



Swiss Finance & Property Ltd



# SF Urban Properties Ltd

## 2021 Annual Report

15 March 2022

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# 1. Retrospective and key figures



# Key figures

as at 31 December 2021

Portfolio value  
Investment properties

**718.2** mn CHF

The value of the portfolio increased from CHF 638.3 million at the end of 2020 to CHF 718.2 million due to acquisitions and revaluation gains.

Vacancy rate as at  
reporting date

**2.6** %

The vacancy rate as of the balance-sheet date was stable in comparison to the end of 2020.

EBIT

**57.8** mn CHF

Net operating income came to CHF 57.8 million, compared to CHF 32.0 million in the prior-year period. The development business and an uplift in revaluations of investment properties made a significant contribution to this increase.

Property income

**27.1** mn CHF

Rental income increased from CHF 26.5 million in the prior year to CHF 27.1 million. The two lockdowns in 2020 had a negative impact in the prior year. Income was also boosted in the 2021 financial year by the acquisition of four investment properties.

Equity ratio

**45.9** %

The equity ratio decreased slightly, from 46.5% to 45.9%.

Share price

**101.00** CHF

The share price increased from CHF 97.00 to CHF 101.00 during the reporting period.

# Key events

## Financial year 2021



### Asset Management

- The vacancy rate was kept below 3% despite the difficult market environment
- New lets in the hospitality sector (Birseckerhof, Nero and Sansibar restaurants)
- Full letting of Neptunstrasse 57, Zurich prior to occupation (complete renovation)



### Acquisitions

- Münchenstein, Tramstrasse 53
- Zurich, Minervastrasse 124 (development property)
- Basle, Riehentorstrasse 28 / Kirchgasse 2/2A
- Basle, Binningerstrasse 7
- Basle, Hegenheimerstrasse 62



### COVID-19

- All applications from tenants have been processed and finalised
- No bankruptcies, but some new tenants of higher quality
- Accounts receivable were reduced to pre-pandemic levels



### Development projects

- Klusstrasse 38, Zurich and Sandreuterweg 39, Riehen: all units sold and construction projects proceeding according to plan
- Fuederholzstrasse 8, Herrliberg: building permit issued in Q4
- Elsässerstrasse 1+3, Basle: legally effective building permit received in Q2, start of marketing in Q4

# Target attainment (1/2)

Financial year 2021

	Targets	Progress	
Portfolio in general	Long-term investment in the property portfolio in accordance with the ten-year plan	Various renovations to preserve value, including the complete renovation of Neptunstrasse 57 in Zurich	✓
	Vacancy rate kept below 3%	Vacancy rate as of the balance-sheet date stable at 2.6% despite COVID-19.	✓
	Expiring commercial rental contracts should be renewed early	Many commercial lease agreements were renewed early: - The portfolio's biggest tenant at Rue de Lausanne in Morges is staying (3,949 m²) - Renewal of multiple lease agreements for office spaces at Witikonerstrasse 15, Zurich - A coworking company based at Picassoplatz 4 was one of the tenants in Basle that renewed its lease	✓
	Letting of office space at Zeltweg 67, Zurich	The conversions by the landlord have been finished. The rent has been adjusted, but the space has not yet been let.	✗
	Letting of office space at Picassoplatz 4, Basle	The renovation of the office space has been finished. The rent has been adjusted, but the space has not yet been let.	✗
	Indemnification of the company in connection with hospitality tenants that are struggling due to COVID-19	Transfer of the contract for Sansibar at Militärstrasse 114 in Zurich, dissolution of the contract due to early break and conclusion of the contract with Vietal Kitchen at Witikonerstrasse 15 in Zurich.	✓

# Target attainment (2/2)

Financial year 2021

	Targets	Progress	
Developments	Elsässerstrasse 1+3, Basle: legally effective building permit and start of marketing	Legally effective building permit received in Q2 2021. Start of marketing in Q4 2021.	✓
	Sandreuterweg 39, Riehen: registration and completion of the skeleton structure	Last unit was registered in January 2021. Building envelope sealed in Q4 2021	✓
	Klusstrasse 38, Zurich: registration and completion of the skeleton structure	Last units were registered in January 2021. Building envelope sealed in Q4 2021	✓
	Fuederholzstrasse 8, Herrliberg: legally effective building permit	Building permit issued in Q4 2021 (expected to become legally effective in Q1 2022).	✓ x
	Minervastrasse 124, Zurich: Project planning	The construction project was drawn up in the second half of 2021.	✓
Acquisitions and sales	Acquiring more, appealing investment properties. The focus is on the possible consolidation of properties with potential for expansion.	Transfer of ownership of investment properties at Riehentorstrasse 28, Kirchgasse 2/2A in Base and Tramstrasse 53 in Münchenstein. Purchase of development property at Minervastrasse 124 in Zurich. Purchase by auction of Binningerstrasse 7 in Basle (consolidation)	✓

A photograph of a multi-story building with a pharmacy on the ground floor. The building has a light-colored facade, multiple windows with shutters, and a mansard roof with dormers. A semi-transparent white box is overlaid on the center of the image, containing the text "2. Portfolio" in blue. The ground floor features a pharmacy with a green cross logo and the text "MIEßBURGER APOTHEKE". To the right, there are arched entrances for other businesses, including one with a "min" logo. The foreground shows a street intersection with traffic lights and a pedestrian crossing.

