



Swiss Prime Site
Solutions REAL ESTATE
ASSET MANAGERS

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SPSS Investment Fund Commercial (SPSS IFC)

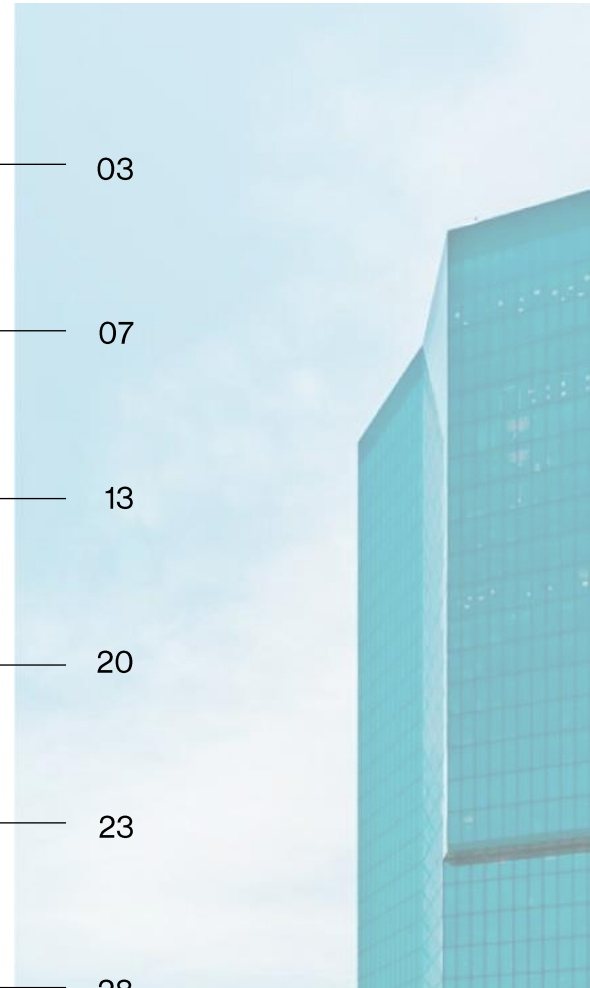
Investor presentation 2025

January 2025



Overview

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Executive summary

Swiss Prime Site Solutions Investment Fund Commercial





Investment profile SPSS IFC

INVESTING SUCCESSFULLY WITH SPSS IFC

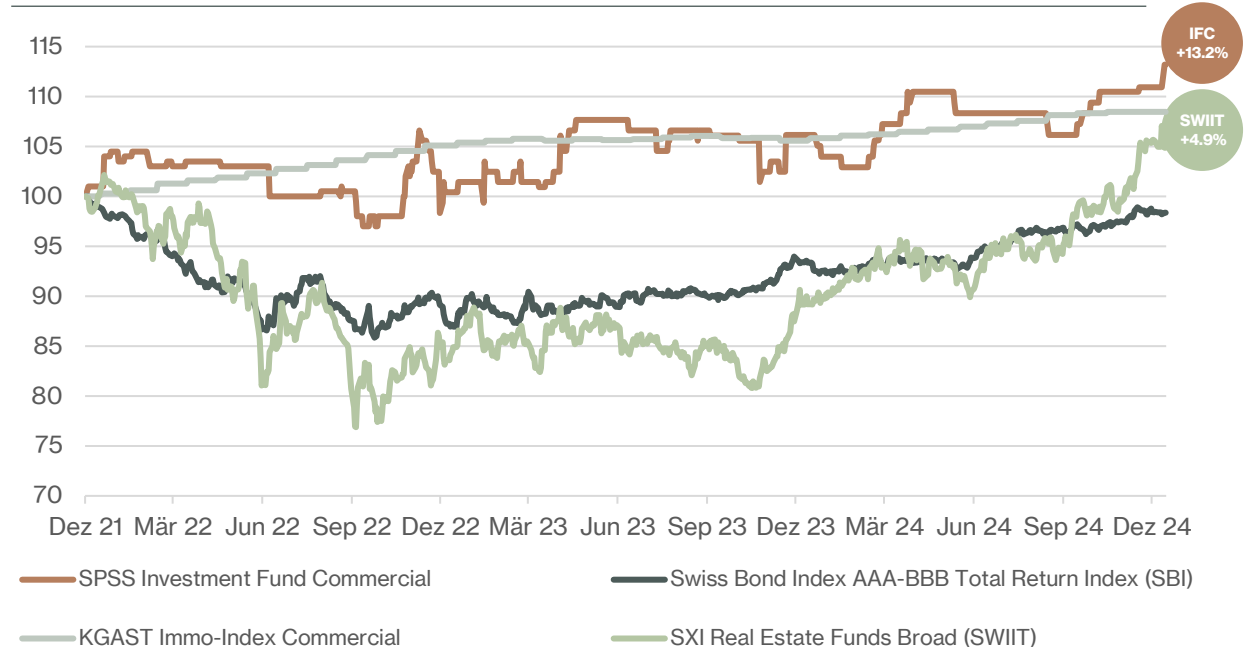
Investment profile: SPSS IFC

(2023/2024)

Investment focus	100% commercial
Investment profile	Core+
Investment strategy	Anticyclical «buy & manage»
Target cash flow yield	~4% p.a.
Diversification	Diversified throughout Switzerland
Tradability	OTC
Financial year	01.10. to 30.09.

Performance (TR) SPSS IFC

(since launch)



• **Outperformed SWIIT and CHF bonds since launch**

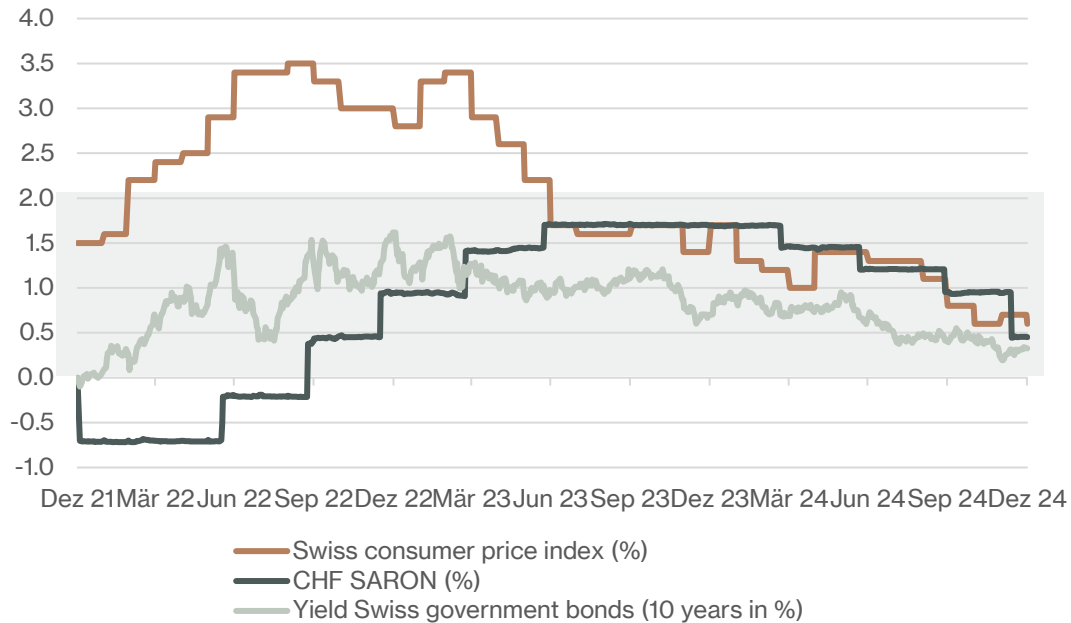


SPSS IFC in the market environment

ATTRACTIVE CASH YIELD COMPARED TO BONDS

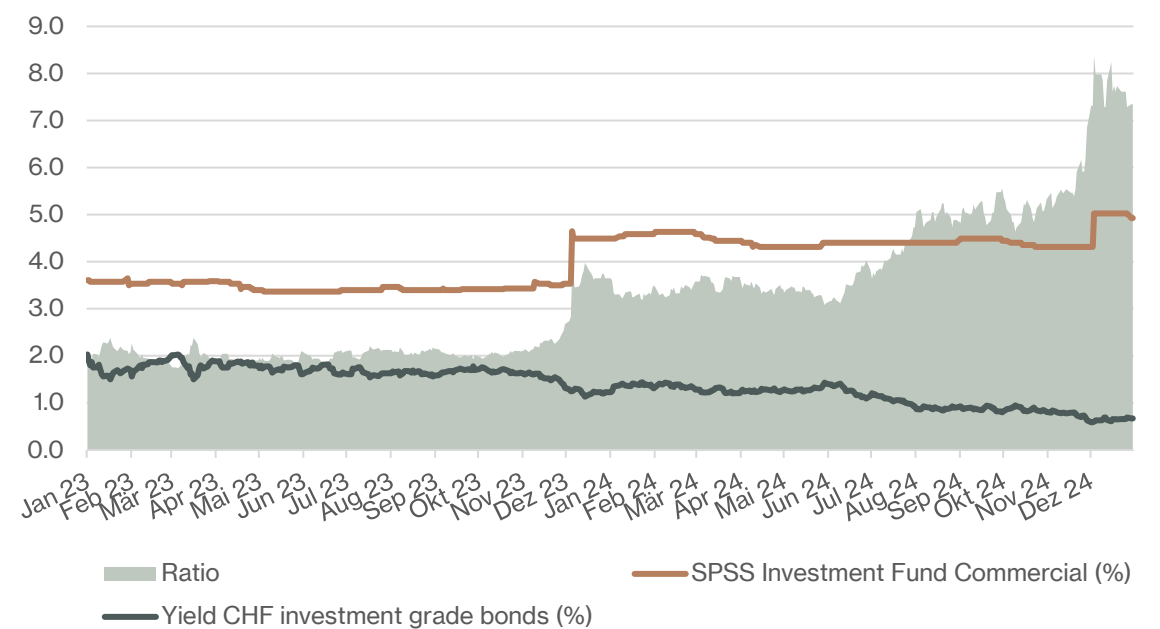
Inflation within SNB's target range

(in %)



