



Swiss Prime Site
Solutions REAL ESTATE
ASSET MANAGERS

Audited annual report as at 30.09.2023

Swiss Prime Site Solutions
Investment Fund (SPSS IF)
Commercial

A contractual investment fund under Swiss law for qualified
investors in the «real estate fund» category

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Editorial

Dear Investors

Thanks to its fundamental strengths, the Swiss Prime Site Solutions Investment Fund Commercial («SPSS IFC») performed well in a challenging market environment in the 2022/2023 financial year. The fund management is pleased to see its investment strategy paying off and would like to thank the investors for their confidence.

The past year posed challenges for society and the economy, with geopolitical tensions leading to volatile and unpredictable conditions. This also led to a cautious mood in the real estate market in recent months, with higher interest rates in particular causing reticence among market participants.

The SPSS IFC was able to fully leverage its fundamental strengths in this challenging environment. The high-yield portfolio generated a strong cash flow return of 5.43%, largely cushioning the market-induced valuation corrections. A further reduction in the already low vacancy losses, along with high indexing rates and the addition of high-quality properties, made a significant contribution to the growth in net revenue. Furthermore, equity amounting to approximately CHF 23 million was raised, enabling us to continue growing in this challenging market environment.

The high-yield portfolio enabled an attractive distribution of CHF 4.40 per unit. At 4.21%, the cash yield is within the target range for our sustainable dividend strategy.

The fundamental strength of the SPSS IFC and the high confidence among our investors are also reflected in the stable over-the-counter price performance of 9.37% in the financial year. In the same period, the index of listed Swiss real estate funds (SWIT) was up 1.95%, meaning that the SPSS IFC outperformed the market by 7.42%.

By continuing to focus on cash yield and ESG responsibility, we firmly believe that we can offer our investors a highly attractive investment product in the medium to long term.



A handwritten signature in black ink, consisting of stylized letters 'M' and 'H' followed by a long horizontal stroke.

Maximilian Hoffmann
CIO Funds (Commercial)



Photo: Via Laveggio 5, 6855 Stabio

Key information at a glance

Key data	30.09.2023	30.09.2022
Number of units in circulation at the start of the reporting period	2 119 576	0
Fund units issued	223 179	2 119 576
Fund units redeemed	0	0
Number of units in circulation at the end the reporting period	2 342 755	2 119 576
Net asset value per unit in CHF	104.06	105.75
Closing price in CHF (Mid) ¹	104.50	98.50
Market value in CHF ¹	244 817 898	208 778 236
Premium/Discount	0.42%	-6.86%
Balance sheet	30.09.2023	30.09.2022
Fair value of the properties	434 824 000	346 444 000
Total fund assets (GAV) in CHF	439 308 150	349 625 204
Net fund assets (NAV) in CHF	243 790 202	224 155 040
Loan-to-value ratio as % of fair value ²	42.08%	34.85%
Return and performance information	01.10.2022– 30.09.2023	17.12.2021– 30.09.2022
Distribution in CHF ³	4.40	3.50
Cash yield	4.21%	3.55% ⁴
Payout ratio	79.19%	86.35%
Return on equity (ROE)	1.71%	5.75% ⁴
Return on invested capital (ROIC)	1.56%	4.01% ⁴
Return on investment	1.77%	5.75% ⁴
of which cash flow yield	5.43%	4.05% ⁴
of which capital growth	-3.67%	1.70% ⁴
Performance ⁵	9.37%	-3.00% ⁴
Total expense ratio, GAV (TER _{REF} GAV)	0.71%	0.72% ⁶
Total expense ratio, market value (TER _{REF} MV)	1.28%	1.03% ⁶
Income statement	01.10.2022– 30.09.2023	17.12.2021– 30.09.2022
Net income	13 016 501	8 590 858
Rental income	20 729 273	10 105 157
Rent default rate	3.29%	3.59%
Weighted average unexpired lease term (WAULT)	5.41 years	3.81 years ⁷

1) Only over-the-counter trading on the secondary market

2) FINMA approval for an exemption to the maximum encumbrance limits in the first five years after the launch

3) Ex date: 06.12.2023 / Payment date: 08.12.2023

4) Calculation since launch (17.12.2021–30.09.2022)

5) Calculation based on bid prices. In the previous year's report, the calculation was based on mid-prices

6) Annualised figures

7) Voluntarily disclosed key figure that has not been audited by the auditors

Management and governance bodies

Fund management company	Swiss Prime Site Solutions AG, Zug
External auditor	KPMG AG, Zurich
Custodian bank	Banque Cantonale Vaudoise, Lausanne

Board of Directors¹



Jürg Sommer
Chairman of the Board of Directors
(since 05.12.2022)



Marcel Kucher
Member of the Board of Directors



Philippe Keller
Member of the Board of Directors

The Board of Directors of the fund management company comprises the following members:

- Jürg Sommer, also Group General Counsel of Swiss Prime Site AG, Zug, and Chairman of the Board of Directors of Akara Property Development AG, Zug
- Marcel Kucher, also Group CFO of Swiss Prime Site AG, Zug, and a member of the Board of Directors of the following Swiss Prime Site Group companies: Akara Property Development AG, Zug, Jelmoli AG, Zurich, Swiss Prime Site Immobilien AG, Zurich, Swiss Prime Site Finance AG, Zug, Swiss Prime Site Management AG, Zug, Wincasa AG
- Philippe Keller, also Managing Partner of Pvb Pernet von Ballmoos AG, Zurich, and a member of the Board of Directors of Akara Property Development AG, Zug

The Board of Directors of the fund management company comprises the following members:

- Anastasius Tschopp, CEO and also a member of the Executive Board of Akara Property Development AG, Zug, and a member of the Executive Board of the Swiss Prime Site Group
- Philippe Brändle, CFO and also a member of the Executive Board of Akara Property Development AG, Zug
- Jerome Pluznik, Legal & Compliance and also a member of the Executive Board of Akara Property Development AG, Zug
- Reto Felder, CIO of the Swiss Prime Investment Foundation and also a member of the Executive Board of Akara Property Development AG, Zug

¹) René Zahnd, Chairman of the Board of Directors (until 05.12.2022)

Operational Management



Anastasius Tschopp
CEO



Philippe Brändle
CFO



Maximilian Hoffmann
CIO Funds (Commercial)



Samuel Bergstein
Head Acquisition & Sales (Commercial)



Fabian Linke
Head Business Development



Regina Hardziewski
Head Sustainability



Fund information

Key data

Fund name	Swiss Prime Site Solutions Investment Fund Commercial
Securities number / ISIN	113 909 906 / CH1139099068
Legal form	Contractual real estate fund for qualified investors (Art. 25 et seq. CISA)
Investor base	Qualified investors within the meaning of Art. 10 para. 3 and 3ter CISA in conjunction with Art. 4 paras. 3–5 and Art. 5 para. 1 FinSA
Accounting year	1 October to 30 September

Information on third parties

Accredited valuation experts

- Laura Blaufuss, PriceWaterhouseCoopers AG, Zurich
- Sebastian Zollinger, PriceWaterhouseCoopers AG, Zurich

Property management

- Wincasa AG, Winterthur

Delegation of specific tasks

The fund management company has delegated specific tasks in the following areas to SPS Management AG, Zug a group company of Swiss Prime Site AG, Zug:

- Accounting
- Real estate controlling
- IT and infrastructure
- Human Ressources
- Legal
- Internal audit

Commentary on the portfolio management

The Swiss Prime Site Solutions Investment Fund Commercial («SPSS IFC») exceeded its cash flow yield target and demonstrated resilience in a challenging market environment. The high cash flow yield of 5.43% cushioned the market-induced valuation corrections and underscored the effectiveness of the anti-cyclical investment strategy. The robust earnings in the 2022/2023 financial year enabled an attractive dividend distribution of CHF 4.40 per unit.

