

2021 Annual Report

Helvetica Swiss Opportunity Fund

Real Estate Fund
under Swiss Law



Key Figures

246

**Gross asset value
(CHF million)**

Up 121 percent since 12/31/2020

234

**Property portfolio
(CHF million)**

Up 112 percent compared to
12/31/2020

12.8

**Target rental income
p.a. (CHF million)**

An increase of 110 percent
compared to 12/31/2020

96.7

**Occupancy rate
(%)**

Down slightly due to the acquisition

7.0

**Unexpired lease term
(years)**

1.3 years lower than on 12/31/2020
due to the acquisition

31.0

**Debt financing ratio
(%)**

An increase of 9.7 percentage
points

122.12

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

Increase of 15.4 percent since
12/31/2020 after taking the distribu-
tion of profits into consideration

5.3

**Gross actual return
(%)**

Reflects interesting portfolio of
special-purpose real estate

15.4

**Return on investment
(%)**

A substantial increase
of 3.6 percentage points
over 2020

5.0

**Distribution yield
(%)**

Slightly lower than 2020 due to a
higher NAV but still attractive

6.10

**Distribution per unit
(CHF)**

Distribution of profits increased
by 2 percent over 2020

123.00

**Price per unit
(CHF)**

Taking the distribution of profits into
consideration, corresponds to a per-
formance of 21.5 percent since
12/31/2020

Contents

Key Figures.....	2
Key Financial Figures	5
The Year in Brief.....	6
Portfolio Report.....	9
Sustainability.....	14
Annual financial statements as of December 31, 2021	15
Balance Sheet	16
Income Statement.....	17
Notes	18
Principles Used for Valuation of the Fund Assets and for Calculating Net Asset Value.....	26
Report of the Valuation Experts.....	27
Auditor's Report	30
Organization of the Fund Management Company.....	32
Further Information for Investors	33
Glossary.....	34
Imprint.....	35

Helvetica Swiss Opportunity Fund (HSO Fund)

Real Estate Fund under Swiss Law

Audited Annual Report as of December 31, 2021



Wädenswil, Steinacherstrasse 101

Key Financial Figures

Key Data		Notes	as of 12/31/2021	as of 12/31/2020
Securities number			43472505	43472505
Initiation date			11/29/2019	11/29/2019
Issued units	Quantity		500 000	750 000
Outstanding units	Quantity		1 250 000	750 000
Redeemed units	Quantity		0	0
Net asset value per unit	CHF		122.12	111.82
Weighted real discount rate	%		3.59	3.64
Balance Sheet			as of 12/31/2021	as of 12/31/2020
Fair market value of the properties	CHF	1	234 036 000	110 262 000
Gross asset value (GAV)	CHF		246 077 911	111 559 116
Debt financing ratio*	%		31.00	21.29
Debt ratio*	%		37.97	24.82
Residual term debt financing*	Years	8	0.21	0.54
Interest rate debt financing*	%	8	0.35	0.50
Net fund assets (NAV)	CHF		152 648 197	83 863 093
Income Statement			as of 12/31/2021	as of 12/31/2020
Rental income and income from ground rent	CHF		8 962 718	5 808 550
Net income	CHF		8 229 455	5 133 391
Rent default rate*	%	1, 14	—	6.20
Weighted average unexpired lease term (WAULT)*	Years		6.96	8.30
Maintenance and repairs	CHF		199 185	321 981
Operating profit margin*	%		78.31	74.22
Return and Performance			as of 12/31/2021	as of 12/31/2020
Distribution of profits	CHF	13	7 625 000	4 500 000
Distribution per unit	CHF	13	6.10	6.00
Distribution yield*	%	13	5.00	5.37
Payout ratio*	%	13	92.65	87.66
Return on equity (ROE)*	%		13.52	10.93
Return on invested capital (ROIC)*	%		8.96	9.64
Performance	%		21.53	4.90
Return on investment*	%		15.40	11.82
Price per unit	CHF		123.00	107.00
Premium/discount*	%		0.72	-4.31
Total expense ratio TER _{REF} GAV*	%		1.07	1.28
Total expense ratio TER _{REF} NAV	%		1.77	1.67
Total expense ratio TER _{REF} MV*	%		1.80	1.71

* 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 imputed rent default rate as of December 31, 2021, is negative (-0.1 percent) because reversals of overstated valuation adjustments resulted in earnings from collection losses. Including the rent reductions, the rent default rate would amount to 2.7 percent. If COVID-19-related rent reductions were also included in this figure, the rent default rate would be 4.7 percent.

The reference period for the key figures shown in the income statement and for return and performance figures extended from 11/29/2019 to 12/31/2020. The key figures were not annualized in the reference period.

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.

The Year in Brief

The growth strategy of the Helvetica Swiss Opportunity Fund is bearing fruit: The portfolio's market value more than doubled in the year under review from 110 million Swiss francs to 234 million Swiss francs.

One decisive factor behind this successful growth was the acquisition of a specialist retailer with five attractive properties for commercial use in Pratteln with a market value of around 86 million Swiss francs. The properties are in a very good location and have a solid tenant base and a high occupancy rate. The average lease term at the time of acquisition was 7.4 years.

In addition, the acquisition of a property in Buchs in the Canton of Zurich with a market value of 27.2 million Swiss francs and a land consolidation purchase in Sion in the Canton of Valais with a market value of 8.6 million Swiss francs also successfully contributed to growth. Two capital increases with a consolidated volume of 58 million Swiss francs were carried out to enable these acquisitions. The portfolio expansions made not only increases the Fund's level of diversification, but also its credit rating.

Active asset management also resulted in rental successes. An example of one of these successes is the full occupancy of the property at Rütliweg 9 in Pratteln. Other successful leasing activities are explained in the portfolio report.

