net fund assets		503 944 221	500 184 280
Further Information			
Number of outstanding units			
Number of units at the start of the reporting period		4 342 851	4 342 851
Issued units		0	0
Redeemed units		0	0
Number of units at the end of the reporting period		4 342 851	4 342 851
Net asset value per unit at the end of the reporting period		116.04	115.17
Change in net fund assets			
Net fund assets at the start of the reporting period		500 184 280	489 475 302
Distribution of earnings subject to withholding tax	12, 16	-3 995 423	-8 121 131
Fund capital repayment exempt from withholding tax	12, 16	-18 153 117	-13 593 124
Total profit		25 908 481	32 423 233
Net fund assets at the end of the reporting period		503 944 221	500 184 280

Income Statement

in CHF

Income	Notes	01/01/ – 12/31/2021	01/01/ – 12/31/2020
Negative interest rate		-1 079	-1 926
Rental income		41 922 305	38 728 685
Income from ground rent		113 388	113 388
Other income		783 585	365 452
Total income		42 818 199	39 205 599
Expenses			
Mortgage interest and interest from mortgage-backed liabilities		-868 118	-872 920
Ground rent		-244 733	-246 267
Maintenance and repairs		-2 873 069	-1 343 810
Property management			
Property expenses		-1 760 601	-949 565
Administrative expenses		-1 059 512	-634 397
Taxes			
Property tax		-509 082	-302 250
Profit and capital tax		-219 567	-216 106
Evaluation and auditing expenses		-309 919	-304 282
Regulatory fees to:			
the Fund Management Company	11	-5 409 353	-4 959 091
the custodian bank	11	-231 434	-297 690
property management	11	-1 161 929	-1 015 014
the market maker	11	-50 000	-50 000
Other expenses		-380 258	-702 640
Total expenses		-15 077 576	-11 894 031
Profit			
Net income		27 740 622	27 311 568
Realized capital gains		490 112	0
Realized profit		28 230 735	27 311 568
Unrealized capital gains		1 964 417	8 663 770
Change in liquidation taxes		-4 286 672	-3 552 105
Total profit		25 908 481	32 423 233
Profit appropriation			
Net income for the financial year		27 740 622	27 311 568
Capital gains for distribution in the financial year		490 112	0
Capital gains for distribution in previous financial years		0	0
Balance carried forward from previous year	16	16 264 101	11 101 072
Profit available for distribution		44 494 836	38 412 641
Profit intended for distribution to investors	12, 16	3 722 453	3 995 423
Capital gain intended for distribution to investors	12, 16	490 112	0
Transfer to retained earnings	12, 16	18 804 545	18 153 117
Income retained for reinvestment		0	0
Balance to be carried forward		21 477 726	16 264 101
Fund capital repayment intended for distribution to investors	12, 16	18 804 545	18 153 117
Total distribution to investors		23 017 110	22 148 540