Attractive cash yield

(in %)



• **Inflation** remains within the SNB's target range. The market expects further interest rate changes

• **Attractive cash yield** (based on OTC price) compared to yields on CHF bonds



Executive summary

ANNUAL RESULT 01.10.2023 – 30.09.2024

Financial result

(2023/2024)

OTC performance

(total return, since launch)

+13.2%

Return on investment

(2023/2024)

+4.6%

Cash flow

(yield)

+5.7%

Change in value

(yield)

-1.1%

Non-financial result

(2023/2024)

CO₂ e emissions intensity

(CO₂e/m², REIDA figures)

-28%

Energy intensity

(kWh/m² ERBA, REIDA figures)

-14%

GRESB result

(Standing investments, 2024)

81/100

Outlook

(2024/2025)

Target dividend 2024/2025

(CHF per unit)

CHF 4.40

Focal points 2024/2025

(Strategy)

1. Define profile more precisely:
light industrial
2. Secure higher net revenue
3. Growth opportunities



Key financial figures

Swiss Prime Site Solutions Investment Fund Commercial

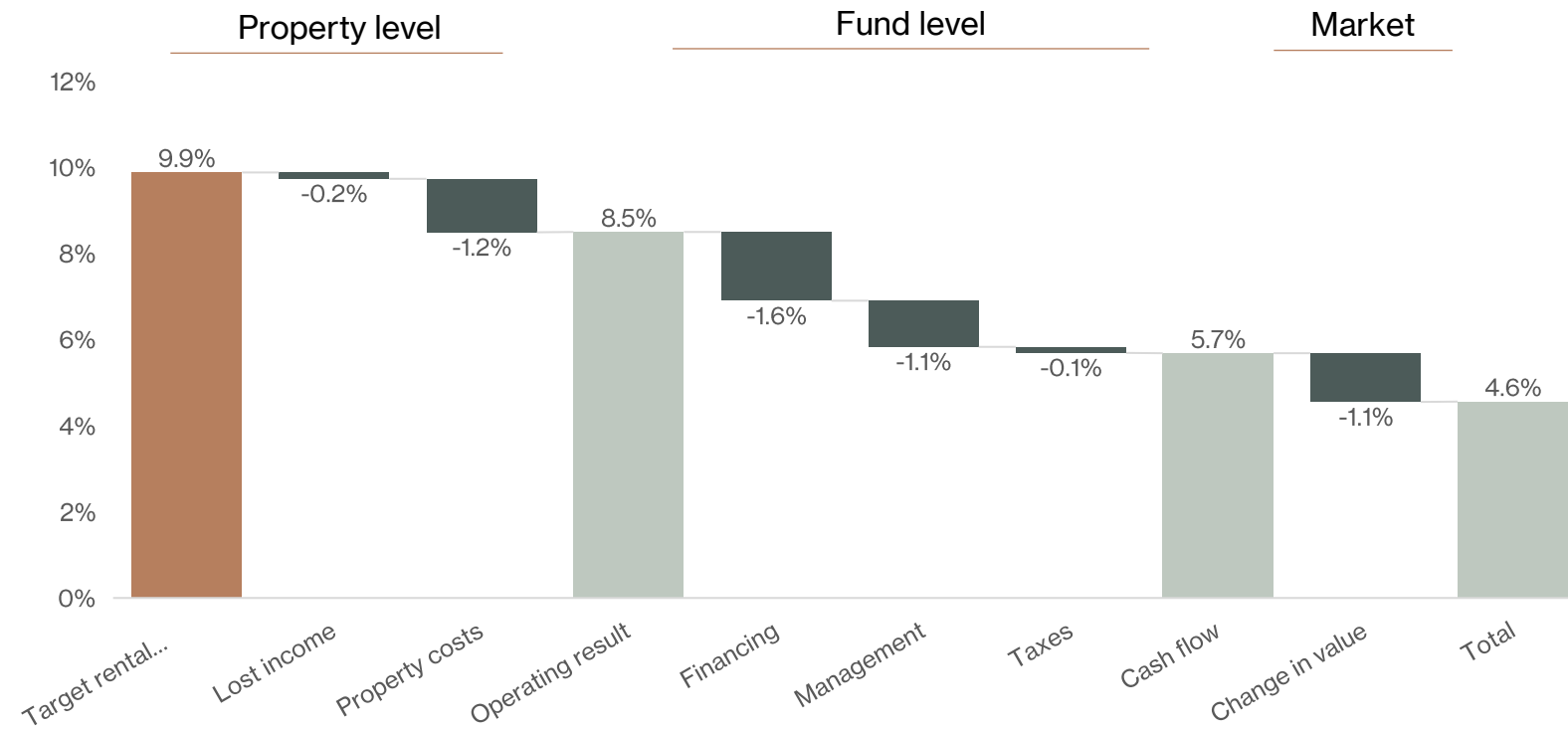




Key financial figures

ANNUAL RESULT 2023/2024

Composition of shareholders' equity & return on investment



Context

Fundamental strength of SPSS IFC more than offsets market-related changes

- Higher rental income results in strong cash flow yield
- The change in value is as expected:
 - Recovery of 50 bps compared to the half-year valuation 03/2024
 - No structural interest adjustments were made despite rate changes

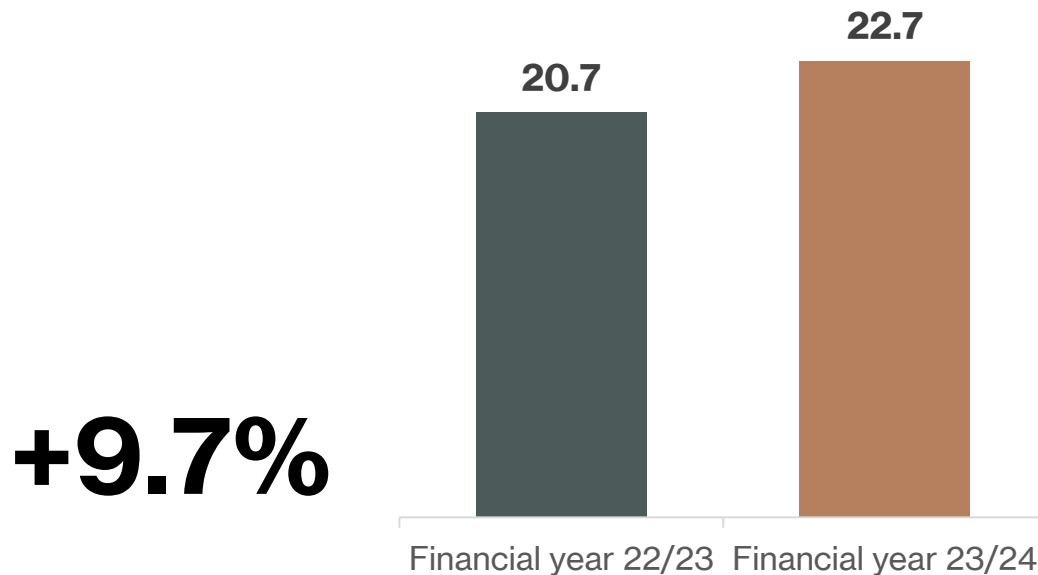
Note: This is a simplified representation. The figures do not constitute a promise of future investment returns. The last Annual Report is authoritative.



