



SWISS PRIME SITE

# COMPANY PRESENTATION

HALF YEAR 2024 INFORMATION



# Disclaimer

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# More transactions, turning point for valuations

## Transactions



- **Activity** in the **transaction market increases further** with falling interest rates
- **Continuously more institutional** investors in the market; especially **funds**, which carried out significant **capital increases** in **Q2**
- Purchase prices **at or above fair value**
- Increased number of **tenders** for portfolios as **contributions in kind** continues

## Lettings



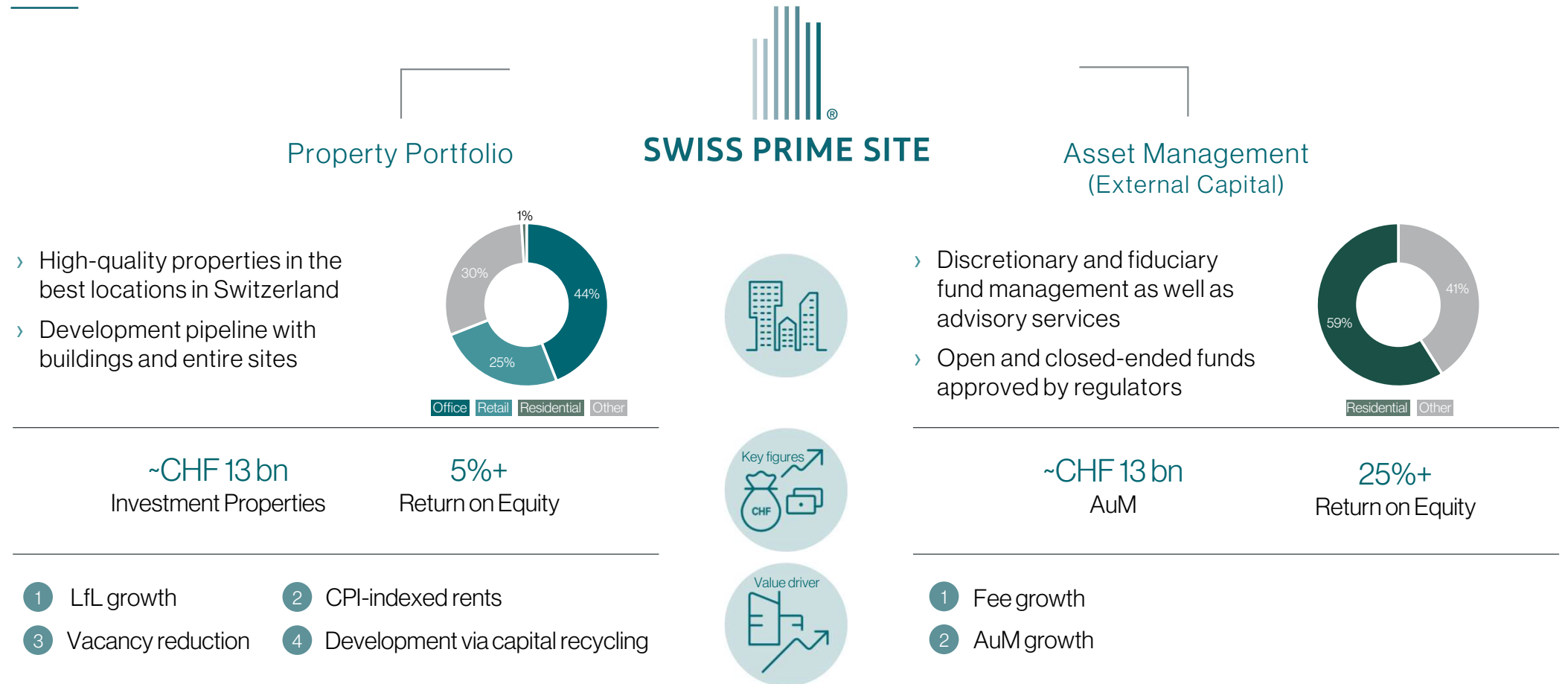
- Continued **strong demand**, especially for central **locations** combined with a high **standard**; **Zurich region** is top spot
- Primary interest still in **long-term rental agreements**
- **New leases** remain at **higher market levels**
- **Construction activity** in central locations **subdued** due to building authorisation processes; potential supply shortage