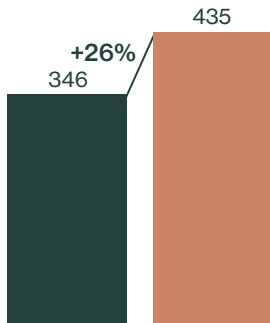
General

- The SPSS IFC closed the 2022/23 financial year with a cumulative return on investment of 1.77%.
- The return on investment of 1.77% comprised a cash flow return of 5.43% and negative capital growth of –3.67%. The target range for the cash flow return of between 3.5% and 4.0% was therefore comfortably exceeded. The valuation outcome is in line with expectations and was largely cushioned by the strong cash flow performance.
- The dividend distribution of CHF 4.40 per unit at a payout ratio of 79.2% is within our target range for a sustainable dividend strategy.
- We raised approximately CHF 23 million in equity in the reporting period through an issue and a contribution in kind, all of which was used to acquire additional properties.

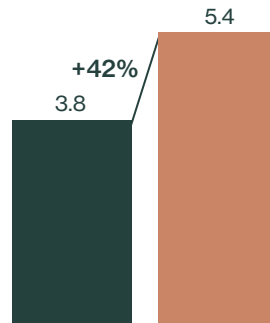
Portfolio management

- **Portfolio growth:** Real estate assets increased by around CHF 88 million in the reporting period. This growth of 25.5% is attributable to two purchases of CHF 91 million.
- **Rental income:** Based on the existing portfolio as at 30 September 2022, rental income increased by CHF 0.5 million and thus by 2.7%. This is attributable to successful letting and renewal activities, as well as adjustments due to indexing. The additional acquisition of two properties in the reporting year increased rental income by a total of CHF 2.8 million.
- **Net yield:** At 4.36%, the net yield of the portfolio in the reporting period was above the target of 4.0%.
- **Rent losses:** Rent losses remained at a very low level, coming in at 3.3% on the balance sheet date.
- **Lease term (WAULT):** The weighted average unexpired lease term (WAULT) increased from 3.8 years to 5.4 years in the 2022/2023 reporting year and was therefore just below the all-time high since the fund's launch in December 2021.
- **Valuation:** The valuation outcome shows a change of –0.7% compared to the half-year valuation as at 31 March 2023. This market-induced correction was within the expected range and was cushioned by rent increases from indexing adjustments as well as successful letting and renewal activities, particularly for the «Centro Lugano Sud» property.
- **Construction measures (Capex, capital expenditures):** We implemented capitalisable Capex measures of approximately CHF 6 million within the portfolio during the reporting period. This investment in the physical infrastructure amounts to around 1.4% of the portfolio's value and is aimed at long-term value preservation. The three main measures:
 - Centro Lugano Sud: conversion of heating to heat pumps
 - Centro Lugano Sud: expansion of rental space
 - Burgdorf, Emmentalstrasse: drainage and sewerage
- **Green leases:** We concluded two rental contracts containing mutual commitments regarding sustainability aspects. These «green leases» now represent approximately 17% of the target rent for the portfolio.

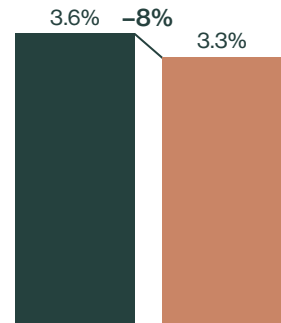
Portfolio growth (in MCHF)



WAULT (in years)



Rent default rate (as % of target rental income)



■ Year-end 21/22 ■ Year-end 22/23

Acquisition & Sales

- **Acquisition:** We acquired two attractive office and R&D properties in Stabio in the reporting year. These are let under long-term triple-net green leases with annual target rental income of around CHF 3.8 million.

Sustainability strategy

Integration of ESG factors into the investment process

- When considering new investments, we conduct a systematic ESG due diligence assessment based on on-site inspections. This enables us to identify significant ESG-related risks and potential and, if necessary, strategically define future optimisation measures right at the start of the investment process. When managing investments, environmental (E), social (S) and governance (G) aspects – collectively referred to as ESG criteria – are adequately taken into account throughout all investment phases.

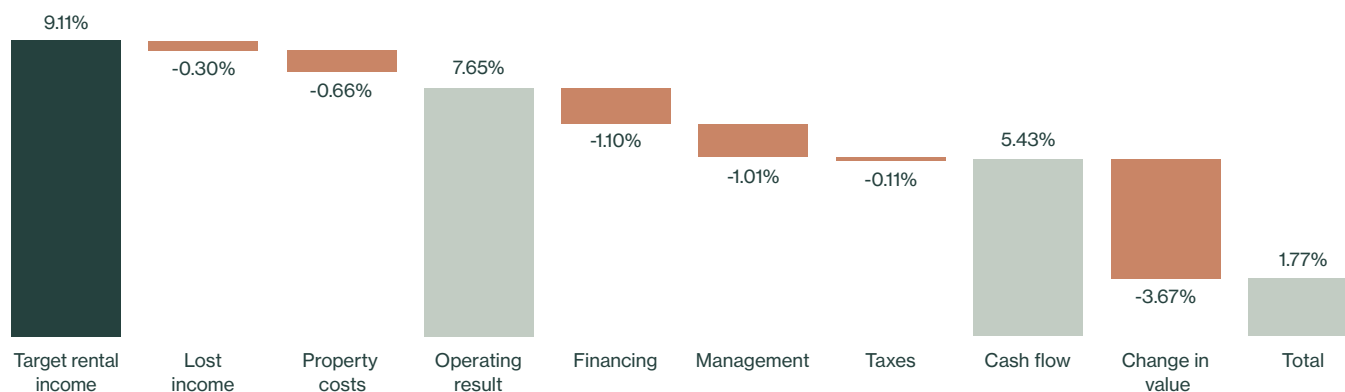
Outlook for the SPSS Investment Fund Commercial

- The SPSS IFC continues to perform well in a challenging market environment. The high cash flow yield of 5.43% effectively cushioned the occasional market-induced value corrections for commercial properties. The fundamental robustness of the SPSS IFC is clearly underscored by a historically low vacancy rate (2.8%) and long unexpired lease terms (WAULT 5.4). The properties' net yields, which average 4.36%, sustainably support the SPSS IFC's high cash flow return and will remain the focus of the fund management. A selective approach is taken to portfolio expansion by means of acquisitions. Properties must have a risk/reward profile that is appropriate for the portfolio, with a focus on attractive, long-term cash generation.

Commentary on the financial report

An excellent cash flow yield of 5.43% was generated in the 2022/2023 financial year. After deducting market-induced devaluations, the net return on investment in this first full financial year was 1.77%.

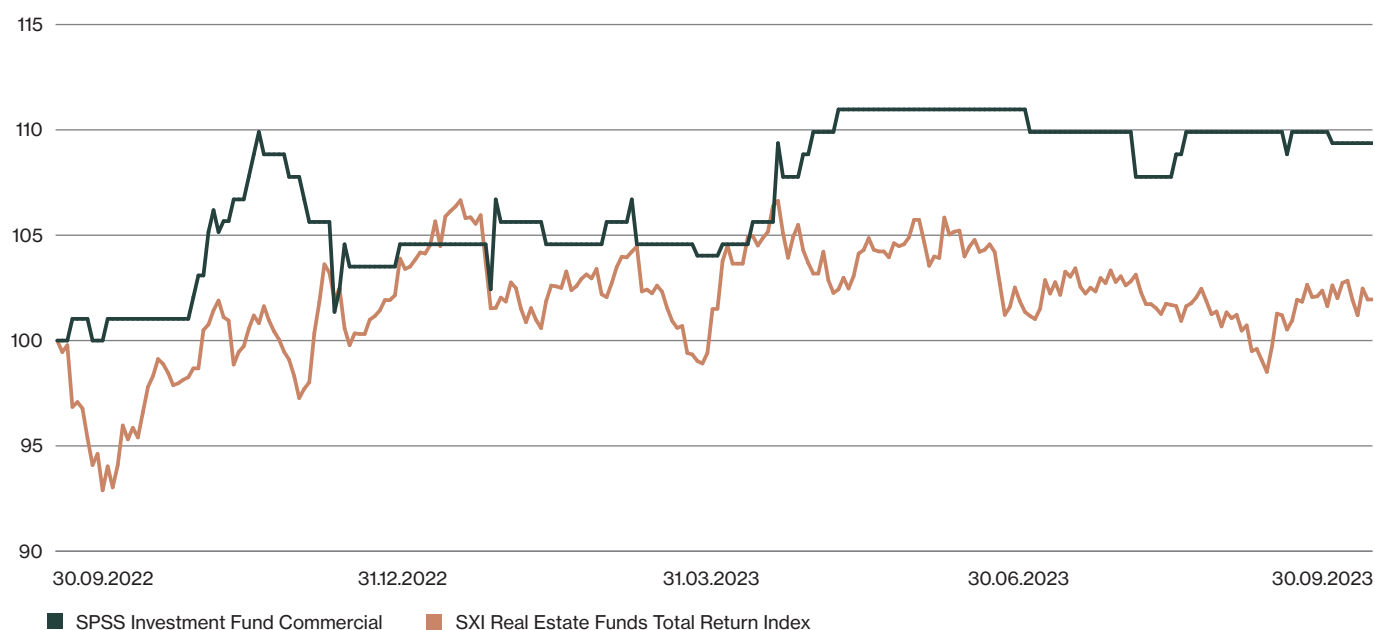
Composition of the SPSS IFC return on equity 2022/2023 financial year