Notes

1. Inventory

Inventories of the properties

City, address	Ownership situation	Total rental space in square meters	Land/building area in square meters	Year built	Date of most recent comprehensive renovation	Date of initial ownership
Commercially used properties						
Altendorf, Zürcherstrasse 104	Sole ownership	8 139	2 435	1991		07/01/2018
Arbon, St. Gallerstrasse 15	Sole ownership	9 870	7 460	1993		11/01/2018
Arbon, Industriestrasse 23	Sole ownership	22 451	34 912	1970, 1989, 1992, 2000		07/01/2020
Arlesheim, Fabrikmattenweg 2/4	Leasehold	4 834	3 716	1990	2012	07/01/2018
Baar, Oberdorfstrasse 2–8d	Condominium ownership	4 050	11 492	1983		07/01/2018
Bischofszell, Industriestrasse 6	Sole ownership	23 741	16 700	1938, 1953, 1956, 1969	2016, 2017	10/01/2019
Cham, Brunnmatt 14	Sole ownership	4 699	3 807	2003		11/01/2017
Chiasso, Via Livio 1 / Via Motta 24	Condominium ownership	4 182	1 874	1995		07/01/2018
Dättwil AG, Täferstrasse 3/5	Sole ownership	5 721	4 090	2002		10/01/2017
Dietikon, Riedstrasse 1	Sole ownership	11 294	7 717	1980, 1998	2006	12/15/2016
Frauenfeld, Zürcherstrasse 331/333	Sole ownership	4 335	6 992	1967, 2010	2010	01/01/2020
Frauenfeld, Zürcherstrasse 370	Sole ownership	735	15 180	2017		01/01/2020
Fribourg, Route du Jura 37	Sole ownership	9 525	3 505	1994		10/01/2020
Glattbrugg, Europa-Strasse 19	Sole ownership	6 610	3 897	1961	1991	06/01/2018
Goldach, Blumenfeldstrasse 16	Sole ownership	12 139	13 320	1983, 1988, 1950		07/01/2017
Gwatt (Thun), Schorenstrasse 39	Leasehold	24 565	18 720	2011		10/01/2019
Ittigen, Schermenwaldstrasse 13	Leasehold	6 593	4 400	1989	2017	09/01/2019
Lyssach, Bernstrasse 35	Sole ownership	7 540	7 100	2006	2019	09/01/2019
Montreux, Grand-Rue 3	Condominium ownership	4 150	5 897	2000		07/01/2018
Münchwilen TG, Murgtalstrasse 20	Sole ownership	12 761	10 407	1993	2020	12/15/2016
Rorschach, Industriestrasse 21/23	Sole ownership	8 261	6 287	1928	2009, 2010	01.01.2019
Rothenburg, Wahligenstrasse 4	Sole ownership	5 716	15 156	2013		02/01/2018
Schindellegi, Chaltenbodenstrasse 6a-f	Condominium ownership	12 033	6 667	1960, 2004, 2005	2015, 2017, 2021	03/01/2018
Sissach, Gelterkinderstrasse 30	Sole ownership	1 695	2 392	2006		07/01/2018
St. Gallen, Rorschacherstrasse 292/294	Sole ownership	7 607	3 289	1987, 1992		01/01/2017
Steinhausen, Turmstrasse 28 T2 / 30 T1	Sole ownership	8 241	2 568	2007		12/15/2016
Triengen, Kantonsstrasse 115, Grossfeld	Sole ownership	6 880	14 377	1993	2008	09/01/2019
Tuggen, Rüschenzopfstrasse 5	Sole ownership	12 575	8 753	1995		10/01/2018
Versoix, Route des Fayards 243	Sole ownership	7 326	12 748	2012		05/01/2020
Villars-sur-Glâne, Route de Villars 103–110	Sole ownership	9 555	16 094	2002, 2009	2017	05/01/2019
Wallisellen, Hertistrasse 23	Sole ownership	3 597	2 376	2002		05/01/2017
Winterthur, Stegackerstrasse 6	Sole ownership	4 000	3 407	1984	1990	05/02/2019
Winterthur, Stegackerstrasse 6a	Sole ownership	16 669	20 909	1984	2012	05/02/2019
Zürich, Max-Högger-Strasse 6	Sole ownership	8 944	3 574	1975	2020	05/01/2017
Zuzwil SG, Herbergstrasse 11	Sole ownership	7 170	5 101	1993, 1995		10/01/2017
Total for commercially used properties		308 203	307 319			
of which, under leasehold		35 992	26 836			
of which, condominium ownership		24 416	25 930			
COVID-19-related reductions in income						
Subtotal		308 203	307 319			
Secondary rental income						
Grand total for land/buildings		308 203	307 319			

The Fund owns 35 properties. The two properties in Winterthur are on adjacent plots and are counted as one plot of land on the basis of Art. 87 (1) of the Collective Investment Schemes Ordinance (CISO). As a result, the Fund owns 34 plots of land and buildings as of 12/31/2021 from a regulatory perspective.