Strong growth in rental income

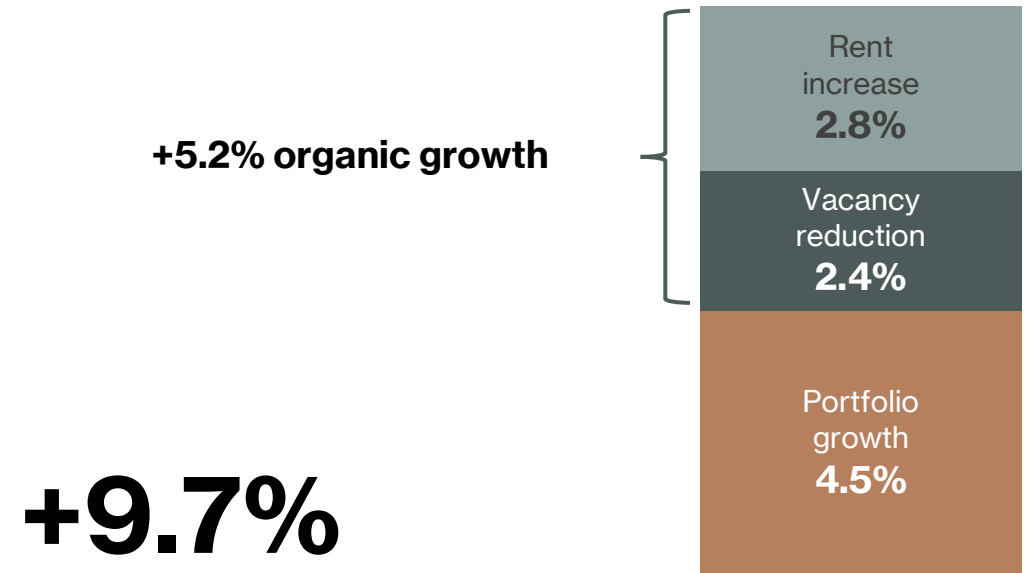
Growth in rental income

(in MCHF)



Rental income growth drivers

(in %)



• Strong growth in rental income of almost 10%

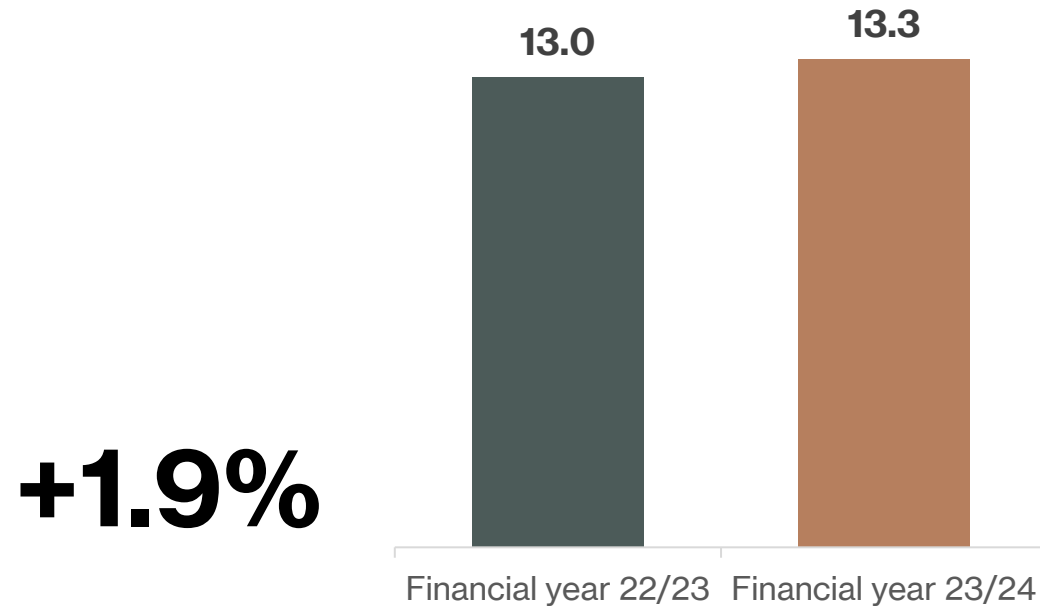
• >5% organic growth as a growth driver



Active management boosts net revenue

Net revenue*

(in CHF m)

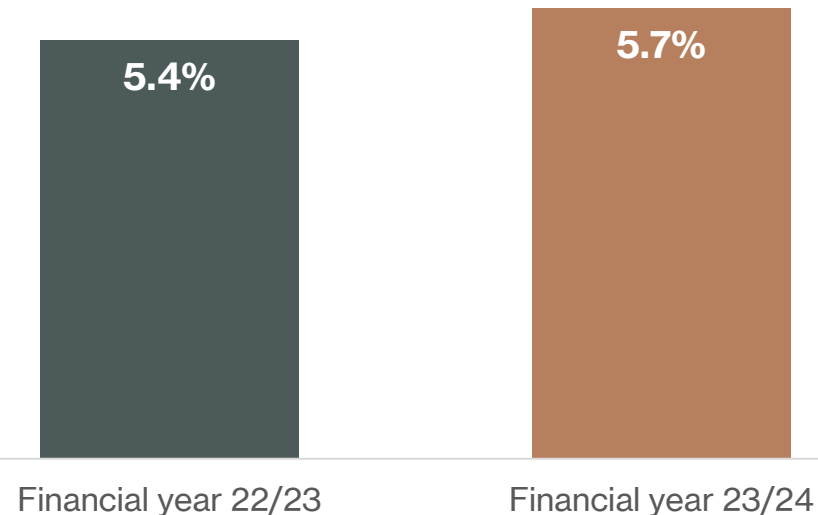


+1.9%

• **Growth in net revenue despite significantly higher financing costs**

Cash flow yield

(in %)



• **Growth in net revenue as a driver of growth in cash flow yield**

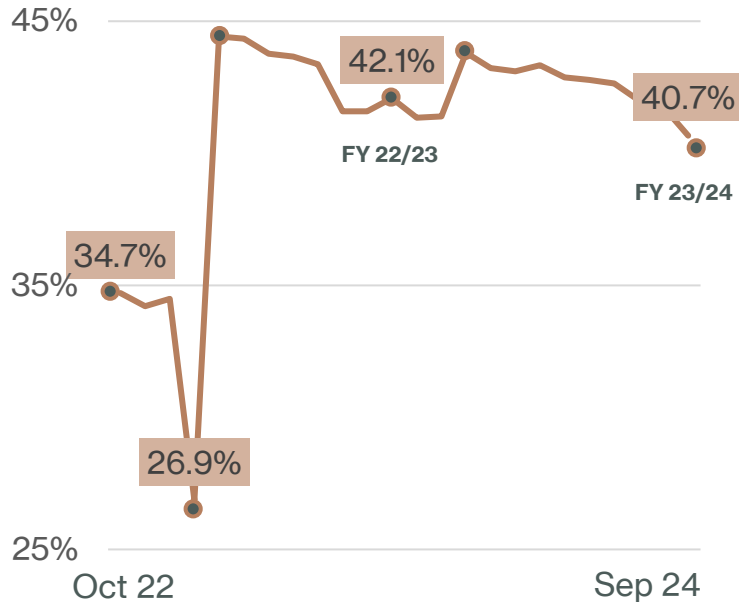
* adjusted for provisions for future repairs



External financing

External financing

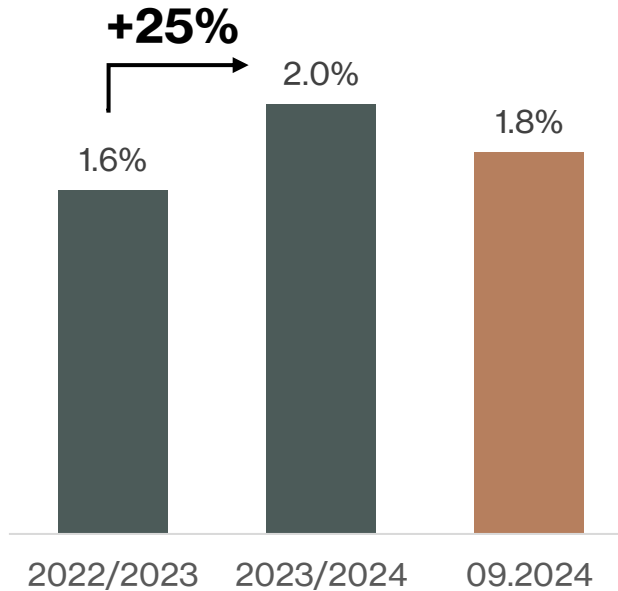
(ratio, based on balance sheet date)



• Lower debt-to-equity ratio

Financing costs

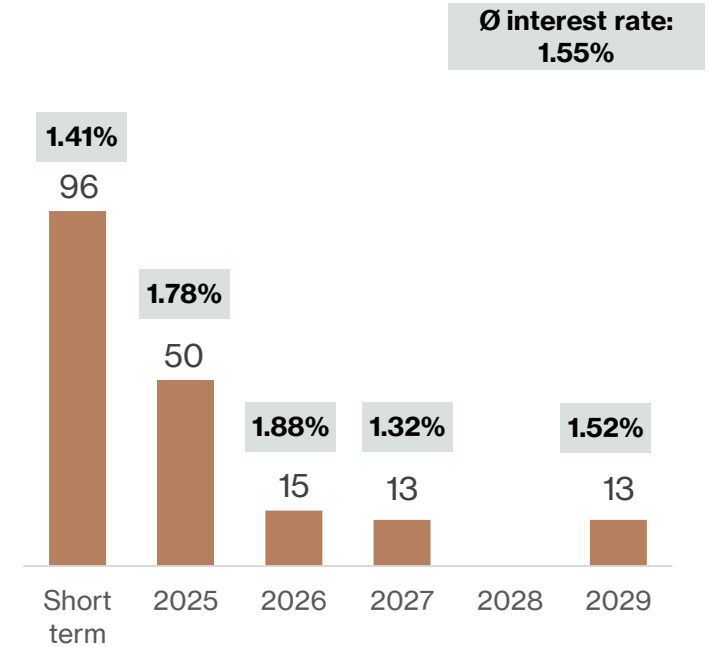
(average)



