

UBS (CH) Property Fund – Swiss Commercial «Swissreal»

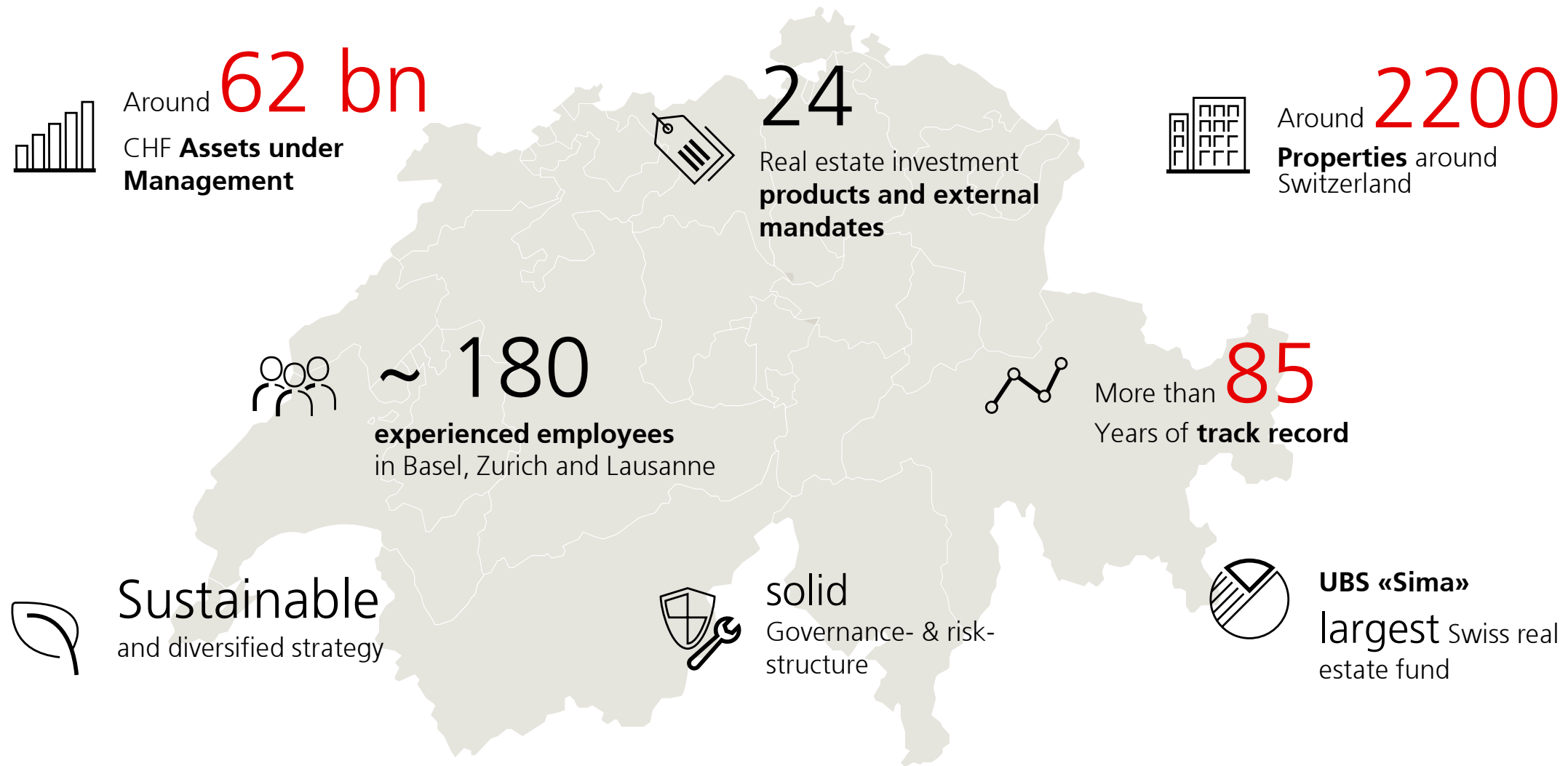
Fund overview as of 31 December 2024 and update