## Valuations



- **Discount rates unchanged** on a portfolio basis, supported by broader evidence from the transaction market
- **Revaluation gains** due to improved **new leases**, particularly in central locations
- Significant **positive revaluations** for **development projects** with high pre-letting status

# Two strong pillars with resilient business models

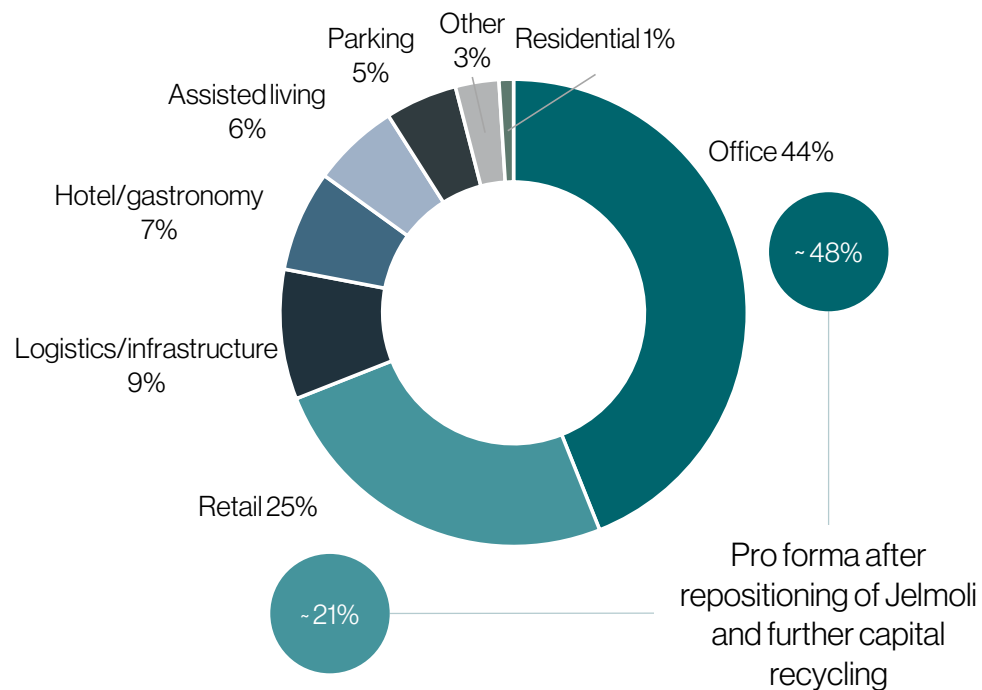


Note: Return figures represent medium term targets

# Office most important type of use and broad tenant diversification

## Portfolio by type of use<sup>1</sup>

as at 30.06.2024

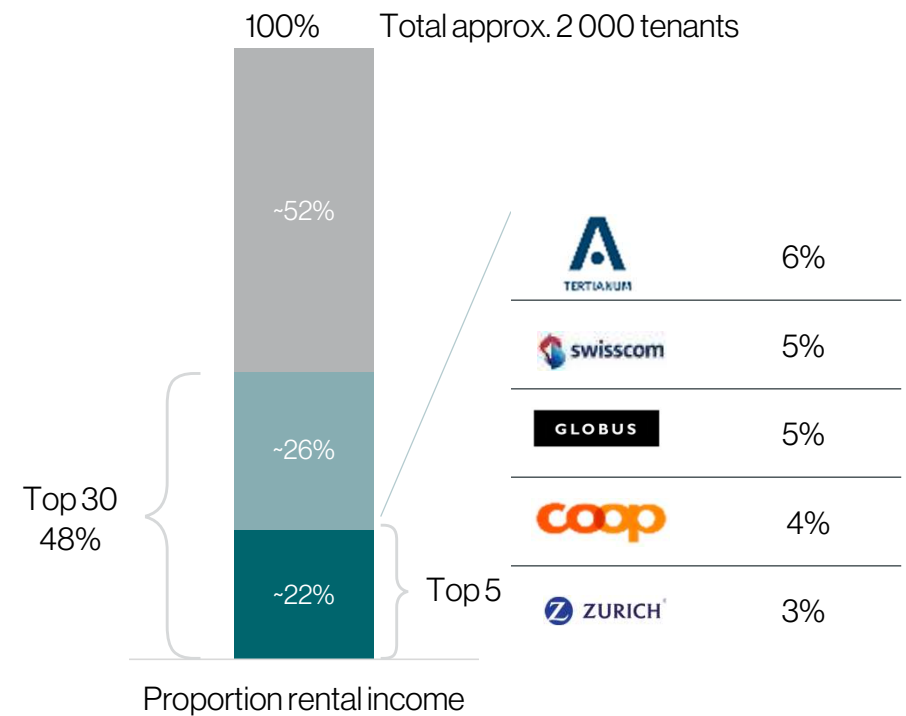


<sup>1</sup>Real Estate segment.  
Note: Values based on rental income

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## Diversification of tenants

