HSCFund

2023 Half-Year Report

Helvetica Swiss Commercial Fund

Real Estate Fund under Swiss Law

FINMA approved

Helvetica

Passion for Real.

Contents

Helvetica Swiss Commercial Fund (HSC Fund)

Real Estate Fund unser Swiss Law

Audited Annual Report as of June 30, 2023

Valor Number: 33550793

Helvetica.com

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

Route du Jura, Fribourg

Key Figures

Key data		Notes	as of 30.06.2023	as of 31.12.2022
Securities number			33550793	33550793
ISIN			CH0335507932	CH0335507932
Initiation date			09.12.2016	09.12.2016
Issued units	Number		-	-
Outstanding units	Number		4 342 851	4 342 851
Redeemed units	Number		-	-
Net asset value per unit[1)]	CHF		113.18	117.19
Discount rate (real / nominal)	%		3.47 / 4.76	3.45 / 4.49

Balance Sheet			as of 30.06.2023	as of 31.12.2022
Market value of the properties	CHF	1	750 031 000	756 152 000
Gross Asset Value (GAV)	CHF		767 918 089	774 565 608
Debt ratio[2)]	%		35.99	34.29
Residual term debt financing[2)]	Years	8	0.44	0.48
Interest rate debt financing[2)]	%	8	2.04	1.29
Net Asset Value (NAV)[1)]	CHF		491 512 914	508 955 525

Income statement			as of 30.06.2023	as of 30.06.2022
Rental Income and Income from ground rent	CHF		21 391 533	21 253 472
Net income	CHF		13 806 904	15 092 537
Weighted average unexpired lease term (WAULT)[2)]	Years		3.64	3.77
Maintenance and repairs	CHF		844 681	679 101
Target rental income p.a.[4)]	CHF		46 036 360	45 489 848
Gross target return	%		6.04	6.04
Gross actual return	%		5.84	5.66

Key financial figures AMAS[2)]			as of 30.06.2023	as of 30.06.2022
Return on investment	%		1.19	3.27
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)	%		1.14	3.12
Return on invested capital (ROIC)	%		0.97	2.07
Premium/discount	%		-21.36	-8.19
unit price per fund unit	CHF		89.00	105.00
Operating profit margin (EBIT margin)	%		73.09	73.13
Debt financing ratio	%		30.71	30.51
Rent default rate[3)]	%	1	6.21	6.45
Total expense ratio $TER_{REF}GAV$	%		0.94	0.95
Total expense ratio $TER_{REF}MV$	%		1.79	1.54
Performance	%		-3.96	-4.44

1) Values as of 31.12.2021: net asset value per unit CHF 116.04 / net fund assets (NAV) CHF 503 944 221.
2) The key figures were calculated in accordance with the AMAS "Specialist information factsheet on the key figures of real estate funds" dated 13.09.2016 (as of 31.05.2022).
3) The rent default rate is 6.21 % as of the reporting date. If the rent reductions were taken into account, the rent default rate would be 7.50 %.
4) As of the reporting date, 94.9 % of rental income is indexed and therefore tied to inflation.

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 first half of the year marked another successful period for the Helvetica Swiss Commercial Fund in the midst of a challenging market environment. The occupancy rate rose to 95.2 percent and is now at its highest level in four years, with the portfolio's market value declining slightly by 0.8 percent year over year. No properties were acquired. The number of attractive properties remained unchanged at 35.

Summary Report

The Helvetica Swiss Commercial Fund demonstrated constancy despite uncertainties on the market. Policy rate hikes and a slump in transaction activities caused a market-induced decline of 0.8 percent in the market values of the existing property portfolio, from around 756.2 million Swiss francs to around 750.0 million Swiss francs. No new assets were acquired during the period under review. The Fund has a solid existing property portfolio consisting of 35 attractive properties with commercial uses. Annual rental income grew by 0.5 million Swiss francs, from 43.3 million Swiss francs to 43.8 million Swiss francs, due to CPI (consumer price index) adjustments made during the period under review and an increase in the occupancy rate from 95.1 percent to 95.2 percent. This rate is at its highest level of the past four years. The high occupancy rate bears testimony to Asset Management's diligent efforts to cultivate excellent relationships with tenants as well as its ongoing commitment to outstanding real estate management. It also highlights the Helvetica Swiss Commercial Fund's robust performance in a challenging market environment.

Market Report

The first half of 2023 was still shaped by the challenging developments and changes taking place on the Swiss real estate market. Especially ongoing inflation, accompanied by rising policy rates and palpable reluctance on the institutional capital market, had a major impact on activities on the Swiss real estate transaction market.

The investment strategies and behavior of various market players were influenced by steadily rising policy rates, while caution on the institutional capital market put a damper on transaction activities in general. Accordingly, the Fund Management Company recorded a significant decline in the volume of real estate examined compared to the same period of the previous year. Yields on acquisitions have also cooled down slightly, which can be attributed to current market reticence.

In the commercial sector, gross yields of 5.5 – 7.0 percent were observed on properties that fit the search criteria, meaning that they have risen slightly compared to the second half of 2022. Location and leasability, tenant creditworthiness, lease terms and now the indexation rate are key factors when setting prices in the commercial sector.

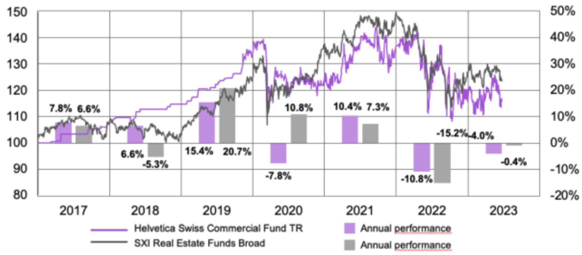
With respect to how interest rates are expected to develop going forward, the Fund Management Company shares the prevailing view that 2023 will bring at most one more interest rate hike, after which the interest rate curve will flatten. As a result, the transaction market is expected to stabilize in 2024 and feature an increased level 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 unit price of the fund units declined by 9.2 percent (gross), from 98.00 Swiss francs to 89.00 Swiss francs, during the first half of the year. Taking the distribution of 5.35 Swiss francs paid out in the first half of the year for the 2022 business year into account, this is equivalent to a net performance of minus 4.0 percent. By comparison, the SXI Real Estate Funds Broad benchmark declined by 0.4 percent. As the chart below shows, the HSC Fund performed less than the SXI Real Estate

Funds Broad benchmark. The discount to net asset value is 21.4 percent.



