Helvetica

HSLFund

Unaudited
Half-Year Report 2024

Helvetica Swiss Living Fund

Real estate fund
under Swiss law

Building Enduring Value.

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Helvetica Swiss Living Fund (HSL Fund)

Real estate fund under Swiss law

Unaudited Half-Year Report for the period ended June 30, 2024

Securities number: 49527566

Helvetica.com

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In case of doubt, the German version shall prevail.

Key Figures

Key data		**Notes**	**30.06.2024**	**31.12.2023**
Securities number			49527566	49527566
ISIN			CH0495275668	CH0495275668
Initiation date			06.11.2019	06.11.2019
Issued units	Number		-	-
Outstanding units[1)]	Number		3 839 234	3 839 234
Redeemed units	Number		-	-
Net asset value per unit[2)]	CHF		102.66	110.40
Discount rate (real / nominal)	%		2.78 / 4.06	2.70 / 3.98
Balance Sheet			**30.06.2024**	**31.12.2023**
Market value of the properties	CHF	1	660 941 000	756 376 000
Gross Asset Value (GAV)	CHF		692 353 273	770 797 072
Debt ratio[3)]	%		43.07	45.01
Residual term debt financing[3)]	Years		0.69	0.41
Interest rate debt financing[3)]	%		1.82	2.12
Net Asset Value (NAV)[2)]	CHF		394 123 347	423 842 683
Income statement			**01.01.-30.06.2024**	**01.01.-30.06.2023**
Rental Income	CHF		13 930 231	14 544 197
Net income	CHF		5 388 362	4 959 420
Maintenance and repairs	CHF		1 945 806	1 672 862
Target rental income p.a.[4)]	CHF		27 343 779	30 433 251
Gross target yield	%		4.14	3.76
Gross actual yield	%		3.96	3.64
Key financial figures AMAS[3)]			**30.06.2024**	**30.06.2023**
Return on investment	%		-5.12	-0.43
Distribution yield	%	9	n/a	n/a
Distribution per unit	CHF	9	n/a	n/a
Payout-Ratio	%	9	n/a	n/a
Return on equity (ROE)	%		-5.02	-0.42
Return on invested capital (ROIC)	%		-2.31	0.13
Premium/discount	%		-1.61	-4.83
unit price per fund unit	CHF		101.00	107.00
Operating profit margin (EBIT margin)	%		63.15	55.60
Debt financing ratio	%		42.63	45.85
Rent default rate	%	1	4.40	4.59
Total expense ratio TER_{REF} GAV	%		0.80	0.88
Total expense ratio TER_{REF} MV	%		1.54	1.72
Performance	%		-3.63	-2.26

[1)] The relevant number of shares for the distribution for the 2024 financial year, which will be paid out in April 2025, is 3,571,844. 267,390 shares were terminated at the end of 2023 and will be paid out in March 2025 at the latest.

[2)] Values as at 31.12.2022: Net asset value per unit CHF 116.37 / net fund assets (NAV) CHF 446 764 806.

[3)] The key figures were calculated in accordance with AMAS "Fachinformation Kennzahlen von Immobilienfonds" dated 13.09.2016 (as at 31.05.2022).

[4)] Annualized value based on balance sheet date.

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

Management and Corporate Bodies

Executive Board as of June 30, 2024

Marc Giraudon
CEO

Dominik Fischer
Chief Investment Officer
Member of the Executive Board

Urs Kunz
Chief Commercial Officer
Member of the Executive Board

Thomas Stadelmann
Head Compliance, Risk und Legal,
Member of the Extended
Executive Board

Peter R. Vogel
Chief Financial Officer,
Member of the Executive Board

Board of Directors as of June 30, 2024

Peter E. Bodmer
Chairman of the Board of Directors

Dr. Hans Ueli Keller
Vice President of the
Board of Directors

Dr. Franziska Blindow-Prettl
Member of the Board of Directors

Theodor Härtsch
Member of the Board of Directors

Herbert Kahlich
Member of the Board of Directors

Organization

Fund Management Company	Helvetica Property Investors AG, Brandschenkestrasse 47, Zurich
Executive Board	Marc Giraudon, CEO (from April 2, 2024) Hans R. Holdener, Co-CEO (until April 1, 2024) Dominik Fischer, CIO Urs Kunz, CCO Peter R. Vogel, CFO and Head of Corporate Services
Extended Executive Board	Thomas Stadelmann, Head of Compliance, Risk and Legal
Board of Directors	Peter E. Bodmer, Chairman (from May 2, 2024, previously Vice President) Dr. Hans Ueli Keller, Vice President (from May 2, 2024, previously Chairman) Dr. Franziska Blindow-Prettl, member Theodor Härtsch, member Herbert Kahlich, member
Asset Manager	Helvetica Property Investors AG, Brandschenkestrasse 47, Zurich
Custodian Bank and Paying Agency	Bank J. Safra Sarasin, Elisabethenstrasse 62, Basel
Auditors	PricewaterhouseCoopers AG, Birchstrasse 160, Zurich
Market Maker	Bank J. Safra Sarasin, Elisabethenstrasse 62, Basel
Accredited Valuation Expert	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 (until June 30, 2024) Pascal Marazzi-de Lima, valuation expert, Wüest Partner AG, Zurich (from July 1, 2024)
Property Management	Property management and technical maintenance were mainly delegated to H&B Real Estate AG until June 30, 2023, and since July 1, 2023, mainly to Apleona Schweiz AG and Privera AG. The precise execution of the assignments is governed by separate contracts.

Portfolio Management Report

The Helvetica Swiss Living Fund (HSL Fund) is putting itself on a new footing for the future.

In the first half of 2024, the Fund made decisive progress on its strategic priorities. The portfolio has been optimized and profitability strengthened through targeted sales of properties. In addition, the debt financing ratio has been reduced below the required regulatory maximum. At the fund level, the management fee was also reduced by 25 basis points. The progress achieved brings the Fund to a new starting point for future growth.

Summary Report

To optimize the portfolio, the Fund is selectively selling properties that are no longer in line with the its strategy due to their current or future performance or location. This sharpens the Fund's profile and strengthens the portfolio's profitability.

By mid-August 2024, properties worth around CHF 180 million had been sold. The sale proceeds were used to reduce the debt financing ratio. The HSL Fund achieved an important milestone when it fell below the regulatory limit of 33.3 percent in August 2024. After the completion of further sales, which is expected to take place by the end of September 2024, the debt financing ratio will settle within the strategic range of 25 to 28 percent.

The NAV is now at its new baseline. The NAV per unit fell by around 5 percent compared with year-end 2023 to CHF 102.7, taking account of the distribution of CHF 2.20 per unit. This reduction is due to the capital losses on the property sales. The great majority of the losses expected in the second half of 2024 are already reflected in the valuation as of June 30, 2024. The price per unit has also adjusted to this level with a reduction to CHF 101 at end of June 2024.

At the level of the properties, the occupancy rate stabilized at 96 percent and the rental income increased by around CHF 0.8 million p.a. due to the reference interest rate adjustment in April 2024.

As a result of the correction, the valuation adjustment made and the increases in rental income, the gross yield [target] in the first half of 2024 rose by 30 basis points to 4.1 percent. An equivalent increase was also seen in the net yield at the real estate level, which was 3.3 percent at June 30, 2024.

In addition, the Fund Management Company decided to significantly reduce the management fee by 25 basis points to 0.45 percent, sustainably strengthening the Fund's operating profitability.

The net income in the first half of 2024 of CHF 5.4 million is the result of these measures at the property and fund levels. Calculated on the basis of the number of units relevant for the distribution, after deduction of the units redeemed at the end of 2023, , the net income for the first half of the year 2024 was around CHF 1.50 per unit.

The proportion of long-term borrowing was doubled from 11 percent at the end of 2023 to 22 percent as of June 30, 2024. The Fund Management Company intends to take further steps in connection with the sales in the coming months so that this proportion settles in the target range of 30 to 50 percent during the second half of the year. 2024

Following the completion of all of the planned sales, the real estate portfolio is expected to consist of 38 properties with a total value of around CHF 500 million and annual rental income [target] of around CHF 21 million.

This portfolio lays the foundation for renewed growth and value creation within the Fund.

Portfolio

Market Report

In the first half of 2024, the Swiss market for investment properties performed robustly. The demand for rental homes remains high, which has led to a general increase in rental prices. Compared with the previous year, new lets in some cases increased by up to 6 percent. This situation is reinforced by the still short supply of available apartments. The average vacancy rate is steadily falling, which makes apartment hunting increasingly difficult for tenants and could further drive up rental prices.

The construction of rental apartments continued to stagnate in the first half of 2024. In particular, private property developers are increasingly withdrawing from the construction of housing, which is in part due to the strict regulatory requirements and the need for high-density construction. The number of planning applications has not significantly increased, which further reduces the already short supply of rental homes.

Interest rates for mortgages have fallen slightly in the past few months, based on the two key interest rate cuts by the Swiss National Bank (SNB) in the first half of 2024. Fixed-rate mortgages have regained popularity due to borrowers' increased need for security. The prices for investment properties are therefore currently considered stable, as investors are looking for safe and profitable investments.