Jürgen Zimmermann
Fund Manager

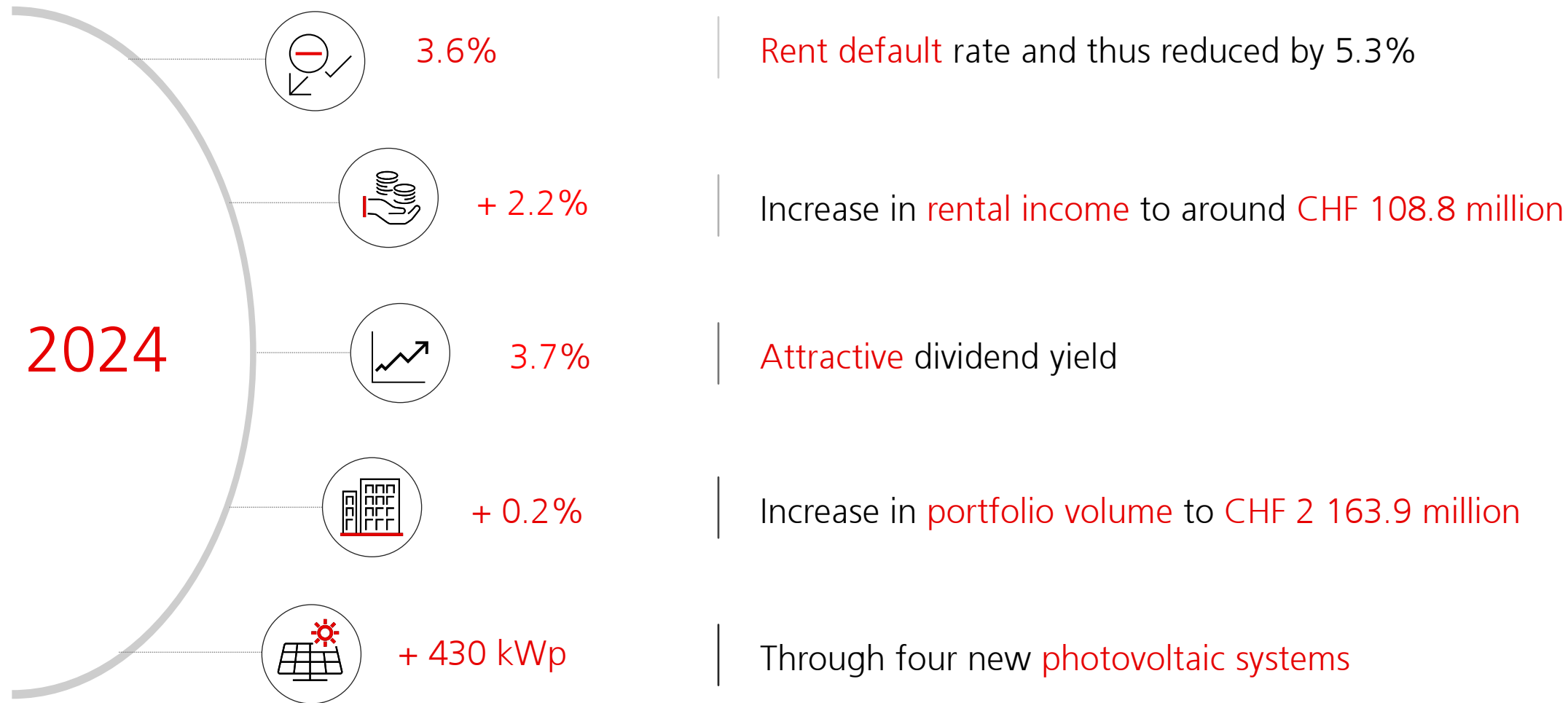
4 November 2025



Convincing facts about Real Estate Switzerland



UBS «Swissreal» – At a glance



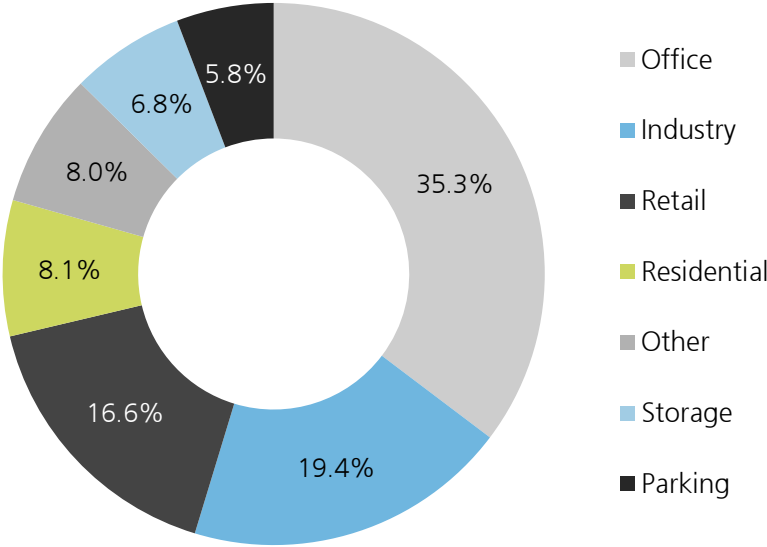
UBS «Swissreal» – Management Summary

- Listed Swiss real estate fund with commercial real estate throughout Switzerland
- Stable returns from existing portfolio
- Internal value adding potential through renovations and densification
- Focus on sustainable growth by always taking economic, ecological and social aspects into account in acquisitions, new buildings and renovations

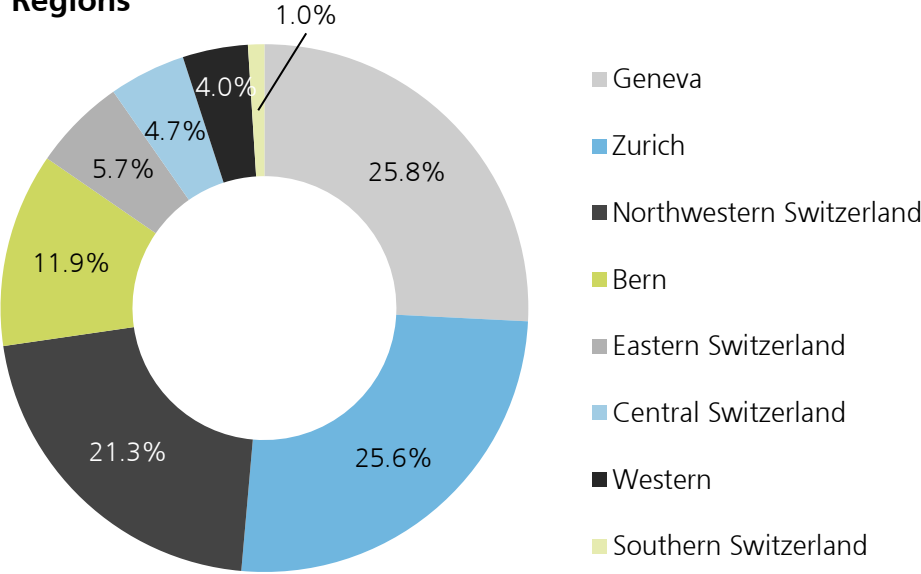
Key Figures

Year of launch	1962
Net asset value	CHF 1 514.2 m
Market value	CHF 2 163.9 m
Rental income	CHF 108.8 m
Rental default rate	3.6%
Leverage ratio	23.7%
Total return on NAV	3.3%
Performance	20.2%
Number of properties	85

Usage



Regions



UBS «Swissreal» – Key figures in a multi-year comparison

Balancing as of	31.12.2022	31.12.2023	31.12.2024
Net Asset value in m CHF	1 558.6	1 531.7	1 514.2
Market value in m CHF	2 120.9	2 158.8	2 163.9
Average Real Discount Rate ¹	3.60%	3.66%	3.64%
Premium/Discount	-4.8%	-0.6%	16.2%
Distribution per share in CHF	2.65	2.65	2.65
Dividend yield	4.4%	4.3%	3.7%
Payout ratio	102.9%	101.8%	103.6%
Total return on NAV	4.3%	2.6%	3.3%
Leverage ratio (in % of market values)	20.3%	22.9%	23.7%
Total expense ratio (TERREF) - GAV	0.77%	0.77%	0.77%
Total expense ratio (TERREF) - MV	1.04%	1.10%	1.03%
Rental default rate	5.2% ²	3.8%	3.6%

Source: UBS Asset Management, Global Real Assets (GRA), data as at 31 December 2024.