as at 30.06.2024

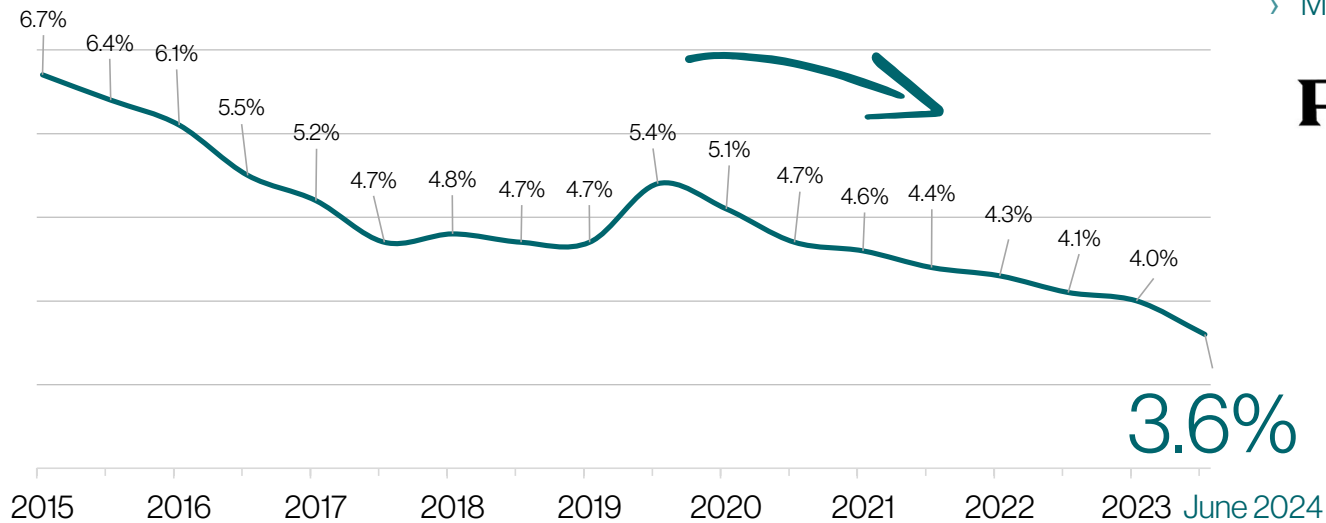


# Vacancies at record low through successful property management



## Vacancy rate

in %



› Major new tenants

**MANOR**

**Universität  
Zürich** UZH

› Major contract extensions

**PRADA**
**Morgan  
Stanley**


1.1%

Strategic for  
developments

2.5%

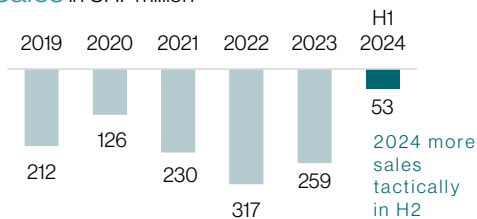
Operational

# Successful continuation of our capital recycling strategy

1

## Funding pipeline

Sales in CHF million



CHF 1.2 billion

Projects CHF 0.8 billion  
2020–2025

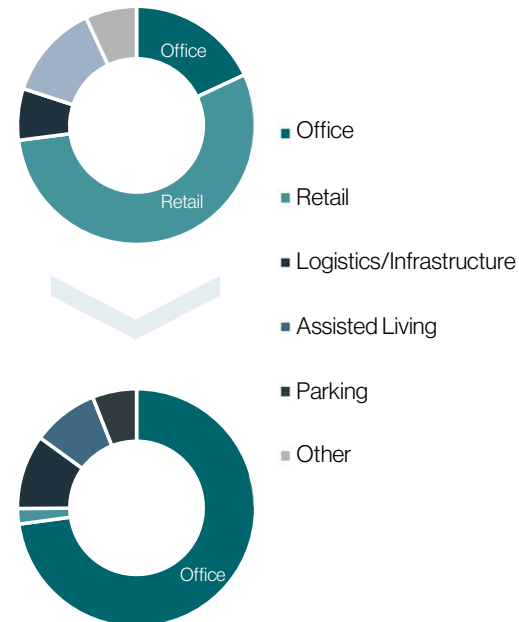
Completed projects (basic fit-out or total; selection)

