HSCFund

2022 Annual Report

Helvetica Swiss Commercial Fund

Real Estate Fund under Swiss Law

FINMA approved

Helvetica

Passion for Real.

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Helvetica Swiss Commercial Fund (HSC Fund)
Real Estate Fund under Swiss Law

Audited Annual Report as of December 31, 2022

Valor Number: 33550793

www.Helvetica.com

Stegackerstrasse 6, Winterthur

Key Figures

Key data		**Notes**	**as of 31.12.2022**	**as of 31.12.2021**
Securities number			33550793	33550793
ISIN			CH0335507932	CH0335507932
Initiation date			09.12.2016	09.12.2016
Issued shares	Number		-	-
Outstanding shares	Number		4 342 851	4 342 851
Redeemed shares	Number		-	-
Net asset value per share[1)]	CHF		117.19	116.04
Discount rate (real / nominal)	%		3.45 / 4.49	3.68 / 4.20

Balance Sheet			**as of 31.12.2022**	**as of 31.12.2021**
Market value of the properties	CHF	1	756 152 000	749 757 000
Gross Asset Value (GAV)	CHF		774 565 608	781 320 903
Debt ratio[2)]	%		34.29	35.50
Residual term debt financing[2)]	Years	8	0.48	0.60
Interest rate debt financing[2)]	%	8	1.29	0.30
Net Asset Value (NAV)[1)]	CHF		508 955 525	503 944 221

Income statement			**as of 31.12.2022**	**as of 31.12.2021**
Rental Income and Income from ground rent	CHF		42 742 033	42 035 693
Net income	CHF		29 302 060	27 740 622
Weighted average unexpired lease term (WAULT)[2)]	Years		3.72	3.90
Maintenance and repairs	CHF		1 530 461	2 873 069
Target rental income p.a.[4)]	CHF		45 540 896	45 448 534
Gross target return	%		6.02	6.06
Gross actual return	%		5.73	5.65

Key financial figures AMAS[2)]			**as of 31.12.2022**	**as of 31.12.2021**
Return on investment	%		5.83	5.42
Distribution yield	%	12	5.46	4.61
Distribution per share	CHF	12	5.35	5.30
Payout-Ratio	%	12	79.29	82.97
Return on equity (ROE)	%		5.56	5.18
Return on invested capital (ROIC)	%		3.75	3.45
Premium/discount	%		-16.38	-0.90
Share price per fund unit	CHF		98.00	115.00
Operating profit margin (EBIT margin)	%		71.67	68.58
Debt financing ratio	%		28.74	31.04
Rent default rate[3)]	%	1	5.63	6.45
Total expense ratio $TER_{REF}GAV$	%		0.94	0.95
Total expense ratio $TER_{REF}MV$	%		1.58	1.52
Performance	%		-10.81	10.38

1) Values as of 31.12.2020: net asset value per unit CHF 115.17 / net asset value (NAV) CHF 500 184 280.

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 5.63 % as of the reporting date. If the rent reductions were taken into account, the rent default rate would be 7.30 %.

4) As of the reporting date, 92.19% 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 shares.

Portfolio Management Report

The Helvetica Swiss Commercial Fund lives up to its reputation as a dividend gem yet again. Despite an adverse market environment, rental income was increased again in the 2022 business year and the occupancy rate hit a record high, meaning that an even higher distribution can be paid out than in the previous year.

Summary Report

In an adverse market environment, the Fund Management Company can look back on a successful business year. Even without further acquisitions, the portfolio's fair market value rose slightly by 0.9 percent, from 749.8 million Swiss francs to 756.2 million Swiss francs. The occupancy rate also rose considerably by 2.0 percentage points, from 93.1 percent to 95.1 percent. Annual rental income grew by 0.4 million Swiss francs to 42.7 million Swiss francs due to the noticeable increase in demand for rental space. It was not only the general conditions that improved, but the Fund itself. Demand for the Fund's rental space increased substantially, bringing an end to the 15-year deflationary rent trend and resulting in higher rents. That means the HSC Fund is ideally positioned for the future and, thanks to a high indexation rate of around 92 percent of the leases, offers solid protection against rising inflation.

The attractive locations of the Fund's rental spaces meant that vacancies could reduced further in Schindellegi, Münchwilen and Bischofszell, for example, with new leases concluded at better terms.

The aim is to further increase the occupancy rate and boost the attractiveness of the Fund portfolio by setting up a pipeline of construction projects and making profitable, cost-conscious investments. The Fund comprises 35 properties with around 308,000 square meters of rental space at easily accessible locations in Switzerland.

Compared to the Wüest Partner Benchmark, the Fund is undervalued. The market value of 2,456 Swiss francs per square meter of rental space is around 68 percent below the benchmark of 7,755 Swiss francs. Target rent of 147 Swiss francs per square meter is also 55 percent lower than the benchmark of 324 Swiss francs per square meter. Accordingly, the Fund offers a great deal of security and stability in value. In addition, the Fund is extremely well positioned to generate growth in rental income, which will lead to high, stable distributions.

Market Report

The SWIIT index of listed real estate funds suffered a historic decline of around 15 percent in 2022, even despite the fact that Switzerland's economic prospects remain good. A structural supply problem also still exists that supports the valuations. That also applies to the Helvetica Swiss Commercial Fund, which is ideally positioned for the future. New leases were concluded at substantially higher rents and investors profit from the fact that nearly all leases are indexed.

We seem to have emerged from the period of increased market volatility among listed real estate fund when even the HSC Fund could at times be purchased for less than the Fund's net asset value. Real estate funds have regained their footing and offer a good entry point for long-term investors. Long-term investors' ability to purchase real estate fund units for less than the net asset value generally opened up new opportunities and gave them appreciation potential.

Looking back, 2022 was in many ways an eventful and volatile year for the entire real estate sector. The first half of the year was shaped by an enormously competitive transaction market, which regularly propelled purchase prices to new highs. The market was also fueled by several large capital increases, which intensified both the pressure to invest and transaction prices even further.

The Fund Management Company was not surprised when the Swiss National Bank raised the benchmark rate on June 17, 2022, by 50 basis points to minus 0.25 percent, heralding the end of the period of negative rates that started in 2015.