¹ Average market value-weighted discount rate (mixed rate real/nominal) according to KPMG (KPMG version of products valued)

² Incl. rent waivers granted (COVID-19); without this effect, the reported rent default rate as of 31.12.2022 would amount to 4.9% (instead of 5.2%) as of the annual financial statements

Past performance is no guarantee of future performance. Performance does not take into account any commissions and costs charged for the subscription and redemption of shares.

UBS «Swissreal» – Completed Construction Highlights



Completion
in April
2024

Studen (BE), Gewerbestrasse 8

- Headquarters of Atlas Copco (Switzerland) AG
- 3 544 m² of rental space and 77 parking spots
- Hybrid wood construction with air-water heat pump, photovoltaic system with 67 kWp and 10 electric charging stations
- Minergie certification
- Completion: April 2024
- Investment volume: Approx. CHF 11 m
- Gross return: 4.5%



Completion
in April
2025

Lausanne (VD), Route de Berne 1

- Complete renovation of the «Tour de La Sallaz» residential tower with 48 apartments
- New photovoltaic system
- Minergie certification
- Completion: April 2025
- Investment volume: Approx. CHF 23 m
- Gross return: 4.1%



Completion
in July
2025

Zürich (ZH), Mainaustrasse 30

- Complete renovation and repositioning
- Conversion of office space to apartments and top floor expansion
- New photovoltaic system
- SNBS Silver certification
- Completion: July 2025
- Investment volume: Approx. CHF 8 m
- Gross return: 3.8%

UBS «Swissreal» – Construction Pipeline Highlights



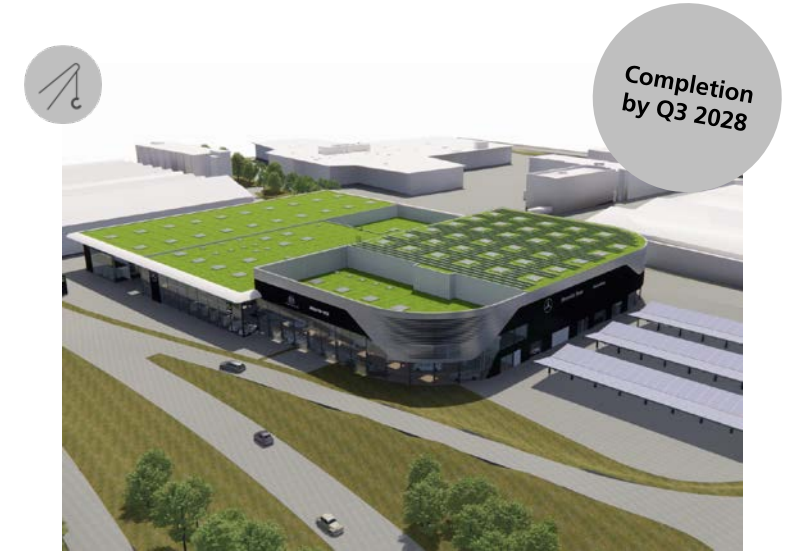
Basel (BS), Weisse Gasse 15

- Complete renovation and repositioning
- Conversion of office space to apartments and top floor extension
- New photovoltaic system
- SNBS Gold certification
- Planned completion: Q1/2026
- Investment volume: Approx. CHF 11 m
- Gross return: 3.8%



Frenkendorf (BL), Parkstrasse 3

- Planned replacement with 22 apartments and 1 311 m² of commercial space, as well as 49 parking spots
- New photovoltaic system and connection to the district heating network
- Planned Minergie ECO certification
- Planned completion: Q2/2027
- Investment volume: Approx. CHF 19 m
- Gross return: 4.1%



Muttenz (BL), Güterstrasse 90

- Planned expansion of «Mercedes City»
- 4 312 m² of rental space and 292 parking spots
- Planned lease term until 2049
- Expansion of the photovoltaic system
- Planned completion: Q3/2028
- Investment volume: Approx. CHF 21 m
- Gross return: 4.8%

