

Annual Report 2022

Helvetica Swiss Living Fund

Real Estate Fund
under Swiss Law



Contents

Key Figures	5
Portfolio Management Report	6
Sustainability	13
Comment on the Financial Report.....	15
Balance Sheet.....	16
Income Statement	17
Notes.....	18
Report of the Valuation Experts	27
Auditor's Report.....	31
Organization.....	33
Information for Investors.....	34

Helvetica Swiss Living Fund (HSL Fund)

Real Estate Fund under Swiss Law

Audited Annual Report as of December 31, 2022

Valor Number: 49527566

Helvetica.com

This annual report is a translation of the German version.
In the event of any contradictions between the English and the German version, the German version shall prevail.



Oberer Quai 106-116, Biel

Key Figures

Key data		Notes	as of 31.12.2022	as of 31.12.2021
Securities number			49527566	49527566
ISIN			CH0495275668	CH0495275668
Initiation date			06.11.2019	06.11.2019
Issued shares	Number		1 096 924	1 371 155
Outstanding shares	Number		3 839 234	2 742 310
Redeemed shares	Number		-	-
Net asset value per share ¹⁾	CHF		116.37	113.31
Discount rate (real / nominal)	%		2.62 / 3.65	2.73 / 3.24
Balance Sheet			as of 31.12.2022	as of 31.12.2021
Fair market value of the properties	CHF	1	817 910 000	500 787 000
Gross Asset Value (GAV)	CHF		829 392 384	516 277 921
Debt ratio ²⁾	%		46.13	39.81
Residual term debt financing ²⁾	Years	8	0.10	0.10
Interest rate debt financing ²⁾	%	8	1.18	0.11
Net Asset Value (NAV) ¹⁾	CHF		446 764 806	310 741 745
Income statement			as of 31.12.2022	as of 31.12.2021
Rental Income	CHF		24 098 113	11 370 234
Net income	CHF		15 025 478	11 979 559
Maintenance and repairs	CHF		1 949 771	1 063 051
Target rental income p.a.	CHF		30 336 839	19 200 545
Gross target return	%		3.71	3.83
Gross actual return	%		3.53	3.65
Key financial figures AMAS²⁾			as of 31.12.2022	as of 31.12.2021
Return on investment	%		5.87	7.70
Distribution yield	%	12	3.05	2.94
Distribution per share	CHF	12	3.45	3.40
Payout-Ratio	%	12	88.15	77.83
Return on equity (ROE)	%		5.64	6.69
Return on invested capital (ROIC)	%		3.47	4.19
Premium/discount	%		-2.89	1.93
Share price per fund unit	CHF		113.00	115.50
Operating profit margin (EBIT margin)	%		62.00	68.41
Debt financing ratio	%		44.44	38.60
Rent default rate ³⁾	%	1	5.80	7.73
Total expense ratio TER _{REF} GAV	%		0.93	0.87
Total expense ratio TER _{REF} MV	%		1.63	1.45
Performance	%		2.77	11.59

¹⁾ Values as of 31.12.2020: net asset value per unit CHF 108.31 / net assets value (NAV) CHF 148 512 490.

²⁾ The key figures were calculated in accordance with the AMAS "Specialist information factsheet on the key figures of real state funds" dated 13.09.2016 (as of 31.05.2022).

³⁾ The rent default rate is 5.80 % as of the reporting date. If rent reductions were taken into account, the rent default rate would be 6.17 %.

Past performance is not a guarantee of future performance and does not take into account any commissions and costs charged on subscriptions and redemptions of units.

Portfolio Management Report

The HSL Fund has grown one of Switzerland's largest unlisted residential property funds. The portfolio of the Helvetica Swiss Living Fund experienced strong growth in the 2022 business year, with the portfolio's fair market value rising 63 percent year over year. The number of premium apartments grew to 1,838 as a result.

Summary Report

The Helvetica Swiss Living Fund is one of Switzerland's largest unlisted real estate funds with a focus on residential properties. The Fund grew by more than 63 percent year over year, from around 501 million Swiss francs to 818 million Swiss francs. Additional high-quality properties were purchased at good locations, at the right time and at attractive prices. The number of residential properties increased further to 62 compared to 41 in the previous year. Annualized rental income grew by 58 percent, from 18.3 million Swiss francs to 28.9 million Swiss francs. The first half of the year also saw the conclusion of a successful capital increase of 126 million Swiss francs. Strong investor demand resulted in oversubscription, underscoring the quality of the Fund. The issue proceeds were used to purchase 21 premium residential properties with over 660 apartments in good residential areas. These are located in the cantons of Aargau, Appenzell Ausserrhoden, Basel-Land, Basel-Stadt, Berne, Fribourg, Solothurn, St. Gallen and Zurich. They all have easy access to private and public transportation and are expected to see strong demographic development. Accordingly, the Fund has grown to 1,838 apartments at high-growth locations in Switzerland. Strong demand for housing can now be seen in the Fund's key figures. New rental agreements have been concluded for 338 apartments since the start of the year. 71 apartments still remain vacant which has raised the occupancy rate to 95.2 percent.

Market Report

The SWIIT index of listed real estate funds suffered a historic decline of around 15 percent in 2022, even despite the fact that Switzerland's economic prospects remain good. A decline of this magnitude is unprecedented in the history of the SWIIT index. As an unlisted

fund, the HSL Fund weathered this high level of volatility quite well, ending the year with a positive performance of 2.8 percent.

Looking back, this was an eventful year for the entire real estate sector in many ways. The first quarter was shaped by a competitive transaction market, which regularly propelled purchase prices to new highs. The market was also fueled by several large capital increases, which intensified the pressure to invest even further.

The Fund Management Company was not surprised when the Swiss National Bank raised the benchmark rate on June 17, 2022, by 50 basis points to minus 0.25 percent, heralding the end of the period of negative rates that began in 2015. Uncertainty began to smolder among sellers and competitors, only to be stoked up even further by rising inflation. As a result, price negotiations suddenly became possible again in the second half of the year, enabling us to purchase residential properties with a better location/return profile at more attractive conditions.

Anticipating this new situation at an early stage enabled us to incorporate correspondingly more cautious specifications in our investment policies and resulted in higher yield expectations for the investment properties. Thanks to robust data on the Swiss economy, a high level of immigration, declining construction activity and rising inflation, the Fund Management Company still expects the existing property portfolio to post stable performance.

The second half of the year found competitors still cautious about making purchases; that caution, combined with canceled or delayed capital increases as well as additional interest rate hikes by the SNB caused the transaction price trend to level off somewhat and there was even an upward shift observed in the yield spread. This trend was also visible in our own in-house transaction database.

Accordingly, this also enabled us to purchase several residential properties at good locations in the second half of the year with a total volume of around 75 million Swiss francs and an initial gross return of over 4 percent, something that had been considered rather difficult to achieve in the past few years. Several different assets were put on the market at the end of the year by sellers eager to make strategic disposals before the year was out. This pressure to sell combined with the general sense of caution helped make price negotiations and transactions with attractive returns possible again, something we used to our advantage.

Generally speaking, it can be said that there has been an upward correction in the return spread for all residential properties that fit the search criteria. High offers were still submitted for sustainable assets in almost new condition, however. By contrast, older assets in need of investment at bad locations were assessed more critically and offers were correspondingly lower.

The interest rate and market forecasts published by Helvetica in the first half of the year have been confirmed and the Fund Management Company took action at an early stage to take the new situation into account.

Price and Performance

Adjusted for distributions, the units have fallen 2.2 percent, from 115.50 Swiss francs to 113.00 Swiss francs. Taking the distribution of 3.40 Swiss francs paid out in the first half of the year for the 2021 business year into account, this is equivalent to a net performance of 2.8 percent. By comparison, the SXI Real Estate Funds Broad Index, benchmark declined 15.2 percent over the period. As the chart below shows, the HSL Fund outperformed the relevant benchmark yet again.

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
HSL Fund	2.77%	0.00%	0.00%	2.77%	20.93%	-	20.93%
Benchmark	-15.17%	1.48%	1.92%	-15.17%	0.89%	-	2.18%

Distribution and Asset Value Performance

The HSL Fund is once again an outperformer with a high distribution yield. Taking the distribution of 3.40 Swiss francs per unit for the 2021 reporting period into account, the Fund generated an exceedingly strong return on investment of 5.9 percent. Net asset value rose by 2.7 percent, from 113.31 Swiss francs to 116.37 Swiss francs per unit, in the period under review.

Real Estate Portfolio

The Fund's high-quality residential portfolio comprises 1,838 apartments with rent at the low 39th percentile and is spread out across regions and business centers around the country that are easily accessible and boast strong population growth. As a result, the long-term added value potential is remarkable.