- Alto Pont-Rouge (2023)
- Stückli Park (2023)
- Tertianum Paradiso (2024)

2024 completion: JED Schlieren

2

## Optimising mix<sup>1</sup>



3

## Enhancing locations & sustainability

- Non-core
- Low BREEAM rating
- Top locations
- SNBS Label

<sup>1</sup> Mix for sales refers to sales in 2024; mix for pipeline refers to projects under construction. Distribution according to rental income.

# Snapshot: Destination Jelmoli, Zurich

## Development project and concept

- Zurich Seidengasse near Bahnhofstrasse. Iconic Jelmoli building from 1898 is being redeveloped into a mixed-use building complex
- Two original atriums will be reactivated, and the rooftop terrace will be redesigned for public use
- Rental space of 33 500 m<sup>2</sup>, split into
  - 45% office
  - 40% retail (Manor)
  - 15% leisure/gastronomy (Holmes Place), other

|                   |                                     |
|-------------------|-------------------------------------|
| Status            | in planing                          |
| Investment volume | CHF ~ 130 million (excl. land)      |
| Letting status    | ~50% pre-let                        |
| Schedule          | Construction to start in March 2025 |
| Sustainability    | SGNI Gold                           |

## Latest developments / milestones

- Planning permission obtained; appeal period underway
- Tender for design of roof-top terrace completed
- Closure of Jelmoli operations on schedule; development work set to begin in early 2025
- Lease agreed with department store group Manor

Note: Approximate target figures; schedule refers to basic fit-out; investment volumes exclude existing value

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Visualisations



# Asset Management: leading product suite



Swiss Prime Site  
Solutions  
REAL ESTATE  
ASSET MANAGERS

Fund Management  
– Discretionary –

CHF **4.0** billion AuM

+0.8  
vs. FY 2023

## Regulated collective investment products

- FINMA-regulated
  - Akara Swiss Diversity Fund PK («ADPK»)
  - Investment Fund Commercial («IFC»)
- CSSF-regulated:
  - FG Wohninvest Deutschland («FGWI») SICAV

Asset Management  
– Fiduciary –

CHF **6.2** billion AuM

+2.2  
vs. FY 2023

## Real estate investment advice for third parties

- OPSC-regulated products:
  - Swiss Prime Investment Foundation («SPA»)
  - FG Investment Foundation («FGIF»)
- BaFin-regulated:
  - FG Wohnen Deutschland («FGWD»)
- Listed products (SIX):
  - Fundamenta Real Estate AG («FREN»)

Real Estate Advisory

CHF **2.5** billion AuM

+1.3  
vs. FY 2023

From investment-specific services to full asset management mandates – for regulated and non-regulated third-party clients

## Currently 16 mandates in three client categories:

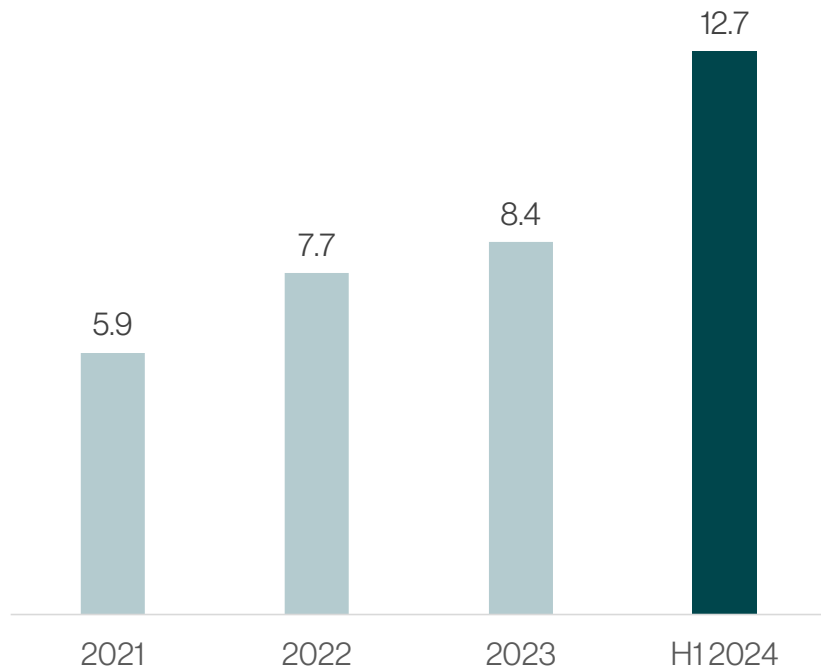
- Advisory mandates for pension fund clients (ASGA, BASF, Edifondo)
- Advisory mandate Fundamenta «RE Direct» (private and institutional investors)
- Fundamenta promotions (development of condominiums)