Return and performance

- **Investment yield:** A high cash flow yield of 5.43% was generated in the 2022/2023 financial year, reflecting the good operating result. The market-induced devaluations due to rising interest rates and the associated increase in the discount rate (like-for-like) are reflected in negative capital growth of -3.67%. The total return for the period was therefore 1.77%.
- **Discounting:** The real discount rate as at 30 September 2023 was 3.46%, approximately 0.02% basis points lower than in the previous year. This is attributable to the lower discount rates for the acquired properties. For the existing portfolio as at 30 September 2022, the market-weighted real discount rate increased by 6 basis points from 3.48% to 3.54%, which adequately reflects the rise in interest rates and the higher required yields in the market.
- **Performance:** In a challenging market environment, the over-the-counter price (bid price) increased from CHF 97.0 to CHF 102.5 per unit. Taking into account the distribution and the capital increase, the performance for the 2022/2023 financial year was 9.37% – thus outperforming the SXI Real Estate Funds Total Return Index (SWIT) by 7.42%. The premium on the net asset value was 0.4% on the balance sheet date, demonstrating the SPSS IFC's robustness compared to other commercial funds.

Price performance SPSS IFC vs SXI Real Estate Funds Total Return Index (SWIIT)



Balance sheet

- **Fair value of properties:** The fair value of the property portfolio rose by CHF 88.4 million, amounting to CHF 434.8 million on 30 September 2023 (previous year: CHF 346.4 million). This increase is attributable to the purchase of the two properties in Stabio.
- **Total and net fund assets:** Total fund assets rose by 25.5% to CHF 439 million. Net fund assets increased by 8.8% to CHF 244 million. In the past financial year, equity amounting to around CHF 23 million was raised through an issue and a contribution in kind.
- **Net inventory value:** As at 30 September 2023, the net inventory value per unit was CHF 104.06, 1.6% below the previous year's value.
- **Loan-to-value ratio:** The loan-to-value ratio on the balance sheet date was 42.1%, which is below the permissible maximum limit of 50% sanctioned by FINMA until December 2026.

Income statement

- **Rental income:** Rental income of CHF 20.7 million was posted for the reporting period. This represents an increase of CHF 10.6 million (105%) compared to the previous year. The increase is attributable to the acquisition of two properties as well as higher rental income from existing properties and a further reduction in vacancy losses. Furthermore, the comparative period represents a shortened financial year of 9.5 months.
- **Financing costs:** Financing costs amounted to 2.6 million in the reporting year. The portfolio was financed at an average interest rate of around 1.6%. Mortgage interest rates as at 30 September 2023 are lower than the cash flow return, resulting in a positive leverage effect on the equity cash flow return.
- **Total expense ratio (TER):** At 0.71%, TER GAV was again kept stable at a low level in the 2022/2023 financial year, reflecting the product's partnership-oriented approach.

Net income

- **Unrealised capital gains/losses:** The market-induced corrections to the valuations as at 30 September 2023 are shown under unrealised capital losses. The total devaluation of CHF 8.2 million in the portfolio is in line with market expectations following the adjustment of discount rates and taking the recognised investment measures into account.
- **Use of profits:** The dividend distribution of CHF 4.40 per unit corresponds to a cash yield of 4.21% at a payout ratio of 79.2%. It is therefore within our target range for a sustainable dividend strategy.



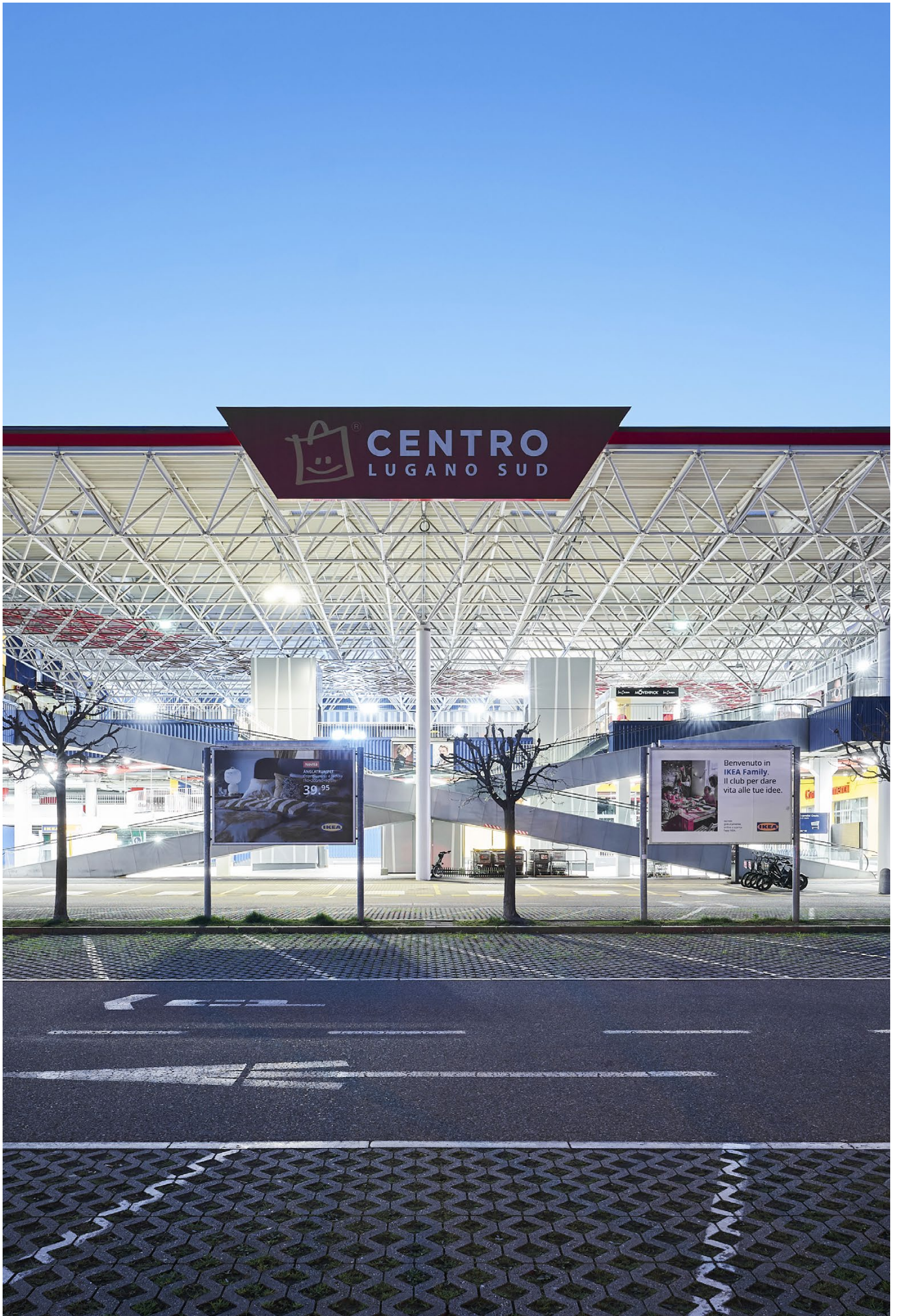


Photo: Centro Lugano Sud, Via Cantonale, 6916 Grancia

Sustainability¹

The fund management is committed to an ESG-integrated approach and pursues a sustainable investment policy. We implement the following environmental (E), social (S) and governance (G) measures:

Portfolio and asset Management

Environment (E)

Our aim is for the portfolio to be climate-neutral (net-zero CO₂) by 2050 in terms of heat and electricity supply. To this end, we are committed to adhering to a CO₂ reduction pathway that is consistent with the 1.5-degree target of the Paris Agreement and the Swiss Federal Council's goal of achieving climate neutrality by 2050.

