



procimmo

PROCIMMO SA ASSET MANAGEMENT

LIGHT INDUSTRIAL OPPORTUNITIES
AND ESG INITIATIVES

BUILDING INVESTMENTS

AGENDA

1. Light industrial opportunities with a focus on Procimmo Real Estate SICAV
2. ESG initiatives in the light industrial sector
3. Challenges of a merger between two funds
4. Q&A

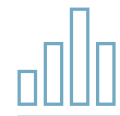


4.0 AuM

REAL ESTATE ASSET MANAGER
APPROVED BY FINMA

FINMA

SPECIALISED IN THE DEVELOPMENT AND
MANAGEMENT OF REAL ESTATE FUNDS



5 FUNDS

HEADQUARTERS IN RENENS, BRANCH IN ZURICH,
OFFICE IN GENEVA

3 LOCATIONS

EMPLOYEES

58



OUR ACTIVITIES



Asset Management

Development and management of real estate investment products



Construction & Architecture

Renovation and development of real estate



Letting

Letting vacant spaces of the properties



Transactions

Acquisition and sale of real estate

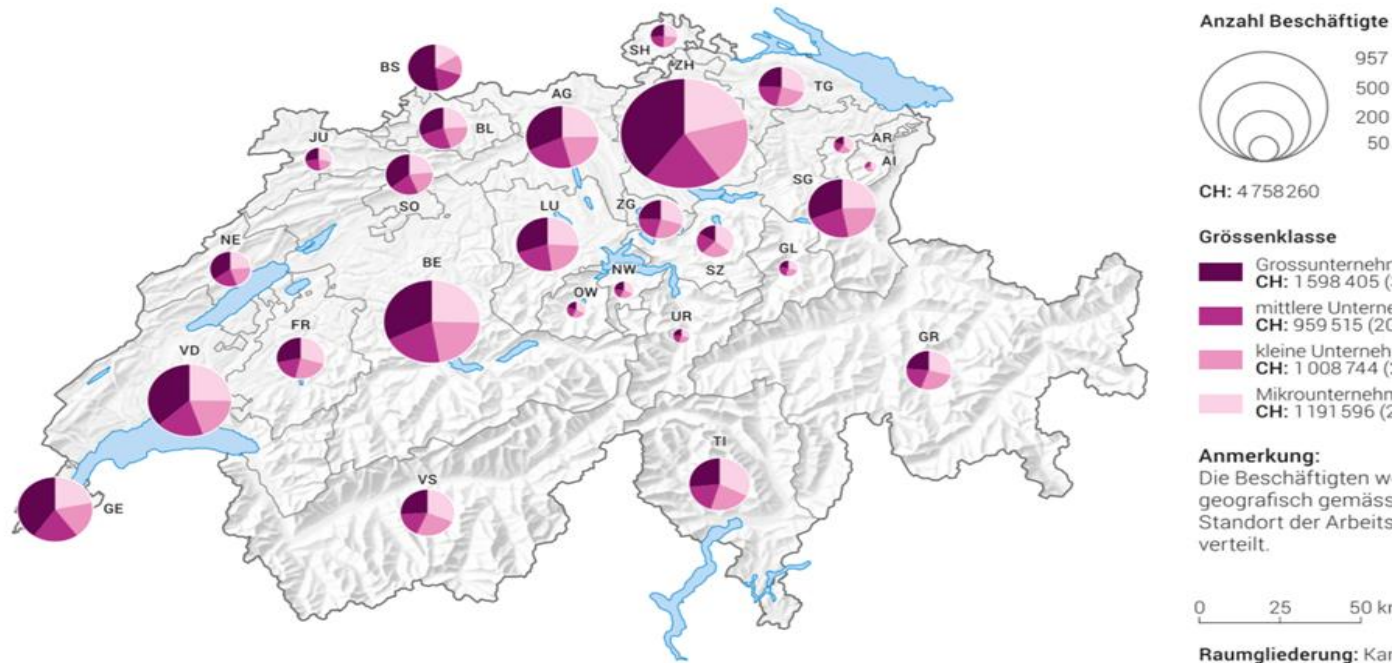


UNDERSTANDING THE LANDSCAPE

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There are 4.66 million employees, of which 66% are working in SME (small and medium sized).