Over the course of the year, our transaction database showed a gross return assumption of less than 5 percent on average for the properties on offer in the commercial property sector, which comprises properties with office, commercial and mixed uses. That means that the average returns offered on the market were still considerably lower than in our existing property portfolio. In addition, the majority of the properties on the market showed a considerably higher vacancy rate and renovation backlog. Against this background, the Fund Management Company decided to focus on optimizing its existing property portfolio and refrain from making any acquisitions.

Price and Performance

In a volatile reporting year, the share price of the fund units declined by 14.8 percent (gross), from 115 Swiss francs to 98 Swiss francs. Taking the 5.30 Swiss franc distribution paid in the first half of the year into account, this is equivalent to a net performance of minus 10.8 percent. By comparison, the SXI Real Estate Funds Broad benchmark declined 15.2 percent over the reporting period. The HSC Fund therefore outperformed the SXI Real Estate Funds Broad benchmark yet again, as the chart below shows. At a 16.4 percent discount to net asset value, the Fund is well positioned compared to other listed commercial funds.

Performance in CHF (reset to base 100) and annual performance

Performance in %

In %	YTD	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
HSC Fund	-10.81%	3.16%	-4.85%	-10.81%	-9.18%	11.71%	20.42%
Benchmark	-15.17%	1.48%	1.92%	-15.17%	0.89%	15.27%	24.69%

Distribution and Asset Value Performance

The HSC Fund was once again an outperformer with a distribution yield of 5.4 percent on December 31, 2022. Net asset value increased by 1.15 Swiss francs, from 116.04 Swiss francs to 117.19 Swiss francs per Fund unit, due to the distribution of 5.30 Swiss francs per unit for the 2021 business year and total profit in the 2022 business year.

Taking the distribution of 5.30 Swiss francs per unit for the 2021 reporting period into account, the Fund generated a remarkable return on investment of 5.8 percent.

Real Estate Portfolio

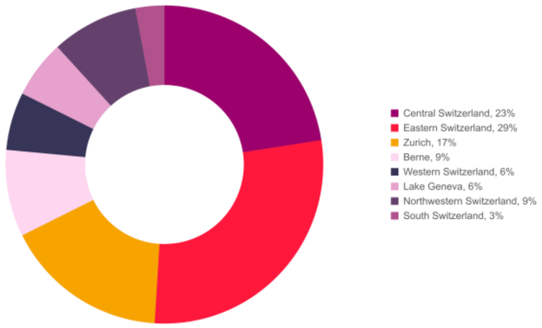
The portfolio's fair market value rose slightly during the reporting period by 6.4 million Swiss francs, from 749.8 million Swiss francs to 756.2 million Swiss francs. This growth was driven by the minimal reduction in the discount rate by 0.23 percentage points, from 3.68 percent in real terms to 3.45 percent in real terms, successful leasing activities and 3.1 million Swiss francs of capitalized investments. No further properties were purchased. Compared to the Wüest Partner benchmark of 2.85 percent, the Fund's real discount rate is 3.45, which confirms the Fund's conservative valuation.

At 85 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 led to an increase in the 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. As a result of this broad diversification, the Fund has no cluster risks by usage segment. Due to the rental space it can offer, the Fund is well positioned for an increase in demand.

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.

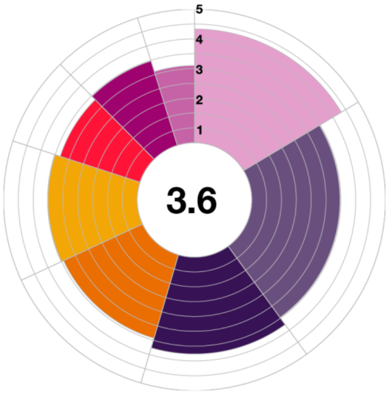
Geographical Distribution



Rental Income According to Main Use

Lease extensions relating to a total of 17,200 square meters were agreed during the reporting period with an average fixed term of seven years. As a result, the weighted average unexpired lease term as at the end of the business year declined only slightly, from 3.9 years to 3.7 years. Thanks to the extensions, around 40 percent of the leases have a fixed term of four years or more, as shown in the chart entitled “Breakdown of Weighted Average Unexpired Lease Terms”. The focus for the coming year is on extending the contracts with the anchor tenants of the properties in Arbon in the Canton of Thurgau and Dietikon in the Canton of Zurich. The Asset Management team’s goal is to increase the weighted average unexpired lease term to four years in order to guarantee long-term planning certainty in terms of rental income. This objective was achieved in Ittigen in the Canton of Bern, in Cham in the Canton of Zug, in Wallisellen in the Canton of Zürich and in Zurich in the Canton of Zürich, where it proved possible to extend leases with the single tenant and anchor tenants of a total of around 14,100 square meters by another five or ten years, respectively, at market terms. Similar negotiations in Montreux in the canton of Vaud were also successful. A ten-year lease extension was agreed with a large tenant at the property for a total of around 1,400 square meters. Rental income will rise by more than 20 percent as a result. This leasing success exceeded the Fund Management Company’s forecast from the start of the year, which at the time assumed an increase in rental income of just 10 percent.

Quality Profile



	Grade	Weighting
Overall rating	3.6	
Location	3.8	40
Macro-location	4.3	41
Micro-location	3.5	59
Property	3.6	40
Usability	3.8	37
Standard	3.4	34
Condition	3.5	30
Investment	3.3	20
Lettability	3.3	38
Saleability	3.5	38
Income risk	3.1	24

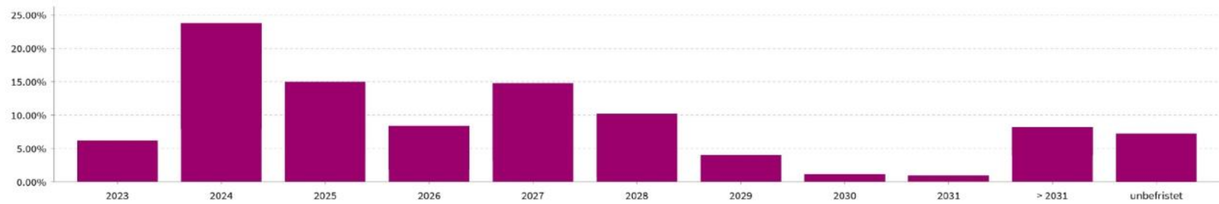
Note: 1 = lowest score, 5 = best score

Compared to the end of the previous year, the occupancy rate rose encouragingly by 2.0 percentage points, from 93.1 percent to 95.1 percent, equivalent to an increase in secure long-term rental income of around 0.9 million Swiss francs as of the cut-off date. This shows that the re-leasing activities initiated are enormously successful. Vacant rental space at the properties in Fribourg in the Canton of Fribourg, Goldach in the Canton of St. Gallen, Schindellegi in the Canton of Schwyz and St. Gallen in the Canton of St. Gallen was reduced by a total of around 9,700 square meters. As a result, the occupancy rate compared to the end of the previous year rose from 70.8 percent to 85.8 percent in Fribourg, from 66.6 percent to 76.9 percent in Schindellegi and from 44.3 percent to 65.4 percent in St. Gallen. In Goldach, a vacant rental space 4,200 square meters in size was leased to a logistics company at market terms, meaning the property is now almost fully leased. New tenants were also found for around 5,600 square meters of additional rental space. More than 70 percent of the new leases signed have a fixed lease term of least five years.