There is a particular focus on reducing Scope 1² and Scope 2³ greenhouse gas emissions (GHGE) in accordance with the methodology of the Greenhouse Gas Protocol (GHG Protocol).

This is how we plan to achieve our climate protection targets:

- **CO₂ reduction pathway:** A CO₂ reduction pathway has been established for all properties, focusing on operational energy consumption and the energy mix within the properties. It follows the current CRREM (Carbon Risk Real Estate Monitor) pathways with the defined 1.5-degree reduction scenario for shopping centres in Switzerland.

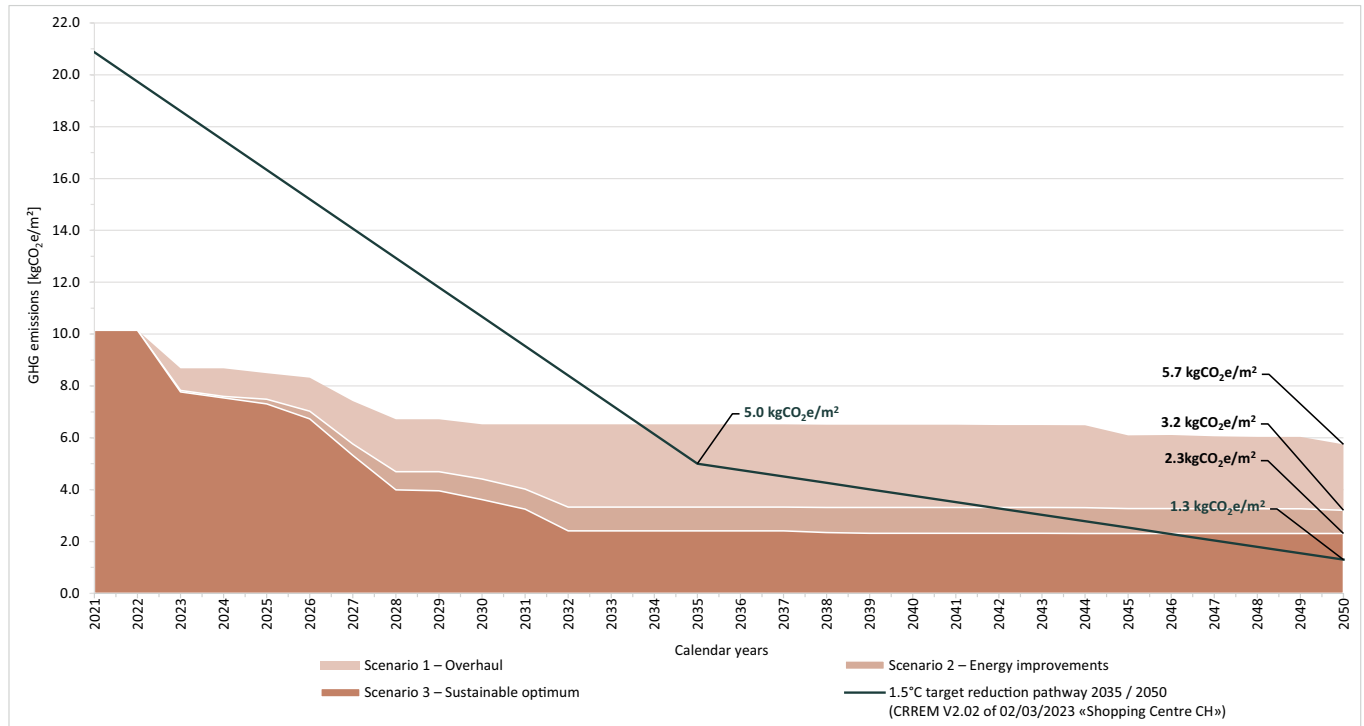
The CO₂ reduction pathway identifies opportunities for improvement and derives property-specific measures. In order to plan and coordinate these steps holistically, we incorporate the requirements of the CO₂ reduction pathway into the property strategies.

1) The fund documents supplemented with sustainability aspects are currently being approved by FINMA (as at November 2023)

2) Direct emissions from the combustion of fossil fuels (e.g. oil heating)

3) Indirect emissions caused by purchased energy (e.g. district heating, electricity)

CO₂ reduction pathway and 2050 climate goal – (Scope 1 & 2)



In scenario 1, existing components are replaced at the end of their useful life in accordance with the minimum legal requirements. Scenario 2 involves energy optimisations in the area of energy production (district heating, air-to-water heat pumps, etc.) and stricter requirements for building shell renovations. In scenario 3, the energy optimum (including photovoltaic systems, water-to-water heat pumps, MuKE n 2014, etc.) is considered.

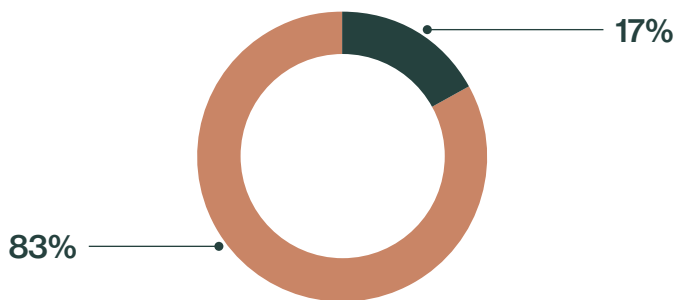
On the balance sheet date, the CO₂ reduction pathway accounted for 18 properties and includes both measured and modelled values for single and multi-tenant properties. CO₂ emissions are calculated using the KBOB factors that apply throughout Switzerland («Ökobilanzdaten im Baubereich: 2009/1:2022»).

- **Sustainable investment planning:** We develop specific measures to continuously improve the ESG criteria for the existing portfolio. A 10-year strategic sustainability plan is applied for all properties. This involves external sustainability specialists visiting all properties and drawing up a 10-year sustainable refurbishment plan, including a budget and the implications for the CO₂ reduction pathway. This plan then serves as the basis for evaluating the refurbishment measures.
- **Refurbishment and replacement measures:** We replace building technology components or refurbished parts of the building that improve the building's energy efficiency. This reduces the need for energy from external sources. For instance, we replace the heat generation system with carbon-neutral or low-emission energy sources while improving the building shell at the same time.
 - Centro Lugano Sud: installation of an air-to-water heat pump
 - Solothurn, Hauptgasse: contract to fit out 33% of the rental space with LED lighting

- **Substitution measures:** This includes investments in additional installations or measures that reduce CO₂ emissions on or inside the building.
 - Entire portfolio: establishing and developing an organisation for energy control (EC) and operational optimisation (BO) for individual properties through external partners, with the aim of achieving sustainability targets more quickly and enabling performance monitoring
 - Winterthur, Rudolf-Diesel-Strasse: successful completion of an EC/BO pilot project
 - Remaining portfolio: contract to implement EC/BO in the next financial year
 - Winterthur, Rudolf-Diesel-Strasse: contract to install a PV system
 - St. Gallen, Oberbüren: conducting a feasibility study for a PV system
- **Existing certification:** Around 37% of the rental space has been certified with internationally recognised labels. This concerns the following properties:
 - Centro Lugano Sud, Via Cantonale (BREEAM In-Use)
 - Stabio, Via Laveggio 5 (LEED Platinum)
- **Green leases:** Around 17% of the target rent for the portfolio is linked to green leases. These contracts entail mutual commitments between tenants and landlords regarding sustainability aspects. Two significant green leases were agreed in the reporting year.