Economic conditions remain challenging, but there are signs of stabilization. Immigration momentum weakened slightly in the first quarter 2024 but is still at a high level, which continues to drive demand for rental apartments. The demand for labor remains high even though it has weakened slightly due to weaker economic momentum in 2024. The interest rate environment currently appears to have stabilized.

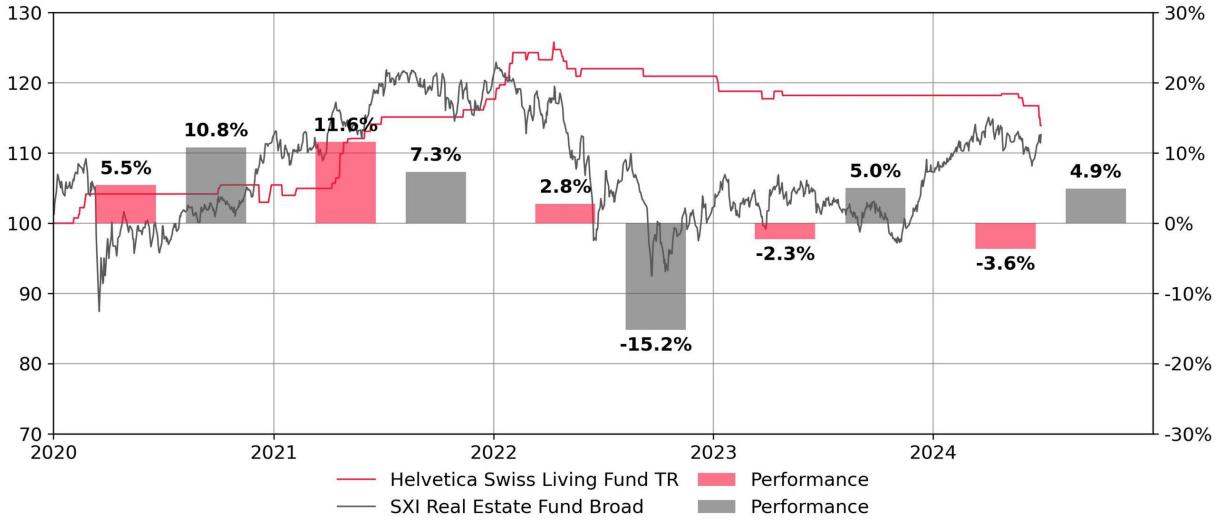
Outlook

In the second half of 2024, rental prices are expected to continue to rise slightly while the supply of new rental apartments remains limited. The HSL Fund should also benefit from this development by focusing on selectively expanding its portfolio and using the more attractive financing conditions to further optimize profitability.

Price and Performance

The price fell by 5.6 percent in the first half of 2024, from CHF 107.00 to CHF 101.00 per unit. Taking into account the distribution of CHF 2.20 paid out in April 2024 for the 2023 financial year, this is equivalent to a net performance of –3.6 percent. By comparison, the performance of the benchmark, the SXI Real Estate Funds Broad Index, rose by 4.9 percent in the reporting period. The discount to net asset value was 1.6 percent as of June 30, 2024.

Performance Development



Distribution and Asset Value Performance

Taking the distribution of CHF 2.20 per unit and total profit in the current year into consideration, net asset value decreased by CHF 7.7, from CHF 110.40 to CHF 102.7 per unit.

Real Estate Portfolio

Transactions

The portfolio still comprised 48 properties as of the reporting date. Eight sales were completed and three more were notarized in the first half of 2024. In July 2024 until August 20, 2024, five further sales were completed by the time that this report was completed. The sales optimize the Fund's profile and remove low-yielding properties that are not in line with the strategy. A profitable portfolio of high-demand locations in suburban Switzerland remains.

The debt financing ratio was reduced by 86 basis points to 42.6 percent in the first half of 2024, but decreases in the value of the portfolio counteracted a further fall. After the completion of all the sales in July and August 2024, the debt financing ratio fell to below the regulatory maximum of 33.3 percent.

Yields

As a result of the correction, the value adjustment and the increases in rental income, the gross yield [target] in the first half of 2024 rose by 30 basis points to 4.1 percent. An equivalent increase was also seen in the net yield at real estate level, which was 3.3 percent at June 30, 2024.

Portfolio Value

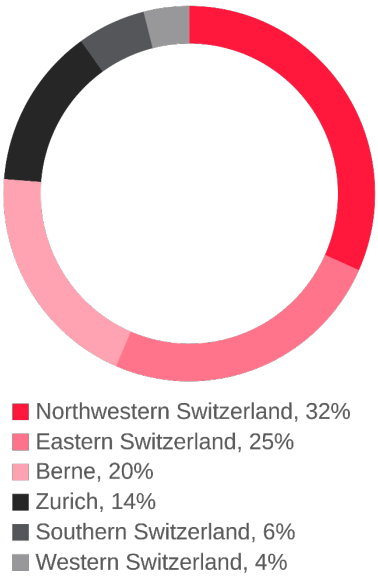
The portfolio's value fell by CHF 756 million compared with year-end 2023 to CHF 661 million. This is largely due to the disposals amounting to around CHF 75 million. In addition, the majority of impending capital losses from the ongoing sales are reflected in the valuation. For the three sales notarized before June 30, 2024, the effective selling prices were used in the valuation. The value of the remainder of the portfolio remained stable (–0.1 percent), driven by increased rental income with a simultaneous slight increase in the discount rate. As of

June 30, 2024, a total value of CHF 661 million thus results for the portfolio, consisting of 48 residential properties.

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

Breakdown by Region

On the basis of the market value



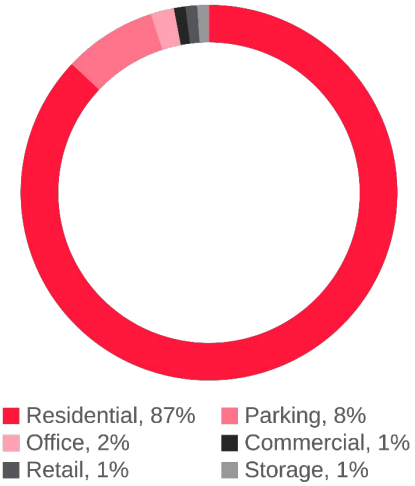
Rental Income

As at June 30, 2024, the fund's high-quality residential portfolio still comprises around 1,600 apartments in the low rent quantile of 46 percent (CHF 193/m^2) and is located in easily accessible regional and national economic centers with strong population growth. Long-term value creation potential is therefore available. Rental income amounted to CHF 13.9 million in the first half of 2024. Due to the renewed increase in the reference interest rate and the resulting rent adjustments from April 2024, the rental income from the 48 properties remaining in the portfolio as at the reporting date was increased by CHF 0.8 million p.a.

The residential portion with related ancillary uses and parking spaces accounts for 95 percent of rental income [target], emphasizing the purely residential nature of the Fund.

Breakdown by Main Use

On the basis of rental income [target]



Locations

The properties are largely located in German-speaking Switzerland, with a particular focus on suburban and peri-urban macro locations. These regions are seeing above-average growth as a result of immigration and internal migration. Particular attention is also paid to good to very good access to public transport and excellent accessibility for private transport.

Use

HSL Fund’s portfolio has broad geographic diversification. The rental income [target] comes primarily from residential use at 87 percent and parking at 8 percent.

Residential Mix

Around 70 percent of the apartments in the HSL Fund are in the 3 to 4.5 room category, while 28 percent of the apartments are 1 to 2.5 room apartments and 4 percent are apartments with 5 or more rooms. The portfolio is therefore ideally positioned to meet demand for housing in suburban and peri-urban locations.

Occupancy Rate

Despite the increases as at April 2024, no increase in tenant fluctuation was registered; this remains at the previous year's level of approx. 8 percent. Asset Management intensified its rental activities and was able to stabilize the portfolio’s occupancy rate at 96 percent.

The reduction of turnover by the end of 2024 is another of Asset Management's stated objectives.

The vacancy rate as June 30, 2024 was 4.32 percent and was thus kept stable compared with the end of 2023. Vacant parking spaces account for 22 percent of the total vacancy rate. The vacant apartments as of the reporting date therefore only comprise around 60 percent of the overall vacancy rate.

Financing Strategy

The market environment remains challenging despite the two reference interest rate cuts in March 2024 and June 2024. Following a comprehensive analysis of the financing structure at the end of 2023, the Fund Management Company is currently implementing the financing strategy. The strategy is to always have 30 to 50 percent of debt financed on a long-term basis (>1 year term) in the medium term and to achieve an average residual term of two to two and a half years.

The proportion of long-term borrowing was doubled from 11 percent at the end 2023 to 22 percent as of June 30, 2024. The Fund Management Company intends to take further steps in the coming months so that this proportion settles in the target range of 30 to 50 percent during the second half of 2024.

Highlights of the Portfolio

Acquisitions/Disposals

Eight residential properties were sold in the first half of 2024. These are the properties in Bulle (FR), Frauenfeld (SG), La Chaux-de-Fonds (NE), Oberglatt (ZH), Schwerzenbach (ZH), St. Gallen (SG), Wittenbach (SG) and Zurich (ZH). The market value of the properties sold in the first half of 2024 was CHF 75 million.