Rent adjustments were also made on indexed leases to increase rental income; these amounted to around 0.2 million Swiss francs in the period under review.

Because of the higher rental income arising from the reduction in vacancies, the gross actual return remains unchanged at 5.7 percent, even though the fair market value of the portfolio is 0.9 percent higher.

Breakdown of the Weighted Average Unexpired Lease Terms



Highlights of the Portfolio

Chiasso, Via Livio 1/Via Motta 24

At the start of the year, another 480 square meters of empty office space were leased to an existing tenant for five years. The property is therefore now fully leased.

Wallisellen, Hertistrasse 23

Negotiations were concluded successfully with the single tenant regarding 3,600 square meters of rental space. The lease was extended as of May by another ten years plus an extension option.

Montreux, Grand' Rue 3

A tenant from a national chain of fitness studios extended its lease for 1,400 square meters of office space as of April by another ten years plus an extension option. The property is fully leased.

Fribourg, Route du Jura 37

Around 1,100 square meters of empty office space were leased in June at market terms for five years plus an extension option to a tenant in the IT sector. This took the occupancy rate up to 85.8 percent, compared to 70.8 percent at the end of last year.

Goldach, Blumenfeldstrasse

Around 4,200 square meters of empty storage/commercial space was leased in March to a transport company at market terms. The property's second-largest tenant leased additional space and extended its lease, which now relates to around 2,350 square meters of space, by another ten years as of June. This raised the occupancy rate significantly, from 62.8 percent to 98.2 percent.

St. Gallen, Rorschacherstrasse 292/294

The former sports center focused on squash and badminton and occupying around 2,000 square meters of space was leased in April for another five years. This took the occupancy rate up from 44.3 percent at the start of the year to 65.4 percent.

Bischofszell, Industriestrasse 6

A tenant in the medicinal CBD business was found to take on more than 1,600 square meters of empty commercial space in June. The lease is for five years and raises the occupancy rate to 99.6 percent.

Münchwilen, Murgtalstrasse 20

Around 1,300 square meters of vacant rental space were leased to a contractor for five years plus an extension option.

Rorschach, Industriestrasse 21/23

One of the property's anchor tenants extended its lease contract for around 800 square meters of space plus an additional space of around 300 square meters, bringing the total to 1,100 square meters, for an additional ten years. The property has an occupancy rate of 95.6 percent.

Schindellegi, Chaltenbodenstrasse 6a - f

Successful leasing activities culminated in new leases for a total of around 1,200 square meters of vacant office lofts, storage space and parking spaces. This raised the occupancy rate from 66.6 percent to 76.9 percent.

Glattbrugg, Europa-Strasse 19

In the fourth quarter, the right tenant was found and a five-year lease signed for a vacant storage area of around 730 square meters. The property is fully leased.

Arbon, Novaseta, St. Gallerstrasse 15

A long-standing tenant extended the lease for 290 square meters of space by signing a new lease for another five years. The tenant will also invest in the property by installing new shop fixtures.

Cham, Brunnmatt 14

The business relationship with the existing anchor tenant was expanded. The tenant extended the lease for around 1,180 square meters of retail space by another seven years (until 2032). Additionally, the tenant also signed a lease until 2032 for a vacant office space around 520 square meters in size. The property is fully leased.

Steinhausen, Turmstrasse 28/30

Two leases relating to a total of around 1,100 square meters of office space were extended by another five years (until 2028). The occupancy rate is 95.8 percent.

Ittigen, Schermenwaldstrasse 13

Leases for around 6,600 square meters of office and storage space as well as 122 parking spaces were extended early by another five years (until 2029) at market conditions. A five-year extension option was also agreed.

Outlook

Thanks to increases in rental income and further reductions in the vacancy rate, we expect 2023 to be another year of sustainable growth for the Fund. That means nothing stands in the way of another high distribution in the 2023 business year. Accordingly, the Fund is a dividend gem among Swiss real estate funds.

While the real estate market will not remain unscathed by volatility in 2023, either, its prospects still look good. With unemployment at a 20-year low and inflation up to 3 percent, a situation is developing that will boost the real estate market further, even despite the possibility that interest rates might continue to rise.

The Fund Management Company still expects demand for commercial rental space to continue unabated. The 50,000 new companies founded in Switzerland last year, more than the average of the past ten years, are evidence of that. Companies continue to grow and expand and will be looking for more space to rent, with the rental spaces of the HSC Fund are ideally positioned to satisfy that demand. Current inflation will have a positive yet delayed impact on rental growth and, as a result, on the fair market values of the properties. At the same time, the cost of new buildings is rising, which will lead to a shortage of supply and thus to higher market rents as a result of the decline in construction activity. Robust Swiss economic data, a sustained high level of immigration, as well as persistently high inflation continue to support the market. Around 92 percent of the Fund's rental income is indexed. That high degree of inflation protection enables rent adjustments to ensure continuous increases in rental income.

For the upcoming business year, the Fund Management Company expects to maintain the high occupancy rate of over 95 percent. In that context, it is in negotiations with prospective tenants regarding some 1,400 square meters of rental space in Fribourg in the Canton of Fribourg and St. Gallen in the Canton of St. Gallen. Similarly, negotiations are currently underway with anchor tenants to extend the leases for around 9,000 square meters of space at the properties in Arbon in the Canton of Thurgau and Dietikon in the Canton of Zurich by another ten years. The Fund Management Company expects these negotiations to come to a successful conclusion by the middle of next year. The Asset Management Team is also communicating directly with single tenants and anchor tenants to clarify user needs at an early stage and extend leases ahead of schedule.