Distribution and Asset Value Performance

Taking the distribution of 5.35 Swiss francs per unit and total profit in the first half of the year into consideration, net asset value decreased by 4.01 Swiss francs, from 117.19 Swiss francs to 113.18 Swiss francs per Fund unit. A return on investment of 1.2 percent was generated in the first half year.

Real Estate Portfolio

The market value of the existing property portfolio declined by 0.8 percent in the first half of the year, equivalent to around 6.1 million Swiss francs. This was attributable to a market-induced 2-basis-point-increase in discount rates, from 3.45 percent in real terms to 3.47 percent. By contrast, successful leasing activities and capitalized investments in the amount of 0.6 million Swiss francs had a slightly positive impact. That puts the portfolio's market value at the mid-point of the business year at around 750 million Swiss francs. No properties were acquired.

At over 87 percent, the geographical breakdown of the properties continues to focus on German-speaking Switzerland; two-thirds of the portfolio are in Zurich or Eastern and Central Switzerland. This means the Fund is well positioned and has already been able to exploit rising demand for rental space in these economically strong regions, which is reflected in the high occupancy rate.

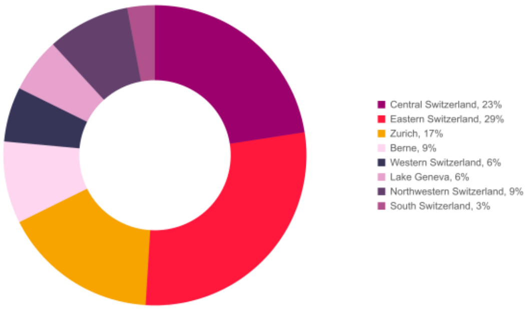
Target rental income according to main use is comprised of 33 percent office, 23 percent commercial, 23 percent retail and 21 percent other uses. The rental space offered by the Fund is broadly diversified for future users.

Actual rental income for the year rose by around 0.5 million Swiss francs year over year, from 43.3 million Swiss francs to 43.8 million Swiss francs. The gross actual return rose slightly year over year, from 5.7 percent to 5.8 percent. This increase was driven in large part by changes made during the period under review to adjust rents to the country's consumer price index as well as the slightly lower market value of properties in the existing property portfolio. This had a positive impact on gross return.

According to Wüest Partner, the portfolio's quality profile remained unchanged with an attractive overall score of 3.6. Both leasability and property ratings remain high.

The portfolio's occupancy rate rose slightly by 0.1 percentage points, from 95.1 percent at the end of the previous year to 95.2 percent and is now at a four-year high. At the property in St. Gallen in the Canton of St. Gallen, some 790 square meters were leased to a food retailer for a 12-year period starting in September at 30 percent above market terms. This raised the occupancy rate from 65.4 percent to 83 percent and can be classified as a truly successful achievement. At the property in Münchwilen in the Canton of Thurgau, a vacant commercial space around 310 square meters in size was leased from May onward at market terms. That raised the occupancy rate from 75 percent to over 80 percent, putting it at its highest level of the past five years. The lease was just recently signed. An approximately 1,200 square meter retail space at the Rothenburg property in the Canton of Lucerne was leased seamlessly to a new tenant, a prominent furniture retailer, for a 5-year period starting October. The rental space was leased at an extremely attractive 20 percent above current market terms.

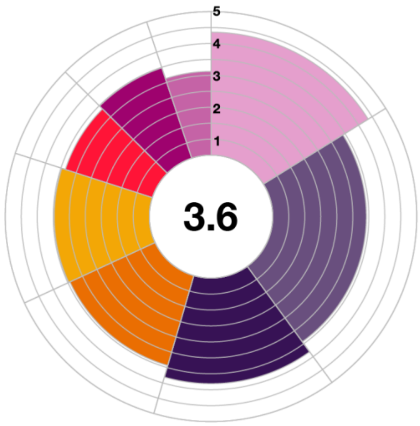
Geographical Distribution



Rental Income According to Main Use

The weighted average unexpired lease term during the period under review declined just slightly from 3.7 years to 3.6 years, driven by upcoming lease expirations. On the other hand, however, the single tenant at the property in Ittingen in the Canton of Bern signed an early extension for another five years (until 2029) at standard market terms for around 6,600 square meters of office and storage space as well as 122 parking spaces. At the Münchwilen property in the Canton of Thurgau, the anchor tenant from the fitness sector agreed to an early lease extension (another 5 years until 2029) at standard market terms for around 1,900 square meters space. Thanks to active relationship management, one of the anchor tenants at the property in Gwatt in the Canton of Bern signed an early lease extension until mid-2029, thereby ensuring that the around 5,400 square meter space would be leased at market terms in the long term.