A total of 21 attractive residential properties with 662 apartments and a fair market value of 308.5 million Swiss francs were added the portfolio during the period under review. These are located in the cantons of Aargau, Appenzell Ausserrhoden, Basel-Land, Basel-Stadt, Berne, Fribourg, Solothurn, St. Gallen and Zurich.

Over the same period, the fair market value of the existing portfolio excluding acquisitions rose by 1.7 percent, equivalent to around 8.7 million Swiss francs. This was attributable to a market-induced reduction in the discount rate of 0.11 percentage points, from 2.73 percent in real terms to 2.62 percent, as well as 0.2 million Swiss francs of capitalized investments. Including the latest acquisitions, the fair market value of the portfolio at year-end was around 818 million Swiss francs. The number of apartments rose to 1,838 compared to 1,176 at the end of the previous year, which is an increase of 56 percent.

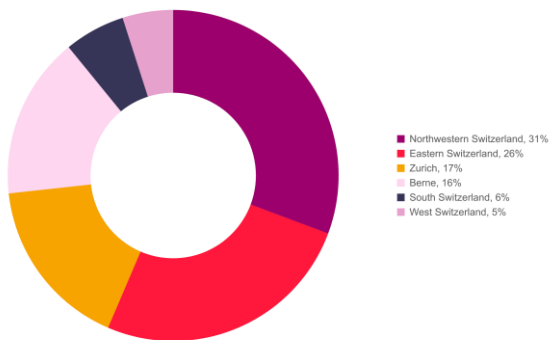
The geographical breakdown of the properties shows a focus on German-speaking Switzerland, which accounts for around 90 percent of the portfolio; half are in the economically robust regions of Northwestern Switzerland and Zurich, ensuring apartments will be easy to rent in the long-term.

The residential portion with related ancillary uses and parking spaces accounts for 95 percent of target rental income, emphasizing the purely residential nature of the Fund. According to Wüest Partner, the quality profile at the end of the business year remains attractive with an overall score of 3.5. The purchases made therefore support the quality of the portfolio.

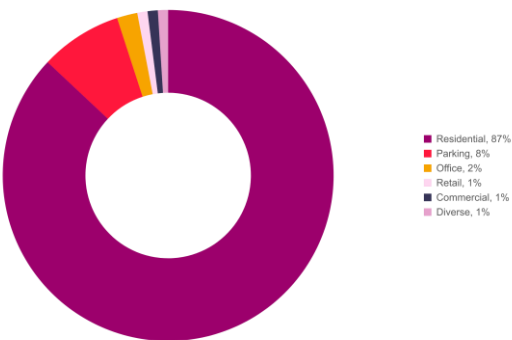
The portfolio's occupancy rate rose slightly by 0.1 percentage points, from 95.1 percent to 95.2 percent, compared to the end of the previous year. For the upcoming business year, the Fund Management Company expects to increase the occupancy rate to over 96 percent. Due to an expected increase in market rents, vacancy reductions will be used to tap into the rental potential offered by the apartments in question and boost the rental income generated in the existing portfolio even further. Actual rental income for the year as of the cut-off date of the report grew by 10.6 million Swiss francs, from 18.3 million Swiss francs at the end of the

previous year to around 28.9 million Swiss francs, particularly as a result of acquisitions. The gross actual return declined slightly from 3.7 percent at the end of the previous year to 3.5 percent. This was due to market-induced increase in transaction prices in the first half of the year as well as the increase in the fair market value of the existing portfolio following revaluation. This situation began to shift back into perspective in the second half of the year when returns started to rise again.

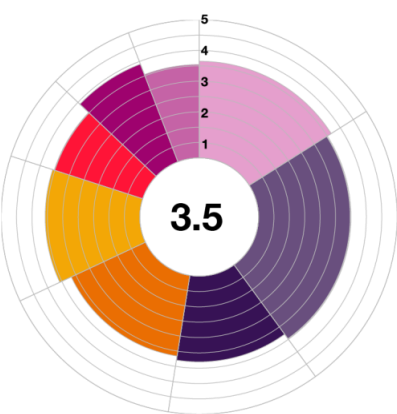
Geographical Distribution



Rental Income According to Main Use



Quality Profile



	Grade	Weighting
Overall rating	3.5	
Location	3.5	40
Macro-location	3.7	40
Micro-location	3.5	60
Property	3.3	40
Usability	3.3	31
Standard	3.2	39
Condition	3.6	30
Investment	3.7	20
Lettability	3.5	35
Saleability	3.9	35
Income risk	3.5	29

Note: 1 = lowest score, 5 = best score

Highlights of the Portfolio

Purchases

Until December 31, 2022, 21 premium properties were acquired at prime locations with 662 apartments and a fair market value of 308.5 million Swiss francs. These are located in the cantons of Aargau, Appenzell Ausser-rhoden, Basel-Land, Basel-Stadt, Berne, Fribourg, Solothurn, St. Gallen and Zurich. As a result of these acquisitions, annual rental income rose from 10.6 million Swiss francs to 28.9 million Swiss francs.

Höri, Gentertstrasse 4-6

The new build project at Gentertstrasse 4/6 was added to the portfolio fully leased in April 2022. The asset contributes rental income of 0.41 million Swiss francs (rent at the 70th percentile).

Wattwil, Hofjüngerstrasse 7

A fully-occupied residential property in Wattwil with 12 apartments and rental income of over 0.12 million Swiss francs (rent at the 65th percentile) was purchased in January 2022.

Wattwil, Hofjüngerstrasse 9/11

Also purchased were the neighboring properties, buildings no. 9 and 11 in Wattwil, with 12 apartments. The vacancy rate had been reduced to zero by the end of the year. These properties generate rental income of 0.17 million Swiss francs per year (rent at the 47th percentile).

Wattwil, Hofjüngerstrasse 26-34

The 32-apartment building complex at Hofjüngerstrasse 26-34 was also acquired in January 2022. Efforts to reduce the nearly 5 percent vacancy rate were successful and the occupancy rate exceeded 98 percent at the end of 2022. This property generates rental income of around 0.36 million Swiss francs (rent at the 71st percentile).

Wattwil, Müller-Friedberg-Strasse 5

The 11-floor, 33-apartment building at Müller-Friedberg-Strasse 5 was added to the Fund's portfolio in January 2022 as well. Efforts to reduce the initial 7 percent vacancy rate were successful and an occupancy rate of around 98 percent had been reached by the end of the

business year with annual rental income of 0.42 million Swiss francs (rent at the 43rd percentile).

Wattwil, Schomattenstrasse 41-45

The neighboring building with 24 apartments at Schomattenstrasse 41-45 was purchased in January 2022 as well. The occupancy rate at the time of acquisition was 92 percent. By the end of 2022, the building was nearly fully leased, generating annual rental income of over 0.32 million Swiss francs (rent at the 44th percentile).

Zweidlen, Neu Letten 1-7

The building complex in Zweidlen is in almost new condition and has nine apartment buildings including a tranquil villa; it features a total of 55 apartments and a smaller commercial space. With an occupancy rate of 96 percent, this complex generates more than 1.15 million Swiss francs in rent (rent at the 19th percentile).

Basel, Dornacherstrasse 240/246

The 45-apartment urban property at Dornacherstrasse 240/246, which has an occupancy rate of around 92 percent and generates more than 0.64 million Swiss francs in rental income (rent at the 89th percentile), was added to the Fund's portfolio in May 2022.

Zwingen, Strengfeldstr. 1/3/5/7, Grienweg 8/10/12/14/14a/16/18, Reckholderstrasse 4/6/8/10

This family-friendly building complex in Zwingen features 81 apartments, has an occupancy rate of 90 percent and generates more than 1.24 million Swiss francs in rent (rent at the 34th percentile).

Speicher, Hinterwies 20/2/27/29/31/33

Located in the middle of a residential zone and in almost new condition, this building complex in Speicher was purchased in May 2022. With 36 apartments and an occupancy rate of 96.5 percent, it generates nearly 0.53 million Swiss francs in rent (rent at the 36th percentile).

Wittenbach, Ringstrasse 6-12

The four apartment buildings at Ringstrasse 6-12, in close proximity to downtown Wittenbach, were also purchased in May 2022. The building complex contains 32 apartments. The nearly 4 percent vacancy rate at the time of acquisition was reduced to nearly zero and the occupancy rate was just under 99 percent at the end of

2022. The property generates annual rental income of 0.59 million Swiss francs (rent at the 26th percentile).

Gossau, Neuchlenstrasse 7/7a/11

These apartment buildings are situated in good locations and have been in the Fund's portfolio since June 2022. The three apartment buildings have a total of 54 apartments. The occupancy rate was at around 97 percent at the end of December and they generated rental income of nearly 0.72 million Swiss francs (rent at the 5th percentile).