Capital increases meet with strong demand from investors

Both capital increases carried out were significantly oversubscribed and successfully completed with issue proceeds of 27.7 million Swiss francs in May and 30.1 million Swiss francs in November. These succeeded in expanding the investor base once more. 250,000 new units were issued at a net issue price of 110.74 Swiss francs per unit in May. Another 250,000 units were issued in November at an issue price of 120.26 Swiss francs net per unit. As a result, there were 1,250,000 units outstanding at the end of the financial year.

Performance

Net asset value per unit rose from 111.82 Swiss francs to 122.16 Swiss francs in the past year. After adjustment for the distribution of profits for the 2020 financial year, this corresponds to a pleasing 15.4 percent return on investment. Additionally, the market price for the units rose from 107.00 Swiss francs to 123.00 Swiss francs. After adjustment for the distribution of profits of April 2021, this increase corresponds to a very strong performance of 21.5 percent. As the chart below clearly shows, it significantly outperformed the SXI Real Estate Funds Broad benchmark. Consequently, the Fund is being traded at a premium of 0.7 percent above the net asset value. Based on these good results, the second 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 6.00 to 6.10 Swiss francs per unit, which is equivalent to an increase of around 2 percent. This corresponds to a distribution yield of 5.0 percent.

Outlook

Further portfolio expansion is also planned in 2022. Several attractive properties are currently in the pipeline; their acquisition will boost the portfolio's quality substantially. Other goals include increasing the occupancy rate of the portfolio of existing properties and negotiating early lease extensions.

Further capital increases can be expected in the 2022 financial year that are aimed at advancing the Fund's growth strategy even further. The medium-term target is a portfolio size of around 400 million Swiss francs. The possibility of a listing on SIX Swiss Exchange is being examined in the interests of increasing liquidity and transparency as well as expanding the investor base.

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
HSO Fund	21.53%	1.65%	2.50%	21.53%	-	-	27.49%
Benchmark	7.32%	3.87%	0.83%	7.32%	-	-	20.92%



Portfolio Report

The Fund is still on a growth trajectory: Seven acquisitions were made to expand the existing portfolio, which was also continuously optimized through successful leasing activities. As of December 31, 2021, the portfolio comprised 11 premium properties with total rental space of around 82,085 square meters.

2021 proved to be a year of strong growth that was dominated by persistently high investor demand. During the period under review, the Fund acquired properties with a market value of around 119 million Swiss francs in Pratteln in the Canton of Baselland, in Buchs in the Canton of Zurich and in Sion in the Canton of Valais. The portfolio's market value amounted to 234 million Swiss francs on the reporting date; it had been increased by a total of around 112 percent, from 110 million Swiss francs to 234 million Swiss francs. During the same period, the market value of the existing property portfolio increased by 1.6 percent or 1.8 million Swiss francs, from 110.2 million Swiss francs at the end of 2020 to 112 million Swiss francs. This increase was attributable to investments made in the portfolio properties of 0.7 million Swiss francs, a slight 0.05 percentage point reduction in the discount rates from 3.64 percent to 3.59 percent as well as successful leasing activities.

The geographical breakdown of the properties shows a focus on the Zurich region, which accounts for 41 percent of the market value, as well as Northwestern Switzerland at 37 percent. The remaining 22 percent are located in Southern Switzerland. For more information, please refer to the chart entitled "Geographical distribution".

Target rental income according to main use is comprised of retail, which accounts for 39 percent, followed by commercial and office spaces, which account for 43 percent together. The remaining 18 percent relate to education, parking and miscellaneous uses. For more information, please refer to the chart entitled "Rental Income According to Main Use".

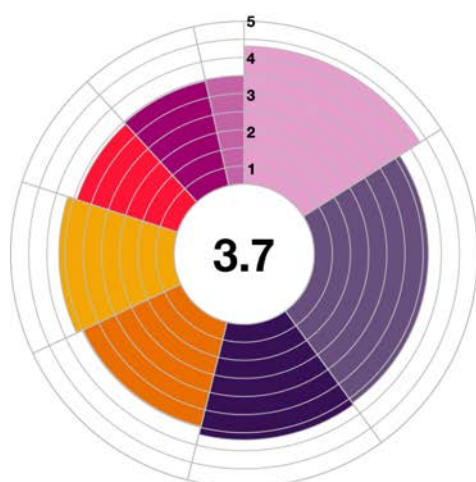
According to Wüest Partner, the quality profile at the end of the financial year is attractive with an overall score of 3.7. The overall score at the end of the previous year had been 3.8. This is due to the lower quality of the property on the property acquired in Buchs in the Canton of Zurich. The goal is to make targeted investments to improve the quality of the property in the medium term and improve its lettable in the process. For more information, please see the chart provided below entitled "Quality Profile".

The weighted average unexpired lease term declined from 8.3 to 7.0 years in the period under review. This was mainly due to strong acquisition-based growth in the portfolio as well as the fact that lease end dates are coming closer. The precise breakdown of unexpired lease terms can be found in the chart on the next page.

Compared to the end of the previous year, the occupancy rate of the total portfolio declined by 3.1 percentage points, from 99.0 percent to 95.9 percent, due to the acquisition of the properties in Pratteln in the Canton of Baselland mid-year. A vacant space over 1,800 square meters in size was leased to a new tenant in the second half of the year with a lease term of 10 years. This caused the occupancy rate to increase by another 0.8 percent to 96.7 percent.

Actual rental income for the year as of the cut-off date of the report was increased from 6.1 million Swiss francs (rounded) at the end of the previous year to 12.4 million Swiss francs. Gross actual return declined slightly from 5.5 percent in the previous year to 5.3 percent in the year under review due to the portfolio's rising market value and the slightly lower occupancy rate.