# AuM development and New Money

Capital raises in several Swiss Prime Site Solutions vehicles in H1

## Assets under management

in CHF billion

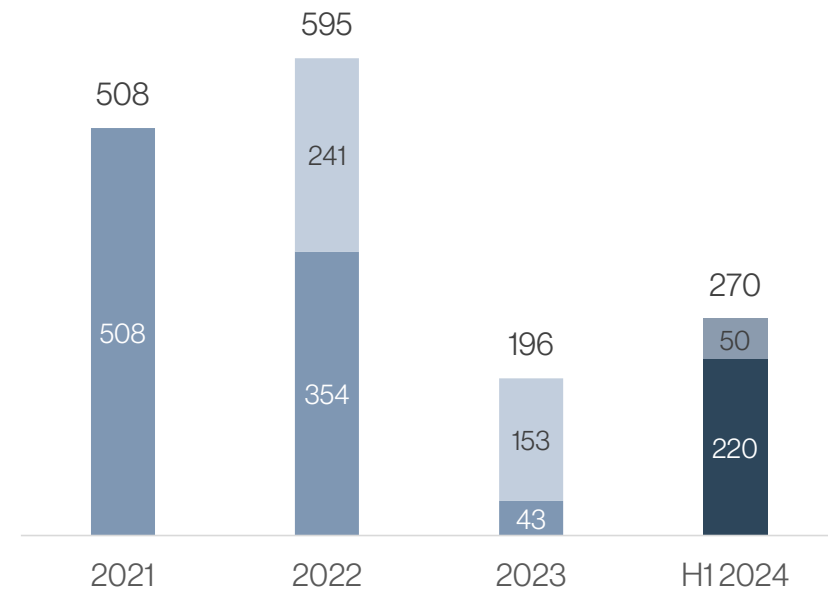


## Capital development<sup>1</sup>

in CHF million

– without leverage –

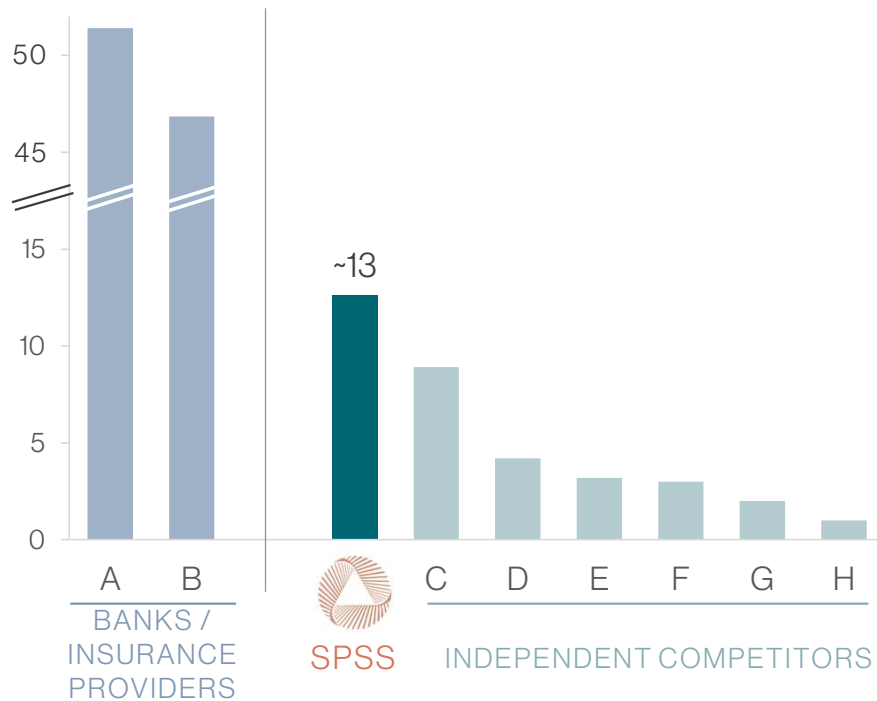
■ New Money ■ Contributions in kind



<sup>1</sup> New issuances during the respective period; settlement/drawdown may occur later. Includes capital increases of Akara and Fundamenta within the SPSS Group, not before acquisition.

# Acquisition of Fundamenta, critical scale in asset management

## Swiss real estate asset managers<sup>1</sup>



## Rationale

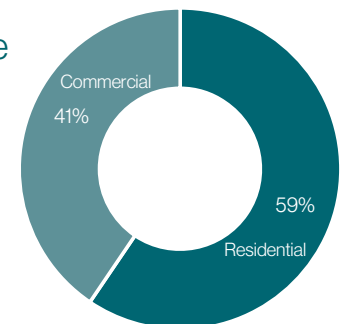
- ✓ Economies of scale with critical scale
- ✓ Expansion of investor base with a new total of >2 500 investors
- ✓ Complementary product range
- ✓ Established structure in Germany and Luxembourg

## Combined portfolio

### Products

- Funds (including SICAV)
- Investment foundations
- SIX-listed vehicles
- Promotions (club deals) and other

### Real estate



<sup>1</sup> Selected overview of the largest real estate asset managers, based on assets under management for direct real estate investments. Figures are based on the latest available information and estimates.