Notes

Initial costs	Market value	Rental income (target), revenue- based rent, ground rent	Rent defaults	Rent defaults	Rental income (actual)	Gross target return	Occupancy rate
in CHF	in CHF	in CHF	in CHF	in percent	in CHF	in percent	in percent
28 172 904	28 900 000	1 605 751	-121 438	-7.56	1 484 313	5.55	92.7
40 496 094	39 180 000	2 483 116	-111 454	-4.49	2 371 662	6.31	97.5
26 219 618	26 710 000	1 458 953	-26 116	-1.79	1 432 838	5.49	99.6
13 911 786	12 590 000	1 000 975	0	0.00	1 000 975	7.97	100.0
23 135 312	22 880 000	1 163 195	-32 293	-2.78	1 130 902	4.99	94.3
18 247 283	18 440 000	1 212 213	-41 300	-3.41	1 170 913	6.57	99.6
14 582 821	14 830 000	883 429	-108 514	-12.28	774 916	5.98	86.7
9 730 788	10 210 000	710 922	-208 487	-29.33	502 435	7.14	88.5
18 607 660	18 790 000	1 153 823	-139 583	-12.10	1 014 239	6.15	88.6
36 210 660	37 410 000	2 103 535	-105 948	-5.04	1 997 587	5.61	93.0
13 313 594	13 180 000	753 430	0	0.00	753 430	5.72	100.0
4 276 630	5 305 000	286 609	0	0.00	286 609	5.40	100.0
32 486 395	35 870 000	2 172 475	-311 477	-14.34	1 860 998	6.03	70.8
13 012 403	13 900 000	934 826	-113 725	-12.17	821 101	6.70	87.5
13 112 148	11 920 000	892 567	-206 305	-23.11	686 261	7.78	62.8
44 048 812	49 810 000	3 796 701	-149 869	-3.95	3 646 832	7.56	100.0
28 086 364	26 680 000	1 633 431	0	0.00	1 633 431	6.12	100.0
24 158 959	27 700 000	1 634 276	-15 921	-0.97	1 618 355	5.91	98.5
25 930 172	26 600 000	1 284 754	-51 533	-4.01	1 233 221	4.83	99.9
13 805 352	10 480 000	1 226 465	-371 852	-30.32	854 613	11.72	71.0
13 269 600	14 110 000	714 587	-47 547	-6.65	667 040	5.09	92.7
19 025 131	17 570 000	1 497 387	0	0.00	1 497 387	8.54	100.0
32 338 571	26 630 000	1 818 851	-821 339	-45.16	997 513	7.00	66.8
4 576 793	4 263 000	345 466	-134 121	-38.82	211 345	8.15	100.0
16 132 805	15 080 000	1 000 001	0	0.00	1 000 001	6.83	100.0
30 588 289	39 270 000	2 125 648	-96 666	-4.55	2 028 982	5.36	91.0
17 040 842	17 720 000	989 500	0	0.00	989 500	5.58	100.0
13 965 487	14 340 000	731 753	0	0.00	731 753	5.10	100.0
28 875 906	31 210 000	1 430 200	0	0.00	1 430 200	4.78	100.0
31 691 181	31 510 000	1 801 667	0	0.00	1 801 667	5.68	100.0
8 770 200	9 116 000	628 566	-200 566	-31.91	428 000	4.70	100.0
8 622 548	9 623 000	575 995	-1 600	-0.28	574 395	6.01	98.3
17 658 922	19 930 000	799 783	0	0.00	799 783	4.02	100.0
29 975 686	36 290 000	2 008 422	-8 812	-0.44	1 999 610	5.47	99.6
11 625 484	11 710 000	700 151	-72 355	-10.33	627 797	6.06	96.4
725 703 200	749 757 000	45 559 422	-3 498 819	-7.68	42 060 602	6.06	93.1
86 046 963	89 080 000	6 431 107	-149 869	-2.33	6 281 238		
91 134 843	86 320 000	4 977 723	-1 113 652	-22.37	3 864 071		
			-339 741	-0.75	-339 741		
725 703 200	749 757 000	45 559 422	-3 838 560	-8.43	41 720 862		
					314 831		
725 703 200	749 757 000				42 035 693		

Inventory of units of other real estate funds and shares in real estate investment companies held

Units of other real estate funds and shares in real estate investment companies	Initial costs	Market value
All amounts stated in Swiss francs		
Grand total of units in other real estate funds	3 736 556	3 895 469

Investments

Measurement categories (amounts stated in Swiss francs)	12/31/2021	12/31/2020
Investments that are listed on a stock market or traded on another regulated market open to the public: valued at the prices paid in the primary market (Art. 88 para. 1 CISA); in accordance with Art. 84 para. 2a CISO-FINMA	3 895 469	0
Investments for which no prices are available pursuant to letter a: valued based on market-observed parameters; in accordance with Art. 84 para. 2b CISO-FINMA	0	0
Investments whose value is based on parameters that are not observable on the market, valued with suitable valuation models taking account of the current market circumstances; in accordance with Art. 84 para. 2c CISO-FINMA	749 757 000	743 946 000
Total investments	753 652 469	743 946 000

2. Real Estate Purchased and Sold**Purchased**

None

Sold

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

None

4. Participations in Real Estate Companies

All properties in the Fund are held by Helvetica Swiss Commercial AG. As of December 31, the Fund holds 100 percent of the share capital of Helvetica Swiss Commercial AG, headquartered in Zurich.

5. Rental Income per Tenant over 5 Percent

Tenant	Annual rent in percent
AMAG Automobil und Motoren AG	6.5
Total	6.5

6. Information Regarding Derivatives

The Fund does not use derivatives.