Green leases

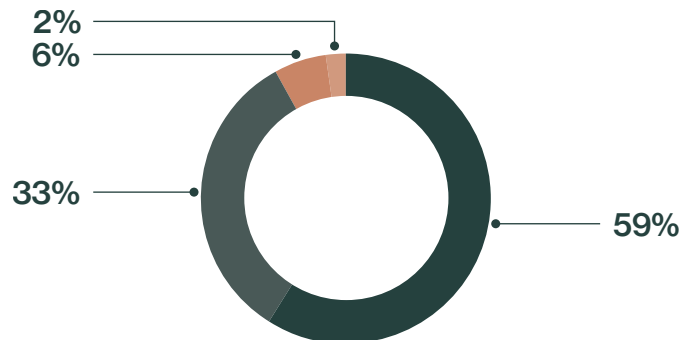
(as % of target rental income)



■ Green leases ■ Conventional leases

Energy mix

(as % of energy reference area)



■ Heat pumps ■ Gas ■ District heating ■ Oil

Social (S)

Tenant satisfaction survey

- We carried out an anonymised tenant survey to identify the needs and preferences of tenants in the reporting period. The survey was designed and conducted by the Swiss market research company LINK. A key finding of the study: satisfaction with the rental properties is high (7.4 points) and slightly above the benchmark (7.2). The study uses a tool to identify measures that are then implemented systematically by the management.

Employee training

- We regularly conduct training to improve the knowledge of our employees, such as on sustainability issues. The Lunch&Learn events are free for employees and are usually led by external or internal experts.

Governance (G)

- A sustainability report on the sustainability performance of the property fund is published for investors each year as part of the annual report. Within it, the fund management reports the environmental indicators (energy mix, energy consumption, energy intensity, greenhouse gas emissions, intensity of greenhouse gas emissions).

Environmental indicators for real estate funds (AMAS): The «environmental indicators for real estate funds» in accordance with the Asset Management Association Switzerland (AMAS) were calculated and published for the first time as part of this annual report. To ensure consistent calculation and comparability of the indicators, we used the latest REIDA CO₂ report «Methodological Principles»¹ as a standardised calculation basis. The indicators are based on measured energy and water consumption values. Consumption data for heating gas, district heating, electricity and water is taken from utility bills issued by energy providers. Consumption data for heating oil is provided by the managers.

GRESB (Global Real Estate Sustainability Benchmark): We completed the GRESB grace period submission as early as possible. The goal of a complete GRESB assessment with the annual report for the 2023/2024 financial year therefore remains achievable.

UN PRI signatory: Swiss Prime Site Solutions signed up to the UN Principles for Responsible Investment (UN PRI) on behalf of the SPSS IFC in November 2022. This underscores our commitment to taking ESG (environmental, social and governance) criteria into account in our investment decisions – at the company, fund and property levels.

Environmental indicators «SPSS IFC»

Only owner-controlled properties were considered, not tenant-controlled ones. Properties from transactions during the year were also not included. The environmental indicators have been climate-adjusted according to the REIDA methodology.

1) REIDA CO₂e report «Methodical Principles», 16 August 2023, Version 1.2 final
https://www.reida.ch/images/REIDA_pdf/REIDA_CO2_Report_methodische_Grundlagen_V12.pdf

Environmental indicators

2022

Number of properties (relevance for environmental indicators)	Properties	12
Total area	m ² ERA	56 841
Relevant area (owner)	m ² ERA	56 841
Coverage level (owner)	%	100
Energy consumption	MWh / a	4 347
Measured	%	100
Energy intensity	kWh/m² ERA	76.5
Fuels	%	43.0
Heating oil	%	9.4
Heating gas	%	33.5
Biomass	%	0.0
Heating	%	29.2
Local and district heating	%	10.3
Ambient heat	%	18.9
Electricity	%	27.8
Electricity (heat pump)	%	7.6
Electricity (general)	%	20.3
Share renewable energy	%	46.4
Share fossil fuels	%	48.1
CO₂e emissions (Scope 1-2)	To. CO₂e / a	435.0
CO₂e emission intensity (Scope 1-2)	kgCO₂e/m² ERA	7.7
Scope 1	%	84.9
Heating oil	%	23.8
Heating gas	%	61.1
Scope 2	%	15.1
District heating	%	4.4
Anergic emissions ¹	%	7.1
Electricity heat pump	%	1.0
Electricity general	%	2.6
Water consumption	m³	11 863.5
Water intensity	m³/m² ERA	0.2

1) Heat fossil emissions from waste incineration



Photo: Via Laveggio 5, 6855 Stabio

Essential key figures

18

Properties owned

2

Purchases 2022/2023

434.8 million CHF

Fair value

22.4 million CHF

[TARGET] rental income annualised

24.2 million CHF

Average property volume

106 789 m²

Rental space

5.41 years

WAULT

32 %

Share of office space

22 %

Proportion of properties with PV systems

17 %

«Green Leases» as a proportion of target rental income

5.15 %

Gross yield (based on fair value)

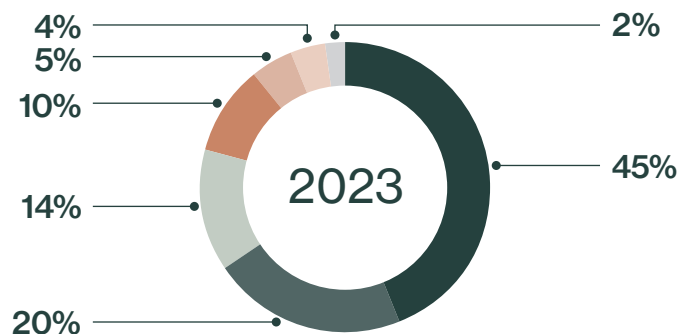
4.36 %

Average weighted net yield

Portfolio structure

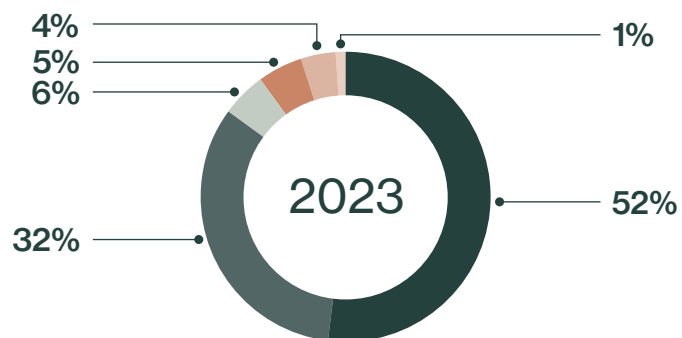
Portfolio split by region (based on target rental income)

	30.09.2023	30.09.2022
■ Southern Switzerland	45%	29%
■ Zurich	20%	26%
■ Central Switzerland	14%	18%
■ Eastern Switzerland	10%	13%
■ Northwestern Switzerland	5%	6%
■ Berne	4%	5%
■ Western Switzerland	2%	2%



Portfolio split by type of use (based on fair value)

	30.09.2023	30.09.2022
■ Commerce/retails	52%	60%
■ Office/administration	32%	26%
■ Commercial/industrial	6%	5%
■ Storage	5%	5%
■ Parking	4%	3%
■ Other	1%	1%



Balance sheet

Actives in CHF	30.09.2023	30.09.2022
Cash, post office and bank balances payable at sight, including fiduciary deposits with third-party banks	2 104 252	910 822
Sites		
– Residential buildings	0	0
– Commercial properties	434 824 000	346 444 000
– Mixed-use buildings	0	0
– Building land including properties for demolition and buildings under construction	0	0
Total sites	434 824 000	346 444 000
Other assets	2 379 898	2 270 381
Total fund assets	439 308 150	349 625 204
Liabilities in CHF	30.09.2023	30.09.2022
Current interest-bearing mortgages and other liabilities secured by mortgages	-182 985 000	-120 750 000
Other current liabilities	-9 916 654	-2 716 746
Total current liabilities	-192 901 654	-123 466 746
Non-current interest-bearing mortgages and other liabilities secured by mortgages	0	0
Non-current other liabilities	0	0
Total non-current liabilities	0	0
Net fund assets before estimated liquidation taxes	246 406 496	226 158 458
Estimated liquidation taxes	-2 616 294	-2 003 418
Net fund assets	243 790 202	224 155 040