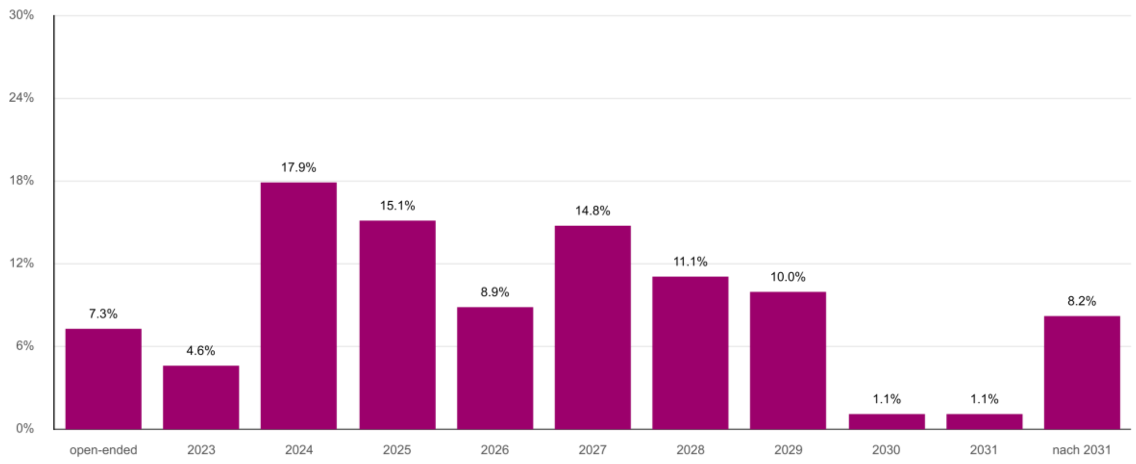
Quality Profile



	Grade	Weighting
Overall rating	3.6	
Location	3.8	40
Macro-location	4.4	40
Micro-location	3.4	60
Property	3.6	40
Usability	3.8	36
Standard	3.4	34
Condition	3.5	30
Investment	3.3	20
Lettability	3.4	37
Saleability	3.5	37
Income risk	3.1	25

Note: 1 = lowest score, 5 = best score

Breakdown of the Weighted Average Unexpired Lease Terms



Highlights of the Portfolio

Chiasso, Via Livio 1/Via Motta 24

Seamless change in tenants with around 160 square meters of office space newly leased to a tenant from the data processing sector for five years. The property is fully leased.

Fribourg, Route du Jura 37

Around 125 square meters of additional office space was leased to an existing tenant from the construction services sector for a five-year period (until March 2028). This raised the occupancy rate from 85.8 percent to 86.4 percent.

St. Gallen, Rorschacherstrasse 292/294

In April, some 790 square meters were leased to a food retailer until mid-2036. This underscores the property's attractiveness and makes it even more interesting for other potential tenants. The occupancy rate will increase significantly from 65 percent to 83 percent as a result of this leasing success.

Münchwilen, Murgtalstrasse 20

A new five-year lease (until May 2028) for some 310 square meters of commercial space was concluded at market terms with a tenant from the precision engineering sector. This raised the occupancy rate to more than 80 percent.

Similarly, an anchor tenant from the fitness sector signed an early lease extension for another five years, thereby ensuring that the around 1,900 square meter space would be leased at market terms until 2029.

Zurich, Max-Höggerstrasse 6

An approximately 340 square meter office space was leased seamlessly to a craftsman's company for another five years (until mid-2028) at market terms.

Rorschach, Industriestrasse 21/23

An anchor tenant from the logistics sector extended its lease for a 915 square meter space by another five years. The property's occupancy rate is 95.6 percent.

Schindellegi, Chaltenbodenstrasse 6a - f

Around 560 square meters of commercial space was leased to a craftsman's company for five years at standard market terms. This raised the occupancy rate from 76.9 percent to 78.4 percent.

Steinhausen, Turmstrasse 28/30

A lease relating to around 240 square meters of office space was extended for another five years by a tenant from the aviation industry.

Ittigen, Schermenwaldstrasse 13

The early five-year extension (until 2029) at standard market terms disclosed in the annual report was signed. This marked the closing for around 6,600 square meters of office and storage space as well as 122 parking spaces. The property is fully leased.

Winterthur, Stegackerstrasse 6

Around 250 square meters of office space was leased seamlessly to a new tenant from the service sector until 2028. The property is fully leased.

Thun, Schorenstrasse 39

Thanks to active relationship management, one of the anchor tenants signed an early lease extension until mid-2029, thereby ensuring that the approximately 5,400 square meter space would be leased at market terms in the long term.

Outlook

The HSC Fund benefited from the increase in rents for leased commercial spaces. Rent adjustments of 700,000 Swiss francs were made to account for inflation during the period under review. With positive economic development continuing in Switzerland and in light of the Fund's very high indexation rate of over 94 percent, rental income can be expected to grow further, which will have a positive impact on the Fund's earnings. Another approximately 800,000 Swiss francs in CPI (consumer price index) adjustments will be made as of January of the upcoming business year. Despite the Fund's high indexation rate of over 94 percent, leases relating to around 5 million Swiss francs in rent are still tied to the mortgage reference interest rate. The June increase in the reference interest rate to 1.5 percent combined with the further increase to 1.75 percent expected in December will result in an additional potential rent increase of around 300,000 Swiss francs per year. Due to the six-month notice period, however, these will only have an impact on income in the next business year.

Assessments related to the revitalization and realignment of the shopping center in Arbon in the Canton of Thurgau are making headway. In the recent referendum, the revision of the local plan to enable more dense development was approved by a large majority, meaning that the property will hold enormous development potential in the future. The existing anchor tenant from the food retailing industry, which operates a variety of retail formats that occupy a total space of around 6,400 square meters, has recognized that potential and would like to commit to the center for another ten years. Negotiations to establish a joint vision of how this will look are expected to be concluded by the end of the business year.

Energy-saving renovations are currently being evaluated at the property in Dietikon in the Canton of Zurich. In that context, negotiations with the industrial anchor tenant are proceeding according to schedule regarding a lease extension of another five to ten years for the approximately 2,300 square meter office space. Negotiations are expected to be concluded by the end of the business year.

Lease extension negotiations with the anchor tenant, an electronics retailer, at the property in Lyssach in the Canton of Bern are nearing their conclusion. The lease for some 1,500 square meters of retail space will be extended by another five years.

At the property in Baden-Dättwil in the Canton of Aargau, contract negotiations are nearly complete regarding a new 10-year lease for 690 square meters of office space that had been standing vacant for many years. This would increase the property's occupancy rate from 62 percent to 72 percent.

