

Annual Report 2022

Helvetica Swiss Opportunity Fund

Real Estate Fund
under Swiss Law



Contents

Key Figures	5
Portfolio Management Report	6
Sustainability	12
Comment on the Financial Report.....	13
Balance Sheet.....	14
Income Statement	15
Notes.....	16
Report of the Valuation Experts	24
Auditor's Report.....	27
Organization.....	29
Informationen for Investors.....	30

Helvetica Swiss Opportunity Fund (HSO Fund)

Real Estate Fund under Swiss Law

Audited Annual Report as of December 31, 2022

Valor number: 43472505

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.



Duriolstrasse 6, Villmergen

Key Figures

Key data		Notes	as of 31.12.2022	as of 31.12.2021
Securities number			43472505	43472505
ISIN			CH0434725054	CH0434725054
Initiation date			29.11.2019	29.11.2019
Issued shares	Number		312 500	500 000
Outstanding shares	Number		1 562 500	1 250 000
Redeemed shares	Number		-	-
Net asset value per share ¹⁾	CHF		121.15	122.12
Discount rate (real / nominal)	%		3.38 / 4.41	3.59 / 4.10
Balance Sheet			as of 31.12.2022	as of 31.12.2021
Fair market value of the properties	CHF	1	321 819 000	234 036 000
Gross Asset Value (GAV)	CHF		341 735 619	246 077 911
Debt ratio ²⁾	%		44.61	37.97
Residual term debt financing ²⁾	Years	8	0.21	0.21
Interest rate debt financing ²⁾	%	8	1.60	0.35
Net Asset Value (NAV) ¹⁾	CHF		189 303 200	152 648 197
Income statement			as of 31.12.2022	as of 31.12.2021
Rental Income and Income from ground rent	CHF		14 754 238	8 962 718
Net income	CHF		10 244 288	8 229 455
Weighted average unexpired lease term (WAULT) ²⁾	Years		6.06	6.96
Maintenance and repairs	CHF		225 282	199 185
Target rental income p.a. ⁴⁾	CHF		17 193 399	12 826 083
Gross target return	%		5.34	5.48
Gross actual return	%		5.21	5.30
Key financial figures AMAS²⁾			as of 31.12.2022	as of 31.12.2021
Return on investment	%		4.43	15.40
Distribution yield	%	12	5.39	5.00
Distribution per share	CHF	12	6.15	6.10
Payout-Ratio	%	12	93.80	92.65
Return on equity (ROE)	%		4.21	13.52
Return on invested capital (ROIC)	%		2.73	8.96
Premium/discount	%		-5.90	0.72
Share price per fund unit	CHF		114.00	123.00
Operating profit margin (EBIT margin)	%		73.88	78.31
Debt financing ratio	%		40.93	31.00
Rent default rate ³⁾	%	1	2.82	-
Total expense ratio TER _{REF} GAV	%		0.96	1.07
Total expense ratio TER _{REF} MV	%		1.67	1.80
Performance	%		-2.37	21.53

¹⁾ Values as at 31.12.2020: net asset value per unit CHF 111.82 / net asset value (NAV) CHF 83 863 093.

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

³⁾ The rent default rate is 2.82% as of the reporting date. If the rent reductions were taken into account, the rent default rate would be 2.89 %. The rent default rate as of 31.12.2021 is imputed negative (-0.1%) because reversals of overstated allowances resulted in income from collection losses.

⁴⁾ As of the reporting date, 98.01% of rental income is indexed and thus tied to inflation.

Past performance is no guarantee for future developments and does not take into account any commissions and costs charged on subscriptions and redemptions of units.

Portfolio Management Report

The 2022 business year was another successful one for the Helvetica Swiss Opportunity Fund in the midst of a challenging market environment: The portfolio's fair market value grew by 38 percent or around 88 million Swiss francs to some 322 million Swiss francs and now comprises 17 premium properties at good locations. The occupancy rate rose to 97.6 percent compared to 96.7 percent in the previous year.

Summary Report

In a difficult market environment, the Helvetica Swiss Opportunity Fund posted another business year featuring strong growth. The capital increase was successfully completed in the first half. Strong investor demand resulted in oversubscription, underscoring the quality of the Fund. The issue proceeds were used to acquire six properties comprising over 37,500 square meters with tenants that have strong credit ratings; this represents an increase of around 46 percent in rental space. This resulted in a 35.5 percent increase in annual rental income, which rose from 12.4 million Swiss francs to 16.8 million Swiss francs. The Fund has now grown to a total volume of 321.8 million Swiss francs, comprising 17 properties and some 120,000 square meters of rental space at attractive locations in Switzerland. The acquired properties are located in the cantons of Aargau, Basel-Land, Lucerne and St. Gallen. Noticeably higher demand for the Fund's rental space also resulted in a higher occupancy rate, which rose by 0.9 percentage points or from 96.7 percent to 97.6 percent, due to acquisitions of fully occupied properties. Existing building rights agreements for the properties at the Rütli Center in Pratteln in the Canton of Basel-Land were extended prematurely until 2091, including a 20-year extension option. The ground rent for development rights was additionally reduced by around 15 percent.

Compared to the Wüest Partner Benchmark, the Fund is undervalued. The market value of 2,692 Swiss francs per square meter of rental space is around 65 percent below the benchmark of 7,755 Swiss francs. Target rent of 144 Swiss francs per square meter is also 125 percent lower than the benchmark of 324 Swiss francs per square meter. Accordingly, the Fund offers a great deal of security and stability in value. In addition, the Fund is extremely well positioned to benefit from increasing

rental income, which will lead to high, stable distributions

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 HSO Fund weathered this high level of volatility quite well. Additionally, new leases with higher rents were concluded and investors benefit from the fact that nearly all leases are indexed.