Successful Rental Activities

Derendingen (Solothurn), Schluchtbachstrasse 35 to 39

The last apartment and also two parking spaces were let, and the vacancy rate thus fell from 8 percent at the end 2023 to just under 1 percent as at balance sheet date.

Grenchen (Solothurn), Bündengasse 18 to 22

In a municipality with a generally increased municipality vacancy rate, it was possible to re-let all of the apartments. This reduced the vacancy rate from 6 at the end 2023 to 1 percent as at balance sheet date.

Benglen (Zurich), Bodenacherstrasse 16 and 18

It was possible to re-let all of the apartments here. Only five parking spaces are still vacant. This reduced the vacancy rate from 7 at the end 2023 to 2 percent as at balance sheet date.

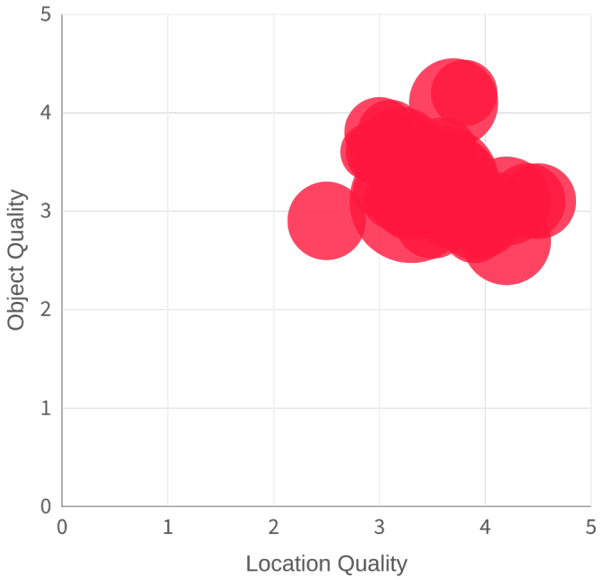
Therwil (Basel-Landschaft), Vorderbergweg 2 and 4/ Reinacherstrasse

All the apartments but one were re-let. This reduced the vacancy rate from 10 at the end 2023 to 4 percent as at balance sheet date.

Wattwil (St. Gallen), Schomattenstrasse 41 to 45

Since the start of the year, the vacancy rate has been reduced from 9 at the end 2023 to 5 percent as at balance sheet date.

Property and Location Quality



The valuation expert Wüest Partner's quality profile of 3.4 confirms the Fund's strategic focus on well-connected micro locations in suburban and peri-urban macro locations and solid property quality in the lower rent segment.

Outlook

Asset Management

The HSL Fund continues to specialize in the affordable housing segment in suburban locations. This is reflected in the low percentile of 46 percent in which the residential rents are positioned. Helvetica is convinced that this market segment will see disproportionately high growth throughout Switzerland and retains its strong weighting in this area.

The aim of asset management is to keep the fluctuation rate within the target corridor of 10 percent to 15 percent by the end of 2024 and to achieve a vacancy rate of less than 4 percent.

Fund Management

The first half of 2024 was influenced by disposals of properties for the purpose of reducing the debt financing ratio and raising the liquidity needed for paying out redemptions in spring 2025. Eight sales were already completed and three more notarized as of the end of June 2024. With the five additional sales after the balance sheet date until August 20, 2024, the debt financing ratio was reduced below the regulatory limit of 33.3 percent. The completion of the remaining sales processes until September 2024 will conclude the optimization of the portfolio.

Value adjustments to be expected in the current market environment arise from the sales of the properties with poor alignment with the Fund's strategy and poor performance. These corrections were either already realized in the first half of 2024 or are largely reflected in the reported market values of the properties not yet sold as at the reporting date of June 30, 2024. By contrast, the properties remaining in the portfolio in the long term show stable performance compared with the end of 2023.

Sustainability

Sustainability Strategy

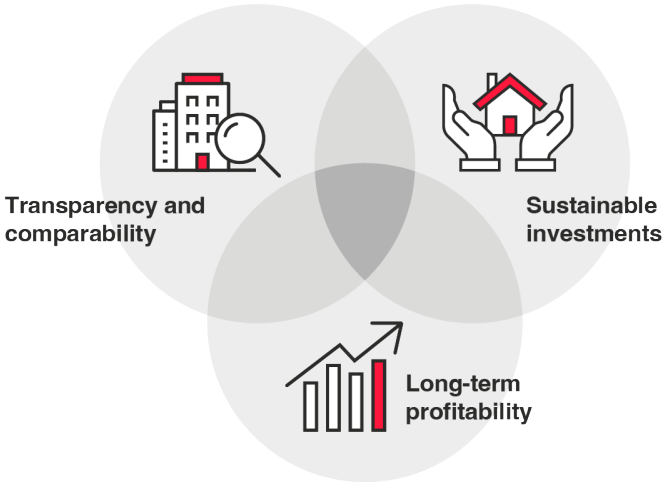
The sustainability strategy of Helvetica is geared to the Paris Climate Agreement and the Swiss Confederation's current energy and emissions targets. Helvetica wants to make a significant contribution to climate protection in the long term by making targeted investments in sustainable and energy-efficient systems and optimizing existing properties. Transparency and comparability are at the heart of Helvetica's decisions here, just as much as economic considerations.

Sustainability Approach

Helvetica attaches great importance to reducing CO_2 emissions, improving energy efficiency and promoting climate-friendly investments. Helvetica is working on minimizing the environmental footprint through targeted measures such as complete refurbishments, internal densification and flexible use options.

One important part of the strategy is deploying technologies such as heat pumps, district heating and photovoltaic systems to increase the proportion of renewable energies in the fund portfolio. In addition, Helvetica is optimizing existing systems in order to decrease energy consumption and reduce operating costs for both owners and users in the long term.

Principles



1 **Creating transparency and comparability** should be promoted as a basis for decision-making.

2 **Sustainable investments** should be evaluated and prioritized in an overarching context.

3 **Long-term profitability** should be guaranteed through sustainable investments.

The sustainability strategy of Helvetica is based on the following principles:

Transparency and Comparability
"We use certifications, standards and benchmarks to measure and transparently present our sustainability performance."

CO_2 Reduction Pathway
"We have defined a clear CO_2 reduction pathway to achieve net zero emissions by 2050 and the interim goal of 6.5 kg/CO_2 emissions in 2035."

Refurbishment Instead of New Construction
"Complete refurbishments instead of new construction and the reuse of building components are effective methods for reducing the carbon footprint. By upgrading existing structures and reusing materials, we can not only conserve resources but also reduce the environmental impact."

Energy Efficiency
"We increase the properties' energy efficiency through the use of renewable energy systems such as heat pumps and PV systems."

Sustainability Goals and Action Plan

Based on the sustainability strategy, we have defined sustainability goals and drawn up a specially designed action plan to achieve them.

Reduction of Greenhouse Gas Emissions

A step-by-step review of the portfolio enables us to specifically identify the properties that can benefit the most from switching to renewable energy sources. This is not just good for the environment but can also save costs in the long term and improve energy efficiency.

Measures

- Professional inventory with Cantonal Energy Certificate for Buildings (CECB) + report
- Energy-saving building refurbishment with a target of at least CECB C
- Replacement of fossil with non-fossil energy sources
- Roof refurbishments in combination with a PV system

Reduction of Energy Consumption

Switzerland's energy consumption is significantly influenced by buildings and their users. Helvetica has recognized the potential for reduction and is actively working toward sustainably reducing consumption.

Measures

- Energy-saving building refurbishments with a target of CECB C
- Replacement of fossil with non-fossil energy sources
- Targeted optimizations of operations
- Regular review of the technical equipment by an engineer

Expansion of e-Mobility

Promoting environmentally friendly mobility, particularly through e-mobility and cycling, is an important step to reduce motorized private transport. Such measures can not only contribute to reducing emissions but also improve quality of life.

Measures

- Needs analysis of e-mobility and parking spaces for bicycles
- Expansion of parking spaces for e-cars and spaces for parking bicycles/charging stations for e-bikes

Reduction of Utilities Costs

Regular assessment of utilities costs using benchmarking can be used to ensure that spending is efficient and sustainable. Helvetica wants to create a better situation for local users and are aware of the fiduciary duty.

Measures

- Benchmarking utilities costs including analysis
- Optimization of operations
- Centralization of energy procurement (gas, heating oil, pellets and electricity)
- Expansion of PV systems
- Energy-saving complete refurbishments with a target of at least CECB C
- Cooperation between energy broker & external consultant

Increase in User Satisfaction

Helvetica has set itself the goal of constantly keeping the needs of users in mind. User satisfaction is to be increased through targeted management of the offering and quality. A particular focus here is on improving acoustic, visual and thermal comfort and interior air quality, so that a pleasant climate can be created.

Measures

- Conducting tenant surveys (every two years)
- Tenant campaign for raising awareness of sustainability
- Targeted construction measures

Optimization of Communication with Stakeholders

By providing information on sustainability aspects at least once a year, Helvetica ensures that all of the relevant groups are informed about progress and initiatives in the area of sustainability.

