

Annual Report
2023

Suisse Romande
Property Fund

Annual Report 2023



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Rothschild 21, Geneva (GE)

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Introduction

Suisse Romande Property Fund (“SRPF” or the “Fund”) has been established, under Swiss law, as a contractual investment fund in the “real estate investment fund” category in accordance with the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (CISA).

The fund contract has been established by JSS Real Estate Management Ltd (“JSSREM” or “the Fund Management Company”), in Geneva, as the fund management company, with the approval of Bank J. Safra Sarasin Ltd in Basel, as the custodian bank.

The Fund was approved by the Swiss Financial Market Supervisory Authority (FINMA) on 15 October 2014.

Since 11 December 2017, the Fund is listed on the SIX Swiss Exchange and is part of the SXI Real Estate® Funds Broad Index (SWIIT).

The real estate investment fund is based on a collective investment scheme (the fund contract) under which the Fund Management Company undertakes to ensure that the investors participate in the real estate investment fund on a pro rata basis in relation to the units

they have acquired, autonomously and in their own name. The custodian bank is a party to the fund contract, in accordance with the tasks entrusted to it by law and by the fund contract.

Investor eligibility is not restricted. The real estate investment fund is not divided into unit classes.

SRPF aims to preserve the capital in the long term and to ensure the distribution of an appropriate income.

The Fund Management Company invests the assets of the investment fund in real estate assets in Switzerland and ensures that at least 80 % of the Fund’s assets are invested in the French speaking part of Switzerland.

SRPF invests primarily in residential buildings and properties used for commercial purposes, as well as in other assets permitted pursuant to the fund contract.

Fund Management Company

JSS Real Estate Management Ltd
Rue de la Corraterie 4
1204 Geneva

Custodian bank

Bank J. Safra Sarasin Ltd
Elisabethenstrasse 62
4002 Basel

Sales restrictions

There is no distribution authorisation abroad. The units of this real estate fund cannot be offered, transferred or delivered in the United States.

Organisation

Fund Management	JSS Real Estate Management Ltd	
Company	Rue de la Corraterie 4, 1204 Geneva	
Board of Directors	Oliver Cartade	Chairman
	Oren-Olivier Puder	Vice-Chairman
	Jean-Pierre Jacquemoud	Director
	Michael Montebaur	Director
Executive	Virginie Bordry	CEO
	Clément Marchenoir	CFO
	Isabelle Nesme	Head of Fund Management
Custodian bank	Bank J. Safra Sarasin Ltd, Basel	
Audit company	Deloitte Ltd, Geneva	
Permanent Experts	Vincent Clapasson	Wüest Partner AG, in Zurich and Geneva
	Pieter Stolz	Wüest Partner AG, in Zurich and Geneva
Property Managers	m3 Real Estate SA, Geneva	
	DBS Group Real Estate Services, Lausanne	
	Régie Duboux SA, Lausanne	
	<i>The precise execution arrangements of the mandates are laid down in contracts concluded between JSS Real Estate Management Ltd and said agents.</i>	
Risk Management	ASMA Asset Management Audit & Compliance SA, Geneva	
Legal & Compliance	J. Safra Sarasin Investmentfonds Ltd, Basel	

Message from the Fund Management Company

We are delighted to present the 2023 annual report of Suisse Romande Property Fund.

The year 2023 was marked by new geopolitical tensions and heightened post-Covid inflation, to which the central banks reacted strongly by raising interest rates at a record pace. The Swiss National Bank (SNB)'s five successive quarterly hikes since July 2022 (+2.50% over 1 year) have had a considerable impact on the Swiss real estate sector. As a result, the market has had to cope with substantial adjustments in building values, a sharp rise in financial charges and low transaction volumes. Fortunately, the end of 2023 was more optimistic than the summer period, with a resumption of activity, as investors showed renewed interest in real estate provided that the assets have good fundamentals and, above all, that property values are in line with the market. In addition, we note that the consideration of ESG criteria and environmental footprints is influencing investors' choices more than ever.

We have met these challenges with resilience: the renovation schedule has been maintained, enabling us to continue reducing the Fund's rent default rate, which fell from 13.96% to 8.30% in 2023. Furthermore, non-strategic commercial buildings requiring major investments were sold, in line with our desire to return to a more residential Fund profile.

ESG was a continued focus throughout the year, with the majority of our buildings being fitted with smart meters, the planning of district heating connections and the installation of over 1,000 m² of photovoltaic panels on the ARCenter building in Vernier (GE).

Over the next three years, CHF 30 million of investments are already planned, including the creation of new residential units (additional floors and conversions of commercial space into apartments), as well as work in order to continue to improve SRPF's ESG overall profile. The Fund is currently in the process of acquiring residential buildings but may also divest some of its commercial assets, depending on opportunities.

While the overall real estate environment remains challenging for investors, the economic landscape is beginning to show signs of optimism. Inflation seems to be now under control allowing the SNB to start lowering interest rates in March 2024. This will have a beneficial effect on real estate values and will potentially lead to an increase in transactional volumes.

We invite you to explore this report to gain a deeper understanding of our approach, our achievements, and our prospects for the future.

JSS Real Estate Management Ltd thanks its investors and partners for their renewed trust and confidence.

Oliver Cartade

Chairman of the Board of Directors
JSS Real Estate Management Ltd

Virginie Bordry

CEO, JSS Real Estate Management Ltd



Gruyères 56, Bulle (FR)

Management Report

SRPF ended 2023 with good results

Net income is 9.5% higher than in 2022, at CHF 9,259,721 compared with CHF 8,458,712 last year, thanks in particular to continued growth in rental income (CHF 19,691,930, up 2.1% year-on-year) and total expenses of CHF 10,881,783, which are 2.0% lower than in 2022.

The increase in rental income is due to the reduction of the vacancy, to the introduction of the planned rent scales for commercial and residential leases, and to post-work reletting at higher rent levels.