A low debt financing ratio will make it possible to keep the Fund's strategic focus shifted more strongly toward and profit from low short-term interest rates. Despite the fact that short-term interest rates have risen, the Fund Management Company still expects costs to remain very low. While short-term interest rates were historically lower on average than long-term rates, they were also more volatile. The Fund Management Company is endeavoring to keep the debt financing ratio at below 28 percent in the long term.

Any acquisitions to expand the existing portfolio will only be considered very selectively. They must have a location quality suitable for the portfolio, a good tenant structure, leases with a high indexation rate as well as unexpired lease terms that fit the strategic plan. Potential purchases will therefore only be considered for the Fund if the properties increase the quality of the portfolio.

A distribution of 5.35 Swiss francs per unit can be expected for the 2022 business year, up 1 percent over the previous year (5.30 Swiss francs). The Fund Management Company is convinced that a distribution at this level can at minimum be kept steady or even increased over the long term. That makes the HSC Fund a top performer among real estate funds in Switzerland, one that belongs in every asset portfolio. When it comes to dividends, the HSC Fund is truly a gem.

Sustainability

In our capacity as a real estate investor, we are aware of our responsibility to ensure a sustainable future. Sustainability forms part of our corporate philosophy and sustainability principles are incorporated into every decision we make. Our strategy is to embrace a pragmatic approach to the full spectrum of sustainability-related issues.

When we published our first sustainability report in April 2022, we made a commitment to sustainable corporate development. Our sustainability strategy is aligned precisely with the Paris Agreement as well as the federal government's current energy and emission reduction targets.

Since the construction and operation of real estate is responsible for a significant share of global CO_2 emissions, the Fund Management Company has identified energy-saving measures in the existing property portfolio as offering the greatest reduction potential. For this approach to be adopted, we first had to establish a reliable decision-making basis with end-to-end data transparency. Different aspects of the properties were examined for this:

- Consumption data (heating material, general electricity and water) was collected and analyzed
- Portfolios were screened to determine the potential offered by sustainable alternatives as replacements for the current heating systems
- Portfolios were screened in terms of the profitability of photovoltaic installations, carports and electromobility

As a more in-depth analysis, the official energy label of the cantons (GEAK) will be used as a certification system to create transparency on the topic of sustainability. From now on, this information can be used to show where energy-saving renovations and operational improvements fit into the big picture and prioritize the measures.

PRI Principles for Responsible Investment

Swiss Sustainable Finance

We are making an ongoing effort to improve our properties' energy efficiency. In particular, we would like to make special mention of the projects below:

- Goldach, Blumenfeldstrasse: Replacement of the heating system to optimize energy and emissions
- Cham, Brunnmatt: Expansion of e-mobility to boost the property's attractiveness
- Villars sur Glâne, Route de Villars: Replacement of the heating system as part of a strategic collaborative project with tenants

The transparency achieved by these efforts also makes it possible to compare potential acquisition targets and determine whether they fit into the existing property portfolio.

Helvetica has pledged to implement sustainable development in a measurable way at the property level and elsewhere. These intentions are underscored by several different memberships and declarations of intent as well as the Fund's plan to participate in the GRESB – the global sustainability benchmark for the real estate industry – from 2026 onward. At the employee level, the "Great Place to Work" certificate laid the basis for boosting employee satisfaction even further.

The next ESG report will contain detailed information on the topic of sustainability. It will focus on the sustainability strategy adopted, the collection of consumption data, CO_2 reduction pathways as well as the disclosure of environmentally relevant key figures as defined by the Asset Management Association Switzerland.

The ESG report, including a presentation of our pragmatic sustainability approach, will be published on April 6, 2023.

Max Högger-Strasse 6, Zürich

Comment on the Financial Report

The market value of the portfolio remained stable and the return on equity rose from 5.18 to 5.56 percent year over year. The debt financing ratio was reduced to 28.7 percent.

The value of the portfolio rose by 6.4 million Swiss francs to 756.1 million Swiss francs in 2022 while the gross asset value declined by 6.8 million Swiss francs to 774.6 million Swiss francs due to the distribution and the repayment of debt. Compared to the previous year, the return on equity rose from 5.18 to 5.56 percent. This was mainly thanks to higher net income and valuation gains. Net asset value per Fund unit stands at 117.19 Swiss francs. The return on investment increased by 0.41 percentage points to 5.83 percent compared to the same period of the previous year. The Fund Management Company continues to strive to optimize the overall costs of the Fund to achieve a lower TER. It is pleasing to note that $TER_{REF}GAV$ declined by 0.01 percentage points, from 0.95 percent in the previous year to 0.94 percent.

Balance Sheet

The portfolio's fair market value increased by 6.4 million Swiss francs to stand at 756.2 million Swiss francs on December 31, 2022, compared to 749.8 million Swiss francs at the end of 2021. Increases in the value of the portfolio are mainly comprised of market value adjustments and capitalized investments. Gross asset value amounted to 774.6 million Swiss francs as of the reporting date. Cash and cash equivalents fell by 15.8 million Swiss francs to 2.5 million Swiss francs. Cash and cash equivalents were used for the distribution of profits, investments made and to reduce interest-bearing debt. Other assets increased by nearly 3.3 million Swiss francs, from 9.3 million Swiss francs to 12.6 million Swiss francs. After deducting liabilities of 241.9 million Swiss francs and liquidation taxes of 23.7 million Swiss francs, this results in net fund assets of 509.0 million Swiss francs. That corresponds to a year-over-year increase of 5.0 million Swiss francs.

As already mentioned, the debt financing ratio was reduced to 28.74 percent, putting it below the regulatory threshold. The debt financing ratio at the end of the previous year had been 31.04 percent.

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

Income Statement

Since the focus in the 2022 financial year was on optimizing the return of the portfolio of existing properties, no transactions or capital increases took place during the year. A total of 42.6 million Swiss francs in rental income was recognized during the year under review, slightly more than in the previous year. This is equivalent to an increase of 0.7 million Swiss francs or 1.7 percent and is largely attributable to the elimination of vacancies and a reduction in rent defaults. Other income was down from 0.8 million Swiss francs to 0.2 million Swiss francs, so total income was stable at 43.0 million Swiss francs compared to 42.8 million in the previous year.