Despite various steps taken to make long-term improvements to the amount of income generated by the properties and their value, their market values can be expected to decline further due to the market environment.

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 respect to the changed conditions. It was decided that a Cantonal Energy Certificate for Buildings (CECB) would be obtained for all properties to determine their energy consumption, establish transparency and identify potential for greater energy efficiency.

In a challenging market environment marked by rising interest rates, the 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. Most banks' current market forecasts share a stable outlook for short-term interest rates with the potential for a downward trend in the year ahead.

To reduce the debt financing ratio, the Fund Management Company plans to sell around 30 to 40 million Swiss francs in assets. By year-end, it aims to bring the debt financing ratio down to around 28 percent in the first phase and then reduce it to 25 percent through additional sales in the next phase.

In light of prevailing conditions on the market, we have decided against carrying out another capital increase. As part of our ongoing efforts to optimize the portfolio and subject to FINMA approval, we are considering merging the HSC Fund with the HSO Fund. This merger would give rise to a larger, more strongly diversified commercial real estate fund with a portfolio valued at more than 1 billion Swiss francs. We are currently performing a feasibility study to examine the advantages of this strategy. The merger could solidify our position and lay the foundation for future growth potential.

It should be noted that this initiative will continue to be the subject of ongoing deliberation and analysis. We will provide information regarding any important developments in due course.

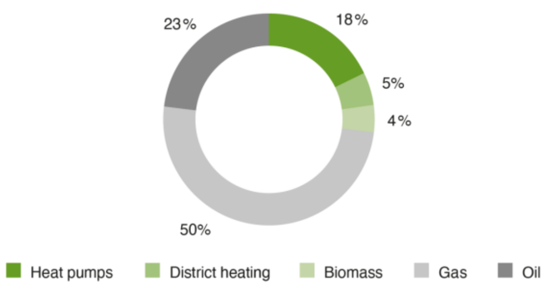
Given the challenging market environment, the priority is on raising the occupancy rate through new leases and lease extensions, boosting rental income through inflation-based adjustments and systematically making use of the potential inherent in the properties in order to continue to generate an attractive return and distribution for our investors. We expect the distribution for the 2023 business year to be on a par with that of the previous years.

Sustainability

As a real estate owner, the fund management recognizes the joint responsibility for a sustainable future. Sustainability is a central component of the corporate culture and influences Helvetica's thoughts and actions. The pragmatic approach that has been developed includes a thoughtful and realistic approach to all sustainability issues.

With the publication of our first Sustainability Report in 2022, we made our commitment to sustainability public. This April, we published our second sustainability report, which presents a revised sustainability strategy and provides an additional level of transparency at both portfolio and company level.
In view of the considerable CO_2 emissions caused by the construction and operation of real estate, the fund management has identified the greatest reduction potential in the energy improvement of the existing portfolio. In order to realize this reduction potential, we have revised our internal decision-making processes to give even greater weight to sustainability aspects. With the help of the detailed recording of floor space information and the systematic collection of energy consumption data, we have already been able to disclose the environmentally relevant key figures in accordance with the AMAS guideline in our sustainability report (as of December 31, 2021).

- Coverage rate heat 62 %
- Coverage of general electricity 48 %
- Energy intensity Scope 1+2 [kWh/ m^2] 98.7
- CO_2- intensity Scope 1+2 [kgCO_2/ m^2] 10.5
- Heat carrier mixleer



In addition, the fund management will participate in the REIDA CO_2 benchmark. We are convinced that this benchmark represents a great opportunity for the standardization and comparability of CO_2 emissions at property and portfolio level. This commitment represents a further step towards creating transparency in our sustainability work. As a further measure, the building energy certificate of the cantons (GEAK) will be used as a certification system in the future to create even more transparency at the property level. From now on, this information can be used to put energy-related renovations and operational optimizations into a higher context, to compare them with each other and to prioritize measures.

Based on the energy data obtained, a CO_2 reduction path was developed. The big challenge now is the ongoing implementation of our sustainability goals in the existing maintenance and investment planning. The fund management is aware that the key to achieving the targets is energy-efficient renovation. In this context, upcoming or already implemented energy improvements can be mentioned:

- Schindellegi, replacement of oil heating with district heating
- Goldach, Blumenfeldstrasse: replacement of oil heating by pellet heating
- Cham, Brunnmatt: Expansion of e-mobility to increase attractiveness
- Gwatt (Thun), Schorenstrasse 39: Installation of PV system (480 kWp)

The above-mentioned projects underline the efforts of the fund management to continuously reduce greenhouse gas emissions in the existing portfolio.

Turmstrasse, Steinhausen

Comment on the Financial Report

At 21.4 million Swiss francs, rental income and income from ground rent remained stable compared to the first half of 2022. The portfolio's market value is 750.0 million Swiss francs, down 0.81 percent compared to the previous year. The debt financing ratio at the half-year point is 30.71 percent.

The portfolio's value fell by 6.1 million Swiss francs to 750.0 million Swiss francs in the first half of 2023; total fund assets declined by 6.6 million Swiss francs to 768.0 million Swiss francs due to the market value adjustment and the distribution. The return on equity fell from 3.12 percent in the first half of 2022 to 1.14 percent. The lower return on equity is mainly attributable to valuation losses on the properties. Net asset value per Fund unit stands at 113.18 Swiss francs. The return on investment is 1.19 percent, down 2.08 percentage points compared to the prior-year period. TER_{REF}GAV declined by 0.01 percentage points, from 0.95 percent in the first half of 2022 to 0.94 percent.

Balance Sheet

The portfolio's market value decreased by 6.1 million Swiss francs to stand at 750.0 million Swiss francs on June 30, 2023, compared to 756.2 million Swiss francs at the end of 2022. Decreases in the value of the portfolio are mainly comprised of market value adjustments less capitalized investments. Gross asset value amountted to 768.0 million Swiss francs as of the reporting date. Cash and cash equivalents fell by 1.3 million Swiss francs to 1.2 million Swiss francs. Cash and cash equivalents were used for the distribution and for investments made. Other assets increased by nearly 1.0 million Swiss francs, from 12.6 million Swiss francs to 13.6 million Swiss francs. After deducting liabilities of 251.5 million Swiss francs and liquidation taxes of 24.9 million Swiss francs, this results in net fund assets of 491.5 million Swiss francs – 17.4 million Swiss francs less than in the previous year.

