

Half-Year Report 2023

Helvetica Swiss Living Fund

Real Estate Fund
under Swiss Law



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Helvetica Swiss Living Fund (HSL Fund)

Real Estate Fund under Swiss Law

Audited Half-Year Report as of June 30, 2023

Valor Number: 49527566

Helvetica.com

Important Notice:

This is a translation of the German version. In case of deviation the German version applies.



Höri, Zurich

Key Figures

Key data		Notes	as of 30.06.2023	as of 31.12.2022
Securities number			49527566	49527566
ISIN			CH0495275668	CH0495275668
Initiation date			06.11.2019	06.11.2019
Issued units	Number		-	1 096 924
Outstanding units	Number		3 839 234	3 839 234
Redeemed units	Number		-	-
Net asset value per unit ¹⁾	CHF		112.43	116.37
Discount rate (real / nominal)	%		2.65 / 3.93	2.62 / 3.65
Balance Sheet			as of 30.06.2023	as of 31.12.2022
Market value of the properties	CHF	1	810 206 000	817 910 000
Gross Asset Value (GAV)	CHF		819 692 646	829 392 384
Debt ratio ²⁾	%		47.34	46.13
Residual term debt financing ²⁾	Years	8	0.12	0.10
Interest rate debt financing ²⁾	%	8	2.07	1.18
Net Asset Value (NAV) ¹⁾	CHF		431 636 492	446 764 806
Income statement			as of 30.06.2023	as of 31.12.2022
Rental Income	CHF		14 544 197	10 967 400
Net income	CHF		4 959 420	8 916 787
Maintenance and repairs	CHF		1 672 862	854 532
Target rental income p.a.	CHF		30 433 251	26 644 536
Gross target return	%		3.76	3.74
Gross actual return	%		3.64	3.52
Key financial figures AMAS²⁾			as of 30.06.2023	as of 30.06.2022
Return on investment	%		-0.43	2.85
Distribution yield	%	12	n/a	n/a
Distribution per unit	CHF	12	n/a	n/a
Payout-Ratio	%	12	n/a	n/a
Return on equity (ROE)	%		-0.42	2.68
Return on invested capital (ROIC)	%		0.13	1.91
Premium/discount	%		-4.83	0.84
unit price per fund unit	CHF		107.00	114.00
Operating profit margin (EBIT margin)	%		55.60	69.24
Debt financing ratio	%		45.85	39.15
Rent default rate ³⁾	%	1	4.59	5.79
Total expense ratio TER _{REF} GAV	%		0.88	0.90
Total expense ratio TER _{REF} MV	%		1.72	1.52
Performance	%		-2.26	3.68

¹⁾ Values as of 31.12.2021: net asset value per unit CHF 113.31 / net assets value (NAV) CHF 310 741 745.

²⁾ The key figures were calculated in accordance with the AMAS "Specialist information factsheet on the key figures of real state funds" dated 13.09.2016 (as of 31.05.2022).

³⁾ The rent default rate is 4.59 % as of the reporting date. If rent reductions were taken into account, the rent default rate would be 5.05 %.

Past performance is not a guarantee of future performance and does not take into account any commissions and costs charged on subscriptions and redemptions of units.

Portfolio Management Report

The Helvetica Swiss Living Fund is one of the largest unlisted funds in Switzerland that contains exclusively residential properties. The occupancy rate rose to 97.0 percent and is currently at its highest level since the Fund's initiation date. The portfolio's market value declined slightly by 0.9 percent year over year. No properties were acquired. The number of high-quality apartments remained unchanged at 1,838.

Summary Report

The Helvetica Swiss Living Fund has established itself as one of the leading unlisted funds in Switzerland with a focus on residential real estate. The Fund exhibited constancy despite uncertainties on the market. There was a market-induced correction of 0.9 percent to the market value of the portfolio, which declined from around 818 million Swiss francs to around 810 million Swiss francs. No new real estate was acquired during the period under review. The Fund has a solid property portfolio consisting of 62 residential properties. Due to current conditions on the market, the planned capital increase of up to 150 million Swiss francs, which had originally been announced for the second quarter, was rescheduled for the next business year unless the markets change in the meantime and make a capital increase possible. Growing demand for housing is having a noticeable impact on the Fund, which reports 155 apartments successfully rented to new tenants since the start of the year. That puts the total number of apartments standing vacant as of mid-year at 42. The occupancy rate was boosted from 95.2 percent to 97.0 percent, which is the Fund's highest occupancy rate since its initiation date. This increase bears testimony to Asset Management's diligent efforts to cultivate excellent relationships with tenants as well as their ongoing commitment to outstanding real estate management. This positive development is also reflected in annualized rental income, which rose from 28.9 million Swiss francs to 29.5 million Swiss francs – an increase of 0.6 million Swiss francs. These figures highlight the Helvetica Swiss Living Fund's robust performance in a challenging market environment.

Market Report

The first half of 2023 was still shaped by challenges and changes taking place on the Swiss real estate market.

Especially ongoing inflation, accompanied by rising benchmark rates and palpable reluctance on the institutional capital market, had a major impact on activities on the real estate transaction market in Switzerland.

The investment strategies and behavior of various market players were shaped by ongoing hikes in the policy rates and caution on the institutional capital market put a damper on transaction activities in general. The Fund Management Company recorded a marked decline in the volume of real estate examined compared to the previous year. Returns on acquisitions have also cooled down, which points to current market caution.

In the residential segment, the most offers and the largest leaps in terms of returns were observed in residential properties located outside cities that had both maintenance backlogs and unsustainable heating systems. Initial gross yields within the 4.5 – 5.5 percent range were recorded in this segment, which represents another year-over-year increase. By contrast, initial gross yields for residential properties in suburban municipalities without any immediate investment requirements were more stable and remained in the 3.6 – 4.0 percent range.

One remarkable observation was the high demand for well-connected locations that had been renovated or were in almost-new condition and which complied with the relevant ESG criteria. As this category of properties was most popular on the market, it also generated the most attractive location/return prices.

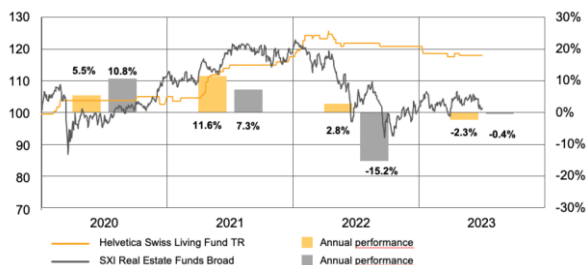
With respect to how interest rates are expected to develop going forward, the Fund Management Company shares the prevailing view that 2023 will bring at most one more interest rate hike, after which the interest rate curve will flatten. As a result, the transaction market is

expected to stabilize in 2024 and feature growing levels of activity compared to the current year.

In summary, it can be said that the Swiss real estate market was still characterized by uncertainty and caution in the first half of 2023. The current trends and forecasts, however, indicate that the market might stabilize and momentum could potentially pick up again in 2024.

Price and Performance

The prices have fallen by 5.3 percent, from 113.00 Swiss francs to 107.00 Swiss francs per unit. Taking into account the distribution of 3.45 Swiss francs paid out in the first half of the year for the 2022 business year, this is equivalent to a net performance of minus 2.3 percent. By comparison, the SXI Real Estate Funds Broad Index benchmark declined 0.4 percent over the period. As the chart below shows, the HSL Fund performed less than the relevant benchmark.



Distribution and Asset Value Performance

Taking the distribution of 3.45 Swiss francs per unit and total profit in the first half of the year into consideration, net asset value decreased by 3.94 Swiss francs, from 116.37 Swiss francs to 112.43 Swiss francs per Fund unit. A return on investment of minus 0.4 percent was obtained in the first half year.

Real Estate Portfolio

The Fund's high-quality residential portfolio comprises 1,838 apartments with rent at the low 40th percentile and is spread out across regions and business centers around the country that are easily accessible and boast strong population growth. As a result, the long-term added value potential is substantial.