Expenses came to 13.7 million Swiss francs, a decline of 1.4 million Swiss francs compared to 15.1 million Swiss francs in the previous year. This is mainly attributable to a decrease in expenses for maintenance and repairs due to the fact that more capitalizable investments were made during the year under review. Realized capital gains declined 0.4 million to 0.1 million Swiss francs compared to the same period of the previous year. Unrealized capital gains include 3.1 million Swiss francs in market value adjustments as write-ups on the portfolio, whereas write-ups of 2.0 million Swiss francs were recognized for the portfolio in the previous year. Financing costs bore an average interest rate of 1.29 percent during the year 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. The Fund Management Company has decided to adhere to the financing strategy used to date.

Balance Sheet

in CHF

Assets	Notes	31.12.2022	31.12.2021
Cash on hand, postal check and bank sight deposits, including fiduciary deposits with third-party banks		2 485 668	18 333 517
Land/buildings			
Commercial property	1	756 152 000	749 757 000
Total for land/buildings		**756 152 000**	**749 757 000**
Shares in other real estate funds and real estate investment companies	1	3 348 009	3 895 469
Other assets		12 579 931	9 334 918
Gross asset value		**774 565 608**	**781 320 903**
Liabilities			
Current liabilities			
Short-term interest-bearing mortgages and other liabilities secured by mortgage	8	-189 800 000	-205 250 000
Other current liabilities		-18 268 198	-15 944 177
Total current liabilities		**-208 068 198**	**-221 194 177**
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		-6 325 000	-9 425 000
Total non-current liabilites		**-33 825 000**	**-36 925 000**
Total liabilities		**-241 893 198**	**-258 119 177**
Net asset value before estimated liquidation taxes		532 672 409	523 201 726
Estimated liquidation taxes		-23 716 884	-19 257 506
Net asset value		**508 955 525**	**503 944 221**
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		**117.19**	**116.04**
Change in net asset value			
Net asset value at the start of the reporting period		503 944 221	500 184 280
Distribution of earnings subject to withholding tax	12	-4 212 565	-3 995 423
Fund capital repayment exempt from withholding tax	12	-18 804 545	-18 153 117
Total profit		28 028 415	25 908 481
Net asset value at the end of the reporting period		**508 955 525**	**503 944 221**

Income Statement

in CHF

Income	**Notes**	**0.01. - 31.12.2022**	**01.01. – 31.12.2021**
Negative interest rate		-672	-1 079
Rental income		42 628 645	41 922 305
Income from ground rent		113 388	113 388
Other income		237 424	783 585
Total income		**42 978 785**	**42 818 199**
Expenses			
Mortgage interest and interest from liabilities secured by mortgage		-1 126 891	-868 118
Ground rent		-241 032	-244 733
Maintenance and repairs		-1 530 461	-2 873 069
Property management			
Property expenses		-1 681 386	-1 760 601
Administrative expenses		-1 127 287	-1 059 512
Taxes			
Property tax		-419 283	-509 082
Profit and capital tax		-204 473	-219 567
Evaluation and auditing expenses		-218 345	-309 919
Regulatory fees to			
the Fund management company	11	-5 434 118	-5 409 353
the custodian bank	11	-244 480	-231 434
property management	11	-1 157 279	-1 161 929
the market maker	11	-50 000	-50 000
Other expenses			
Other expenses		-241 689	-380 258
Total Expenses		**-13 676 725**	**-15 077 576**
Profit			
Net income		**29 302 060**	**27 740 622**
Realized capital gains		73 189	490 112
Realized profit		**29 375 249**	**28 230 735**
Unrealized capital gains		3 112 545	1 964 417
Change in liquidation taxes		-4 459 378	-4 286 672
Total profit		**28 028 415**	**25 908 481**
Profit appropriation			
Net income of the fiscal year		29 302 060	27 740 622
Capital gains for distribution in the fiscal year		73 189	490 112
Capital gains for distribution in previous financial years		-	-
Balance carried forward from previous year		21 477 726	16 264 101
Profit available for distribution		**50 852 974**	**44 494 836**
Profit intended for distribution to the investors	12	3 661 663	3 722 453
Capital gain intended for distribution to the investors	12	73 189	490 112
Transfer to retained earnings	12	19 499 401	18 804 545
Income retained for reinvestment		-	-
Balance to be carried forward		**27 618 721**	**21 477 726**
Fund capital repayment intended for distribution to investors		19 499 401	18 804 545
Total distribution to investors		**23 234 253**	**23 017 110**