Birr, Wydenstrasse 16/18/20

June 2022 also brought the purchase of the property at Wydenstrasse 16/18/20 in Birr; it is fully leased. This property has 21 apartments and generates rental income of just under 0.36 million Swiss francs (rent at the 17th percentile).

Biel, Oberer Quai 106-116

An attractive 48-apartment building complex with a 96 percent occupancy rate and nearly 0.56 million Swiss francs in rental income (rent at the 71st percentile) was purchased in Biel at the end of October 2022.

Ittigen, Grauholzstrasse 65/67/69

The 20-apartment property in Ittigen is in almost new condition and generates more than 0.32 million Swiss francs in rent (rent at the 40th percentile) and has been in the Fund's portfolio since August 2022.

Menziken, Myrtenstrasse 32/34, Hauptstrasse 81/83

Built in 2017, the complex in Menziken was added to the Fund's portfolio in September 2022. This property has a total of 44 apartments, is fully leased and generates more than 0.88 million Swiss francs in rental income (rent at the 71st percentile).

Fribourg, Rue Georges-Jordil 1/3

The well-situated property at Rue Georges-Jordil 1/3, with a total of 28 apartments and three office spaces, was purchased in November 2022. With an occupancy rate of around 96 percent, this property generates more than 0.68 million Swiss francs in rental income (rent at the 52nd percentile).

Olten, Ziegelfeldstrasse 36

The centrally located property in Olten comprises 10 apartments and three offices. With the exception of a small storage area, the property was fully leased when ownership was transferred in November 2022 and it generates rental income of over 0.26 million Swiss francs (rent at the 55th percentile).

Pratteln, Mattenweg 2/4

The well-preserved property in Pratteln was added to the Fund's portfolio in November 2022 fully leased. This property has 22 apartments and generates more than 0.28 million Swiss francs in rental income (rent at the 51st percentile).

Pratteln, Rankackerweg 12/14

The neighboring building with 22 apartments and an occupancy rate of around 86 percent was also purchased at the same time. Rental income amounts to 0.25 million Swiss francs (rent at the 49th percentile).

Zollikofen, Buchsweg 9/9a/11

Last but not least, a modern residential property with 14 apartments, rental income of over 0.34 million Swiss francs (rent at the 5th percentile) and fully leased (with the exception of one parking space) was added to the Fund's portfolio in November 2022.

Successful Leasing Activities

Therwil, Vorderbergweg 2-4, Reinacherstrasse 3-5

The initial vacancy rate of 18.5 percent at the time of acquisition has been substantially reduced. At the end of the business year it had an occupancy rate of around 96 percent.

Grenchen, Viaduktstrasse 5

In a challenging market environment in Grenchen, highly focused efforts to rent vacant apartments reduced the vacancy rate from 21.4 percent to 2.3 percent.

Frauenfeld, Zielackerstrasse 28-32

The initial apartment vacancy rate of 7.3 percent at the time of acquisition has since been reduced to zero. This property is fully leased and generates rental income of

around 0.23 million Swiss francs (rent at the 50th percentile).

Wittenbach, Arbonerstrasse 4

The apartment vacancy rate of 6.1 percent has been reduced to just 0.4 percent since the start of the business year. The property is nearly fully leased.

Wattwil, Hofjüngerstrasse 7, 9/11, 26-34, Müller-Friedbergstrasse 5, Schomattenstrasse 41-45

A dedicated effort was made to reduce the apartment vacancy rate of 7.6 percent at the time of acquisition and the property is nearly fully leased as a result.

Outlook

We expect the Fund to undergo sustainable growth again in 2023. Growth steps will continue to be scrutinized carefully in line with the Fund's strategy. The majority of investments will be made at returns that improve the portfolio's key figures. The focus is on premium residential properties in regions and business centers around the country that are easily accessible and boast strong population growth. Another focus is on locations that have easy access to both public and private transport by motor vehicles. Additional acquisition criteria include properties with affordable rents, ideally with rents below the 50th percentile.

With average rents at the 39th percentile, the rents charged for apartments in the Fund are in the low, affordable price segment, which guarantees good rentability in the long term. And since housing is due to become more expensive, the competitive level of its rents in the HSL Fund portfolio make it well-positioned for an increase in rents.

There are different reasons for this. On the one hand, ongoing population growth means that there is an ongoing shortage of vacant apartments. On the other hand, new construction activity has dropped in response to the exploding cost of construction and higher interest rates. Accordingly, market rents are likely to increase in Switzerland over the next few years. The expected increase in the mortgage reference interest rate is likely to be another factor that will enable corresponding adjustments to existing rents.

While the real estate market will not remain unscathed by volatility in 2023, either its prospects still look good. With unemployment at a 20-year low and inflation rising to nearly 3 percent, a situation is developing that will boost the real estate market further, even despite the possibility that interest rates might continue to rise. Current inflation will have a positive impact on rental growth and hence on the fair market values of the properties, albeit with a lag.

Based on the constant strong demand for housing, the Fund Management Company expects to increase the occupancy rate to over 96 percent in the upcoming business year. With market rents expected to increase, it additionally plans to tap the resulting rental income potential in order to boost rental income. In the long term, it intends to tap into the properties' construction potential, as well, in order to boost rental income even further and make the portfolio more attractive. For the properties in Gossau in the canton of St. Gallen, Grenchen in the Canton of Solothurn, Rorschach in the Canton of St. Gallen and Sion in the Canton of Valais, the Asset Management team is examining the profitability of full-scale renovations.

The Fund Management Company aims to steadily reduce the debt financing ratio to below 30 percent by the end of 2024. A low debt financing ratio will make it possible to keep the Fund's strategic focus shifted more strongly toward and profit from low short-term interest rates. While short-term interests were historically lower on average than long-term rates, they were also more volatile.

If market conditions are good, the Fund Management Company will examine further capital increases that will enable it to develop the Fund in line with the planned growth strategy. It also aspires to have the Fund listed on the SIX Swiss Exchange by the end of 2024. An attractive distribution of 3.45 Swiss francs per Fund unit can be expected for the 2022 business year, up 1.5 percent over the previous year (3.40 Swiss francs). The Fund Management Company is convinced that a distribution at this level can at minimum be kept steady or even increased over the long term. That makes the HSL Fund a top performer among Swiss residential property funds, one that belongs in every asset portfolio. When it comes to dividends, the HSL Fund is truly a gem.

Sustainability

In our capacity as a real estate investor, we are aware of our responsibility to ensure a sustainable future. Sustainability forms part of our corporate philosophy and sustainability principles are incorporated into every decision we make. Our strategy is to embrace a pragmatic approach to the full spectrum of sustainability-related issues.

When we published our first sustainability report in April 2022, we made a commitment to sustainable corporate development. Our sustainability strategy is aligned precisely with the Paris Agreement as well as the federal government's current energy and emission reduction targets.

Since the construction and operation of real estate is responsible for a significant share of global CO₂ emissions, the Fund Management Company has identified energy-saving measures in the existing property portfolio as offering the greatest reduction potential. For this approach to be adopted, we first had to establish a reliable decision-making basis with end-to-end data transparency. Different aspects of the properties were examined for this:

- Consumption data (heating material, general electricity and water) was collected and analyzed
- Portfolios were screened to determine the potential offered by sustainable alternatives as replacements for the current heating systems
- Portfolios were screened in terms of the profitability of photovoltaic installations, carports and electromobility

As a more in-depth analysis, the official energy label of the cantons (GEAK) will be used as a certification system to create transparency on the topic of sustainability. From now on, this information can be used to show where energy-saving renovations and operational improvements fit into the big picture and prioritize the measures.

We are making an ongoing effort to improve our properties' energy efficiency. Special mention should be made of the following properties, where the potential offered by a full-scale renovation was examined:

- Benglen, Bodenacherstrasse
- Sion, Avenue de Tourbillon
- Rorschach, St.Gallerstrasse

The transparency achieved by these efforts also makes it possible to compare potential acquisition targets and determine whether they fit into the existing property portfolio.

Helvetica has pledged to implement sustainable development in a measurable way at the property level and elsewhere. These intentions are underscored by several different memberships and declarations of intent – like the PRI and SSF – as well as the Fund's plan to participate in the GRESB – the global sustainability benchmark for the real estate industry – from 2026 onward. At the employee level, the "Great Place to Work" certificate laid the basis for boosting employee satisfaction even further.