## 2. Portfolio



# Portfolio key figures

as at 31 December 2021

Number of investment properties

**47** properties

Four investment properties were purchased during the reporting period, including three in Basle and one in Münchenstein (prior year: 43 properties).

Real discount rate

**2.79** %

The real discount rate decreased from 2.99% in the prior year to 2.79%.

Nominal discount rate

**3.30** %

The nominal discount rate decreased from 3.51% in the prior year to 3.30%.

Gross yield

**4.0** %

The gross yield decreased from 4.4% in the prior year to 4.0%, due to revaluation gains in particular.

Vacancy rate as of the balance-sheet date

**2.6** %

The vacancy rate remained unchanged in comparison to the same period in the prior year at 2.6%.

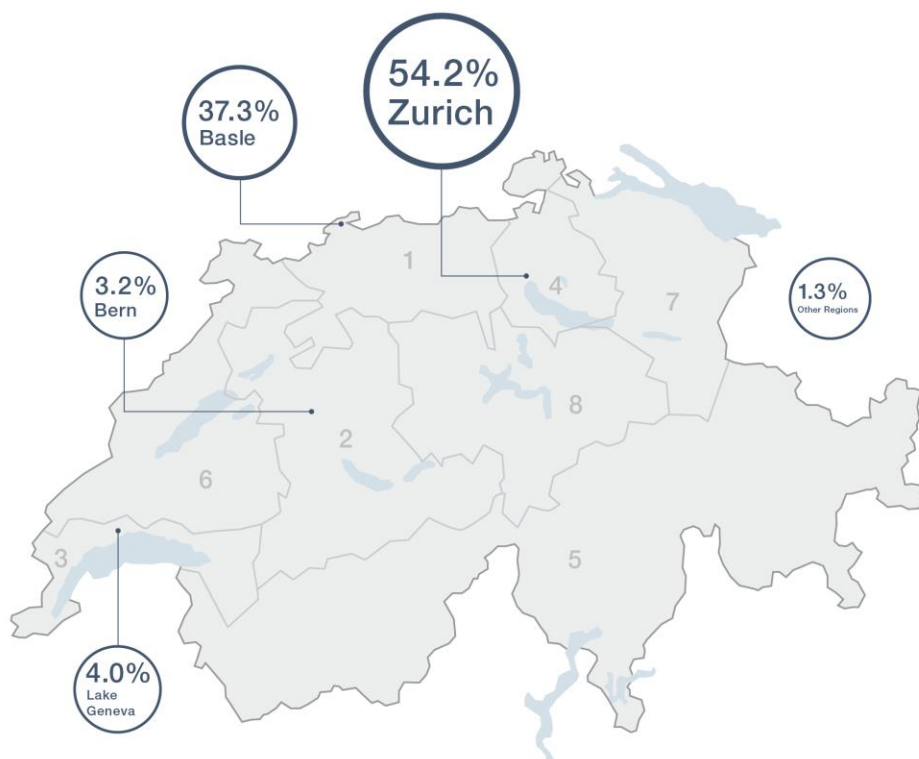
Vacancy rate for reporting period

**2.5** %

The vacancy rate for the reporting period decreased from 2.7% to 2.5%.

# Market value by region

as at 31 December 2021

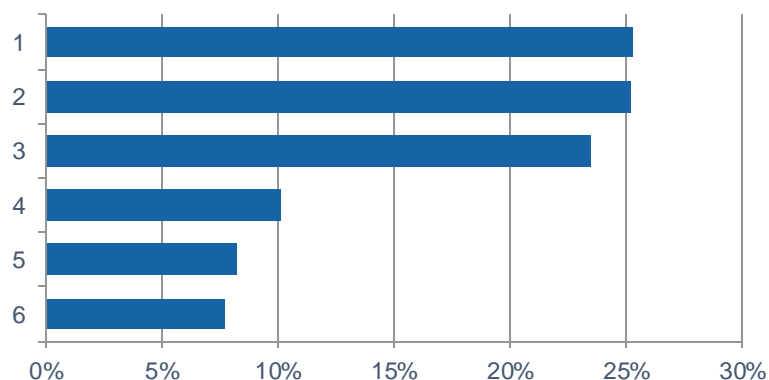


Region	Market value in CHF	Market value (%)
Zurich	389 010 000	54.2
Basle	267 920 000	37.3
Lake Geneva	28 560 000	4.0
Bern	23 210 000	3.2
Other regions	9 480 000	1.3
<b>Total</b>	<b>718 180 000</b>	<b>100.0</b>

# Portfolio structure

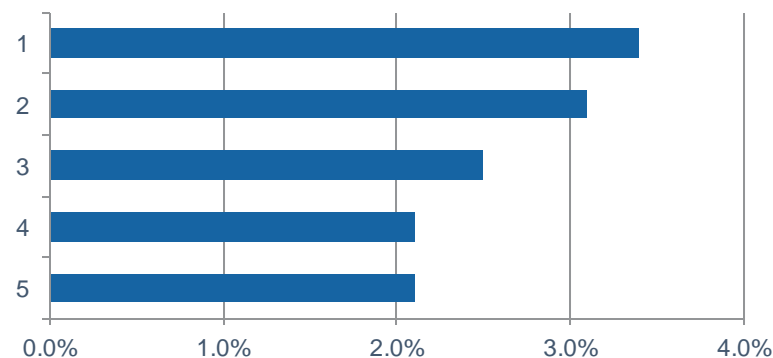
as at 31 December 2021

## Target net rent by usage



1 Residential, 25.3%	(prior year: 23.8%)
2 Office, 25.2%	(prior year: 26.0%)
3 Business, 23.5%	(prior year: 23.8%)
4 Catering, 10.1%	(prior year: 10.6%)
5 Retail space, 8.2%	(prior year: 8.0%)
6 Other, 7.7%	(prior year: 7.7%)

