



Swiss Prime Site  
Solutions REAL ESTATE  
ASSET MANAGERS

# Unaudited semi-annual report as at 31.03.2024

Swiss Prime Site Solutions  
Investment Fund (SPSS IF)  
Commercial

A contractual investment fund under Swiss law for qualified investors in the “real estate fund” category



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# Key information at a glance

<b>Key data</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
Number of units in circulation at the start of the reporting period	2 342 755	2 119 576
Fund units issued	-	223 179
Fund units redeemed	-	-
Number of units in circulation at the end the reporting period	2 342 755	2 342 755
Net asset value per unit in CHF	100.80	105.03
Closing price in CHF (Mid) <sup>1</sup>	100.50	100.00
Market value in CHF <sup>1</sup>	235 446 878	234 275 500
Premium/Discount	-0.30%	-4.79%
<b>Balance sheet</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
Fair value of the properties	432 959 000	437 891 000
Total fund assets (GAV) in CHF	436 509 326	447 920 344
Net fund assets (NAV) in CHF	236 149 733	246 051 412
Loan-to-value ratio as % of fair value <sup>2</sup>	43.34%	44.35%
<b>Return and performance information</b>	<b>01.10.2023– 31.03.2024</b>	<b>01.10.2022– 31.03.2023</b>
Distribution in CHF	none	none
Cash yield	n.a.	n.a.
Payout ratio	n.a.	n.a.
Return on equity (ROE)	1.09%	2.63%
Return on invested capital (ROIC)	1.05%	1.77%
Return on investment	1.14%	2.71%
of which cash flow yield	2.75%	2.63%
of which capital growth	-1.61%	0.08%
Performance <sup>3</sup>	1.08%	4.03%
Total expense ratio, GAV (TER <sub>REF</sub> GAV) <sup>4</sup>	0.65%	0.72%
Total expense ratio, market value (TER <sub>REF</sub> MV) <sup>4</sup>	1.22%	1.17%
<b>Income statement</b>	<b>01.10.2023– 31.03.2024</b>	<b>01.10.2022– 31.03.2023</b>
Net income	6 430 242	6 300 393
Rental income	11 323 286	9 815 006
Rent default rate	1.63%	3.74%
Weighted average unexpired lease term (WAULT)	5.54 years	5.81 years

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

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

3) Calculation based on bid prices

4) Calculation for the past 12 months

# Management and governance bodies

<b>Fund management company</b>	Swiss Prime Site Solutions AG, Zug
<b>Statutory auditors of the fund management company</b>	PricewaterhouseCoopers AG (PwC), Zurich
<b>External auditor of the real estate fund</b>	KPMG AG, Zurich
<b>Custodian bank</b>	Banque Cantonale Vaudoise, Lausanne

## Board of Directors



**Jürg Sommer**  
Chairman of the Board of Directors



**Marcel Kucher**  
Member of the Board of Directors



**Philippe Keller**  
Member of the Board of Directors

The Board of Directors of Swiss Prime Site Solutions AG comprises the following members:

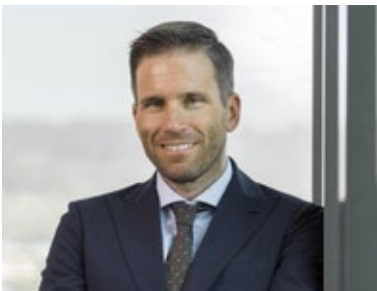
- Jürg Sommer, citizen of Sumiswald, resident in Safenwil, Chairman (also Group General Counsel of Swiss Prime Site AG, Zug, and Chairman of the Board of Directors of the following Swiss Prime Site group companies: Akara Property Development AG, Zug, Fundamenta Group (Schweiz) AG, Zug, Fundamenta Consulting AG, Zug, Fundamenta Group Immobilien Holding AG, Zug, and Chairman of the Supervisory Board of Fundamenta Group Deutschland AG, Munich)
- Marcel Kucher, citizen of Herrliberg, resident in Zurich, Vice-Chairman (also Group CFO of Swiss Prime Site AG, Zug, and a member of the Board of Directors of the following Swiss Prime Site group companies: Akara Property Development AG, Zug, Fundamenta Group (Schweiz) AG, Zug, Fundamenta Consulting AG, Zug, Fundamenta Group Immobilien Holding AG, Zug, Jelmoli AG, Zurich, Swiss Prime Site Immobilien AG, Zurich, Swiss Prime Site Finance AG, Zug, Swiss Prime Site Management AG, Zug, and a member of the supervisory board of Fundamenta Group Deutschland AG, Munich)
- Philippe Keller, citizen of Sarmenstorf, resident in Hergiswil (NW), Member of the Board of Directors (also Managing Partner of PvB Pernet von Ballmoos AG, Zurich, and a member of the Board of Directors of Akara Property Development AG, Zug)