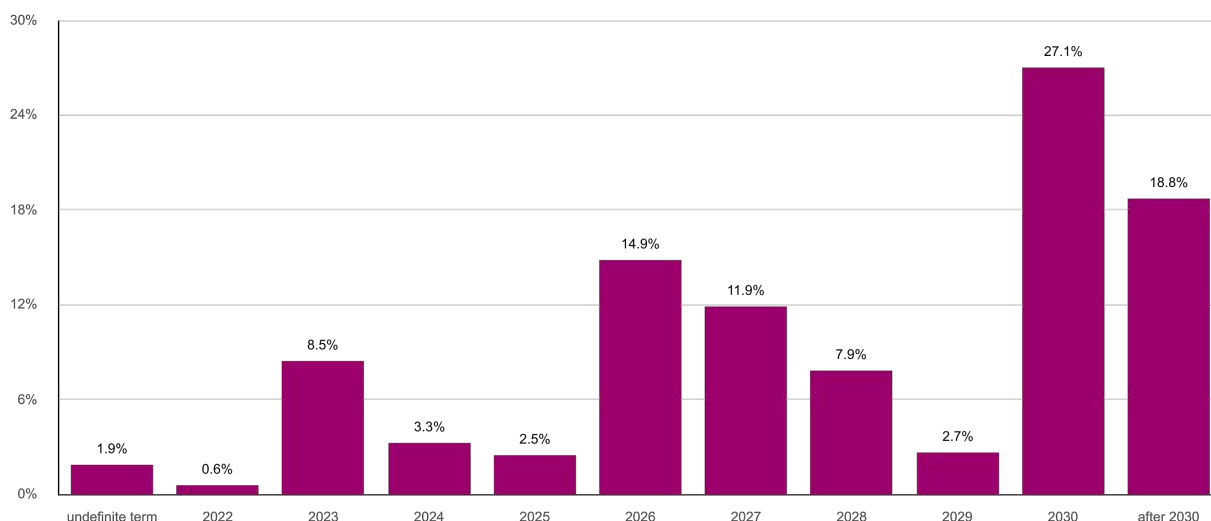
Quality Profile



	Grade	Weighting
Overall rating	3.7	
Location	4.0	40
Macro-location	4.3	40
Micro-location	3.6	60
Property	3.6	40
Usability	3.7	35
Standard	3.5	35
Condition	3.7	30
Investment	3.4	20
Lettability	3.4	41
Saleability	3.5	41
Income risk	3.5	17

Note: 1 = lowest score, 5 = best score

Breakdown of the Weighted Average Unexpired Lease Terms



Portfolio Outlook

The focus for the current year will be on further portfolio expansion in line with the investment strategy as well as the targeted reletting of vacant rental space. Due to the tenant structure, which is mostly made up of single and large tenants, Asset Management will get in touch with the largest tenants in the portfolio by mid-year so it can respond quickly to changes in user requirements and extend leases ahead of schedule. Two properties in the Rütli Center in Pratteln in the Canton of Baselstadt will be added to a development project in the portfolio of properties over the next five years. To meet the requirements for this, the existing leasehold contract will be optimized

by the end of the current year. The planned investments of 1.2 million Swiss francs in the rest of the properties will help realize potential, which will increase the attractiveness of 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 will enable vacant space to be leased more quickly at more attractive terms and conditions.

The Fund Management Company anticipates that the occupancy rate for the existing property portfolio will increase slightly from 96.7 percent to around 97.2 percent in 2022.

Market Assessment

Demand for Swiss real estate investments remains high among investors and interest rates remain at a low level. While these two components should ensure that the transaction market remains competitive, Helvetica has already observed a reduction in related acquisition criteria for individual real estate investors.

On the rise since early 2021, the transaction volume stabilized at a high level toward the end of the year. Whereas the properties offered differed quite a bit in terms of quality, those offered toward the end of the year were of a higher quality. This was accompanied by an enormous surge in owners' price expectations. Acquisitions were approached very selectively in the year under review and great care was taken to improve the portfolio's quality. The Fund Management Company's goal is to achieve a consistent increase in the portfolio's key figures. In addition to third-party usability and flexibly real estate uses, for example, it also strives to ensure good location quality and high tenant creditworthiness.

Acquisitions

Based on the applicable investment guidelines and the high-quality requirements that the Fund Management Company considers when making acquisitions, seven properties were added to the portfolio during the period under review. Six properties were integrated into the portfolio as independent properties. The land consolidation project expanded the existing property in Sion. The first transaction of the year was conducted using the issue proceeds from the first capital increase. The Fund acquired a joint stock company with a total of five properties in Pratteln on May 21. Four of these properties have a total of around 30,100 square meters of commercial, industrial and retail space. These four properties have a total value of 81.5 million Swiss francs and will generate target rental income of 5.2 million Swiss francs per year. The fifth property is a gas station with a store and car wash; it covers an area of around 3,400 square meters and has a market value of 4.8 million Swiss francs. The plot of land is a leasehold property currently held by the owner of the gas station. It generates ground rent of 0.2 million Swiss francs per year.

The Fund acquired two more properties in November following the capital increase. The first is a logistics property with offices in Buchs (ZH) with a rental space of around 11,600 square meters and a market value of 27.2 million Swiss francs. The target rental income is 1.4 million Swiss francs and the property will generate income for the Fund from January 1, 2022, onwards. The second property relates to the land consolidation purchase in Sion. Two floors of office space with condominium ownership were purchased within the scope of this transaction. The acquisition increases the share of condominium ownership from 70 percent to 85 percent. This additional investment increases the rental space from around 10,600 square meters to around 12,600 square meters. The target rental income of this property amounts to 2.5 million Swiss francs and income will be recognized from January 1, 2022, onwards. A market value of 8.5 million Swiss francs will flow into the Fund, which increases the volume of the property in Sion to 50.5 million Swiss francs.