The debt financing ratio rose slightly to 30.71 percent, which is below the regulatory threshold. The debt financing ratio at the end of the same period of the previous year had been 30.51 percent.

45,000 units were redeemed at the end of the previous year. These units will be repaid in March 2024 at the latest.

Income Statement

Rental income recognized in the first half of 2023 came to a total of 21.3 million Swiss francs, slightly higher than in the previous year. This is equivalent to an increase of 0.1 million Swiss francs or 0.7 percent and is largely attributable to the elimination of vacancies and rent adjustments made. Other income was increased from 0.2 million Swiss francs to 0.3 million Swiss francs, which caused total income to increase to 21.7 million Swiss francs compared to 21.4 million Swiss francs in the first half of 2022.

Expenses came to 7.9 million Swiss francs, an increase of 1.5 million Swiss francs compared to 6.3 million Swiss francs in the first half of 2022. This is mainly attributable to higher financing costs for interest-bearing liabilities. Financing costs bore an average interest rate of 1.56 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.

No realized capital gains were made in the first half of 2023 compared to 0.1 million Swiss francs in the prior-year period. Unrealized capital losses include 6.8 million Swiss francs in market value adjustments as write-downs on the portfolio, whereas write-ups of 2.9 million Swiss francs were recognized for the portfolio 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		1 184 060	2 485 668
Land/buildings			
Commercial property	1	750 031 000	756 152 000
Total for land/buildings		**750 031 000**	**756 152 000**
units in other real estate funds and real estate investment companies	1	3 150 451	3 348 009
Other assets		13 552 578	12 579 931
Gross asset value		**767 918 089**	**774 565 608**
Liabilities			
Current liabilities			
Short-term interest-bearing mortgages and other liabilities secured by mortgage	8	-202 857 500	-189 800 000
Other current liabilities		-20 436 163	-18 268 198
Total current liabilities		**-223 293 663**	**-208 068 198**
Non-current liabilities			
Long-term mortgages subject to interest and other liabilities secured by mortgage	7, 8	-27 500 000	-27 500 000
Other non-current liabilities		-750 000	-6 325 000
Total non-current liabilities		**-28 250 000**	**-33 825 000**
Total liabilities		**-251 543 663**	**-241 893 198**
Net asset value before estimated liquidation taxes		516 374 426	532 672 409
Estimated liquidation taxes		-24 861 512	-23 716 884
Net asset value		**491 512 914**	**508 955 525**
Further information			
Number of outstanding units			
Number of units at the start of the reporting period		4 342 851	4 342 851
Issued units		-	-
Redeemed units		-	-
Number of units at the end of the reporting period		**4 342 851**	**4 342 851**
Net asset value per unit at the end of the reporting period		**113.18**	**117.19**
Change in net asset value			
Net asset value at the start of the reporting period		508 955 525	503 944 221
Distribution of earnings subject to withholding tax	12	-3 734 852	-4 212 565
Fund capital repayment exempt from withholding tax	12	-19 499 401	-18 804 545
Total profit		5 791 642	28 028 415
Net asset value at the end of the reporting period		**491 512 914**	**508 955 525**

Income Statement

in CHF

Income	Notes	01.01.-30.06.2023	01.01.-30.06.2022
Negative interest rate		-	-672
Rental income		21 334 839	21 196 778
Income from ground rent		56 694	56 694
Other income		272 747	168 893
Total income		**21 664 280**	**21 421 693**
Expenses			
Mortgage interest and interest from liabilities secured by mortgage		-1 723 515	-351 929
other interest paid		-193	-
Ground rent		-119 043	-120 333
Maintenance and repairs		-844 681	-679 101
Property management			
Property expenses		-921 326	-850 059
Administrative expenses		-214 601	-358 317
Taxes			
Property tax		-235 452	-231 485
Profit and capital tax		-104 340	-99 209
Evaluation and auditing expenses		-93 958	-115 015
Regulatory fees to			
the Fund management company	11	-2 697 193	-2 705 418
the custodian bank	11	-124 390	-123 680
property management	11	-587 118	-557 106
the market maker	11	-25 000	-25 000
Other expenses			
Other expenses		-166 566	-112 506
Total Expenses		**-7 857 376**	**-6 329 156**
Profit			
Net income		**13 806 904**	**15 092 537**
Realized capital gains		-	73 189
Realized profit		**13 806 904**	**15 165 726**
Unrealized capital losses / gains		-6 870 634	2 887 774
Change in liquidation taxes		-1 144 628	-2 329 805
Total profit		**5 791 642**	**15 723 694**