7. Non-current Liabilities by Due Date, Broken Down into Between One and Five Years or More Than Five Years

in CHF	12/31/2021	12/31/2020
1 to 5 years	27 500 000	37 050 000
> 5 years	0	0

Notes

8. Mortgages and Other Mortgage-backed Liabilities

Current Mortgages and Fixed Advances

Type	Interest rate	Amount in Swiss francs	Date of issue	Maturity
Fixed-rate mortgage	0.42 %	27 000 000	07/13/2020	07/14/2025
Fixed-rate mortgage	1.17 %	500 000	02/01/2016	02/10/2025
Fixed-rate mortgage	1.45 %	5 750 000	01/01/2017	12/31/2022
Fixed advance	1.15 %	3 800 000	07/01/2017	06/30/2022
Fixed advance	0.12 %	30 000 000	12/31/2021	03/31/2022
Fixed advance	0.29 %	17 500 000	12/31/2021	03/31/2022
Fixed advance	0.29 %	1 000 000	12/31/2021	03/31/2022
Fixed advance	0.29 %	20 000 000	12/31/2021	03/31/2022
Fixed advance	0.29 %	12 000 000	12/31/2021	03/31/2022
Fixed-rate mortgage	0.25 %	3 100 000	12/31/2021	03/31/2022
Fixed-rate mortgage	0.25 %	4 300 000	12/31/2021	03/31/2022
Fixed advance	0.09 %	31 800 000	11/26/2021	02/25/2022
Fixed advance	0.29 %	10 300 000	11/01/2021	01/31/2022
Fixed advance	0.29 %	12 500 000	12/31/2021	01/31/2022
Fixed advance	0.29 %	23 000 000	12/31/2021	01/31/2022
Fixed advance	0.29 %	12 600 000	12/31/2021	01/31/2022
Fixed advance	0.29 %	17 600 000	12/31/2021	01/31/2022
Total		232 750 000		

Matured Mortgages and Fixed Advances

Type	Interest rate	Amount in Swiss francs	Date of issue	Maturity
Fixed advance	0.49 %	20 000 000	09/02/2019	12/31/2021
Fixed advance	0.45 %	1 000 000	12/31/2019	12/31/2021
Fixed advance	0.65 %	17 625 000	12/15/2016	12/31/2021
Fixed advance	0.29 %	23 000 000	12/01/2021	12/31/2021
Fixed advance	0.29 %	12 500 000	12/01/2021	12/31/2021
Fixed advance	0.29 %	17 600 000	12/01/2021	12/31/2021
Fixed advance	0.29 %	12 600 000	12/01/2021	12/31/2021
Fixed advance	0.29 %	12 000 000	10/01/2021	12/31/2021
Fixed advance	0.12 %	30 000 000	10/01/2021	12/31/2021
Fixed-rate mortgage	0.25 %	3 100 000	10/01/2021	12/31/2021
Fixed-rate mortgage	0.25 %	4 300 000	10/01/2021	12/31/2021
Fixed advance	0.29 %	23 000 000	11/01/2021	11/30/2021
Fixed advance	0.29 %	12 500 000	11/01/2021	11/30/2021
Fixed advance	0.29 %	12 600 000	11/01/2021	11/30/2021
Fixed advance	0.29 %	17 600 000	11/01/2021	11/30/2021
Fixed advance	0.09 %	31 800 000	10/25/2021	11/25/2021
Fixed advance	0.29 %	12 500 000	10/01/2021	10/31/2021
Fixed advance	0.29 %	12 600 000	10/01/2021	10/31/2021
Fixed advance	0.29 %	23 000 000	10/01/2021	10/31/2021
Fixed advance	0.29 %	17 600 000	09/22/2021	10/31/2021
Fixed advance	0.29 %	10 300 000	08/01/2021	10/31/2021
Fixed advance	0.09 %	31 800 000	08/26/2021	10/25/2021
Fixed-rate mortgage	1.00 %	3 100 000	09/05/2021	09/30/2021
Fixed advance	0.29 %	12 500 000	09/01/2021	09/30/2021
Fixed advance	0.29 %	12 600 000	09/01/2021	09/30/2021
Fixed advance	0.29 %	23 000 000	09/01/2021	09/30/2021
Fixed advance	0.12 %	30 000 000	07/01/2021	09/30/2021
Fixed advance	0.29 %	12 000 000	07/01/2021	09/30/2021
Fixed-rate mortgage	1.00 %	4 300 000	06/30/2016	09/30/2021