## Executive Management

The Executive Management of Swiss Prime Site Solutions AG comprises the following members:

- Anastasius Tschopp, citizen of Sursee, resident in Hünenberg, CEO (also a member of the Executive Board of Akara Property Development AG, Zug, a member of the Executive Board of the Swiss Prime Site Group, and a member of the Board of Directors of the following Swiss Prime Site group companies: Fundamenta Group (Schweiz) AG, Zug, Fundamenta Consulting AG, Zug, and a member of the Supervisory Board of Fundamenta Group Deutschland AG, Munich)
- Philippe Brändle, citizen of Mosnang, resident in Zurich, CFO (also a member of the Executive Board of Akara Property Development AG, Zug) until 31 March 2024
- Bernhard Rychen, citizen of Wilderswil, resident in Zug, CFO (also a member of the Executive Board of Akara Property Development AG, Zug) from 1 April 2024
- Jerome Pluznik, citizen of Gänsbrunnen (SO), resident in Zurich, Legal & Compliance (also a member of the Executive Board of Akara Property Development AG, Zug)
- Reto Felder, citizen of Flühli, resident in Dottikon, CIO of the Swiss Prime Investment Foundation (also a member of the Executive Board of Akara Property Development AG, Zug)

## Operational Management



**Anastasius Tschopp**  
CEO



**Bernhard Rychen**  
CFO



**Maximilian Hoffmann**  
CIO Funds (Commercial)



**Samuel Bergstein**  
Head Acquisition & Sales (Commercial)



**Regina Hardziewski**  
Head Sustainability

# Fund information

## Key data

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

# Information on third parties

## Accredited valuation experts

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

## Property management

- Wincasa AG, Winterthur

## Delegation of specific tasks

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

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

# Activity report by the fund management company

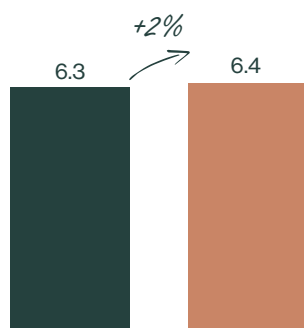
The Swiss Prime Site Solutions Investment Fund Commercial (“SPSS IFC”) has closed the first half of the 2023/2024 financial year with strong cash flow performance: a significant increase in net income by +2% compared to the first half of 2022/2023 and a reduction in vacancies to 1.7% have resulted in a high cash flow yield of 2.75% for the first half of 2023/2024. With these excellent results, more than 60% of the target dividend distribution per share has already been reached at the halfway point of the year.

## General

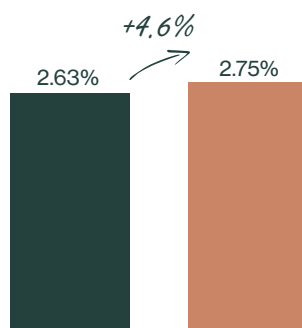
The SPSS IFC closed the first half of the 2023/2024 financial year with a cumulative return on investment of 1.14% (H1 2022/2023: 2.71%). The return on investment for H1 comprised a cash flow return of 2.75% and negative capital growth of 1.61%. The target range for the cash flow return of 1.75%–2.0% was therefore comfortably exceeded with this strong semi-annual result. The valuation adjustments are partly due to market-driven interest rate changes.

## Earnings per Share (EPS)

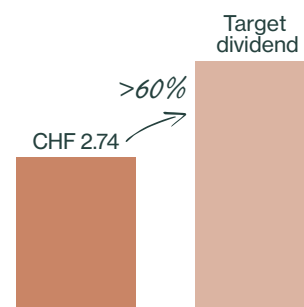
### Net income (L4L)