The fall in expenses is mainly due to a 45% year-on-year reduction in property-related costs, in particular provisions for doubtful debtors and property management fees. Provisions for doubtful debtors have been reduced as a result of the lower risk of non-payment by the sole tenant of Mouille-Galand 5 (GE) and the settlement of overdue rents at ARCenter (GE). Property management fees fell as a result of the Fund Management Company waiving its fees for the first half of 2023 to limit the impact of rising interest rates for its investors



Agges 1, Bulle (FR)

Maintenance costs are down by 17.9% over twelve months, mainly due to the capitalisation of added-value renovations. It is also important to note that, following the change of property managers for part of the portfolio at the end of 2022, the general upkeep of the buildings has improved significantly.

The actions taken during 2023 have borne fruit:

- As of 31 December 2023, the borrowing ratio fell to 26.55%, compared to 29.25% as of 31 December 2022 and to 31.70% as of 30 June 2023.
- The proportion of short-term debt now represents 56% of the portfolio's total debt, compared to 80% a year earlier, and the weighted average maturity of SRPF's loans rose from 1.43 to 2.43 years.
- Although SRPF's financial burden in 2023 did weigh on results with the increase of the interest rates, JSSREM was able to offset this increase by optimising expenses and increasing rents.

The market value of the properties is CHF 401,962,000 as of 31 December 2023, compared with CHF 462,039,000 as of 31 December 2022. This decrease is the result of the sale of two commercial properties, Grand Saint-Jean 2 (VD) and Arsenaux 9 (FR), on 15 December 2023 (see details on page 17), and the upward adjustment of discount rates linked to the general macro-environment and market downturn. As a result, the portfolio's weighted average (real) discount rate rose by 15 basis points year-on-year. The commercial properties of the portfolio and the prime residential properties in Geneva were the hardest hit. Besides, the sale of seven parking spaces at Renens 55–57 (VD) to "Transports Lausannois" for the construction of the tramway, resulting in a significant 12% fall in the market value of this property over the year. On the other hand, the value of the Gruyères 56 (FR) and Tunnel 13–14 (VD) properties increased by 52.5% and 6.7% respectively, following major conversion work carried out during the year (see "Investments" below).

As of 31 December 2023, the Fund's net assets stand at CHF 282,647,142 (compared to CHF 312,013,769 as of 31 December 2022).

The Net Asset Value (NAV) amounts to CHF 105.32 per unit as of 31 December 2023, compared to CHF 116.26 as of 31 December 2022.

Based on SRPF's performance in 2023, the dividend has been set at CHF 3.05 per unit, a dividend that has been rising steadily since 2019, and with a conservative payout ratio of 88.4%.

2023 Actions

Reletting of vacant spaces

As mentioned above, the Fund's rent default rate fell from 13.96% as of 31 December 2022 to 8.30% as of 31 December 2023. This reduction is due primarily to the effective re-letting in 2023 of 2,405 m² of commercial spaces, the result of our reletting efforts which began in mid-2022, and to the sale of the Maillefer 11b–11c building (NE) at the end of November 2022, which had 4,110 m² of vacant space (88% of the building was vacant). The buildings that benefited most from these relettings are ARCenter (GE), Préfaully 28 (VD), Saint-Pierre 6 (FR), Philosophes 7 (GE), Pictet-de-Rochemont 2 (GE) and d'Aire-la-Ville 225 (GE). A day-nursery will open in September 2024 in a retail unit that has been vacant since the construction of the latter building.

The reletting of these spaces will generate an annual rent increase of around CHF 480,000 once the rent free periods have expired.

Other leases were signed in 2023, with tenants moving in in 2024. These include a foundation, which took a lease on two floors (1,260 m²) of the Mouille-Galland 3 commercial building (GE). The weighted average term of leases signed in 2023 is 7.7 years. Our work to market vacant space remains our priority and will continue in 2024.

The vacancy rate for residential units also fell following renovations carried out during the year. The properties at Agges 1 (FR), Tilleuls 31–33 (JU), Moulins 28 (JU) and Gruyères 56 (FR) benefited from this.

It should also be noted that the buildings Philosophes 7 (GE), Pictet-de-Rochemont 29 (GE), Redoute 14–22 (VD), Réchon 7 (VD), Préfaully 28–30 (VD), Bosquets 14–15 (VD), Tunnel 12–13 (VD), Théodore-Weber 9 (GE), Gruyères 56 (FR) and Agges 1 (FR), which were vacant in 2023, are now fully let, with the exception of certain car parks.

Investments

The year 2023 was marked by an increase in invested CAPEX (CHF 4.2 million) compared to 2022 (CHF 2.6 million). This amount is in line with the three-year



ARCenter, Vernier (GE)

CAPEX strategy, the main objectives of which are: (i) to reduce the structural vacancy rate, (ii) to improve the ESG profile of the portfolio and (iii) to continue to invest in order to improve the quality of the properties.

During 2023, investment was distributed as follows:

- 23% for the creation of new rental units and the conversion of commercial space into residential space,
- 12% for the renovation of flats,
- 54% for structural works,
- 11% for developments for new commercial tenants and ESG measures.

In more details, here are the major projects completed in 2023:

- The renovation of the Gruyères 56 building (FR) was completed, and the 165 m² of floor space that was previously unlettable was immediately taken up. The renovation also improved the building's energy profile (new roof).
- Five complete flat renovations were carried out at Redoute 14 (VD), Route d'Aire 162 (GE), Lyon 71 (GE), two at Mandement 17 (GE), as well as an arcade at Chêne-Bougeries 19 (GE), generating a rent increase of CHF 150,000 per annum after a three-year freeze (LDTR/LPPPPL).
- The project to convert office spaces into flats at Tunnel 13–14 (VD) was completed at the end of the year. The five flats created were immediately relet at the beginning of 2024, generating CHF 33,000 in additional annual rent.
- The five lifts in the Redoute 14–22 building (VD) were replaced.
- Renovations have been made for the arrival of new tenants at ARCenter (GE), Saint-Pierre 6 (FR) and Philosophes 7 (GE).