Notes

1. Inventory

Inventroy of Properties

City, address	Ownership structure[1)]	Total rental space	Land plot	Building year	Date last extensive Renovation	Commence-ment of possession
		in m2	in m2			
Commercially used properties						
Altendorf, Zürcherstrasse 104	so	8 139	2 435	1991		01.07.2018
Arbon, St. Gallerstrasse 15	so	9 908	7 460	1993		01.11.2018
Arbon, Industriestrasse 23	so	22 450	34 912	1970, 1989, 1992, 2000		01.07.2020
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	9 517	3 505	1994		01.10.2020
Glattbrugg, Europa-Strasse 19	so	6 616	3 897	1961	1991	01.06.2018
Goldach, Blumenfeldstrasse 16	so	12 170	13 320	1950, 1983, 1988		01.07.2017
Gwatt (Thun), Schorenstrasse 39	sogr	24 460	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	12 761	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	12 062	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	7 210	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	28 910 000	1 611 352	-76 949	-4.78	1 534 404	5.71	95.3
40 595 930	36 240 000	2 467 384	-13 052	-0.53	2 454 332	6.82	97.6
26 238 715	26 750 000	1 459 332	-35 697	-2.45	1 423 635	5.49	97.9
13 924 269	12 580 000	1 012 409	-	-	1 012 409	8.25	100.0
23 135 312	23 290 000	1 215 983	38 686	3.18	1 254 669	4.82	99.5
18 609 040	18 650 000	1 234 673	-112 402	-9.10	1 122 271	6.62	99.6
14 709 171	15 520 000	900 367	-141 130	-15.67	759 237	5.71	99.6
9 910 780	10 390 000	724 391	-32 798	-4.53	691 593	7.03	100.0
18 656 592	18 110 000	1 124 279	-383 691	-34.13	740 589	6.10	59.8
36 310 492	38 140 000	2 121 522	-72 336	-3.41	2 049 186	5.56	97.8
13 333 054	13 630 000	762 565	-	-	762 565	5.59	100.0
4 276 630	5 476 000	286 609	-	-	286 609	5.23	100.0
32 615 482	35 940 000	2 145 376	-463 655	-21.61	1 681 721	5.93	85.8
13 012 403	14 140 000	938 430	-97 966	-10.44	840 464	6.26	100.0
13 183 682	12 310 000	991 179	-104 937	-10.59	886 242	8.14	98.2
44 131 174	50 380 000	3 762 231	-56 568	-1.50	3 705 663	7.44	100.0
28 213 348	26 800 000	1 641 141	-	-	1 641 141	6.12	100.0
24 192 733	28 350 000	1 654 334	-16 432	-0.99	1 637 901	5.94	98.6
25 951 059	26 820 000	1 289 396	93 895	7.28	1 383 291	4.83	99.9
13 839 842	10 330 000	1 238 386	-394 704	-31.87	843 683	11.91	74.4
13 269 600	14 290 000	716 366	-45 279	-6.32	671 087	5.07	95.6
19 025 131	17 330 000	1 402 725	61 556	4.39	1 464 280	7.90	100.0
33 212 627	26 420 000	1 749 902	-597 450	-34.14	1 152 452	6.80	76.9
4 576 793	4 350 000	349 477	-22 690	-6.49	326 787	8.11	100.0
16 361 908	14 890 000	863 023	-419 208	-48.57	443 815	5.64	65.4
30 650 192	40 080 000	2 111 440	-98 347	-4.66	2 013 093	5.27	95.8
17 040 842	17 820 000	998 175	-	-	998 175	5.70	100.0
13 965 487	14 430 000	733 894	-	-	733 894	5.09	100.0
28 877 645	31 410 000	1 430 000	-	-	1 430 000	5.46	100.0

Notes

City, address	Ownership structure[1]	Total rental space	Land plot	Building year	Date last extensive Renovation	Commencement of possession
Villars-sur-Glâne, Route de Villars 103-110[4]	so	9 555	16 094	2002,	2017	01.05.2019
Wallisellen, Hertistrasse 23	so	3 597	2 376	2002		01.05.2017
Winterthur, Stegackerstrasse 6	so	4 000	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	8 944	3 574	1975	2020	01.05.2017
Zuzwil, Herbergstrasse 11	so	7 160	5 101	1993,		01.10.2017
Total for commercially used properties		**307 857**	**307 321**			
of which, under leasehold		**35 887**	**26 836**			
of which, condominium ownership		**24 465**	**25 930**			
Subtotal		**307 857**	**307 321**			
Secondary rental income						
Grand total for land/buildings		**307 857**	**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 31.12.2022.

Initial cost	Market value	Gross rental income	Rent default[2)]	Rent default[3)]	Rental income actual	Gross return	Occupancy rate
31 691 181	31 630 000	1 825 260	-	-	1 825 260	5.73	100.0
8 825 893	9 395 000	494 856	-8 773	-1.77	486 083	4.56	100.0
8 984 546	9 881 000	578 080	-666	-0.12	577 414	5.92	100.0
17 658 922	20 360 000	804 136	-	-	804 136	4.07	100.0
30 122 958	39 360 000	2 000 267	-3 165	-0.16	1 997 102	5.12	99.8
11 625 484	11 750 000	713 416	-48 190	-6.75	665 225	6.15	93.9
728 913 901	**756 152 000**	**45 352 357**	**-3 051 951**	**-6.73**	**42 300 407**	**6.02**	**95.1**
86 268 791	**89 760 000**	**6 415 781**	**-56 568**	**-1.50**	**6 359 212**		
92 209 778	**86 920 000**	**4 979 671**	**-497 668**	**-9.99**	**4 482 004**		
728 913 901	**756 152 000**	**45 352 357**	**-3 051 951**	**-6.73**	**42 300 407**		
					441 626		
728 913 901	**756 152 000**				**42 742 033**		

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	3 312 434	3 348 009

Investments

Valuation categories (amounts in CHF)	31.12.2022	31.12.2021
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	3 348 009	3 895 469
Investments for which no prices are available pursuant to letter a: valued based on marketobserved 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	756 152 000	749 757 000
Total investments	**759 500 009**	**753 652 469**

2. Real Estate Purchased and Sold

Purchased

None

Sold

None

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

None

4. Participations in Real Estate Companies

All properties of the fund are held by Helvetica Swiss Commercial AG. As of December 31, the Fund holds 100 percent of the share capital in this company.

Notes

5. Rental Income per Tenant over 5 Percent

Tenant	Annual rent in %
AMAG Automobile und Motoren AG	5.9
Total	**5.9**

6. Information Regarding Derivatives

The Fund does not use derivatives.

7. Non-current Liabilities by Due Date

in CHF	31.12.2022	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	1.54%	30 000 000	31.12.2022	31.03.2023
money market mortgage	1.56%	22 000 000	31.12.2022	31.03.2023
money market mortgage	1.23%	12 600 000	31.12.2022	31.03.2023
money market mortgage	1.56%	12 500 000	31.12.2022	31.03.2023
money market mortgage	1.42%	3 300 000	30.12.2022	31.03.2023
Fixed Advance	1.41%	31 800 000	23.12.2022	23.03.2023
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
Total		**217 300 000**		

Matured Mortgages and Fixed Advances

Type	Interest rate	in CHF	Date of issue	Maturity
money market mortgage	1.13%	30 000 000	01.10.2022	31.12.2022
money market mortgage	1.31%	22 000 000	01.12.2022	31.12.2022
money market mortgage	0.79%	20 000 000	01.10.2022	31.12.2022
money market mortgage	0.79%	17 500 000	01.10.2022	31.12.2022
money market mortgage	1.36%	13 000 000	22.11.2022	31.12.2022
money market mortgage	0.82%	12 600 000	01.10.2022	31.12.2022
money market mortgage	1.31%	12 500 000	01.12.2022	31.12.2022
money market mortgage	0.79%	12 000 000	01.10.2022	31.12.2022
money market mortgage	0.79%	10 300 000	01.10.2022	31.12.2022
Fixed-rate mortgage	1.45%	5 750 000	01.01.2017	31.12.2022
money market mortgage	0.79%	3 800 000	01.10.2022	31.12.2022
money market mortgage	0.79%	1 000 000	01.10.2022	31.12.2022
Fixed Advance	1.01%	31 800 000	25.11.2022	23.12.2022
money market mortgage	1.07%	22 000 000	01.11.2022	30.11.2022