Measures

- Regular reporting
- PRI participation by Helvetica
- REIDA CO2 benchmark with reporting of AMAS key figures in the year-end report

Implementation of the Measures

The measures to implement the sustainability strategy were specifically chosen to achieve the greatest possible impact and provide the best value for money over the coming years.

The following measures are currently being planned or implemented, or have already been realized:

ESG Review

- In order to effectively monitor and analyze the sustainability metrics, Helvetica has bought a dynamic cockpit. This web-based tool enables specific analysis both at portfolio and at asset level. This means that targeted actions can be planned, prioritized and implemented
- Acquisitions are also managed and audited via the tool

Sustainable Mix of Heat Sources

- The condition of heating systems is assessed based on their age, and a switch to non-fossil energy sources is being reviewed. The heating systems have the greatest impact and are therefore prioritized alongside all other measures

Photovoltaic Systems

- The entire portfolio is being analyzed with regard to the potential of photovoltaic systems
- Helvetica is delighted to be able to start the first PV project in a new residential property in 2024

Electric Mobility and Bicycles

- At the portfolio level, Helvetica has entered into a master agreement that has reviewed all the properties and also directly contacted users
- In 2025, a more detailed concept will be available, which will pursue expansion, including of bicycles, more intensely
- In Therwil (BL), e-charging stations were successfully installed in spring

Optimization of operations

- Use of a professional external energy broker, which purchases more sustainable energy for us and ensures the best price
- Annual joint analysis of utilities costs with Property Management
- Holistic technical settings of the systems
- All assets have a CECB until fall 2024, which is intended to create more transparency for us and is being fed directly into our CO_2 compass
- LED analysis hierarchically above the portfolio with development of a business case

Tenant Awareness Raising and Survey

- In fall 2024, Helvetica will conduct the tenant surveys with a focus on ESG for the first time. We envisage that these will then be conducted every two years
- In 2025, Helvetica will raise our tenants' awareness through a campaign on sustainability topics

CO_2 Emissions and Mix of Heat Sources

The most important measure for achieving environmental and climate goals is the reduction of CO_2 emissions and energy consumption.

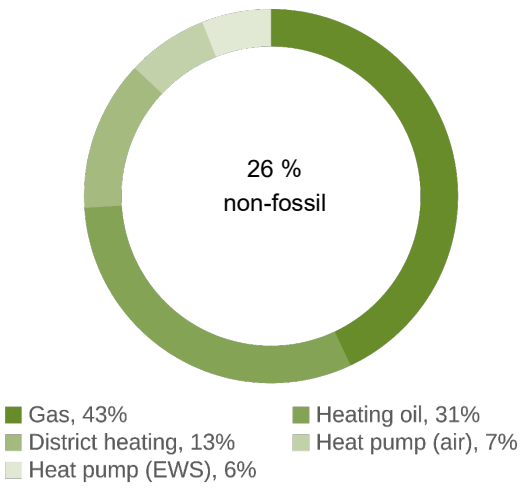
Helvetica is pursuing a net zero target for greenhouse gas emissions by 2050. Helvetica has included the net zero target in our fund contracts since 2023, and it remains clearly anchored there. As a result, ambitious targets have been set for “energy consumption” and the “proportion of renewable energies,” which are derived from the net zero target.

Currently, the Helvetica Swiss Living Fund causes 13.5 kg/CO_2 per m^2 pursuant to the AMAS key figures (based on REIDA). The CO_2 energy intensity is based on a coverage ratio of 95 percent. As a result of the second participation in REIDA in 2024, Helvetica expects an even higher level of coverage, which will allow us to report even more transparently on CO_2 emissions across the portfolio in the 2024 year-end report.

At 74 percent, the portfolio is currently still heavily heated using fossil fuels. Heating refurbishments are, however, clearly set out and prioritized in the business plans for each asset, meaning that Helvetica also will the interim goals regarding CO_2 emissions clearly archive.

Mix of Heat Sources

On the basis of energy reference area



Environmentally Relevant Key Financial Figures		
Heating systems documented	%	95
Energy intensity – Scope 1+2	[kWh/m^2]	94.9
CO_2 intensity – Scope 1+2	[kg CO_2/m^2]	13.5

Reduction Pathway

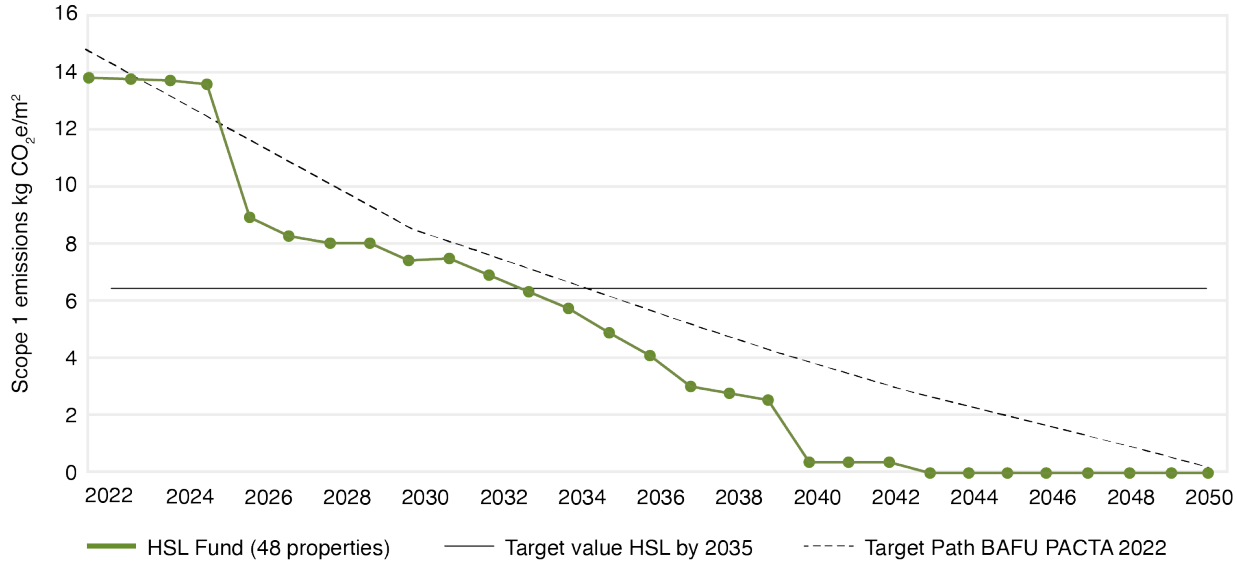
The HSL Fund bases its greenhouse gas emissions targets on the net zero target. With the aid of the CO_2 reduction pathway, Helvetica also always has our interim fund targets under control and can manage measures in a targeted way.

Helvetica will develop various measures, map the individual scenarios that have been worked out and incorporate all of the refurbishment measures into the CO_2 compass, reduction pathway, by 2050. The measures include energy-saving building refurbishments, such as of the façade, roof or windows, insulation of the basement ceiling, replacement of fossil energy sources with non-fossil alternatives such as heat pumps or district heating. The CAPEX topics are continuously compared with the business plan and fed into the tool, enabling targeted management across the portfolio to ensure that it continues to be possible to achieve the interim target in the future.

As of the Half-Year Report the fund portfolio is on track to achieve the interim target set in the Fund and the climate-neutral operation on the basis of the real consumption figures by 2050. The remaining emissions will continue to be offset using CO_2 certificates. This offsetting is, however, to be considered only for potential remaining emissions in 2050 that cannot be further reduced. Management is making every effort to prioritize taking other measures to reduce greenhouse gas emissions.

The CO_2 emissions pursuant to the reduction pathway are based on the real consumption figures for all of the properties, and must be considered separately from the AMAS key figures on energy intensity. All of the properties are already taken into account in the reduction pathway. Stricter rules apply in the AMAS key figures pursuant to REIDA, under which not all properties can be included (particularly those with a short holding period).

CO_2 Reduction Pathway for the Entire Portfolio[1]



[1] The reduction pathway is already based on all properties; under REIDA, however, stricter requirements apply, pursuant to which not all assets can be included in the AMAS key figures. The reduction pathways are generated from a model, which was used to set the trajectory according to the Swiss Federal Office for the Environment's Paris Agreement Capital Transition Assessment (PACTA) in 2022.

Outlook

elvetica is creating the basis for informed decisions by collecting detailed floor space and energy consumption data. Helvetica is sustainably optimizing the properties through standardized processes in refurbishment projects and the implementation of new technologies. Participation in the REIDA real estate benchmark allows us to measure the progress and continuously improve. A better degree of coverage can also be achieved here in the long-term.

Helvetica is convinced that sustainable investments not only make environmental sense but are also economically advantageous. Reducing the operating costs and optimizing rental income potential contributes to the stability and appreciation in value of the real estate and creates long-term added value for all stakeholders.

Financial Reporting

The rental income of the 48 properties remaining as of June 30, 2024 increased by 4.0 percent. Rental income totaled CHF 13.9 million, which represents a 4.2 percent decrease compared with the first half of 2023 and is due primarily to the disposals. The rent default rate was reduced by 0.2 percentage points, putting it at 4.4 percent compared to 4.6 percent at the end of the prior-year period 2023. Total fund assets amounted to CHF 692.4 million at the reporting date.