Some projects started in 2023 will be completed in 2024:

- Lac 54 (VD), creation of 2 flats (building authorisation pending),
- Romont 3 (FR), creation of a flat (building authorisation received),
- Saint-Pierre 6 (FR), replacement of sprinklers and renovation of car park,
- Renovation of the roof at Philosophes 7 (GE) (building authorisation received).

ESG

Our actions to reduce our CO₂ emissions by 50% by 2040 as per our set target, continued in 2023:

- The 173kWp ARCenter (GE) photovoltaic power plant was commissioned. Eight other installations will follow in 2024-2025, for a total of 278kWp.
- Four contracts have been signed for the installation of district heating systems for buildings in Fribourg.
- Energy performance contracts have been signed for two thirds of the buildings in the portfolio, and the remaining buildings will be fitted with smart meters by July 2024.
- A brochure we produced entitled "Mon chez moi, Ma planète" ("My home, My planet") outlining good practice in terms of heating, water, comfort, waste management and electricity savings was distributed to all flat tenants.
- The Fund's second ESG report has been published in June 2023.
- Preparation of the file for the replacement of two heating systems (Chêne-Bougeries 19 (GE) and Tunnel 13–14 (VD)) and the renovation of the roof at Philosophes 7 (GE), with work scheduled for completion in 2024.

Stock market and indices

During the year, the Fund's share price was subject to wide fluctuations on the market due to the low volume of trading in the stock and the arbitrages that took place when new players were introduced into the SWIIT index. The fund management team and SRPF's market maker continue to pay close attention to market movements.

The operating profit margin (EBIT) increased to 69% in 2023, compared to 55% in 2022. The Total Expense Ratio (TER) fell to 0.77% in 2023 from 0.81% in 2022. The rent default rate strongly decreased from 13.96% as of December 2022 to 8.30% as of 31 December 2023.

Purchases and sales

During the 2023 financial year, the sale of three commercial properties was completed, with Grand Saint-Jean 2 in Lausanne (VD) and Arsenaux 9 in Fribourg (FR) taking effect on 15 December 2023, and Moulins 28 in Delémont (JU) on 15 January 2024.

The Lausanne and Fribourg properties were sold for CHF 33 million (see details on page 17), meaning 0.2% above their market value. However, an accounting loss of CHF 4.2 million was recorded for the 2023 financial year. This loss should be seen in the context of the CHF 15 million it was necessary to invest in these properties over a three-year horizon.

The proceeds from the sale have initially been used to reimburse part of SRPF's debt and will subsequently be used to finance CAPEX and to acquire residential properties as part of a gradual return to a residential profile.

Perspectives

The audit carried out in 2022 by JSSREM's new management team set four priorities for SRPF:

- Reduce the vacancy rate,
- Return to the Fund's initial strategy by reducing the commercial portion of the portfolio,
- Reduce debt,
- Improve the quality of buildings.

In a challenging environment, we have managed to achieve the first positive results:

- Vacancys has fallen by 40% thanks to our focus on marketing and the renovation work carried out to reduce structural vacancies. Only the vacant areas at Lac 54 (VD) and Romont 3 (FR) still need to be converted.

- SRPF's mortgage debt fell by 21%, allowing us to regain the flexibility we need to run our operations smoothly and reduce our financial charges.
- The amount of CAPEX invested increased by 64%, enabling us to reposition premises, improve the energy performance of buildings and resolve old disputes with tenants by undertaking the necessary works.
- Finally, the reduction in the commercial portion that began in 2022 has continued with the sale of three buildings, including two in 2023. These sales would not have been possible without the work begun as of 31 December 2022 to bring the value of the buildings into line with the market.

The outlook for 2024 remains promising, with the main objectives being the acquisition of new residential properties and the launch of one of our additional floor projects in the canton of Geneva. Of course, in the continuity of 2023, we will focus on reducing vacancies (new leases being signed) and improving the ESG profile of the portfolio.

JSS Real Estate Management Ltd continues to see opportunities for development which will generate future value for investors and intends to continue its efforts to achieve its ambitious targets with the support of its investors.

Statement of Net Assets

	31.12.2023	31.12.2022
	CHF	CHF
Assets		
Cash holdings, balances on postal and bank accounts at sight	2,437,366	2,358,596
Properties		
Development land, properties under construction	0	0
Residential properties	130,213,000	139,780,000
Commercial properties	173,241,000	231,560,000
Mixed-use properties	98,508,000	90,699,000
Total properties	401,962,000	462,039,000
Other assets	4,244,652	4,428,675
Total assets	408,644,018	468,826,272
Liabilities		
Short-term liabilities		
Short-term interest-bearing mortgages and other mortgage-backed liabilities	60,066,000	108,602,000
Other short-term liabilities	8,934,770	10,442,116
Long-term liabilities		
Long-term interest-bearing mortgages and other mortgage-backed liabilities	46,675,000	26,541,000
Other long-term liabilities	0	0
Total liabilities	115,675,770	145,585,116
Fund's net assets before estimated liquidation taxes	292,968,248	323,241,156
Estimated liquidation taxes	-10,321,106	-11,227,386
Net assets of the Fund	282,647,142	312,013,769
Change in the net assets		
Fund's net assets at beginning of the financial year	312,013,769	329,327,599
Distribution	-8,051,376	-7,917,186
Interim distribution	0	0
Balance from sales and purchases of units	0	0
Total income of the financial year	-21,315,251	-9,396,643
Fund's net assets at end of the financial year	282,647,142	312,013,769
Change in the number of units (redeemed and issued)		
Statement at beginning of the financial year	2,683,792	2,683,792
Units issued	0	0
Units redeemed	0	0
Number of units in circulation	2,683,792	2,683,792
Net asset value per unit	105.32	116.26
Additional information (annex 3 Art. 95 CISO-FINMA)		
Value of properties depreciation account	0	0
Value of reserves account for future repairs	0	0
Balance on account of earnings retained for reinvestment	0	0
Number of units due to be redeemed at end of next financial year	128,592	3,264