Notes

Type	Interest rate	Amount in Swiss francs	Date of issue	Maturity
Fixed advance	0.29 %	17 600 000	08/29/2021	09/21/2021
Fixed advance	0.29 %	12 600 000	08/01/2021	08/31/2021
Fixed advance	0.29 %	12 500 000	07/01/2021	08/31/2021
Fixed advance	0.29 %	23 000 000	07/01/2021	08/31/2021
Fixed advance	0.29 %	17 600 000	07/29/2021	08/28/2021
Fixed advance	0.09 %	31 800 000	06/26/2021	08/25/2021
Fixed advance	0.29 %	12 600 000	07/01/2021	07/31/2021
Fixed advance	0.29 %	10 300 000	05/01/2021	07/31/2021
Fixed advance	0.29 %	17 600 000	06/29/2021	07/28/2021
Fixed advance	0.29 %	12 500 000	06/01/2021	06/30/2021
Fixed advance	0.29 %	12 600 000	06/01/2021	06/30/2021
Fixed advance	0.12 %	30 000 000	04/01/2021	06/30/2021
Fixed advance	0.29 %	23 000 000	04/01/2021	06/30/2021
Fixed advance	0.65 %	12 000 000	04/30/2018	06/30/2021
Fixed advance	0.29 %	17 600 000	05/27/2021	06/28/2021
Fixed advance	0.09 %	37 900 000	05/26/2021	06/25/2021
Fixed advance	0.29 %	12 500 000	05/01/2021	05/31/2021
Fixed advance	0.29 %	12 600 000	04/27/2021	05/31/2021
Fixed advance	0.29 %	17 600 000	04/27/2021	05/26/2021
Fixed advance	0.09 %	37 900 000	04/26/2021	05/25/2021
Fixed advance	0.29 %	12 500 000	04/01/2021	04/30/2021
Fixed advance	0.55 %	10 300 000	06/12/2018	04/30/2021
Fixed advance	0.29 %	17 600 000	03/26/2021	04/26/2021
Fixed advance	0.09 %	37 900 000	03/26/2021	04/25/2021
Fixed advance	0.29 %	12 500 000	03/01/2021	03/31/2021
Fixed advance	0.35 %	30 000 000	01/01/2021	03/31/2021
Fixed advance	0.29 %	23 000 000	01/01/2021	03/31/2021
Fixed advance	0.09 %	37 900 000	02/26/2021	03/25/2021
Fixed advance	0.29 %	17 600 000	02/26/2021	03/25/2021
Fixed advance	0.29 %	12 500 000	02/01/2021	02/28/2021
Fixed advance	0.09 %	37 900 000	01/29/2021	02/25/2021
Fixed advance	0.29 %	17 600 000	01/26/2021	02/25/2021
Fixed advance	0.29 %	12 500 000	01/01/2021	01/31/2021
Fixed advance	0.09 %	37 900 000	12/30/2020	01/28/2021
Fixed advance	0.29 %	17 600 000	12/24/2020	01/25/2021

9. Fees and Incidental Costs Charged to the Investors

Remuneration	Maximum rates	Actual rates 2021	Actual rates 2020	Basis
Issuing commission on units	3.00 %	–	–	Net asset value of units
Redemption commission on units	1.50 %	–	–	Net asset value of units

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

Remuneration	Maximum rates	Actual rates 2021	Actual rates 2020	Basis
Premium to NAV	2.50 %	–	–	Net asset value of units
Discount to NAV	1.50 %	–	–	Net asset value of units

11. Fees and Incidental Costs Charged to the Fund

Remuneration	Maximum rates	Actual rates 2021	Actual rates 2020	Basis
Remuneration to the Fund Management Company				
Management fee	1.00 %	0.70 %	0.70 %	Gross asset value
Purchase/sales compensation	1.50 %	–	1.50 %	Purchase/sale price
Building and renovation fee	3.00 %	2.83 %	–	Construction costs
Property management	5.00 %	–	–	Gross rental income
Remuneration to Third Parties				
Remuneration to custodian bank (custodian bank commission)	0.05 %	0.05 %	0.05 %	Net asset value of units
Remuneration to custodian bank (distribution commission)	0.25 %	0.02 %	0.25 %	Gross distribution amount
Market Maker	–	50 000 Swiss francs	50 000 Swiss francs	Flat amount of 12 500 Swiss francs per quarter
Remuneration to property managers	5.00 %	2.77 %	2.62 %	Gross rental income

12. Distribution of Profits

For the financial year ending December 31, 2021, a total amount of 23.0 million Swiss francs will be distributed, representing 5.30 Swiss francs per unit and a distribution yield on the unit price of 4.6 percent. The payout ratio is 83.0 percent. The distribution of profits comprises a distribution of earnings in the amount of 4.2 million Swiss francs that is subject to withholding tax and a withholding tax-exempt fund capital repayment of 18.8 million Swiss francs. The ex-date is April 27, 2022, and the payout will take place on April 29, 2022.