Successful Leasing Activities

During the reporting period, the following asset management achievements made a special contribution to the results of the Fund:

Rümlang, Hofwissenstrasse 48

Early lease extensions are an effective way of guaranteeing the portfolio's stability and boosting the property's attractiveness in investors' eyes. This is precisely what happened with an existing tenant, whose lease for an approximately 1,080 square meter commercial space was extended early for another five years until December 31, 2028. The net rent comes to 150,000 Swiss francs per year.

Schaffhausen, Industriestrasse 2b

A tenant in Schaffhausen also signed an early lease extension for another two years, from September 30, 2027, to September 30, 2029. One factor behind this lease extension is the trusting business relationship that exists, as the tenant was granted a rent reduction in connection with the second lockdown in the spring of 2021. In the long term, this more than compensates for the short-term rental losses that occurred.

Pratteln, Rütliweg 9

The property at the Rütli Center reached full occupancy for the first time on October 1. Lease extensions or new leases were concluded either at or above usual market conditions for a total of around 6,800 square meters in the second half of the year. An early extension agreement was reached with the anchor tenant of an approximately 3,800 square meter retail space; the lease now runs until December 31, 2028 and has three extension options. Another extension was successfully negotiated for the lease of a 980 square meter commercial space. The tenant extended the lease until December 31, 2028, with an option to extend it by another five years. A new

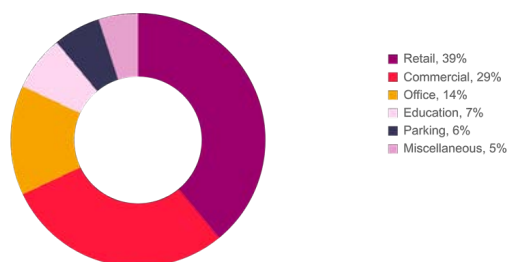
lease until November 30, 2031, with two extension options was also concluded at market conditions for an approximately 1,800 square meter display/retail space that ends on November 30, 2031; a new lease was also concluded for an approximately 160 square meter retail space until May 31, 2028.

Pratteln, Rütliweg 11

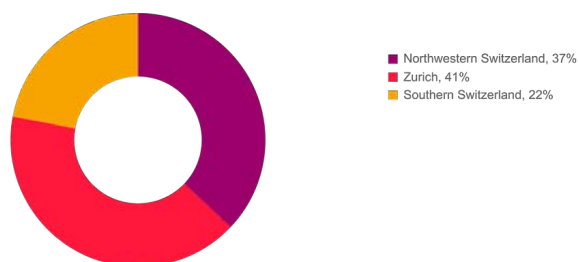
In this property, a new nine-year lease was concluded for 350 square meters of commercial and storage area; the lease expires on November 30, 2031 and has two extension options.

Rental Income According to Main Use

(Target rental income)

**Geographical Distribution**

(Market values)





Buchs in the Canton of Zurich, Furtbachstrasse 16–18

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 Fund Management Company carried out two more successful capital increases for the Fund and acquired seven properties. Gross asset value grew by 121 percent, from 112 million Swiss francs to 246 million Swiss francs.

Strong investor demand made it possible to raise nearly 58 million Swiss francs in additional funds through capital increases in the past financial year. The Fund's second-ever capital increase took place in June and generated 27.7 million Swiss francs, while the third capital increase of 30.1 million Swiss francs was completed in November. Both capital increases were oversubscribed, which underscores both the attractiveness of the Fund and the growth strategy embraced by the Fund Management Company.

Raising capital made it possible to purchase five properties in Pratteln, one property in Buchs in the Canton of Zurich and additional units in condominium ownership to consolidate the properties already owned in Sion. The portfolio now comprises 11 properties.

The Fund reported a net asset value of 122.12 Swiss francs per unit at the end of the year. Taking the distribution of profits for 2020 of 6.00 Swiss francs per unit into consideration, that corresponds to a year-over-year increase in the return on investment of 3.58 percentage points to 15.40 percent. The return on equity rose by 2.59 percentage points to 13.52 percent. The main factor behind the substantial increases seen in both key return indicators are appreciation gains in both existing and newly acquired properties. These were attributable to early lease extensions as well as substantial reductions in vacancies.

TER_{REF}GAV was reduced by 0.21 percentage points to 1.07 percent compared to 1.28 percent in the previous year. Helvetica expects to be able to reduce TER_{REF}GAV over the long term.

Balance Sheet

Gross asset value amounted to 246 million Swiss francs; the market values of the properties rose by 124 million Swiss francs, from 110 million Swiss francs in the previous year to 234 million Swiss francs. Cash and cash equivalents increased by 7 million Swiss francs and amounted to 8 million Swiss francs on the cut-off date. Units of other real estate funds and shares in real estate investment companies as well as other assets rose year over year, from 1 million Swiss francs to just under 4 million Swiss francs.

After deduction of liabilities in the amount of 79 million Swiss francs and liquidation taxes of 14 million Swiss francs, this results in net fund assets of 153 million Swiss francs on the balance sheet date compared to 84 million Swiss francs at the end of the previous year, which corresponds to an increase of 69 million Swiss francs.

The debt financing ratio amounts to 31.0 percent, which puts it below the limit of 50 percent stipulated in the fund contract; according to the exemption, this limit applies for the first five years from initiation.

Income Statement

A total of 9.0 million Swiss francs in rental income and income from ground rent were generated during the period under review; this represents a 3.2 million Swiss franc increase over the previous year. All in all, expenses of 3.9 million Swiss francs were incurred, which corresponds to a year-over-year increase of 1.8 million Swiss francs.

Across the entire portfolio, an additional 8.7 million Swiss francs were reported as appreciation gains under "unrealized capital gains". This item amounted to 13.2 million Swiss francs during the year under review compared to 4.5 million Swiss francs at the end of 2020. The properties that had already been held at the end of the previous year appreciated by around 1.3 million Swiss francs, while the valuation of the newly acquired properties rose by 11.9 million Swiss francs.