### Cash flow yield (balance sheet date 31.03.)



### Earnings per share in CHF (half-year vs. target dividend)



■ H1 22/23 ■ H1 23/24

## Portfolio management

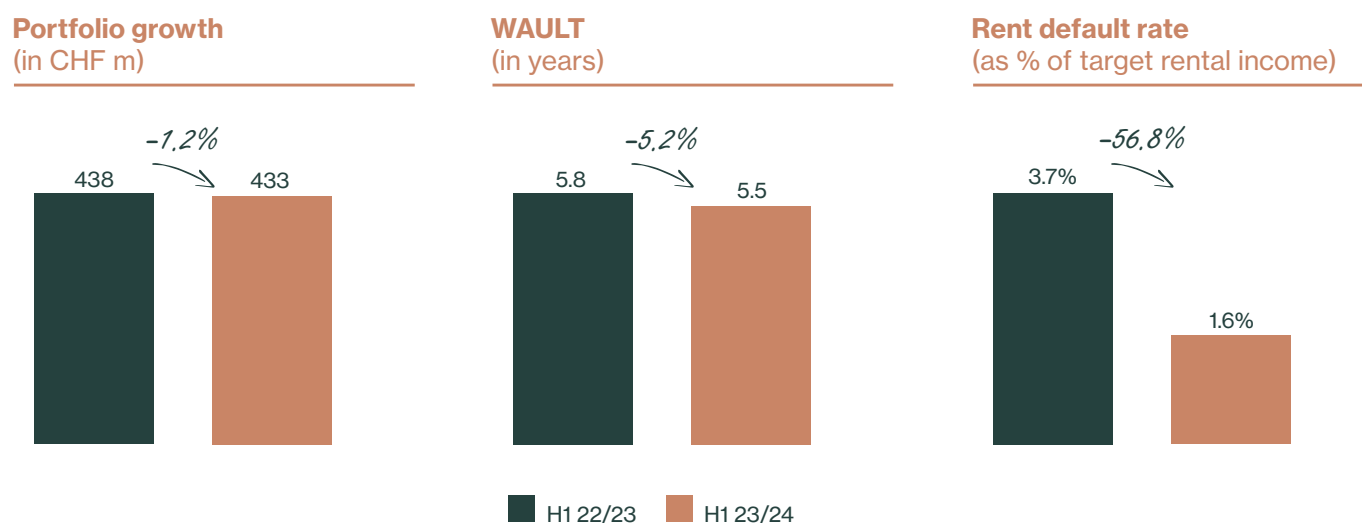
**Net revenue:** On a like-for-like (L4L) basis, net revenue increased by 2% compared with the first half of 2022/2023. This increase is partly due to a high indexing rate of ~95%.

**Vacancies:** Vacancy losses remained very low in the first half of the year at 1.7% (H1 2022/2023: 3.2%). Active management helped to further reduce the already low vacancy rate. Among other achievements, the “Centro Lugano Sud” property was fully let as of the balance sheet date for the semi-annual report. The rent default rate was further reduced and remains low at 1.6% (H1 2022/2023: 3.7%).



**Weighted average unexpired lease term (WAULT):** The WAULT remains high at 5.54 years (H1 2022/2023: 5.81). The high weighted average unexpired lease term reflects the high stability of the portfolio.

**Valuation:** The valuation outcome for the first half of 2023/2024 shows a negative revaluation of 1.61%, due primarily to changes in the interest rate environment and the resulting adjustments to the discount rates. On a like-for-like (L4L) basis, the average discount rate increased by 9 basis points compared to the first half of 2022/2023.



### Sustainability strategy

**CO<sub>2</sub> reduction path and sustainable investment planning:** External sustainability experts have drawn up a ten-year investment plan, including a CO<sub>2</sub> reduction path, and these have been systematically incorporated into portfolio and asset management.

**Green leases:** Leases with a mutual agreement on sustainability matters, known as green leases, have been concluded for approximately 17% of the target rental portfolio.

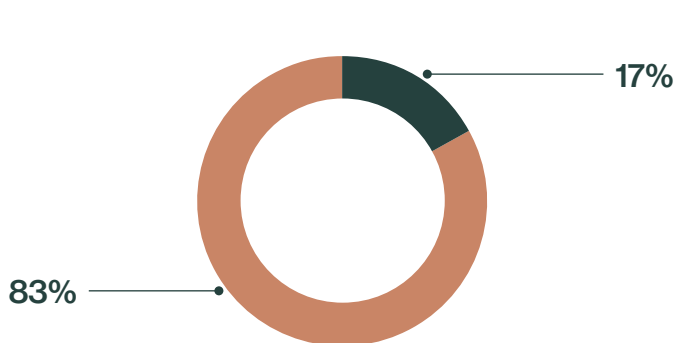
**Energy data:** The installation of automated energy data readers is being further rolled out across the portfolio. The aim is to have the roll-out largely completed by the end of the current financial year. With this measure, operational optimisations can be achieved that could help to reduce energy consumption by up to 15%.

**GRESB:** The SPSS IFC took part in the GRESB grace period submission as early as possible. For the current financial year 2023/2024, the SPSS IFC is participating in a complete GRESB assessment.

**UN PRI signatory:** Swiss Prime Site Solutions signed up to the UN Principles for Responsible Investment (UN PRI) on behalf of the SPSS IFC in November 2022. This underscores Swiss Prime Site Solutions' commitment to the inclusion of ESG (environmental, social and governance) considerations in investment decisions.