• Significant increase in interest costs in FY 23/24 is reversing

Repayment overview

(in CHF m)

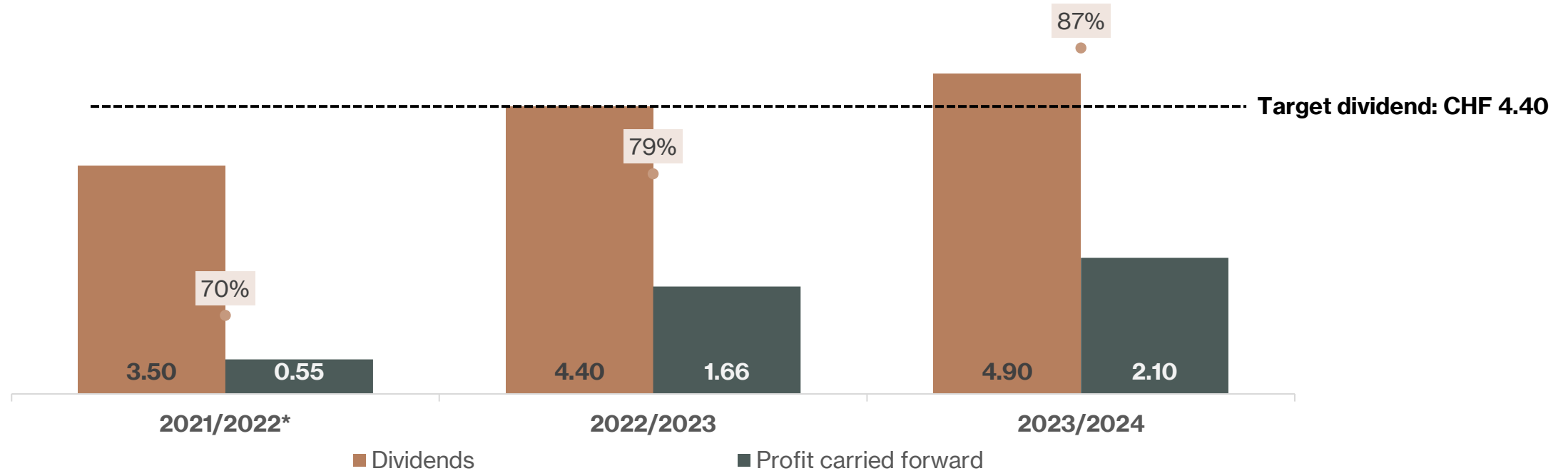




Target dividend comfortably exceeded

Distribution and profit carried forward

(CHF per unit)



- Exceptional **increase** in the **dividend** by **11%** compared to the previous year
- The 2023/2024 **dividend distribution** is **well above the target range** with a **defensive distribution ratio**



Portfolio

(as at 30.09.2024)

Swiss Prime Site Solutions Investment Fund Commercial



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Key data for the portfolio

BALANCE SHEET DATE 30.09.2024

AuM
(in CHF m)

435

Number of properties
(balance sheet date 30.09.2024)

17

target rental income
(balance sheet date 30.09.2024; in MCHF)

23.1

Gross yield
(balance sheet date 30.09.2024)

5.3%

Net yield
(balance sheet date 30.09.2024)

4.6%

EBIT margin
(portfolio level)

84%

Rent defaults
(cumulative FY 23/24)

1.5%

Indexing rate
(weighted)

~95%

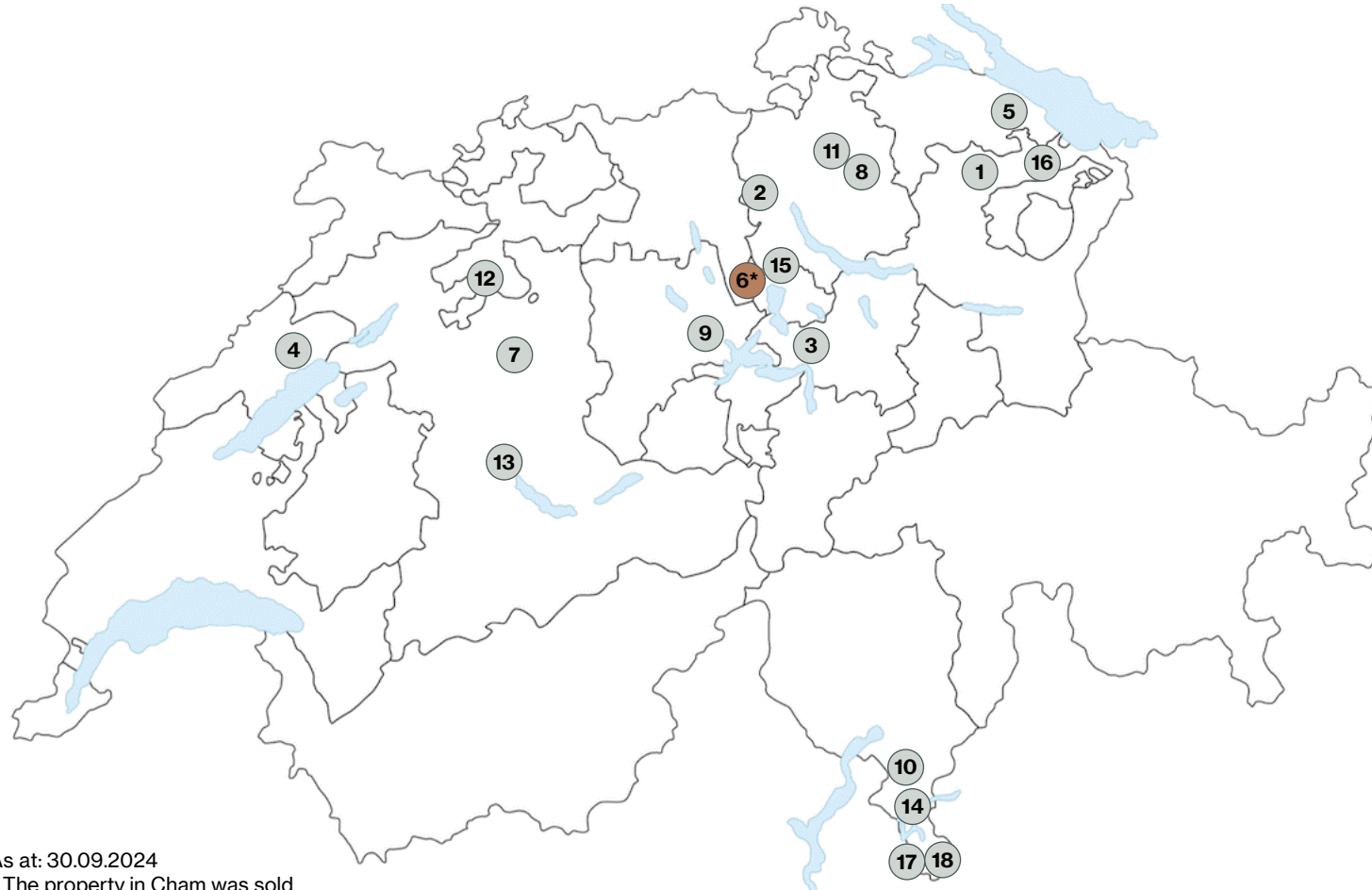
WAULT
(portfolio level, years)

5.4



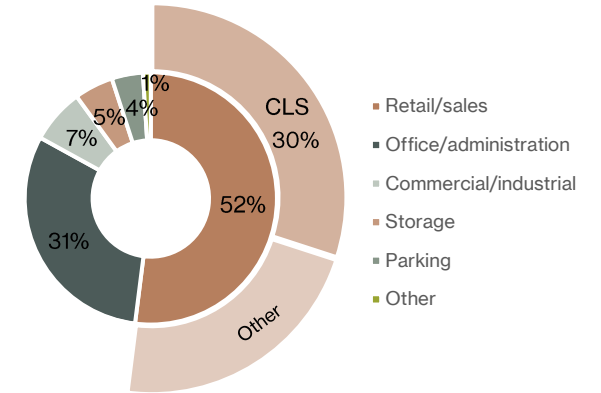
Portfolio overview split by region

DIVERSIFICATION BY GEOGRAPHY AND TYPE OF USE



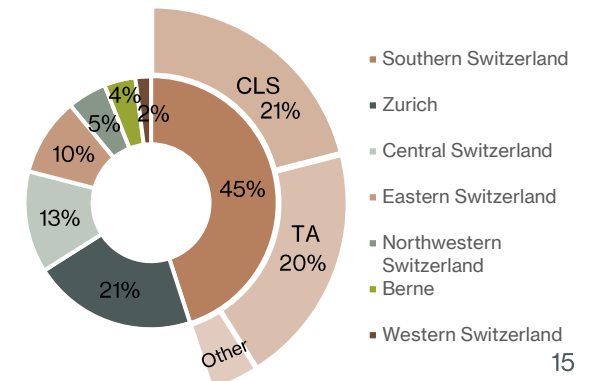
Types of use

(in % according to target rental income)



Geographical allocation

(in % according to fair value)