Verteilung der Beschäftigten nach Grössenklasse, 2022

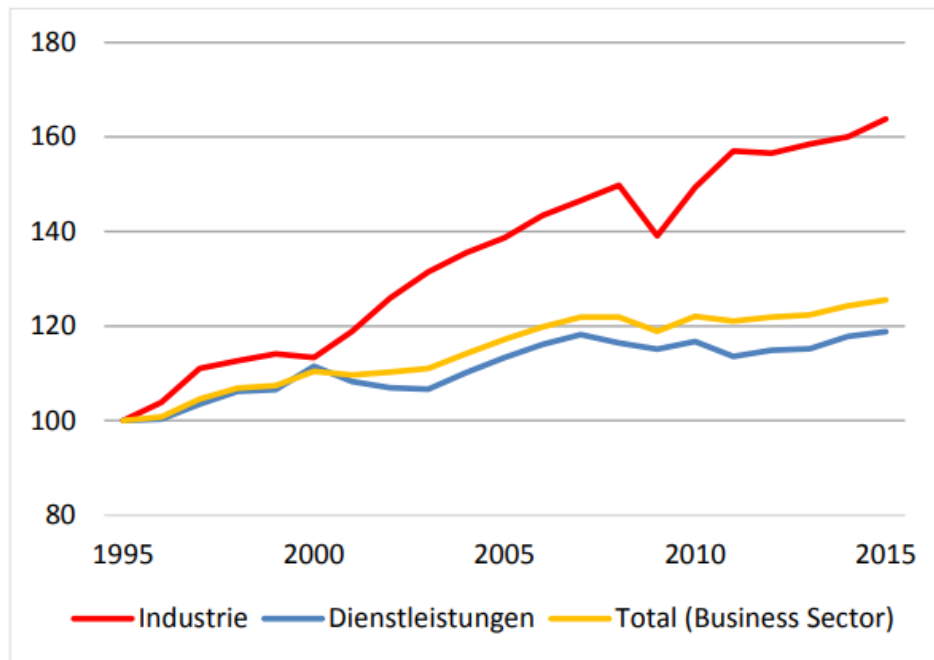


Quelle: BFS – Statistik der Unternehmensstruktur (STATENT)

UNDERSTANDING THE LANDSCAPE

Labor productivity by sector, Switzerland, 1995 = 100

Abbildung 9: Arbeitsproduktivität nach Sektoren, Schweiz, 1995=100



Quelle: BFS

- From 1995 to 2015, labor productivity in the industrial sector increased by over 60%

IDENTIFYING OPPORTUNITIES

1. Switzerland is home to some of the **world's top-ranked industries**, and we are witnessing a shift from large factories employing hundreds to a more diverse landscape of small businesses, often comprising just a few employees.
2. This evolution presents a golden opportunity, **as small and mid-cap companies often lack the resources to invest in large-scale properties**. They are, however, in dire need of flexible workspaces. This is where we step in: Our strategy involves acquiring large industrial or logistics buildings and transforming them to serve the Swiss SME market.
3. With an **unemployment rate consistently below 2.4%** and rarely exceeding 4.5% in the last century, over 97% of our population is engaged in the workforce. This solid economic foundation supports the resilience of light industrial sectors.
4. Furthermore, many **light industrial companies cannot shift to remote work** : painters and brewers, for instance, require dedicated spaces for their craft.
5. Finally, as businesses **strive to automate their processes due to rising labor costs**, we witness **constant innovation** propelling them to become global leaders in their fields.

KEY FACTORS

KEY FACTORS

Flex spaces

Tall
warehouses

As much
ground floor
as possible

High floor
loading

Close to
national
highways

Affordable
rents

Big land plots
vs
concentrated
construction

Low tech

MONTENA 65 - ROSSENS (FR)



RIEDSTRASSE 10/14 - DIETIKON (ZH)



VERNEY 18-30 - PUIDOUX (VD)



VUASSET 4-8 - PRÉVERENGES (VD)



CHAMPS DU PORT - ONNENS (NE)



DRAGONS 7 - CHESEAUX-SUR-LAUSANNE (VD)