### Green leases

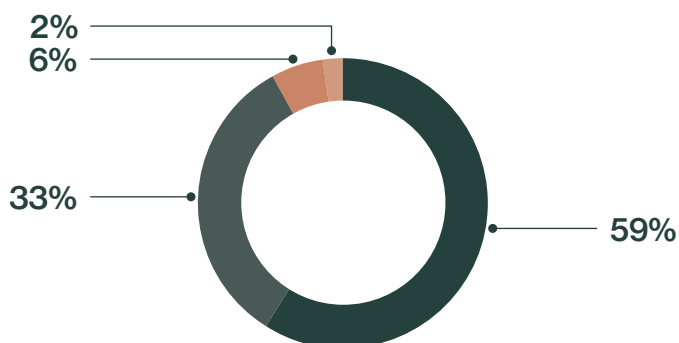
(as % of target rental income)



Green leases Conventional leases

### Energy mix

(as % of energy reference area)



Heat pumps Gas District heating Oil

### Acquisition & sales

No acquisitions or sales were made in the first half of the 2023/2024 financial year.

### Outlook

The high-yield SPSS IFC portfolio continues to perform well in a challenging market environment. About 95% of rental agreements are inflation-indexed, making the portfolio highly resilient in the face of inflation concerns. The high cash flow yield of 2.75% at the halfway point of the year sustainably supports the SPSS IFC's long-term dividend strategy and will remain the focus of the fund management. A selective approach is taken to portfolio expansion by means of acquisitions. Properties must have a risk/reward profile that is appropriate for the portfolio, with a focus on attractive, long-term cash generation.



Photo: VF Corporation, Via Laveggio 5, 6855 Stabio

# Essential key figures

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18

Properties owned

---

0

Purchases first half 2023/2024

---

433.0 million CHF

Fair value

---

23.0 million CHF

[TARGET] rental income annualise

---

24.1 million CHF

Average property volume

---

107 292 m<sup>2</sup>

Rental space

---

5.54 years

WAULT

---

32 %

Share of office space

---

22 %

Proportion of properties with PV systems

---

17 %

“Green Leases” as a proportion of target rental income

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5.23 %

Gross yield (based on fair value)

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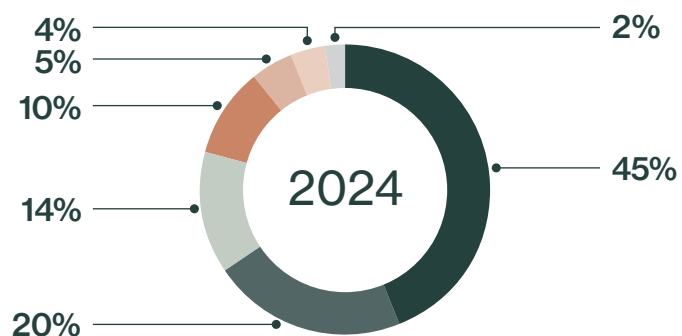
4.53 %

Average weighted net yield

# Portfolio structure

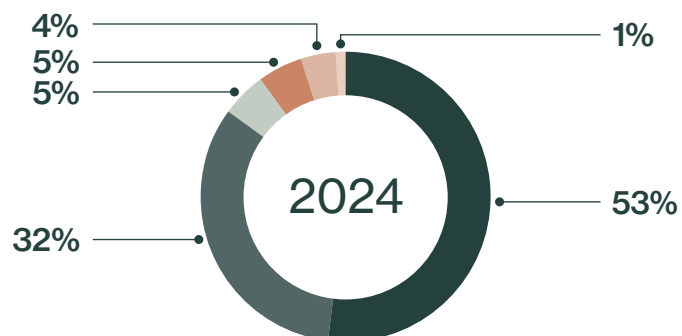
## Portfolio split by region (based on target rental income)

	31.03.2024	31.03.2023
■ Southern Switzerland	45%	44%
■ Zurich	20%	21%
■ Central Switzerland	14%	14%
■ Eastern Switzerland	10%	10%
■ Northwestern Switzerland	5%	5%
■ Berne	4%	4%
■ Western Switzerland	2%	2%



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

	31.03.2024	31.03.2023
■ Commerce/retails	53%	52%
■ Office/administration	32%	33%
■ Commercial/industrial	5%	5%
■ Storage	5%	5%
■ Parking	4%	4%
■ Other	1%	1%



# Balance sheet

Actives in CHF	31.03.2024	31.03.2023
Cash, post office and bank balances payable at sight, including fiduciary deposits with third-party banks	858 379	2 212 538
<b>Sites</b>		
– Residential buildings	0	0
– Commercial properties	432 959 000	437 891 000
– Mixed-use buildings	0	0
– Building land including properties for demolition and buildings under construction	0	0
<b>Total sites</b>	<b>432 959 000</b>	<b>437 891 000</b>
Other assets	2 691 946	7 816 806
<b>Total fund assets</b>	<b>436 509 326</b>	<b>447 920 344</b>
Liabilities in CHF	31.03.2024	31.03.2023
Current interest-bearing mortgages and other liabilities secured by mortgages	-137 635 000	-194 200 000
Other current liabilities	-9 379 710	-4 952 955
<b>Total current liabilities</b>	<b>-147 014 710</b>	<b>-199 152 955</b>
Non-current interest-bearing mortgages and other liabilities secured by mortgages	-50 000 000	0
Non-current other liabilities	0	0
<b>Total non-current liabilities</b>	<b>-50 000 000</b>	<b>0</b>
<b>Net fund assets before estimated liquidation taxes</b>	<b>239 494 616</b>	<b>248 767 388</b>
Estimated liquidation taxes	-3 344 883	-2 715 976
<b>Net fund assets</b>	<b>236 149 733</b>	<b>246 051 412</b>