As at: 30.09.2024

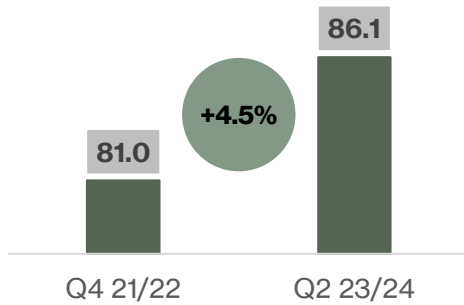
* The property in Cham was sold



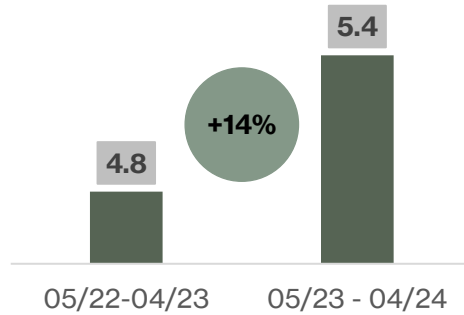
Centro Lugano Sud: a success story (1/2)

VALUE CREATION THROUGH ACTIVE MANAGEMENT

Fair Value (MCHF)



Cashflow p.a. (MCHF)



Anti-cyclical investment

Shopping centre acquired towards end of COVID-19 pandemic



High increase in value & cash flow

Added value generated through cash flow increase



Unique shopping center

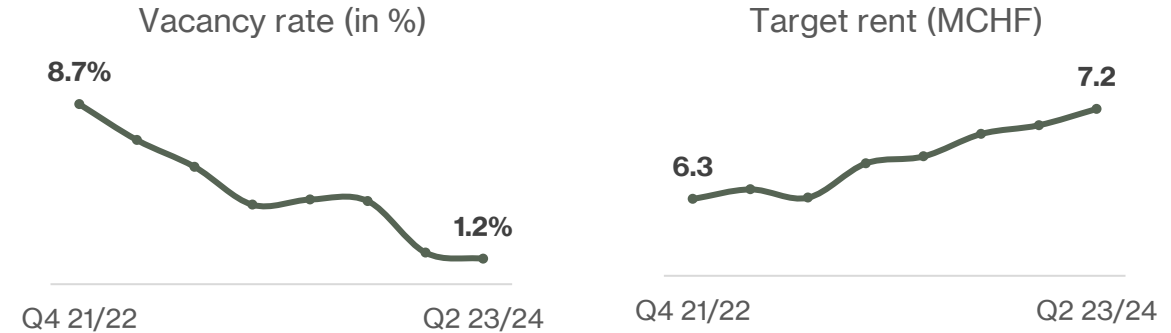
Centro Lugano Sud with structural connection to IKEA





Centro Lugano Sud: a success story (2/2)

VALUE CREATION THROUGH ACTIVE MANAGEMENT



From 9% vacancy to full letting*

Strong retail network and professional support

* excluding residual space that cannot be let



Continuous increase in target rent

Increase in average rent per square meter



High sustainability standards

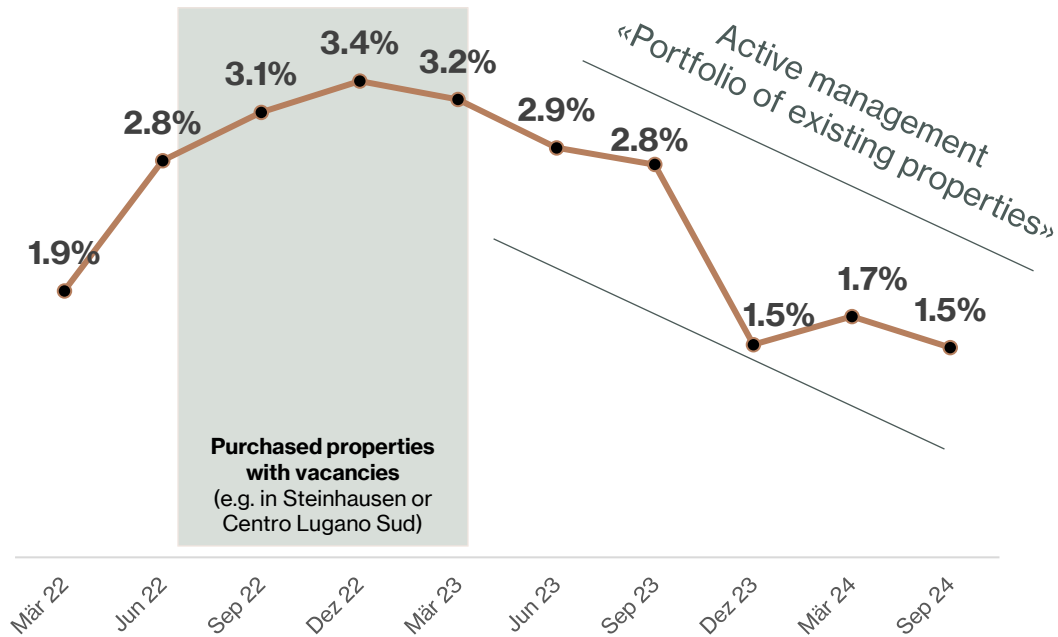
BREEAM certification, PV installation and heat pump



Efficient portfolio with long terms to maturity

Vacancy costs

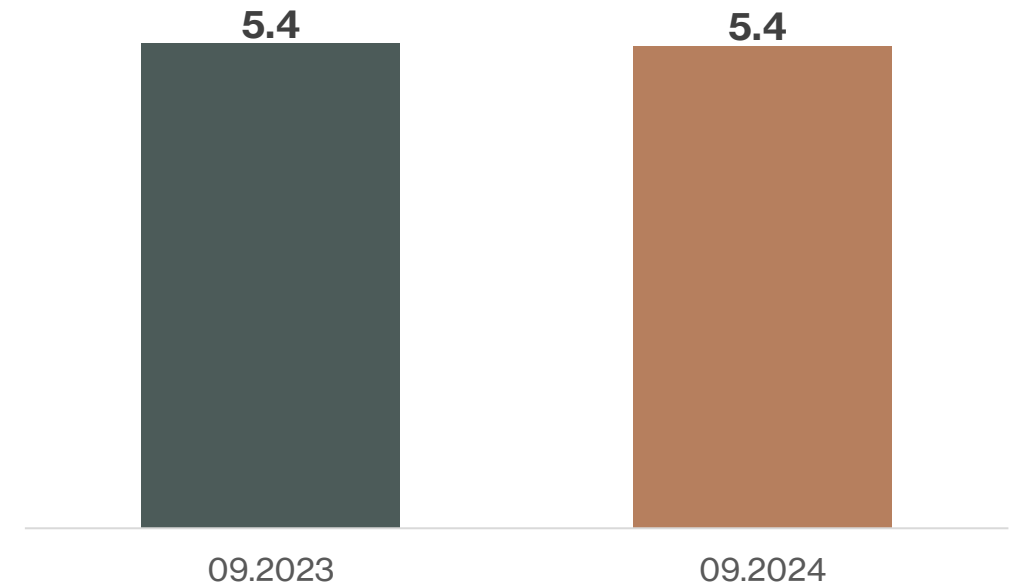
(Returns and EBIT margin, portfolio level)



- Reduction in vacancies to 1.5% through active management

WAULT

(in years, weighted average unexpired lease term)



- High portfolio stability with WAULT of 5.4 years



Sustainability activities with impact

CO₂ Emission
intensity*
(kg CO₂e/m²)

-28%

5.6 kg CO₂ e/m²

Energy
intensity*
(kWh/m² ERBA)

-14%

68.0 kWh/m² ERBA

Energy
mix
(share of renewable fuels)

65%

Green
lease
(m² share of entire portfolio)

17%

GRESB
2024
(Standing investments)