Looking back, 2022 was in many ways an eventful and volatile year for the entire real estate sector. The first half of the year was shaped by an enormously competitive transaction market, which regularly propelled purchase prices to new highs. Absolute peak prices were observed in particular for transactions involving specialist retail stores, warehouses and logistics facilities. 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; unlike in the residential sector, however, this could be compensated for quickly by indexed commercial leases in the commercial sector.

The commercial sector, where the HSO Fund makes its investments, proved extremely robust and values re-

mained stable, with record prices being paid in particular for assets with good tenant creditworthiness and longer lease terms. This robustness was visible in both the vehicles' half-year valuations as well as in our transaction database.

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 in the transaction market.

Robust Swiss economic data, a high level of immigration, as well as persistent inflation continue to support the market. A future increase in the discount rate will be offset by inflation-related increases in rents. Additionally, high construction costs and a long-term decline in construction activity are producing a supply shortage. The market will stabilize again following a phase of uncertainty. Accordingly, prices will continue to rise again in the long term.

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 not only caused the price trend in the transaction market to cool down but transaction prices actually even leveled off somewhat. This trend was also visible in our own in-house transaction database.

Nevertheless, we succeeded in making another two attractive investments in the second half of the year; these investments related to a warehouse and logistics facility in Studen (Bern region) as well as a production facility in the Canton of Aargau with solid tenants and several different extension options at very attractive terms and conditions. Together, the two transactions represent a purchase volume of around 22.8 million Swiss francs and offer an above-average gross return of 6.5 percent, thus improving the Fund's key figures even further.

Price and Performance

Compared to listed Swiss real estate funds, which saw a disproportionately sharp decline, the price of HSO Fund units remained relatively stable. The price of the units has fallen by 7.3 percent, from 123 Swiss francs to 114 Swiss francs. Taking the 6.10 Swiss franc distribution paid in the first half of the year into account, this is equivalent to a net performance of minus 2.37 percent. By comparison, the SXI Real Estate Funds Broad

benchmark declined 15.2 percent over the reporting period. As the chart below shows, the HSO Fund outperformed the relevant benchmark. The discount to net asset value is 5.9 percent, which is good compared to other commercial funds.

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	-2.37%	0.00%	-2.56%	-2.37%	23.26%	-	26.95%
Benchmark	-15.17%	1.48%	1.92%	-15.17%	0.89%	-	2.58%

Distribution and Inventory Performance

The HSO Fund is an outperformer with a distribution yield of 5.4 percent on December 31, 2022. Net asset value declined by 0.97 Swiss francs, from 122.12 to 121.15 Swiss francs per Fund unit, due to the distribution of 6.10 Swiss francs per unit for the 2021 financial year and total profit.

After deducting the distribution of the first half of the year and due to the slight write-down on the value of the portfolio, a return on investment of 4.4 percent was generated in the business year. A distribution of 6.15 Swiss francs per unit can be expected for the 2022 business year, which corresponds to an increase of 0.8 percent over the previous year.

Real Estate Portfolio

The portfolio's fair market value in the 2022 business year rose by 37.5 percent, from 234 million Swiss francs to 321.8 million Swiss francs. Six high-quality properties at good locations with a fair market value of 88.9 million Swiss francs were added to the real estate portfolio during the reporting period. With those acquisitions, the Fund's real estate portfolio has risen to a record volume of 321.8 million Swiss francs, 37.5 percent higher than in the previous year. The newly acquired, premium properties generate rental income of 4.4 million Swiss francs, mainly from the following uses: commercial 48 percent, warehouse 19 percent, office 17 percent. They are in prime locations in the cantons of Aargau, Basel-Land, Lucerne and St. Gallen. The Fund now owns an

outstanding, diversified portfolio of 17 commercial properties with special uses; these are in good locations, primarily in German-speaking Switzerland. The rental space offered by the HSO Fund is positioned ideally to satisfy growing demand for space.

The fair market value of the existing property portfolio excluding acquisitions remained stable period on period, declining just slightly by minus 0.4 percent, from 234.0 million Swiss francs to around 233.0 million Swiss francs. This decline is attributable to the upcoming replacement of the heating system in Rümlang as well as investments in improved fire safety in Pratteln, which were factored into the market value assessment. Target rental income climbed to a record high of 17.2 million Swiss francs and is comprised of retail space (30 percent), followed by commercial (25 percent), office (14 percent) and logistics, warehouse and education (together 19 percent).

Actual rental income for the year rose by 35.5 percent or 4.4 million Swiss francs year over year, from 12.4 million Swiss francs to 16.8 million Swiss francs. The gross actual return declined slightly year over year, from 5.3 percent to 5.2 percent. This decline was driven in large part by the new acquisitions, which overall have a 20-basis-point lower gross actual return of 5.0 percent. The portfolio average is down slightly as a result.

The occupancy rate for the total portfolio rose by 0.9 percentage points, from 96.7 percent to 97.6 percent. This was mainly due to the acquisition of the new properties with a 100 percent occupancy rate, which had a positive impact on the portfolio. As a result, the Fund Management Company exceeded its expectation from

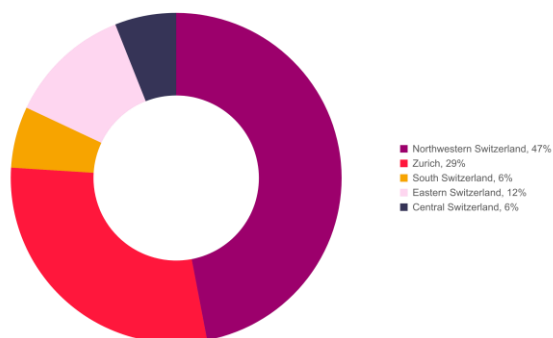
the start of the year that it would increase the occupancy rate to 97.2 percent.

