

Media Release

Zurich, 31 August 2021

Ad hoc announcement pursuant to Art. 53 LR

SF Sustainable Property Fund Successful first half of 2021

- **Capital increase successfully completed, full investment shortly afterwards**
- **6.47% rise in rental income**
- **EBIT margin improved by 5% to 63.1%**
- **Scheduled start of the full refurbishment in Pratteln**
- **Development project in Lausen successfully concluded**

The SF Sustainable Property Fund achieved solid results in the first half of 2021. The capital increase carried out in April 2021 was successfully completed. All rights were fully exercised, providing the SF Sustainable Property Fund with a flow of funds totalling CHF 66.67 million gross. Rental income increased by 6.47% year on year. The vacancy rate as of the reporting date equals to 6.8%, a reduction of 0.1 percentage points compared to year-end 2020.

Real estate portfolio

In the first half of 2021, seven new properties with a market value of CHF 60.96 million as at 30 June 2021 were acquired for the SF Sustainable Property Fund. Three more properties were also acquired after 30 June 2021 at a market value of CHF 37.03 million. As a result of the purchases, the fund held 100 properties by mid-year, which is another milestone. The additional purchases also increased the diversification by location/site, size and building fabric to provide a balanced income and risk structure. The new purchases are located in Elsau, Rorschach, Wohlen AG, Oftringen, Olten and Uzwil.

The Via Breggia 1/3 property in Vacallo TI was sold on 15 June 2021 in order to optimise the portfolio. The real estate portfolio's market value totals to CHF 1.24 billion as at 30 June 2021.

Renovation projects and developments

The total refurbishment of Längistrasse 7/15/17 in Pratteln began in April 2021. The three buildings comprising 62 apartments in total are being completely refurbished whilst still being inhabited. After the building work has been completed, the property will fully comply with the fund's sustainability criteria (GEAK class C or higher).

Work on the new-build project secured in St. Gallen in January 2021 is progressing well. The project involves building two rectangular multi-family homes with 70 small apartments in a sustainable timber construction. The first of the prefabricated UNUS modular apartments has already been delivered.

The development project launched in Lausen in 2016 comprising 52 apartments and 52 parking spaces in total was completed on schedule in the first half of 2021. The apartments were already fully let prior to completion. The market value was CHF 26.5 million as at 30 June 2021, the development costs including the building land were around CHF 19.4 million.

Financial result

Rental income in the first six months increased by 6.47% to CHF 22.1 million compared to the first half of 2020. A profit of CHF 0.49 million resulted at the "Purchase in current net income" item thanks to the successful capital increase. The EBIT margin increased in the first six months from 60.1% to 63.1% compared to the first half of 2020 thanks to successful cost management. Net fund assets increased in the reporting period by 7.08% from CHF 854.0 million to CHF 914.5 million. The change is due to the net cash inflow of CHF 66.67 million from the capital increase, the distribution of CHF 24.8 million in March 2021 and the total profit of CHF 20.5 million achieved in the first half of 2021. At 30 June 2021, the stock market price was CHF 159.00 per unit.

Impact of COVID-19

The usage restrictions of the COVID-19 measures imposed by the authorities again on certain sectors did not have a significant impact on the 2021 half-year results.

Outlook

In the second half of 2021, the registered properties will be optimally integrated into the existing portfolio. The ongoing construction projects will continue and be completed by year-end. At the same time, construction projects also need to be prepared for 2022. The data collection for updating the carbon reduction path is already under way and will be completed in the second half of the year. This means that the results can be published in the sustainability report as part of the 2021 annual report.

Further information

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Key figures as at 30 June 2021

Rent default rate¹	Unit	30 June 2021	30 June 2020
Expected net rents	CHF	24 248 709	22 987 643
Rent default	CHF	1 779 597	1 739 152
Losses on receivables	CHF	278 295	350 412
Rent default rate	%	8.49	9.09
Debt financing ratio			
Debt financing ratio	Unit	30 June 2021	30 June 2020
Borrowed capital	CHF	270 666 000	222 880 860
Market value of properties	CHF	1 241 592 000	1 104 477 000
Debt financing ratio	%	21.80	20.18
Distribution yield			
Distribution yield	Unit	30 June 2021	30 June 2020
Distribution per unit	CHF	n/a	n/a
Market rate per unit at end of reporting period	CHF	159.00	133.00
Distribution yield	%	n/a	n/a
Distribution payout ratio	%	n/a	n/a
Operating profit margin (EBIT margin)			
Operating profit margin (EBIT margin)	Unit	30 June 2021	30 June 2020
Operating profit	CHF	13 913 573	12 451 376
Rental income	CHF	22 065 895	20 725 145
Operating profit margin	%	63.05	60.08
Fund operating expense ratio (TER_{REF})			
Fund operating expense ratio (TER_{REF})	Unit	30 June 2021	30 June 2020
Operating expenses	CHF	9 376 978	8 498 237
Ø Gross asset value	CHF	1 182 147 794	1 069 751 747
Ø Market value	CHF	1 065 910 897	933 037 266
TER_{REF} (GAV)	%	0.79	0.79
TER_{REF} (MV)	%	0.88	0.91
Return on equity (ROE)^{2/3}			
Return on equity (ROE)^{2/3}	Unit	30 June 2021	30 June 2020
Total income	CHF	20 548 258	14 269 833
Net fund assets at beginning of reporting period	CHF	853 993 713	786 803 309
+ Balance from unit transaction at principal value	CHF	64 834 378	59 914 933
Net fund assets at beginning of reporting period + capital increase	CHF	918 828 091	846 718 242
Return on equity (ROE)	%	2.24	1.69
Premium	%	33.03	12.78
Performance	%	5.94	-5.86