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		8 125 606	588 615
Properties			
Commercially used properties	1	234 036 000	110 262 000
Total properties		234 036 000	110 262 000
Units of other real estate funds and shares in real estate investment companies		2 541 000	0
Other assets		1 375 305	708 501
Gross asset value		246 077 911	111 559 116
Liabilities			
Current liabilities			
Short-term interest-bearing mortgages and other mortgage-backed liabilities	8	-72 560 000	-23 480 000
Other current liabilities		-6 431 009	-1 589 485
Total current liabilities		-78 991 009	-25 069 485
Total liabilities		-78 991 009	-25 069 485
Net fund assets before estimated liquidation taxes		167 086 902	86 489 631
Estimated liquidation taxes	9	-14 438 706	-2 626 538
Net fund assets		152 648 197	83 863 093
Further Information			
Number of outstanding units			
Number of units at the start of the reporting period		750 000	0
Issued units		500 000	750 000
Redeemed units		0	0
Number of units at the end of the reporting period		1 250 000	750 000
Net asset value per unit at the end of the reporting period		122.12	111.82
Change in net fund assets			
Net fund assets at the start of the reporting period		83 863 093	0
Distribution of earnings subject to withholding tax	13, 17	-502 500	0
Fund capital repayment exempt from withholding tax	13, 17	-3 997 500	0
Balance from trade in units		54 565 000	75 597 500
Total profit		18 720 103	8 265 593
Net fund assets at the end of the reporting period		152 648 197	83 863 093

Income Statement

in CHF

Income	Notes	01/01/ – 12/31/2021	11/29/2019 – 12/31/2020
Negative interest rate		-192	-12 559
Rental income		8 785 218	5 694 800
Income from ground rent		177 500	113 750
Other income		1 426 941	617 963
Participation in current income from unit issuance		1 777 500	815 000
Total income		12 166 967	7 228 954
Expenses			
Mortgage interest and interest from mortgage-backed liabilities		-333 297	-88 806
Other interest payable		0	-996
Ground rent		-593 377	-303 293
Maintenance and repairs		-199 185	-321 982
Property management			
Property expenses		-262 523	-111 839
Administrative expenses		-173 169	-17 723
Taxes			
Property tax		-58 000	-58 000
Profit and capital tax		-233 034	-149 502
Evaluation and auditing expenses		-154 751	-78 451
Regulatory fees to:			
the Fund Management Company	12	-1 218 449	-584 464
the custodian bank	12	-55 607	-32 200
property management	12	-258 554	-89 727
the market maker	12	-50 000	-70 000
Other expenses			
Other expenses		-347 568	-188 581
Total expenses		-3 937 512	-2 095 563
Profit			
Net income		8 229 455	5 133 392
Realized capital gains		0	0
Realized profit		8 229 455	5 133 392
Unrealized capital gains		13 226 020	4 470 053
Change in liquidation taxes		-2 735 372	-1 337 851
Total profit		18 720 103	8 265 594
Profit appropriation			
Net income for the financial year		8 229 455	5 133 391
Capital gains for distribution in the financial year		0	0
Capital gains for distribution in previous financial years		0	0
Balance carried forward from previous year	17	633 391	0
Profit available for distribution		8 862 846	5 133 391
Profit intended for distribution to investors	13, 17	2 237 500	502 500
Capital gain intended for distribution to investors		0	0
Transfer to retained earnings	13, 17	5 387 500	3 997 500
Income retained for reinvestment		0	0
Balance to be carried forward		1 237 846	633 391
Fund capital repayment intended for distribution to investors	13, 17	5 387 500	3 997 500
Total distribution to investors		7 625 000	4 500 000

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						
Buchs ZH, Furtbachstrasse 16/18	Sole ownership	11 578	8 210	1976, 1988, 2002	2019	12/15/2021
Pratteln, Krummeneichstrasse 39*	Sole ownership	3 401	3 401	1956		05/21/2021
Pratteln, Rütiweg 11/13	Leasehold	2 121	4 523	1973		05/21/2021
Pratteln, Rütiweg 5	Leasehold	2 850	10 417	1977		05/21/2021
Pratteln, Rütiweg 7	Leasehold	7 611	3 329	2016		05/21/2021
Pratteln, Rütiweg 9	Leasehold	17 521	9 949	1973	1997	05/21/2021
Rümlang, Hofwisenstrasse 48	Leasehold	4 161	9 372	1999		12/01/2019
Schaffhausen, Industriestrasse 2b	Condominium ownership	9 230	18 640	2016		12/12/2019
Schaffhausen, Solenbergstrasse 21	Sole ownership	5 885	9 746	2020		08/10/2020
Sion, Avenue du Midi 3 / Rue de la Dent-Blanche 12	Condominium ownership	12 614	3 717	1988		01/01/2020
Wädenswil-Au ZH, Steinacherstrasse 101	Sole ownership	5 114	7 661	1989	2020	12/01/2019
Total for commercially used properties		82 085	88 965			
of which, under leasehold		34 264	37 590			
of which, condominium ownership		21 843	22 357			
COVID-19-related reductions in income						
Subtotal		82 085	88 965			
Secondary rental income						
Grand total for land/buildings		82 085	88 965			

* Leasehold properties: Building rights have been granted for the plot at Krummeneichstrasse 39 and these have been entered as an easement in the land register.

The Fund owns 11 properties. The five properties in Pratteln are adjacent plots and are counted as one plot on the basis of Art. 87 (1) of the Collective Investment Schemes Ordinance (CISO). The commercial units acquired in Sion will be added to the existing property in Sion. As a result, the Fund owns seven properties as of 12/31/2021 from a regulatory perspective.