The weighted average unexpired lease term during the period under review declined from 7.0 years to 6.1 years, driven by upcoming lease expirations as well as the newly acquired properties with a remaining term of 5.5 years. On the other hand, leases for 1,100 square meters of rental space were also extended by a further five years. At the Rümlang property in the Canton of Zurich, lease negotiations were concluded successfully, with a lease for 1,450 square meters of space having been extended for another five years.

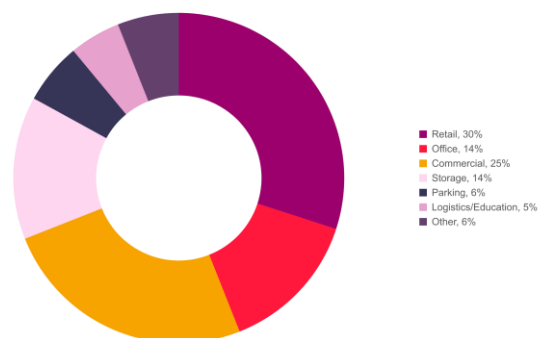
Due to high demand for rental space, robust data on the Swiss economy, a high level of immigration, declining construction activity as well as a persistently high level of inflation, we still expect the existing portfolio to post stable performance. Rental space in Switzerland will become substantially more expensive in the medium term. A possible increase of the discount rates in the market value assessments will be offset by rising rental income.

Tenants in Switzerland have been enjoying a deflationary trend in rents for the past 15 years. That era now seems to have come to an end. Inflation in Switzerland hit 2.8 percent in 2022. That benefits investors in the HSO Fund, because 98 percent of leases are indexed to inflation. That high degree of inflation protection enables adjustments to ensure continuous increases in rental income, meaning nothing stands in the way of stable performance and a distribution to investors

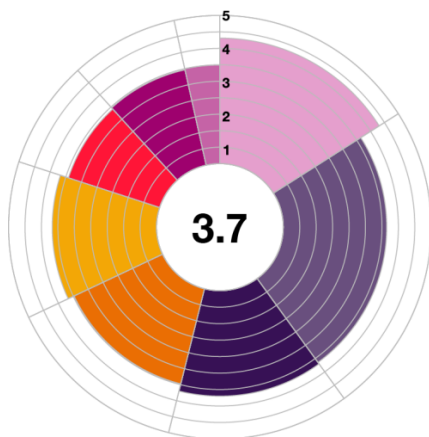
Geographical Distribution



Rental Income According to Main Use



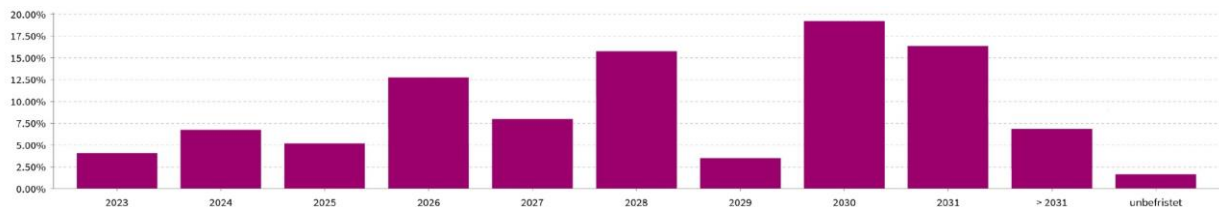
Quality Profile



	Note	Gewichtung
Gesamtnote	3.7	
Lage	4.0	40
Makrolage	4.3	40
Mikrolage	3.6	60
Objekt	3.6	40
Nutzung	3.7	35
Standard	3.5	35
Zustand	3.7	30
Investment	3.4	20
Vermietbarkeit	3.4	41
Veräußerlichkeit	3.5	41
Ertragsrisiko	3.5	17

Hinweis: 1 = schlechteste Note, 5 = beste Note

Breakdown of the Weighted Average Unexpired Lease Terms



Highlights of the Portfolio

Purchases

Six properties with around 37,500 square meters of rental space and a fair market value of 88.9 million Swiss francs were acquired until December 31, 2022. Total rental income amounted to 4.4 million Swiss francs. The acquired properties are at good locations in the cantons of Aargau, Basel-Land, Lucerne and St. Gallen.

Wattwil, Bleikenstrasse 48

A fully occupied, high-quality property with flexible production spaces and a fair market value of 10.9 million Swiss francs was purchased in April. The property generates secure long-term rental income of around 0.5 million Swiss francs per year for a period of 9.3 years through a successful industrial company.

Wil, Flawilerstrasse 23

April also brought the purchase of a fully leased car repair shop, showroom and retail property that is perfectly geared toward the sale and maintenance of BMW and MINI automobiles. The property will generate rental income of around 0.6 million Swiss francs per year for a period of 6 years.

Villmergen, Durisolstrasse 6

The office and commercial property purchased in July has three floors of flexible rental spaces in almost new condition. The property is fully leased and rental income amounts to around 0.5 million Swiss francs per year. The fair market value amounts to 11.2 million Swiss francs.