<b>Number of units in circulation</b>	<b>01.10.2023– 31.03.2024</b>	<b>01.10.2022– 31.03.2023</b>
<b>Units in circulation at the start of the reporting period</b>	<b>2 342 755</b>	<b>2 119 576</b>
Units issued	0	223 179
Units redeemed	0	0
<b>Units in circulation at the end of the reporting period</b>	<b>2 342 755</b>	<b>2 342 755</b>
<b>Net asset value per unit</b>	<b>100.80</b>	<b>105.03</b>
<b>Change in net fund assets in CHF</b>	<b>01.10.2023– 31.03.2024</b>	<b>01.10.2022– 31.03.2023</b>
Net fund assets at the start of the reporting period	243 790 202	224 155 040
Distributions	-10 308 122	-7 418 516
Balance from unit transactions excluding purchase of current income on issue of units and payment of current income on redemption of units	0	22 820 053
Total result	2 667 653	6 494 835
Balance of allocations to/releases of provisions for repairs	0	0
<b>Net fund assets at the end of the reporting period</b>	<b>236 149 733</b>	<b>246 051 412</b>
<b>Previous years' figures</b>	<b>Net fund assets</b>	<b>Net asset value per unit</b>
30.09.2023	243 790 202	104.06
31.03.2023	246 051 412	105.03
30.09.2022	224 155 040	105.75
<b>Information on the balance sheet in CHF</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
Balance on depreciation account for properties	0	0
Balance on provision account for future repairs	0	0
Balance on the account for the reinvestment of retained earnings	0	0
Number of units on which notice given by the end of the next financial year	none	none

# Income statement

<b>Income in CHF</b>	<b>01.10.2023– 31.03.2024</b>	<b>01.10.2022– 31.03.2023</b>
Income from bank and postal deposits	688	0
Rental income	11 323 286	9 815 006
Other income	0	0
Purchase of current net income on issue of units	0	230 443
<b>Total income</b>	<b>11 323 974</b>	<b>10 045 449</b>
<b>Expenses in CHF</b>	<b>01.10.2023– 31.03.2024</b>	<b>01.10.2022– 31.03.2023</b>
Mortgage interest and interest on liabilities secured by mortgages	-1 963 537	-734 791
Other interest payable	-572	-1151
Maintenance and repairs	-455 957	-361 527
Property management:		
– Property expenses	-866 028	-830 666
– Administrative expenses	[1] 0	0
Taxes and duties:		
– Property taxes	-193 703	-172 228
– Profit and capital taxes	-157 000	-250 399
– Duties	0	0
Audit expenses	[2] -37 656	-34 829
Valuation expenses	-39 040	-35 000
Depreciation of properties	0	0
Provisions for future repairs	0	0
Mandated remuneration of:		
– the fund management company	-1 032 494	-929 968
– the custodian bank	-36 619	-34 272
– the real estate managers	[3] 12 453	-319 492
Other expenses	-123 438	-40 733
Payment of current net income on redemption of units	0	0
<b>Total expenses</b>	<b>-4 893 591</b>	<b>-3 745 056</b>
<b>Net income</b>	<b>6 430 383</b>	<b>6 300 393</b>
Realised capital gains and losses	-141	0
<b>Realised result</b>	<b>6 430 242</b>	<b>6 300 393</b>
Unrealised capital gains and losses	-3 034 000	907 000
Change in liquidation taxes	-728 589	-712 558
<b>Total result</b>	<b>2 667 653</b>	<b>6 494 835</b>

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

[2] Of which statutory audit TCHF 37.7 (previous year TCHF 34.8). No other services were provided by the statutory auditors.

[3] Subsequent charging of management fee to tenant. This change in practice has resulted in a reduction of CHF 383 000 in management fees in the current financial year (of which CHF 283 000 from previous years).