The next ESG report will contain detailed information on the topic of sustainability. It will focus on the sustainability strategy adopted, the collection of consumption data, CO₂ reduction pathways as well as the disclosure of environmentally relevant key figures as defined by the Asset Management Association Switzerland.

The ESG report, including a presentation of our pragmatic sustainability approach, will be published on April 6, 2023.





Dornacherstrasse 240-246, Basel

Comment on the Financial Report

The past year was dominated by strong growth. Gross asset value rose by 313 million Swiss francs to 829 million Swiss francs. The 125 million Swiss francs in funds raised through the capital increase were used to purchase 21 new properties, causing the portfolio to grow to 818 million Swiss francs.

Strong investor demand made it possible to raise over 125 million Swiss francs in additional funds through a capital increase. This was significantly oversubscribed, which underscores both the attractiveness of the Fund and the growth strategy embraced by the Fund Management Company. The proceeds were used to purchase 21 properties, taking the portfolio to a total of 62 properties.

At the end of the year, the Fund recorded a net asset value per unit of 116.37 Swiss francs, which, taking the distribution for 2022 of 3.40 Swiss francs into account, corresponds to a return on investment of 5.87 percent, 1.83 percentage points lower than the previous year. Year over year, the return on equity declined by 1.05 percentage points to 5.64 percent. Roughly half of the decrease is due to a reduction in realized gains per unit and half to a reduction in unrealized gains per unit. Nevertheless, it was a very successful year, which is why a distribution of 3.45 Swiss francs per share is planned (increase of 0.05 Swiss francs or 1.5 percent). This corresponds to a payout ratio of 88 percent (previous year: 78 percent) and a distribution yield of 3.1 percent (2.9 percent).

Despite strong growth, TER_{REFGAV} rose by 0.06 percentage points to 0.93 percent, compared to 0.87 percent as at December 31, 2021.

Balance Sheet

Gross asset value of 829 million Swiss francs reflects the acquisitions carried out in the past twelve months and the capital increase. As at the balance sheet date, the fair market values of the properties were up 63 percent year over year, from 501 million Swiss francs to nearly 818 million Swiss francs. Cash and cash equivalents amounted to 3 million Swiss francs, a decline of 2 million Swiss francs compared to the end of the previous year. Other assets declined by 3 million Swiss

francs, from 10 million Swiss francs to 7 million Swiss francs. As at December 31, 2022, units of other real estate funds in the amount of around 1 million Swiss francs were held.

The 317 million Swiss franc increase in the portfolio is mainly attributable to the property acquisitions with investment costs of 303 million Swiss francs. Appreciation gains of over 5 million Swiss francs were achieved and both investment costs and investments were capitalized.

After deducting liabilities of 376 million Swiss francs and liquidation taxes of just under 7 million Swiss francs, net fund assets were 136 million Swiss francs higher on the reporting date at 447 million Swiss francs, compared to 311 million Swiss francs at the end of the previous year.

The debt financing ratio amounts to 44.4 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

Rental income of 24.1 million Swiss francs was generated through the portfolio, up 12.7 million Swiss francs compared to 11.4 million Swiss francs in the previous year. All in all, expenses of 11.6 million Swiss francs were incurred, which corresponds to a year-over-year increase of 6.5 million Swiss francs. The earnings potential of the purchased properties will only fully unfold in 2023 – based on the annual rental income that flows to the Fund.

The item “unrealized capital gains” includes appreciation of 13.8 million Swiss francs across the entire portfolio, which is 4.6 million Swiss francs higher than the 9.1 million Swiss francs reported in the previous year.

Balance Sheet

in CHF

Assets	Notes	31.12.2022	31.12.2021
Cash on hand, postal check and bank sight deposits, including fiduciary deposits with third-party banks		3 422 656	5 499 998
Land/buildings			
Residential property		803 756 000	486 872 000
Commercial property	1	7 974 000	7 990 000
Mixed-use property		6 180 000	5 925 000
Total for land/buildings		817 910 000	500 787 000
Shares in other real estate funds and real estate investment companies	1	1 456 776	-
Other assets		6 602 951	9 990 924
Gross asset value		829 392 384	516 277 921
Liabilities			
Current liabilities			
Short-term interest-bearing mortgages and other liabilities secured by mortgage	8	-363 450 000	-193 300 000
Other current liabilities		-12 316 638	-9 809 777
Total current liabilities		-375 766 638	-203 109 777
Total liabilities		-375 766 638	-203 109 777
Net asset value before estimated liquidation taxes		453 625 746	313 168 144
Estimated liquidation taxes		-6 860 940	-2 426 399
Net asset value		446 764 806	310 741 745
Further information			
Number of outstanding units			
Number of units at the start of the reporting period		2 742 310	1 371 155
Issued units		1 096 924	1 371 155
Redeemed units		-	-
Number of units at the end of the reporting period		3 839 234	2 742 310
Net asset value per unit at the end of the reporting period		116.37	113.31
Change in net asset value			
Net asset value at the start of the reporting period		310 741 745	148 512 490
Distribution of earnings subject to withholding tax	12	-6 471 852	-2 276 117
Fund capital repayment exempt from withholding tax	12	-2 852 002	-1 974 463
Balance from trade in shares		120 998 556	146 738 998
Total profit		24 348 359	19 740 837
Net asset value at the end of the reporting period		446 764 806	310 741 745

Income Statement

in CHF

Income	Notes	01.01 - 31.12.2022	01.01. - 31.12.2021
Negative interest rate		-1 477	-
Rental income		24 098 113	11 370 234
Other income		988 740	1 138 059
Participation in current income from unit issuance		1 546 732	4 593 369
Total income		26 632 108	17 101 661
Expenses			
Mortgage interest and interest from liabilities secured by mortgage		-1 146 805	-115 614
Maintenance and repairs		-1 949 771	-1 063 051
Property management			
Property expenses		-1 027 122	-208 131
Administrative expenses		-490 736	-153 026
Taxes			
Property tax		-222 679	-115 547
Profit and capital tax		-315 415	-277 128
Evaluation and auditing expenses		-242 139	-228 772
Regulatory fees to			
the Fund management company	11	-4 890 940	-2 224 229
the custodian bank	11	-196 092	-86 424
property management	11	-966 696	-496 572
the market maker	11	-50 000	-57 500
Other expenses			
Other expenses		-108 235	-96 108
Total Expenses		-11 606 630	-5 122 101
Profit			
Net income		15 025 478	11 979 559
Realized capital gains		-	25 999
Realized profit		15 025 478	12 005 558
Unrealized capital gains		13 757 422	9 118 920
Change in liquidation taxes		-4 434 541	-1 383 640
Total profit		24 348 359	19 740 837
Profit appropriation			
Net income of the fiscal year		15 025 478	11 979 559
Capital gains for distribution in the fiscal year		-	25 999
Capital gains for distribution in previous financial years		-	-
Balance carried forward from previous year		3 141 835	460 130
Profit available for distribution		18 167 313	12 465 689
Profit intended for distribution to the investors	12	3 762 449	6 445 853
Capital gain intended for distribution to the investors	12	-	25 999
Transfer to retained earnings	12	9 482 908	2 852 002
Income retained for reinvestment		-	-
Balance to be carried forward		4 921 956	3 141 835
Fund capital repayment intended for distribution to investors		9 482 908	2 852 002
Total distribution to investors		13 245 357	9 323 854