# We aim to deliver leading returns through efficiency and mix

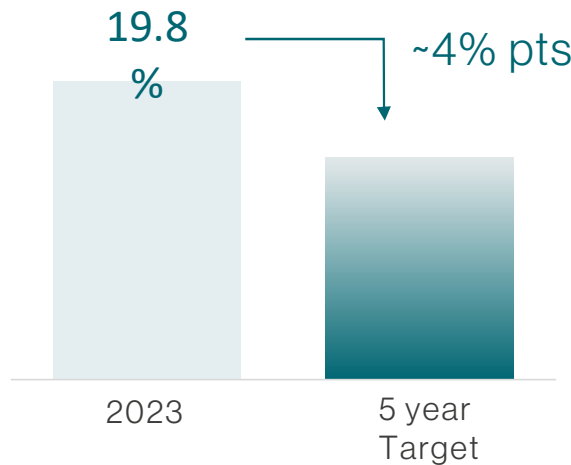
## Topline Growth

>15%

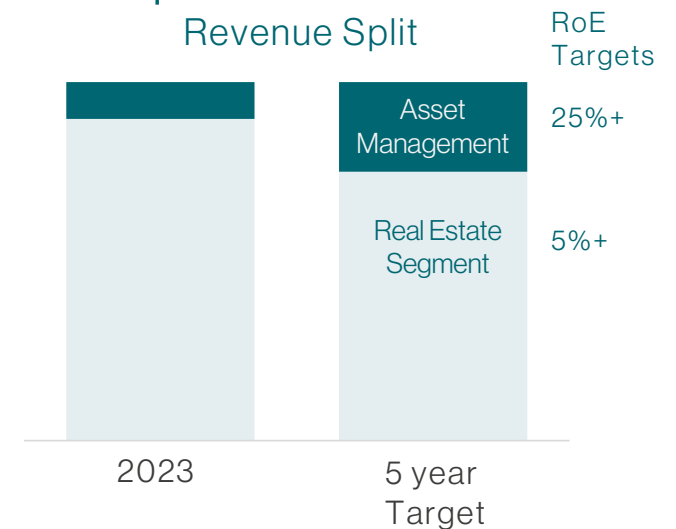
5 year Target

Developments  
as the key  
growth driver

## Higher Operating Efficiency - EPRA Cost Ratio



## Optimized Mix - Revenue Split



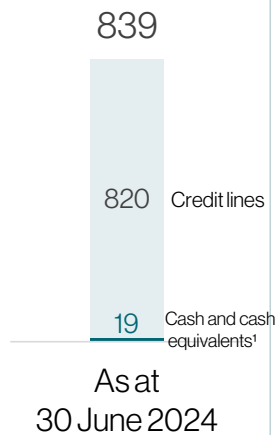
Higher returns



# Continuous rollover of maturities, high liquidity reserve

## Liquidity

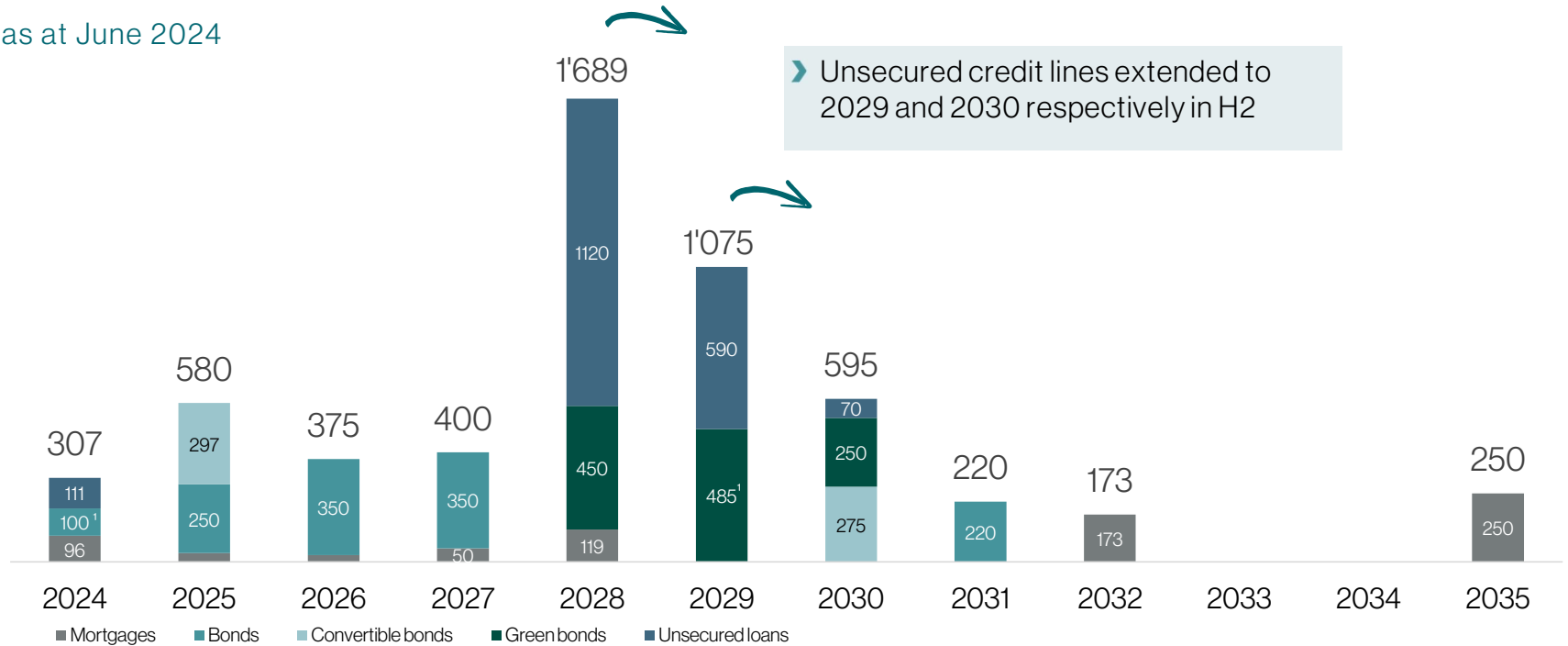
Cash and cash equivalents and committed credit lines in CHF million



## Debt Maturity Profile

at nominal values in CHF million

as at June 2024



<sup>1</sup>Pro-forma redemption of CHF 190 million due in July 2024 and placement of CHF 185 million in green bonds on 27 June with settlement after half-year close and term until 2029.

## Latest 2024 guidance



### Financial targets

**FFOI**  
per share  
CHF **4.15–4.20**  
*previously 4.10–4.15*

**LTV**  
Real Estate Portfolio  
**< 40%**

### Operational targets

**Vacancies**  
**~ 3.8%**  
*previously < 4.0%*

**AuM**  
Asset Management  
**~ 13 billion**  
*previously > 9 billion*

## Medium-term targets



Real estate portfolio

2028

Rental Income CHF >500 Mio.