81/100

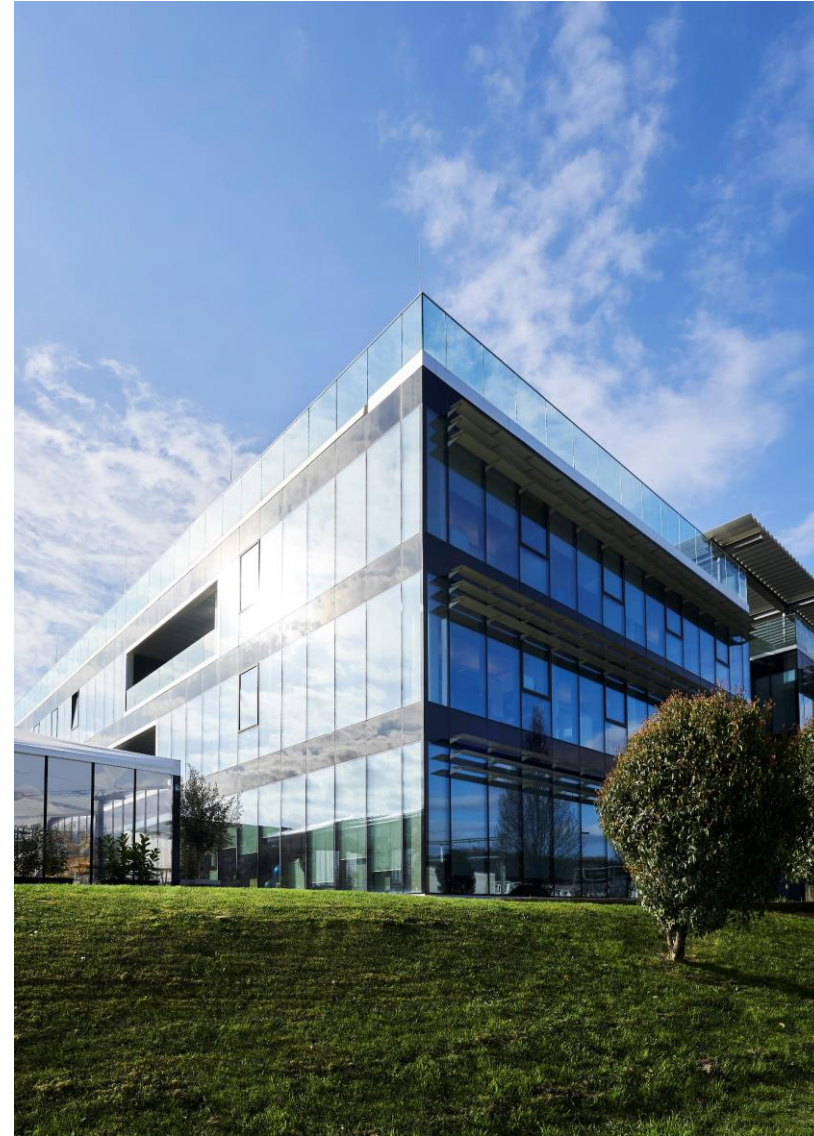


* REIDA figures, compared to previous year



Acquisition activity

Swiss Prime Site Solutions Investment Fund Commercial



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Acquisition strategy:

COMMERCIAL AND PRODUCTION PROPERTIES IN ESTABLISHED ECONOMIC REGIONS

Investment criteria

(acquisition yield and acquisition volume)

Net acquisition yield

4-5%

(target range)

Acquisition volume

~15-40 m

(target value in CHF)



Commercial and production

Properties in established economic regions



Geographic diversification

Increase in the share of properties in German-speaking Switzerland

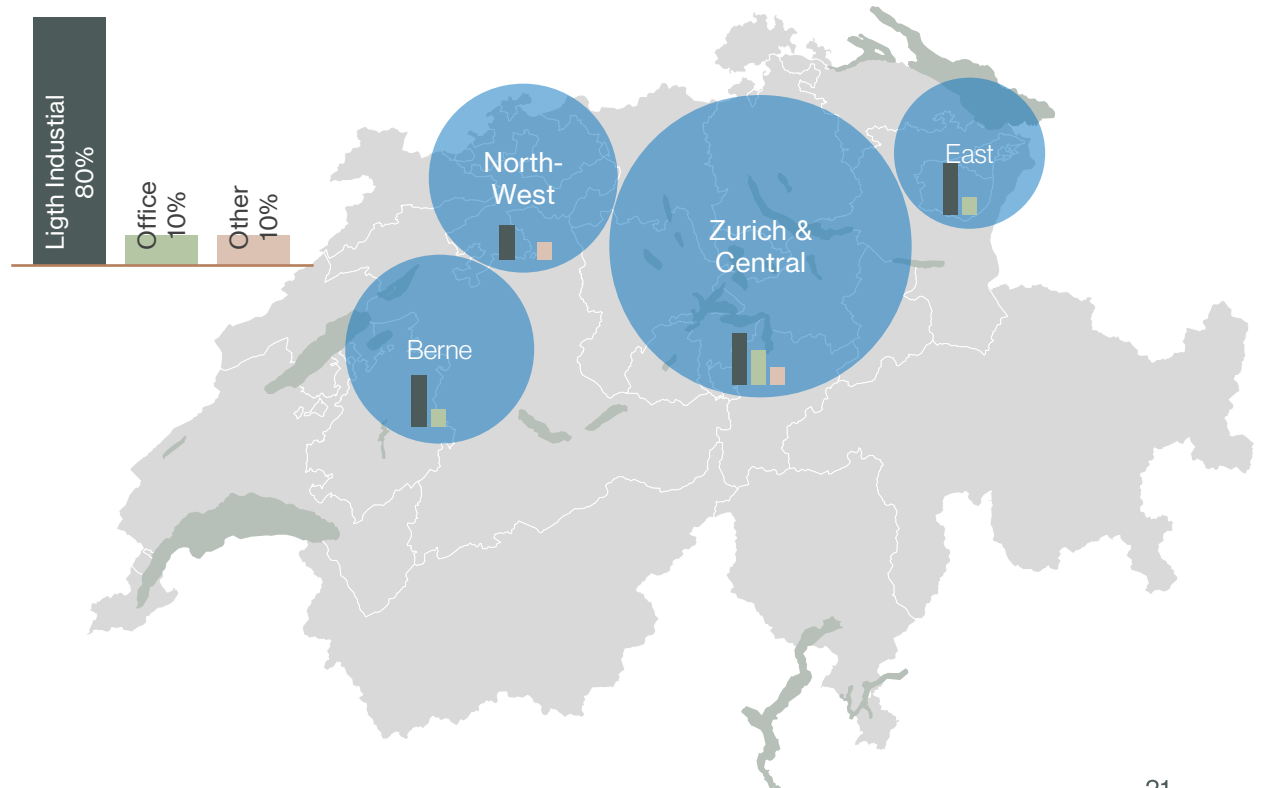


Stable cash flows

Stable cash flows with attractive risk-return profiles

Regional focus

(geographic diversification)



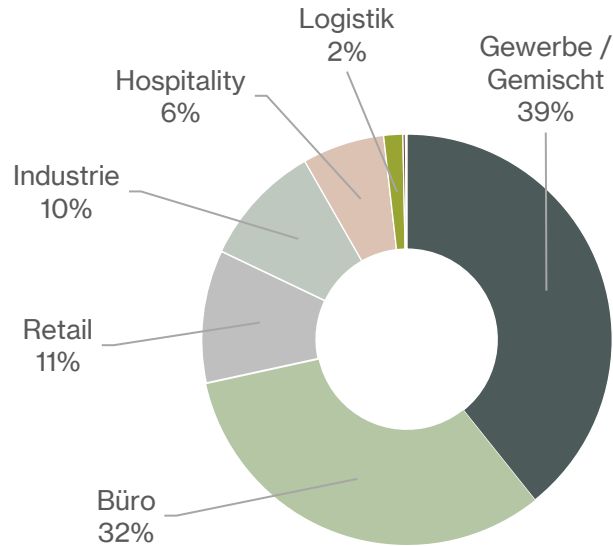


Growth opportunities

COMMERCIAL AND PRODUCTION IN GERMAN-SPEAKING SWITZERLAND

Acquisition opportunities

(in % by type of use)



~500m

(Offer volume, in CHF per month)

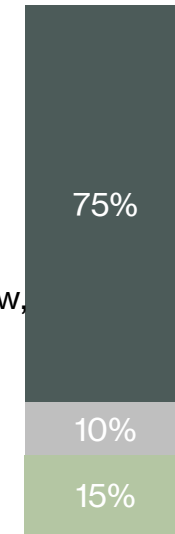


~65m

(Currently under review, in CHF)

Current pipeline

(Commercial, Industrial and Office)



Industrial Light

- High potential for third-party use
- Modular spatial concepts
- Flexible accessibility/infrastructure options
- Long-term rental contract
- Creditworthy individual tenants
- Highly specialised niche products

Office property / Mixed use

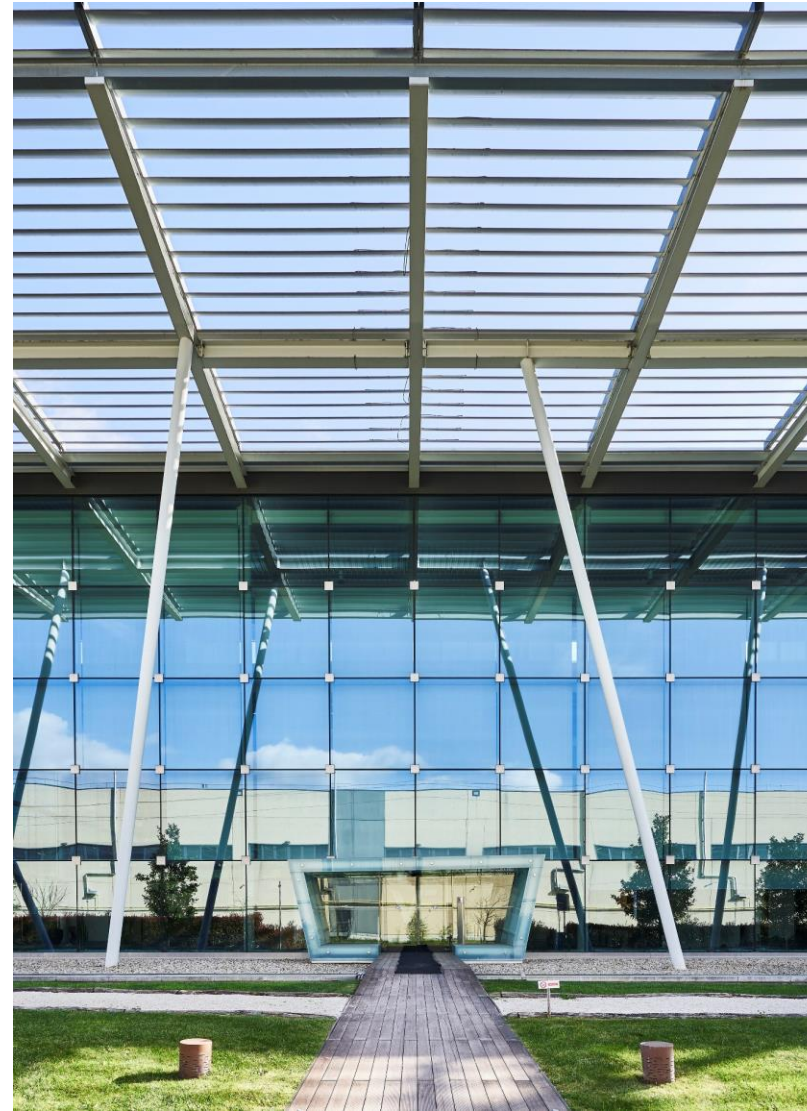
- Very good micro location
- Locally established tenants
- Good public transport links