UBS «Swissreal» – Lease Contracts Highlights



Bern (BE), Wankdorf Center (WCB)

- Early lease extension with existing tenant Coop Genossenschaft
- Total rentable space of 34 846 m²
- 600 parking places available in managed underground parking garage
- Co-ownership share of 21%
- Lease term: 15 years from July 1, 2024, to June 30, 2039 (with two 5-year options)



Opfikon (ZH), Feldeggstrasse 3

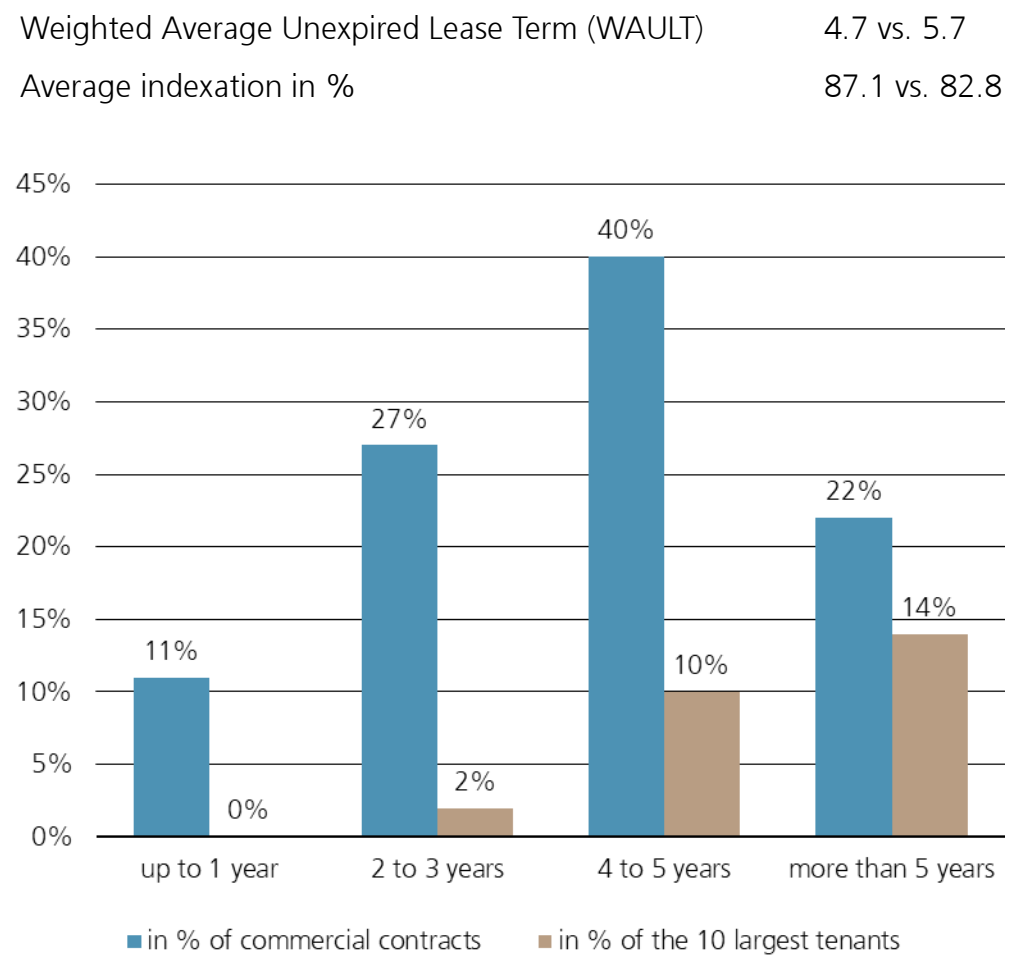
- New lease contract with Service Arena Schweiz AG
- Total rentable space of 3 220 m²
- Triple-net lease
- Lease term: 10 years from October 16, 2024, to October 15, 2034 (with a 5-year option)



Pratteln (BL), Güterstrasse 72, 76, 78

- Follow-on lease to Competence Center for Occupational Safety AG
- Total rentable space of 3 338 m²
- Recourse of the real extension option
- Lease term: 5 years from May 1, 2024, to April 30, 2029