On April 27, 2021, a distribution of profits was made in the amount of 22.1 million Swiss francs (5.10 Swiss francs per unit), which comprised a distribution of earnings in the amount of 4.0 million Swiss francs that is subject to withholding tax and a withholding tax-exempt fund capital repayment of 18.1 million Swiss francs.

13. Information Regarding the COVID-19 Pandemic

The assets in the Fund proved resilient during the COVID-19 crisis. The Fund, which still has nearly no exposure in the catering and tourism industry, had about one-third of its target rental income directly impacted by COVID-19 measures in the first half of 2021, as was also the case in the spring lockdown of 2020.

The Fund Management Company had estimated the amount of rent at risk of default at around 0.9 million Swiss francs. This estimate was too high. An amount of 0.3 million Swiss francs was charged to the income statement in 2021 under rental income as a reduction in income. The rent reductions granted in 2021 amounted to some 1 percent of the Fund's target rental income; no rents were waived in full. Another positive aspect is the fact that, to date, no tenants have declared bankruptcy and no legal disputes have arisen in connection with COVID-19. What's more, no increase in uncertainties were disclosed in the independent real estate valuer's report.

14. Events After the Balance Sheet Date

None

15. Further Information (Art. 95 CISO-FINMA)

Amounts in Swiss francs	12/31/2021	12/31/2020
Balance of the depreciation account of the land/buildings	0	0
Balance of the provision account for future repairs	0	0
Balance of the account for reinvestment of retained earnings	0	0
Number of units redeemed as of the end of the next financial year	0	0

Land/buildings were only depreciated and provisions made for repairs and maintenance (R&M) at the level of Helvetica Swiss Commercial AG. Since this depreciation and these provisions are not in line with the market value principle under CISA, neither of these items is posted at the real estate fund level and they are recognized in neither the balance sheet nor the real estate fund's income statement. The table below shows the balance of the depreciation or provision account for tax purposes at the subsidiary or Fund level:

Amounts in Swiss francs	12/31/2021	12/31/2020	Change
Balance of the depreciation account of the land/buildings (tax-motivated, subsidiary level)	100 522 566	76 745 870	23 776 696
Balance of the depreciation account of the land/buildings (Fund level)	0	0	0
Balance of the provision account for future repairs (tax-motivated, subsidiary level)	3 807 149	3 743 891	63 258
Balance of the provision account for future repairs (Fund level)	0	0	0

16. Clarification of the Distribution of Profit Approach

In accordance with SFTA Circulars 24 and 25, the distributions must now be broken down into and disclosed as distributions of earnings subject to withholding tax and fund capital repayments exempt from withholding tax.

Consequently, these items were added to the change in net fund assets on the balance sheet for both the current and previous year. As shown below, this matter has no impact on net fund assets.

As a result, the income statement now shows a distinction between distributions of earnings subject to withholding tax and fund capital repayments exempt from withholding tax.

Impact of these changes on the presentation for the reference period:

Balance Sheet	Previous presentation	Change	New presentation
Change in net fund assets			
Net fund assets as per 01/01/2020	489 475 302	–	489 475 302
Distribution of profits	-21 714 255	21 714 255	–
Distribution of earnings subject to withholding tax	-	-8 121 131	-8 121 131
Fund capital repayments exempt from withholding tax	-	-13 593 124	-13 593 124
Total profit	32 423 233	–	32 423 233
Net fund assets as per 12/31/2020	500 184 280	–	500 184 280

Income Statement	Previous presentation	Change	New presentation
Profit available for distribution	38 412 641	–	38 412 641
Profit intended for distribution to investors	22 148 540	-18 153 117	3 995 423
Transfer to retained earnings	–	18 153 117	18 153 117
Balance to be carried forward as of 12/31/2020	16 264 101	–	16 264 101

On April 27, 2021, a tax-optimized distribution of profits was paid out with one coupon subject to holding tax and one coupon exempt from holding tax. At present, this practice is not expressly provided for in the fund contract. To establish a transparent basis, the fund contract was amended accordingly subject to approval by the supervisory authorities. This does not have any impact on investors.