The portfolio was not expanded further during the period under review due to the challenging market environment. No acquisitions or disposals were made. The goal still remains, however, to purchase high-quality properties at good locations, at the right time and at attractive prices.

Portfolio Management Report

The market value of the existing property portfolio declined by 0.9 percent during the same period, equivalent to around 7.7 million Swiss francs. This was attributable to a market-induced 0.3 percentage point increase in discount rates, from 2.62 percent in real terms to 2.65 percent. By contrast, capitalized investments in the amount of 0.1 million Swiss francs had a slightly positive impact on the market value. The market value of the portfolio at mid-year was around 810 million Swiss francs. The number of apartments remained unchanged at 1,838.

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

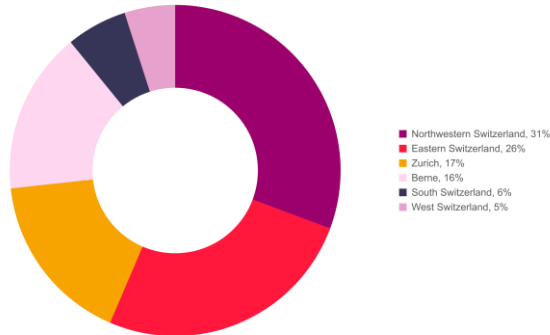
The residential portion with related ancillary uses and parking spaces accounts for 95 percent of target rental income, emphasizing the purely residential nature of the Fund. According to the valuation expert Wüest Partner, the quality profile at the end of the business year remains attractive with an overall score of 3.5.

The portfolio's occupancy rate rose significantly by 1.8 percentage points, from 95.2 percent to 97.0 percent, compared to the end of the previous year. This is the highest occupancy rate recorded since the Fund was initiated. The reason can be found in both higher demand for affordable housing in secondary centers as well as Asset Management's targeted rental activities. The Fund Management Company has therefore already exceeded its expectation from the start of the year that it would increase the occupancy rate to over 96 percent. Due to the increase in market rents currently being observed, vacancy reductions were used to tap into the rental potential offered by the apartments in question and to achieve an increase in rental income of 0.6 million Swiss francs. Actual rental income for the year as of the cut-off date of the report was therefore up from 28.9 million Swiss francs at the end of the previous year to 29.5 million Swiss francs.

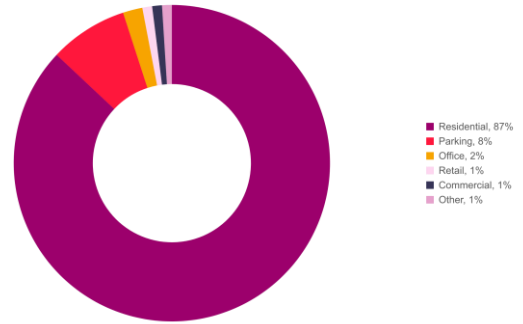
During that same period, gross actual return rose from 3.5 percent at the end of the previous year to 3.6 percent. This was attributable to both the slight reduction in the market value of the existing property portfolio as a result of a 0.9 percent revaluation as well as the 0.6 million Swiss francs increase in income generated through

the increased occupancy rate of 97.0 percent. This trend is likely to persist in the second half of the year.

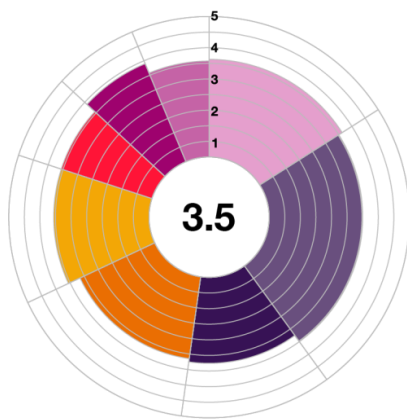
Geographical Distribution



Rental Income According to Main Use



Quality Profile



	Grade	Weighting
Overall rating	3.5	
Location	3.5	40
Macro-location	3.6	40
Micro-location	3.5	60
Property	3.3	40
Usability	3.3	31
Standard	3.1	39
Condition	3.6	30
Investment	3.7	20
Lettability	3.6	34
Saleability	3.9	34
Income risk	3.6	31

Note: 1 = lowest score, 5 = best score

Highlights of the Portfolio

Purchases

No properties were acquired during the first half of the year. The portfolio comprises 62 attractive residential properties with a total of 1,838 apartments. The annual rental income is 29.5 million Swiss francs.

Successful Rental Activities

Gerlafingen, Geiselfeldstr. 11-17/Kriegstettenstr. 38-46

In a challenging market environment, the vacancy rate of 15 percent at the end of the previous year was reduced significantly to just 4 percent.

Pratteln, Rankackerweg 12/14

The property was integrated into the portfolio with an initial vacancy rate of around 19 percent at the end of the previous year. This initial vacancy rate was eliminated in full by the mid-point of the business year and the property is now fully rented.

Fribourg, Rue Georges-Jordil 1/3

Swift efforts to find new tenants succeeded in reducing vacancies from around 4 percent to 0 percent in less than three months. The property is therefore fully rented.

Beringen, Bahnhofstr. 36-38 / Zelgstr. 35-39

Vacancies were reduced from 12 percent at the end of the previous year to 3.6 percent through the involvement of external marketing specialists. Moreover, all apartments are rented.

Zwingen, Strengenfeld

Targeted measures to boost the attractiveness of vacant apartments succeeded in reducing vacancies to just one empty apartment. This brought the vacancy rate down from around 12 percent to 3 percent as of July of the current business year.

Outlook

The HSL Fund continues to specialize in the affordable housing segment. This is reflected in the fact that rents charged for the apartments are in the low percentile of 40 %. We therefore expect this positioning to result in further growth in rental income, which will have a positive impact on rental income. The Fund's annual tenant turnover rate is 15 percent on average, which represents another opportunity – with minimal investments – to increase rents substantially whenever there is a change in tenant. Our focus is on boosting rental income further in order to raise the occupancy rate to over 97 percent by the end of the year.

In connection with the June 2023 increase in the reference interest rate to 1.5 percent, we anticipate an additional 0.6 million Swiss francs in net rental income per year. The next increase to 1.75 percent expected in December 2023 will pave the way for even higher rental income. We anticipate further rental income potential of 0.9 million Swiss francs. Due to the notice periods, however, these rent hikes will only take effect in April 2024.

Despite various steps taken to make long-term improvements to the amount of income generated by the properties and their value, the possibility of a market-induced decline in the market values cannot be ruled out.

When it comes to our business activities, our commitment to sustainability takes center stage. In light of the results of the nationwide referendum on a climate protection act as well as the stricter sustainability regulations expected to be enacted, we have reviewed our sustainability strategy with an eye to the changed conditions. All properties in the HSL Fund will receive a Cantonal Energy Certificate for Buildings (CECB) to determine their energy consumption, establish transparency and identify potential for greater energy efficiency. Our goal is to have analyzed a large part of the portfolio by the end of the business year and to present these results transparently.

In a challenging market environment marked by above-average inflation and rising interest rates, the HSL Fund also finds itself faced with rising financing costs. Considering the Fund's financing structure, a thorough evaluation of our financing strategy resulted in a decision by the Fund Management Company to hold on to our short-term approach to financing for the time being. Various banks' forecasts in the current market share a stable outlook for short-term interest rates with the potential for a downward trend in the year ahead.

We are planning to divest non-strategic properties worth an estimated 100 million Swiss francs; we presume that the proceeds from the sale will be in line with their current valuations. They will primarily be used to reduce debt and, in doing so, cut financing costs even further. By the end of the year, we aim to bring the debt financing ratio down to 39 percent, with our longer-term goal being around 30 percent by the end of 2024 at the latest. These risk management measures will have an impact on the Fund's distribution capacity in the current financial year.