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
23 816 155	27 210 000	58 513	-13 096	-22.38	45 417	5.31	90.0
4 288 311	4 760 000	110 000	0	0.00	110 000	3.78	100.0
3 260 076	3 454 000	220 606	-116 302	-52.72	104 303	10.22	53.4
4 722 126	5 270 000	345 035	-12 699	-3.68	332 336	10.71	100.0
26 961 163	29 850 000	912 896	-29 965	-3.28	882 932	5.00	100.0
37 491 273	42 880 000	1 700 982	-16 597	-0.98	1 684 385	6.48	100.0
5 639 340	5 832 000	675 458	0	0.00	675 458	11.92	100.0
24 491 401	27 460 000	1 445 457	-70	-0.00	1 445 386	5.37	96.1
15 199 308	16 070 000	729 000	0	0.00	729 000	4.54	100.0
49 407 430	50 470 000	2 123 000	0	0.00	2 123 000	4.98	100.0
21 112 516	20 780 000	1 030 049	-62 390	-6.06	967 659	5.02	94.3
216 389 099	234 036 000	9 350 995	-251 119	-2.69	9 099 875	5.67	96.7
78 073 978	87 286 000	3 854 976	-175 563	-4.55	3 679 413		
73 898 831	77 930 000	3 568 457	-70	-0.00	3 568 387		
			-184 471	-1.97	-184 471		
216 389 099	234 036 000	9 350 995	-435 590	-4.66	8 915 405		
					47 313		
216 389 099	234 036 000				8 962 718		

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	2 508 000	2 541 000

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	2 541 000	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	234 036 000	110 262 000
Total investments	236 577 000	110 262 000

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

Address	Canton	Ownership situation	Legal transfer of ownership	Start of ownership (transfer of benefits and risks)
Pratteln, Rütiweg 5	Basel-Landschaft	Leasehold	Purchase of a company	05/21/2021
Pratteln, Rütiweg 7	Basel-Landschaft	Leasehold	Purchase of a company	05/21/2021
Pratteln, Rütiweg 9	Basel-Landschaft	Leasehold	Purchase of a company	05/21/2021
Pratteln, Rütiweg 11/13	Basel-Landschaft	Leasehold	Purchase of a company	05/21/2021
Pratteln, Krummeneichstrasse 39	Basel-Landschaft	Sole ownership	Purchase of a company	05/21/2021
Buchs ZH, Furtbachstrasse 16/18	Zurich	Sole ownership	12/15/2021	12/15/2021
Sion, Avenue du Midi 3 / Rue de la Dent-Blanche 12 (land consolidation)	Valais	Condominium ownership	12/20/2021	01/01/2022

The property in Pratteln was acquired through the purchase of a joint stock company (see also section 4. Participations in Real Estate Companies).

In Sion, units with condominium ownership were acquired to consolidate the portfolio of existing properties already held in Sion, Avenue du Midi 3. This acquisition is listed under the portfolio of existing properties as a result.

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

The properties in the Fund are either held by Helvetica Swiss Opportunity AG or Retail Center AG. As of December 31, the Fund holds 100 percent of the share capital of Helvetica Swiss Opportunity AG, based in Zurich, which in turn acquired 100 percent of the shares in Retail Center AG, based in Zurich, on the closing date of May 21, 2021.

Notes

5. Rental Income per Tenant over 5 Percent

Tenant	Annual rent in percent
Lipo Einrichtungsmärkte AG	17.7
Manor AG	17.3
Canton of Zurich	7.4
XLCH GmbH	6.5
NEXTPHARMA Logistics GmbH	5.9
Total	54.7

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	0	0
> 5 years	0	0

8. Mortgages and other mortgage-backed liabilities

Current Mortgages and Fixed Advances

Type	Interest rate	Amount in Swiss francs	Date of issue	Maturity
Fixed advance	0.44 %	11 600 000	12/31/2021	03/31/2022
Fixed advance	0.27 %	42 000 000	12/31/2021	03/31/2022
Fixed advance	0.46 %	8 560 000	12/30/2021	01/31/2022
Fixed advance	0.46 %	6 700 000	12/30/2021	01/31/2022
Fixed advance	0.46 %	3 700 000	12/30/2021	01/31/2022
Total		72 560 000		

Matured Mortgages and Fixed Advances

Type	Interest rate	Amount in Swiss francs	Date of issue	Maturity
Fixed-rate mortgage	0.55 %	11 600 000	02/25/2019	12/31/2021
Fixed advance	0.27 %	30 000 000	12/13/2021	12/31/2021
Fixed advance	0.27 %	12 000 000	10/26/2021	12/31/2021
Fixed advance	0.46 %	2 500 000	12/01/2021	12/29/2021
Fixed advance	0.46 %	4 960 000	12/01/2021	12/29/2021
Fixed advance	0.46 %	4 500 000	11/27/2021	12/29/2021
Fixed advance	0.46 %	2 500 000	11/01/2021	11/30/2021
Fixed advance	0.46 %	4 960 000	11/01/2021	11/30/2021
Fixed advance	0.46 %	4 500 000	11/01/2021	11/26/2021
Fixed advance	0.27 %	30 000 000	10/27/2021	11/12/2021
Fixed advance	0.46 %	2 500 000	10/01/2021	10/31/2021
Fixed advance	0.46 %	4 960 000	10/01/2021	10/31/2021
Fixed advance	0.46 %	4 500 000	10/01/2021	10/31/2021
Fixed advance	0.27 %	11 000 000	10/01/2021	10/26/2021
Fixed advance	0.90 %	31 000 000	10/26/2020	10/26/2021
Fixed advance	0.46 %	4 500 000	09/01/2021	09/30/2021
Fixed advance	0.46 %	2 500 000	09/01/2021	09/30/2021
Fixed advance	0.46 %	4 960 000	09/01/2021	09/30/2021
Fixed advance	0.27 %	8 627 500	06/30/2021	09/30/2021
Fixed advance	0.90 %	2 390 000	09/01/2018	09/30/2021