Notes

1. Inventory

Inventory of properties

City, address	Ownership structure ¹⁾	Total rental space in m ²	Number of apartments	Land plot in m ²	Building year	Date last extensive Renovation	Commencement of possession
Residential buildings							
Basel, Birsigstrasse 80/82, Bachlettenstrasse 13/15	so	2 992	33	994	1975, 1991		01.01.2022
Basel, Dornacherstrasse 240/246	so	1 868	45	1 125	1958	2017	01.06.2022
Basel, Hegenheimerstrasse 43 - 49	so	3 531	42	1 329	1957	1984	01.01.2022
Benglen, Bodenacherstrasse 16/18	so	1 632	16	1 133	1974	2019	22.11.2019
Benglen, Bodenacherstrasse 79	so	1 146	16	2 117	1973		22.11.2019
Beringen, Bahnhofstrasse 36/38 Zelgstrasse 35/37/39	so	3 857	40	7 483	1992		01.06.2021
Biel, Oberer Quai 106-116	so	2 844	48	3 762	1946		01.01.2023
Biel, Poststrasse 32 - 44	so	10 986	141	7 857	1974		01.01.2022
Birr, Wydenstrasse 16/18/20	so	2 422	21	3 936	1983		01.07.2022
Derendingen, Schluchtbachstrasse 35-	so	1 919	18	2 931	2006		01.10.2021
Dottikon, Lindenweg 2/4/6	so	1 655	18	3 982	1981		01.01.2020
Erlen, Kümmertshauserstrasse 7a-11b	so	4 576	44	8 912	2013		01.07.2020
Frauenfeld, Wellhauserweg 56/56a	so	2 270	19	6 837	2007		01.01.2022
Frauenfeld, Zielackerstrasse 28/30/32	so	1 189	15	1 824	1963	2004	01.07.2021
Fribourg, Avenue du Midi 17/19	so	1 489	29	351	1906	1995	01.12.2020
Fribourg, Rue Georges-Jordil 1/3	so	3 404	28	1 015	1996	2021	01.12.2022
Gerlafingen, Geiselfeldstrasse 11-17, Kriegstettenstrasse 38-46	so	3 649	54	7 859	1964	2015	01.01.2021
Gossau, Neuchlenstrasse 7/7a/11	so	4 916	54	6 215	1981		01.07.2022
Granges, Crête Blanche 5a-b Av. Gare 2	so	2 380	27	3 935	2016		01.12.2020
Grenchen, Kirchstrasse 72	so	1 236	14	519	1972	1988	22.11.2019
Grenchen, Viaduktstrasse 9/11	so	1 918	28	2 393	2015		22.11.2019
Haag, Thalistrasse 2/4/6/8	so	3 072	32	6 454	2009, 2010		22.11.2019
Hirschthal, Zofoldweg 2	so	945	11	2 294	1988		01.01.2020
Höri, Gentertstrasse 4-6	so	1 424	14	1 628	2022		01.04.2022
Ittigen, Grauholzstrasse 65,67,69	so	1 610	20	3 074	1970	2008	01.08.2022
Kaisten, Weihermatt 1	so	778	9	1 264	1991		01.01.2020
La Chaux -de-Fonds, Rue Fritz Courvoisier 34c, 34d	so	2 368	24	2 396	1988		01.06.2021
Lufingen, Moosbrunnenstrasse 3/5/7/9	co	2 239	22	3 638	1890, 1993, 1994		22.11.2019
Lyss, Birkenweg 16/18/22	so	2 895	33	4 885	1986		01.06.2021

¹⁾ so = sole ownership

co = condominium ownership

²⁾ The rent defaults are positive for individual properties because reversals of overstated valuation allowances resulted in income from collection losses.

³⁾ The rental loss rate according to the inventory list includes revenue based rents, whereas these are not taken into account in the calculation of the AMAS key figures. Therefore, discrepancies are possible for this key figure.

Initial cost	Market value	Gross rental income	Rent de-fault ²⁾	Rent de-fault ³⁾	Rental income actual	Gross return	Occupancy rate
in CHF	in CHF	in CHF	in CHF	in %	in CHF	in %	in %
22 397 015	23 560 000	651 954	-33 413	-5.13	618 541	2.79	93.8
24 413 373	23 880 000	407 587	-51 951	-12.75	355 636	2.91	91.8
22 066 736	22 820 000	653 362	-40 654	-6.22	612 708	2.89	94.8
9 989 796	12 700 000	406 924	-9 750	-2.40	397 174	3.21	100.0
6 275 439	7 298 000	251 855	-10 632	-4.22	241 223	3.48	100.0
15 870 746	16 340 000	683 276	-129 543	-18.96	553 733	4.23	88.6
16 500 692	16 080 000	-	-	-	-	-	97.8
43 655 255	43 220 000	1 792 163	-89 581	-5.00	1 702 582	4.16	93.3
9 615 769	9 832 000	179 394	-1 617	-0.90	177 777	3.65	100.0
7 182 939	7 847 000	284 900	-16 355	-5.74	268 546	3.70	88.1
6 820 438	7 485 000	300 233	2 599	0.87	302 832	4.02	99.4
23 372 931	24 430 000	933 554	-34 924	-3.74	898 631	3.83	97.1
15 217 870	14 230 000	459 823	-9 333	-2.03	450 490	3.24	99.4
7 427 513	7 457 000	230 652	-12 830	-5.56	217 822	3.09	100.0
8 017 056	8 348 000	350 227	-9 260	-2.64	340 967	4.21	97.5
16 954 700	16 710 000	58 926	-150	-0.25	58 776	4.23	96.3
16 299 603	17 520 000	740 756	-87 825	-11.86	652 931	4.24	83.6
22 885 796	22 880 000	370 576	-9 333	-2.52	361 244	3.24	96.9
11 325 067	11 790 000	498 592	-9 396	-1.88	489 196	4.23	99.3
3 490 649	3 721 000	184 473	-29 788	-16.15	154 686	5.24	88.0
11 293 332	11 970 000	461 385	-59 851	-12.97	401 534	3.86	96.5
12 563 501	13 500 000	587 272	-13 258	-2.26	574 014	4.35	96.9
4 010 714	4 247 000	180 411	-4 710	-2.61	175 701	4.30	89.8
11 093 796	11 950 000	307 265	-	-	307 265	3.43	100.0
8 626 714	9 529 000	139 528	-1 565	-1.12	137 963	3.52	94.4
3 069 197	3 286 000	142 425	-3 245	-2.28	139 180	4.32	98.1
7 198 396	6 866 000	361 536	-37 479	-10.37	324 057	5.25	92.4
10 439 545	11 590 000	443 385	-3 859	-0.87	439 526	3.83	100.0
13 834 562	14 540 000	529 426	-10 552	-1.99	518 873	3.65	95.3

The fund holds 62 properties. The four properties in Grenchen are adjacent properties and are counted as one property based on Art. 87, Para. 1 CISO. Likewise, two properties each in Wattwil are adjacent properties and are counted as one property each based on Art. 87, para. 2 CISO. As a result, the fund owns 57 properties from a regulatory perspective as at 31.12.2022.

Notes

City, address	Ownership structure ¹⁾	Total rental space in m ²	Number of apartments	Land plot in m ²	Building year	Date last extensive Renovation	Commencement of possession
Menziken, Myrtenstrasse 32/34, Hauptstrasse 81/83	so	4 268	44	6 224	2017		01.10.2022
Monthey, Chemin des Sémilles 13a/b	so	2 190	22	3 413	2008		01.12.2020
Nidau, Lyss-Strasse 51 - 59	so	4 562	60	4 607	1970		01.01.2022
Oberbuchsiten, Poststrasse 20a/20/22/24	so	2 541	27	4 871	2013		01.05.2020
Oberglatt, Leewinkel 21/23	so	1 144	16	1 764	1970	2005	01.07.2021
Oberkulm, Schrägweg 16/18/20/22	so	2 126	24	4 998	1988		01.01.2020
Olten, Ziegelfeldstrasse 36	so	1 277	10	993	1974	2015	01.12.2022
Pratteln, Mattenweg 2/4	so	1 268	22	1 144	1967	2013	01.12.2022
Pratteln, Rankackerweg 12/14	so	1 323	22	1 392	1970	2005	01.12.2022
Rorschach, St. Gallerstrasse 16/16a	so	3 626	54	1 925	1976		01.11.2020
Schwerzenbach, Zielackerstrasse 6a/b	so	1 249	19	1 889	1984	2009	01.07.2021
Sion, Avenue de Tourbillon 42-50	so	4 579	95	2 649	1945, 1954		01.06.2021
Speicher, Hinterwies 20/22/27/29/31/33	so	2 974	36	5 257	1980	2013	01.05.2022
St. Gallen, Zürcherstrasse 84, Schibistrasse 3/5	so	2 164	22	2 085	2010		01.01.2022
Subingen, Winkelweg 16-20	so	2 003	23	3 642	1994, 2017		01.10.2021
Therwil, Vorderbergweg 2-4 Reinacherst.	so	3 038	24	3 268	2002		01.12.2020
Wattwil, Hofjüngerstrasse 26-34	so	1 846	32	3 213	1960, 1964, 1987	2021	01.01.2022
Wattwil, Hofjüngerstrasse 7	so	654	12	3 175	1968	2018	01.01.2022
Wattwil, Hofjüngerstrasse 9/11	so	975	12	1 648	1968	2017	01.01.2022
Wattwil, Müller-Friedberg-Strasse 5	so	2 563	33	2 271	1970		01.01.2022
Wattwil, Schomattenstrasse 41-45	so	1 896	24	4 169	1969, 1985		01.01.2022
Weinfelden, Amriswilerstrasse 72	so	2 781	36	2 840	1971	2005	01.06.2021
Wittenbach, Arbonerstrasse 4a	so	1 590	14	2 647	2012		01.12.2020
Wittenbach, Ringstrasse 6-12	so	3 527	32	4 013	1994	2015	01.05.2022
Zetzwil, Bohnenackerweg 425	so	842	11	1 807	1982		01.01.2020
Zollikofen, Buchsweg 9/9a/11	so	2 163	14	2 348	1984	2014	01.12.2022
Zürich, Gagliardiweg 9	so	552	9	713	1949	2010	01.05.2021
Zürich, Grubenackerstrasse 73/75/77	so	1 104	15	1 257	1951	2019	01.07.2021
Zweidlen, Neu Letten 1-7	so	6 174	57	23 448	1957-1965, 2007	2007	01.01.2022
Zwingen, Strengfeldstr. 1/3/5/7, Grienweg 8/10/12/14/14a/16/18, Reckholderstrasse 4/6/8/10	so	7 295	81	11 358	1990	2015	01.05.2022
Total for residential buildings		151 502	1 817	217 170			
of which, condominium ownership		2 239	22	3 638			
Commercially used properties							
Bulle, Rue Nicolas Glasson 5/7	so	1 872	7	656	1985		01.12.2020
Total for commercially used properties		1 872	7	656			
Mixed-use buildings							
Grenchen, Bündengasse 18/20/22	so	1 572	7	1 691	1929, 1945, 1974	2013	22.11.2019
Grenchen, Viaduktstrasse 5	so	1 065	7	967	1916	2016	22.11.2019
Total for mixed-use buildings		2 637	14	2 658			
Subtotal		156 011	1 838	220 484			
Secondary rental income							
Grand Total for land/buildings		156 011	1 838	220 484			