In light of prevailing conditions on the market, we have decided to postpone the planned capital increase until a more opportune market environment emerges. Our growth target, however, remains unaffected. We are focusing on taking other steps, such as investments in kind, to make strategic portfolio expansions. Despite the postponement of the capital increase, the strategic goal is still to have the Fund publicly listed by the end of 2024. We are convinced that this step will increase both liquidity and transparency for our investors.

Given the challenging real estate market, our priority is still to continue raising the occupancy rate, adjusting rental income to the rising reference interest rate and systematically making use of the potential inherent in the properties in order to continue to generate an attractive return and distribution for our investors.

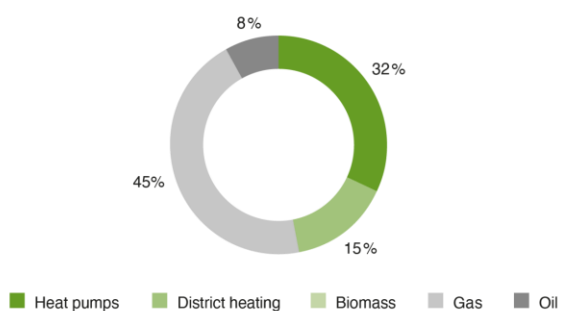
Sustainability

In its capacity as a property owner, the Fund Management Company has a shared responsibility for creating a sustainable future. Sustainability represents a key component of Helvetica's corporate culture and shapes both the company's mindset and actions. The pragmatic approach it developed on that basis incorporates a well-considered and realistic way of dealing with all sustainability-related topics.

We publicly announced our commitment to sustainability when we published our first sustainability report in 2022. This past April saw us publish our second sustainability report, which presents a revised sustainability strategy and offers a greater degree of transparency at both the portfolio and corporate level.

Given the considerable CO₂ emissions caused by the construction and operation of real estate, the Fund Management Company identified the greatest reduction potential in making energy-saving improvements to its existing property portfolio. To realize that reduction potential, we revised our internal decision-making processes to weight sustainability-related aspects more heavily. A detailed survey of the spaces and the systematic collection of energy consumption data have already enabled us to disclose environmentally relevant key figures in our sustainability report (as at Dec. 31, 2021) in accordance with the AMAS guidelines:

- Heating systems documented: 60 percent
- General electricity documented: 52 percent
- Energy intensity – Scope 1+2 [kWh/ m²]: 90.4
- CO₂ intensity – Scope 1+2 [kgCO₂/ m²]: 11.8
- Mix of heat sources



In addition, the Fund Management Company will participate in the CO₂ benchmark compiled by REIDA. We are certain that this benchmark offers an excellent opportunity to standardize and facilitate the comparability of CO₂ emissions at both the property and portfolio level. This commitment represents another step toward establishing transparency in our sustainability work. As a next step, the Cantonal Energy Certificate for Buildings (CECB) will be used as a certification system to create even greater transparency at the property level. From now on, this information can be used to show where energy-saving renovations and operational improvements fit into the big picture, make comparisons, and prioritize the measures.

A CO₂ reduction pathway was developed based on the energy data obtained. The big challenge now is to implement our sustainability goals in the existing maintenance and investment plan on an ongoing basis. The Fund Management Company is aware of the fact that energy-saving renovations are the key to reaching these goals. In this context, a few upcoming or previously implemented energy-saving improvements should be mentioned:

- Subingen, Winkelweg: oil-fired heating system replaced with air-to-water heat pump
- Benglen, Bodenacherstrasse: upcoming full-scale renovation to improve the energy efficiency of the building envelope
- Gossau, Neuchlenstrasse: upcoming full-scale renovation including replacement of heating system and windows

The projects mentioned underscore the Fund Management Company's efforts to make ongoing reductions to the greenhouse gas emissions of the existing property portfolio.



Avenue de la Gare, Granges

Comment on the Financial Report

Rental income amounted to 14.5 million Swiss francs, up 32.6 percent over the first half of 2022. The rent default rate was reduced by 1.20 percentage points, putting it at 4.59 percent compared to 5.79 percent at the end of the prior-year period. Gross asset value amounted to 819.7 million Swiss francs at the end of the first half-year.

The portfolio's value fell by 7.7 million Swiss francs to 810.2 million Swiss francs in the first half of 2023; total fund assets declined by 9.7 million Swiss francs to 819.7 million Swiss francs due to the market value adjustment and the distribution.

As of the reporting date, the Fund recorded a net asset value per unit of 112.43 Swiss francs, which, taking the 3.45 Swiss francs distributed for 2022 into account, corresponds to a return on investment of -0.43 percent, 3.28 percentage points lower than after the first six return on equity declined by 3.10 percentage points to -0.42 percent. This decline is attributable to reduced net income per unit as well as an unrealized capital loss per unit due to the write-down on the portfolio.

TER_{REF}GAV fell by 0.02 percentage points to 0.88 percent, compared to 0.90 percent as at June 30, 2022.

Balance Sheet

As at the balance sheet date, the market values of the properties were down 1 percent, from 817.9 million Swiss francs in the previous year to nearly 810.2 million Swiss francs. Gross asset value amounted to 819.7 million Swiss francs as of the reporting date. Cash and cash equivalents amounted to 1.2 million Swiss francs, a decline of 2.2 million Swiss francs compared to the end of the previous year. Other assets increased by 0.1 million Swiss francs, from 6.6 million Swiss francs to 6.7 million Swiss francs. As at June 30, 2023, units of other real estate funds in the amount of around 1.5 million Swiss francs were held.

After deducting liabilities of 382.1 million Swiss francs and liquidation taxes of 5.9 million Swiss francs, net

fund assets were 15.1 million Swiss francs lower on the reporting date at 431.6 million Swiss francs, compared to 446.8 million Swiss francs at the end of the previous year.

The debt financing ratio amounts to 45.85 percent, which puts it below the limit of 50 percent stipulated in the fund contract; according to the exemption, this limit applies for the first five years from initiation.

Income Statement

Rental income of 14.5 million Swiss francs was generated through the portfolio, up 3.6 million Swiss francs compared to 11.0 million Swiss francs in June 2022. This demonstrates the full earnings potential of the properties purchased in the previous year. All in all, expenses of 9.6 million Swiss francs were incurred, an increase of 5.1 million Swiss francs over the first half of 2022. This increase is attributable to the properties acquired in the previous year; both the earnings potential of these properties as well as the higher expenses were only evident in full in the first half of 2023. The increase is also attributable to the higher cost of interest on interest-bearing liabilities. Financing costs bore an average interest rate of 1.62 percent during the period under review. The increase over the prior-year period is attributable to the interest rate hikes made by the Swiss National Bank (SNB) in 2022 and 2023.

The item "unrealized capital losses" includes devaluations of 7.7 million Swiss francs across the entire portfolio; this stands in contrast to appreciation of 4.1 million Swiss francs reported in the first half of 2022.

