

Semester Report 2023

Suisse Romande
Property Fund

Unaudited Semester Report
30.06.2023



N° ISIN: CH0258245064
SIX Symbol: SRPF



Rothschild 21, Geneva (GE)

JSS Real Estate Management Ltd

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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.

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.



Moulins 28, Delémont (JU)

Organisation

Fund Management Company	JSS Real Estate Management Ltd 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	



Management Report as of 30 June 2023

Results

SRPF closed the first half of 2023 with a 2.5% increase in total revenue, compared to 30 June 2022, out of which CHF 9,856,593 represents rental income (+1.2%). Total expenses excluding depreciation fell by 9.3% at 30 June 2023.

These positive results were partially offset by the quarterly increases of the Swiss National Bank's (SNB) reference interest rate and by the slowdown in the real estate market. Indeed, the Fund's mortgage interest increased this semester compared to the first half of 2022, and a depreciation charge was booked in accordance with the Code of Obligations for CHF 682,822 of the ARCenter commercial property, Route de Montfleury 1-3 in Vernier (GE), owned by the SRPF real estate company with the same name. Despite this market environment, the Fund presents a net income of +1.7%, reaching CHF 4,007,263 at 30 June 2023.

The market value of SRPF's properties amounts to CHF 448,092,000, compared with CHF 485,712,000 at 30 June 2022. This decrease reflects current market conditions: a sharp adjustment in the discount rate for "prime" location properties has been made by real

estate appraisers due to the historically low rates of the past three years. The portfolio's weighted discount rate has thus increased by 10bps to 3.19%, the drop in value having been partially mitigated by the sharp reduction in vacancies and the improvement work carried out during the first half of 2023 (see details below).

The rise in mortgage rates (weighted average annual interest rate for the portfolio at 30 June 2023: 1.65% compared to 0.55% at 30 June 2022) and the fall in the market value of properties have resulted in an increase in the leverage ratio, amounting to 31.70% at 30 June 2023 (29.43% at 30 June 2022). Actions have already been launched in early 2023 to reduce firstly, SRPF's commercial exposure and secondly, the debt level.

Against this backdrop of rising interest rates, the Fund Management team continues to seek attractive terms for mortgages, and CHF 15 million of short-term debt at 30 June 2023 have already been renegotiated to five years. SRPF's short-term debt position will be progressively adjusted in line with the progress of current projects.

Another positive element is that rental loss provisions have fallen sharply: one of the main litigations on 31 December 2022 was settled in full by 30 June 2023. In addition, the provision for the sole tenant of Mouille-Galand 5 (GE) has been reduced, as the risk associated with this tenant has significantly decreased.

At the end of the period, the Fund's net assets stood at CHF 294,529,056 (versus CHF 327,435,641 at June 30, 2022).

Net asset value per unit, which takes into account the distribution of the 2022 dividend of CHF 3.00 last April, stands at CHF 109.74 at 30 June 2023, compared with CHF 122.00 a year earlier.



Préfaully 28-30, Renens (VD)

Actions taken during the first semester of 2023

Commercialisation: new reletting and reduction of the vacancy rate

Marketing efforts led by JSSREM to find new tenants were fruitful. The Fund's 12-month rental loss rate fell from 14.62% to 8.61% at 30 June 2023. Around 2,000 m² of commercial space have been re-let since the beginning of the year, generating an annual rental increase of around CHF 365,000 once the rent-free periods have expired. The weighted average duration of these leases is 6.61 years. This downward trend in vacancies has continued since 30 June 2023, with the signing of a ten-year lease for a day-care centre at Aire-la-ville 225 (GE). As a result, 400 m² of space vacant since the building's delivery in 2019 has been re-let to a high-quality tenant. Other negotiations, some of which are well underway, for other vacant commercial premises in the portfolio, bodes well for the reduction in vacancy for the remainder of the year.

The vacancy rate for residential units has also fallen sharply, thanks in part to work carried out on units that were previously in unlettable state (Agges 1 (FR), Tilleuls 31-33 (JU), Moulins 28 (JU)). The rate thus

falls from 3.3% at 30 June 2022 to 1.9% at 30 June 2023. It should be noted that the buildings Philosophes 7 (GE), Pictet-de-Rochemont 29 (GE), Grand-St Jean 2 (VD), Redoute 14-22 (VD), Réchon 7 (VD), Préfaully 28-30 (VD), Bosquets 14-15 (VD) and Tilleuls 31-33 (JU), with vacancy during the half-year, are now fully let, with the exception of certain parking lots. Furthermore, an apartment at Théodore-Weber 9 (GE) cannot be offered for rent at the moment; it has been reserved to allow the transfer of tenants whose apartment requires extensive renovations.