Investment yield^{2/3}	Unit	30 June 2021	30 June 2020
NAV at beginning of reporting period	CHF	120.20	119.26
NAV at end of reporting period	CHF	119.52	117.93
Distribution per unit in period	CHF	3.50	3.50
Investment yield	%	2.42	1.88

Return on invested capital (ROIC)^{2/3}	Unit	30 June 2021	30 June 2020
Adjusted total net income + interest expenses	CHF	20 396 491	13 959 722
Ø Gross asset value	CHF	1 182 147 794	1 069 751 747
Return on invested capital (ROIC)	%	1.73	1.30

Remaining term to maturity of debt financing	years	2.42	1.67
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Interest on debt financing	%	0.21	0.38
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Market capitalisation	CHF	1 216 566 081	944 942 922
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¹ Granted rent reductions are not taken into account when determining the rent default rate in accordance with the authoritative AMAS technical information.

² Historical performance data is no guarantee for future income. The funds' income and the value of the funds' units may increase as well as decrease and cannot be guaranteed. When units are redeemed, the investor may get back less money than originally invested.

³ Calculation for six months (1 January to 30 June).

Live broadcast

The management team of SF Sustainable Property Fund are presenting the 2021 half-year results as follows:

- **Presentation in German on Tuesday 31 August 2021, 08:30 a.m.**
- **Presentation in English on Tuesday 31 August 2021, 10:30 a.m.**

Nicolas Beutler (Portfolio Manager) will be commenting on the half-year results. A recording will be uploaded to our website www.sfp.ch following the presentation. Thank you for your interest.

You can download the comprehensive reporting and the 2021 semi-annual report [here](#).

SF Sustainable Property Fund

SF Sustainable Property Fund invests in existing real estate and projects in the whole of Switzerland. The strategy is to optimise the sustainability of its buildings throughout their life cycle. The fund invests primarily in real estate that can be brought up to the ecological, sociological and economic criteria of the fund within seven years. Further information on www.sfp.ch.

Disclaimer

SF Sustainable Property Fund (ISIN CH0120791253) is an investment fund under Swiss law of the type "Real Estate Fund" within the meaning of Art. 25 ff. in conjunction with Art. 58 ff. of the Federal Act of 23 June 2006 on Collective Investment Schemes (CISA). This media release (i) does not represent an issue prospectus within the meaning of Art. 652a or Art. 1156 of the Swiss Code of Obligations or Art. 27 ff. of the listing regulations of SIX Swiss Exchange, or a prospectus, a simplified prospectus or a basic information sheet. The sole documentation relevant for an investment decision can be obtained from Swiss Finance & Property Funds Ltd. This press release may contain forward-looking statements, such as expectations, plans, intentions or strategies regarding the future. Such statements are subject to uncertainties and risks. The reader is cautioned to be aware that such statements may deviate from actual future events. All forward-looking statements in this press release are based on data available to Swiss Finance & Property Funds Ltd at the time of publication. The company assumes no obligation to update forward-looking statements in this press release at a later date to reflect new information, future events or to otherwise update the contents. Investments in financial products involve different risks, which also include the potential loss of the capital invested. The price, value and yield of collective capital investments are subject to fluctuations. Past performance is no indicator for future price development and does not offer any guarantee of future success. Swiss Finance & Property Funds Ltd does not accept any responsibility for the realisation of the anticipated increase in value. Detailed information on trading in securities and investments in collective capital schemes can be found in the current brochure "Special Risks in Securities Trading" published by the Swiss Bankers Association. The information given in this publication is taken from sources that are considered reliable by Swiss Finance & Property Funds Ltd. However, Swiss Finance & Property Funds Ltd does not accept any express or tacit liability regarding the correctness, completeness, exactness and timeliness of the published information and elements thereof. Swiss Finance & Property Funds Ltd shall not be liable for any loss or damage (direct, indirect or consequential damage) resulting from the distribution of this document or its contents or that are connected with the distribution of this document. The information given in this document can change at any time and without prior warning. Neither this press release nor copies thereof may be sent or taken to the USA or distributed in the USA or given to US persons (within the meaning of Regulation S of the US Securities Act of 1933 in its current valid version). Units in the collective capital scheme may not be offered, sold or delivered within the USA and its territories. Units in the fund must not be offered, sold or delivered to US citizens or persons residing or with registered office in the USA and/or other natural or legal entities whose income and/or earnings, irrespective of origin, are subject to US income tax, as well as to persons who are deemed to be US persons pursuant to Regulation S of the US Security Act of 1933 and/or the US Commodity Exchange Act in the current valid version. The same applies for all the states and countries in which such distribution is prohibited.