Notes

Initial cost	Market value	Gross rental income	Rent default ²⁾	Rent default ³⁾	Rental income actual	Gross return	Occupancy rate
in CHF	in CHF	in CHF	in CHF	in %	in CHF	in %	in %
21 883 785	22 250 000	220 137	-549	-0.25	219 588	3.96	100.0
10 452 045	11 950 000	463 718	-15 967	-3.44	447 751	3.88	94.9
19 237 608	19 040 000	710 205	-23 589	-3.32	686 616	3.74	99.1
11 334 227	11 970 000	502 170	-34 248	-6.82	467 921	4.22	96.2
9 120 279	8 509 000	240 918	-18 757	-7.79	222 161	2.84	98.1
7 418 462	8 619 000	333 070	-2 042	-0.61	331 027	3.87	99.4
6 255 895	7 012 000	21 329	-	-	21 329	3.65	99.7
7 038 928	8 221 000	23 819	-	-	23 819	3.48	100.0
7 246 361	8 680 000	24 584	-	-	24 584	3.40	85.8
17 197 299	18 840 000	756 428	-141 923	-18.76	614 505	3.97	92.8
11 775 979	12 400 000	333 200	-10 660	-3.20	322 540	2.71	97.2
23 988 085	23 970 000	1 072 607	-126 095	-11.76	946 511	4.47	90.6
15 127 416	14 730 000	363 494	-21 161	-5.82	342 334	3.72	96.5
13 273 835	12 620 000	414 728	-48 094	-11.60	366 634	3.36	95.5
8 399 238	9 794 000	389 590	-10 485	-2.69	379 105	3.98	95.6
16 255 103	16 330 000	682 080	-23 647	-3.47	658 433	4.18	95.7
9 641 902	9 815 000	365 432	-14 067	-3.85	351 366	3.73	98.3
3 110 558	3 252 000	121 302	-4 478	-3.69	116 824	3.74	100.0
4 672 209	4 796 000	176 909	-9 546	-5.40	167 363	3.68	100.0
10 417 371	10 920 000	430 015	-33 589	-7.81	396 426	3.94	97.9
7 724 254	8 498 000	325 565	-13 414	-4.12	312 152	3.83	99.6
11 712 549	12 230 000	476 195	-9 360	-1.97	466 835	3.91	99.1
6 852 426	7 574 000	289 410	-12 898	-4.46	276 512	3.81	99.6
18 659 107	17 740 000	400 422	-24 074	-6.01	376 348	3.38	98.6
3 392 921	3 497 000	151 671	-2 590	-1.71	149 081	4.35	97.8
8 420 763	9 869 000	28 096	-120	-0.43	27 976	3.42	99.6
7 267 997	7 914 000	205 152	-2 160	-1.05	202 992	2.61	100.0
13 927 283	15 280 000	343 227	-5 477	-1.60	337 749	2.26	100.0
37 434 079	37 180 000	1 195 734	-20 554	-1.72	1 175 180	3.22	96.3
35 449 737	34 630 000	918 418	-93 724	-10.20	824 694	3.97	90.0
776 596 838	803 756 000	24 571 484	-1 441 521	-5.87	23 129 963	3.68	95.6
10 439 545	11 590 000	443 385	-3 859	-0.87	439 526	3.83	100.0
7 549 794	7 974 000	441 996	-83 822	-18.96	358 174	5.43	69.0
7 549 794	7 974 000	441 996	-83 822	-18.96	358 174	5.43	69.0
3 388 002	3 966 000	189 754	-9 965	-5.25	179 789	4.80	92.8
1 847 994	2 214 000	130 636	-26 550	-20.32	104 085	5.84	97.7
5 235 995	6 180 000	320 389	-36 515	-11.40	283 874	5.17	94.7
789 382 627	817 910 000	25 333 869	-1 561 858	-6.17	23 772 011		
					326 102		
789 382 627	817 910 000				24 098 113	3.71	95.2

Notes

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

Units in other real estate funds and real estate investment companies	Initial cost	Market value
All amounts stated in Swiss Francs		
Total units in other real estate funds	1 482 791	1 456 776

Investments

Valuation categories (amounts in CHF)	31.12.2022	31.12.2021
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	1 456 776	-
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	-	-
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	817 910 000	500 787 000
Total investments	819 366 776	500 787 000

2. Real Estate Purchased and Sold

Purchased

Address	Canton	Ownership situation	Legal Transfer of ownership	Start of ownership (transfer of benefits and risks)
Wattwil, Hofjüngerstrasse 7	St. Gallen	Sole ownership	03.01.2022	01.01.2022
Wattwil, Hofjüngerstrasse 9/11	St. Gallen	Sole ownership	03.01.2022	01.01.2022
Wattwil, Hofjüngerstrasse 26-34	St. Gallen	Sole ownership	03.01.2022	01.01.2022
Wattwil, Müller-Friedberg-Strasse 5	St. Gallen	Sole ownership	03.01.2022	01.01.2022
Wattwil, Schomattenstrasse 41-45	St. Gallen	Sole ownership	03.01.2022	01.01.2022
Zweidlen, Neu Letten 1-7	Zurich	Sole ownership	03.01.2022	01.01.2022
Höri, Gentertstrasse 4/6	Zurich	Sole ownership	01.04.2022	01.04.2022
Zwingen, Strängenfeld 1, 2, 5, 7 Grienweg 8,10,12,14, 16, 18, 36/83 und Garage 14a Reckholderstrasse 4,6,8,10	Basel-Landschaft	Sole ownership	03.05.2022	01.05.2022
Wittenbach, Ringstrasse 6, 8, 10, 12	St. Gallen	Sole ownership	05.05.2022	01.05.2022
Speicher, Hinterwies 20, 22, 27, 29, 31, 33	Appenzell Ausserrhoden	Sole ownership	05.05.2022	01.05.2022
Basel, Dornacherstrasse 240 und 246	Basel-Stadt	Sole ownership	23.05.2022	01.06.2022
Gossau, Neuchlenstrasse 7/7a/11	St. Gallen	Sole ownership	28.06.2022	01.07.2022
Birr, Wydenstrasse 16/18/20	Aargau	Sole ownership	29.06.2022	01.07.2022
Ittigen, Grauholzstrasse 65/67	Bern	Sole ownership	24.08.2022	01.08.2022
Menziken, Myrtenstrasse 32/34 Hauptstrasse 81/83	Aargau	Sole ownership	19.09.2022	01.10.2022
Fribourg, Rue Georges-Jordil 1	Fribourg	Sole ownership	01.12.2022	01.12.2022
Olten, Ziegelfeldstrasse 36	Solothurn	Sole ownership	01.12.2022	01.12.2022
Pratteln, Mattenweg 2,4	Basel-Landschaft	Sole ownership	02.12.2022	01.12.2022
Pratteln, Rankackerweg 12,14	Basel-Landschaft	Sole ownership	02.12.2022	01.12.2022
Zollikofen, Buchsweg 9,11	Bern	Sole ownership	01.12.2022	01.12.2022
Biel, Oberer Quai 106-116	Bern	Sole ownership	26.10.2022	01.01.2023

Sold

None

3. Total Amount of Payments Obligations After the Balance Sheet Date

None

Notes

4. Participations in Real Estate Companies

All properties of the fund are held by Helvetica Swiss Living AG. As of December 31, the Fund holds one 100 per cent of the share capital of Helvetica Swiss Living AG, headquartered in Zurich.