Type	Interest rate	in CHF	Date of issue	Maturity
money market mortgage	1.07%	12 500 000	01.11.2022	30.11.2022
Fixed Advance	1.03%	31 800 000	26.09.2022	25.11.2022
money market mortgage	1.36%	15 600 000	30.09.2022	21.11.2022
money market mortgage	1.06%	22 000 000	01.10.2022	31.10.2022
money market mortgage	1.06%	12 500 000	01.10.2022	31.10.2022
Fixed Advance	0.25%	30 000 000	30.06.2022	30.09.2022
Fixed Advance	0.62%	22 000 000	01.09.2022	30.09.2022
Fixed Advance	0.29%	20 000 000	30.06.2022	30.09.2022
Fixed Advance	0.29%	17 500 000	30.06.2022	30.09.2022
Fixed Advance	0.29%	12 600 000	30.06.2022	30.09.2022
Fixed Advance	0.62%	12 500 000	01.09.2022	30.09.2022
Fixed Advance	0.29%	12 000 000	30.06.2022	30.09.2022
Fixed Advance	0.29%	10 300 000	01.08.2022	30.092022
Fixed Advance	0.25%	7 326 000	30.06.2022	30.09.2022
Fixed Advance	0.29%	3 800 000	30.06.2022	30.09.2022
Fixed Advance	0.29%	1 000 000	30.06.2022	30.09.2022
Fixed Advance	0.47%	31 800 000	25.07.2022	26.09.2022
Fixed Advance	0.29%	15 600 000	30.06.2022	30.09.2022
Fixed Advance	0.62%	22 000 000	01.08.2022	31.08.2022
Fixed Advance	0.62%	12 500 000	01.08.2022	31.08.2022
Fixed Advance	0.62%	22 000 000	30.06.2022	31.07.2022
Fixed Advance	0.62%	12 500 000	30.06.2022	31.07.2022
Fixed Advance	0.29%	10 300 000	01.05.2022	31.07.2022
Fixed Advance	0.53%	31 800 000	25.06.2022	24.07.2022
Fixed Advance	0.12%	30 000 000	01.04.2022	30.06.2022
Fixed Advance	0.29%	23 000 000	01.04.2022	30.06.2022
Fixed Advance	0.29%	20 000 000	01.04.2022	30.06.2022
Fixed Advance	0.29%	17 500 000	01.04.2022	30.06.2022
Fixed Advance	0.29%	15 600 000	01.04.2022	30.06.2022
Fixed Advance	0.29%	12 600 000	01.04.2022	30.06.2022
Fixed Advance	0.29%	12 500 000	01.04.2022	30.06.2022
Fixed Advance	0.29%	12 000 000	01.04.2022	30.06.2022
Fixed Advance	0.25%	7 363 000	01.04.2022	30.06.2022
Fixed Advance	1.15%	3 800 000	01.07.2017	30.06.2022
Fixed Advance	0.29%	1 000 000	01.04.2022	30.06.2022
Fixed Advance	0.13%	31 800 000	26.05.2022	26.04.2022
Fixed Advance	0.11%	31 800 000	26.02.2022	25.05.2022
Fixed Advance	0.29%	10 300 000	01.022022	30.04.2022
Fixed Advance	0.12%	30 000 000	31.12.2021	31.01.2022
Fixed Advance	0.29%	23 000 000	01.02.2022	31.01.2022
Fixed Advance	0.29%	20 000 000	31.12.2021	31.03.2022
Fixed Advance	0.29%	17 500 000	31.12.2021	31.03.2022
Fixed Advance	0.29%	15 600 000	01.03.2022	31.03.2022
Fixed Advance	0.29%	12 600 000	01.02.2022	31.03.2022
Fixed Advance	0.29%	12 500 000	01.02.2022	31.03.2022
Fixed Advance	0.29%	12 000 000	31.12.2021	31.03.2022
Fixed Advance	0.25%	4 300 000	31.12.2021	31.03.2022
Fixed Advance	0.25%	3 100 000	31.12.2021	31.03.2022
Fixed Advance	0.29%	1 000 000	31.12.2021	31.03.2022
Fixed Advance	0.29%	15 600 000	29.01.2022	28.02.2022
Fixed Advance	0.09%	31 800 000	26.11.2021	25.02.2022
Fixed Advance	0.29%	23 000 000	31.12.2021	31.012022
Fixed Advance	0.29%	12 600 000	31.12.2021	31.01.2022
Fixed Advance	0.29%	12 500 000	31.12.2021	31.01.2022
Fixed Advance	0.29%	10 300 000	01.11.2021	31.01.2022
Fixed Advance	0.29%	17 600 000	31.12.2021	29.01.2022

Notes

9. Fees and Incidental Costs Charged to the Inventors

Remuneration	Maximum rate	Actual rates	Actual rates	Basis
		2022	2021	
Issue commision on units	3.00%	–	–	Net asset value of units
Redemption commission on units	1.50%	–	–	Net asset value of units

10. Incidental Costs Attributed to the Fund Assets

Remuneration	Maximum rate	Actual rate	Actual rate	Basis
		2022	2021	
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
		2022	2021	
Remuneration to the Fund Management Company				
Management fee	1.00%	0.70%	0.70%	Gross asset value
Purchase/sales compesation	1.50%	–	–	Purchase/sale price
Building and renovation fee	3.00%	3.00%	2.83%	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 50 000	CHF 50 000	Flat amount of 12'500 Swiss francs per quarter
Remuneration to property managers	5.00%	2.71%	2.77%	Gross rental income

12. Distribution of Profits

For the financial year ended December 31, 2022, a total amount of CHF 23.2 million will be distributed, corresponding to CHF 5.35 per share and a distribution yield on the price per share of 5.5%. The payout ratio is 79%. The distribution consists 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 is April 26, 2023 and the distribution will be made on April 28, 2023.

On April 29, 2022, a distribution of CHF 23.0 million (CHF 5.30 per share) was made, which was split into a withholding tax payable income distribution of CHF 4.2 million (CHF 0.97 per unit) and a withholding tax free fund capital repayment of CHF 18.8 million (CHF 4.33 per share).