Investments

CHF 3.3 million of CAPEX were committed over the half-year to various projects:

- Continuation of the renovation of the Gruyères 56 building (delivery end 2023), bringing units up to standard, including 192 m² previously unlettable. This renovation takes also in account a partial energy renovation of the building.
- Complete renovation of two apartments at Redoute 14-22 (VD) and Mandement 17 (GE), as well as a retail unit at Chêne-Bougeries 17 (GE), generating rental increases of CHF 18,000 yearly.



Mandement 17, Meyrin (GE)

Repurposing of commercial space into residential units:

- Tunnel 13-14, Lausanne (VD), creation of 5 apartments (delivery end 2023),
 - Lac 54, Clarens (VD), creation of 2 apartments (permit in progress),
 - Romont 3, Fribourg (FR), creation of one apartment (permit in progress).
- We are continuing to work on adding value to the portfolio, in particular with the progress of projects to add additional floors with a total area of around 1,800 m². The following Geneva buildings are concerned: Lyon 71 (GE), Théodore-Vernes 12-14 (GE), and since the first half of this year, Théodore-Weber 9 (GE)
 - Other on-going renovations: replacement of the 5 elevators in Redoute 14-22 (VD), renovation of the roof at Philosophes 7 (GE) prior to installation of photovoltaic and solar-thermic panels (authorisation pending), replacement of windows in the retail units at Chêne-Bougeries 17 (GE), Chêne-Bougeries 19 (GE) and Pictet-de-Rochemont 29 (GE).
 - Financial support for tenants (participation in fit-out costs) to re-let units (ARCenter (GE), St Pierre 6 (FR), Philosophes 7 (GE)).

These investments are part of the three-year CAPEX strategy aimed at reducing the structural vacancy rate, improving the ESG profile of the portfolio and making



Mouettes 1, Lonay (VD)

up for work not carried out by the buildings' previous owners.

ESG

In line with our 2022 actions, we were able to finalise new milestones:

- Signing of four contracts for the installation of district heating systems for the Fribourg buildings Arsenaux 9 (FR), St Pierre (FR), Romont 3 (FR) and Varis 20 (FR).
- Distribution of our brochure “Mon Chez Moi, Ma Planète” (“My Home, My Planet”) to all residential tenants, highlighting best practices in heating, water, comfort, waste management and electricity savings.
- Publication of the Fund's second ESG report in June 2023.

Stock market

On 30 June 2023, SRPF's share price closed at CHF 82.20, down 23.32% (unadjusted for dividend distribution) since the beginning of the year, compared with -0.40% for the SXI Real Estate® Funds Broad index. Over three years, the variation amounts to -1.00% versus +0.71% for the index.

The Fund's sharp fluctuations on the stock market are essentially due to arbitrages and low trading volumes, thus not the result of any specific action by the Fund Management Company. JSSREM keeps a close eye on market movements and organises regular updates with the Fund's market maker.

Acquisitions and Sales

No acquisitions or sales were made in the first half, but opportunities received are systematically analysed.

Outlook

2023 is a pivotal year for the Fund, with a number of objectives for the second half of the year:

- Vacancy will remain the top priority for the management team, which will do everything in its power to continue the downward trend
- Debt levels and cash management will continue to be closely monitored
- The first projects to convert retail premises into residential units will soon be completed, enabling the first returns on investment to be recorded as early as 2024.



Arsenaux 9, Fribourg (FR)

To make it easier for the Fund to overcome the current difficult market situation and partly offset the rise in mortgage interest rates for investors, the Fund Management Company has reduced certain fees. This decision has a direct positive impact on the TER, which is 0.72% at 30 June 2023 (0.81% at 30 June 2022).

JSSREM continues to see and work on opportunities within the existing portfolio, which will generate future value for the shareholders.

The JSSREM team intends to continue its efforts to achieve its ambitious targets, with the support of its investors.

We hope you enjoy reading this report, and would like to thank our investors for their trust.