- **Selective exploration** of commercial and industrial properties, with a focus on **German-speaking Switzerland**



Guidance & key takeaways

Swiss Prime Site Solutions Investment Fund Commercial



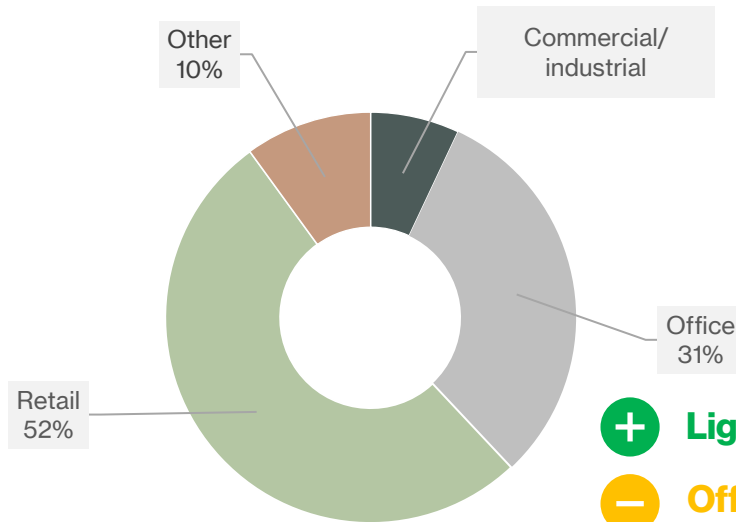
5

Define profile more precisely through investment focus

FOCUSED INVESTMENT STRATEGY: LIGHT INDUSTRIAL

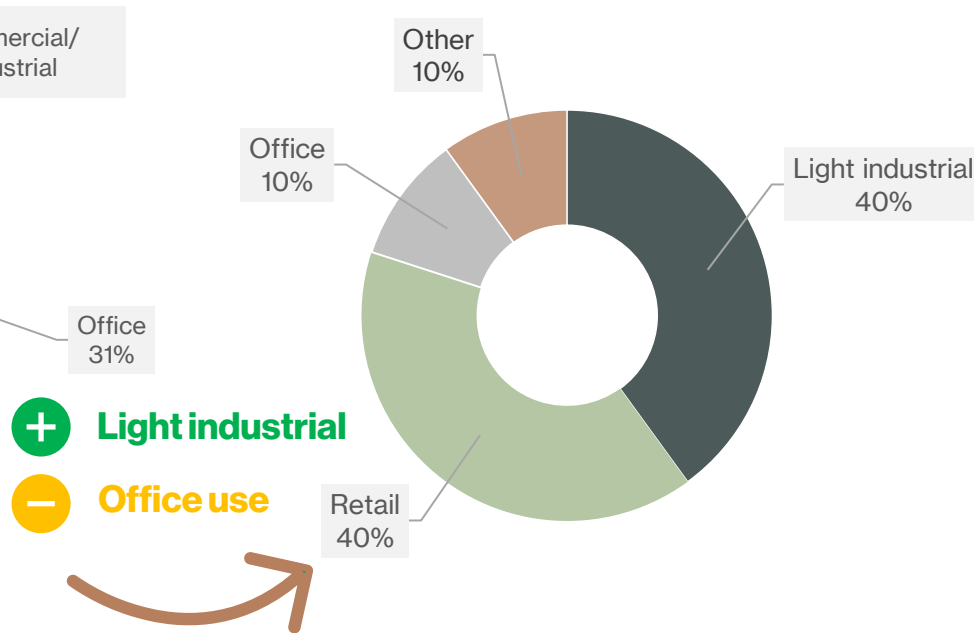
Current allocation

(in % by type of use)



Target allocation

(in % by type of use)



Light industrial & retail

Investment focus

Background

- Competitive advantage through differentiation
- Clear positioning meets investor expectations

Strategy clarification

- Focus on light-industrial and retail with a dividend target of CHF 4.40 per share

Investment focus

- Light industrial & retail: production & assembly, storage & logistics, research & development, retail
- Sale & rent-back, hidden champions, highly specialised niche products

Clear differentiation and positioning will secure IFC's competitive advantage In future, the investment focus will be on the light industrial and retail use types, while office use will be reduced.



Guidance 2024/2025

Target dividend 2024/2025
CHF 4.40

Sustainability focus
ESG integration

Financing
more defensive

Vacancy rate
<3%



Key takeaways

REASONS TO INVEST IN SPSS IFC



Convincing absolute performance of 13.2% since launch



High-yield portfolio: Cash flow yield of 5.7% for the 23/24 financial year



Dividend of CHF 4.90 comfortably above target of CHF 4.40



High inflation protection with indexing rate of 95%



Tax advantages* on income and assets



All current information
on
SPSS Investment
Fund Commercial:



* For investments in private and business assets with tax domicile in Switzerland



Your contacts

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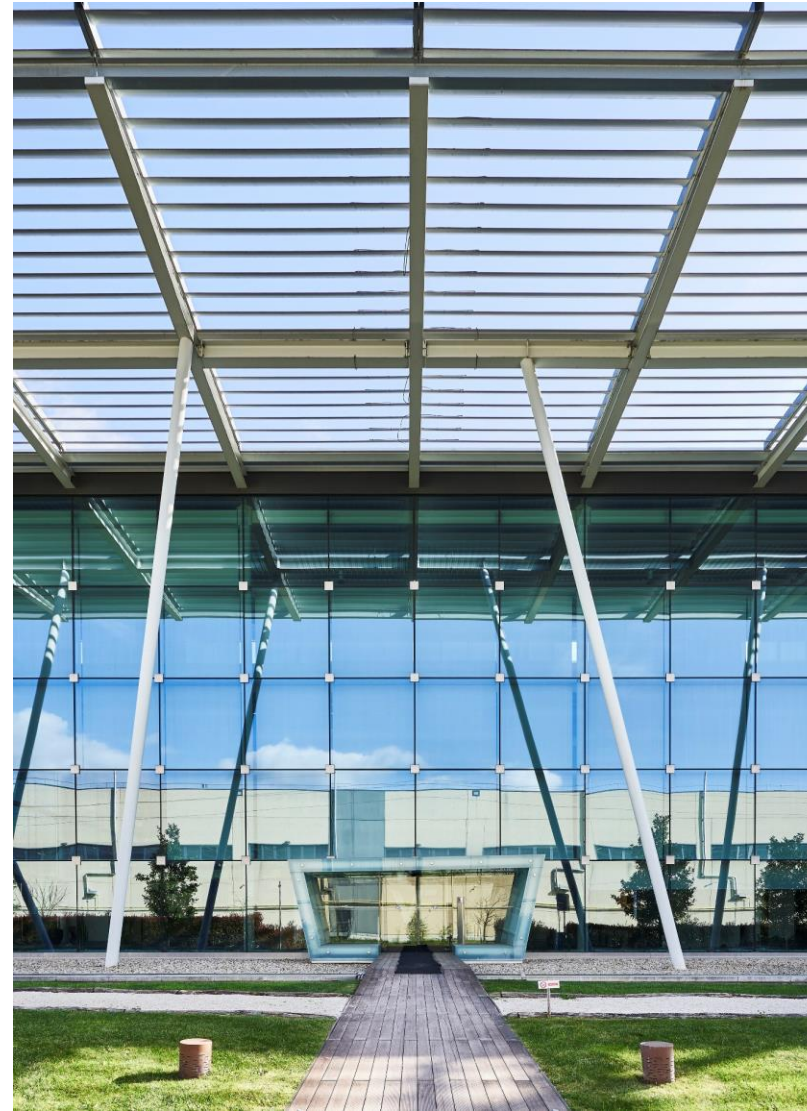
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Note