Statement of Income

	31.12.2023 CHF	31.12.2022 CHF
Revenue		
Revenue from postal and bank accounts	338,814	236,954
Rental income (gross income generated)	19,691,930	19,284,765
Interim interest capitalised	110,759	37,854
Other revenue	0	463
Total revenue	20,141,504	19,560,036
Expenses		
Mortgage interest and interest on mortgage-backed liabilities	2,142,727	923,993
Other interest due	334,927	231,124
Maintenance and repairs	1,465,402	1,784,564
Management of properties		
Property-related costs	1,771,740	3,231,583
<i>of which property tax</i>	686,026	697,938
<i>of which variance in rental loss provisions</i>	-751,289	552,706
Management expenses	911,979	1,244,724
Appraisals and auditing expenses	194,818	170,089
Direct taxes	1,705,675	930,817
Remuneration as per fund contract for the Fund Management Company	2,011,054	2,174,016
Remuneration as per fund contract for the Custodian bank	181,920	197,024
Other expenses	161,541	213,389
Total expenses	10,881,783	11,101,324
Income		
Net income	9,259,721	8,458,712
Realised capital gains and losses	-4,215,864	-283,072
Realised income	5,043,857	8,175,640
Unrealised capital gains and losses (variation)	-27,265,388	-18,281,729
Liquidation taxes (variation)	906,280	709,445
Total income	-21,315,251	-9,396,643
Appropriation of the net income		
Realised income	5,043,857	8,175,640
Income carried forward from the previous financial year	3,285,702	1,764,744
Net income available for distribution	8,329,559	11,337,078
Income distribution	8,185,566	8,051,376
Retained earnings	143,993	3,285,702



Mortgages and Mortgage-Backed Liabilities

Detail of the mortgages and mortgage-backed liabilities

Type	CHF	Rate	From	Maturity
Short-term debt				
Saron	3,000,000	2.20%	29.12.2023	29.01.2024
Saron	51,000,000	1.95%	31.12.2023	31.03.2024
Fixed	2,556,000	2.39%	25.02.2014	25.02.2024
Fixed	1,000,000	1.90%	07.10.2014	07.10.2024
Fixed	1,430,000	2.27%	30.11.2015	30.11.2024
Fixed	1,080,000	2.27%	30.11.2015	30.11.2024
Total short-term debt ≤ 1 year	60,066,000	2.00%*		
Long-term debt				
Fixed	475,000	1.80%	13.03.2015	13.03.2025
Fixed	2,000,000	2.25%	14.09.2023	14.09.2028
Fixed	5,600,000	2.25%	14.09.2023	14.09.2028
Fixed	6,800,000	1.95%	15.07.2023	15.07.2028
Fixed	10,000,000	2.11%	29.09.2023	29.09.2028
Fixed	1,800,000	2.08%	02.10.2023	02.10.2028
Total long-term debt from 1 to 5 years	26,675,000	2.10%*		
Fixed	20,000,000	0.45%	08.01.2020	08.01.2030
Total long-term debt 5 years and longer	20,000,000	0.45%*		
Total long-term debt > 1 year	46,675,000	1.39%*		
Total	106,741,000	1.73%*		
Weighted average duration (years)		2.43		

Note: the final Saron rate for the period is known at the maturity date.

* Weighted average rate

Compensation Rates

Information on rates applied in accordance with the fund contract and the prospectus

	Maximum rate per year as per prospectus	Applied rate
Payments to the Fund Management Company		
Management fee (art. 19 para. 1 and para. 11 of the fund contract)	1.00%	0.65%
Issuing fee (art. 18 para. 1 of the fund contract)	5.00%	na
Redemption fee (art.18 para.2 of the fund contract)	5.00%	na
Compensation for activities involving the purchase or the sale of properties (art. 19 para. 6 of the fund contract) ¹	3.00%	0.77%
Fee for activities when carrying out feasibility studies and acting on behalf of the Project owner (art. 19 para. 6 of the fund contract)	3.00%	3.00%
Fee for activities when carrying out the project development and monitoring (art. 19 para. 6 of the fund contract)	5.00%	max. 5.00%
Compensation for the management of properties (art. 19 para. 6 d of the fund contract)	6.00%	4.28%
Commission for the distribution of income (on the amount paid) (art. 19 para. 3 of the fund contract)	0.50%	0.50%
Payments to the Custodian bank		
Fee for the administration, the handling of payment transactions, the supervision of the fund management company (art. 19 para.2 of the fund contract)	0.06%	0.06%

¹ The applied rate is a calculated average resulting from the application of transaction fees only for the sale of the property of Lausanne (no fee applied for the sale of the property of Fribourg).

Transparency of the management fees

The Fund Management Company may pay to distributors, from the management fee, commissions as reimbursements in respect of distribution activities, for the sale and the intermediation of Fund's units (fund contract art. 19 para. 10). The Fund Management Company does not grant any rebates or retrocessions within the meaning of AMAS's transparency guidelines dated 5 August and 23 September 2021.



Mouille-Galand 5, Vernier (GE)

List of Purchases and Sales during the Financial Year

Purchases

No purchase during the period from 1 January to 31 December 2023.