The portfolio's value fell by CHF 95.4 million to CHF 660.9 million due to eight sales of properties and decreases in the value of the existing portfolio. Total fund assets declined by CHF 78.4 million to CHF 692.4 million due to the disposals, the market value adjustment and the distribution.

The net asset value per unit was CHF 102.66 as of the reporting date. Taking the distribution for 2023 of CHF 2.20 into consideration, this corresponds to a return on investment of –5.12 percent, which is 4.69 percentage points lower than the same period of the previous year 2023. The return on equity fell 4.60 percentage points compared to the same period of the previous year 2023 to –5.02 percent. The drop in the return figures is attributable to write-downs.

The $TER_{REF}GAV$ was reduced by 8 basis points to a value of 0.8 percent. This is primarily due to the management fee, which was reduced by 25 basis points from January 1, 2024.

Balance Sheet

Eight properties were sold in the first half of 2024. The portfolio's value fell by CHF 95.4 million to CHF 660.9 million in the reporting period due to the disposal of property and decreases in the value of the existing portfolio. Total fund assets declined by CHF 78.4 million to CHF 692.4 million due to the disposals, the market value adjustment and the distribution.

After deducting liabilities of CHF 297.4 million and liquidation taxes of CHF 0.7 million, net fund assets were CHF 29.7 million lower on the reporting date at CHF 394.1 million, compared with CHF 423.8 million as of December 31, 2023.

The debt financing ratio amounts to 42.6 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 launch.

267,390 units were redeemed at the end of 2023. These will be paid out in March 2025 at the latest.

Income Statement

Compared with the first half of 2023, rental income fell by CHF 0.6 million from CHF 14.5 million to CHF 13.9 million. Total income fell by CHF 0.6 million compared with the first half of 2023 from CHF 14.6 million to CHF 14.0 million. The lower income is primarily due to the disposals.

Expenses came to CHF 8.6 million – a decrease of CHF 1.0 million compared to CHF 9.6 million in the same period of the previous year 2023. In addition to the disposals, this significant decrease was caused in particular by the reduction of the management fees.

The realized capital losses of CHF 9.8 million were caused by the discounts on the sales in the first half of 2024 compared with the market value.

The market value adjustments of CHF 20.2 million were recognized under unrealized capital losses.

The positive change in liquidation taxes is largely due to the devaluation of the properties held for sale, whereas the adjustment of the underlying holding period from 15 to 5 years had practically no impact.

Balance Sheet

Assets	Notes	30.06.2024	31.12.2023
		in CHF	in CHF
Cash on hand, postal check and bank sight deposits, including fiduciary deposits with third-party banks		15 842 797	3 039 053
Land/buildings			
Residential property	1	655 162 000	743 103 000
Commercial property	1	-	7 364 000
Mixed-use property	1	5 779 000	5 909 000
Total for land/buildings		**660 941 000**	**756 376 000**
Shares in other real estate funds and real estate investment companies	1	1 453 917	1 365 270
Other assets		14 115 559	10 016 749
Gross asset value		**692 353 273**	**770 797 072**
Liabilities			
Current liabilities			
Short-term interest-bearing mortgages and other liabilities secured by mortgage	5.3	-220 475 000	-293 950 000
Other current liabilities		-15 661 750	-13 760 809
Total current liabilities		**-236 136 750**	**-307 710 809**
Non-current liabilities			
Long-term mortgages subject to interest and other liabilities secured by mortgage	5.2 / 5.3	-61 300 000	-35 000 000
Other non-current liabilities		-	-
Total non-current liabilites		**-61 300 000**	**-35 000 000**
Total liabilities		**-297 436 750**	**-342 710 809**
Net asset value before estimated liquidation taxes		394 916 522	428 086 263
Estimated liquidation taxes		-793 175	-4 243 580
Net asset value		**394 123 347**	**423 842 683**
Further information			
Number of outstanding units			
Number of units at the start of the reporting period		3 839 234	3 839 234
Issued units		-	-
Redeemed units		-	-
Number of units at the end of the reporting period		**3 839 234**	**3 839 234**
Net asset value per unit at the end of the reporting period		**102.66**	**110.40**
Net asset value at the start of the reporting period		423 842 683	446 764 806
Distribution of earnings subject to withholding tax	9	-5 221 358	-3 762 449
Fund capital repayment exempt from withholding tax	9	-3 224 957	-9 482 908
Total profit		-21 273 021	-9 676 766
Net asset value at the end of the reporting period		**394 123 347**	**423 842 683**

Income Statement

Income	**Notes**	**01.01.-30.06.2024**	**01.01.-30.06.2023**
		in CHF	**in CHF**
Income from bank and postal accounts (Prior Year Negative interest rate)		1 459	-
Rental income		13 930 231	14 544 197
Other income		84 700	31 400
Total income		**14 016 390**	**14 575 597**
Expenses			
Mortgage interest and interest from liabilities secured by mortgage		-3 249 351	-2 971 857
Maintenance and repairs		-1 945 806	-1 672 862
Property management			
Property expenses		-418 576	-624 841
Administrative expenses		-209 005	-250 667
Taxes			
Property tax		-109 962	-212 001
Profit and capital tax		-159 171	-154 642
Evaluation and auditing expenses		-138 193	-108 435
Regulatory fees to			
the Fund management company	8.3	-1 681 047	-2 882 344
the custodian bank	8.3	-104 576	-110 567
property management	8.3	-549 968	-557 061
the market maker	8.3	-25 000	-25 000
Other expenses			
Other expenses		-37 374	-45 901
Total Expenses		**-8 628 028**	**-9 616 177**
Profit			
Net income		**5 388 362**	**4 959 420**
Realized capital losses		-9 816 854	-
Realized profit		**-4 428 492**	**4 959 420**
Unrealized capital losses / gains including liquidation taxes		-20 178 330	-7 776 264
Change in liquidation taxes		3 333 802	933 887
Total profit		**-21 273 021**	**-1 882 957**

Notes

1. Inventory of Properties

Address	Ownership structure[1)]	Rental space	Aapparte-ments	Land plot	Building year	Date last extensive Renovation
		in m²		in m²		
Residential buildings						
Basel, Birsigstrasse 80/82, Bachlettenstrasse 13/15	so	2 992	33	994	1975, 1991	
Basel, Dornacherstrasse 240/246	so	1 868	45	1 125	1958	2017
Basel, Hegenheimerstrasse 43-49	so	3 504	42	1 329	1957	1984
Benglen, Bodenacherstrasse 16/18	so	1 632	16	1 133	1974	2019
Benglen, Bodenacherstrasse 79	so	1 146	16	2 117	1973	
Beringen, Bahnhofstrasse 36/38, Zelgstrasse 35-39	so	3 857	40	7 483	1992	
Biel, Oberer Quai 106-116	so	2 844	48	3 762	1946	2011
Biel, Poststrasse 32-44	so	10 986	141	7 857	1974	
Birr, Wydenstrasse 16-20	so	2 422	21	3 936	1983	
Derendingen, Schluchtbachstrasse 35-39	so	1 919	18	2 931	2006	
Erlen, Kümmertshauserstrasse 7a-11b	so	4 577	44	8 912	2013	
Frauenfeld, Wellhauserweg 56/56a	so	2 270	19	6 837	2007	
Fribourg, Avenue du Midi 17/19	so	1 489	29	351	1906	1995
Fribourg, Rue Georges-Jordil 1/3	so	3 404	28	1 015	1996	2021
Gerlafingen, Geiselfeldstrasse 11-17, Kriegstettenstrasse 38-46	so	3 649	54	7 859	1964	2015
Gossau, Neuchlenstrasse 7/7a/11	so	4 916	54	6 215	1981	
Granges, Crête Blanche 5a-b, Av. Gare 2	so	2 380	27	3 935	2016	
Grenchen, Kirchstrasse 72	so	1 236	14	519	1972	1988
Grenchen, Viaduktstrasse 9/11	so	1 942	28	2 393	2015	
Haag, Thalisstrasse 2-8	so	3 072	32	6 454	2009, 2010	
Ittigen, Grauholzstrasse 65-69	so	1 610	20	3 074	1970	2008
Lufingen, Moosbrunnenstrasse 3-9	co	2 239	22	3 638	1890, 1993, 1994	
Lyss, Birkenweg 16/18/22	so	2 895	33	4 885	1986	
Menziken, Myrtenstrasse 32/34, Hauptstrasse 81/83	so	4 268	44	6 224	2017	
Monthey, Chemin des Sémilles 13a/b	so	2 190	22	3 413	2008	
Nidau, Lyss-Strasse 51-59	so	4 562	60	4 607	1970	
Oberkulm, Schrägweg 16-22	so	2 127	24	4 998	1988	
Olten, Ziegelfeldstrasse 36	so	1 278	10	993	1974	2015
Pratteln, Mattenweg 2/4	so	1 268	22	1 144	1967	2013
Pratteln, Rankackerweg 12/14	so	1 323	22	1 392	1970	2005
Rorschach, St. Gallerstrasse 16/16a	so	3 626	54	1 925	1976	
Sion, Avenue de Tourbillon 42-50	so	4 579	95	2 649	1945, 1954	
Speicher, Hinterwies 20/22/27-33	so	2 974	36	5 257	1980	2013
Subingen, Winkelweg 16-20	so	2 003	23	3 642	1994, 2017	
Therwil, Vorderbergweg 2-4, Reinacherstrasse	so	3 038	24	3 268	2002	