Statement of Net Assets

	30.06.2023	30.06.2022
	CHF	CHF
Assets		
Cash holdings, balances on postal and bank accounts at sight	3,220,969	2,884,638
Properties		
Development land, properties under construction	0	0
Residential properties	137,444,000	142,325,000
Commercial properties	250,348,000	264,030,000
Mixed-use properties	60,300,000	79,357,000
Total properties	448,092,000	485,712,000
Other assets	5,435,341	5,579,325
Total assets	456,748,310	494,175,964
Liabilities		
Short-term liabilities		
Short-term interest-bearing mortgages and other mortgage-backed liabilities	118,045,000	91,700,000
Other short-term liabilities	9,529,807	11,587,587
Long-term liabilities		
Long-term interest-bearing mortgages and other mortgage-backed liabilities	23,985,000	51,256,000
Other long-term liabilities	0	0
Total liabilities	151,559,807	154,543,587
Fund's net assets before estimated liquidation taxes	305,188,503	339,632,377
Estimated liquidation taxes	-10,659,447	-12,196,736
Net assets of the Fund	294,529,056	327,435,641
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	-9,433,338	6,025,228
Fund's net assets at end of the financial year	294,529,056	327,435,641
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	109.74	122.00
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	0	0

Statement of Income

	30.06.2023 CHF	30.06.2022 CHF
Revenue		
Revenue from postal and bank accounts	270,440	122,011
Rental income (gross income generated)	9,856,593	9,740,650
Interim interest capitalised	22,894	14,364
Other revenue	0	20,569
Total revenue	10,149,927	9,897,594
Expenses		
Mortgage interest and interest on mortgage-backed liabilities	909,198	399,590
Other interest due	268,497	119,096
Maintenance and repairs	817,238	656,104
Management of properties		
Property-related costs	999,020	1,524,052
<i>of which property tax</i>	342,149	424,593
<i>of which variance in rental loss provisions</i>	-245,582	52,112
Management expenses	269,105	583,243
Appraisals and auditing expenses	85,194	81,455
Direct taxes	857,327	1,243,160
Depreciation of buildings	682,822	0
Remuneration as per fund contract for the Fund Management Company	1,005,710	1,101,104
Remuneration as per fund contract for the Custodian bank	92,835	97,986
Other expenses	155,718	151,620
Total expenses	6,142,664	5,957,410
Income		
Net income	4,007,263	3,940,184
Realised capital gains and losses	0	1,023,838
Realised income	4,007,263	4,964,022
Unrealised capital gains and losses (variation)	-14,008,540	1,321,111
Liquidation taxes (variation)	567,939	-259,904
Total income	-9,433,338	6,025,228
Appropriation of the net income		
Realised income	4,007,263	4,964,022
Capital gain carried forward from the previous financial year	0	0
Income carried forward from the previous financial year	3,285,702	3,161,438
Net income available for distribution	7,292,965	8,125,460
Capital distribution	0	0
Income distribution	0	0
Retained earnings	7,292,965	8,125,460

Mortgages and Mortgage-Backed Liabilities

Detail of the mortgages and mortgage-backed liabilities

Type	CHF	Rate	From	Maturity
Short-term debt				
Fixed	5,450,000	2.13%	15.07.2014	15.07.2023
Saron 3 month	25,000,000	2.21%	14.06.2023	14.09.2023
Fixed	5,334,000	0.88%	14.09.2018	14.09.2023
Fixed	1,905,000	0.88%	14.09.2018	14.09.2023
Saron 3 month	5,000,000	2.11%	30.06.2023	14.09.2023
Saron 3 month	10,000,000	2.21%	30.06.2023	30.09.2023
Saron 3 month	51,000,000	1.96%	30.06.2023	30.09.2023
Fixed	1,800,000	0.40%	02.10.2021	02.10.2023
Fixed	10,000,000	0.40%	16.12.2021	16.12.2023
Fixed	2,556,000	2.39%	25.02.2014	25.02.2024
Total short-term debt ≤ 1 year	118,045,000	1.84% *		
Long-term debt				
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
Fixed	475,000	1.80%	13.03.2015	13.03.2025
Total long-term debt from 1 to 5 years	3,985,000	2.12% *		
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	23,985,000	0.73% *		
Total	142,030,000	1.65% *		
Weighted average duration (years)		1.16		

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)	3.00%	na
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%	2.48%
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%

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.