Notes

Type	Interest rate	Amount in Swiss francs	Date of issue	Maturity
Fixed advance	0.46 %	4 500 000	08/14/2021	08/31/2021
Fixed advance	0.46 %	2 500 000	08/03/2021	08/31/2021
Fixed advance	0.46 %	6 960 000	08/03/2021	08/31/2021
Fixed advance	0.46 %	2 680 000	08/03/2021	08/13/2021
Fixed advance	0.46 %	1 820 000	07/15/2021	08/13/2021
Fixed advance	0.46 %	5 700 000	08/01/2021	08/02/2021
Fixed advance	0.46 %	13 300 000	08/01/2021	08/02/2021
Fixed advance	0.46 %	3 200 000	08/01/2021	08/02/2021
Fixed advance	0.46 %	9 940 000	08/01/2021	08/02/2021
Fixed advance	0.46 %	9 940 000	07/01/2021	07/31/2021
Fixed advance	0.46 %	5 700 000	07/01/2021	07/31/2021
Fixed advance	0.46 %	3 200 000	07/01/2021	07/31/2021
Fixed advance	0.46 %	13 300 000	07/01/2021	07/31/2021
Fixed advance	0.46 %	1 820 000	07/01/2021	07/14/2021
Fixed advance	0.46 %	1 880 000	06/15/2021	06/30/2021
Fixed advance	0.46 %	9 940 000	06/01/2021	06/30/2021
Fixed advance	0.46 %	3 200 000	06/01/2021	06/30/2021
Fixed advance	0.46 %	5 700 000	05/21/2021	06/30/2021
Fixed advance	0.46 %	13 300 000	05/21/2021	06/30/2021
Fixed advance	0.90 %	13 250 000	07/01/2018	06/30/2021
Fixed advance	0.46 %	1 880 000	05/15/2021	06/14/2021
Fixed advance	0.46 %	9 940 000	05/01/2021	05/31/2021
Fixed advance	0.46 %	3 200 000	04/27/2021	05/31/2021
Fixed advance	0.46 %	1 880 000	04/15/2021	05/14/2021
Fixed advance	0.46 %	9 940 000	04/01/2021	04/30/2021
Fixed advance	0.46 %	1 880 000	04/01/2021	04/14/2021
Fixed advance	0.46 %	1 940 000	03/15/2021	03/31/2021
Fixed advance	0.46 %	9 940 000	03/01/2021	03/31/2021
Fixed advance	0.46 %	1 940 000	02/15/2021	03/14/2021
Fixed advance	0.46 %	9 940 000	02/01/2021	02/28/2021
Fixed advance	0.46 %	1 940 000	01/15/2021	02/14/2021
Fixed advance	0.46 %	9 940 000	01/01/2021	01/31/2021
Fixed advance	0.46 %	1 940 000	12/15/2020	01/14/2021

9. Estimated Liquidation Taxes

Liquidation taxes of 9.1 million Swiss francs were assumed in connection with the purchase of the properties in Prateln (acquisition of Retail Center AG), which is why there was a large increase in this item on the balance sheet. The liquidation taxes assumed were deducted in full from the purchase price paid.

10. Fees and Incidental Costs Charged to the Investors

Remuneration	Maximum rates	Actual rates	Actual rates	Basis
		2021	2020	
Issuing commission on units	3.00 %	1.75 %	1.50 %	Net asset value of units
Redemption commission on units	1.50 %	-	-	Net asset value of units

11. 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	Actual rates	Basis
		2021	2020	
Premium to NAV	2.50 %	0.75 %	0.25 %	Net asset value of units
Discount to NAV	1.50 %	-	-	Net asset value of units

Notes

12. 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 %	0.64 %*	Gross asset value
Purchase/sales compensation	3.00 %	2.26 %	2.07 %	Purchase/sale price
Building and renovation fee	4.00 %	3.48 %	-	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)	5 000 Swiss francs	5 000 Swiss francs	-	Flat amount of 5 000 Swiss francs per year
		50 000 Swiss francs	70 000 Swiss francs	Flat amount of 12,500 Swiss francs per quarter (2020 had a prolonged financial year and five quarters and also featured a setup fee of 7,500 Swiss francs)
Market Maker	-	-	-	
Remuneration to property managers	5.00 %	2.94 %	1.58 %	Gross rental income

* The effective rates were annualized according to the SFAMA's specialist information fact sheet "Key Data for Real Estate Funds" dated September 13, 2016 (calculated for a 12-month period). During the prolonged first financial year (13 months), an effective rate of 0.70 percent was charged.

13. Distribution of Profits

For the financial year ending December 31, 2021, a total amount of 7.6 million Swiss francs will be distributed, representing 6.10 Swiss francs per unit and a distribution yield on the unit price of 5.0 percent per unit. The payout ratio is 92.7 percent. The distribution of earnings comprises a distribution of earnings in the amount of 2.2 million Swiss francs that is subject to withholding tax and a withholding tax-exempt fund capital repayment of 5.4 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 4.5 million Swiss francs (6.00 Swiss francs per unit), which comprised a distribution of earnings in the amount of 0.5 million Swiss francs that is subject to withholding tax and a withholding tax-exempt fund capital repayment of 4.0 million Swiss francs.

14. Information Regarding the COVID-19 Pandemic

COVID-19-related rent defaults and provisions were estimated at 0.3 million Swiss francs at the start of the 2021 financial year. This amount proved to be too high. 0.2 million Swiss francs in rent reductions were granted in 2021.