13. Events After the Balance Sheet Date

None

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

in CHF	31.12.2022	31.12.2021
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 shares 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	31.12.2022	31.12.2021	Change
Balance of depreciation account for land and buildings (tax motivated, subsidiary level)	125 170 796	100 522 566	24 648 230
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	3 807 149	-54 932
Balance of the provision account for future repairs (Fund level)	-	-	-

Rounding details

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 fair 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 fair value principle. If the Fund Management Company has any buildings in progress that are to be reported at fair 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 February 2023

Helvetica Swiss Commercial Fund
Independent real estate valuer's report
Valuation as at 31 December 2022

Ref.
118583.2210

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 31 December 2022 (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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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 2022.

Results

A total of 35 investment properties were valued as at 31 December 2022. The market value of these properties on the valuation date is estimated by Wüest Partner to total 756,152,000 Swiss Francs.

In the property valuation, real discount rates between 2.80% and 4.00% were applied. Considering an inflation rate of 1.0% the nominal discount rates lie between 3.83% and 5.04%. Over the whole portfolio, the average of the discount rates – weighted by market value – is 3.45% in real terms and 4.49% in nominal terms.

Changes during reporting period

Within the review period from 1st January 2022 to 31 December 2022 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 February 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 October 2022.
- 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 1.0 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.

Auditor's Report

Short form report by the statutory auditor of the collective investment scheme

for the attention of the Board of Directors of the fund management company Helvetica Property Investors AG, Zürich regarding the financial statements of the Helvetica Swiss Commercial Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Helvetica Swiss Commercial Fund investment fund – which comprise the statement of net assets as at 31 December 2022, the statement of income for the year then ended, information regarding the appropriation of net income and the disclosure of costs as well as additional information pursuant to art. 89 para. 1 let. b–h and art. 90 of the Swiss Collective Investment Schemes Act (CISA).

In our opinion, the financial statements (pages 5, 16 until 25, 32 until 34) are compliant with the Swiss Collective Investment Schemes Act, the relevant ordinances as well as the fund contract and the prospectus.

Basis for opinion

We conducted our audit of financial statements in accordance with Swiss law and the Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Responsibility of the auditor of the collective investment scheme for the auditing of the financial statements" section of our report. We are independent of the investment fund as well as of the fund management company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the fund management company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors of the fund management company for the financial statements

The Board of Directors of the fund management company is responsible for preparing the financial statements in accordance with the Swiss Collective Investment Schemes Act, the corresponding ordinances as well as the fund contract and the

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prospectus, and for such internal control as the Board of Directors of the fund management company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the auditor of the collective investment scheme for the auditing of the financial statements

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors of the fund management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers AG

Raffael Simone	Erik Ganz
Licensed audit expert Lead auditor	Licensed audit expert

Zürich, 21 February 2023

Organization

Fund Management Company	Helvetica Property Investors AG, Brandschenkestrasse 47, Zürich
Executive Board	Hans R. Holdener, CEO and CIO ad interim Peter R. Vogel, CFO and Head Corporate Services Salman Baday, Head Sales and Marketing Lucas Schlageter, Head Portfolio Management
Extended Management Board	Peer Kocur, Head Investment Management (until 31.12.2022) Michael Knoflach, Head Finance (starting from 01.01.2023)
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 Management	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.

Informationen for Investors

Change in the Fund Contract

The following changes to the fund contract were approved by FINMA on April 27, 2022, and entered into effect on April 28, 2022.

Both the fund contract and the prospectus were adjusted to bring them into line with the Financial Services Act (FinSA), the Financial Institutions Act (FinIA), the revised CISA, the corresponding ordinances and the templates of the Asset Management Association Switzerland (AMAS). There were also changes that were merely a matter of form or wording.

The changes mostly involve the following points, as published on March 11, 2022:

- § 3 The Fund Management Company

In para. 3 section 1 sentence 3, the term "distribution" is now used, instead of "distribution of profit". This clarifies and underlines that distributions can also be made from capital contributions (italics):

"The Fund Management Company manages the real estate fund independently and in its own name for the account of the investors. It particular, it decides on issuing units, investments, and how these are valued. It calculates the net asset value and determines issue and redemption prices as well as *distributions*."

- § 19 Fees and Incidental Costs Charged to the Fund

In para. 19 section 3 the words "For paying out the income for the year" was replaced by "For paying out the distribution (italics):

"For paying out *the distribution* to investors, the custodian bank charges the real estate fund a commission not exceeding 0.25 percent of the gross amount of the distribution."

A new section 11 has been added to para. 19. This governs the size of the management fee of affiliated target funds in which investments are permitted, where a material portion is invested in an affiliated target fund (italics):

"*The management fee of target funds in which investments are made may not exceed 2 percent, allowing for any retrocessions and discounts. The annual report must show the maximum rate of the management fee of target funds in which investments have been made, allowing for any retrocessions and discounts."*

- Chapter 7 (previously: "Profit appropriation", now: "Distributions") and para. 22 (previously: "Profit appropriation and distributions", now: "Distributions)

The title of chapter 7 has been changed from "Profit appropriation" to "Distributions". Likewise, the title of para. 22 (previously: "Profit appropriation and distributions", now: "Distributions") and sections 1 and 3 of para. 22 have been changed as follows. This clarifies that distributions can be made out of profit, in which case they are subject to withholding tax, or out of capital contributions, in which case they are exempt from withholding tax:

In para. 22 section 1 sentence 1 the term "the net income" has been replaced by "the distribution" and subsequently the wording "distributed to investors" changed to "made to investors". The wording "from profit" has been deleted accordingly from para. 22 section 1 sentence 2. In addition, a new subsection has been inserted in para. 22 section 1 specifying the previous distribution practice. Finally, a new subsection has been inserted in para. 22 section 3, which also specifies the previous distribution practice and includes further information/references (italics):

"*The distribution* by the real estate fund will be *made* annually to investors in Swiss francs within four months of the end of the financial year. The Fund Management Company may also make interim distributions from profits."

"The distribution may be made either as a distribution of profits, in which case it is subject to withholding tax, or as a repayment of fund capital, in which case it is exempt from withholding tax."

"For further details on distributions, especially the tax treatment thereof, please see the annual report. The single entity financial statements of the Fund under the Code of Obligations are authoritative for tax purposes."

In para. 28 section 4 and in the final sentence 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.

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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