Arsenaux 9, Fribourg (FR)

List of Purchases and Sales during the Period

Purchases

No purchase during the period from 1 January to 30 June 2023.

Sales

No sale during the period from 1 January to 30 June 2023.



Bourg-de-Four 33, Geneva (GE)

Inventory of Properties

Canton	Commune	Address	Type	Cost CHF	Market value CHF	Rental income 30.06.23 CHF	Vacancy %
GE	Chêne-Bougeries	Rue de Chêne-Bougeries 17	Mixed	2,528,919	3,392,000	61,886	0.00%
GE	Chêne-Bougeries	Rue de Chêne-Bougeries 19	Mixed	4,788,695	4,903,000	97,792	0.07%
GE	Genève	Place du Bourg-de-Four 33	Mixed	2,797,418	3,708,000	67,372	0.00%
GE	Genève	Boulevard des Philosophes 7 ¹	Mixed	10,207,474	15,780,000	259,062	6.81%
GE	Genève	Rue Rothschild 21 ¹	Residential	6,092,913	7,890,000	146,748	0.06%
GE	Genève	Avenue Théodore-Weber 9 ¹	Residential	9,950,877	13,760,000	257,595	2.76%
GE	Genève	Rue de Lyon 71 ¹	Residential	12,569,344	17,360,000	334,669	0.00%
GE	La Plaine/Dardagny	Route de Challex 4–6	Residential	11,584,573	13,020,000	305,370	0.22%
GE	Meyrin	Route du Mandement 17	Residential	8,298,040	9,060,000	204,623	0.28%
GE	Satigny	Route d'Aire-la-Ville 225–229 ²	Commercial	35,526,196	33,960,000	647,677	13.04%
GE	Versoix	Avenue Théodore-Vernes 12–14 ¹	Residential	9,399,676	11,970,000	244,086	0.95%
GE	Genève	Avenue Pictet-de-Rochemont 29 ^{1,2}	Residential	9,485,568	13,490,000	216,290	4.07%
GE	Vernier	Ch. Mouille-Galand 5 /Route de Peney 20	Commercial	22,345,200	22,040,000	592,720	0.00%
GE	Vernier	Ch. Mouille-Galand 3 /Route de Peney 20	Commercial	32,717,835	38,830,000	687,318	20.06%
GE	Vernier	Route d'Aire 162–164–166 ¹	Residential	3,575,957	4,191,000	94,807	0.00%
GE	Vernier	Route de Montfleury 1–3 ¹	Commercial	94,156,125	79,240,000	1,967,639	10.56%
VD	Clarens	Rue du Lac 54	Mixed	4,872,615	4,262,000	70,968	19.61%
VD	Lausanne	Place Grand-Saint-Jean 2	Commercial	11,568,373	14,840,000	306,866	1.21%
VD	Lausanne	Place du Tunnel 13–14 ¹	Mixed	5,996,586	8,740,000	146,640	0.00%
VD	Lausanne	Chemin de Renens 55–57/Av. Morges 92 ¹	Residential	3,747,391	5,142,000	109,602	0.60%
VD	Lonay	Chemin des Mouettes 1 ^{1,2}	Commercial	2,134,795	1,679,000	34,697	54.33%
VD	Lonay	Chemin des Mouettes 1 (lot 8) ²	Commercial	1,962,401	1,703,000	13,958	71.63%
VD	Montreux	Chemin du Réchon 7 ¹	Residential	2,079,424	2,183,000	42,620	0.35%
VD	Nyon	Chemin de la Redoute 14–22	Residential	31,135,308	31,660,000	661,467	1.38%
VD	Prangins	Route de l'Aérodrome 73–75	Commercial	3,436,025	2,820,000	86,100	0.00%
VD	Renens	Avenue de Préfaully 28–30	Commercial	7,524,191	7,942,000	191,305	7.87%
VD	Vevey	Rue des Bosquets 14–15	Mixed	3,663,882	3,487,000	72,370	2.20%
FR	Bulle	Rue de Gruyères 56	Mixed	2,984,151	1,754,000	39,482	3.84%
FR	Bulle	Rue des Agges 1/Rte des Granges ¹	Mixed	2,902,254	2,514,000	78,159	2.11%
FR	Fribourg	Rue de Romont 3	Commercial	3,842,657	3,764,000	77,251	5.20%
FR	Fribourg	Route des Arsenaux 9/Rue du Simplon 13	Commercial	24,984,015	18,470,000	492,160	25.98%
FR	Fribourg	Rue du Varis 20	Residential	2,564,499	2,902,000	67,953	0.00%
FR	Fribourg	Rue Saint-Pierre 6	Commercial	27,990,684	25,060,000	653,788	4.73%
JU	Delémont	Rue des Moulins 28	Mixed	14,985,518	11,760,000	370,223	9.25%
JU	Porrentruy	Rue des Tilleuls 31–33	Residential	6,046,964	4,816,000	155,331	4.21%
Total				440,446,545	448,092,000	9,856,593	8.61%