Notes

1. Inventory

Inventory of Properties

City, address	Ownership structure[1)]	Total rental space	Land plot	Building year	Date last extensive Renovation	Commencement of possession
		in m^2	in m^2			
Commercially used properties						
Altendorf, Zürcherstrasse 104	so	8 139	2 435	1991		01.07.2018
Arbon, Industriestrasse 23	so	22 450	34 912	1970, 1989, 1992, 2000		01.07.2020
Arbon, St. Gallerstrasse 15	so	9 908	7 460	1993		01.11.2018
Arlesheim, Fabrikmattenweg 2/4	sogr	4 834	3 716	1990	2012	01.07.2018
Baar, Oberdorfstrasse 2/6/8a-d	co	4 050	11 492	1983		01.07.2018
Bischofszell, Industriestrasse 6	so	23 743	16 700	1938, 1953, 1956, 1969	2017	01.10.2019
Cham, Brunnmatt 14	so	4 699	3 807	2003		01.11.2017
Chiasso, Via Livio 1 Via Motta 24	co	4 182	1 874	1995		01.07.2018
Dättwil, Täfernstrasse 3/5	so	5 721	4 090	2002		01.10.2017
Dietikon, Riedstrasse 1	so	11 286	7 717	1980, 1998	2006	15.12.2016
Frauenfeld, Zürcherstrasse 331/333	so	4 335	6 992	1967, 2010	2010	01.01.2020
Frauenfeld, Zürcherstrasse 370	so	735	15 180	2017		01.01.2020
Fribourg, Route du Jura 37	so	9 519	3 505	1994		01.10.2020
Glattbrugg, Europa-Strasse 19	so	6 616	3 897	1961	1991	01.06.2018
Goldach, Blumenfeldstrasse 16	so	12 206	13 320	1950, 1983, 1988		01.07.2017
Gwatt (Thun), Schorenstrasse 39	sogr	24 388	18 720	2011		01.10.2019
Ittigen, Schermenwaldstrasse 13	sogr	6 593	4 400	1989	2017	01.09.2019
Lyssach, Bernstrasse 35	so	7 540	7 100	2006	2019	01.09.2019
Montreux, Grand-Rue 3	co	4 170	5 897	2000		01.07.2018
Münchwilen, Murgtalstrasse 20	so	12 788	10 407	1993	2020	15.12.2016
Rorschach, Industriestrasse 21/23	so	8 316	6 287	1928	2010	01.10.2019
Rothenburg, Wahligenstrasse 4	so	5 716	15 158	2013		01.02.2018
Schindellegi, Chaltenbodenstrasse 6a-f	co	12 126	6 667	1960, 2004, 2005	2021	01.03.2018
Sissach, Gelterkinderstrasse 30	so	1 695	2 392	2006		01.07.2018
St. Gallen, Rorschacherstrasse 292/294	so	7 232	3 289	1987, 1992		01.01.2017
Steinhausen, Turmstrasse 28 T2 / 30 T1	so	8 242	2 568	2007		15.12.2016
Triengen, Kantonsstrasse 115, Grossfeld	so	6 880	14 377	1993	2008	01.09.2019
Tuggen, Rüschenzopfstrasse 5	so	12 575	8 753	1995		01.10.2018
Versoix, Route des Fayards 243	so	7 326	12 748	2012		01.05.2020

Initial cost	Market value	Gross rental income	Rent default[2]	Rent default[3]	Rental income actual	Gross return	Occupancy rate
in CHF	in CHF	in CHF	in CHF	in %	in CHF	in %	in %
28 184 986	28 880 000	824 011	-37 427	-4.54	786 584	5.70	95.5
26 268 389	26 680 000	743 816	-7 756	-1.04	736 059	5.58	98.0
40 679 676	35 410 000	1 297 485	-15 766	-1.22	1 281 719	7.11	98.9
13 924 269	12 400 000	518 970	-	-	518 970	8.37	100.0
23 135 312	23 410 000	590 948	-1 560	-0.26	589 388	5.04	99.9
18 628 824	18 410 000	629 094	-207 033	-32.91	422 060	6.81	99.5
14 709 171	15 500 000	447 504	-24 627	-5.50	422 876	5.77	99.5
9 910 780	10 400 000	366 413	-2 221	-0.61	364 192	7.05	100.0
18 656 592	17 550 000	556 719	-220 591	-39.62	336 128	6.37	62.0
36 386 428	36 750 000	1 081 557	-40 829	-3.77	1 040 728	5.89	98.2
13 333 054	13 590 000	391 759	-	-	391 759	5.77	100.0
4 276 630	5 490 000	147 174	-	-	147 174	5.43	100.0
32 641 653	35 170 000	1 079 388	-144 929	-13.43	934 459	6.18	86.7
13 012 403	14 310 000	447 191	495	0.11	447 686	6.29	100.0
13 183 682	12 270 000	510 936	-86 887	-17.01	424 048	8.31	99.3
44 131 174	49 140 000	1 870 561	-61 661	-3.30	1 808 900	7.52	100.0
28 220 004	27 510 000	842 825	-	-	842 825	6.13	100.0
24 192 733	27 560 000	843 356	-11 360	-1.35	831 996	6.19	98.7
26 054 059	27 050 000	661 619	-13 273	-2.01	648 346	5.00	96.7
13 839 842	10 310 000	621 319	-168 203	-27.07	453 115	11.57	80.7
13 269 600	14 380 000	362 808	-18 665	-5.14	344 144	5.06	95.6
19 034 724	16 990 000	637 785	-22 690	-3.56	615 096	7.87	94.9
33 212 627	26 020 000	863 985	-237 957	-27.54	626 028	6.85	73.4
4 578 802	4 345 000	179 302	-	-	179 302	8.26	100.0
16 465 899	15 100 000	418 956	-174 529	-41.66	244 427	5.56	65.7
30 676 489	40 210 000	1 079 363	-49 806	-4.61	1 029 557	5.36	95.8
17 040 842	17 420 000	508 220	-	-	508 220	5.83	100.0
13 965 487	14 170 000	372 024	-	-	372 024	5.32	100.0
28 877 645	31 250 000	715 000	-	-	715 000	4.58	99.8

Notes

City, address	Ownership structure[1)]	Total rental space	Land plot	Building year	Date last extensive Renovation	Commencement of possession
		in m²	in m²			
Villars-sur-Glâne, Route de Villars 103-110[4)]	so	9 555	16 094	2002, 2009	2017	01.05.2019
Wallisellen, Hertistrasse 23	so	3 597	2 376	2002		01.05.2017
Winterthur, Stegackerstrasse 6	so	4 002	3 407	1984	1990	02.05.2019
Winterthur, Stegackerstrasse 6a	so	16 669	20 909	1984	2012	02.05.2019
Zürich, Max-Högger-Strasse 6	so	9 001	3 574	1975	2020	01.05.2017
Zuzwil, Herbergstrasse 11	so	7 161	5 101	1993, 1995		01.10.2017
Total for commercially used properties		**307 994**	**307 321**			
of which, under leasehold		**35 815**	**26 836**			
of which, condominium ownership		**24 529**	**25 930**			
Subtotal		**307 994**	**307 321**			
Secondary rental income						
Grand total for land/buildings		**307 994**	**307 321**			

[1)] so = sole ownership
co = condominium ownership
sogr = sole ownership with ground rent
[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, variances are possible for this metric.
[4)] Less than 10 % of the property area is sub-leasehold (HSC Fund as lessor).