Photo: Centro Lugano Sud, Via Cantonale, 6916 Grancia

# Notes

	31.03.2024	31.03.2023
<b>Key data</b>		
Rent default rate	1.63%	3.74%
Loan-to-value ratio (as % of fair value) <sup>1</sup>	43.34%	44.35%
Cash yield	n.a.	n.a.
Payout ratio	n.a.	n.a.
EBIT margin	75.52%	71.89%
Total expense ratio, GAV (TER <sub>REF</sub> GAV) <sup>2</sup>	0.65%	0.72%
Total expense ratio, market value (TER <sub>REF</sub> MV) <sup>2</sup>	1.22%	1.17%
Return on equity (ROE)	1.09%	2.63%
Return on invested capital (ROIC)	1.05%	1.77%
Premium/Discount	-0.30%	-4.79%
Performance <sup>3</sup>	1.08%	4.03%
Return on investment	1.14%	2.71%

- 1) FINMA approval for an exemption to the maximum encumbrance limits in the first five years after the launch  
 2) Calculation for the past 12 months  
 3) Calculation based on bid prices

## Information on derivatives

None

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

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

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

The average real discount rate, weighted by fair value, of all properties valued as at 31 March 2024 is 3.49%; the lowest is 2.60% and the highest is 4.80%.

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

## Inventory of properties as at 31.03.2024 Summary

Property category in CHF	Actual costs		Fair value		Gross income (rental income ACTUAL)	
Commercial	438 553 000	100.0%	432 959 000	100.0%	11 315 386	100.0%
– thereof building law	0		0		0	
– thereof condominium property	0		0		0	
<b>Total</b>	<b>438 553 000</b>		<b>432 959 000</b>		<b>11 315 386</b>	



Photo: Marktgasse 3, 8400 Winterthur

# Property details

(all values in CHF)

Town/city, address	Built	Form of ownership	Actual costs	Fair value	Target rental income <sup>1</sup>	Rental defaults <sup>1</sup>	Gross income <sup>1</sup> (net rental income)	Gross yield (based on fair value)
<b>Commercial properties</b>								
<b>Amriswil</b> , Weinfelderstrasse 74	2004	Sole ownership (100%)	7 400 000	7 100 000	260 954	- 0.0%	260 954	7.4%
<b>Bedano</b> , Via d'Argine 3	2002 / 2010	Sole ownership (100%)	20 872 000	19 820 000	531 640	- 0.0%	531 640	5.4%
<b>Burgdorf</b> , Emmentalstrasse 14	1972	Sole ownership (100%)	8 474 000	7 343 000	205 875	15 525 7.5%	190 350	5.6%
<b>Cham</b> , Dorfplatz 2	1992	Sole ownership (100%)	6 310 000	6 037 000	127 053	6 582 5.2%	120 471	4.2%
<b>Dietikon</b> , Kirchstrasse 20	1987	Sole ownership (100%)	14 647 000	15 325 000	301 008	780 0.3%	300 228	3.9%
<b>Grancia</b> , Via Cantonale	1991 / 2004	Sole ownership (100%)	85 901 000	86 076 000	3 511 999	57 731 1.6%	3 454 268	8.2%
<b>Luzern</b> , Luzernerstrasse 86, 88	1986	Co-ownership (99%)	22 221 000	21 614 000	524 102	11 583 2.2%	512 520	4.8%
<b>Neuchâtel</b> , Avenue J.-J. Rousseau 7	1929	Sole ownership (100%)	8 159 000	7 565 000	246 713	7 540 3.1%	239 173	6.5%
<b>Oberbüren</b> , Buchental 4	1990	Sole ownership (100%)	28 393 000	28 092 000	781 700	- 0.0%	781 700	5.6%
<b>Schwyz</b> , Oberer Steisteg 18, 20	1988	Sole ownership (100%)	9 567 000	8 625 000	286 431	10 387 3.6%	276 044	6.6%
<b>Solothurn</b> , Hauptgasse 59	1963	Sole ownership (100%)	19 378 000	19 769 000	392 651	- 0.0%	392 651	4.0%
<b>St. Gallen</b> , Rorschacher Strasse 63	1960	Sole ownership (100%)	8 949 000	8 760 000	175 000	- 0.0%	175 000	4.0%
<b>Stabio</b> , Via Laveggio 4	2010	Sole ownership (100%)	80 258 000	78 955 000	1 677 963	- 0.0%	1 677 963	4.3%
<b>Stabio</b> , Via Laveggio 5	2008 / 2019	Sole ownership (100%)	10 245 000	9 989 000	213 126	- 0.0%	213 126	4.3%
<b>Steinhausen</b> , Chollerstrasse 21, 23	1990	Sole ownership (100%)	24 875 000	23 522 000	546 576	84 521 15.5%	462 055	4.6%
<b>Thun</b> , Bälliz 7	1900	Sole ownership (100%)	11 408 000	10 386 000	237 357	- 0.0%	237 357	4.6%
<b>Winterthur</b> , Marktgasse 3	1969	Sole ownership (100%)	19 705 000	20 081 000	312 288	- 0.0%	312 288	3.1%
<b>Winterthur</b> , Rudolf Diesel Strasse 20	2019	Sole ownership (100%)	51 791 000	53 900 000	1 178 997	1 400 0.1%	1 177 597	4.4%
<b>Overall total</b>			<b>438 553 000</b>	<b>432 959 000</b>	<b>11 511 434</b>	<b>196 049 1.7%</b>	<b>20 760 073<sup>2</sup></b>	<b>5.3%</b>