Comence-ment of ownership	Initial cost	Market value	Gross rental income	Rent default[2)]	Rental income actual	Gross target yield	Occupancy rate
	in CHF	in CHF	in CHF	in CHF	in CHF	in %	in %
01.01.2022	22 469 204	22 250 000	336 594	-9 968	326 625	3.06	97.8
01.06.2022	24 369 900	23 230 000	348 076	-12 586	335 491	3.10	99.7
01.01.2022	22 088 801	22 640 000	347 039	-19 686	327 353	3.10	98.0
22.11.2019	9 989 796	12 880 000	213 915	12 369	226 284	3.36	98.5
22.11.2019	6 305 161	7 006 000	132 438	1 818	134 256	3.87	99.5
01.06.2021	15 870 746	16 360 000	356 430	-21 656	334 775	4.43	94.1
01.01.2023	16 500 161	15 530 000	309 144	-7 552	301 592	4.09	97.9
01.01.2022	43 651 401	43 000 000	935 603	-49 670	885 933	4.45	95.0
01.07.2022	9 615 769	9 368 000	190 559	-349	190 210	4.17	100.0
01.10.2021	7 182 939	6 300 000	156 863	-5 815	151 048	5.05	99.3
01.07.2020	23 406 379	23 090 000	487 393	-21 195	466 198	4.31	96.6
01.01.2022	15 217 870	13 250 000	242 935	-4 015	238 920	3.73	100.0
01.12.2020	7 957 056	7 300 000	185 053	-30 489	154 564	5.16	84.1
01.12.2022	16 994 118	16 420 000	363 475	-1 629	361 846	4.47	97.5
01.01.2021	16 299 603	17 610 000	384 251	-4 126	380 125	4.43	94.9
01.07.2022	22 859 923	20 300 000	383 835	-9 033	374 802	3.87	97.0
01.12.2020	11 325 067	11 860 000	250 635	182	250 817	4.28	99.5
22.11.2019	3 490 649	3 521 000	100 382	-16 375	84 007	5.80	82.0
22.11.2019	11 293 332	12 670 000	243 848	-5 747	238 100	3.91	93.8
22.11.2019	12 563 501	13 620 000	304 033	1 493	305 526	4.51	95.7
01.08.2022	8 620 714	9 286 000	176 703	-3 765	172 939	3.86	99.1
22.11.2019	10 439 545	11 970 000	234 720	-25 383	209 337	3.95	90.2
01.06.2021	13 834 562	14 490 000	279 380	-2 026	277 354	3.93	99.4
01.10.2022	21 883 785	22 630 000	461 925	-51 569	410 357	4.15	89.5
01.12.2020	10 452 045	12 040 000	236 321	5 499	241 820	3.95	100.0
01.01.2022	19 489 131	17 590 000	365 534	-26 370	339 164	4.21	93.9
01.01.2020	7 418 462	8 529 000	173 590	21 345	194 936	4.14	99.5
01.12.2022	6 249 262	6 854 000	135 587	5 495	141 082	3.99	100.0
01.12.2022	7 017 416	8 063 000	145 291	-1 536	143 755	3.61	99.4
01.12.2022	7 223 944	8 491 000	148 476	-4 625	143 851	3.50	100.0
01.11.2020	17 197 299	13 600 000	383 545	-42 569	340 976	5.68	90.9
01.06.2021	24 047 081	16 300 000	534 924	-52 934	481 991	6.58	90.9
01.05.2022	15 127 416	14 310 000	285 934	-16 885	269 049	4.05	97.1
01.10.2021	8 414 502	9 116 000	200 331	-13 186	187 145	4.42	87.7
01.12.2020	16 255 103	16 080 000	353 673	-40 920	312 753	4.44	96.5

Address	Ownership structure[1)]	Rental space	Aapparte-ments	Land plot	Building year	Date last extensive Renovation
		in m²		in m²		
Wattwil, Hofjüngerstrasse 26-34	so	1 846	32	3 213	1960, 1964, 1987	2021
Wattwil, Hofjüngerstrasse 7	so	654	12	3 175	1968	2018
Wattwil, Hofjüngerstrasse 9/11	so	975	12	1 648	1968	2017
Wattwil, Müller-Friedberg-Strasse 5	so	2 563	33	2 271	1970	
Wattwil, Schomattenstrasse 41-45	so	1 896	24	4 169	1969, 1985	
Weinfelden, Amriswilerstrasse 72	so	2 781	36	2 840	1971	2005
Wittenbach, Ringstrasse 6-12	so	3 527	32	4 013	1994	2015
Zollikofen, Buchsweg 9/9a/11	so	2 163	14	2 348	1984	2014
Zurich, Gagliardiweg 9	so	552	9	713	1949	2010
Zweidlen, Neu Letten 1-7	so	6 174	57	23 448	1957-1965, 2007	2007
Zwingen, Strengenfeldstr. 1-7, Grienweg 8-14/14a/16/18, Reckholderstrasse 4-10	so	7 295	81	11 358	1990	2015
Total for residential buildings: 46		**132 510**	**1 602**	**187 462**		
of which, condominium ownership		**2 239**	**22**	**3 638**		
Mixed-use buildings						
Grenchen, Bündengasse 18-22	so	1 572	7	1 691	1929, 1945, 1974	2013
Grenchen, Viaduktstrasse 5	so	1 065	7	967	1916	2016
Total for mixed-use buildings: 2		**2 637**	**14**	**2 658**		
Subtotal		**135 147**	**1 616**	**190 120**		
Secondary rental income						
Grand Total for land/buildings: 44		**135 147**	**1 616**	**190 120**		

[1)] so = sole ownership
co = condominium ownership
sogr = Sole ownership under building law

[2)] The rent losses can be positive for individual properties because reversals of overstated value adjustments lead to income from collection losses.

[3)] The rent loss rate according to the inventory list includes turnover rents, whereas these are not taken into account when calculating the AMAS key figures. Deviations are therefore possible for this key figure.

The fund holds 48 properties. The four properties in Grenchen are adjoining properties and are counted as one property based on Art. 87, para. 1 CISO. Two properties in Wattwil are also adjoining properties and are each counted as one property on the basis of Art. 87, para. 2 CISO. The fund therefore owns 44 properties for regulatory purposes as at 30.06.2024.

Comence-ment of ownership	Initial cost	Market value	Gross rental income	Rent default[2)]	Rent default[3)]	Rental in-come actual	Gross target yield	Occupancy rate
	in CHF	in CHF	in CHF	in CHF	in %	in CHF	in %	in %
01.01.2022	9 641 902	9 285 000	187 708	-12 645	-6.74	175 063	4.05	93.8
01.01.2022	3 110 558	3 081 000	64 121	-6 624	-10.33	57 497	4.21	89.9
01.01.2022	4 672 209	4 603 000	91 689	-2 840	-3.10	88 849	3.99	97.1
01.01.2022	10 448 926	10 460 000	220 094	-12 802	-5.82	207 292	4.22	94.8
01.01.2022	7 798 051	8 139 000	170 790	-12 955	-7.59	157 835	4.25	95.4
01.06.2021	11 712 549	11 830 000	251 712	-783	-0.31	250 929	4.37	99.7
01.05.2022	18 659 107	16 810 000	315 758	-17 487	-5.54	298 271	3.80	97.0
01.12.2022	8 417 459	9 681 000	174 871	-65	-0.04	174 806	3.68	100.0
01.05.2021	7 308 221	7 609 000	106 173	26	0.02	106 199	2.79	100.0
01.01.2022	37 434 079	35 290 000	626 406	-29 877	-4.77	596 528	3.61	99.3
01.05.2022	35 469 510	30 820 000	711 917	-29 494	-4.14	682 423	4.68	93.2
	667 794 214	**655 162 000**	**13 309 674**	**-579 002**	**-4.32**	**12 730 672**	**4.10**	**95.9**
	10 439 545	**11 970 000**	**234 720**	**-25 383**	**-10.81**	**209 337**	**3.95**	**90.2**
22.11.2019	3 388 002	3 798 000	98 892	-4 146	-4.19	94 745	5.25	99.2
22.11.2019	1 847 994	1 981 000	67 561	-21 489	-31.81	46 072	6.85	63.0
	5 235 995	**5 779 000**	**166 453**	**-25 636**	**-15.40**	**140 817**	**5.80**	**84.5**
	673 030 209	**660 941 000**	**13 476 127**	**-604 638**	**-4.49**	**12 871 489**		
						121 058		
	673 030 209	**660 941 000**				**12 992 547**	**4.13**	**95.2**

2. Real Estate Purchased and Sold

2.1 Purchases

None.