Principles Used for Valuation of the Fund Assets and for Calculating Net Asset Value

The net asset value of the real estate fund is calculated at the 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 unit issue.

The Fund Management Company mandates the independent valuation experts to re-evaluate the market value of the Fund's land/buildings at the end of each half-year period, each financial year and at each unit issue. With the supervisory authority's approval, the Fund Management Company mandates at least two natural or one corporate entity as independent valuation experts. Land/building inspections by the valuation experts must be repeated at least every three years. In the case of acquisitions or disposals of land/buildings, the fund management company has the land/buildings 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 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 unit's net value is based on the 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 units. The valuation of the Fund's land/buildings is performed according to the current SFAMA guidelines for real estate funds (AMAS). The valuation of undeveloped land and buildings under construction is based on the fair value principle. If the Fund Management Company has any buildings in progress that are to be reported at 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, 10 January 2022

Helvetica Swiss Commercial Fund
Independent real estate valuer's report
Valuation as at 31 December 2021

To the Executive Board of Helvetica Property Investors AG

Ref.
118583.2110

Commission

Wüest Partner AG (Wüest Partner) was commissioned by the Fund Management to perform a valuation, for accounting purposes, of the 35 properties held by Helvetica Swiss Commercial Fund as at 31 December 2021 (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 Commercial Fund's liabilities in respect of taxation (apart from ordinary property taxes) and financing costs.

Valuation method

In valuing Helvetica Swiss Commercial Fund'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.

Wüest Partner AG
Alte Börse
Bleicherweg 5
8001 Zurich
Switzerland
T +41 44 289 90 00
wuestpartner.com
Regulated by RICS

1 / 3

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 2019 to 2021.

Results

A total of 35 investment properties were valued as at 31 December 2021. The market value of these properties on the valuation date is estimated by Wüest Partner to total 749,757,000 Swiss Francs.

In the property valuation, real discount rates between 3.20% and 4.30% were applied. Considering an inflation rate of 0.50% the nominal discount rates lie between 3.72% and 4.82%. Over the whole portfolio, the average of the discount rates – weighted by market value – is 3.68% in real terms and 4.20% in nominal terms.

Changes during reporting period

Within the review period from 1st January 2021 to 31 December 2021 no changes occurred.

Independence and confidentiality

The valuation of Helvetica Swiss Commercial Fund'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.

Zurich, 10 January 2021

Wüest Partner AG



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 October 2021.
- 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.
- 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

Short form report of the audit company

to the Board of Directors of the fund management company
Helvetica Property Investors AG, Zürich

Short form report on the financial statements

As audit company for collective investment schemes, we have audited the financial statements of the investment fund Helvetica Swiss Commercial Fund, which comprise the statement of net assets and the income statement, the statement on the appropriation of available earnings and the disclosure of the total costs as well as the supplemental disclosures in accordance with art. 89 para. 1 lit. b–h and art. 90 of the Swiss Collective Investment Schemes Act (CISA) (pages 5, 14–24 and 30–31 of the annual report) for the year ended 31 December 2021.

Responsibility of the fund management company's Board of Directors

The Board of Directors of the fund management company is responsible for the preparation of the financial statements in accordance with the requirements of the Swiss Collective Investment Schemes Act, the related ordinances as well as the investment fund agreement and the prospectus. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors of the fund management company is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Responsibility of the audit company for collective investment schemes

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the existence and effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit opinion

In our opinion, the financial statements for the year ended 31 December 2021 comply with the Swiss Collective Investment Schemes Act, the related ordinances as well as the investment fund agreement and the prospectus.

PricewaterhouseCoopers AG, Birchstrasse 160, Postfach, CH-8050 Zürich, Switzerland
Telefon: +41 58 792 44 00, Telefax: +41 58 792 44 10, www.pwc.ch

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Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (art. 11 AOA) and that there are no circumstances incompatible with our independence.