5. Rental Income per Tenant over 5 Percent

None

6. Information Regarding Derivatives

The Fund does not use derivatives.

7. Non-current Liabilities by Due Date

in CHF	31.12.2022	31.12.2021
1 to 5 years	-	-
> 5 years	-	-

8. Mortgages and Other Mortgage-backed Liabilities

Current Mortgages and Fixed Advances

Type	Interest rate	in CHF	Date of issue	Maturity
Fixed Advance	1.36%	15 500 000	30.12.2022	31.03.2023
money market mortgage	1.36%	11 800 000	02.12.2022	31.03.2023
money market mortgage	1.36%	1 000 000	21.12.2022	31.03.2023
Fixed Advance	1.43%	38 700 000	29.12.2022	28.03.2023
money market mortgage	1.44%	22 000 000	17.12.2022	16.03.2023
Fixed Advance	1.31%	15 000 000	02.12.2022	02.03.2023
Fixed Advance	1.16%	7 000 000	02.12.2022	02.03.2023
money market mortgage	1.44%	5 500 000	02.12.2022	01.03.2023
Fixed Advance	1.13%	172 300 000	16.12.2022	16.01.2023
money market mortgage	0.99%	74 650 000	07.10.2022	06.01.2023
Total		363 450 000		

Matured Mortgages and Fixed Advances

Type	Interest rate	Amount in CHF	Date of issue	Maturity
Fixed Advance	1.07%	38 700 000	28.11.2022	28.12.2022
Fixed Advance	0.84%	172 300 000	18.10.2022	16.12.2022
money market mortgage	0.95%	22 000 000	29.10.2022	16.12.2022
Fixed Advance	0.99%	20 300 000	25.10.2022	28.11.2022
Fixed Advance	0.99%	18 400 000	29.10.2022	28.11.2022
money market mortgage	0.93%	22 000 000	29.09.2022	28.10.2022
Fixed Advance	1.02%	18 400 000	29.09.2022	28.10.2022
Fixed Advance	1.02%	20 300 000	23.09.2022	24.10.2022
Fixed Advance	0.42%	172 300 000	18.07.2022	18.10.2022
Fixed Advance	0.45%	74 650 000	07.07.2022	10.06.2022
Fixed Advance	0.45%	22 000 000	28.06.2022	28.09.2022
Fixed Advance	0.40%	9 000 000	28.06.2022	28.09.2022
Fixed Advance	0.38%	7 400 000	24.08.2022	28.09.2022
Fixed Advance	0.40%	2 000 000	28.06.2022	28.09.2022
Fixed Advance	0.12%	172 300 000	18.06.2022	18.07.2022
Fixed Advance	0.10%	51 650 000	07.06.2022	06.07.2022
Fixed Advance	0.10%	23 000 000	31.05.2022	06.07.2022
Fixed Advance	0.06%	131 900 000	17.05.2022	17.06.2022
Fixed Advance	0.06%	21 400 000	31.05.2022	17.06.2022
Fixed Advance	0.06%	19 000 000	23.05.2022	17.06.2022
Fixed Advance	0.10%	51 650 000	05.05.2022	06.06.2022

Notes

Type	Interest rate	Amount in CHF	Date of issue	Maturity
Fixed Advance	0.31%	44 400 000	01.05.2022	31.05.2022
Fixed Advance	0.04%	140 600 000	17.03.2022	16.05.2022
Fixed Advance	0.07%	16 300 000	29.04.2022	16.05.2022
Fixed Advance	0.10%	67 500 000	01.04.2022	04.05.2022
Fixed Advance	0.10%	9 150 000	04.04.2022	04.05.2022
Fixed Advance	0.31%	54 700 000	01.04.2022	30.04.2022
Fixed Advance	0.03%	67 500 000	03.01.2022	31.03.2022
Fixed Advance	0.31%	54 700 000	01.03.2022	31.03.2022
Fixed Advance	0.04%	116 600 000	01.02.2022	16.03.2022
Fixed Advance	0.03%	21 000 000	16.12.2021	16.03.2022
Fixed Advance	0.04%	3 000 000	22.02.2022	16.03.2022
Fixed Advance	0.31%	54 700 000	01.02.2022	28.02.2022
Fixed Advance	0.03%	116 600 000	01.12.2021	31.01.2022
Fixed Advance	0.31%	55 700 000	31.12.2021	31.01.2022

9. Fees and Incidental Costs Charged to the Investors

Remuneration	Maximum rates	Actual rates	Actual rates	Basis
		2022	2021	
Issue commission on units	3.00%	1.75%	1.69%	Net asset value of units
Redemption commission on units	1.50%	–	–	Net asset value of units

10. Incidental Costs Attributed to the Fund Assets

Remuneration	Maximum rates	Actual rates	Actual rates	Basis
		2022	2021	
Premium to NAV	2.50%	0.75%	0.75%	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	Actual rates	Basis
		2022	2021	
Remuneration to the Fund Management Company				
Management fee	1.00%	0.70%	0.70%	Gross asset value
Purchase/sales compensation	2.00%	1.72%	1.81%	Purchase/sale price
Building and renovation fee	3.00%	0.64%	3.00%	Construction costs
Property management	5.00%	–	–	Gross rental income
Remuneration to Third Parties				
Remuneration to custodian bank (custodian bank commission)	0.05%	0.05%	0.05%	Net asset value of units
Remuneration to custodian bank (distribution commission)	0.25%	0.05%	0.12%	Gross distribution amount
Market maker	–	CHF 50 000	CHF 57 500	Flat amount of 12'500 Swiss francs per quarter
Remuneration to property managers	5.00%	4.01%	4.37%	Gross rental income

12. Distribution of Profits

For the year ended December 31, 2022, a total amount of CHF 13.2 million will be distributed, corresponding to CHF 3.45 per share and a distribution yield on the price per unit of 3.1 %. The payout ratio is 88.2 %. The distribution consists of an income distribution of CHF 3.8 million, which is subject to withholding tax, and a fund capital repayment of CHF 9.5 million, which is exempt from withholding tax. The ex-date is April 26, 2023 and the distribution will be made on April 28, 2023.

On April 29, 2022, a distribution of CHF 9.3 million (CHF 3.40 per share) was made, which was split into a withholding tax payable income distribution of CHF 6.5 million (CHF 2.36 per share) and a withholding tax free fund capital repayment of CHF 2.9 million (CHF 1.04 per share).

13. Events after the Balance Sheet Date

None

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

in CHF	31.12.2022	31.12.2021
Balance of the depreciation account on the land/buildings	-	-
Balance of the provision account for future repairs	-	-
Balance of the account for reinvestment of retained earnings	-	-
Number of units redeemed as of the end of the next financial year	-	-

Land/buildings were only depreciated and provisions made for repairs and maintenance (R&M) at the level of Helvetica Swiss Living 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 and provisions account for tax purposes at the level of the subsidiary or fund:

in CHF	31.12.2022	31.12.2021	Change
Balance of depreciation account for land and buildings (tax motivated, subsidiary level)	23 026 637	11 274 954	11 751 683
Balance of depreciation account for land and buildings (Fund level)	-	-	-
Balance of the provision account for future repairs (tax-motivated, subsidiary level)	3 966 958	2 225 598	1 741 360
Balance of the provision account for future repairs (Fund level)	-	-	-

Clarification on Roundings

Totals may add up to more or less than 100 percent due to rounding.

Principles for the Valuation of the Fund Assets and Calculation of the 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 commissions the independent valuation experts to re-evaluate the market value of the Fund's properties 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 properties, the Fund Management Company has the properties valued in advance. A new valuation is not needed in the case of disposal if the existing valuation is not older than three months and circumstances have not changed substantially.

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

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

The value of short-term fixed-income securities that are not traded on a stock exchange or another regulated market open to the public is calculated as follows: Based on the net purchase price and presuming a stable investment return, 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 properties is performed according to the current AMAS guidelines for real estate funds. The valuation of undeveloped land and buildings in progress is based on the fair value principle. If the Fund Management Company has any buildings in progress that are to be reported at fair market values, it has these appraised at the end of the financial year.