Portfolio acquisition

The existing property portfolio was diversified further through the purchase of a fully occupied portfolio comprising three properties intended for food production facilities that are located in Böckten, Oberentfelden and

Root. The acquisition represents the purchase of secure long-term rental income (2.8 million Swiss francs per year with an average unexpired lease term of over 5 years) from Switzerland's leading pasta producer. The portfolio's fair market value amounts to around 52 million Swiss francs.

Successful Leasing Activities

Rümlang, Hofwissenstrasse 48

A 5-year lease extension until 2028 was successfully negotiated with the property's largest tenant and relates to around 1,450 square meters of office and commercial space as well as numerous parking spaces. The property is fully leased.

Pratteln, Rütliweg 9

Some 160 square meters of office and storage space were leased seamlessly to a new tenant until 2027 at market conditions. The property is fully leased.

Outlook

We expect sustainable Fund growth and an increase in rental income again in 2023. We expect the need for leased commercial space to continue unabated and the fund is well positioned to satisfy growing demand for space. That means nothing stands in the way of a high distribution again in the 2023 business year.

While volatility will not leave the real estate market unscathed in 2023, either, the market's prospects look extremely good nonetheless. With unemployment at a 20-year low and inflation at 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. Other goals include increasing the occupancy rate of the portfolio of existing properties and negotiating early lease extensions. Given the extremely high occupancy rate, the Fund Management Company is focused mainly on extending leases. At the Root property in the Canton of Lucerne, negotiations are underway with the current tenant to extend the lease for around 8,500 square meters of space by another 5 years. The Fund Management Company expects these negotiations to come to a successful conclusion by the middle of next year. The Asset Management Team is also communicating directly with the ten largest tenants to clarify user needs at an early stage and extend leases ahead of schedule.

Current inflation will have a positive yet delayed impact on rental growth and, as a result, on the fair market values of the properties. At the same time, new building costs are rising; the consequence of declining construction activity and tighter supply will be higher market rents. Around 98 percent of the Fund's rental income is indexed. That high degree of inflation protection means that ongoing adjustments can be made again in the 2023 business year to ensure that rental income continues to grow.

The Fund Management Company aims to steadily reduce the debt financing ratio to around 29 percent by the end of 2024. A low debt financing ratio will make it possible to keep the strategic focus shifted more strongly toward and profit from short-term interest rates. While short-term interest rates were historically lower on average than long-term rates, they were also more volatile.

Further portfolio expansion is also planned in 2023. Several attractive properties are currently in the pipeline; their acquisition will substantially boost the portfolio's quality and distribution yield even further. If market conditions are good, the possibility of a capital increase will be examined.

The purchase agreement for a logistics property at an easily accessible location in Studen in the Canton of Bern that was notarized in December will be completed upon the transfer of ownership in January. Around 1.0 million Swiss francs in annual rental income is generated through tenants with strong credit ratings and the gross actual return is an attractive 6.9 percent, which improves the Fund's key figures even further. The property's fair market value is 13.9 million Swiss francs.

A distribution of 6.15 Swiss francs per unit can be expected for the 2022 business year, up 0.8 percent over the previous year (6.10 Swiss francs). The Fund Management Company is convinced that this distribution can at minimum be kept steady or even increased over the long term. That makes the HSO Fund a top performer among real estate funds in Switzerland, one that belongs in every asset portfolio. When it comes to dividends, the HSO Fund is truly a gem.



Solenbergstrasse 21, Schaffhausen

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. In particular, we would like to make special mention of the projects below, which will be implemented during the current year:

- Pratteln, Rütistrasse: Replacement of the heating system as part of a strategic collaborative project with tenants
- Rümlang, Hofwisenstrasse: Renovation of the chiller (heat recovery) to optimize energy and emissions
- Wädenswil, Steinacherstrasse: smart lighting to optimize utility costs

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.



Comment on the Financial Report

The Fund Management Company was pleased that it could continue to pursue its growth strategy despite the challenging market environment. Gross asset value grew by 39 percent, from 246 million Swiss francs to 342 million Swiss francs.

A capital increase was carried out to raise additional funding in the first half of the year. The fourth capital increase of 40 million Swiss francs took place in March. The oversubscription and enormous interest from investors are testimony to the Fund's attractiveness.

These funds formed the basis for the following transactions: One property each was purchased in Wattwil, Wil, Böckten, Root, Oberentfelden and Villmergen, for a total of six newly acquired properties. A purchase agreement in the amount of 13 million Swiss francs was also notarized for a property in Studen just before the end of the year. Legal ownership of these properties was transferred in January 2023.

Net asset value per unit was 121.15 Swiss francs on December 31. Taking the distribution of 6.10 Swiss francs into consideration, this corresponds to a return on investment of 4.4 percent, which is 11 percentage points lower year over year. The return on equity fell 9.3 percentage points to 4.2 percent. The decline in both figures is mainly attributable to write-downs, whereas appreciation gains were booked in the previous year. The write-downs are largely due to an uptick in investments in the future. The Fund Management Company is convinced that these measures will enable it to generate higher earnings going forward. This potential is not yet reflected in the estimates due to the valuation requirements. The realized and therefore distributable gains amounted to 6.56 Swiss francs per unit; this corresponds to a return on investment of 5.65 percent based on the realized gains. This result means that the proposed distribution of 6.15 Swiss francs per unit could be generated and that the distribution policy can remain in place.

TER_{REF}GAV declined by 0.11 percentage points to 0.96 percent. The Fund Management Company will continue to make every effort to optimize the overall costs to achieve a lower TER_{REF}GAV.