## Most important tenants by net rental income



1 École de la transition (EdT)	3.4%
2 Brunschwig & Cie. SA	3.1%
3 Dipl. Ing. Fust AG	2.5%
4 Swiss Capital Alternative Investments Ltd	2.1%
5 Clear Channel Switzerland Ltd	2.1%

# Transactions in 2021

## Acquisitions and divestments

### Acquisitions of investment and development properties

Property	Registration on	Ownership transferred on	Market value in CHF on acq.	Purchase price in CHF	Difference in CHF	Difference in relation to purchase price (%)	Income p.a. in CHF	Gross yield in relation to market value	Gross yield in relation to purchase price
Münchenstein, Tramstr. 53	08.03.2021	01.03.2021	1 288 000	1 275 000	+13 000	1.0%	— <sup>1</sup>	—	—
Zurich, Minervastr. 124	30.03.2021	30.03.2021	10 200 000	8 020 000	+2 180 000	27.2%	—	—	—
Basle, Riehentorstr. 28, Kirchgasse 2/2A	26.05.2021	01.06.2021	19 100 000	18 000 000	+1 100 000	6.1%	602 652	3.2%	3.3%
Basle, Binningerstr. 7	07.10.2021 (auction)	22.10.2021	15 900 000	11 250 000	+4 650 000	41.3%	186 084	1.2% <sup>2</sup>	1.7% <sup>2</sup>
Basle, Hegenheimerstr. 62	25.03.2021	01.12.2021	9 400 000	9 200 000	+200 000	2.2%	310 000	3.3%	3.4%
<b>Total</b>			<b>55 888 000</b>	<b>47 745 000</b>	<b>+8 143 000</b>	<b>17.1%</b>	<b>1 098 736</b>		

<sup>1</sup> The property was renovated and let from 1 July 2021

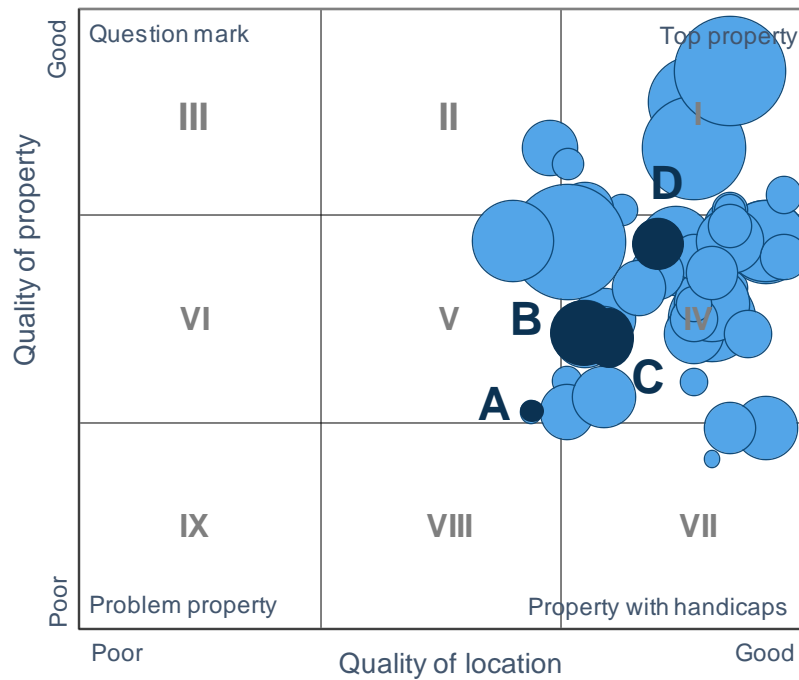
<sup>2</sup> Repositioning and letting of property

### Divestments of reference properties

In the 2021 financial year, the company successfully registered condominium units of the "Kluspark" reference project in Zurich and "Sandreutergarten" in Riehen. The remaining 11 apartments in the "Kluspark" project were registered in January 2021. The last unit in the "Sandreutergarten" project was registered in January 2021.