Swiss Prime Site Solutions Investment Fund Commercial



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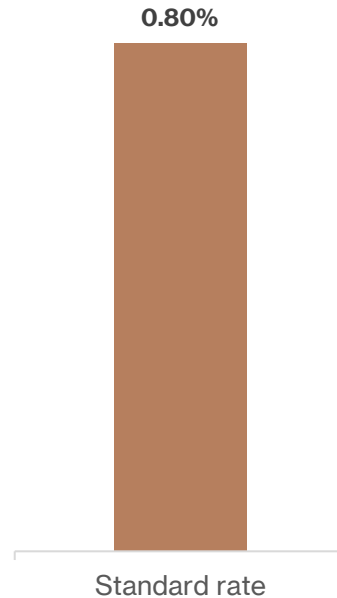
Total return since launch (indexed)



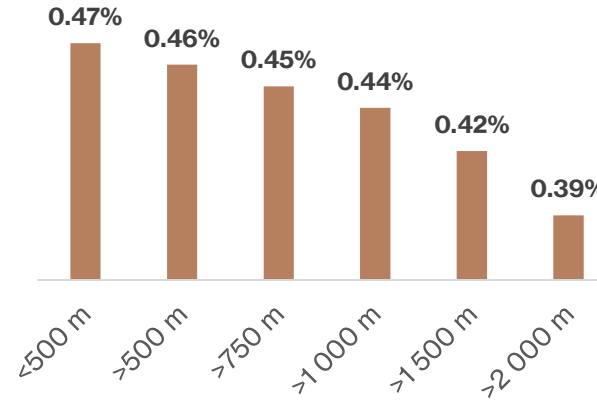


Attractive cost structure

ISSUE COMMISSION¹
(as % of subscription volume)

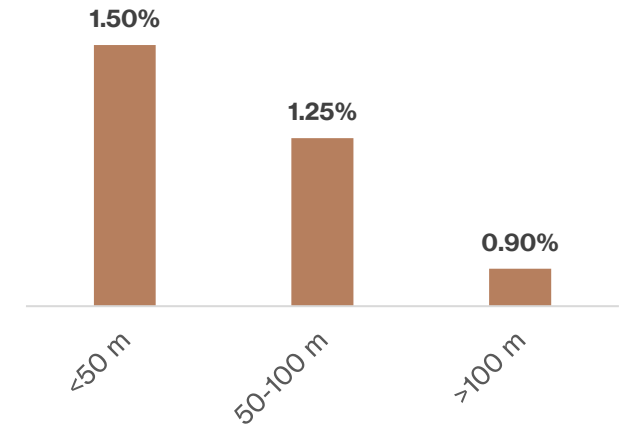


MANAGEMENT FEES²
(% of AuM)



Investor benefit:
Fees decrease as fund grows to boost performance

TRANSACTION FEES³
(% of purchase price)



Investor benefit:
Scaled transaction fees to improve performance



- Clear goal to create win-win situation for us and our investors
- Decreasing management fees in line with the growth in assets under management

1) This fee structure can be adjusted at any time by resolution of the Executive Board. There is no guarantee that the discounts outlined here will be maintained in general or as a minimum standard in the future.
2) Management fee on total fund assets, calculated average
3) Transaction fee on purchase/sale price per property



Transparent costs

Remunerations & ancillary costs	Calculation basis	Actual*	Maximum	Borne by	Dynamic costs
Issue commission	NAV	0.80%	–	Investors	
Redemption commission	NAV	n.a.	2.50%	Investors	
Management fee	GAV	0.47%	1.00%	Fund assets	<500m = 0.47%, >500m = 0.46%; >750m = 0.45%; >1000m = 0.44%; >1500m = 0.42%; >2000m = 0.39%
Transaction fee (purchase/sale)	Purchase/sales price	1.50%	2.00%	Fund assets	Tiered fee scale on purchase price of individual property: <50m = 1.50%; >50m <100m = 1.25%; >100m = 0.9%
Construction management fee for new build, renovation, modification	Construction costs	3.04%	9.00%	Fund assets	
Management costs	Annual gross rental income	n.a.	5.00%	Fund assets	
Custodian bank commission	NAV GAV	0.03%	0.05%	Fund assets	Tiered fee scale based on volume from >1000m; >1500m; >2000m
TER 2022/23 (total expense ratio)	GAV	0.63%	n.a.	Fund assets	

* as per 1.1.2025

GAV: gross asset value = total fund assets (sum of all assets)

NAV: net asset value = net fund assets (total fund assets, less current and non-current liabilities and estimated liquidation tax)



The portfolio (1/3)

#	Address	Town/city	Type of use	Fair value (in CHF m)	Target rental income (CHF p.a.)	Target gross yield	Rental space (m2)	Rent defaults (target rent)	WAULT (years)
1	Buchental 4	Oberbüren (SG)	Retail/ Office/Logistics	27.7	1'570'000	5.7%	9'547	0.0%	7.3
2	Kirchstrasse 20	Dietikon (ZH)	Office/ Health	17.0	614'000	3.6%	1'894	0.4%	3.0
3	Oberer Steisteg 18, 20	Schwyz (SZ)	Office/ Health	8.7	550'000	6.3%	2'687	4.5%	3.4
4	Avenue J.J. Rousseau	Neuchâtel (NE)	Office/ Health	9.6	486'000	5.1%	3'124	1.9%	1.3
5	Weinfelderstrasse 74	Amriswil (TG)	Retail/ Health	7.1	515'000	7.2%	2'776	0.0%	2.8
6	<i>Dorfplatz 2</i>	<i>Cham (ZG)</i>	<i>Sold</i>						



Note: This is a simplified representation. The figures do not constitute a promise of future investment returns. The last Annual Report is authoritative.
Source: As at 30.09.2024



The portfolio (2/3)

#	Address	Town/city	Type of use	Fair value (in CHF m)	Target rental income (CHF p.a.)	Target gross yield	Rental space (m2)	Rent defaults (target rent)	WAULT (years)
7	Emmentalstrasse 14	Burgdorf (BE)	Office/Health	7.2	394'000	5.5%	2'129	5.1%	4.6
8	Rudolf-Diesel-Strasse 20, 22	Winterthur (ZH)	Retail	54.8	2'385'000	4.4%	12'582	0.1%	2.4
9	Luzernerstrasse 86, 88	Lucerne (LU)	Commercial	22.0	972'000	4.4%	7'440	4.4%	3.6
10	Via d'Argine 3, 5	Bedano (TI)	Commercial/Office	19.2	1'084'000	5.7%	6'090	0.0%	3.7
11	Marktgasse 3	Winterthur (ZH)	Retail/Office	20.0	627'000	3.1%	2'817	0.0%	3.4
12	Hauptgasse 59	Solothurn (SO)	Retail/Office	19.9	797'000	4.0%	2'642	0.0%	5.6



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Source: As at 30.09.2024



The portfolio (3/3)

#	Address	Town/city	Type of use	Fair value (in CHF m)	Target rental income (CHF p.a.)	Target gross yield	Rental space (m2)	Rent defaults (target rent)	WAULT (years)
13	Bälliz 7	Thun (BE)	Retail/Office	10.2	476'000	4.7%	1'036	0.0%	2.3
14	Via Cantonale, Centro Lugano Sud	Grancia (TI)	Retail	86.3	6'938'000	8.0%	22'084	1.2%	3.5
15	Chollerstrasse 21, 23	Steinhausen (ZG)	Office/Commercial	23.7	954'000	4.0%	6'275	14.8%	4.0
16	Rorschacher Strasse 63	St. Gallen (SG)	Office	8.6	352'000	4.1%	1'880	0.0%	7.9
17	Via Laveggio 5	Stabio (TI)	Office	10.0	428'000	4.3%	18'108	0.0%	13.3
18	Via Laveggio 4	Stabio (TI)	Office	79.0	3'370'000	4.3%	2'374	0.0%	13.3
Total portfolio				431.0	22'511'000	5.2%	105'485	1.6%	5.4



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Source: As at 30.09.2024



- **Balanced portfolio with Core and Core+ properties and broad diversification**
- **Focus on commercial properties with good location quality, solid infrastructure, and positive demographic and economic conditions**



Key technical data

SUMMARY

Investment strategy SPSS IFC: Core+

- **Focus** on commercial real estate in attractive locations («ABBA»¹ approach) in Switzerland
- **High-yield portfolio** with **attractive return on investment**
- Ownership type: **direct ownership** = tax advantage
- **Stable cash flows** with low vacancy rates
- **Good hedging against inflation** with indexed rental contracts

1) ABBA: strategy of investing in A towns in B locations and in B towns in A locations

Key technical data	
Fund name	Swiss Prime Site Solutions Investment Fund Commercial
Launch date	17.12.2021
Valor/ISIN	113 909 906 / CH1139099068
Appropriation of income	Distributing
Fund term	Indefinite
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 of CISA in conjunction with Art. 4 paras. 3-5 and Art. 5 paras. 1 and 4 FinSA
Property	Properties are held in direct ownership, which provides a tax advantage for investors who are subject to taxation
Custodian bank	Banque Cantonale Vaudoise
Permanent valuation expert	PricewaterhouseCoopers AG, Zurich
Portfolio and asset management	Swiss Prime Site Solutions AG (FINMA-regulated)
Tradability	Daily OTC trading (at BCV / Lienhardt & Partner Privatbank Zürich AG)
Redemption of fund units	At the end of the financial year, subject to a notice period of 12 months
Accounting year	1 October to 30 September
Fund currency	CHF
Planned fund volume	>CHF 1 bn



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