Sales

Canton	Commune	Address	Type	Date of sale	Sales price CHF
VD	Lausanne	Place Grand-Saint-Jean 2	Commercial	15.12.23	14,500,000
FR	Fribourg	Route des Arsenaux 9/Rue du Simplon 13	Commercial	15.12.23	18,500,000
Total sales					33,000,000



Challex 4–6, La Plaine/Dardagny (GE)

Inventory of Properties

Canton	Commune	Address	Type	Cost CHF	Market value CHF	Rental income CHF	Vacancy %
GE	Chêne-Bougeries	Rue de Chêne-Bougeries 17	Mixed	2,532,311	3,310,000	130,819	0.00%
GE	Chêne-Bougeries	Rue de Chêne-Bougeries 19	Mixed	4,873,448	4,902,000	185,292	0.57%
GE	Genève	Place du Bourg-de-Four 33	Mixed	2,798,851	3,678,000	136,012	0.00%
GE	Genève	Boulevard des Philosophes 7 ¹	Mixed	10,246,104	15,360,000	541,290	3.38%
GE	Genève	Rue Rothschild 21 ¹	Residential	6,103,692	7,721,000	294,972	0.03%
GE	Genève	Avenue Théodore-Weber 9 ¹	Residential	9,967,121	13,800,000	510,192	1.43%
GE	Genève	Rue de Lyon 71 ¹	Residential	12,797,836	17,160,000	664,535	0.59%
GE	La Plaine/Dardagny	Route de Challex 4–6	Residential	11,605,801	12,560,000	598,948	0.51%
GE	Meyrin	Route du Mandement 17	Residential	8,307,057	8,966,000	412,649	0.25%
GE	Satigny	Route d'Aire-la-Ville 225–229 ²	Mixed	35,536,370	33,520,000	1,277,820	12.39%
GE	Versoix	Avenue Théodore-Vernes 12–14 ¹	Residential	9,456,276	11,710,000	489,377	0.48%
GE	Genève	Avenue Pictet-de-Rochemont 29 ^{1,2}	Residential	9,487,820	13,190,000	432,246	2.99%
GE	Vernier	Ch. Mouille-Galand 5/Route de Peney 20	Commercial	22,345,598	20,810,000	1,193,275	0.00%
GE	Vernier	Ch. Mouille-Galand 3/Route de Peney 20	Commercial	32,784,150	37,090,000	1,389,971	19.36%
GE	Vernier	Route d'Aire 162–164–166 ¹	Residential	3,652,799	4,199,000	182,011	0.00%
GE	Vernier	Route de Montfleury 1–3 ¹	Commercial	95,112,172	73,400,000	3,977,196	9.15%
VD	Clarens	Rue du Lac 54	Mixed	4,933,342	4,275,000	141,936	19.36%
VD	Lausanne	Place du Tunnel 13–14 ¹	Mixed	6,712,676	9,236,000	296,060	1.90%
VD	Lausanne	Chemin de Renens 55–57/Av. Morges 92 ¹	Mixed	3,327,824	4,692,000	212,604	0.62%
VD	Lonay	Chemin des Mouettes 1 ^{1,2}	Commercial	2,136,845	1,669,000	73,183	51.65%
VD	Lonay	Chemin des Mouettes 1 (lot 8) ²	Commercial	1,961,061	1,695,000	25,940	76.29%
VD	Montreux	Chemin du Réchon 7 ¹	Residential	2,080,388	2,209,000	85,340	0.18%
VD	Nyon	Chemin de la Redoute 14–22	Residential	31,347,946	31,240,000	1,330,832	1.31%
VD	Prangins	Route de l'Aérodrome 73–75	Commercial	3,424,379	2,807,000	172,200	0.00%
VD	Renens	Avenue de Préfaully 28–30	Commercial	7,535,687	7,831,000	393,455	3.94%
VD	Vevey	Rue des Bosquets 14–15	Mixed	3,664,280	3,352,000	147,130	1.10%
FR	Bulle	Rue de Gruyères 56	Mixed	3,725,954	2,618,000	84,836	1.68%
FR	Bulle	Rue des Agges 1/Rte des Granges ¹	Mixed	3,008,252	2,565,000	148,286	2.34%
FR	Fribourg	Rue de Romont 3	Commercial	3,846,162	3,689,000	157,000	1.33%
FR	Fribourg	Rue du Varis 20	Residential	2,564,780	2,858,000	134,649	0.99%
FR	Fribourg	Rue Saint-Pierre 6	Commercial	28,659,582	24,250,000	1,293,884	2.13%
JU	Delémont	Rue des Moulins 28	Mixed	14,989,470	11,000,000	742,602	9.49%
JU	Porrentruy	Rue des Tilleuls 31–33	Residential	6,047,362	4,600,000	308,434	5.26%
Total				407,573,394	401,962,000	18,164,975	7.80%

¹ Indirect holding

² Condominium ownership (PPE)

Recap

Type	Cost CHF	Market value CHF	Rental income CHF	Vacancy %
Development land and constructions	0	0	0	0.00%
Residential properties	113,418,877	130,213,000	5,444,185	1.22%
Commercial properties including condominium ownership (PPE)	197,805,636	173,241,000	8,676,104	9.78%
Mixed-used properties including condominium ownership (PPE)	96,348,881	98,508,000	4,044,687	7.43%
Total	407,573,394	401,962,000	18,164,975	7.80%

Type of properties

Commercial property: the part of the property used for commercial purposes is deemed to be predominant when its yield corresponds to at least 60% of that of the building (Art. 86 al.2b CISO).

Mixed-use properties (both residential and commercial): when the yield of the commercial part exceeds 20%, but is less than 60% of the building's yield (Art. 86 al.2c CISO).

List of contractual payment commitments for purchases of buildings and mandates for construction and investments in buildings at 31 December 2023

There are no contractual payment commitments related to either property acquisitions or work contract mandates at the balance sheet date.

Rental income of CHF 18'164'975 does not include the income from the properties sold in 2023.