# Quality of properties and locations as at 31 December 2021



A) Münchenstein,  
Tramstrasse 53



B) Basle,  
Riehentorstr. 28,  
Kirchgasse 2/2A



C) Basle,  
Binningerstrasse 7



D) Basle,  
Hegenheimerstrasse 62



# Impact of COVID-19

## Update on the status quo and the company's position



### Effects on the 2020 and 2021 financial years

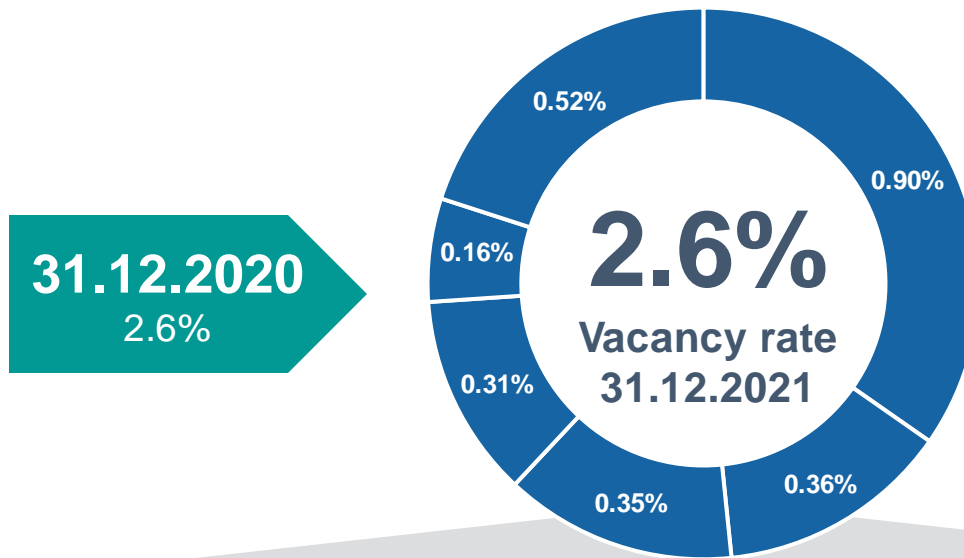
- Effectively granted rent reductions recognised in the income statement since the beginning of the pandemic in March 2020 amounted to CHF 1.4 million as of 31 December 2021
- Of this, CHF 0.5 million relates to the first lockdown (approx. 1.7% of the net annual rental income in 2020) and CHF 0.9 million to the second lockdown (approx. 3.2% of the annualised net annual rental income in 2021).
- As all applications from tenants in connection with COVID-19 have been conclusively dealt with, and no further official closures are anticipated, the risk provisions that were in place were reversed in full as of 31 December 2021.

### The company's position during COVID-19

- **The asset management team is permanently in direct contact with the tenants affected by the lockdown** and regularly engages in discussions with individual tenants.
- **Support for national "three thirds" packages** where these were offered.
- **Individual agreements** were reached with tenants who were directly affected by the measures but were not offered "three thirds" packages.
- **Contract transfers and dissolutions** were supported if it was in the company's interest to do so. Thanks to this open position, there were no bankruptcies on account of the coronavirus crisis and the quality of catering and business tenants in particular increased. The pandemic is not just onerous and irksome. It also provides an opportunity to rethink existing lease arrangements and change direction.
- Great value was attached to **accounts receivable management**, and those accounts are now back to pre-pandemic levels.

# Vacancy rate

as at 31 December 2021



**0.90%** ■ Zürich, Zeltweg 67  
460 m<sup>2</sup> of vacant office space and parking spaces  
Gross building area being developed by the owner.

**0.35%** ■ Zürich, Bürglistr. 6-10  
192 m<sup>2</sup> of vacant office space and parking spaces  
The space was converted into housing as of 31 December.

**0.16%** ■ Basel, Schwarzwaldallee 171 / Riehenstr. 183  
Two apartments  
Both apartments were let as at Q1/22.

**0.36%** ■ Basel, Picassoplatz 4  
367 m<sup>2</sup> of vacant office space  
Office space was renovated.

**0.31%** ■ Basel, Riehenstr. 157 / Rosentalstr. 50-52  
Three apartments (two let as at Q1/22),  
one office (120 m<sup>2</sup>), 11 parking spaces

**0.52%** ■ Other properties  
Individual apartments (temporarily vacant)  
Vacant adjoining properties, such as warehouses  
and parking spaces