Balance Sheet

Gross asset value amounted to 342 million Swiss francs; the fair market values of the properties rose by 88 million Swiss francs, from 234 million Swiss francs to 322 million Swiss francs. Cash and cash equivalents increased by 6 million Swiss francs and amounted to just under 14 million Swiss francs. Units of other real estate funds, shares in real estate investment companies and other assets rose from 2 million Swiss francs in the previous year to 6 million Swiss francs.

Less liabilities of 137 million Swiss francs and liquidation taxes of 16 million Swiss francs, this results in net fund assets of 189 million Swiss francs, which is a year-over-year increase of 37 million Swiss francs.

The debt financing ratio amounts to 40.9 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 and income from ground rent of 14.8 million Swiss francs was generated during the period under review, a year-over-year increase of 5.8 million Swiss francs.

Expenses in the amount of 5.9 million Swiss francs were incurred during the reporting period, an increase of 2.0 million Swiss francs. Unrealized capital gains include a write-down of 1.0 million Swiss francs recognized on the total portfolio; this compares to appreciation gains of 13.2 million Swiss francs that had been posted in the previous year. With respect to the current write-down, a distinction should be made between the write-down of 1.4 million Swiss francs on the existing portfolio and the appreciation gain of 0.4 million Swiss francs on the newly purchased properties. As already explained, the Fund Management Company is convinced that the revised investment plan will enable it to generate higher earnings in the future.

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		13 864 858	8 125 606
Land/buildings			
Commercial property	1	321 819 000	234 036 000
Total for land/buildings		321 819 000	234 036 000
Shares in other real estate funds and real estate investment companies	1	3 419 113	2 541 000
Other assets		2 632 648	1 375 305
Gross asset value		341 735 619	246 077 911
Liabilities			
Current liabilities			
Short-term interest-bearing mortgages and other liabilities secured by mortgage	8	-131 724 000	-72 560 000
Other current liabilities		-5 124 296	-6 431 009
Total current liabilities		-136 848 296	-78 991 009
Total liabilities		-136 848 296	-78 991 009
Net asset value before estimated liquidation taxes		204 887 323	167 086 902
Estimated liquidation taxes		-15 584 123	-14 438 706
Net asset value		189 303 200	152 648 197
Further information			
Number of outstanding units			
Number of units at the start of the reporting period		1 250 000	750 000
Issued units		312 500	500 000
Redeemed units		-	-
Number of units at the end of the reporting period		1 562 500	1 250 000
Net asset value per unit at the end of the reporting period		121.15	122.12
Change in net asset value			
Net asset value at the start of the reporting period		152 648 197	83 863 093
Distribution of earnings subject to withholding tax	12	-2 234 375	-502 500
Fund capital repayment exempt from withholding tax	12	-7 296 875	-3 997 500
Balance from trade in shares		38 159 375	54 565 000
Total profit		8 026 878	18 720 103
Net asset value at the end of the reporting period		189 303 200	152 648 197

Income Statement

in CHF

Income	Notes	01.01.-31.12.2022	01.01.-31.12.2021
Negative interest rate		-1 682	-192
Rental income		14 518 903	8 785 218
Income from ground rent		235 336	177 500
Other income		894 960	1 426 941
Participation in current income from unit issuance		506 250	1 777 500
Total income		16 153 766	12 166 967
Expenses			
Mortgage interest and interest from liabilities secured by mortgage		-640 443	-333 297
Ground rent		-784 973	-593 377
Maintenance and repairs		-225 282	-199 185
Property management			
Property expenses		-319 063	-262 523
Administrative expenses		-415 235	-173 169
Taxes			
Property tax		-62 800	-58 000
Profit and capital tax		-522 324	-233 034
Evaluation and auditing expenses		-110 469	-154 751
Regulatory fees to			
the Fund management company	11	-2 091 316	-1 218 449
the custodian bank	11	-94 885	-55 607
property management	11	-424 206	-258 554
the market maker	11	-50 000	-50 000
Other expenses			
Other expenses		-168 483	-347 568
Total Expenses		-5 909 478	-3 937 512
Profit			
Net income		10 244 288	8 229 455
Realized capital gains		6 000	-
Realized profit		10 250 288	8 229 455
Unrealized capital gains / losses		-1 077 992	13 226 020
Change in liquidation taxes		-1 145 418	-2 735 372
Total profit		8 026 878	18 720 103
Profit appropriation			
Net income of the fiscal year		10 244 288	8 229 455
Capital gains for distribution in the fiscal year		6 000	-
Capital gains for distribution in previous financial years		-	-
Balance carried forward from previous year	12	1 237 846	633 391
Profit available for distribution		11 488 134	8 862 846
Profit intended for distribution to the investors	12	1 119 000	2 234 375
Capital gain intended for distribution to the investors	12	6 000	-
Transfer to retained earnings	12	8 484 375	5 390 625
Income retained for reinvestment		-	-
Balance to be carried forward		1 878 759	1 237 846
Fund capital repayment intended for distribution to investors		8 484 375	5 390 625
Total distribution to investors		9 609 375	7 625 000