UBS «Swissreal» – Expiring commercial leases



Top 10 tenants as at December 31, 2024

Tenant	Industry	Share	WAULT
Coop Genossenschaft	Retail	5.0%	8.5
Feusi Bildungszentrum AG	Culture, sports and education	4.7%	3.6
Idorsia Pharmaceuticals Ltd	Pharmaceutical industry	2.8%	3.1
Implenia Schweiz AG	Construction industry	2.1%	3.4
Blue Entertainment AG	Telecommunication	2.1%	7.8
Kestenholz Automobil AG	Automotive industry	1.9%	8.7
ALSO Schweiz AG	Information Technology	1.9%	4.5
Avolta AG	Retail	1.8%	2.2
Bossard AG	Wholesale	1.8%	4.8
Kestenholz Immobilien AG	Automotive industry	1.5%	17.1
Total		25.6%	Ø 5.7



Sustainability – Why We Are Committed

Great potential in the real estate sector



54%

of Swiss residential buildings were heated with oil and gas in 2023¹

22%

of Swiss greenhouse gas emissions were caused by buildings in 2023²

40%

Areas that are built up compared to 45 years ago³

50%

of plant and animal species in urban areas are endangered⁴

¹ Source: [Bundesamt für Statistik - Gebäude- und Wohnungsstatistik \(2023\)](#)

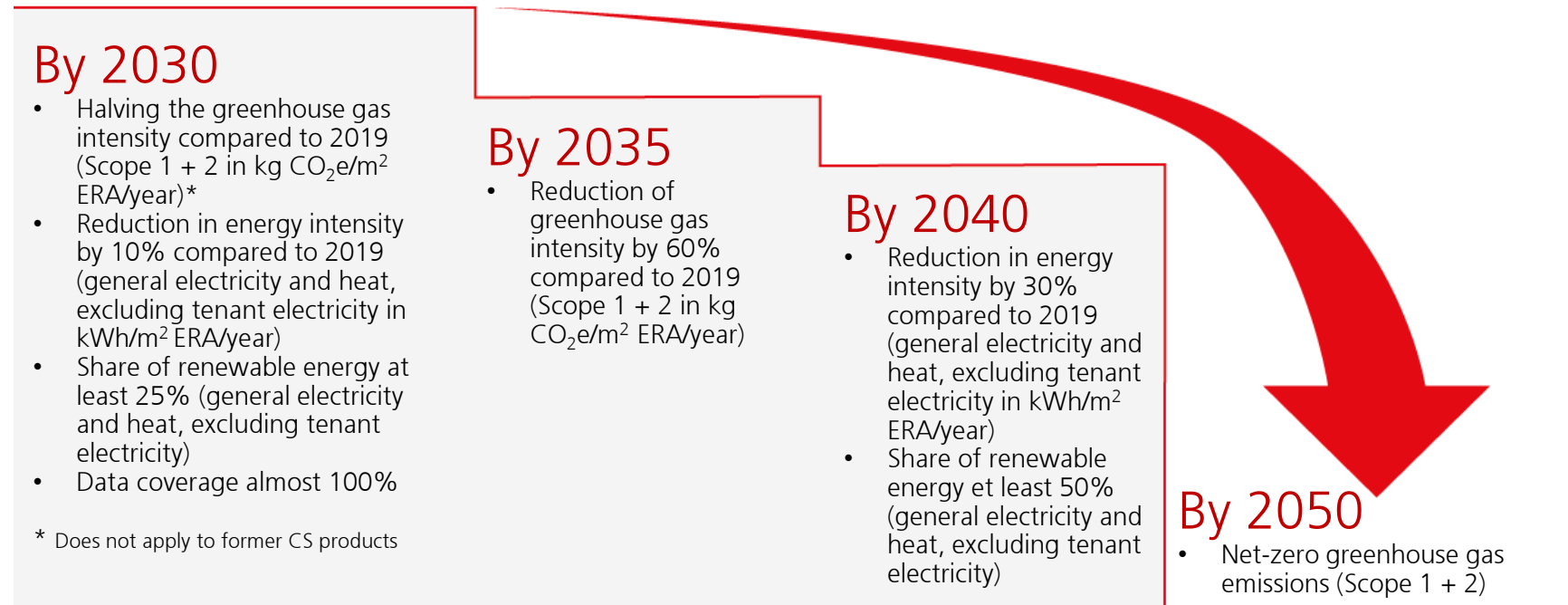
² Source: [Bundesamt für Umwelt - Klima: Das Wichtigste in Kürze \(2023\)](#)