Number of units in circulation	01.10.2022– 30.09.2023	17.12.2021– 30.09.2022
Units in circulation at the start of the reporting period	2 119 576	0
Units issued	223 179	2 199 576
Units redeemed	0	0
Units in circulation at the end of the reporting period	2 342 755	2 199 576
Net asset value per unit	104.06	105.75
	01.10.2022– 30.09.2023	17.12.2021– 30.09.2022
Change in net fund assets in CHF		
Net fund assets at the start of the reporting period	224 155 040	0
Distributions	-7 418 516	0
Balance from unit transactions excluding purchase of current income on issue of units and payment of current income on redemption of units	22 820 053	211 957 600
Total result	4 233 625	12 197 440
Balance of allocations to/releases of provisions for repairs	0	0
Net fund assets at the end of the reporting period	243 790 202	224 155 040
	Net fund assets	Net asset value per unit
Previous years' figures		
31.03.2023	246 051 412	105.03
30.09.2022	224 155 040	105.75
31.03.2022	148 802 652	103.21
	30.09.2023	30.09.2022
Information on the balance sheet in CHF		
Balance on depreciation account for properties	0	0
Balance on provision account for future repairs	0	0
Balance on the account for the reinvestment of retained earnings	0	0
Number of units on which notice given by the end of the next financial year	3 000	none

Income statement

Income in CHF	01.10.2022– 30.09.2023	17.12.2021– 30.09.2022
Negative interest	0	-15 432
Income from bank and postal deposits	438	0
Rental income	20 729 273	10 105 157
Other income	5 880	350 124
Purchase of current net income on issue of units	230 443	1 125 266
Total income	20 966 034	11 565 115
	01.10.2022– 30.09.2023	17.12.2021– 30.09.2022
Expenses in CHF		
Mortgage interest and interest on liabilities secured by mortgages	-2 585 824	-67 320
Other interest payable	-1 218	0
Maintenance and repairs	-445 024	-311 686
Property management:		
– Property expenses	-1 265 420	-454 638
– Administrative expenses	[1] 0	0
Taxes and duties:		
– Property taxes	-385 465	-206 912
– Profit and capital taxes	-265 000	-367 670
– Duties	0	0
Valuation and audit expenses	-126 708	-139 775
Depreciation of properties	0	0
Provisions for future repairs	0	0
Mandated remuneration of:		
– the fund management company	-1 983 737	-932 979
– the custodian bank	-71 281	-45 014
– the real estate managers	-627 862	-329 989
Other expenses	-191 994	-118 274
Payment of current net income on redemption of units	0	0
Total expenses	-7 949 533	-2 974 257
Net income	13 016 501	8 590 858
Realised capital gains and losses	0	0
Realised result	13 016 501	8 590 858
Unrealised capital gains and losses	-8 170 000	5 610 000
Change in liquidation taxes	-612 876	-2 003 418
Total result	4 233 625	12 197 440

[1] The management fees of the property management companies are reported under the item «Mandated remuneration of the real estate managers».

Appropriation of net income in CHF	30.09.2023	30.09.2022
Net revenue for the reporting period	13 016 501	8 590 858
Capital gains of the reporting period intended for distribution	0	0
Capital gains of previous accounting periods intended for distribution	0	0
Brought forward from previous year	1 172 342	0
Net income available for distribution	14 188 843	8 590 858
Net income reserved for distribution to investors	10 308 122	7 418 516
Net income retained for reinvestment	0	0
Balance carried forward to new account	3 880 721	1 172 342



Photo: Oberer Steisteg 18/20, 6430 Schwyz

Notes

	30.09.2023	30.09.2022
Key data		
Rent default rate	3.29%	3.59%
Loan-to-value ratio (as % of fair value) ¹	42.08%	34.85%
Cash yield	4.21%	3.55% ²
Payout ratio	79.19%	86.35%
EBIT margin	75.44%	78.18%
Total expense ratio GAV (TER _{REF} GAV)	0.71%	0.72% ³
Total expense ratio market value (TER _{REF} MV)	1.28%	1.03% ³
Return on equity (ROE)	1.71%	5.75% ²
Return on invested capital (ROIC)	1.56%	4.01% ²
Premium/Discount	0.42%	-6.86%
Performance ⁴	9.37%	-3.00% ²
Return on investment	1.77%	5.75% ²

1) FINMA approval for an exemption to the maximum encumbrance limits in the first five years after the launch

2) Calculation since launch (17.12.2021–30.09.2022)

3) Annualised figures

4) Calculation based on bid prices. In the previous year's report, the calculation was based on mid-prices

Information on derivatives

None

Principles for the valuation of fund assets and the calculation of net asset value

The net asset value of a unit is the fair value of the fund assets, less any liabilities of the investment fund and any taxes likely to fall due if the fund assets are liquidated, divided by the number of units outstanding. The amount is rounded to two decimal places.

In accordance with Art. 88 para. 2 CISA, Art. 92 and 93 CISO and the Asset Management Association Switzerland (AMAS) Guidelines for real estate funds, the fund's properties are regularly valued by an independent valuation expert accredited by the supervisory authority, using a dynamic capitalised earnings method. The valuation represents a price that would probably be obtained in a prudent sale at the time of the valuation. Buildings under construction and construction projects are also valued at fair value. When properties are bought or sold for the fund and at the end of each financial year, the fair value of the properties held by the fund must be checked by the valuation expert. The valuation experts must survey the properties at least once every three years. In certain cases, opportunities may arise that could be seized in the best interest of the funds, particularly to buy or sell properties for the fund. This may lead to discrepancies compared with the valuations.

The average real discount rate, weighted by fair value, of all properties valued as at 30 September 2023 is 3.46%; the lowest is 2.55% and the highest is 4.80%.

Further information on the fair values can be found in the valuation report of the independent real estate valuer.

Inventory of properties as at 30.09.2023 Summary

Property category in CHF	Actual costs		Fair value		Gross income (rental income ACTUAL)	
Commercial	437 384 000	100.0%	434 824 000	100.0%	20 760 073	100.0%
– thereof building law	0		0		0	
– thereof condominium property	0		0		0	
Total	437 384 000		434 824 000		20 760 073	



Photo: Marktgasse 3, 8400 Winterthur

Property details

(all values in CHF)