The fund holds 35 properties. The two properties in Winterthur are adjacent properties and are counted as one property based on Art. 87, para. 1 CISO. As a result, the fund owns 34 properties from a regulatory perspective as of 30.06.2023.

Notes

Initial cost	Market value	Gross rental income	Rent default[2)]	Rent default[3)]	Rental income actual	Gross return	Occupancy rate
in CHF	in CHF	in CHF	in CHF	in %	in CHF	in %	in %
31 692 957	31 140 000	930 445	-	-	930 445	5.98	100.0
8 825 893	9 216 000	214 000	-15 512	-7.25	198 487	4.64	100.0
8 984 546	10 100 000	294 049	-7 359	-2.50	286 691	5.85	100.0
17 662 182	20 220 000	414 309	-	-	414 309	4.10	100.0
30 268 076	40 070 000	1 027 484	-3 129	-0.30	1 024 356	5.16	99.8
11 625 484	11 610 000	358 873	-28 513	-7.95	330 360	6.28	93.8
729 550 912	**750 031 000**	**22 849 248**	**-1 601 788**	**-7.01**	**21 247 460**	**6.04**	**95.2**
86 275 446	**89 050 000**	**3 232 356**	**-61 661**	**-1.91**	**3 170 695**		
92 312 778	**86 880 000**	**2 482 966**	**-255 011**	**-10.27**	**2 227 955**		
729 550 912	**750 031 000**	**22 849 248**	**-1 601 788**	**-7.01**	**21 247 460**		
					144 073		
729 550 912	**750 031 000**				**21 391 533**		

Notes

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

Units of other real estate funds and shares in real estate investment companies	Initial cost	Market value
All amounts stated in Swiss francs		
Grand total of units in other real estate funds	3 227 499	3 150 451

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	3 150 451	3 348 009
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	750 031 000	756 152 000
Total investments	**753 181 451**	**759 500 009**

2. Real Estate Purchased and Sold

Purchased

None

Sold

None

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

As of June 30, there are contractual payment obligations for construction contracts and investments in real estate amounting to CHF 1.1 million.

4. Participations in Real Estate Companies

All properties of the fund are held by Helvetica Swiss Commercial AG. As of June 30, the Fund holds 100 percent of the share capital in this company.

5. Rental Income per Tenant over 5 Percent

Tenant	Annual rent in %
AMAG Automobile und Motoren AG	6.3
Total	**6.3**

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	27 500 000	27 500 000
> 5 years	-	-

8. Mortgages and Other Mortgage-backed Liabilities

Current Mortgages and Fixed Advances

Type	Interest rate	in CHF	Date of issue	Maturity
Fixed-rate mortgage	0.42%	27 000 000	13.07.2020	14.07.2025
Fixed-rate mortgage	1.17%	500 000	10.02.2016	10.02.2025
money market mortgage	2.31%	30 000 000	30.06.2023	30.09.2023
money market mortgage	2.39%	22 000 000	30.06.2023	30.09.2023
money market mortgage	2.19%	20 000 000	30.06.2023	30.09.2023
money market mortgage	2.19%	17 500 000	30.06.2023	30.09.2023
money market mortgage	2.39%	12 600 000	30.06.2023	30.09.2023
money market mortgage	2.39%	12 500 000	30.06.2023	30.09.2023
money market mortgage	2.19%	12 000 000	30.06.2023	30.09.2023
money market mortgage	2.19%	10 300 000	30.06.2023	30.09.2023
money market mortgage	2.19%	5 600 000	30.06.2023	30.09.2023
money market mortgage	2.19%	3 800 000	30.06.2023	30.09.2023
money market mortgage	2.19%	3 800 000	30.06.2023	30.09.2023
money market mortgage	2.19%	2 900 000	30.06.2023	30.09.2023
money market mortgage	2.19%	1 000 000	30.06.2023	30.09.2023
Fixed Advance	2.17%	8 000 000	26.06.2023	25.08.2023
Fixed Advance	2.16%	31 800 000	30.06.2023	31.07.2023
money market mortgage	2.21%	6 057 500	30.06.2023	31.07.2023
money market mortgage	2.56%	3 000 000	30.06.2023	31.07.2023
Total		**230 357 500**		

Matured Mortgages and Fixed Advances

Type	Interest rate	in CHF	Date of issue	Maturity
Fixed Advance	1.74%	31 800 000	24.03.2023	30.06.2023
money market mortgage	2.05%	30 000 000	01.04.2023	30.06.2023
money market mortgage	2.07%	22 000 000	01.04.2023	30.06.2023
money market mortgage	1.91%	20 000 000	01.04.2023	30.06.2023
money market mortgage	1.91%	17 500 000	01.04.2023	30.06.2023
money market mortgage	2.14%	12 600 000	27.04.2023	30.06.2023
money market mortgage	2.07%	12 500 000	01.04.2023	30.06.2023
money market mortgage	1.91%	12 000 000	01.04.2023	30.06.2023
money market mortgage	1.91%	10 300 000	01.04.2023	30.06.2023
money market mortgage	2.36%	9 000 000	01.06.2023	30.06.2023
money market mortgage	1.96%	6 150 000	01.06.2023	30.06.2023
money market mortgage	1.91%	3 800 000	01.04.2023	30.06.2023
money market mortgage	1.91%	3 800 000	26.04.2023	30.06.2023
money market mortgage	1.91%	1 000 000	01.04.2023	30.06.2023
Fixed Advance	1.89%	8 000 000	26.04.2023	25.06.2023
money market mortgage	2.28%	9 000 000	01.05.2023	31.05.2023
money market mortgage	1.92%	6 150 000	26.04.2023	31.05.2023
money market mortgage	2.26%	9 000 000	01.04.2023	30.04.2023
money market mortgage	1.70%	12 600 000	01.04.2023	26.04.2023
money market mortgage	1.91%	3 300 000	01.04.2023	25.04.2023
money market mortgage	1.58%	30 000 000	31.12.2022	31.03.2023
money market mortgage	1.60%	22 000 000	31.12.2022	31.03.2023
money market mortgage	1.43%	20 000 000	01.02.2023	31.03.2023
money market mortgage	1.43%	17 500 000	01.02.2023	31.03.2023
money market mortgage	1.27%	12 600 000	31.12.2022	31.03.2023
money market mortgage	1.60%	12 500 000	31.12.2022	31.03.2023
money market mortgage	1.43%	12 000 000	01.02.2023	31.03.2023