³ Source: [Bundesamt für Statistik - Umweltindikator Bodenversiegelung \(2018\)](#)

⁴ Source: [Bundesamt für Umwelt - Gefährdete Arten und Lebensräume in der Schweiz \(2023\)](#)

Sustainability – We Have Clear Goals

Clear goals until 2050¹. Our decisions today influence the lives of future generations. For this reason, we have defined binding goals and interim targets until 2050 since August 2022, which were updated in September 2024. The goals are integrated into the fund contracts and investment guidelines. All our real estate investment products are classified as sustainable products according to the current version of [AMAS](#) ("Self-regulation on Transparency and Disclosure for Collective Assets with Sustainability Reference").



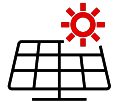
UBS «Swissreal» – Sustainability Highlights



CO2 reduction path calculated and implemented across the entire portfolio



Around 80% of the market value is certified



> 430 kWp installed PV capacity in 2024



> 28% of obtained energy from renewable energy sources

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With our holistic sustainability strategy, we create long-term value for the environment, society and our investors.

Jürgen Zimmermann

Fund Manager
UBS «Swissreal»



Risks

- **General risks:**

- The main risks of the real estate fund are its dependence on economic developments, changes in the Swiss real estate market, limited liquidity, interest rate developments, competition and pricing.
- The real estate fund is also exposed to sustainability-related risks (see "Sustainability-related risks" below). The occurrence of the aforementioned risks may have an actual or potential material negative impact on the value of the investments and thus on the net assets, financial position, results of operations and reputation of the real estate fund.
- Such risks cannot be completely ruled out.

- **Sustainability-related risks:**

- Currently, there is no standardised definition of sustainability in Switzerland ("sustainability taxonomy"). In connection with the sustainability criteria, there is a risk that they will not be consistent with a possible future sustainability taxonomy.
- Climate change and its effects pose potential financial risks. Financial-related climate risks can be divided into two categories: physical risks and transition risks. Physical risks exist if, for example, damage to real estate increases due to climate-related natural disasters. Transition risks arise, for example, due to intervening climate policy measures. The effects of physical risks, for example, are covered as far as possible by natural hazard insurance.
- At the same time, the sustainability criteria defined by the fund management company (see Fund Prospectus Part I, 1.9.2. Investment Policy) make it possible to reduce transition risks by measuring the energy consumption of the portfolio and reporting it on the basis of defined key figures (see Section 8 of the Fund Agreement).
- In addition, as part of its investment process, the fund management company includes the relevant sustainability-related risks in its investment decision and evaluates them on an ongoing basis.

- **Liquidity Risk Management / Information on the Liquidity Management Process:**

- In accordance with the applicable provisions of the fund contract, the investor may terminate his share at the end of each financial year, subject to a notice period of 12 months. Accordingly, the fund management company identifies, monitors and reports on the liquidity risks of the real estate fund's assets with regard to the redemption of units or the net outflow of assets. The instruments and models used allow the analysis of different scenarios as well as stress tests.

Contact information

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UBS Fund Management (Switzerland) Ltd is a member of the UBS Group



Glossary (I/II)