Indices Calculated according to AMAS Guidelines

	31.12.2023	31.12.2022	31.12.2021
Rent default rate ¹	8.30%	13.96%	15.17%
Borrowing ratio	26.55%	29.25%	28.81%
Operating profit margin (EBIT margin)	68.81%	55.08%	63.88%
Operating expense ratio (TER REF GAV)	0.77%	0.81%	0.78%
Operating expense ratio (TER REF MV)	1.36%	1.38%	1.24%
Return on Equity (ROE)	-6.83%	-2.85%	8.71%
Return on Invested Capital (ROIC)	-4.23%	-1.71%	5.82%
Distribution yield	3.45%	2.68%	2.13%
Payout ratio	88.40%	95.18%	95.17%
Premium/Discount	-17.39%	-5.38%	-7.99%
Return on investment	-7.01%	-2.92%	8.90%

¹ This rate excludes conditions granted to tenants during the marketing period and vacancy due to renovations.

Fund's performance	31.12.2023	31.12.2022	31.12.2021
Suisse Romande Property Fund	-18.48%	-0.03%	-0.17%
SXI Real Estate® Funds Broad TR	5.03%	-15.17%	7.32%

Reference to past performance and results is not necessarily a reliable indicator of current or future performance and results.

Performance and return data do not take account of the commissions and fees incurred on the issue and redemption of units and are calculated considering that gross dividend has been reinvested immediately in the Fund.

Environmental indicators	31.12.2023	31.12.2022
Coverage ratio	97.00%	83.30%
Energy Mix: fossil	86.00%	85.00%
Energy Mix: non-fossil	14.00%	15.00%
Energy consumption (kWh/an)	11,455,793	10,899,501
Energy intensity (kWh/m ² /an)	129.7	123.4
Greenhouse gas emissions (kg CO ₂ -eq/an)	2,135,204	2,541,661
Intensity of greenhouse gas emissions (kg CO ₂ -eq/m ² /an)	24.2	30.4

Note: Environmental indices as of 31.12.2023 calculated using the new methodology recommended by AMAS.

Dividend

The total distribution for the financial year ending 31 December 2023 is CHF 8,185,566, which represents a dividend of CHF 3.05 gross per unit. Coupons 17 and 18 will be cashable by 30.04.2024 at the latest.

Coupons	CHF per unit
Coupon n° 17 return paid on property assets directly owned	1.01
Coupon n° 18 return paid on property assets indirectly owned	2.04
Total	3.05

Net return (after withholding tax)	CHF per unit
Coupon n° 17 return paid on property assets directly owned	1.01
Coupon n° 18 return paid on property assets indirectly owned	1.33
Total	2.34

Fund Evolution over 3 Years*

	Net assets CHF	Number of units	Net asset value (NAV) CHF	Dividend CHF
2023	282,647,142	2,683,792	105.32	3.05
2022	312,013,769	2,683,792	116.26	3.00
2021	329,327,599	2,683,792	122.71	2.95

* As of 31 December and in accordance with Art. 103 al.2 UCI-FINMA

Valuation Principles and Basis for the Calculation of the Net Asset Value

Valuation principles and basis for the calculation of the net asset value

In accordance with applicable provisions of the legislation and with the guidelines of the Asset Management Association Switzerland (AMAS) on real estate investment funds dated 2 April 2008 (as at 5 August 2021), the fund properties (including development land and properties under construction) were valued by independent valuation experts using the Discounted Cash Flow (DCF) method. This valuation is based on the potential of return for each property and involves projecting future income and expenses over a given period. The net cash flows calculated this way are discounted and the sum of these amounts with the residual value of the property make it possible to obtain the market value. This is the fair market value of the property at the time of valuation.

Each expert assesses the evolution of the properties independently, models the DCF calculation according to the specific parameters and determines the discount rate. The properties are valued at their market value. This value is the amount that could be obtained when a property is sold under normal market conditions. When



ARCenter, Vernier (GE)

buying and selling properties, unique opportunities may nevertheless arise and be exploited as well as possible in the interests of the investment fund. This may therefore result in discrepancies in relation to the evaluations.

The net asset value of the investment fund is calculated annually and at each unit issue. The net asset value of a unit is determined by the market value of the fund's assets, minus all the investment fund's liabilities, divided by the number of units in circulation. The statement of net assets and the statement of income are established in accordance with Article 95 CISO-FINMA as well as with applicable self-regulation rules.

As the appraisal of the portfolio as a whole as at 31 December 2023 was conducted by Wüest Partner, we present the method adopted below.

Wüest Partner AG method

Wüest Partner uses the two-period DCF model, where cash flows are estimated explicitly over a time horizon of ten years and as perpetual annuities for the second phase (infinite time horizon) in the form of an output value. The perpetual annuities in year 11 are calculated on the basis of a cash flow annuity modelled from year 11 ad infinitum. This output value, or theoretical sale value, is obtained based on a capitalisation of the perpetual annuity (also referred to as terminal value or residual value). The market value is calculated by discounting the net cash flows at the date of valuation for the periods 1 to 10 and the output value. Furthermore, cash flow projections are presented in real terms, which has the advantage of making the forecasts more understandable. As far as revenue is concerned, the rental status of each building is analysed in detail at the level of individual objects, taking account of the current situation and potential rents on the market (leases and rents). The lease review also permits the type and terms of the leases to be taken into account while making it possible to specify the existence, or not, of incidental or



Aire-la-Ville 225–227, Satigny (GE)

development costs to be borne by the tenant and/or the lessor, free rents, etc. In addition, a structural vacancy rate according to different assignments is acknowledged. Costs are based on the exploitation rate for previous years. This is complemented by Wüest Partner benchmarks and an assessment of the state of each building. In particular, renovation needs or restoration costs are estimated based on a split of the building's replacement value according to the different elements of construction and their life expectancy. The determination of the applicable discount rate reflects an estimate of the risk inherent to the building concerned. To establish this value, Wüest Partner takes account of both the specific characteristics of the building and factors related to

the location and the market. The market-adapted discount rate is adjusted according to risk, thanks to regular monitoring of the returns required by investors during transactions. It is defined on the basis of the free-risk rate (long-term Confederation bond) as well as on premiums for general real estate risk (liquidity risk premium, market risk) and for specific risks related to the building itself (micro-situation, form of ownership, quality of the object, etc.).