Balance Sheet

in CHF

Assets	Notes	30.06.2023	31.12.2022
Cash on hand, postal check and bank sight deposits, including fiduciary deposits with third-party banks		1 245 836	3 422 656
Land/buildings			
Residential property	1	796 357 000	803 756 000
Commercial property	1	7 657 000	7 974 000
Mixed-use property	1	6 192 000	6 180 000
Total for land/buildings		810 206 000	817 910 000
Shares in other real estate funds and real estate investment companies	1	1 512 868	1 456 776
Other assets		6 727 942	6 602 951
Gross asset value		819 692 646	829 392 384
Liabilities			
Current liabilities			
Short-term interest-bearing mortgages and other liabilities secured by mortgage	8	-371 450 000	-363 450 000
Other current liabilities		-10 679 102	-12 316 638
Total current liabilities		-382 129 102	-375 766 638
Total liabilities		-382 129 102	-375 766 638
Net asset value before estimated liquidation taxes		437 563 545	453 625 746
Estimated liquidation taxes		-5 927 053	-6 860 940
Net asset value		431 636 492	446 764 806
Further information			
Number of outstanding units			
Number of units at the start of the reporting period		3 839 234	2 742 310
Issued units		-	1 096 924
Redeemed units		-	-
Number of units at the end of the reporting period		3 839 234	3 839 234
Net asset value per unit at the end of the reporting period		112.43	116.37
Change in net asset value			
Net asset value at the start of the reporting period		446 764 806	310 741 745
Distribution of earnings subject to withholding tax	12	-3 762 449	-6 471 852
Fund capital repayment exempt from withholding tax	12	-9 482 908	-2 852 002
Balance from trade in shares		-	120 998 556
Total profit		-1 882 957	24 348 359
Net asset value at the end of the reporting period		431 636 492	446 764 806

Income Statement

in CHF

Income	Notes	01.01.-30.06.2023	01.01.-30.06.2022
Negative interest rate		-	-508
Rental income		14 544 197	10 967 400
Other income		31 400	930 136
Participation in current income from unit issuance		-	1 546 732
Total income		14 575 597	13 443 760
Expenses			
Mortgage interest and interest from liabilities secured by mortgage		-2 971 857	-131 371
Maintenance and repairs		-1 672 862	-854 532
Property management			
Property expenses		-624 841	-306 808
Administrative expenses		-250 667	-129 799
Taxes			
Property tax		-212 001	-103 029
Profit and capital tax		-154 642	-92 040
Evaluation and auditing expenses		-108 435	-102 698
Regulatory fees to			
the Fund management company	11	-2 882 343	-2 181 140
the custodian bank	11	-110 567	-90 192
property management	11	-557 061	-442 187
the market maker	11	-25 000	-25 000
Other expenses			
Other expenses		-45 901	-68 176
Total Expenses		-9 616 177	-4 526 972
Profit			
Net income		4 959 420	8 916 787
Realized capital gains		-	-
Realized profit		4 959 420	8 916 787
Unrealized capital losses / gains		-7 776 264	4 133 770
Change in liquidation taxes		933 887	-1 458 474
Total profit		-1 882 957	11 592 083

Notes

1. Inventory

Inventory of properties

City, address	Ownership structure ¹⁾	Total rental space	Number of apartments	Land plot	Building year	Date last extensive Renovation	Commencement of possession
		in m ²		in m ²			
Residential buildings							
Basel, Birsigstrasse 80/82 Bachlettenstrasse 13/15	so	2 992	33	994	1975, 1991		01.01.2022
Basel, Dornacherstrasse 240/246	so	1 868	45	1 125	1958	2017	01.06.2022
Basel, Hegenheimerstrasse 43 - 49	so	3 531	42	1 329	1957	1984	01.01.2022
Benglen, Bodenacherstrasse 16/18	so	1 632	16	1 133	1974	2019	22.11.2019
Benglen, Bodenacherstrasse 79	so	1 146	16	2 117	1973		22.11.2019
Beringen, Bahnhofstrasse 36/38/Zelgstrasse 35/37/39	so	3 857	40	7 483	1992		01.06.2021
Biel, Oberer Quai 106-116	so	2 844	48	3 762	1946		01.01.2023
Biel, Poststrasse 32 - 44	so	10 986	141	7 857	1974		01.01.2022
Birr, Wydenstrasse 16/18/20	so	2 422	21	3 936	1983		01.07.2022
Derendingen, Schluchtbachstrasse 35-39	so	1 919	18	2 931	2006		01.10.2021
Dottikon, Lindenweg 2/4/6	so	1 655	18	3 982	1981		01.01.2020
Erlen, Kümmerthausstrasse 7a-11b	so	4 576	44	8 912	2013		01.07.2020
Frauenfeld, Wellhauserweg 56/56a	so	2 270	19	6 837	2007		01.01.2022
Frauenfeld, Zielackerstrasse 28/30/32	so	1 189	15	1 824	1963	2004	01.07.2021
Fribourg, Avenue du Midi 17/19	so	1 489	29	351	1906	1995	01.12.2020
Fribourg, Rue Georges-Jordil 1/3	so	3 404	28	1 015	1996	2021	01.12.2022
Gerlafingen, Geiselfeldstrasse 11-17 Krieg- stettenstrasse 38-46	so	3 649	54	7 859	1964	2015	01.01.2021
Gossau, Neuchlenstrasse 7/7a/11	so	4 916	54	6 215	1981		01.07.2022
Granges, Crête Blanche 5a-b Av. Gare 2	so	2 380	27	3 935	2016		01.12.2020
Grenchen, Kirchstrasse 72	so	1 236	14	519	1972	1988	22.11.2019
Grenchen, Viaduktstrasse 9/11	so	1 918	28	2 393	2015		22.11.2019
Haag, Thalistrasse 2/4/6/8	so	3 072	32	6 454	2009, 2010		22.11.2019
Hirschthal, Zofoldweg 2	so	945	11	2 294	1988		01.01.2020
Höri, Gentertstrasse 4-6	so	1 424	14	1 628	2022		01.04.2022
Ittigen, Grauholzstrasse 65,67,69	so	1 610	20	3 074	1970	2008	01.08.2022
Kaisten, Weihermatt 1	so	778	9	1 264	1991		01.01.2020
La Chaux -de-Fonds Rue Fritz-Courvoisier 34c, 34d	so	2 368	24	2 396	1988		01.06.2021
Lufingen, Moosbrunnenstrasse 3/5/7/9	co	2 239	22	3 638	1890, 1993, 1994		22.11.2019
Lyss, Birkenweg 16/18/22	so	2 895	33	4 885	1986		01.06.2021

Initial cost	Market value	Gross rental income	Rent default²⁾	Rent default³⁾	Rental income actual	Gross return	Occupancy rate
in CHF	in CHF	in CHF	in CHF	in %	in CHF	in %	in %
22 397 015	23 450 000	329 415	-17 555	-5.33	311 861	2.81	98.8
24 413 373	23 740 000	347 150	-36 659	-10.56	310 491	2.89	90.9
22 088 801	22 850 000	332 957	-11 241	-3.38	321 716	2.94	98.6
9 989 796	12 550 000	204 291	-10 958	-5.36	193 333	3.26	99.7
6 275 439	7 224 000	128 316	-6 285	-4.90	122 031	3.59	99.5
15 870 746	16 440 000	345 192	-29 444	-8.53	315 748	4.19	96.4
16 500 692	16 000 000	292 659	-10 780	-3.68	281 879	3.67	95.6
43 644 010	42 950 000	904 450	-85 341	-9.44	819 108	4.22	96.1
9 615 769	9 715 000	181 084	-1 257	-0.69	179 827	3.75	95.3
7 182 939	7 702 000	147 482	-12 186	-8.26	135 297	3.92	92.1
6 820 438	7 313 000	150 266	-3 571	-2.38	146 695	4.11	99.4
23 388 105	23 920 000	468 524	-16 337	-3.49	452 187	3.92	95.0
15 217 870	14 120 000	231 720	-550	-0.24	231 170	3.27	100.0
7 427 513	7 334 000	114 728	-3 180	-2.77	111 548	3.17	89.1
8 017 056	8 358 000	175 982	-564	-0.32	175 418	4.23	100.0
16 977 531	16 560 000	354 048	-150	-0.04	353 898	4.27	100.0
16 299 603	17 430 000	371 152	-44 848	-12.08	326 304	4.26	97.3
22 851 603	22 610 000	370 896	-8 694	-2.34	362 202	3.29	99.8
11 325 067	11 760 000	249 259	-614	-0.25	248 645	4.24	99.0
3 490 649	3 666 000	97 608	-10 560	-10.82	87 049	5.33	90.7
11 293 332	12 020 000	232 809	-8 738	-3.75	224 071	3.85	96.6
12 563 501	13 520 000	293 613	-9 700	-2.26	283 913	4.35	97.6
4 010 714	4 117 000	90 462	-3 040	-3.36	87 422	4.39	99.7
11 093 796	12 010 000	205 150	-520	-0.25	204 630	3.41	99.6
8 620 714	9 556 000	167 792	-2 470	-1.47	165 322	3.51	98.3
3 069 197	3 233 000	72 796	-3 955	-5.43	68 841	4.52	100.0
7 198 396	6 595 000	180 033	-11 085	-6.16	168 948	5.45	98.8
10 439 545	11 630 000	225 093	-19 225	-8.54	205 868	3.85	95.0
13 834 562	14 540 000	264 778	-6 200	-2.34	258 578	3.64	96.9