Notes

money market mortgage	1.43%	10 300 000	01.02.2023	31.03.2023
money market mortgage	1.89%	9 000 000	01.03.2023	31.03.2023
money market mortgage	1.43%	3 800 000	01.02.2023	31.03.2023
money market mortgage	1.43%	3 300 000	30.12.2022	31.03.2023
money market mortgage	1.43%	1 000 000	01.02.2023	31.03.2023
Fixed Advance	1.41%	31 800 000	23.12.2022	23.03.2023
money market mortgage	1.80%	10 000 000	01.02.2023	28.02.2023
money market mortgage	1.23%	20 000 000	31.12.2022	31.01.2023
money market mortgage	1.23%	17 500 000	31.12.2022	31.01.2023
money market mortgage	1.79%	13 000 000	31.12.2022	31.01.2023
money market mortgage	1.23%	12 000 000	31.12.2022	31.01.2023
money market mortgage	1.23%	10 300 000	31.12.2022	31.01.2023
money market mortgage	1.23%	3 800 000	31.12.2022	31.01.2023
money market mortgage	1.23%	1 000 000	31.12.2022	31.01.2023

9. Fees and Incidental Costs Charged to the Inventors

Remuneration	Maximum rate	Actual rates	Actual rates	Basis
		2023	2022	
Issue commission on units	3.00%	–	–	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 future terminations.

10. Incidental Costs Attributed to the Fund Assets

Remuneration	Maximum rate	Actual rate	Actual rate	Basis
		2023	2022	
Premium to NAV	2.50%	–	–	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 rate	Actual rate	Basis
		2023	2022	
Remuneration to the Fund Management Company				
Management fee	1.00%	0.70%	0.70%	Gross asset value
Purchase/sales compensation	1.50%	–	–	Purchase/sale price
Building and renovation fee	3.00%	3.00%	3.00%	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%	0.02%	0.02%	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%	2.75%	2.71%	Gross rental income

12. Distribution of Profits

For the year ended December 31, 2022, a total amount of CHF 23.2 million was distributed, corresponding to CHF 5.35 per unit and a distribution yield on the price per unit of 5.5 %. The payout ratio was 79.3 %. The distribution consisted of an income distribution of CHF 3.7 million, which is subject to withholding tax, and a fund capital repayment of CHF 19.5 million, which is exempt from withholding tax. The ex-date was April 26, 2023, and the distribution was made 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[1)]	-	45 000

[1)] The redemption of the units terminated as of December 31, 2022 will take place in March 2024 at the latest.

Land/buildings were only depreciated and provisions made for repairs and maintenance (R&M) at the level of Helvetica Swiss Commercial 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)	136 583 122	125 170 796	11 412 326
Balance of depreciation account for land and buildings (Fund level)	-	-	-
Balance of the provision account for future repairs (tax-motivated, subsidiary level)	3 752 217	3 752 217	-
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 valuated 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 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 Commercial Fund
Independent real estate valuer's report
Valuation as at 30 June 2023

Ref.
118583.2300

To the Executive Board of Helvetica Property Investors AG

Commission
Wüest Partner AG (Wüest Partner) was commissioned by the Fund Management to perform a valuation, for accounting purposes, of the 35 properties held by Helvetica Swiss Commercial 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 Commercial Fund's liabilities in respect of taxation (apart from ordinary property taxes) and financing costs.

Valuation method
In valuing Helvetica Swiss Commercial 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.

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Bleicherweg 5
8001 Zurich
Switzerland
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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 lettability 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 35 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 750,031,000 Swiss Francs.

In the property valuation, real discount rates between 2.80% and 4.00% were applied. Considering an inflation rate of 1.25% the nominal discount rates lie between 4.09% and 5.30%. Over the whole portfolio, the average of the discount rates – weighted by market value – is 3.47% in real terms and 4.76% in nominal terms.

Changes during reporting period

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

Independence and confidentiality

The valuation of Helvetica Swiss Commercial 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.

Zurich, 17 July 2023
Wüest Partner AG

Ivan Anton	Silvana Dardikman
dipl. Architekt ETH; MSc Real Estate (CUREM)	MSc in Finance; Immob. Bew. mit eidg. FA
Partner	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 Manage-ment Board	Michael Knoflach, Head Finance Dominik Fischer, Head Investment Management (as from 1.07.2023)
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
Trade	SIX Swiss Exchange, Pfingstweidstrasse 110, Zürich
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, Valutaion Expert, Wüest Partner AG, Zürich
Property Manage-ment	Property management and technical maintenance are mainly delegated to H&B Real Estate AG and Privera AG. The precise duties to be performed are set out in separate agreements.

Information for Investors

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

"*g. 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

Acting as plaintiff and easement beneficiary, the Fund demands that the defendant encumbered by the easement grant it the right to use parking spaces. In another legal dispute, the Fund – as the plaintiff – is claiming damages from the defendant due to fire safety deficiencies that have not been eliminated.

Compliance with Investment Restrictions

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

Information About 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
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