PROCIMMO REAL ESTATE SICAV (PRES) FOCUS

1. KEY FIGURES



KEY ANNUAL RESULTS

As of 30.06.2024



Source: Annual report as of 30.06.2024

KEY ANNUAL RESULTS

As of 30.06.2024

3,91 %

Distribution
yield on market
cap

4,22 %

Distribution
yield on book
value

7,2 %

Agio

CHF 110-120
/sqm/year

Average rent

96,8 %

Payout ratio

69,28 %

Ebit margin

6 CHF

Dividend

>1m sqm

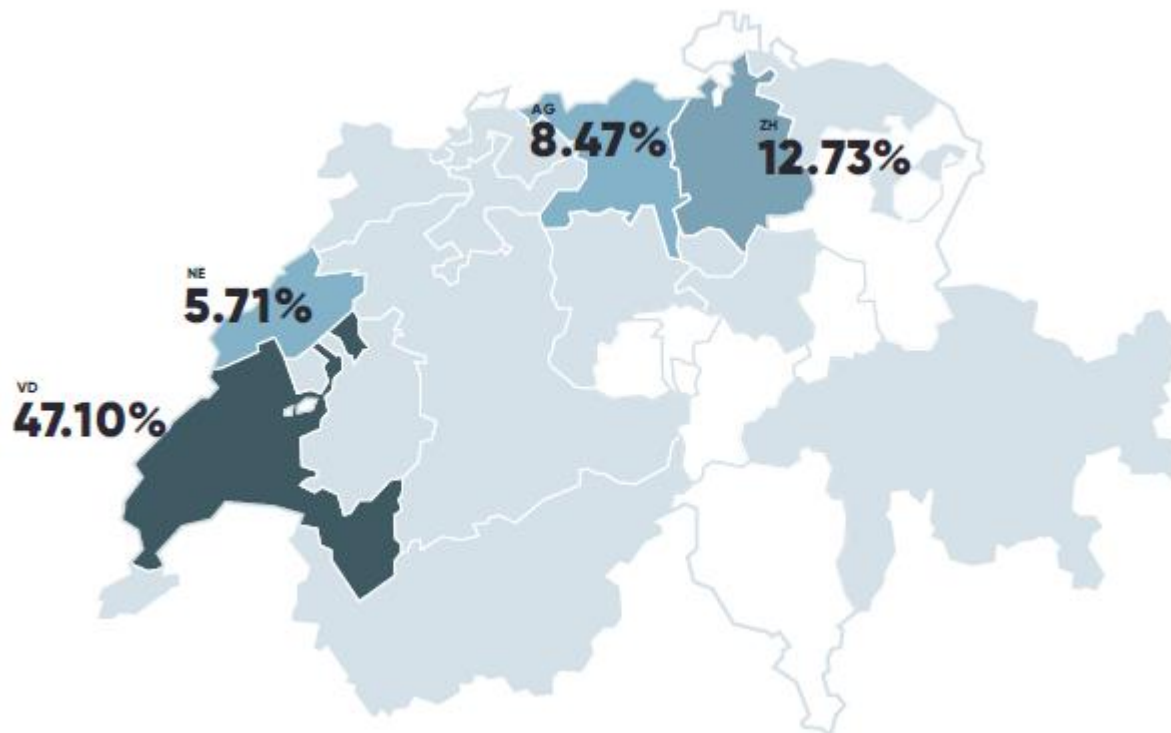
Lettable area

Source: Annual report as of 30.06.2024

KEY ANNUAL RESULTS

As of 30.06.2024

Other Cantons - 26%



LETTING ACHIEVEMENTS 2023-2024

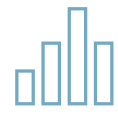
SQM

69'000



NEW LEASES

200



ROUTE DE CRASSIER 13 - EYSINS (VD)

4'250 sqm

RENEWED FOR 10 YEARS

CHAMPS-DU-PORT - ONNENS (VD)

8% Yield on 73m

Initial cost = GK of 73m





LOUIS - CHEVROLET 5 - LA CHAUX-DE-FONDS (NE)

3'000 sqm

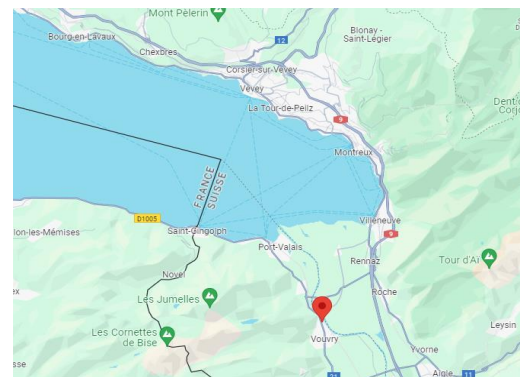
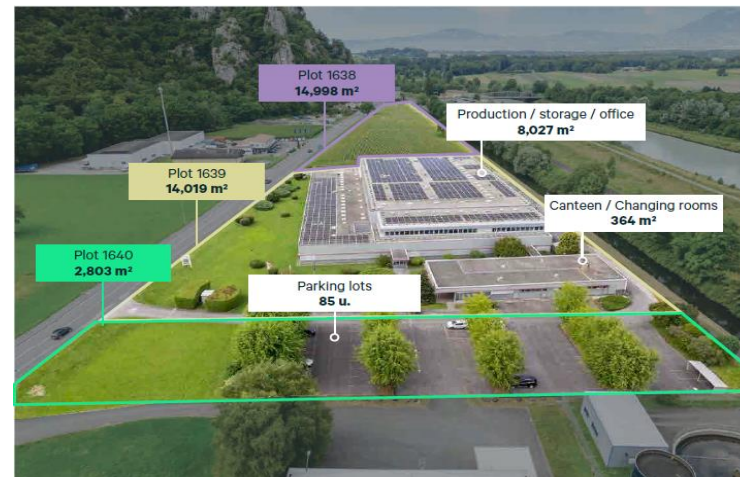
EXTENSION FOLLOWING A DEVELOPMENT PROJECT

