



Zug, 21 November 2023

## **Swiss Prime Site Solutions Investment Fund Commercial closes out the 2022/23 financial year with strong cash flow yield of 5.4%**

- **Strong cash flow yield of 5.4% well above the target range**
- **Attractive dividend distribution of CHF 4.40 per unit certificate**
- **CHF 91 million in purchases, with WAULT rising to 5.4 years**
- **OTC price outperforms SWIIT by 7.4%**

The Swiss Prime Site Solutions Investment Fund Commercial («SPSS IFC») exceeded its cash flow yield target and demonstrated resilience in a challenging market environment. The 2022/23 annual report reflects results for the first full financial year since the fund launched on 17 December 2021. The portfolio comprises 18 properties with real estate assets of CHF 435 million.

### **Strong cash flow yield and attractive dividend distribution**

The high-yield portfolio recorded a strong cash flow yield of 5.43%, placing it well above the target range of 3.5% to 4.0%. The net yields of the properties, which average 4.36%, sustainably support the high cash flow return and will remain the focus of the fund management. The distribution of CHF 4.40 per share corresponds to an attractive cash yield of 4.21% and a dividend ratio of 79.2% (payment date: 8 December 2023; ex date: 6 December 2023).

### **Attractive purchases and increased WAULT**

Real estate assets increased in the 2022/23 financial year by 26% to CHF 435 million. This was due to two purchases of attractive office and research facilities in Stabio in the amount of CHF 91 million. These are let under long-term triple-net green leases with annual target rental income of around CHF 3.8 million. These purchases and impressive organic 2.7% growth in rents in the existing portfolio led to an increase in rental income of 105% to CHF 20.7 million. There was a further decline in the rent default rate, which came in at a low 3.3%. Strong new contracts in the financial year pushed the WAULT up from 3.8 years to 5.4 years. This was just below the all-time high since the fund's launch in December 2021.

### **Outperforming SWIIT by 7.42%**

In a challenging market environment, the over-the-counter price (bid price) increased from CHF 97.0 to CHF 102.5 per unit. With this performance of 9.37%, the OTC price of the SPSS IFC remained stable in a volatile market environment. The index of listed Swiss real estate funds (SWIIT) increased by 1.95% in the same period, meaning the SPSS IFC outperformed the SWIIT by 7.42%.



### **Successful measures in the area of sustainability**

The fund management is committed to an ESG-integrated approach and pursues a sustainable investment policy. The systematic implementation of ESG integration was significantly expanded in the 2022/23 financial year. A ten-year sustainability plan put together by external partners, which includes a CO<sub>2</sub> reduction pathway, was completely integrated into the portfolio and property strategies. The financial year also saw considerable increases in the proportion of certified buildings – 20.8% (basis: rental space) – and green leases – 23.6% (basis: target rent). On a strategic level, the company successfully implemented the GRESB grace period submission. The goal of completing GRESB assessment at the earliest possible date – with the annual report for the 2023/24 financial year – thus remains intact.

### **Fund profile**

The Swiss Prime Site Solutions Investment Fund Commercial is aimed at qualified investors and primarily invests in commercial real estate in established business locations throughout Switzerland. The investment focus is on broad diversification, high cash flow stability and attractive risk-return profiles. With an investment strategy that maintains an anti-cyclical focus on commercial properties, the SPSS IFC utilises attractive investment opportunities and offers enhanced protection from the effects of inflation with a high indexing rate of over 90%. SPSS IFC is the direct owner of the real estate; as such, taxes on income and capital gains are pre-paid by the fund itself, making them tax-free to investors (private and business assets) who are resident in Switzerland.

### **Online presentation 30 November 2023**

An online presentation on the 2022/2023 annual financial statements and an outlook for the 2023/2024 financial year will take place on 30 November 2023 at 10.30 a.m. (German only). We look forward to your [registration](#).

### **If you have any questions, please contact:**

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### **Swiss Prime Site Solutions AG**

Swiss Prime Site Solutions is a group company of the listed Swiss Prime Site AG. The real estate asset manager, which has more than CHF 8.2 billion in assets under management and a pipeline of CHF 1.1 billion, develops tailor-made services and real estate solutions for clients. Swiss Prime Site Solutions AG has been approved as a fund manager by FINMA pursuant to Art. 2 para. 1 (d) in conjunction with Art. 5 para. 1 FinIA.