PricewaterhouseCoopers AG

Raffael Simone
Audit expert
Auditor in charge

Erik Ganz
Audit expert

Zürich, 14 March 2022



Organization of the Fund Management Company

Fund Management Company	Helvetica Property Investors AG, Brandschenkestrasse 47, Zurich
Executive Board	Hans R. Holdener, CEO and CIO a. i. Peter R. Vogel, CFO, Head of Finance and Corporate Services Salman Baday, Head Sales and Marketing Lucas Schlageter, Head Portfolio Management
Extended Management Board	Peer Kocur, Head Investment Management
Board of Directors	Dr. Hans Ueli Keller, Chairman Peter E. Bodmer, Deputy Chairman Herbert Kahlich, Member Theodor Härtsch, Member Dr. Franziska Blindow-Prettl, Member
Asset Manager	Helvetica Property Investors AG, Brandschenkestrasse 47, Zurich
Custodian Bank and Paying Agency	Bank J. Safra Sarasin, Elisabethenstrasse 62, Basel
Trade	SIX Swiss Exchange, Pfingstweidstrasse 110, Zurich
Auditors	PricewaterhouseCoopers AG, Birchstrasse 160, Zurich
Market Maker	Bank J. Safra Sarasin, Elisabethenstrasse 62, Basel
Accredited Valuation Experts	With the approval of the supervisory authority, the Fund Management Company has commissioned Wüest Partner AG in Zurich as the independent and permanent valuation expert. The main persons responsible are: Ivan Anton, Valuation Expert, Wüest Partner AG, Zurich Silvana Dardikman, Valuation Expert, Wüest Partner AG, Zurich
Property Management	Property management and technical maintenance are mainly delegated to H&B Real Estate AG and Privera AG. The precise duties to be performed are set out in separate agreements.

Further Information for Investors

Legal Disputes

There are no legal disputes of a material nature.

Compliance with Investment Restrictions

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

Information About Related-party Transactions

The Fund Management Company confirms that there were no transfers of property values to related parties or from related parties during the reporting period (Art. 63 para. 2 CISA and Art. 32, 32a, and 91a CISO and sect. 18 of the guidelines for the real estate funds of the Asset Management Association Switzerland AMAS (SFAMA Guidelines for Real Estate Funds) of April 2, 2008, version dated August 5, 2021).

Change in the Board of Directors

Franziska Blindow-Prettl joined the Board of Directors on November 1, 2021.

Hans R. Holdener stepped down from the Board of Directors on October 31, 2021.

Changes in Management

Hans R. Holdener took over as CEO on November 1, 2021; he simultaneously serves as CIO ad interim. He replaces Michael Müller, the previous CEO, who left the Management Board and the company on October 31, 2021.

The Management Board was expanded on November 1, 2021, and now includes Lucas Schlageter, Head Portfolio Management, and Salman Baday, Head Marketing and Sales, from the Extended Management Board.

Glossary

Premium

Difference between the current price of a fund unit and the net asset value (NAV), expressed as a percent.

Distribution yield

Gross income as a percentage of the price or, in the case of unlisted funds, as a percentage of the net asset value per fund unit.

Payout ratio

The payout ratio shows whether the distributions were generated through operations. Total payout is expressed as a percentage of net income.

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.

Debt financing ratio

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

Debt ratio

The debt ratio corresponds to debt capital as a share of the gross asset value in percent.

Weighted average unexpired lease term

The 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 weighted average unexpired lease term is reported in years. The following uses must be considered: office, hotel, retail, medical practices, restaurants and catering, warehouse, and other commercially used properties. Lease agreements with an indefinite term 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.

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.

Rental space

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

Rental income

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

Net asset value per unit

Value of fund properties plus other assets less debt financing and liquidation taxes, divided by the number of outstanding fund units.

Performance

The total return of a fund unit within a specific period of time, expressed as a percentage of the unit price at the start of the period under review.

Redemption price

This is equal to the net asset value calculated less expenses, deferred taxes, redemption-related commissions and liquidation costs, where applicable.

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 rental contracts are not taken into consideration.

Total Expense Ratio Real Estate Fund (TER_{REF})

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

Total net income

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

Market value

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.

Imprint

Publisher

Helvetica Property Investors AG
Peter R. Vogel
CFO, Head of Finance and Corporate Services
+41 43 544 70 80
prv@helvetica.com

Editing

Helvetica Property Investors AG

Do you have any questions? Please contact us.

Investor Relations

Hans R. Holdener
CEO
+41 43 544 70 80
hrh@helvetica.com

Salman Baday
Head Sales and Marketing
+41 43 544 70 80
sb@helvetica.com

Asset Management

Lucas Schlageter
Head Portfolio Management
+41 43 544 70 80
ls@helvetica.com

Investment Management

Peer Kocur
Head Investment Management
+41 43 544 70 80
pk@helvetica.com

Fund Management Company
Helvetica Property Investors AG
Brandschenkestrasse 47, CH 8002 Zurich
T + 41 43 544 70 80
Helvetica.com

Authorized and regulated by the Swiss Financial Market Supervisory Authority FINMA.