ACQUISITIONS

Vouvry (VS), Avenue de Savoie 56

Acquisition price	CHF 9.0 m
Current rental income	CHF 0
Potential rental income	CHF 960'000
Current Vacancy	100%
Gross yield	0.0%
Potential gross yield (after capex)	7.8%
Acquisition date	August 2024

- Industrial asset located at the entrance of Valais, close to the A9
- Asset total area of 8'390 sqm, mainly industrial
- Total plot area of 31'820 sqm
- Totally vacant asset that used to be owned by Sanaro SA (Assugrin production)
- Potential rental income of CHF 960 K/year
- Ongoing discussions with potential tenants

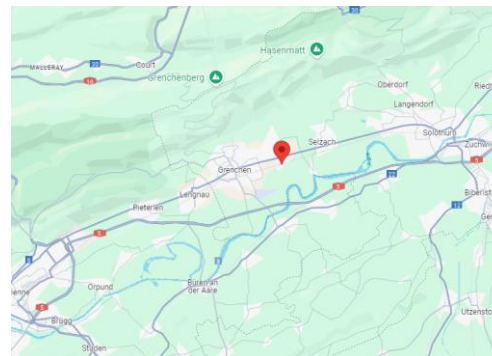


ACQUISITIONS

Bettlach (SO), Unterer Einschlag 1-9b

Acquisition price	CHF 17.35 m
Current rental income	CHF 1'072'000
Current Vacancy	0%
Gross yield on PR - Triple net	5.9%
Acquisition date	June 2024

- 2 plots purchased the 28th of June 2024 with a rental area of 14'014 sqm
- Single tenant
- 15 years triple net lease with 2 x 5 years extension option
- Undeveloped plot of land (parcel nr. 24), which leaves room for further development



UPCOMING DEVELOPMENT

Boudry (NE), Conrardes 12

Capex	CHF 13.2 m
Theoretical annual rent	CHF 930 K
Gross yield	7%
Area	Ca. 5'000 sqm

- Construction of a new industrial hall for an existing tenant.
- Land already acquired as it is part of our existing asset
- 5'000 sqm with 7m heights in the industrial areas. 57 parking spaces.
- Min. 10-year lease
- Awaiting building permit

Note: Figures are estimates and may vary

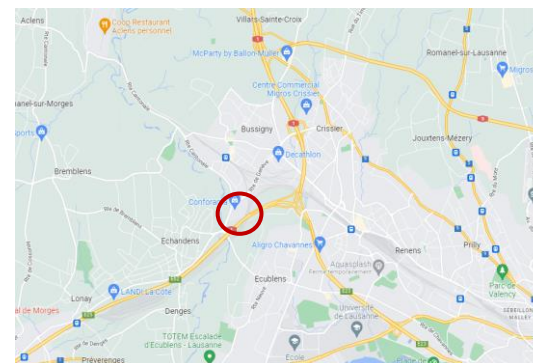


ACQUISITION / UPCOMING DEVELOPMENT

Ecublens (VD), En Reculan 1-3

Acquisition price	CHF 26.5 m
Current rental income	CHF 435'000
Current Vacancy	0%
Gross yield - Future project	6.0%
Project cost	CHF 50 m
Acquisition date	June 2024

- Excellent location and visibility next to the A1
- Development of a mixed project of around 20'252 sqm
- This will include a hotel, restaurants, showrooms, storage and commercial area
- The building permit is currently being instructed
- Partly pre-let





ESG INITIATIVES

> 200'000 sqm

SOLAR PANEL IN THE PORTFOLIO

ESG

1. The costs associated with achieving environmental goals are not yet fully reflected in property valuations.
2. The **renovation of existing** buildings is essential, especially considering the **grey energy** associated with new constructions and the speed with which we can implement such changes.
3. Light industrial and logistics buildings are particularly **well-positioned to achieve our sustainability goals**.
4. We consider the following initiatives:
 - a) **Heating Systems:** Changing to more efficient heating systems can result in the most significant impact.
 - b) **Isolation and Solar Solutions:** Improving isolation and installing solar panels on roofs are vital measures for enhancing energy efficiency.
 - c) **Digital Monitoring:** Implementing digital measurement and regulatory systems within buildings can help manage heating production while aligning with weather forecasts, potentially reducing energy consumption by as much as 15%.
 - d) **Heat Recovery:** We are also innovating with heat recovery from manufacturing machines, which could potentially cover the energy needs of entire neighborhoods.
 - e) **Commitment to Improvement:** Lastly, we strategically select underperforming buildings with the commitment to enhance their performance over time. This way, we account for substantial renovation costs upon acquisition.