The weighted average (real) discount rate for the year under review (as at 31 December 2023) is 3.24% and the discount rates used to value the properties vary from 2.55% to 4.10%.



Tilleuls 31, Porrentruy (JU)

Information on Specific Economic or Legal Matters

The Swiss real estate market has been impacted by successive interest rate rises by the Swiss National Bank (SNB) after the inflationary trends in previous months. The market should be able to regain its appeal to investors in 2024 now that the SNB eased its monetary policy in the first quarter by cutting its policy rate by 25 basis points lowering it to 1.5%, after inflation had been back below 2%. Against this backdrop, the outlook for real estate funds and SRPF is positive for the months ahead.

An amendment to the prospectus of SRPF came into force on 31 January 2024. This amendment mainly concerns an update of the delegation of the risk management function.

The risk of rental losses due to tenants not paying has significantly been reduced in 2023 as the main arrear from 2022 was paid by 30 June 2023. In addition, some provisions which were built due to the difficulties of certain tenants after the Covid-19 period have been reduced because their situation is gradually being regularised allowing them to pay their rent, including accumulated arrears. However, JSSREM remains attentive to market trends and the risk of defaulting tenants.

In addition, JSSREM confirms that it has neither acquired nor sold any real estate assets from or to related parties, and that any other business with related parties has been conducted at market conditions (para. 18 of the AMAS real estate fund guidelines).



Projected fit-out at Saint-Pierre 6, Fribourg (FR)

Further Information

List of tenants representing more than 5% of the rental income:

One tenant has a rental income greater than 5% of the total rental income of SRPF as of 31 December 2023, Appart'City (Ch. Mouille-Galand 5) with 6.4%.

Information on derivatives:

The Fund does not include derivative financial instruments.

Consolidation of the real estate companies:

The Fund owns two real estate companies: Capital Real Estate SA, owned by the Fund since 2016, and Arcenter SA, owned by the Fund since March 2019. These companies are fully consolidated in the Fund's accounts and close their accounts on 31 December.

List of properties owned by Capital Real Estate SA:

Boulevard des Philosophes 7, Geneva

Chemin du Réchon 7, Montreux

Rue Rothschild 21, Geneva

Avenue Théodore-Weber 9, Geneva

Rue de Lyon 71, Geneva

Chemin de Renens 55–57 /

Avenue de Morges 92, Lausanne

Place du Tunnel 13–14, Lausanne

Chemin des Mouettes 1, Lonay

Rue des Agges 1 / Route des Granges, Bulle

Route d'Aire 162–164–166, Vernier

Avenue Théodore-Vernes 12–14, Versoix

Avenue Pictet-de-Rochemont 29, Geneva

List of properties owned by Arcenter SA:

Route de Montfleury 1–3, Vernier



Théodore-Weber 9, Geneva (GE)

Report of the Audit Company

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 regarding the financial statements of the Suisse Romande Property Fund.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Suisse Romande Property Fund investment fund - which comprise the statement of net assets as at 31 December 2023, 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 and 12 until 26) 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.

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.