# Re-lets and reduction of vacancy rate

## Conclusion of new rental contracts in 2021

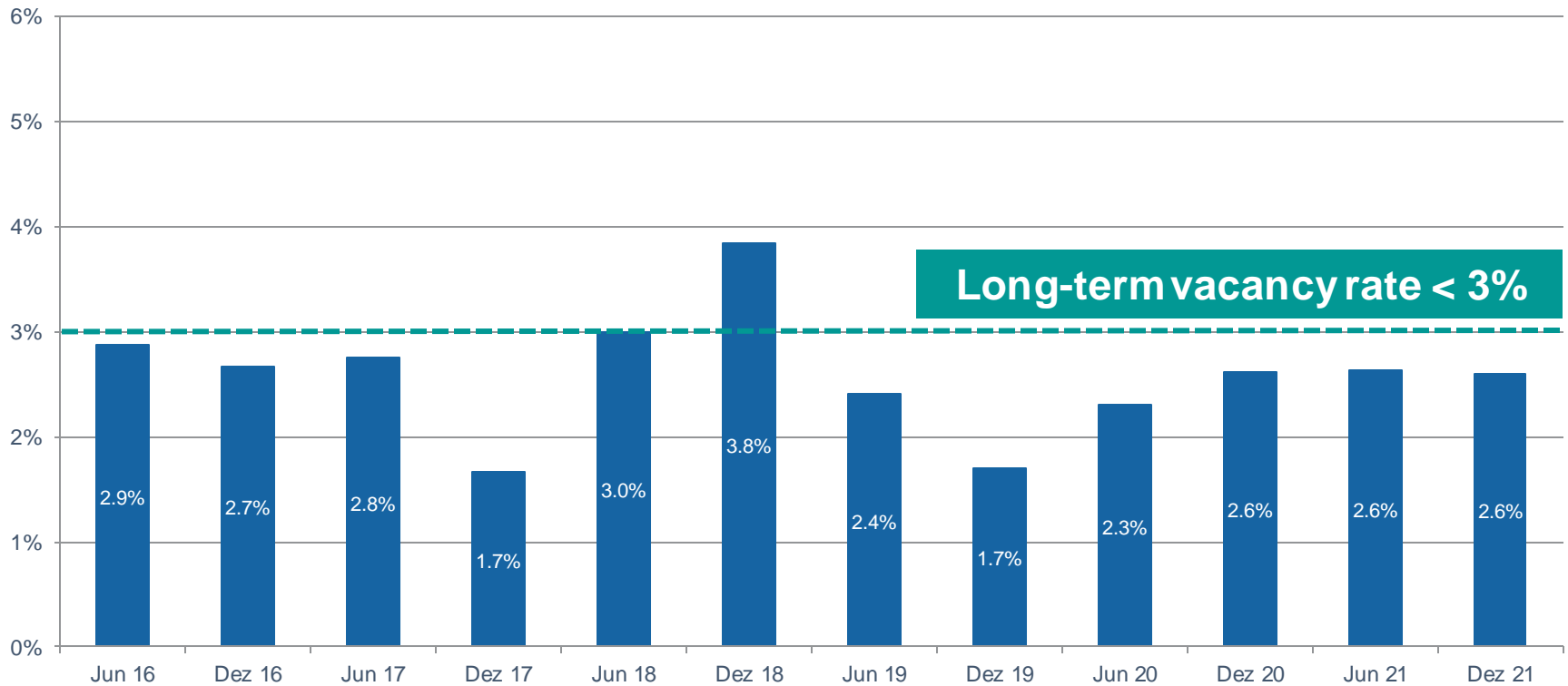
Witikonerstrasse 15, Zurich	320 m <sup>2</sup> of catering space let as of 16 November 2021 to a German restaurant chain that is opening its first location in Switzerland.
Binningerstrasse 15, Basle	Letting of 260 m <sup>2</sup> of catering space as of 1 June 2021 to a fast food chain in Basle that already operates a restaurant at Rebgasse 64.
Gerbergasse 48, Basle	215 m <sup>2</sup> of retail space let as of 1 April 2022 to a chain of dentists that already has around 30 locations in Switzerland.
Militärstrasse 114, Zurich	Letting of 190 m <sup>2</sup> of catering space to a successor to Sansibar in Zurich. The successor took over the bar from its previous tenant on 1 July 2021.
Rue de Lausanne 29-31, Morges	Letting of 180 m <sup>2</sup> of commercial space to a doctor. The tenancy started on 1 December 2021, and the property is now fully let.
Witikonerstrasse 15, Zurich	154 m <sup>2</sup> of commercial space let as of 1 September 2021 to a company specialising in selling food supplements.
Asylstrasse 68, Zurich	Letting of 140 m <sup>2</sup> of commercial space as of 16 July 2021 to a gym that is opening a second location in Zurich.

The above rental contracts were concluded at or above market rent, except for Binningerstrasse 15 (restaurant). Portfolio-wide, like-for-like growth in actual rents came to +0.1%, based on all rental contracts (before turnover rents, incidental cost allowances, losses from receivables and one-off rent reductions, and excluding Neptunstrasse 57, Zurich which is vacant).



# Trend for vacancy rates, 2016 - 2021

Vacancy rate trend at end of period (balance-sheet date)



- The vacancy rate as of the balance-sheet date was low at 2.6% as per 31 December 2021.
- The period-based vacancy rate for 2021 stands at 2.5%.
- The budgeted vacancy rate for 2021 was 3.0%.