Town/city, address	Built	Form of ownership	Actual costs	Fair value	Target rental income ¹	Rental defaults ¹		Gross income ¹ (net rental income)	Gross yield (based on fair value)
Commercial properties									
Amriswil , Weinfelderstrasse 74	2004	Sole ownership (100%)	7 380 000	7 168 000	445 287	5 319	1.2%	439 968	6.2%
Bedano , Via d'Argine 3	2002 / 2010	Sole ownership (100%)	20 857 000	20 274 000	1 052 630	-	0.0%	1 052 630	5.2%
Burgdorf , Emmentalstrasse 14	1972	Sole ownership (100%)	8 207 000	7 590 000	408 332	32 276	7.9%	376 056	5.4%
Cham , Dorfplatz 2	1992	Sole ownership (100%)	6 310 000	6 064 000	256 309	12 235	4.8%	244 074	4.2%
Dietikon , Kirchstrasse 20	1987	Sole ownership (100%)	14 632 000	14 773 000	619 099	1 885	0.3%	617 214	4.2%
Grancia , Via Cantonale	1991 / 2004	Sole ownership (100%)	85 266 000	84 255 000	6 695 951	406 412	6.1%	6 289 540	7.9%
Lucerne , Luzernerstrasse 86, 88	1986	Co-ownership (99%)	22 191 000	21 602 000	1 030 679	4 401	0.4%	1 026 278	4.8%
Neuchâtel , Avenue J.-J. Rousseau 7	1929	Sole ownership (100%)	8 124 000	8 026 000	491 959	11 685	2.4%	480 274	6.1%
Oberbüren , Buchental 4	1990	Sole ownership (100%)	28 383 000	28 019 000	1 536 860	-	0.0%	1 536 860	5.5%
Schwyz , Oberer Steisteg 18, 20	1988	Sole ownership (100%)	9 497 000	9 271 000	558 946	7 980	1.4%	550 966	6.0%
Solothurn , Hauptgasse 59	1963	Sole ownership (100%)	19 363 000	19 709 000	760 088	-	0.0%	760 088	3.9%
St. Gallen , Rorschacher Strasse 63	1960	Sole ownership (100%)	8 944 000	9 079 000	349 967	-	0.0%	349 967	3.9%
Stabio , Via Laveggio 4	2008 / 2019	Sole ownership (100%)	10 245 000	10 065 000	316 970	-	0.0%	316 970	4.2%
Stabio , Via Laveggio 5	2010	Sole ownership (100%)	80 260 000	79 258 000	2 495 476	-	0.0%	2 495 476	4.2%
Steinhausen , Chollerstrasse 21, 23	1990	Sole ownership (100%)	24 825 000	24 455 000	1 083 799	184 776	17.0%	899 023	4.4%
Thun , Bälliz 7	1900	Sole ownership (100%)	11 408 000	10 761 000	467 718	-	0.0%	467 718	4.3%
Winterthur , Marktgasse 3	1969	Sole ownership (100%)	19 757 000	20 389 000	615 350	-	0.0%	615 350	3.0%
Winterthur , Rudolf Diesel Strasse 20	2019	Sole ownership (100%)	51 735 000	54 066 000	2 250 021	8 400	0.4%	2 241 621	4.2%
Overall total			437 384 000	434 824 000	21 435 441	675 368	3.2%	20 760 073²	5.1%

1) Not annualised

2) Without lump-sum value adjustment of CHF 30 800

Information on actual remuneration rates where the fund regulations lay down maximum rates	30.09.2023	
	Actual	Maximum
a) Remuneration of the fund management company		
Annual commission for the management of the real estate fund, management of its assets and distribution of the real estate fund, based on the total fund assets	0.47%	1.00%
Commission for work on construction, renovation and modification of buildings, based on construction costs	2.32%	9.00%
Remuneration for work on the purchase and sale of properties, based on the purchase/sale price, where no third party is commissioned for this	1.28%	2.00%
Remuneration for the management of the individual properties during the reporting period based on gross rental income	n.a.	5.00%
Issuing commission to cover the costs associated with the placement of new units, based on the net asset value of the newly issued units ¹	1.30%	2.50%
Redemption commission to cover the costs associated with the redemption of units, based on the total asset value of the redeemed units	n.a.	2.50%
b) Remuneration of the custodian bank		
Commission for the custody of the fund assets, provision of the payment infrastructure for the real estate fund and the other expenses listed in section 4 of the fund contract, based on the total fund assets	0.03%	0.05%
Commission for the payment of annual income to investors	none	none

1) Excluding granted discounts

Total amount of the contractual payment obligations after the balance sheet date for purchases of properties and for construction contracts and investments in properties	30.09.2023
Purchases of properties	0
Construction contracts and investments in properties	1 650 000

Non-current liabilities, broken down into those falling due within one to five years and after five years	30.09.2023
1 to 5 years	0
> 5 years	0

Investments	30.09.2023
Investments that are listed on an exchange or another regulated market open to the public: valued at the prices paid on the primary market; in accordance with Art. 84 para. 2 lit. a CISO-FINMA.	0
Investments for which no prices are available pursuant to lit. a above: valued on the basis of parameters that are observable on the market; in accordance with Art. 84 para. 2 lit. b CISO-FINMA.	0
Investments not valued on the basis of parameters that are observable on the market: valued using suitable valuation models and taking account of the current market circumstances; in accordance with Art. 84 para. 2 lit.	434 824 000
Total investments	434 824 000

Mortgages and other liabilities secured by mortgages

Current mortgages and fixed advances (as at 30.09.2023)

Type of loan	Term		Amount in CHF	Interest rate
	from	to		
Fixed advance	17.07.2023	17.10.2023	8 000 000	2.06%
Fixed advance	31.08.2023	31.10.2023	30 000 000	2.18%
Fixed advance	29.09.2023	31.10.2023	5 700 000	2.14%
Fixed advance	31.08.2023	30.11.2023	43 385 000	2.17%
Fixed advance	31.08.2023	30.11.2023	39 100 000	2.19%
Fixed advance	29.09.2023	30.11.2023	32 500 000	2.04%
Fixed advance	29.09.2023	08.12.2023	24 300 000	2.04%
Total			182 985 000	2.13%

Expired mortgages and fixed advances (01.10.2022–30.09.2023)

Type of loan	Term		Amount in CHF	Interest rate
	from	to		
Fixed advance	30.09.2022	31.10.2022	9 500 000	0.75%
Fixed advance	28.09.2022	31.10.2022	8 950 000	0.86%
Fixed advance	30.09.2022	31.10.2022	22 300 000	0.83%
Fixed advance	31.10.2022	30.11.2022	9 500 000	0.77%
Fixed advance	31.10.2022	30.11.2022	30 750 000	0.88%
Fixed advance	31.08.2022	07.12.2022	80 000 000	0.38%
Fixed advance	30.11.2022	16.01.2023	38 500 000	0.91%
Fixed advance	07.12.2022	16.01.2023	80 000 000	1.09%
Fixed advance	14.12.2022	16.01.2023	1 000 000	1.08%
Fixed advance	16.01.2023	16.02.2023	33 000 000	1.34%
Fixed advance	16.01.2023	16.03.2023	85 000 000	1.29%
Fixed advance	16.02.2023	31.03.2023	32 500 000	1.35%
Fixed advance	14.02.2023	28.04.2023	34 500 000	1.52%
Fixed advance	14.02.2023	28.04.2023	43 200 000	1.50%
Fixed advance	31.03.2023	28.04.2023	18 500 000	1.82%
Fixed advance	16.03.2023	16.05.2023	76 000 000	1.76%
Fixed advance	16.03.2023	16.05.2023	8 000 000	1.71%
Fixed advance	31.03.2023	09.06.2023	14 000 000	1.78%
Fixed advance	28.04.2023	09.06.2023	26 500 000	1.79%
Fixed advance	28.04.2023	09.06.2023	34 700 000	1.80%
Fixed advance	28.04.2023	30.06.2023	32 500 000	1.75%
Fixed advance	09.06.2023	30.06.2023	34 700 000	1.97%
Fixed advance	16.05.2023	17.07.2023	66 750 000	1.89%
Fixed advance	16.05.2023	17.07.2023	8 000 000	1.80%
Fixed advance	16.05.2023	17.07.2023	8 750 000	1.87%
Fixed advance	09.06.2023	09.08.2023	40 500 000	2.06%
Fixed advance	30.06.2023	31.08.2023	34 300 000	2.10%
Fixed advance	17.07.2023	31.08.2023	58 600 000	2.13%
Fixed advance	17.07.2023	31.08.2023	9 085 000	2.10%
Fixed advance	09.08.2023	31.08.2023	40 500 000	2.13%
Fixed advance	30.06.2023	29.09.2023	32 500 000	2.03%
Fixed advance	31.08.2023	29.09.2023	30 000 000	2.15%

Purchases and sales of properties

List of properties bought and sold during financial year 2022/2023
(as at 30.09.2023)

Purchases	Type of building	Fair value
Stabio , Via Laveggio 5 ¹	Commercial property	79 258 000
Stabio , Via Laveggio 4	Commercial property	10 065 000
Total		89 323 000

1) Acquisition as part of a partial contribution in kind, with 145 109 new units issued.

Sales	Type of building	Fair value
None		

Tenants accounting for more than 5% of rental income

Tenant	Property location	Share of rental income in %
VF International Sagl	Stabio	16.9%
Coop Genossenschaft	Grancia, Lucerne, Oberbüren	13.1%
C&A Mode AG	Grancia, Solothurn	5.7%

Transactions with related parties

The fund manager confirms that no real estate assets have been transferred from or to related parties and that other transactions with related parties were carried out at standard market terms (Article 18 of the Guidelines for real estate funds, issued by the Asset Management Association Switzerland (AMAS) on 2 April 2008 (version dated 5 August 2021)).