1) Not annualised

2) Without lump-sum value adjustment of CHF 7 900

<b>Information on actual remuneration rates where the fund regulations lay down maximum rates</b>	<b>31.03.2024</b>	
	<b>Actual</b>	<b>Maximum</b>
<b>a) Remuneration of the fund management company</b>		
Annual commission for the management of the real estate fund, management of its assets and distribution of the real estate fund, based on the total fund assets	0.47%	1.00%
Commission for work on construction, renovation and modification of buildings, based on construction costs	2.70%	9.00%
Remuneration for work on the purchase and sale of properties, based on the purchase/sale price, where no third party is commissioned for this	n.a.	2.00%
Remuneration for the management of the individual properties during the reporting period based on gross rental income	n.a.	5.00%
Issuing commission to cover the costs associated with the placement of new units, based on the net asset value of the newly issued units <sup>1</sup>	n.a.	2.50%
Redemption commission to cover the costs associated with the redemption of units, based on the total asset value of the redeemed units	n.a.	2.50%
<b>b) Remuneration of the custodian bank</b>		
Commission for the custody of the fund assets, provision of the payment infrastructure for the real estate fund and the other expenses listed in section 4 of the fund contract, based on the total fund assets	0.03%	0.05%
Commission for the payment of annual income to investors	keine	keine

1) Excluding granted discounts

<b>Total amount of the contractual payment obligations after the balance sheet date for purchases of properties and for construction contracts and investments in properties</b>	<b>31.03.2024</b>
Purchases of properties	0
Construction contracts and investments in properties	4 707 000

<b>Non-current liabilities, broken down into those falling due within one to five years and after five years</b>	<b>31.03.2024</b>
1 to 5 years	50 000 000
> 5 years	0

<b>Investments</b>	<b>31.03.2024</b>
Investments that are listed on an exchange or another regulated market open to the public: valued at the prices paid on the primary market; in accordance with Art. 84 para. 2 lit. a CISO-FINMA.	0
Investments for which no prices are available pursuant to lit. a above: valued on the basis of parameters that are observable on the market; in accordance with Art. 84 para. 2 lit. b CISO-FINMA.	0
Investments not valued on the basis of parameters that are observable on the market: valued using suitable valuation models and taking account of the current market circumstances; in accordance with Art. 84 para. 2 lit.	432 959 000
<b>Total investments</b>	<b>432 959 000</b>

# Mortgages and other liabilities secured by mortgages

## Current mortgages and fixed advances (as at 31.03.2024)

Type of loan	Term		Amount in CHF	Interest rate
	from	to		
Fixed advance	15.03.2024	15.04.2024	20 600 000	2.03%
Fixed advance	29.02.2024	29.04.2024	28 700 000	2.03%
Fixed advance	29.02.2024	30.04.2024	20 000 000	2.19%
Fixed advance	28.03.2024	30.04.2024	500 000	1.83%
Fixed advance	29.03.2024	30.04.2024	19 700 000	1.92%
Fixed advance	31.03.2024	30.04.2024	250 000	2.03%
Fixed advance	30.11.2023	31.05.2024	23 385 000	2.11%
Fixed advance	08.12.2023	31.05.2024	10 000 000	2.14%
Fixed advance	29.02.2024	31.05.2024	14 500 000	2.18%
Fixed advance	30.11.2023	28.11.2025	35 000 000	1.92%
Fixed advance	30.11.2023	30.11.2026	15 000 000	1.88%
<b>Total</b>			<b>187 635 000</b>	<b>2.03%</b>