# Weighted Average Unexpired Lease Term (WAULT)

All commercial spaces in investment properties

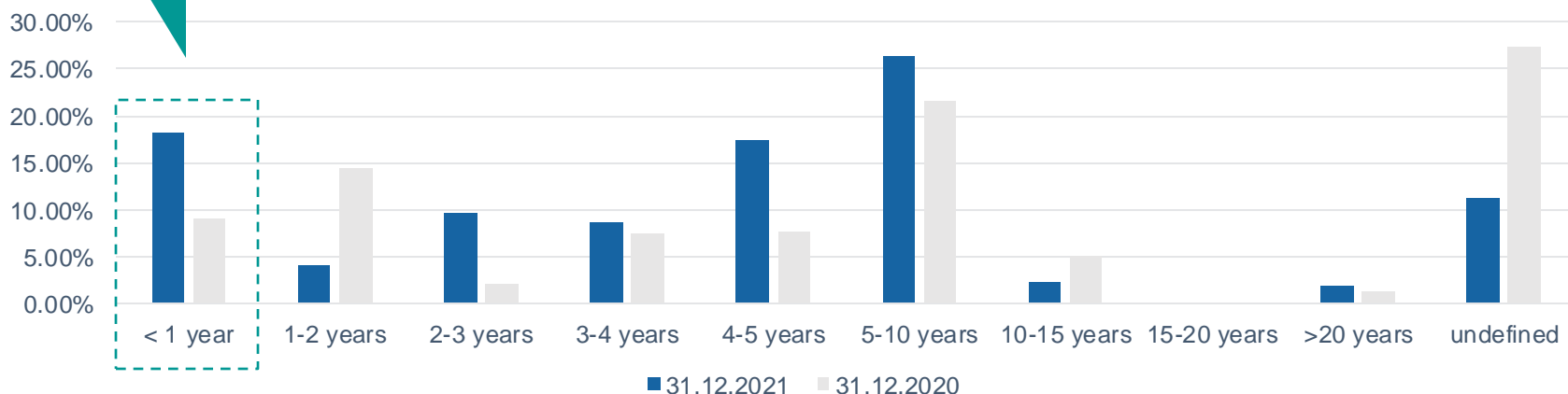
## Notes on the "<1 year" category

Most of the tenancies in the "<1 year" category were renewed or re-let after the balance-sheet date. This includes the "Haus zum Tanz" building (24.8%) and Gerbergasse 48 in Basle (4.8%). Tenancies at Zollikerstrasse 6 in Zurich that expired on 28 February 2022 (10.7%) were not renewed due to building work. The same applies to expiring contracts at the Walzwerk site (7.6%).

## Selection of contract renewals in 2021

Rue de Lausanne 29-31, Morges  
Steinenvorstadt 67, Basle  
Picassoplatz 4, Basle  
Picassoplatz 4, Basle  
Witikonstrasse 15, Zurich  
Zweierstrasse 25, Zurich  
Zweierstrasse 25, Zurich  
Riehentorstr. 28, Kirchgasse 2/2A, Basle  
Schwarzwaldallee 171, Basle  
Riehenstrasse 167, Basle  
Binningerstrasse 11, Basle

renewed until 2027 with Ecole de la transition (EdT)  
renewed until 2027 with a fiduciary company  
renewed until 2027 with a co-working company  
renewed until 2027 with a hairdressing salon  
renewed until 2026 with two IT companies  
renewed until 2026 with an architectural firm  
renewed until 2026 with a marketing company  
renewed until 2026 with a grocery shop  
renewed until 2023 with an auction house  
renewed until 2023 with a gym  
renewed until 2022 with a hairdressing salon



- Note: The WAULT diagram only takes the terms for rental properties used for business purposes into consideration. Residential properties with limited terms were previously included.
- The WAULT was stable and amounts to 4.2 years (prior year: 4.4 years).

# Sustainability

## ESG and sustainability report

The Swiss Finance & Property Group's business activities centre around real estate. This gives us a particular responsibility to help protect the environment as buildings are the source of about a quarter of Switzerland's greenhouse gas emissions. Our properties are to be continuously improved in the next few years and will generate fewer greenhouse gases. We set our own ambitious climate-related targets and are aiming to achieve net zero CO<sub>2</sub> emissions by the year 2050.

### SFUP's approach

- Calculating the CO<sub>2</sub> reduction path and taking the issue of sustainability into consideration with respect to upcoming long-term renovations.
- Developing a sustainability strategy is a priority for SFUP. This lays the foundation for defining and monitoring other aspects of sustainability in all three dimensions of ecology, society and economy.