Cost Ratio <16%

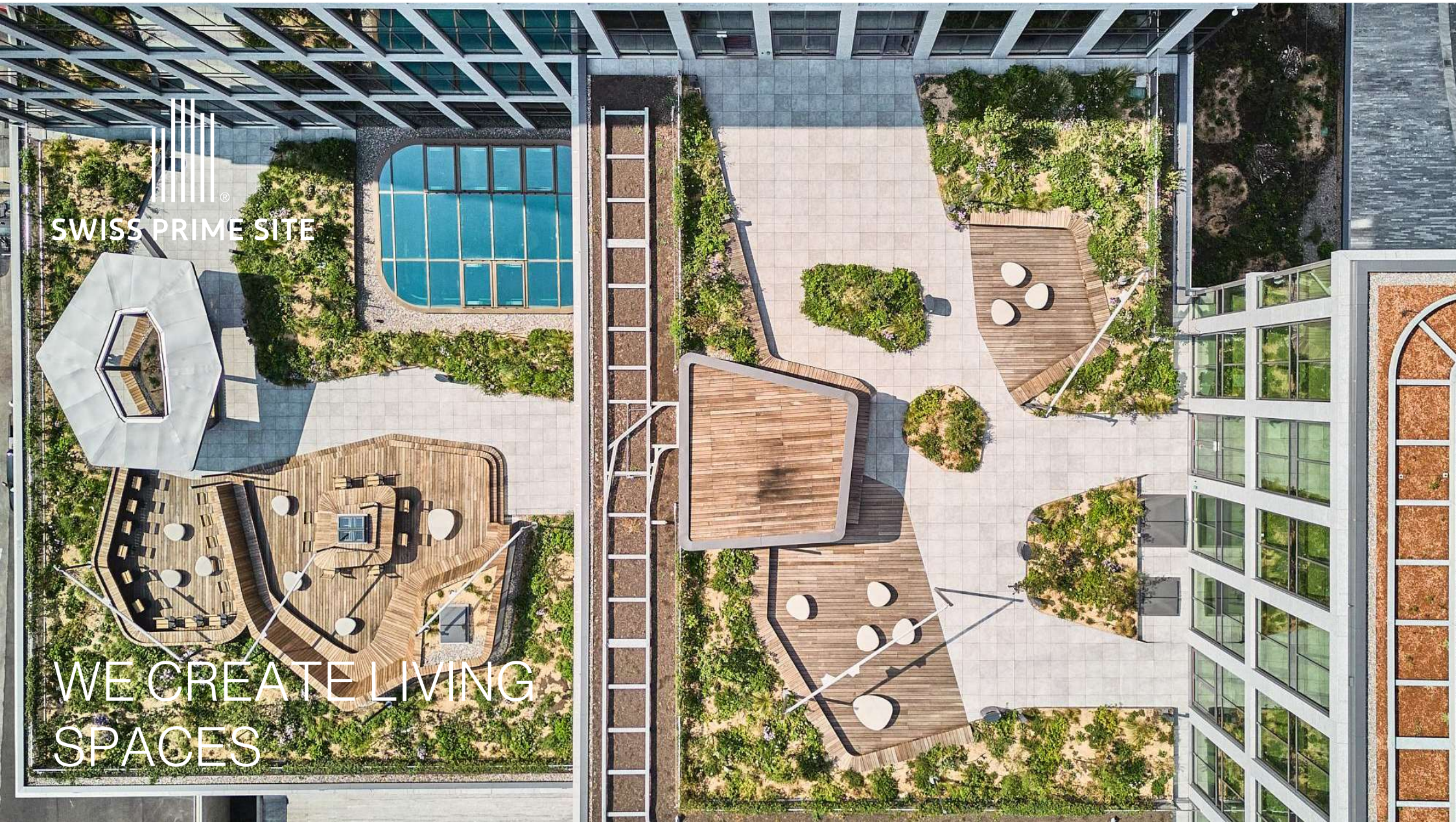
Asset Management

2027

AuM CHF >16 Mrd.

EBITDA CHF >75 Mio.





SWISS PRIME SITE

WE CREATE LIVING  
SPACES