Term	Definition
Agio (premium) / Disagio (discount)	The agio is the difference between the NAV (net asset value) and the market price of the fund units, as a percentage of the NAV. If the market price is above the NAV, there is a positive agio (premium). If the market price is below the NAV, this results in a negative disagio (discount).
Yield on investment	The investment return of a real estate fund corresponds to the change in the net asset value of the shares. If the gross amount of income and/or capital gains distributions is reinvested directly and without deductions in the fund at the net asset value of the shares. ¹
Payout ratio	Total amount of distributed income as a percentage of net income, adjusted for provisions for future repairs. ¹
Dividend yield	Last gross amount distributed per unit as a percentage of the stock exchange or market price. ¹
EBIT margin	Operating profit as a percentage of net rental income. Operating profit comprises all income (rent and other income) less all ordinary operating expenses (excluding taxes and interest).
Gross initial yield	The gross initial yield shows the ratio between the annual rental income and the net purchase price / market value of the property.
Cash flow	Cash flow is equal to total income plus depreciation and amortization of land and furniture, as well as net provisions for future repairs less unrealized capital gains.
Core investment strategy	A core investment strategy is the division of a portfolio into a broadly diversified core investment, which is intended to offer a basic return with sufficient security.
Discounted cash flow (DCF)	The DCF is a recognized assessment method in Switzerland. The earning potential of the properties to be valued is determined based on future income and expenses. The forecasts are based, among other things, on property settlements in recent years, the current letting situation and expected inflation. The net cash flows calculated in this way are discounted and the sum of the discounted net cashflows and the residual value results in the fair market value (corresponds to the value according to DCF).
Discount rate	The discount rate is used to discount a future payment or a future cash flow (e.g., rent payments) to today's value. This results in the present value (cf. discounted cash flow (DCF)).
Return on equity (ROE)	Total income in % of net fund assets at the beginning of the reporting period plus of the balance of shares to net present value. ¹
Total expense ratio TER_{REF}	The TER_{REF} ($TER_{Real Estate Funds}$) is based on the TER of securities funds and is an indicator of the burden of operating expenses on the fund. The burden is set in relation to both the total fund assets and the market value. ¹
Leverage ratio	Borrowed funds (mortgages and other interest-bearing liabilities) raised for financing as a percentage of the market value of the land (including building land and commenced construction) at the end of the reporting period.

Glossary (II/II)

Term	Definition
Return on invested capital (ROIC)	The key figure provides information about the return on total fund assets. Adjusted total income, plus interest expense (mortgage interest and interest on mortgage-backed liabilities as well as other liability interest) as a percentage of average total fund assets. ¹
GRESB	The Global Real Estate Sustainability Benchmark (GRESB) evaluates and compares the sustainability performance of real estate portfolios according to ESG criteria.
KGAST	KGAST stands for <i>Konferenz der Geschäftsführer von Anlagestiftungen</i> (Conference of Managing Directors of Investment Foundations). It pursues the goal of offering investors of its member investment foundations the most appropriate transparency possible about the operating expenses of the investment groups, which is why the investment foundations are obliged to publish an "operating expense ratio TER KGAST".
Collective Investment Schemes Act	The purpose of the Collective Investment Schemes Act is to protect investors and to ensure the transparency and functioning of the market for collective investment schemes.
Rental default rate	The rent default rate provides information about the rental situation for finished buildings. The lower the value, the better the occupancy rate.
Net asset value (NAV)	The net asset value per unit is calculated by dividing the fair value of the assets less any liabilities by the number of shares outstanding.
Performance	The performance of a real estate fund corresponds to the total return achieved on a share within a certain period. It is expressed as a percentage of the stock exchange or market price of the shares at the beginning of the reporting period.
Redemption price	Corresponds to the price at which units must be redeemed by the fund management company in compliance with the statutory notice period (asset value minus a commission in accordance with the regulations).
Scope 1, 2 und 3	The terms Scope 1, 2 and 3 refer to a classification of greenhouse gas emissions according to "emission scopes". The classification into Scope 1, 2 and 3 emissions comes from the Greenhouse Gas Protocol (GHG Protocol). Scope 1: includes emissions caused by the property itself (e.g. heating oil, natural gas, wood pellets) Scope 2: includes the upstream emissions that are carried to the property (e.g. district heating, general electricity) Scope 3: may include various upstream and downstream emissions (e.g. tenant electricity)
Market value	The current value of a property, estimated by independent experts, which would likely be achieved at the time of sale, at the time of the valuation. The estimation is usually made once a year.
WAULT	The WAULT (weighted average unexpired lease term) provides information on the weighted average remaining term of the contractually fixed commercial leases at the end of the reporting period. It is an important indicator of the predictability and stability of rental income at the end of the reporting period.
Cession	A cession is an assignment of receivables. In this case, the obligation changes, as the claim is transferred to a new creditor.

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