2.2 Sales

Address	Canton	Ownership situation	Legal transfer of ownership
Wittenbach, Arbonerstrasse 4a	Aargau	Sole ownership	1.25.2024
La Chaux-de-Fonds, Rue Fritz-Courvoiceier 24c/d	Neuenburg	Sole ownership	3.6.2024
Zürich, Grubenackerstrasse 73/75/77	Zurich	Sole ownership	5.23.2024
Schwerzenbach, Zielackerstrasse 6a-b	Zurich	Sole ownership	6.12.2024
Oberglatt, Leerwinkel 21/23	Zurich	Sole ownership	6.26.2024
Bulle, Rue Nicolas Glasson 5/7	Freiburg	Sole ownership	6.27.2024
Frauenfeld, Zielackerstrasse 28/30/32	Thurgau	Sole ownership	6.27.2024
St. Gallen, Zürcherstrasse 84, Schiblistrase 3/5	St. Gallen	Sole ownership	6.27.2024

Tax from the disposals (tax on profits from the sale of real estate and direct tax) is shown directly under income from disposals (realized capital losses item).

3. Rental Income per Tenant over 5 Percent

None.

4. Financial Instruments

4.1 Investments

Valuation categories	30.06.2024	31.12.2023
	in CHF	in CHF
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	1 453 917	1 365 270
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	660 941 000	756 376 000
Total	**662 394 917**	**757 741 270**

4.2 Information Regarding Derivatives

The Fund does not use derivatives.

4.3 Inventory of Units of Other Real Estate Funds and Shares in Real Estate Investment Companies Held

Type	Units	Initial cost	Market value
	Number	in CHF	in CHF
Total units in own funds	**14 212**	**1 415 219**	**1 268 317**
of which units in Helvetica Swiss Commercial Fund	10 212	960 619	882 317
of which units in Helvetica Swiss Opportunity Fund	4 000	454 600	386 000
Total units in third-party funds	**1 600**		**185 600**
Grand total of units in other real estate funds	**15 812**	**1 612 019**	**1 453 917**

4.4 Participations in Real Estate Companies

All properties of the Fund are held by Helvetica Swiss Living AG. As of December 31, 2023, the Fund holds one 100 percent of the share capital of Helvetica Swiss Living AG, headquartered in Zurich.

5. Payment Obligations after the Balance Sheet Date

5.1 Total Amount for Land Purchases, Construction Contracts and Investments in Real Estate

As of June 30, 2024, there are contractual payment obligations for construction contracts and investments in real estate amounting to CHF 0.5 million.

5.2 Non-current Liabilities

Duration	30.06.2024	31.12.2023
	in CHF	in CHF
1 to 5 years	61 300 000	35 000 000
> 5 years	-	-

5.3 Mortgages and Other Mortgage-backed Liabilities

Current Mortgages and Fixed Advances

Type	Interest rate	Amount	Date of issue	Maturity
	in %	in CHF		
money market mortgage	1.94	58 150 000	27.04.2024	26.07.2024
Fixed-rate mortgage	1.95	6 000 000	28.06.2024	28.06.2029
Fixed-rate mortgage	1.76	5 000 000	31.01.2024	31.01.2029
Fixed-rate mortgage	1.53	5 000 000	29.12.2023	29.12.2028
Fixed-rate mortgage	1.51	5 000 000	29.12.2023	29.12.2027
Fixed-rate mortgage	2.37	10 000 000	17.07.2023	16.07.2027
Fixed-rate mortgage	1.74	5 500 000	31.01.2024	29.06.2027
Fixed-rate mortgage	1.61	1 800 000	31.01.2024	31.03.2027
Fixed-rate mortgage	1.61	3 000 000	31.01.2024	31.03.2027
Fixed-rate mortgage	1.48	5 000 000	29.12.2023	29.12.2026
Fixed-rate mortgage	2.35	10 000 000	17.07.2023	16.07.2025
Fixed Advance	1.70	116 325 000	29.06.2024	29.07.2024
Fixed Advance	1.61	5 000 000	29.06.2024	28.07.2024
Fixed Advance	1.86	33 500 000	21.05.2024	22.07.2024
Fixed Advance	1.91	12 500 000	18.05.2024	17.07.2024
Total		**281 775 000**		

Matured Mortgages and Fixed Advances

Type	Interest rate	Amount	Date of issue	Maturity
	in %	in CHF		
Fixed Advance	1.86	143 100 000	30.05.2024	28.06.2024
Fixed Advance	2.05	14 770 000	01.06.2024	28.06.2024
Fixed Advance	2.05	24 000 000	01.05.2024	31.05.2024
Fixed Advance	1.87	146 500 000	30.04.2024	29.05.2024
Fixed Advance	1.86	33 500 000	20.04.2024	20.05.2024
Fixed Advance	1.95	12 500 000	20.04.2024	17.05.2024
Fixed Advance	2.03	24 000 000	29.03.2024	30.04.2024
Fixed Advance	1.87	146 500 000	29.03.2024	29.04.2024
money market mortgage	1.96	58 150 000	01.04.2024	26.04.2024
Fixed Advance	2.04	26 500 000	20.03.2024	19.04.2024
Fixed Advance	1.96	12 500 000	31.03.2024	19.04.2024
money market mortgage	2.20	58 150 000	01.03.2024	31.03.2024
Fixed Advance	2.20	12 500 000	20.02.2024	30.03.2024
Fixed Advance	2.06	146 500 000	01.03.2024	28.03.2024
Fixed Advance	2.20	24 500 000	07.03.2024	28.03.2024
Fixed Advance	2.08	26 500 000	20.02.2024	19.03.2024
Fixed Advance	2.21	27 500 000	01.03.2024	06.03.2024
Fixed Advance	2.08	146 500 000	30.01.2024	29.02.2024
money market mortgage	2.19	59 650 000	30.01.2024	29.02.2024
Fixed Advance	2.21	27 500 000	10.02.2024	29.02.2024
Fixed Advance	2.08	26 500 000	19.01.2024	19.02.2024
Fixed Advance	2.19	12 500 000	20.01.2024	19.02.2024
Fixed Advance	2.21	28 500 000	30.01.2024	09.02.2024
money market mortgage	2.11	1 800 000	29.12.2023	30.01.2024
money market mortgage	2.11	1 000 000	29.12.2023	30.01.2024
Fixed Advance	2.09	146 500 000	30.12.2023	29.01.2024
money market mortgage	2.20	63 650 000	30.12.2023	29.01.2024
Fixed Advance	2.22	41 000 000	30.12.2023	29.01.2024
Fixed Advance	2.20	13 500 000	21.12.2023	19.01.2024
Fixed Advance	2.08	26 500 000	19.12.2023	18.01.2024

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

	30.06.2024	31.12.2023
	in CHF	in CHF
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[1)]	-	267 390

[1)] The shares redeemed as at 31.12.2023 will be redeemed in March 2025 at the latest.

Land/buildings are only depreciated and provisions are only recognized 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 income statement of the real estate fund. The table below shows the balance of the depreciation account and of the provision account for tax purposes at the level of the subsidiary or fund.

	30.06.2024	31.12.2023	Change
	in CHF	in CHF	in CHF
Balance of depreciation account for land and buildings (tax motivated, subsidiary level)	50 299 979	35 235 175	15 064 804
Balance of depreciation account for land and buildings (Fund level)	-	-	-
Balance of the provision account for future repairs (tax-motivated, subsidiary level)	3 307 347	3 627 198	-319 851
Balance of the provision account for future repairs (Fund level)	-	-	-

7. 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 and at each unit issue.

The Fund Management Company commissions independent valuation experts to re-evaluate the market value of the Fund's properties at the end of each half-year period and of each financial year, and at each unit issue. With the supervisory authority's approval, the Fund Management Company mandates at least two natural persons or one legal 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 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 in accordance with section 16 point 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 at 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 asset value is based on the market value of the Fund's gross asset value, less any liabilities and 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 market value principle. If the Fund Management Company has any buildings in progress that are to be reported at market values, it has these appraised at the end of the financial year.

7.1 Clarification on Rounding

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

8. Actual Remuneration Rates

8.1 Fees and Incidental Costs Charged to the Investors

Remuneration	Maximum rate	Actual rates 2024 YTD	Actual rates 2023	Basis
	in %	in %	in %	
Issue commision on units	5.00	-	-	Net asset value of units
Redemption commission on units	5.00	-	-	Net asset value of units

With the fund contract amendment of November 23, 2023, the maximum rate for the issue commission was increased to 5.00 percent and the maximum rate for redemption commissions on units was increased from 1.50 percent to 5.00 percent. The new rates apply from the amendment's entry into force.

8.2 Incidental Costs Attributed to the Fund Assets

Remuneration	Maximum rate	Actual rates 2024 YTD	Actual rates 2023	Basis
	in %	in %	in %	
Premium to NAV	5.00	-	-	Net asset value of units
Discount to NAV	5.00	-	-	Net asset value of units

8.3 Fees and Incidental Costs Charged to the Fund

Remuneration	Maximum rate	Actual rates 2024 YTD	Actual rates 2023	Basis
	in %	in %	in %	
Remuneration to the Fund Management Company				
Management fee	1.00	0.45	0.70	Gross asset value
Purchase/sales compesation	2.00	0.90	1.54	Purchase / sale price
Building and renovation fee	4.00	4.00	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	0.06	0.04	Gross distribution amount
Market maker	–	CHF 25 000	CHF 50'000	Flat amount of 12'500 Swiss francs per quarter
Remuneration to property managers	5.00	3.95	3.96	Gross rental income

9. Distribution of Profits

For the financial year ended December 31, 2023, a total amount of CHF 8.4 million was distributed, corresponding to CHF 2.20 per unit and a distribution yield on the price per unit of 2.1 percent. The payout ratio was 78.2 percent. The distribution consisted of an income distribution of CHF 5.2 million, which is subject to withholding tax, and a fund capital repayment of CHF 3.2 million, which is exempt from withholding tax. The ex-date was April 24, 2024 and the distribution was paid out on April 26, 2024.