CHALLENGES OF A MERGER BETWEEN TWO FUNDS

THE TWO TARGETED FUNDS AND WHY MERGE THEM?

PROCIMMO REAL ESTATE SICAV – Swiss Commercial Fund (P1)

- Real Estate SICAV
- Launched in November 2007
- Listed on the SIX Swiss Exchange in Zurich
- Net worth of approximately CHF 877 m
- Total wealth of approximately CHF 1'240 m
- Tax-free for shareholders
- Commercial real estate (industrial, artisanal, office)
- French-speaking Switzerland
- Closings (annual 30.06, half-year 31.12)

PROCIMMO SWISS COMMERCIAL FUND II (P2)

- Contractual Investment Fund
- Launched in April 2014
- Listed on the SIX Swiss Exchange in Zurich
- Net worth of approximately CHF 483 m
- Total net worth of approximately CHF 703 m
- Tax-free for shareholders
- Commercial real estate (industrial, artisanal, office)
- German-speaking Switzerland
- Closings (annual 30.09, half-year 31.03)

Why merge them?

- ✓ Becoming the largest industrial fund in Switzerland
- ✓ Benefiting from synergies
- ✓ Cost reduction
- ✓ Risk diversification

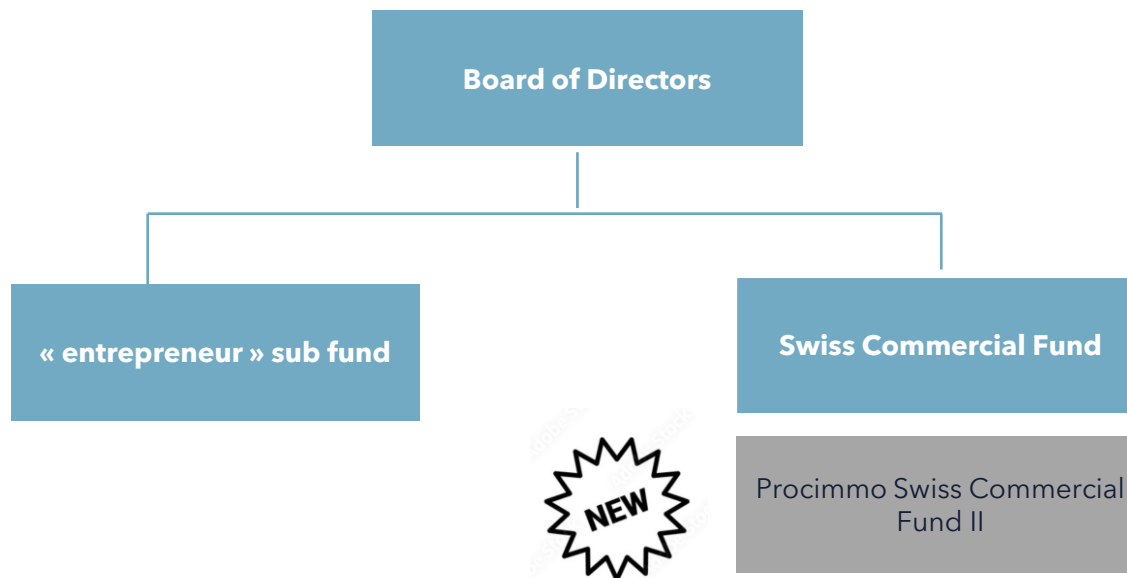
TRANSFORMATION

Tax rulings

- **At the fund management headquarters**
 - No direct federal income tax
- **At the AFC in Berne**
 - No withholding tax
 - No stamp duty
 - No trading stamp duty
- **With the Cantons and Communes**
 - No income tax
 - No real estate gains tax
 - No tax on transfer taxes

TRANSFORMATION

Flow chart - Procimmo Real Estate SICAV



7. Q&A

procimmo

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BUILDING INVESTMENTS

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All information as of June 30, 2024 unless stated otherwise.