¹ Indirect holding

² Condominium ownership (PPE)

Recap

Type	Cost CHF	Market value CHF	Rental income 30.06.23 CHF	Vacancy %
Development land and constructions	0	0	0	0.00%
Residential properties	116,530,534	137,444,000	2,841,160	1.29%
Commercial properties including condominium ownership (PPE)	268,188,498	250,348,000	5,751,480	12.37%
Mixed-used properties including condominium ownership (PPE)	55,727,513	60,300,000	1,263,953	5.90%
Total	440,446,545	448,092,000	9,856,593	8.61%

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 30 June 2023

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



Renens 55-57, Lausanne (VD)



Tilleuls 31, Porrentruy (JU)

Indices Calculated according to AMAS Guidelines

	30.06.2023	30.06.2022	30.06.2021
Rent default rate ¹	8.61%	14.62%	14.51%
Borrowing ratio	31.70%	29.43%	30.19%
Operating profit margin (EBIT margin)	61.84%	58.66%	54.86%
Operating expense ratio (TER REF GAV) ²	0.72%	0.81%	0.79%
Operating expense ratio (TER REF MV) ²	1.30%	1.39%	1.22%
Return on Equity (ROE) ³	-3.02%	3.69%	9.20%
Return on Invested Capital (ROIC) ³	-1.78%	2.68%	6.22%
Distribution yield	3.65%	2.88%	2.09%
Payout ratio	na	na	na
Premium/Discount	-25.10%	-16.07%	-2.43%
Return on investment ³	-3.10%	1.87%	4.60%

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

² Over 12 months

³ Over 6 months

Fund's performance	30.06.2023	30.06.2022	30.06.2021
Suisse Romande Property Fund	-22.97%	-6.93%	1.69%
SXI Real Estate® Funds Broad TR	-0.40%	-14.88%	6.73%

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	30.06.2023
Coverage ratio	83.30%
Energy Mix: fossil	85.00%
Energy Mix: non-fossil	15.00%
Energy consumption (kWh/an)	10,899,501
Energy intensity (kWh/m ² /an)	123.4
Greenhouse gas emissions (kg CO ₂ -eq/an)	2,541,661
Intensity of greenhouse gas emissions (kg CO ₂ -eq/m ² /an)	30.4

Note: these environmental indicators are from the latest annual report as of 31.12.2022

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

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 30 June 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 229, Satigny (GE)



Grand-Saint-Jean 2, Lausanne (VD)

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 30 June 2023) is 3.19% and the discount rates used to value the properties vary from 2.50% to 4.10%.

Information on specific economic or legal matters

The Swiss real estate market remains in the grip of inflation and interest rate trends, and further increases by the Swiss National Bank are likely in the coming quarters. In this difficult environment, however, the Swiss real estate market is faring much better than many of its foreign counterparts, pointing to a better outlook for the future.

From 1st of January 2023, the Key Information Document has replaced the simplified prospectus. An amendment to the prospectus and fund contract was approved by FINMA and came into force on 31 March 2023. This amendment mainly concerns the adaptation of the prospectus to the Asset Management Association Switzerland (AMAS) model, as well as an update of the appraisers responsible for valuations.

The Fund Management Company's policy to recover unpaid rents continues to bear fruit. As a result,

provisions for doubtful debtors are down sharply compared with 31 December 2022. In fact, the main delay in payment recorded at the end of last year was fully reimbursed by 30 June 2023. In addition, certain provisions taken with a cautious approach due to the difficulties of certain tenants post-Covid-19 period have been reversed, as the situation of the tenants and the payment of their rents, including accumulated arrears, have returned back to normal. However, JSSREM remains attentive to market trends and the risk of tenant default.

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).

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 30 June 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



Challex 4-6, La Plaine (GE)

Geographical Location and Distribution of Buildings