City, address	Ownership structure ¹⁾	Total rental space in m ²	Number of apartments	Land plot in m ²	Building year	Date last extensive Renovation	Commencement of possession
Menziken, Myrtenstrasse 32/34 Hauptstrasse 81/83	so	4 268	44	6 224	2017		01.10.2022
Monthey, Chemin des Sémilles 13a/b	so	2 190	22	3 413	2008		01.12.2020
Nidau, Lyss-Strasse 51 - 59	so	4 562	60	4 607	1970		01.01.2022
Oberbuchsiten, Poststrasse 20a/20/22/24	so	2 541	27	4 871	2013		01.05.2020
Oberglatt, Leewinkel 21/23	so	1 144	16	1 764	1970	2005	01.07.2021
Oberkulm, Schrägweg 16/18/20/22	so	2 127	24	4 998	1988		01.01.2020
Olten, Ziegelfeldstrasse 36	so	1 278	10	993	1974	2015	01.12.2022
Pratteln, Mattenweg 2/4	so	1 268	22	1 144	1967	2013	01.12.2022
Pratteln, Rankackerweg 12/14	so	1 323	22	1 392	1970	2005	01.12.2022
Rorschach, St. Gallerstrasse 16/16a	so	3 626	54	1 925	1976		01.11.2020
Schwerzenbach, Zielackerstrasse 6a/b	so	1 249	19	1 889	1984	2009	01.07.2021
Sion, Avenue de Tourbillon 42-50	so	4 579	95	2 649	1945, 1954		01.06.2021
Speicher, Hinterwies 20/22/27/29/31/33	so	2 974	36	5 257	1980	2013	01.05.2022
St. Gallen, Zürcherstrasse 84 Schibstrasse 3/5	so	2 164	22	2 085	2010		01.01.2022
Subingen, Winkelweg 16-20	so	2 003	23	3 642	1994, 2017		01.10.2021
Therwil, Vorderbergweg 2-4 Reinacherst.	so	3 038	24	3 268	2002		01.12.2020
Wattwil, Hofjüngerstrasse 26-34	so	1 846	32	3 213	1960, 1964, 1987	2021	01.01.2022
Wattwil, Hofjüngerstrasse 7	so	654	12	3 175	1968	2018	01.01.2022
Wattwil, Hofjüngerstrasse 9/11	so	975	12	1 648	1968	2017	01.01.2022
Wattwil, Müller-Friedberg-Strasse 5	so	2 563	33	2 271	1970		01.01.2022
Wattwil, Schomattenstrasse 41-45	so	1 896	24	4 169	1969, 1985		01.01.2022
Weinfelden, Amriswilerstrasse 72	so	2 781	36	2 840	1971	2005	01.06.2021
Wittenbach, Arbonerstrasse 4a	so	1 590	14	2 647	2012		01.12.2020
Wittenbach, Ringstrasse 6-12	so	3 527	32	4 013	1994	2015	01.05.2022
Zetzwil, Bohnenackerweg 425	so	842	11	1 807	1982		01.01.2020
Zollikofen, Buchsweg 9/9a/11	so	2 163	14	2 348	1984	2014	01.12.2022
Zürich, Gagliardiweg 9	so	552	9	713	1949	2010	01.05.2021
Zürich, Grubenackerstrasse 73/75/77	so	1 104	15	1 257	1951	2019	01.07.2021
Zweidlen, Neu Letten 1-7	so	6 174	57	23 448	1957-1965, 2007	2007	01.01.2022

Initial cost	Market value	Gross rental income	Rent default²⁾	Rent default³⁾	Rental income actual	Gross return	Occupancy rate
in CHF	in CHF	in CHF	in CHF	in %	in CHF	in %	in %
21 883 785	22 180 000	441 896	-23 103	-5.23	418 793	3.99	95.4
10 452 045	11 900 000	233 424	-2 319	-0.99	231 105	3.91	99.8
19 207 608	18 650 000	352 417	-10 184	-2.89	342 233	3.81	96.6
11 334 227	11 970 000	252 551	-17 543	-6.95	235 008	4.23	100.0
9 120 279	8 395 000	120 732	-8 426	-6.98	112 306	2.88	98.1
7 418 462	8 597 000	167 090	-1 560	-0.93	165 530	3.90	98.9
6 242 302	6 976 000	128 182	-3 419	-2.67	124 763	3.68	100.0
7 009 255	8 190 000	147 902	-3 622	-2.45	144 280	3.51	100.0
7 215 328	8 661 000	147 047	-25 805	-17.55	121 243	3.44	100.0
17 197 299	18 780 000	373 200	-35 373	-9.48	337 827	3.98	94.3
11 775 979	12 170 000	168 643	-7 230	-4.29	161 413	2.78	96.3
24 036 731	23 450 000	534 211	-48 373	-9.06	485 837	4.55	93.2
15 127 416	14 720 000	273 652	-3 318	-1.21	270 334	3.72	99.6
13 273 835	12 560 000	213 064	-19 259	-9.04	193 805	3.40	95.2
8 399 238	9 760 000	196 420	-3 318	-1.69	193 101	4.04	98.6
16 255 103	16 330 000	341 770	-2 444	-0.71	339 327	4.18	99.8
9 641 902	9 641 000	183 216	-1 672	-0.91	181 544	3.82	95.4
3 110 558	3 219 000	60 891	-	-	60 891	3.79	100.0
4 672 209	4 771 000	88 710	-4 740	-5.34	83 970	3.75	98.9
10 423 517	10 780 000	215 454	-9 280	-4.31	206 174	4.00	94.5
7 724 254	8 438 000	162 607	-6 330	-3.89	156 277	3.90	95.3
11 712 549	12 190 000	239 705	-4 860	-2.03	234 845	3.93	99.4
6 852 426	7 579 000	144 414	-840	-0.58	143 574	3.81	99.6
18 659 107	17 370 000	299 331	-7 597	-2.54	291 734	3.47	99.1
3 392 921	3 419 000	76 428	-2 594	-3.39	73 834	4.49	97.8
8 407 663	9 869 000	168 797	-	-	168 797	3.42	100.0
7 291 199	7 559 000	103 101	-	-	103 101	2.73	100.0
13 927 283	14 580 000	173 019	-	-	173 019	2.38	100.0
37 434 079	36 880 000	601 316	-12 231	-2.03	589 085	3.29	99.6

City, address	Ownership structure ¹⁾	Total rental space in m ²	Number of apartments	Land plot in m ²	Building year	Date last extensive Renovation	Commencement of possession
Zwingen, Strengfeldstr. 1/3/5/7 Grienweg 8/10/12/14/14a/16/18 Reckholderstrasse 4/6/8/10	so	7 295	81	11 358	1990	2015	01.05.2022
Total for residential buildings		151 504	1 817	217 170			
of which, condominium ownership		2 239	22	3 638			
Commercially used properties							
Bulle, Rue Nicolas Glasson 5/7	so	1 886	7	656	1985		01.12.2020
Total for commercially used properties		1 886	7	656			
Mixed-use buildings							
Grenchen, Bündengasse 18/20/22	so	1 572	7	1 691	1929, 1945,	2013	22.11.2019
Grenchen, Viaduktstrasse 5	so	1 065	7	967	1916	2016	22.11.2019
Total for mixed-use buildings		2 637	14	2 658			
Subtotal		156 027	1 838	220 484			
Secondary rental income							
Grand Total for land/buildings		156 027	1 838	220 484			

1) so = sole ownership

co = condominium ownership

2) The rent defaults are positive for individual properties because reversals of overstated valuation allowances resulted in income from collection losses.