Notes

1. Inventory

Inventory of the Properties

Address	Ownership structure ¹⁾	Total rental space in m ²	Land plot in m ²	Building year	Date last extensive Renovation	Commence-ment of ownership
Commercially used properties						
Böckten, Rohrmattstrasse 1a/1b	so	8 988	9 791	1988, 2001, 2002	2020	01.07.2022
Buchs, Furtbachstrasse 16/18	so	11 578	8 210	1978, 1988, 2002	2019	15.12.2021
Oberentfelden, Industriestrasse 40	sogr	7 661	7 891	1995	2021	01.07.2022
Pratteln, Krummeneichstrasse 39	so	3 401	3 401	Lessor		21.05.2021
Pratteln, Rütieweg 11/13	sogr	2 121	4 523	1973		21.05.2021
Pratteln, Rütieweg 5	sogr	2 850	10 417	1977		21.05.2021
Pratteln, Rütieweg 7	sogr	7 611	3 329	2016		21.05.2021
Pratteln, Rütieweg 9	sogr	17 542	9 949	1973	1997	21.05.2021
Root, Oberfeld 7	so	8 514	5 164	1990	2018	01.07.2022
Rümlang, Hofwiesenstrasse 48 ³⁾	sogr	4 161	9 372	1999		01.12.2019
Schaffhausen, Industriestrasse 2a/b	co	9 230	18 640	2016		12.12.2019
Schaffhausen, Solenbergstrasse 21	so	5 885	9 746	2020		10.08.2020
Sion, Avenue du Midi 3 Rue de la Dent-Blanche 12	co	12 613	3 717	1988		01.01.2020
Villmergen, Durisolstrasse 6	so	4 579	5 699	1981	2014	01.08.2022
Wädenswil-Au, Steinacherstrasse 101	so	5 114	7 661	1989	2020	01.12.2019
Wattwil, Bleikenstrasse 48	so	4 622	4 572	1991	2016	08.04.2022
Wil, Flawilerstrasse 23	so	3 087	8 753	2018		01.05.2022
Total commercially used properties		119 556	130 835			
of which, under sole ownership with ground rent		41 945	45 481			
of which, under condominium ownership		21 843	22 357			
of which, under sole ownership with development rights granted		3 401	3 401			
Subtotal		119 556	130 835			
Secondary rental income						
Grand total for land/buildings		119 556	130 835			

¹⁾ so = sole ownership

co = condominium ownership

sogr = sole ownership with ground rent

²⁾ The rent default 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, deviations are possible for this key figure.

³⁾ The HSO Fund is the building leaseholder for the property in Rümlang, Hofwiesenstrasse 48, and at the same time passes on part of the parcel as a building lender with sublease rights.

Initial cost	Market value	Gross rental income	Rent default	Rent default ²⁾	Rental income actual	Gross return	Occupancy rate
in CHF	in CHF	in CHF	in CHF	in %	in CHF	in %	in %
22 673 951	22 760 000	576 585	-	-	576 585	5.07	100.0
23 893 103	27 560 000	1 445 099	-143 830	-9.95	1 301 269	5.24	90.0
13 745 403	13 430 000	397 168	-	-	397 168	5.91	100.0
4 288 311	4 838 000	180 000	-	-	180 000	3.72	100.0
3 267 716	3 041 000	352 880	-162 344	-46.01	190 536	11.60	53.4
4 730 314	4 967 000	564 560	-102	-0.02	564 458	11.37	100.0
26 961 163	28 810 000	1 493 718	-	-	1 493 718	5.18	100.0
37 772 654	40 500 000	2 297 163	-9 253	-0.40	2 287 910	5.66	100.0
15 767 427	15 420 000	435 640	-	-	435 640	5.65	100.0
5 639 340	5 293 000	697 412	-	-	697 412	13.22	100.0
24 491 401	28 290 000	1 457 893	-89 481	-6.14	1 368 411	5.18	95.0
15 199 308	16 370 000	729 000	-	-	729 000	4.45	100.0
49 340 173	52 360 000	2 535 711	-	-	2 535 711	4.84	100.0
10 499 893	11 200 000	214 756	-250	-0.12	214 506	4.60	99.9
21 112 516	20 920 000	1 014 660	-29 705	-2.93	984 955	4.85	96.9
10 856 384	10 920 000	361 625	-	-	361 625	4.53	100.0
14 906 943	15 140 000	393 686	-	-	393 686	3.90	100.0
305 146 001	321 819 000	15 147 554	-434 965	-2.87	14 712 588	5.34	97.6
92 116 590	96 041 000	5 802 900	-171 699	-2.96	5 631 201		
73 831 574	80 650 000	3 993 604	-89 481	-2.24	3 904 122		
4 288 311	4 838 000	180 000	-	-	180 000		
305 146 001	321 819 000	15 147 554	-434 965	-2.87	14 712 588		
					41 650		
305 146 001	321 819 000				14 754 238		

The Fund holds 17 properties. The five properties in Pratteln are adjacent properties and are counted as one property based on Art. 87, para. 1 CISO. As a result, the fund owns 13 properties from a regulatory perspective as of 31.12.2022.

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	3 496 203	3 419 113

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	3 419 113	2 541 000
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	321 819 000	234 036 000
Total investments	325 238 113	236 577 000

2. Real Estate Purchased and Sold

Purchased

Address	Canton	Ownership situation	Legal Transfer of ownership	Start of ownership (transfer of benefits and risks)
Wattwil, Bleikenstrasse 48	St. Gallen	Sole ownership	08.04.2022	08.04.2022
Wil, Flawilerstrasse 23	St. Gallen	Sole ownership	29.04.2022	01.05.2022
Böckten, Rohrmattstrasse 1a/1b	Basel-Landschaft	Sole ownership	29.06.2022	01.07.2022
Root, Oberfeld 7	Aargau	Sole ownership	01.07.2022	01.07.2022
Oberentfeld, Industriestrasse 40	Aargau	Sole ownership with ground rent	11.07.2022	01.07.2022
Villmergen, Durisolstrasse 6	Aargau	Sole ownership	27.07.2022	01.08.2022

Sold

None

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

In December 2022, a purchase contract for a property in Studen (Canton of Berne) worth CHF 12.7 million was notarized. Transaction costs of CHF 0.6 million for Studen are included in other assets as of the balance sheet date. The transfer of ownership and payment of the purchase price took place on January 3, 2023.