Report of the Valuation Experts



Wüest Partner AG, Bleicherweg 5, 8001 Zurich

Helvetica Property Investors AG
Executive Board
Brandschenkestrasse 47
8002 Zurich

Zurich, 17 February 2023

Helvetica Swiss Living Fund
Independent real estate valuer's report
Valuation as at 31 December 2022

To the Executive Board of Helvetica Property Investors AG

Ref.
118585.2210

Commission

Wüest Partner AG (Wüest Partner) was commissioned by the Fund Management to perform a valuation, for accounting purposes, of the 62 properties held by Helvetica Swiss Living Fund as at 31 December 2022 (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 Asset Management Association Switzerland (AMAS) 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 Living Fund's liabilities in respect of taxation (apart from ordinary property taxes) and financing costs.

Valuation method

In valuing Helvetica Swiss Living 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 / 4

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 2020 to 2022.

Results

A total of 62 investment properties were valued as at 31 December 2022. The market value of these properties on the valuation date is estimated by Wüest Partner to total 817,910,000 Swiss Francs.

In the property valuation, real discount rates between 2.00% and 3.20% were applied. Considering an inflation rate of 1.0% the nominal discount rates lie between 3.02% and 4.23%. Over the whole portfolio, the average of the discount rates – weighted by market value – is 2.62% in real terms and 3.65% in nominal terms.

Changes in the real estate portfolio

Within the review period from 1st January 2022 to 31 December 2022, the following changes occurred:

Acquired:

- 4053 Basel, Dornacherstrasse 240/246;
- 2503 Biel, Oberer Quai 106;
- 5242 Birr, Wydenstrasse 16, 18, 20;
- 1700 Fribourg, Rue Georges-Jordil 1;
- 9200 Gossau, Neuchlenstrasse 7/7a, 11;
- 8181 Höri, Gentertstrasse 4/6;
- 3062 Ittigen, Grauholzstrasse 65, 67, 69;
- 5737 Menziken, Myrtenstrasse 32/34;
- 4600 Olten, Ziegelfeldstrasse 36;
- 4133 Pratteln, Rankackerweg 12/14;
- 4133 Pratteln, Mattenweg 2/4;
- 9042 Speicher, Hinterwies 20;
- 9630 Wattwil, Hofjüngerstrasse 7;
- 9630 Wattwil, Hofjüngerstrasse 9, 11;
- 9630 Wattwil, Hofjüngerstrasse 26, 28, 30, 32, 34;
- 9630 Wattwil, Müller-Friedberg-Strasse 5;
- 9630 Wattwil, Schomattenstrasse 41, 43, 45
- 9300 Wittenbach, Ringstrasse 6-12;
- 3052 Zollikofen, Buchsweg 9/11;
- 8192 Zweidlen, Neu Letten 1-7;
- 4222 Zwingen, Strengenfeldweg 5.

Independence and confidentiality

The valuation of Helvetica Swiss Living 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, 17 February 2023
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 2022.
- 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 1.0 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 by the statutory auditor of the collective investment scheme

for the attention of the Board of Directors of the fund management company Helvetica Property Investors AG, Zürich regarding the financial statements of the Helvetica Swiss Living Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Helvetica Swiss Living Fund investment fund – which comprise the statement of net assets as at 31 December 2022, the statement of income for the year then ended, information regarding the appropriation of net income and the disclosure of costs as well as additional information pursuant to art. 89 para. 1 let. b–h and art. 90 of the Swiss Collective Investment Schemes Act (CISA).

In our opinion, the financial statements (pages 5,16 until 26, 33 until 35) are compliant with the Swiss Collective Investment Schemes Act, the relevant ordinances as well as the fund contract and the prospectus.

Basis for opinion

We conducted our audit of financial statements in accordance with Swiss law and the Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Responsibility of the auditor of the collective investment scheme for the auditing of the financial statements" section of our report. We are independent of the investment fund as well as of the fund management company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the fund management company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Responsibility of the Board of Directors of the fund management company for the financial statements

The Board of Directors of the fund management company is responsible for preparing the financial statements in accordance with the Swiss Collective Investment Schemes Act, the corresponding ordinances as well as the fund contract and the prospectus, and for such internal control as the Board of Directors of the fund management company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the auditor of the collective investment scheme for the auditing of the financial statements

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors of the fund management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers AG

Raffael Simone
Licensed audit expert
Lead auditor

Erik Ganz
Licensed audit expert

Zürich, 21 February 2023



2 Helvetica Property Investors AG | Short report by the statutory auditor of the collective investment scheme for the attention of the Board of Directors

Organization

Fund Management Company	Helvetica Property Investors AG, Brandschenkestrasse 47, Zürich
Executive Board	Hans R. Holdener, CEO and CIO ad interim Peter R. Vogel, CFO and Head Corporate Services Salman Baday, Head Sales and Marketing Lucas Schlageter, Head Portfolio Management
Extended Management Board	Peer Kocur, Head Investment Management (until 31.12.2022) Michael Knoflach, Head Finance (starting from 01.01.2023)
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, Zürich
Custodian Bank and Paying Agency	Bank J. Safra Sarasin, Elisabethenstrasse 62, Basel
Auditors	PricewaterhouseCoopers AG, Birchstrasse 160, Zürich
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.

Information for Investors

Changes to the Fund Contract

The following changes to the fund contract were approved by FINMA on April 27, 2022 and entered into effect on April 28, 2022.

Both the fund contract and the prospectus were adjusted to bring them into line with the Financial Services Act (FinSA), the Financial Institutions Act (FinIA), the revised CISA, the corresponding ordinances and the templates of the Asset Management Association Switzerland (AMAS). There were also changes that were merely a matter of form or wording.

The changes mostly involve the following points, as published on March 11, 2022:

- § 3 The Fund Management Company

In para. 3 section 1 sentence 3, the term “distribution” is now used, instead of “distribution of profit”. This clarifies and underlines that distributions can also be made from capital contributions (*italics*):

“The Fund Management Company manages the real estate fund independently and in its own name for the account of the investors. It particular, it decides on issuing units, investments, and how these are valued. It calculates the net asset value and determines issue and redemption prices as well as *distributions*.”

- § 19 Fees and Incidental Costs Charged to the Fund

In para. 19 section 3 the words “For paying out the income for the year” was replaced by “For paying out the distribution” (*italics*):

“For paying out *the distribution* to investors, the custodian bank charges the real estate fund a commission not exceeding 0.25 percent of the gross amount of the distribution.”

A new section 11 has been added to para. 19. This governs the size of the management fee of affiliated target funds in which investments are permitted, where a material portion is invested in an affiliated target fund (*italics*):

“The management fee of target funds in which investments are made may not exceed 2 percent, allowing for

any retrocessions and discounts. The annual report must show the maximum rate of the management fee of target funds in which investments have been made, allowing for any retrocessions and discounts.”

- Chapter 7 (previously: “Profit appropriation”, now: “Distributions”) and para. 22 (previously: “Profit appropriation and distributions”, now: “Distributions”)

The title of chapter 7 has been changed from “Profit appropriation” to “Distributions”. Likewise, the title of para. 22 (previously: “Profit appropriation and distributions”, now: “Distributions”) and sections 1 and 3 of para. 22 have been changed as follows. This clarifies that distributions can be made out of profit, in which case they are subject to withholding tax, or out of capital contributions, in which case they are exempt from withholding tax:

In para. 22 section 1 sentence 1 the term “the net income” has been replaced by “the distribution” and subsequently the wording “distributed to investors” changed to “made to investors”. The wording “from profit” has been deleted accordingly from para. 22 section 1 sentence 2. In addition, a new subsection has been inserted in para. 22 section 1 specifying the previous distribution practice. Finally, a new subsection has been inserted in para. 22 section 3, which also specifies the previous distribution practice and includes further information/references (*italics*):

“The distribution by the real estate fund will be made annually to investors in Swiss francs within four months of the end of the financial year. The Fund Management Company may also make interim distributions from profits.”

“The distribution may be made either as a distribution of profits, in which case it is subject to withholding tax, or as a repayment of fund capital, in which case it is exempt from withholding tax.”

“For further details on distributions, especially the tax treatment thereof, please see the annual report. The single entity financial statements of the Fund under the Code of Obligations are authoritative for tax purposes.”

In para. 28 section 4 and in the final sentence, the date of the fund contract and of the approval of the fund contract by the Swiss Financial Market Supervisory Authority FINMA have been amended owing to the changes.

Legal Disputes

There are no legal disputes of a material nature.

Compliance with Investment Restrictions

The Fund Management Company confirms that the Helvetica Swiss Living 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 real estate 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) of April 2, 2008, version dated August 5, 2021).

Fondsleitung

Helvetica Property Investors AG
Brandschenkestrasse 47, CH 8002 Zürich
T + 41 43 544 70 80
Helvetica.com

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