

Helvetica Swiss Living Fund increases its real estate portfolio to CHF 101 million in the first half of 2020

Zurich, 31 August 2020 - Since its launch in November 2019, the Helvetica Swiss Living Fund (HSL Fund) has built up an attractive portfolio of residential properties valued at CHF 101 million and with an annual target rental income of CHF 4.5 million.

- **Good first half of 2020 with acquisitions of 14 residential properties with over 240 apartments and one small commercial property**
- **Real estate portfolio at CHF 100.8 million as of 30 June 2020**
- **Total fund assets at CHF 124.8 million**
- **Target rental income (annualised) of CHF 4.5 million**
- **Net asset value of CHF 104.83 per share as of 30 June 2020**
- **Portfolio expanded to a market value of over CHF 124 million through the acquisition of a further residential property in Erlen as of 1 July 2020**

Details regarding the first half of 2020

The Helvetica Swiss Living Fund (HSL Fund) was launched in the fourth quarter of 2019 with a highly successful first issuance and payment date on 6 November 2019. The first extended half-year 2020 therefore covers the period from 6 November 2019 to 30 June 2020. With the funds from the initial offering and a further capital increase in March 2020, an attractive portfolio of 14 residential properties (with 242 apartments) and one small commercial property was built up. As of the balance sheet date of 30 June 2020, the real estate portfolio of the HSL Fund amounts to CHF 100.8 million.

Income statement 06.11.2019 – 30.06.2020

The rental income in the extended first half of 2020 amounted to CHF 1.8 million. In terms of target rental income, the HSL Fund has a proportion of around 93% from residential use (including secondary use in connection with residential) and only around 7% from commercial use. Due to the high proportion of residential use, the portfolio was resistant to possible negative influences on rental income in connection with the COVID-19 crisis. To date, the fund management company has not received any requests for rent deferral or permanent rent reductions.

Intensive "hands-on" management of the acquired properties reduced the vacancy rate from around 15% to 13.1%. In some properties, vacancies fell by more than 50% after the acquisition of the property. The occupancy rate as of 30 June 2020 was 86.9%. Various re-letting activities are still underway, so that the fund management company expects an occupancy rate of over 90% in the existing portfolio as of September 2020.

Net income for the reporting period amounted to CHF 2.0 million. The value of the real estate portfolio by the independent valuation expert Wüest Partner AG resulted in an unrealized gain of CHF 2.3 million. The fund recorded total income of CHF 4.1 million in the extended first half of 2020.

Balance sheet as of 30.06.2020

As of 30 June 2020, total fund assets amounted to CHF 124.8 million, reflecting the capital raised and property acquisitions of the first half of the year. The value of the real estate portfolio was CHF 100.8 million and the debt financing ratio was 33.9%. The net asset value amounted to CHF 88.8 million as of 30 June 2020. The net asset value per share reached CHF 104.83 as of 30 June 2020, corresponding to an increase of 4.8% since the initial issue.

Event after balance sheet date - Expansion of the real estate portfolio to over CHF 124 million

On 1 July 2020, a residential property in Erlen, Canton Thurgau, with a total of 44 apartments in five different apartment buildings was acquired. The property is located on a plot of land of almost 9,000 square metres and has a rentable area of around 4,570 square metres. The target rental income is just over CHF 0.9 million per year, the occupancy rate per 30 June 2020 is at 97%. The market value of the property was around CHF 23.5 million. This acquisition increases the value of the real estate portfolio to over CHF 124 million and the target annual rental income to around CHF 5.4 million.

Outlook

The fund management company intends to expand the existing residential real estate portfolio in accordance with the investment strategy. Although the effects of the COVID-19 crisis on the global and Swiss economy cannot be clearly assessed yet, the fund management company assumes that the HSL Fund with its distinctive residential real estate portfolio will not be negatively affected by COVID-19. A further capital increase, which is currently planned for the fourth quarter of 2020, will raise the necessary funds to further diversify the portfolio in terms of property size, location and tenants. Details of the planned capital increase will be published in a separate press release in due course.

Media contact

Michael Müller
Chief Executive Officer
T +41 43 544 70 80
mm@Helvetica.com

Peter R. Vogel
Chief Financial Officer
+41 43 544 70 84
prv@Helvetica.com

KEY FINANCIAL FIGURES HSL Fund 1 st half year 2020 (06.11.2019-30.06.2020)		
Balance sheet		As of 30.06.2020
Market value of the properties	CHF	100 750 000
Weighted real discount rate	%	3.12
Gross asset value (GAV)	CHF	124 819 072
Net asset value (NAV)	CHF	88 834 014
Debt financing ratio	%	33.93
Debt ratio	%	28.83
Interest rate debt financing	%	0.12
Residual term debt financing	Years	0.07
Net asset value per share	CHF	104.83
Outstanding shares	Number	847 430
Income statement		06.11.2019.-30.06.2020
Rental income	CHF	1 842 816
Rental income loss rate	%	15.78
Net income	CHF	1 961 250
Total income	CHF	4 089 404
Operating profit margin	%	47.22

The semi-annual report 2020 of HSL Fund is available on the fund management company's website at <https://www.helvetica.com/en/products/helvetica-swiss-living-fund/publications> or also under www.swissfunddata.ch

All press releases can be found under www.Helvetica.com

About Helvetica

Helvetica Property Investors AG is a leading Real Estate Fund and Asset Management firm. We deliver sustainable value to our clients through active, long-term ownership of safe and stable real estate investments. With a fully integrated real estate investment platform, we are able to provide both standardized investment products and customized investment plans. We are proud of our longstanding reputation for outstanding client service and dedication to responsible ownership. Our Firm is approved and regulated by the Swiss Financial Market Supervisory Authority FINMA.

About Helvetica Swiss Living Fund

The HSL Fund is a Swiss real estate fund that is open exclusively to qualified investors. The HSL Fund invests in residential real estate throughout Switzerland, primarily where regional and national economic centres are easily accessible. The investment focus of the fund is on older and newer properties with stable and sustainable revenues. The investment objective is primarily to preserve the fund's long-term value and to distribute reasonable profits. The fund shares can be traded over the counter. The HSL Fund is approved by the Swiss Financial Market Supervisory Authority, FINMA.

Ticker Symbol HSL; Valor 49527566; ISIN CH0495275668