4. Participations in Real Estate Companies

The properties of the Fund are held either by Helvetica Swiss Opportunity AG or by Retail Center AG. As of December 31, the Fund holds one hundred percent of the share capital of Helvetica Swiss Opportunity AG, headquartered in Zurich, which in turn holds one hundred percent of the share capital of Retail Center AG, headquartered in Zurich.

Notes

5. Rental Income per Tenant over 5 Percent

Tenant	Annual rent in %
Manor SA, Basel	12.8
Orior Menu AG	11.6
Lipo Einrichtungsmärkte AG	8.9
Kanton Zürich	5.4
Fredag AG	5.2
Total	43.9

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
money market mortgage	1.72%	41 614 000	31.12.2022	31.03.2023
money market mortgage	1.74%	18 490 000	21.12.2022	31.03.2023
money market mortgage	1.74%	15 140 000	31.12.2022	31.03.2023
Fixed Advance	1.45%	11 600 000	30.12.2022	31.03.2023
money market mortgage	1.40%	4 060 000	31.12.2022	31.03.2023
money market mortgage	1.40%	3 700 000	31.12.2022	31.03.2023
money market mortgage	1.74%	1 545 000	31.12.2022	31.03.2023
Fixed Advance	1.41%	6 060 000	23.12.2022	23.03.2023
money market mortgage	1.38%	11 600 000	31.12.2022	31.01.2023
money market mortgage	1.36%	7 460 000	31.12.2022	31.01.2023
money market mortgage	1.36%	5 440 000	31.12.2022	31.01.2023
money market mortgage	1.74%	5 015 000	31.12.2022	31.01.2023
Total		131 724 000		

Matured Mortgages and Fixed Advances

Type	Interest rate	in CHF	Date of issue	Maturity
money market mortgage	1.35%	41 614 000	29.10.2022	31.12.2022
money market mortgage	1.49%	15 140 000	01.12.2022	31.12.2022
money market mortgage	0.96%	11 600 000	01.10.2022	31.12.2022
money market mortgage	0.92%	7 460 000	01.10.2022	31.12.2022
money market mortgage	0.92%	5 440 000	01.10.2022	31.12.2022
money market mortgage	1.49%	5 015 000	01.12.2022	31.12.2022
money market mortgage	0.99%	4 060 000	01.10.2022	31.12.2022
money market mortgage	0.99%	3 700 000	01.10.2022	31.12.2022
money market mortgage	1.49%	1 545 000	01.12.2022	31.12.2022
Fixed Advance	1.01%	6 060 000	25.11.2022	23.12.2022
money market mortgage	1.35%	17 490 000	25.11.2022	21.12.2022
money market mortgage	1.25%	15 140 000	01.11.2022	30.11.2022
money market mortgage	1.25%	5 015 000	01.11.2022	30.11.2022
money market mortgage	1.25%	1 545 000	01.11.2022	30.11.2022
Fixed Advance	1.03%	6 060 000	26.09.2022	25.11.2022

Notes

Type	Interest rate	in CHF	Date of issue	Maturity
money market mortgage	0.91%	4 700 000	01.10.2022	25.11.2022
money market mortgage	1.25%	13 290 000	29.10.2022	24.11.2022
money market mortgage	1.24%	15 140 000	01.10.2022	31.10.2022
money market mortgage	1.24%	5 015 000	01.10.2022	31.10.2022
money market mortgage	1.24%	1 545 000	01.10.2022	31.10.2022
Fixed Advance	0.53%	41 614 000	30.07.2022	28.10.2022
money market mortgage	0.93%	13 290 000	29.09.2022	28.10.2022
Fixed Advance	0.80%	15 140 000	01.09.2022	30.09.2022
Fixed Advance	0.44%	11 600 000	30.06.2022	30.09.2022
Fixed Advance	0.42%	7 460 000	01.07.2022	30.09.2022
Fixed Advance	0.42%	5 440 000	01.07.2022	30.09.2022
Fixed Advance	0.80%	5 015 000	01.09.2022	30.09.2022
Fixed Advance	0.46%	4 700 000	30.06.2022	30.09.2022
Fixed Advance	0.46%	4 060 000	30.06.2022	30.09.2022
Fixed Advance	0.46%	3 700 000	30.06.2022	30.09.2022
Fixed Advance	0.80%	1 545 000	01.09.2022	30.09.2022
Fixed Advance	0.75%	13 290 000	28.06.2022	28.09.2022
Fixed Advance	0.47%	6 060 000	26.07.2022	26.09.2022
Fixed Advance	0.80%	15 140 000	01.08.2022	31.08.2022
Fixed Advance	0.80%	5 015 000	01.08.2022	31.08.2022
Fixed Advance	0.80%	1 545 000	01.08.2022	31.08.2022
Fixed Advance	0.96%	15 140 000	28.06.2022	31.07.2022
Fixed Advance	0.96%	5 015 000	28.06.2022	31.07.2022
Fixed Advance	0.96%	1 545 000	28.06.2022	31.07.2022
Fixed Advance	0.59%	41 614 000	30.06.2022	29.07.2022
Fixed Advance	0.27%	41 614 000	01.06.2022	30.06.2022
Fixed Advance	0.44%	11 600 000	01.04.2022	30.06.2022
Fixed Advance	0.46%	4 700 000	01.06.2022	30.06.2022
Fixed Advance	0.46%	4 060 000	01.06.2022	30.06.2022
Fixed Advance	0.46%	3 700 000	01.06.2022	30.06.2022
Fixed Advance	0.27%	42 000 000	30.04.2022	31.05.2022
Fixed Advance	0.46%	7 560 000	01.05.2022	31.05.2022
Fixed Advance	0.46%	4 700 000	01.05.2022	31.05.2022
Fixed Advance	0.46%	3 700 000	01.05.2022	31.05.2022
Fixed Advance	0.46%	7 560 000	01.04.2022	30.04.2022
Fixed Advance	0.46%	4 700 000	01.04.2022	30.04.2022
Fixed Advance	0.46%	3 700 000	01.04.2022	30.04.2022
Fixed Advance	0.27%	42 000 000	01.04.2022	29.04.2022
Fixed Advance	0.27%	42 000 000	31.12.2021	31.03.2022
Fixed Advance	0.44%	11 600 000	31.12.2021	31.03.2022
Fixed Advance	0.46%	8 560 000	01.02.2022	31.03.2022
Fixed Advance	0.46%	4 700 000	01.03.2022	31.03.2022
Fixed Advance	0.46%	3 700 000	01.02.2022	31.03.2022
Fixed Advance	0.46%	4 700 000	01.02.2022	28.02.2022
Fixed Advance	0.46%	8 560 000	30.12.2021	31.01.2022
Fixed Advance	0.46%	6 700 000	30.12.2021	31.01.2022
Fixed Advance	0.46%	3 700 000	30.12.2021	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%	1.75%	Net asset value of units
Redemption commission on units	1.50%	—	—	Net asset value of units