Information on matters of particular economic or legal significance

Amendments to the fund contract

The following change to the fund contract was made in the reporting period and published on the electronic platform www.swissfunddata.ch, the official publication of the real estate fund.

Publication on 12 July 2023 and 14 August 2023 and FINMA approval with decree of 15 September 2023:

- Extension of special permission for the maximum encumbrance limit within the meaning of Art. 96 para. 1 CISO for an additional three years to a total of five years since launch.

Material questions concerning the interpretation of laws and the fund contract

Deviation from the investment policy guidelines as at 30 September 2023:

Investment name	Quantity	Nominal value	Requirement	Reason for investment
Registered shares in Parking AG Solothurn	147	CHF 500	Under the investment guidelines, investments in equities that are not traded on an exchange or another regulated market open to the public are not permitted.	Mandatory purchase based on an order by the City of Solothurn. When acquiring properties in the car-free old town of Solothurn, buyers are required to purchase shares in Parking AG Solothurn. The size of the required holding depends on the number of parking spaces needed for the property in question.

Information on changes of fund management company or custodian bank

Neither the fund management company nor the custodian bank were changed during the reporting period.

Changes to the executive management of the fund management company

Patrick Mandlehr left the Executive Board of Swiss Prime Site Solutions on 15 July 2023.

Information on legal disputes

There are no material pending legal disputes.

Valuation report



*PricewaterhouseCoopers AG
Birchstrasse 160
8050 Zurich
Phone: +41 58 792 44 00
www.pwc.ch*

Swiss Prime Site Solutions AG
SPSS IF Commercial
Alpenstrasse 15
6300 Zug

30 September 2023

Market value of the properties as of 30 September 2023

Background and Mandate

On behalf of Swiss Prime Site Solutions AG, all investment properties of the Swiss Prime Site Solutions Investment Fund (SPSS IF) Commercial (hereinafter «SPSS IF Commercial») have been valued by the Real Estate Advisory Team of PricewaterhouseCoopers AG for financial reporting purposes as of 30 September 2023.

Valuation Standards and Principles

The valuations comply with the requirements of the Collective Investment Schemes Act (CISA), the Ordinance on Collective Investment Schemes (CISO) as well as the guidelines of the Asset Management Association and are in line with the best practice guidelines of the International Valuation Standards (IVSC), the Swiss Valuation Standard (SVS) and the guidelines of the Royal Institution of Chartered Surveyors (RICS). The concept of best possible use has not been applied.

In accordance with the market value definitions of IVSC, SVS and RICS, market value is defined as follows: "Market value is the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Each property is valued individually and not as part of the portfolio. The property value is determined based on observable market parameters. In accordance with valuation practice in Switzerland, costs and taxes which may be incurred by the owner but are not directly related to the property (financing and disposal costs, value added tax, etc.), are not taken into account.

The valuation is based on current information regarding the properties and the real estate market. Documents and data concerning the properties have been provided by the client. The accuracy of these documents is assumed. The properties are surveyed as part of the valuation process at least every three years and for the purpose of an acquisition or following a renovation.

Assessment Methodology

The property values are determined using the discounted cash flow method (DCF method). For this purpose, the expected annual net cash flows, i.e. the cash flows effectively at the owner's free disposal, are forecasted over an observation period of ten years. The remaining useful life is represented by extrapolating the cash flow of a representative year (exit year). The individual cash flows are discounted to the present value and added up. The sum of the present values corresponds to the market value.

The discount rate applied reflects the market-based, risk-adjusted opportunity costs of the investment in the property and is determined using the build-up-method. The base discount rate refers to the long-term yield forecast for 10-year federal bonds and is supplemented by a premium to reflect the general illiquidity of property investments. Further property specific premiums or discounts for location, use and other property related risks are taken into account on a per property basis. The capitalization rate is adjusted for inflation-related cash flow growth from year eleven. The long-term inflation assumption is 1.00%.



The modelling of the expected net cash flows considers indexation and payments according to the current tenancies. After the expiration of current tenancies, rental income is estimated based on comparable values observable on the market. The operating costs incurred by the owner are recorded based on historical property data and comparable values observable on the market. For maintenance costs incurred by the owner, the remaining useful life and the investment sum of the individual building components are determined based on a condition analysis. On this basis, a periodic renewal and an annual maintenance payment are derived, which are compared to market benchmarks.

Valuation Result

As of the valuation date, a total of 18 properties are in the SPSS IF Commercial portfolio. Two properties were acquired during the reporting period from 01 October 2022 to 30 September 2023. No properties were sold during the same period. No properties were revisited as part of the current valuation.

For the properties valued by PwC, the average real discount rate weighted by market values is 3.46% as of 30 September 2023. The average capitalisation rate weighted by market values is also 3.46% as of 30 September 2023.

Based on the above, the market value of the SPSS IF Commercial portfolio as of 30 September 2023 is valued at CHF 434'824'000 by the Real Estate Advisory Team of PricewaterhouseCoopers AG.

Portfolio	Number of properties	Market value (CHF)	Weighted discount rate (real)	Weighted capitalisation rate (real)
SPSS IF Commercial	18	434'824'000	3.46%	3.46%

Independence

In accordance with the corporate policy of PricewaterhouseCoopers AG, the real estate portfolio has been valued independently and impartially. The valuation shall serve the purpose stated above. No liability is assumed towards third parties.

PricewaterhouseCoopers AG
Real Estate Advisory

Dr. Marc Schmidli, CFA
Partner

Sebastian Zollinger
Sebastian Zollinger MRICS
Director

Auditor's report



KPMG AG
Badenerstrasse 172
Postfach
CH-8036 Zürich

+41 58 249 31 31
kpmg.ch

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

Swiss Prime Site Solutions Investment Fund (SPSS IF) Commercial

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements (pages 6-9 & pages 24-34) of the investment fund Swiss Prime Site Solutions Investment Fund (SPSS IF) Commercial – which comprise the statement of net assets as at 30 September 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 Article 89(1)(b)-(h) and Art. 90 of the Swiss Collective Investment Schemes Act (CISA).

In our opinion, the enclosed financial statements are compliant with the Swiss Collective Investment Schemes Act, the relevant ordinances as well as the prospectus with integrated fund contract.

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.



**Swiss Prime Site Solutions
Investment Fund (SPSS IF)
Commercial**
SHORT-FORM REPORT BY THE
STATUTORY AUDITOR OF THE
COLLECTIVE INVESTMENT
SCHEME
Financial Statements 2022/2023

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 and the prospectus with integrated fund contract, 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.



**Swiss Prime Site Solutions
Investment Fund (SPSS IF)
Commercial**
SHORT-FORM REPORT BY THE
STATUTORY AUDITOR OF THE
COLLECTIVE INVESTMENT
SCHEME
Financial Statements 2022/2023

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.

KPMG AG

Jakub Pesek
Licensed audit expert
Lead auditor

Michael Stamm
Licensed audit expert

The German version of the financial statements has been audited by the statutory auditor. Therefore, it is the only version that the short-form report of the statutory auditor refers to.

Zurich, 15 November 2023

About Swiss Prime Site Solutions

Swiss Prime Site Solutions develops tailored services and investment products for clients in the real estate sector. We have CHF 8.2 billion in assets under management and a development pipeline of CHF 1.1 billion. As an asset manager, our objective is to earn solid and attractive returns at low risk, whatever the investment environment. Swiss Prime Site Solutions is a group company of Swiss Prime Site and has been approved as a fund manager by FINMA.

Contact

Swiss Prime Site Solutions AG

Alpenstrasse 15

CH-6300 Zug

Phone +41 58 317 17 17

info@sps.swiss

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Swiss Prime Site
Solutions REAL ESTATE
ASSET MANAGERS

Swiss Prime Site Solutions AG

Alpenstrasse 15
CH-6300 Zug
Phone +41 58 317 17 17
info@sps.swiss