3) The rental loss rate according to the inventory list includes revenue-based rents, whereas these are not taken into account in the calculation of the AMAS key figures. Therefore, discrepancies are possible for this key figure.

The fund holds 62 properties. The four properties in Grenchen are adjacent properties and are counted as one property based on Art. 87, Para. 1 CISO. Likewise, two properties each in Wattwil are adjacent properties and are counted as one property each based on Art. 87, para. 2 CISO. As a result, the fund owns 57 properties from a regulatory perspective as at 30.06.2023.

Initial cost	Market value	Gross rental income	Rent default²⁾	Rent default³⁾	Rental income actual	Gross return	Occupancy rate
in CHF	in CHF	in CHF	in CHF	in %	in CHF	in %	in %
35 469 510	33 860 000	687 197	-66 967	-9.74	620 230	4.06	95.6
776 585 838	796 357 000	14 826 092	-708 112	-4.78	14 117 980	3.73	97.3
10 439 545	11 630 000	225 093	-19 225	-8.54	205 868	3.85	95.0
7 559 921	7 657 000	211 303	-46 513	-22.01	164 791	5.47	80.2
7 559 921	7 657 000	211 303	-46 513	-22.01	164 791	5.47	80.2
3 388 002	3 974 000	95 417	-6 737	-7.06	88 680	4.80	92.8
1 847 994	2 218 000	65 157	-6 254	-9.60	58 903	5.91	89.7
5 235 995	6 192 000	160 574	-12 991	-8.09	147 583	5.19	91.6
789 381 755	810 206 000	15 197 969	-767 616	-5.05	14 430 354		
					113 843		
789 381 755	810 206 000				14 544 197	3.76	97.0

Inventory of units of other real estate funds and shares in real estate investment companies held

Units in other real estate funds and real estate investment companies	Initial cost	Market value
All amounts stated in Swiss Francs		
Total units in other real estate funds	1 612 019	1 512 868

Investments

Valuation categories (amounts in CHF)	30.06.2023	31.12.2022
Investments that are listed on a stock market or traded on another regulated market open to the public: valued at the prices paid in the primary market (Art. 88 para. 1 CISA); in accordance with Art. 84 para. 2a CISO-FINMA	1 512 868	1 456 776
Investments for which no prices are available pursuant to letter a: valued based on market-observed parameters; in accordance with Art. 84 para. 2b CISO-FINMA	-	-
Investments whose value is based on parameters that are not observable on the market, valued with suitable valuation models taking account of the current market circumstances in accordance with Art. 84 para. 2c CISO-FINMA	810 206 000	817 910 000
Total investments	811 718 868	819 366 776

2. Real Estate Purchased and Sold**Purchased**

None

Sold

None

3. Total Amount of Payments Obligations After the Balance Sheet Date

None

4. Participations in Real Estate Companies

All properties of the fund are held by Helvetica Swiss Living AG. As of June 30, the Fund holds one 100 percent of the share capital of Helvetica Swiss Living AG, headquartered in Zurich.

5. Rental Income per Tenant over 5 Percent

None

6. Information Regarding Derivatives

The Fund does not use derivatives.

7. Non-current Liabilities by Due Date

in CHF	30.06.2023	31.12.2022
1 to 5 years	-	-
> 5 years	-	-

Notes

8. Mortgages and Other Mortgage-backed Liabilities

Current Mortgages and Fixed Advances

Type	Interest rate	in CHF	Date of issue	Maturity
money market mortgage	2.13%	11 800 000	30.06.2023	30.09.2023
money market mortgage	2.13%	6 000 000	30.06.2023	30.09.2023
money market mortgage	2.21	73 650 000	30.06.2023	29.09.2023
Fixed Advance	2.12%	38 700 000	30.06.2023	30.08.2023
Fixed Advance	2.12%	16 000 000	30.06.2023	30.08.2023
Fixed Advance	2.08%	4 000 000	26.06.2023	25.08.2023
money market mortgage	2.21%	5 500 000	30.06.2023	31.07.2023
Fixed Advance	2.07%	22 500 000	26.06.2023	26.07.2023
Fixed Advance	1.97%	172 300 000	16.06.2023	17.07.2023
money market mortgage	2.21%	21 000 000	17.06.2023	17.07.2023
Total		371 450 000		

Matured Mortgages and Fixed Advances

Type	Interest rate	in CHF	Date of issue	Maturity
money market mortgage	1.93%	73 650 000	01.04.2023	30.06.2023
Fixed Advance	1.90%	38 700 000	29.03.2023	30.06.2023
Fixed Advance	1.88%	16 000 000	31.05.2023	30.06.2023
money market mortgage	1.85%	11 800 000	01.04.2023	30.06.2023
money market mortgage	1.85%	6 000 000	26.04.2023	30.06.2023
money market mortgage	1.95%	5 500 000	31.05.2023	30.06.2023
Fixed Advance	1.83%	22 500 000	01.06.2023	25.06.2023
Fixed Advance	1.80%	4 000 000	26.04.2023	25.06.2023
money market mortgage	1.94%	21 000 000	18.05.2023	16.06.2023
Fixed Advance	1.77%	172 300 000	17.03.2023	15.06.2023
Fixed Advance	1.76%	22 500 000	01.04.2023	31.05.2023
Fixed Advance	1.84%	14 000 000	01.05.2023	30.05.2023
money market mortgage	1.92%	5 500 000	29.04.2023	30.05.2023
Fixed Advance	1.88%	2 000 000	27.05.2023	30.05.2023
Fixed Advance	1.84%	2 000 000	26.04.2023	26.05.2023
money market mortgage	1.91%	21 000 000	18.04.2023	17.05.2023
Fixed Advance	1.88%	14 000 000	29.03.2023	30.04.2023
money market mortgage	1.91%	5 500 000	01.04.2023	28.04.2023
money market mortgage	1.85%	1 000 000	01.04.2023	25.04.2023
money market mortgage	1.68%	21 000 000	17.03.2023	17.04.2023
money market mortgage	1.43%	73 650 000	02.03.2023	31.03.2023
Fixed Advance	1.36%	15 500 000	30.12.2022	31.03.2023
money market mortgage	1.37%	11 800 000	02.12.2022	31.03.2023
Fixed Advance	1.33%	7 000 000	03.03.2023	31.03.2023
money market mortgage	1.43%	5 500 000	02.03.2023	31.03.2023
money market mortgage	1.37%	1 000 000	21.12.2022	31.03.2023
Fixed Advance	1.43%	38 700 000	29.12.2022	28.03.2023
Fixed Advance	1.50%	14 000 000	03.03.2023	28.03.2023
Fixed Advance	1.30%	172 300 000	17.01.2023	16.03.2023
money market mortgage	1.44%	22 000 000	17.12.2022	16.03.2023
Fixed Advance	1.31%	15 000 000	02.12.2022	02.03.2023
Fixed Advance	1.16%	7 000 000	02.12.2022	02.03.2023
money market mortgage	1.44%	73 650 000	07.01.2023	01.03.2023
money market mortgage	1.44%	5 500 000	02.12.2022	01.03.2023
Fixed Advance	1.13%	172 300 000	16.12.2022	16.01.2023
money market mortgage	1.02%	74 650 000	07.10.2022	06.01.2023

Notes

9. Fees and Incidental Costs Charged to the Investors

Remuneration	Maximum rates	Actual rates		Basis
		2023	2022	
Issue commission on units	3.00%	–	1.75%	Net asset value of units
Redemption commission on units	5.00%	–	–	Net asset value of units

With the fund contract amendment of May 10, 2023, the maximum rate for redemption commissions on units was increased from 1.50 % to 5.00 %. The new rate applies to any potential future redemptions.