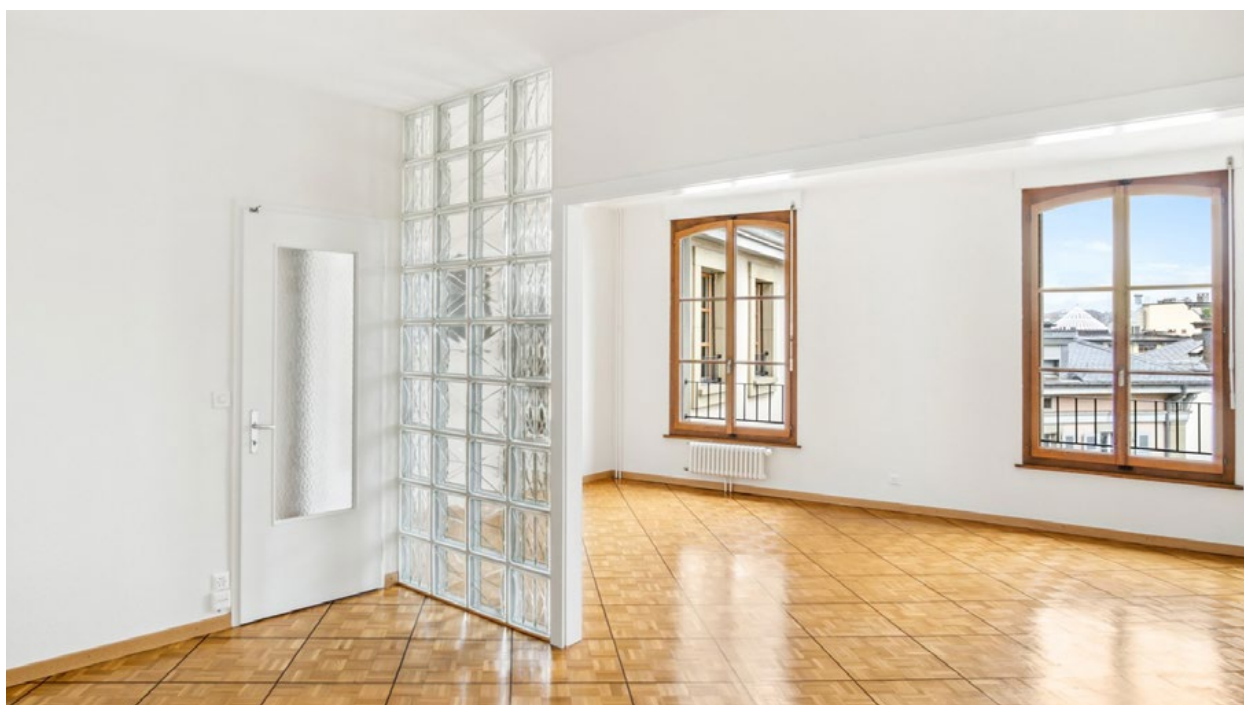
Deloitte AG

Christian Weber
Licensed Audit Expert
Auditor in Charge

Jamal Kherroubi
Licensed audit expert

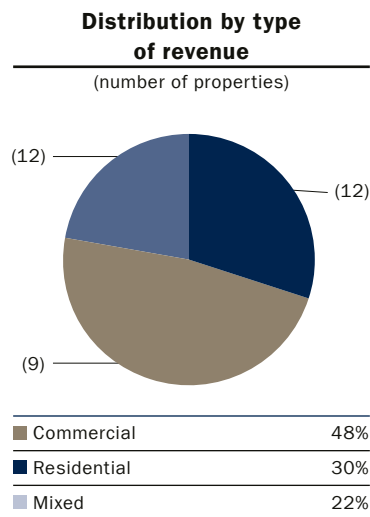
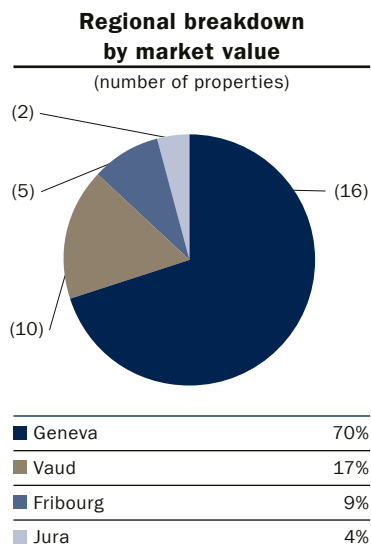
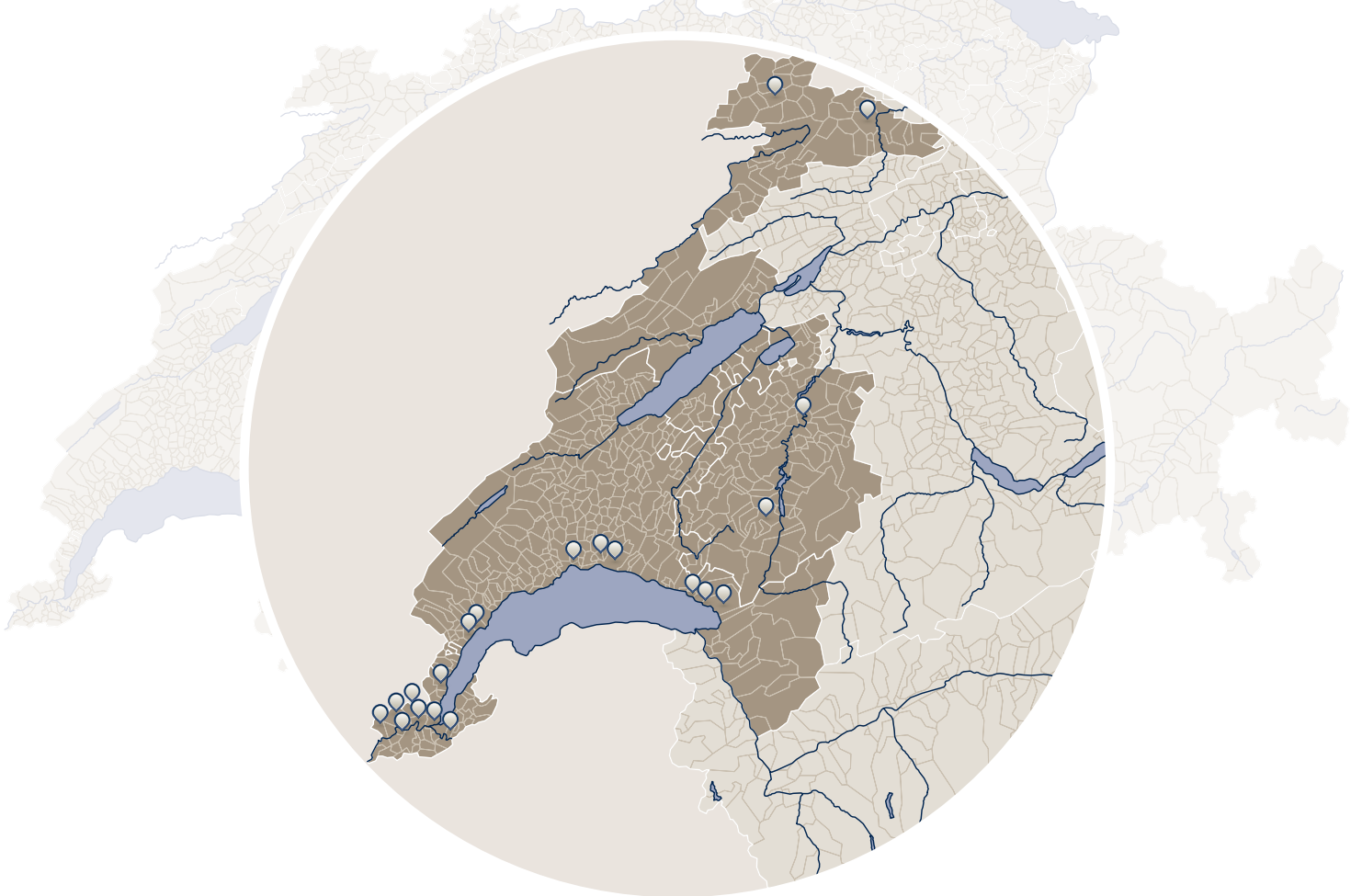
Geneva, 23 April 2024

The French version of the annual report has been subject to audit by the auditors. Consequently, this is the only reference to the report of the auditors.



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Geographical Location and Distribution of Buildings



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