## Expired mortgages and fixed advances (01.10.2023–31.03.2024)

Type of loan	Term		Amount in CHF	Interest rate
	from	to		
Fixed advance	17.07.2023	17.10.2023	8 000 000	2.06%
Fixed advance	31.08.2023	31.10.2023	30 000 000	2.18%
Fixed advance	29.09.2023	31.10.2023	5 700 000	2.14%
Fixed advance	17.10.2023	17.11.2023	4 800 000	2.06%
Fixed advance	31.08.2023	30.11.2023	43 385 000	2.17%
Fixed advance	31.08.2023	30.11.2023	39 100 000	2.19%
Fixed advance	29.09.2023	30.11.2023	32 500 000	2.04%
Fixed advance	29.09.2023	08.12.2023	24 300 000	2.04%
Fixed advance	17.11.2023	22.12.2023	4 500 000	2.04%
Fixed advance	08.12.2023	15.01.2023	24 300 000	2.06%
Fixed advance	31.10.2023	30.01.2024	3 200 000	2.07%
Fixed advance	30.11.2023	30.01.2024	17 800 000	2.06%
Fixed advance	22.12.2023	30.01.2024	4 500 000	2.17%
Fixed advance	31.10.2023	31.01.2024	32 500 000	2.13%
Fixed advance	30.11.2023	31.01.2024	4 300 000	2.27%
Fixed advance	22.12.2023	31.01.2024	750 000	2.23%
Fixed advance	15.01.2024	15.02.2024	21 800 000	2.06%
Fixed advance	30.11.2023	29.02.2024	20 000 000	2.13%
Fixed advance	31.01.2024	29.02.2024	25 500 000	2.07%
Fixed advance	31.01.2024	29.02.2024	2 500 000	2.07%
Fixed advance	31.01.2024	29.02.2024	35 050 000	2.26%
Fixed advance	15.02.2024	15.03.2024	21 100 000	2.07%
Fixed advance	29.02.2024	29.03.2024	20 000 000	2.11%

# Purchases and sales of properties

List of properties bought and sold (as at 31.03.2024)

## Purchases

City, address	Type of building	Fair value
none		

## Sales

City, address	Type of building	Fair value
none		

# Tenants accounting for more than 5% of rental income

Tenant	Property location	Share of rental income in %
VF International Sagl	Stabio	16.5%
Coop Genossenschaft	Grancia, Lucerne, Oberbüren	12.3%
C&A Mode AG	Grancia, Solothurn	5.5%

# Transactions with related parties

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

## Information on matters of particular economic or legal significance

### Amendments to the fund contract

The following change to the fund contract was made in the reporting period and published on the electronic platform [www.swissfunddata.ch](http://www.swissfunddata.ch), the official publication of the real estate fund.

Published on 17 November 2023:

- Amendment of the fund agreement primarily concerning the implementation of the fund's sustainability goals and sustainability policy.

### Material questions concerning the interpretation of laws and the fund contract

Deviation from the investment policy guidelines as at 31 March 2024:

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

### Information on changes of fund management company or custodian bank

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

### Changes to the executive management of the fund management company

Bernhard Rychen to replace Philippe Brändle as CFO and a member of the Management Board of Swiss Prime Site Solutions on 1 April 2024.

### Information on legal disputes

There are no material pending legal disputes.



# Valuation report



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

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

31 March 2024

## **Market value of the properties as of 31 March 2024**

### **Background and Mandate**

On behalf of Swiss Prime Site Solutions AG, all investment properties of the Swiss Prime Site Solutions Investment Fund (SPSS IF) Commercial (hereinafter «SPSS IF Commercial») have been valued by the Real Estate Advisory Team of PricewaterhouseCoopers AG for financial reporting purposes as of 31 March 2024.

### **Valuation Standards and Principles**

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

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

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

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

### **Assessment Methodology**

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

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



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

### Valuation Result

As of the valuation date, a total of 18 properties are in the SPSS IF Commercial portfolio. No properties were acquired during the reporting period from 01 October 2023 to 31 March 2024. No properties were sold during the same period. No properties were revisited as part of the current valuation.

For the properties valued by PwC, the average real discount rate weighted by market values is 3.49% as of 31 March 2024. The average capitalisation rate weighted by market values is also 3.49% as of 31 March 2024.

Based on the above, the market value of the SPSS IF Commercial portfolio as of 31 March 2024 is valued at CHF 432'959'000 by the Real Estate Advisory Team of PricewaterhouseCoopers AG.

Portfolio	Number of properties	Market value (CHF)	Weighted discount rate (real)	Weighted capitalisation rate (real)
SPSS IF Commercial	18	432'959'000	3.49%	3.49%

### Independence

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

PricewaterhouseCoopers AG  
Real Estate Advisory

Dr. Marc Schmidli, CFA  
Partner

Sebastian Zollinger MRICS  
Director

## About Swiss Prime Site Solutions

Swiss Prime Site Solutions develops tailored services and investment products for clients in the real estate sector. We have CHF 8.4 billion in assets under management and a development pipeline of CHF 1.1 billion. As an asset manager, our objective is to earn solid and attractive returns at low risk, whatever the investment environment. Swiss Prime Site Solutions is a group company of Swiss Prime Site and has been approved as a fund manager by FINMA.

## Contact

Swiss Prime Site Solutions AG  
Alpenstrasse 15  
CH-6300 Zug  
Phone +41 58 317 17 17  
info@sps.swiss

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Swiss Prime Site  
Solutions REAL ESTATE  
ASSET MANAGERS

**Swiss Prime Site Solutions AG**

Alpenstrasse 15  
CH-6300 Zug  
Tel. +41 58 317 17 17  
[info@sps.swiss](mailto:info@sps.swiss)