The assets in the Fund proved resilient during the COVID-19 crisis, which also became apparent in the valuations. Excluding the newly acquired properties in Pratteln, Buchs and supplemental commercial units in Sion, tenants of the Fund representing some 50 percent of target rental income were directly impacted by the lockdown in the spring of 2021. This relatively high proportion is attributable to the property in Sion that had been acquired in the previous year, which has a large percentage of retail space. Since the properties in Pratteln, which also have a large percentage of retail space, were only acquired after the 2021 lockdown was lifted, the Fund does not have any significant losses to report in Pratteln.

The Fund benefits from the fact that most of the rental income from the non-food retail space affected comes from larger, corporate-style tenants with strong credit ratings. So far, there have not been any COVID-19-related tenant bankruptcies yet. Additionally, there are no legal disputes related to the COVID-19 pandemic.

15. Events After the Balance Sheet Date

None

16. 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 Opportunity AG and Retail Center 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)*	43 636 131	14 922 421	28 713 710
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)*	8 490 155	1 633 770	6 856 385
Balance of the provision account for future repairs (Fund level)	0	0	0

* Depreciation in the amount of 24.1 million Swiss francs and provisions in the amount of 5.2 million Swiss francs were assumed in connection with the purchase of Retail Center AG. For additional information regarding liquidation taxes, see section 9. Estimated Liquidation Taxes.

17. 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. This matter has no impact on net fund assets. No adjustments were needed for the previous year since the previous year was the first financial year.

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:

Income Statement	Previous presentation	Change	New presentation
Profit appropriation			
Profit available for distribution	5 133 391	–	5 133 391
Profit intended for distribution to investors	4 500 000	-3 997 500	502 500
Transfer to retained earnings	0	3 997 500	3 997 500
Balance to be carried forward 12/31/2020	633 391	–	633 391

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.

Limited comparability of the income statement

The period under review on the income statement of the previous year covered a prolonged financial year that extended from the Fund's creation on 11/29/2019 to 12/31/2020.

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 Opportunity Fund
Independent real estate valuer's report
Valuation as at 31 December 2021

To the Executive Board of Helvetica Property Investors AG

Ref.
118584.2110

Commission

Wüest Partner AG (Wüest Partner) was commissioned by the Fund Management to perform a valuation, for accounting purposes, of the 11 properties held by Helvetica Swiss Opportunity 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 Opportunity Fund's liabilities in respect of taxation (apart from ordinary property taxes) and financing costs.

Valuation method

In valuing Helvetica Swiss Opportunity 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

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 lettable 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 11 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 234,036,000 Swiss Francs.

In the property valuation, real discount rates between 3.25% and 4.30% were applied. Considering an inflation rate of 0.50% the nominal discount rates lie between 3.77% and 4.82%. Over the whole portfolio, the average of the discount rates – weighted by market value – is 3.59% in real terms and 4.10% in nominal terms.

Changes in the real estate portfolio

Within the review period from 1st January 2021 to 31 December 2021, the following changes occurred:

Acquired:

- 8107 Buchs, Furtbachstrasse 16/18;
- 4133 Pratteln, Rütiweg 9;
- 4133 Pratteln, Rütiweg 11/13;
- 4133 Pratteln, Krummeneichstrasse 39;
- 4133 Pratteln, Rütiweg 5;
- 4133 Pratteln, Rütiweg 7;
- 1950 Sion, Avenue du Midi 3 (condo-unit, resp. rounding off).

Independence and confidentiality

The valuation of Helvetica Swiss Opportunity 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.

Zürich, 10 January 2022

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 Opportunity 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, 16–26 and 32–33 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

PricewaterhouseCoopers AG is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.

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



3 Helvetica Property Investors AG | Short form report of the audit company to the Board of Directors

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
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. The precise duties to be performed are set out in separate agreements.

Further Information for Investors

Changes to Fund Contract

The fund contract was amended in 2021. The amendments were approved by FINMA on November 15, 2021 and entered into force on the same day.

Apart from purely formal or editorial changes, the amendments essentially comprise the following points in accordance with the publication dated October 11, 2021:

- Para. 1 Name, company name and registered office of the Fund Management Company and custodian bank

Sect. 5: At the request of the Fund Management Company and with the consent of the custodian bank, pursuant to Art. 10 para. 5 CISA, the supervisory authority has declared that the Fund is exempt from the following:

- (c): The limitation of exceptional approval for spreading investments over at least ten properties pursuant to Art. 87 para. 1 CISO will be extended incrementally from the current limit of three years to four years from the initiation date. Accordingly, para. 1 sect. 5 (c) reads as follows: "the obligation to spread their investments over at least ten properties pursuant to Art. 87 para. 1 CISO. As of December 31, 2022, investments must be spread over at least eight properties. As of December 31, 2023, investments must be spread over at least ten properties"

Furthermore, para. 1 sect. 5 will be supplemented with the following two exceptions ((d) and (e)):

- (d): the obligation pursuant to Art. 87 para. 2 CISO that the market value of a property may not exceed 25 percent of the Fund's assets. As of December 31, 2022, the market value of a property may not exceed 30 percent of the Fund's assets. As of December 31, 2023, the market value of a property may not exceed 25 percent of the Fund's assets.
- (e): the obligation pursuant to Art. 87 para. 3 (b) CISO that no more than 30 percent of the Fund's assets may be invested in leasehold land. This exception applies until December 31, 2022. After that date, no more than 30 percent of the Fund's assets may be invested in leasehold land.
- Para. 15 Spreading and limiting risk

The amendments and additions in para. 1 sect. 5 (exceptions pursuant to (c), (d) and (e)) were also included accordingly in para. 15.

- Para. 28 Applicable law and place of jurisdiction

The dates of approval, entry into force and signature will be adapted accordingly in para. 28 and following para. 28.

Legal Disputes

There are no legal disputes of a material nature.

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

During the reporting period, one transfer of real estate from related parties took place that was approved by FINMA (Art. 63 para. 2 CISA and Art. 32, 32a, and 91a CISO and sect. 18 of the guidelines for the real estate funds of 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 lettable 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.