

Helvetica Swiss Commercial Fund strengthens financial base through property sales, reduces management fee and expects stable distribution for 2024

Zurich, December 5, 2024 – As part of its strategic portfolio optimization and risk-conscious fund management, the Helvetica Swiss Commercial Fund (HSC Fund) successfully sold properties worth a total of CHF 133 million in November 2024. In addition, the management fee will be reduced to 0.55 per cent effective January 1, 2025, which will sustainably strengthen the Fund's profitability.

The management of Helvetica has undertaken targeted measures to strengthen the HSC Fund's market positioning, improve its performance and lay the groundwork for future growth. With its focused and profitable portfolio, the Fund is on track to maintain its distribution for 2024 at the same level as previous years of CHF 5.35 per unit – a payout that the Fund managers consider to be achievable in the long term and that places the Fund on a healthy, sustainable footing. The concentrated Fund strategy, focused on commercially used investment properties in growth regions, has been sharpened even further this year.

The debt financing ratio of the HSC Fund is well below the target range of 25 to 28 per cent thanks to the property sales. This strengthened liquidity base will enable the Fund to service the redemptions received at the end of 2023 in March 2025 as well as to resume taking advantage of strategic purchasing opportunities with immediate effect.

Of the five sales, three sales to the tune of CHF 83 million were executed directly. The remaining two (CHF 51 million) will be finalized by February 2025 at the latest due to an existing right of first refusal in favor of third parties based on a maximum exercise period of three months. However, transaction security is assured in each case due to the irrevocable payment commitments in place. The sale properties are a shopping center, two office buildings and two industrial properties. The use mix in the Fund will change only insignificantly as a result of the sales. The transactions primarily concerned properties in need of renovation, which significantly reduced the CAPEX requirement by some CHF 30 million for the coming years. In view of the market environment and the scarcity of bank financing for commercial properties, a total price reduction of around five per cent compared to the estimated value resulted. In contrast, the gross return remained stable at 6.1 per cent, the WAULT at 4.2 years and the vacancy rate as of the reporting date at 4.9 per cent.

The optimized portfolio comprises 26 properties with a total value of CHF 563 million and an annual target rental income of CHF 35 million. Due to the improved liquidity situation, purchasing

opportunities are currently being examined, as a result of which the portfolio is expected to grow again in the first half of 2025.

The Fund management has also decided to reduce the management fee for the HSC Fund to 0.55 per cent as of January 1, 2025. The management of Helvetica is thus clearly committed to the long-term strategy of the Fund and its investors.

The HSC Fund is optimistic about 2025 thanks to the strengthened portfolio and the optimized fee structure. The Fund is solidly positioned to achieve stable and attractive returns over the long term. The planned merger with the Helvetica Swiss Opportunity Fund (HSO Fund) will further strengthen and diversify the Fund.

The Fund managers will provide regular updates about the next steps.

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About Helvetica

Helvetica Property Investors AG, founded in 2006, is a leading real estate fund and asset management corporation regulated by FINMA. We offer institutional investors and private investors lasting value through long-term ownership of stable real estate assets with solid returns. With our fully integrated real estate asset platform, we cover the entire value chain, develop customer-specific investment solutions, and provide standardized investment products: The listed HSC Fund for commercial property, the HSO Fund for special commercial property, and the HSL Fund for residential property invest in attractive locations across Switzerland with good transport connections to regional economic centers. Our commitment to a sustainable future takes into account ESG requirements along the entire real estate life and investment cycle, and is formally integrated at fund level. [Helvetica.com](https://www.helvetica.com)

Helvetica Swiss Commercial Fund

The HSC Fund is a Swiss real estate fund listed on the SIX Swiss Exchange and open to all investors. The HSC Fund invests in commercial and industrial properties in the most important economic areas of Switzerland. The fund's portfolio is geared towards long-term value preservation and features high location and property quality as well as broad diversification. The investment objective is primarily the long-term preservation of substance and the distribution of appropriate income. The HSC Fund is authorized by the Swiss Financial Market Supervisory Authority FINMA. Listing SIX Swiss Exchange; ticker symbol HSC; Valor 33 550 793; ISIN CH0335507932

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