Notes

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 rate	Actual rate	Basis
Remuneration to the Fund Management Company				
Management fee	1.00%	0.70%	0.70%	Gross asset value
Purchase/sales compensation	3.00%	2.20%	2.26%	Purchase/sale price
Building and renovation fee	4.00%	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)	0.25% previous year CHF 5,000	0.05%	CHF 5'000	Gross distribution amount
Market maker	–	CHF 50 000	CHF 50 000	Flat amount of 12'500 Swiss francs per quarter
Remuneration to property managers	5.00%	2.92%	2.94%	Gross rental income

12. Distribution of Profits

For the financial year ended December 31, 2022, a total amount of CHF 9.6 million will be distributed, corresponding to CHF 6.15 per unit and a distribution yield on the price per unit of 5.4 %. The payout ratio is 93.8 %. The distribution consists of an income distribution of CHF 1.1 million, which is subject to withholding tax, and a fund capital repayment of CHF 8.5 million, which is exempt from withholding tax. The ex-date is April 26, 2023 and the distribution will be made on April 28, 2023.

The distribution of CHF 7,625,000 planned for the financial year 2021 has increased by CHF 1,906,250 to CHF 9,531,250. On April 29, 2022, this distribution of CHF 9.5 million (CHF 6.10 per unit) was made, divided into an income distribution of CHF 2.2 million (CHF 1.43 per unit), which is subject to withholding tax, and a fund capital repayment of CHF 7.3 million (CHF 4.67 per unit), which is exempt from withholding tax. Prior to this distribution date, new units were subscribed as of April 7, 2022 at the net asset value at that time. The actual distribution is reflected in the change in net assets of the fund.

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 Opportunity 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)	51 647 673	43 636 131	8 011 542
Balance of depreciation account for land and buildings (Fund level)	-	-	-
Balance of the provision account for future repairs (tax-motivated, subsidiary level)	9 151 722	8 490 155	661 567
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 Opportunity Fund
Independent real estate valuer's report
Valuation as at 31 December 2022

To the Executive Board of Helvetica Property Investors AG

Ref.
118584.2210

Commission

Wüest Partner AG (Wüest Partner) was commissioned by the Fund Management to perform a valuation, for accounting purposes, of the 17 properties held by Helvetica Swiss Opportunity 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 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 lettability of rented premises, construction type and condition, micro- and macro-location etc.). Currently vacant premises are valued with due allowance made for a reasonable marketing period.

Wüest Partner inspects the properties normally at least once every three years as well as following purchase and upon completion of larger refurbishment and investment projects. All properties were visited in 2020 to 2022.

Results

A total of 17 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 321,819,000 Swiss Francs.

In the property valuation, real discount rates between 3.10% and 4.10% were applied. Considering an inflation rate of 1.0% the nominal discount rates lie between 4.13% and 5.14%. Over the whole portfolio, the average of the discount rates – weighted by market value – is 3.38% in real terms and 4.41% 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:

- 4461 Böckten, Rohrmattstrasse 1a/1b;
- 5036 Oberentfelden, Industriestrasse 40;
- 6037 Root, Oberfeld 7;
- 5612 Villmergen, Durisolstrasse 6;
- 9630 Wattwil, Bleikenstrasse 48;
- 9500 Wil, Flawilerstrasse 23.

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, 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 Opportunity Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Helvetica Swiss Opportunity 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, 14 until 23, 29 until 31) 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.

Informationen 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 (previously section 2), the words “For acting as paying agency, including paying out distributions (if any)” have been replaced by “For paying out the distribution to investors”, and the words “a one-time set-up fee of 7,500 Swiss francs plus an annual fee of 50,000 Swiss francs from January 1, 2020 onwards” by “a commission not exceeding 0.25 percent of the gross amount of the distribution”. Hence, a percentage fee is now charged, instead of a flat-rate fee (*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.”

“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 Opportunity 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).

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

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.