10. Incidental Costs Attributed to the Fund Assets

Remuneration	Maximum rates	Actual rates		Basis
		2023	2022	
Premium to NAV	2.50%	–	0.75%	Net asset value of units
Discount to NAV	1.50%	–	–	Net asset value of units

11. Fees and Incidental Costs Charged to the Fund

Remuneration	Maximum rates	Actual rates		Basis
		2023	2022	
Remuneration to the Fund Management Company				
Management fee	1.00%	0.70%	0.70%	Gross asset value
Purchase/sales compensation	2.00%	–	1.72%	Purchase/sale price
Building and renovation fee	3.00%	3.00%	0.64%	Construction costs
Property management	5.00%	–	–	Gross rental income
Remuneration to Third Parties				
Remuneration to custodian bank (custodian bank commission)	0.05%	0.05%	0.05%	Net asset value of units
Remuneration to custodian bank (distribution commission)	0.25%	0.04%	0.05%	Gross distribution amount
Market maker	–	CHF 25 000	CHF 50 000	Flat amount of 12'500 Swiss francs per quarter
Remuneration to property managers	5.00%	3.83%	4.01%	Gross rental income

12. Distribution of Profits

For the year ended December 31, 2022, a total amount of 13.2 million Swiss francs was distributed, corresponding to CHF 3.45 per unit and a distribution yield on the price per unit of 3.1 %. The payout ratio is 88.2 %. The distribution consisted of an income distribution of 3.8 million Swiss francs, which is subject to withholding tax, and a fund capital repayment of 9.5 million Swiss francs, which is exempt from withholding tax. The ex-date was April 26, 2023 and the distribution was paid out on April 28, 2023.

13. Events after the Balance Sheet Date

None

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

in CHF	30.06.2023	31.12.2022
Balance of the depreciation account on the land/buildings	-	-
Balance of the provision account for future repairs	-	-
Balance of the account for reinvestment of retained earnings	-	-
Number of units redeemed as of the end of the next financial year	-	-

Land/buildings were only depreciated and provisions made for repairs and maintenance (R&M) at the level of Helvetica Swiss Living AG. Since this depreciation and these provisions are not in line with the market value principle under CISA, neither of these items is posted at the real estate fund level and they are recognized in neither the balance sheet nor the real estate fund's income statement. The table below shows the balance of the depreciation and provisions account for tax purposes at the level of the subsidiary or fund:

in CHF	30.06.2023	31.12.2022	Change
Balance of depreciation account for land and buildings (tax motivated, subsidiary level)	29 238 153	23 026 637	6 211 516
Balance of depreciation account for land and buildings (Fund level)	-	-	-
Balance of the provision account for future repairs (tax-motivated, subsidiary level)	3 966 958	3 966 958	-
Balance of the provision account for future repairs (Fund level)	-	-	-

Clarification on Roundings

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

Principles for the Valuation of the Fund Assets and Calculation of the Net Asset Value

The net asset value of the real estate fund is calculated at the market value in Swiss francs at the end of the first half-year period, at the end of the financial year as well as at each unit issue.

The Fund Management Company commissions the independent valuation experts to re-evaluate the market value of the Fund's properties at the end of each half-year period, each financial year and at each unit issue. With the supervisory authority's approval, the Fund Management Company mandates at least two natural or one corporate entity as independent valuation experts. Land/building inspections by the valuation experts must be repeated at least every three years. In the case of acquisitions or disposals of properties, the Fund Management Company has the properties valued in advance. A new valuation is not needed in the case of disposal if the existing valuation is not older than three months and circumstances have not changed substantially.

Investments that are traded on a stock market or another regulated market that is open to the public are to be valued at the current prices paid on the main market. Other investments or investments with no current prices available must be valued at a price that is likely to be paid in a prudent sale at the time of valuation. In such a case, the Fund Management Company applies reasonable valuation models and principles that are recognized in practice to determine the market value.

Open collective investment schemes are valued at their redemption price or their net asset value. If they are regularly traded on a stock market or another regulated market open to the public, the Fund Management Company may value them according to para. 16, sect. 3 of the fund contract.

The value of short-term fixed-income securities that are not traded on a stock exchange or another regulated market open to the public is calculated as follows: Based on the net purchase price and presuming a stable investment return, the valuation price of these investments is adjusted gradually to the redemption price. In the case of significant changes in market conditions, the valuation basis of the individual investments is adjusted to the new market return. In this case, if there is no current market price, valuation is usually based on money market instruments with the same characteristics (quality and domicile of the issuer, issuing currency, maturity).

Post and bank deposits are valued according to their balance plus accrued interest. In the case of significant changes in market conditions or credit rating, the valuation basis for time deposits at banks is adjusted to the new conditions.

The calculation of a unit's net value is based on the market value of the Fund's gross asset value, less any liabilities as well as any taxes that would likely have to be paid in the case of the Fund's liquidation, divided by the number of outstanding units. The valuation of the Fund's properties is performed according to the current AMAS guidelines for real estate funds. The valuation of undeveloped land and buildings in progress is based on the market value principle. If the Fund Management Company has any buildings in progress that are to be reported at market values, it has these appraised at the end of the financial year.

Report of the Valuation Experts



Wüest Partner AG, Bleicherweg 5, 8001 Zurich

Helvetica Property Investors AG
Executive Board
Brandschenkestrasse 47
8002 Zurich

Zurich, 17 July 2023

Helvetica Swiss Living Fund
Independent real estate valuer's report
Valuation as at 30 June 2023

To the Executive Board of Helvetica Property Investors AG

Ref.
118585.2300

Commission

Wüest Partner AG (Wüest Partner) was commissioned by the Fund Management to perform a valuation, for accounting purposes, of the 62 properties held by Helvetica Swiss Living Fund as at 30 June 2023 (reporting date).

Valuation standards

Wüest Partner hereby confirms that the valuations comply with the legal provisions of the Collective Investment Schemes Act (CISA) and the Collective Investment Schemes Ordinance (CISO) as well as the guidelines of the Asset Management Association Switzerland (AMAS) and were furthermore performed in accordance with the customary national and international valuation standards.

Definition of market value

Market value is defined as the amount for which a property would most probably be exchanged on the open market on the valuation date between two independent and knowledgeable parties, willing to buy and sell respectively, with due allowance made for a reasonable marketing period.

In the valuation are excluded property transfer, real property gains and value-added taxes plus any other costs incurred, or commissions paid, during the process of selling real estate. Nor is any account taken of Helvetica Swiss Living Fund's liabilities in respect of taxation (apart from ordinary property taxes) and financing costs.

Valuation method

In valuing Helvetica Swiss Living Fund's investment properties, Wüest Partner applied the discounted cash flow (DCF) method, by which the market value of a property is determined as the total of all projected future net earnings discounted to the valuation date. Net income is discounted separately for each property with due allowance for specific opportunities and threats, and adjustment in line with market conditions and risks.

Wüest Partner AG
Alte Börse
Bleicherweg 5
8001 Zurich
Switzerland
T +41 44 289 90 00
wuestpartner.com
Regulated by RICS

Basis of valuation

Wüest Partner is familiar with all the properties, having carried out inspections and examined the documentation provided. The properties have been analysed in detail in terms of their quality and risk profiles (attractiveness and lettable of rented premises, construction type and condition, micro- and macro-location etc.). Currently vacant premises are valued with due allowance made for a reasonable marketing period.

Wüest Partner inspects the properties normally at least once every three years as well as following purchase and upon completion of larger refurbishment and investment projects. All properties were visited in 2020 to 2023.

Results

A total of 62 investment properties were valued as at 30 June 2023. The market value of these properties on the valuation date is estimated by Wüest Partner to total 810,206,000 Swiss Francs.

In the property valuation, real discount rates between 2.10% and 3.20% were applied. Considering an inflation rate of 1.25% the nominal discount rates lie between 3.38% and 4.49%. Over the whole portfolio, the average of the discount rates – weighted by market value – is 2.65% in real terms and 3.93% in nominal terms.

Changes in the real estate portfolio

Within the review period from 1st January 2023 to 30 June 2023 no changes occurred.