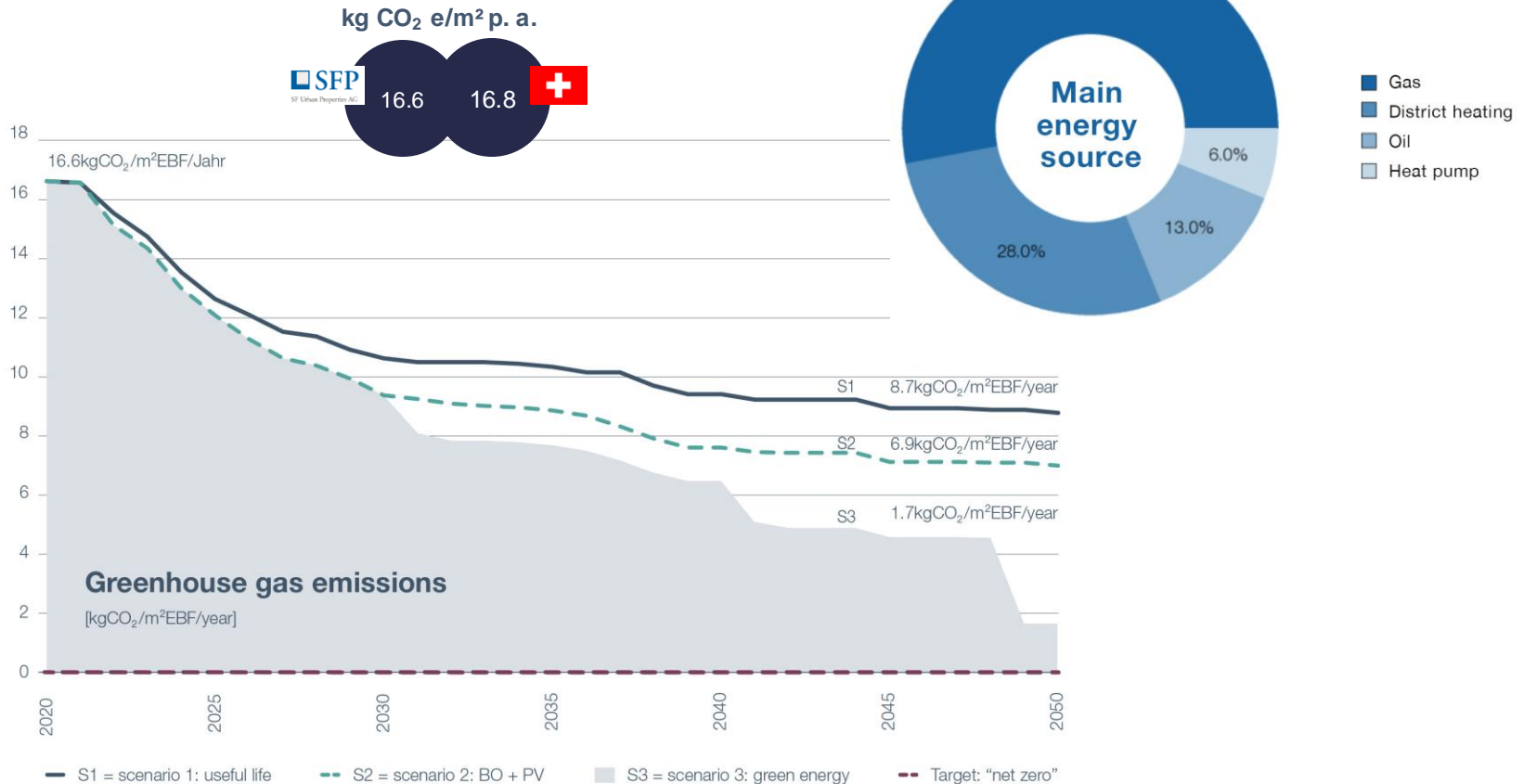
September  
2021

Second  
edition



# Sustainability

## CO<sub>2</sub> reduction path



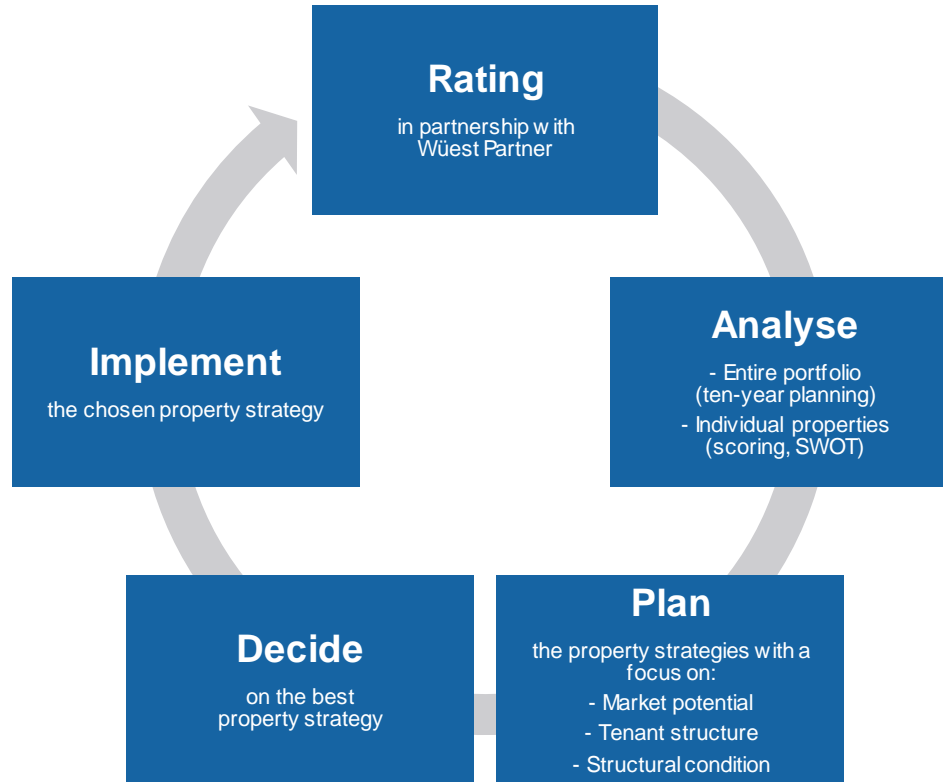
### Conclusion of the analysis

- There is a significant need for action with respect to many properties.
- The upcoming renovations offer major opportunities.
- The shortfall must be made up using additional optimisation measures that are not yet in place.



# Portfolio strategy

## Ongoing development of property strategies



- The goal is to keep the buildings fit for future use through dynamic ten-year planning (principle of best use).
- Work continued as scheduled on the renovation and conversion of selected properties in 2021 as part of the developed property strategies.

# Portfolio strategy

## Example: construction project at Neptunstrasse 57, Zurich

### Measures

- Renovation of building technology, changes to the appearance of the facade, optimised redesign of apartments and floor plans (new residential units)
- The work is being carried out while the units are unoccupied, with the exception of the restaurant on the ground floor (the contract with Suan Long Enge AG was renewed until 2032 before the renovation work began).

### Key data

- |  |             |
|--|-------------|
| – Construction costs (according to quote, $\pm 10\%$ ) | CHF 2.27 mn |
| – Gross yield before                                   | CHF 0.23 mn |
| – Gross yield after (according to RC)                  | CHF 0.32 mn |

### Timeline

- |                 |               |
|-----------------|---------------|
| – Start of work | 1 May 2021    |
| – End of work   | 30 April 2022 |
| – Occupation    | 1 May 2022    |

### Milestones in 2021

- Marketing of the apartments started in the fourth quarter of 2021. All of the apartments were let by the end of the year.