Information for Investors

Amendments to the Fund Contract

No amendments to the fund contract were made in the reporting period.

Changes in the Managing Directors of the Fund Management Company

Marc Giraudon took over from Hans R. Holdener as the new CEO as of April 2, 2024. Previously, Marc Giraudon and Hans R. Holdener had shared the role as co-CEOs from January 1, 2024.

Legal Disputes

At one property, the tenants contested a rent increase. An out-of-court settlement failed, and the arbitration authority decided in favor of the tenant. Because the previous management company did not have the form for notification of the

initial rent, a claim for the recovery of the costs was sent to the previous management. The previous management passed this case on internally to its legal department.

Information on Related-party Transactions

The Fund Management Company confirms that there were no transfers of real estate to 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).

Events after the Balance Sheet Date

In July 2024, the properties in Zweidlen (Zurich) at Neu Letten 1 to 7 and in Frauenfeld (St. Gallen) at Wellhauserweg 56 and 56a were sold. At the start of August 2024, the properties in Rorschach (St. Gallen) at St. Gallerstrasse 16, in Basel (Basel-Stadt) at Dornacherstrasse 240 and 246, and Gossau (St. Gallen) at Neuchlenstrasse 7 and 11 were also sold. Thus, a total of five properties with a market value totaling CHF 109 million as of June 30, 2024 were sold between June 30, 2024 and August 20, 2024.

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.

Certifications

Valuer’s Report

wüestpartner

Wüest Partner AG, Bleicherweg 5, 8001 Zürich

Helvetica Property Investors AG
Geschäftsleitung
Brandschenkestrasse 47
8002 Zürich

Zürich, 6. August 2024

Helvetica Swiss Living Fund
Bericht des unabhängigen Immobilienbewertungsexperten
Bewertung per 30. Juni 2024

An die Geschäftsleitung der Helvetica Property Investors AG

Referenz-Nummer
118585.2400

Auftrag
Im Auftrag der Fondsleitung hat Wüest Partner AG (Wüest Partner) die vom Helvetica Swiss Living Fund gehaltenen 48 Liegenschaften zum Zweck der Rechnungslegung per Stichtag 30. Juni 2024 bewertet.

Bewertungsstandards
Wüest Partner bestätigt, dass die Bewertungen den gesetzlichen Vorschriften des Kollektivanlagengesetzes (KAG) und der Kollektivanlagenverordnung (KKV) sowie den Richtlinien der Asset Management Association Switzerland (AMAS) entsprechen und ferner im Einklang stehen mit den branchenüblichen Bewertungsstandards.

Definition des Marktwertes
Der Marktwert ist definiert als der am Stichtag wahrscheinliche, auf dem freien Markt zu erzielende Preis zwischen zwei unabhängigen, gut informierten und kauf- beziehungsweise verkaufswilligen Parteien unter Berücksichtigung eines marktgerechten Vermarktungszeitraums.
Handänderungs-, Grundstücksgewinn- und Mehrwertsteuern sowie weitere bei einer allfälligen Veräusserung der Liegenschaft anfallende Kosten und Provisionen sind in der Bewertung nicht enthalten. Auch sind keinerlei Verbindlichkeiten des Helvetica Swiss Living Funds hinsichtlich allfälliger Steuern (mit Ausnahme der ordentlichen Liegenschaftssteuern) und Finanzierungskosten berücksichtigt.

Bewertungsmethode
Wüest Partner bewertete die Anlageliegenschaften des Helvetica Swiss Living Funds mit Hilfe der Discounted-Cashflow-Methode (DCF). Bei dieser Methode wird der Marktwert einer Immobilie durch die Summe der in Zukunft zu erwartenden, auf den Stichtag diskontierten Nettoerträge bestimmt. Die Diskontierung erfolgt pro Liegenschaft, in Abhängigkeit ihrer individuellen Chancen und Risiken, marktgerecht und risikoadjustiert.

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Regulated by RICS

Grundlagen der Bewertung
Alle Liegenschaften sind Wüest Partner aufgrund der durchgeführten Besichtigungen und der zur Verfügung gestellten Unterlagen bekannt. Sie wurden in Bezug auf ihre Qualitäten und Risiken (Attraktivität und Vermietbarkeit der Mietobjekte, Bauweise und Zustand, Mikro- und Makrolage usw.) eingehend analysiert. Heute leerstehende Mietobjekte wurden unter Berücksichtigung einer marktüblichen Vermarktungsdauer bewertet.
Die Liegenschaften werden von Wüest Partner im Normalfall mindestens im Dreijahresturnus sowie nach Zukauf und nach Beendigung grösserer Umbauarbeiten besichtigt. Sämtliche Liegenschaften wurden in den Jahren 2021 bis 2024 besichtigt.

Ergebnis
Per 30. Juni 2024 wurden die Werte der insgesamt 48 Liegenschaften ermittelt. Der Marktwert dieser Liegenschaften wird von Wüest Partner per Stichtag auf CHF 665'520'000 geschätzt.
Für die Bewertung der Liegenschaften wurden reale Diskontierungsfaktoren zwischen 2.20% und 3.05% angewendet. Bei einer Teuerungsannahme von 1.25% bewegen sich die nominalen Diskontierungsfaktoren zwischen 3.48% und 4.34%. Der nach Marktwerten gewichtete Diskontierungssatz über das gesamte Liegenschaftsportfolio beträgt real 2.78% respektive nominal 4.06%.

Veränderungen im Liegenschaftenbestand
In der Berichtsperiode vom 1. Januar 2024 bis 30. Juni 2024 haben folgende Veränderungen stattgefunden:
Abgänge:

- Bulle, Rue Nicolas-Glasson 5 / 7
- Frauenfeld, Zielackerstrasse 28/30/32
- La Chaux-de-Fonds , Rue Fritz-Courvoisier 34
- Oberglatt, Leewinkel 21/23
- Schwerzenbach , Zielackerstrasse 6a/b
- St. Gallen, Zürcher Strasse 84
- Wittenbach, Arbonerstrasse 4a
- Zürich, Grubenackerstrasse 73/75/77

Anhang: Bewertungsannahmen

Anlageliegenschaften

Folgende allgemeine Annahmen liegen den Bewertungen der Anlageliegenschaften zu Grunde:

- Die Bewertung basiert auf den Mieterspiegeln der Helvetica Property Investors AG typischerweise mit Wissensstand vom Oktober 2023.
- Das verwendete DCF-Modell entspricht einem Zwei-Phasen-Modell. Der Bewertungszeitraum erstreckt sich ab dem Bewertungsdatum bis in die Unendlichkeit mit einem impliziten Residualwert in der elften Periode.
- Die Diskontierung beruht auf einem risikogerechten Zinssatz. Der jeweilige Satz wird für jede Liegenschaft individuell mittels Rückgriff auf entsprechende Vergleichswerte aus Freihandtransaktionen bestimmt. Er setzt sich wie folgt zusammen: Risikoloser Zinssatz + Immobilienrisiko (Immobilität des Kapitals) + Zuschlag Makrolage + Zuschlag Mikrolage in Abhängigkeit der Nutzung + Zuschlag Objektqualität und Ertragsrisiko + evtl. spezifische Zuschläge.
- In den Bewertungen wird, wo nicht anders spezifiziert, von einer jährlichen Teuerung von 1.25 Prozent, sowohl für die Erträge wie auch für sämtliche Aufwendungen, ausgegangen. Der Diskontierungssatz wird bei der nominalen Betrachtung entsprechend angepasst.
- Bonitätsrisiken der jeweiligen Mieter werden in der Bewertung nicht explizit berücksichtigt.
- Spezifische Indexierungen bestehender Mietverhältnisse werden individuell berücksichtigt.
- Die Terminierung der einzelnen Zahlungen erfolgt bei den bestehenden Mietverhältnissen entsprechend den vertraglich festgelegten Regelungen.
- Auf Seite der Betriebskosten wurde davon ausgegangen, dass vollständig getrennte Nebenkostenabrechnungen geführt und somit die mieterseitigen Nebenkosten entsprechend ausgelagert werden.
- Die Unterhaltskosten (Instandsetzungs- und Instandhaltungskosten) wurden mit einem Gebäudeanalyse-Tool gerechnet. Darin werden aufgrund einer Zustandsanalyse der einzelnen Bauteile deren Restlebensdauer bestimmt, die periodische Erneuerung modelliert und daraus die jährlichen Annuitäten ermittelt. Die errechneten Werte werden mittels den von Wüest Partner erhobenen Kosten-Benchmarks plausibilisiert.

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