Independence and confidentiality

The valuation of Helvetica Swiss Living Fund's real estate holdings was performed by Wüest Partner independently and neutrally in conformity with its business policies. It was carried out solely for those purposes specified above; Wüest Partner shall accept no liability in respect of third parties.

Zürich, 17 July 2023

Wüest Partner AG



Ivan Anton
dipl. Architekt ETH; MSc Real Estate (CUREM)
Partner



Silvana Dardikman
MSc in Finance; Immob. Bew. mit eidg. FA
Director

Annex: valuation assumptions

Investment properties

The investment property valuations are based on the following general assumptions:

- The rent rolls from Helvetica Property Investors AG used in the valuation have the state of knowledge typically as at April 2023.
- A two-phase DCF model was adopted. The valuation period extends to infinity from the valuation date, with an implicit residual value in the eleventh period.
- Discounting is based on a risk-adjusted interest rate. Rates are determined individually for each property on the basis of appropriate benchmarks derived from arm's-length transactions. They may be broken down as follows: risk-free interest rate + property risk (immobility of capital) + premium for macro-location + premium for micro-location depending on use + premium for property quality and income risk + any other specific premiums.
- Unless otherwise stated, the valuations assume 1.25 percent annual inflation for income and all expenditure. Where a nominal discount rate is applied, this is adjusted accordingly.
- Credit risks posed by specific tenants are not explicitly factored into the valuation.
- Specific indexation of existing rental agreements is accounted for on an individual basis.
- For existing tenancies, the timing of individual payments is assumed to comply with the terms of the lease.
- In terms of running costs, entirely separate service charge accounts are assumed, with no tenancy-related ancillary costs to be borne by the owner.
- The maintenance (repair and upkeep) costs were calculated using a building analysis tool. This tool is used to estimate the remaining lifespan of individual components based on their present condition, to model periodic refurbishments and to calculate the associated annual renewal fund allowances. The calculated values are plausibility tested using cost benchmarks derived from Wüest Partner surveys.

Organization

Fund Management Company	Helvetica Property Investors AG, Brandschenkestrasse 47, Zürich
Executive Board	Hans R. Holdener, CEO and CIO ad interim Peter R. Vogel, CFO and Head Corporate Services Salman Baday, Head Sales and Marketing Lucas Schlageter, Head Portfolio Management
Extended Management Board	Michael Knoflach, Head Finance Dominik Fischer, Head Investment (as from 01.07.2023)
Board of Directors	Dr. Hans Ueli Keller, Chairman Peter E. Bodmer, Deputy Chairman Herbert Kahlich, Member Theodor Härtsch, Member Dr. Franziska Blindow-Prettl, Member
Asset Manager	Helvetica Property Investors AG, Brandschenkestrasse 47, Zürich
Custodian Bank and Paying Agency	Bank J. Safra Sarasin, Elisabethenstrasse 62, Basel
Auditors	PricewaterhouseCoopers AG, Birchstrasse 160, Zürich
Market Maker	Bank J. Safra Sarasin, Elisabethenstrasse 62, Basel
Accredited Valuation Experts	With the approval of the supervisory authority, the Fund Management Company has commissioned Wüest Partner AG in Zurich as the independent and permanent valuation expert. The main persons responsible are: Ivan Anton, Valuation Expert, Wüest Partner AG, Zurich Silvana Dardikman, Valuation Expert, Wüest Partner AG, Zurich
Property Management	Property management and technical maintenance were mainly delegated to H&B Real Estate AG until June 30, 2023, and since July 1, 2023, mainly to Apleona Schweiz AG and Privera AG. The precise execution of the assignments is governed by separate contracts.

Information for Investors

Changes to the Fund Contract

The following changes to the fund contract were approved by FINMA on May 5, 2023 and entered into effect on May 10, 2023.

The changes to the fund contract mainly relate to amendments made in connection with the express declaration that related real estate funds managed by the Fund Management Company may make joint investments in real estate assets (co-ownership of properties and/or participations in and claims against real estate companies). Related transactions between the affiliated real estate funds are not deemed real estate transactions with or between related parties and may be entered into without approval from the supervisory authority. Furthermore, redemption commission increases were capped at a maximum of 5 percent.

The changes mostly involve the following points, as published on March 14, 2023:

Para. 3 The Fund Management Company

The following new paragraph was added to para. 3 section 9 of the fund contract (*in italics*):

“Transactions between affiliated real estate funds as defined in para. 8 section 2(a) and (c) and section 3 (co-ownership of real estate and/or participations in and claims against real estate companies) are not deemed real estate transactions engaged in by the Fund Management Company with or between related parties within the meaning of section 9 and may be entered into without approval from the supervisory authority.”

Para. 4 The Custodian Bank

The following new paragraph was added to para. 4 section 8 of the fund contract (*in italics*):

“Transactions between affiliated real estate funds as defined in para. 8 section 2(a) and (c) and section 3 (co-ownership of real estate and/or participations in and claims against real estate companies) are not deemed real estate transactions engaged in by the Fund Management Company with or between related parties within the meaning of section 8 and may be entered into without approval from the supervisory authority.”

Para. 8 Investment Policies

Para. 8 section 2 will be supplemented as follows (*in italics*):

“Ordinary co-ownership of real estate; co-ownership is permitted if the Fund Management Company can exercise controlling interest, i.e. if it holds a majority of co-ownership shares and votes. Co-ownership of real estate by affiliated real estate funds is expressly permitted. Affiliated real estate funds are considered to be real estate funds managed by the same fund management company;

The properties are entered into the land register under the name of the fund management company with a note indicating its affiliation with the real estate fund(s).

1. Promissory notes or other contractual liens on the property;
2. Participations in and claims against real estate companies whose sole purpose is the acquisition and sale or rental and leasing of their own properties if at least two-thirds of their capital and votes are combined in the real estate fund. *Also permitted are joint participations in and claims against real estate companies with affiliated real estate funds in accordance with the definition provided above;*

A new section 3 has been added to para. 8. The new paragraph reads as follows (*in italics*):

“When acquiring co-ownership in properties with affiliated real estate funds and/or participations in and claims against real estate companies with affiliated real estate funds in accordance with section 2(a) and (c) above (affiliate co-ownership / affiliate participations), the maximum investment in affiliate co-ownership / affiliate participations may not exceed a total of 50 percent of the fund assets.”

The insertion of new section 3 results in a corresponding shift in the numbering of all subsequent sections of para. 8.

Para. 15 Spreading and Limiting Risk

Letter f was added to para. 15 section 4. Letter f reads as follows (*in italics*):

“f. Investments in affiliate co-ownership / affiliate participations up to a maximum of 50 percent.”

Para. 18 Fees and Incidental Costs Charged to the Investors

The maximum percentage of the redemption commission was changed to 5 percent in para. 18 section 2.

Para. 28 Applicable Law and Place of Jurisdiction and Signature Page

In para. 28 section 4, in the final paragraph of para. 28 and on the signature page, the date of the fund contract and of the approval of the fund contract by the Swiss Financial Market Supervisory Authority FINMA have been amended owing to the changes.

Legal Disputes

There are no legal disputes of a material nature.

Compliance with Investment Restrictions

The Fund Management Company confirms that the Helvetica Swiss Living Fund fulfills all investment restrictions in accordance with the fund contract.

Information on Related-party Transactions

The Fund Management Company confirms that there were no transfers of real estate to related parties or from related parties during the reporting period (Art. 63 para. 2 CISA and Art. 32, 32a, and 91a CISO and sect. 18 of the guidelines for the real estate funds of the Asset Management Association Switzerland (AMAS) of April 2, 2008, version dated August 5, 2021).

Fondsleitung

Helvetica Property Investors AG
Brandschenkestrasse 47, CH 8002 Zürich
T + 41 43 544 70 80
Helvetica.com

Authorized and Regulated by the Swiss Financial Market Supervisory Authority FINMA.