Visualisation as at June 2020



Visualisation as at June 2020



Visualisation as at June 2020

# Portfolio strategy

## Example: Construction project at Zollikerstrasse 6, Zurich

### Measures

- The office building, which has a restaurant on the ground floor, is being converted into an appealing residential building. A total of ten new apartments are being created, as well as two studios on the ground floor.
- The completely renovated property, which has been adapted to modern market requirements, will confidently insert itself into the surroundings of the Zurich Seefeld site.

### Key data

- Construction costs (according to estimate,  $\pm 25\%$ ) CHF 5.38 mn
- Gross yield before CHF 0.40 mn
- Gross yield after (according to WP) CHF 0.51 mn

### Timeline

- Start of work May 2022
- End of work Q2 2023
- Occupation Q2 2023

### Milestones in 2021

- The company has signed dissolution agreements with the anchor tenants of the office floors as well as the restaurant tenant.
- The planning application for the project was submitted in Q3 2021, and a legally effective building permit is expected to be issued in Q1 2022.



Exterior view



Floor plans, as at January 2022



A modern, multi-story residential building with a light beige facade and large glass windows. The building features several balconies with metal railings. In the foreground, there is a paved patio area with a table and chairs, surrounded by greenery and a lawn. The text "3. Developments" is overlaid in the center of the image.

### 3. Developments

# Investment pipeline

## Acquisitions (with land)

Riehen, Sandreuterweg 39

Zurich, Klusstrasse 38 (SFUP stake: 50.5%)

Herrliberg, Fuederholzstr. 8 (SFUP stake: 50.5%)

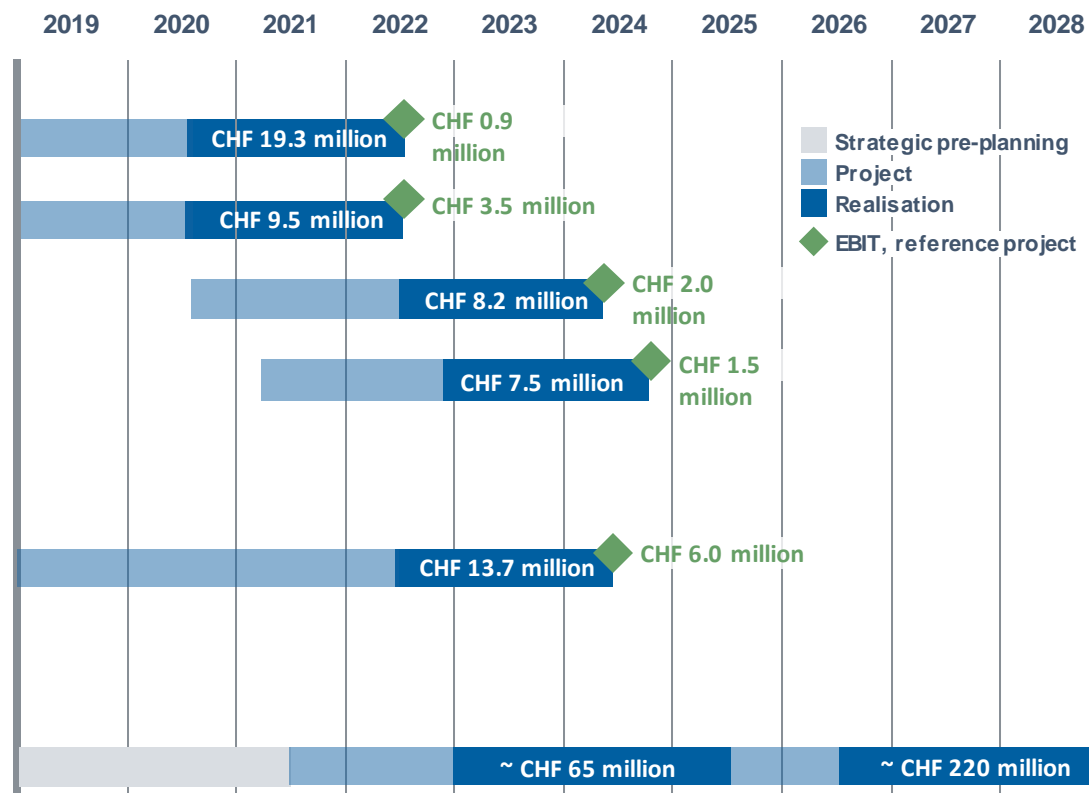
Zurich, Minervastrasse 124 (SFUP stake: 50.5%)

## New build (without land)

Basle, Elsässerstrasse 1+3

## Site development (excluding land)

Arlesheim/Münchenstein, Walzwerk site





# Riehen, Sandreuterweg 39

## Building land with construction project

### Timeline

- Transfer of ownership 4 January 2019
- Start of marketing campaign 10 June 2020
- Start of work November 2020
- Occupation, planned August 2022

### Milestones in 2021

- All units registered in Q1 2021
- Work on the skeleton structure started in early 2021
- Building envelope sealed in December 2021

### Objectives for 2022

- Smooth progress on construction
- Completion in August 2022



Visualisation as at June 2020



Construction site survey, 13.08.2021

# Zurich, Klusstrasse 38

## New build as reference project

### Timeline

- Transfer of ownership 27 February 2020
- Legally effective building permit 27 July 2020
- Start of marketing Q4 2020
- Start of construction Q4 2020
- Occupation, planned September 2022

### Milestones in 2021

- All units registered in Q1 2021
- Work on the skeleton structure started in early 2021
- Building envelope sealed in December 2021

### Objectives for 2022

- Smooth progress on construction
- Completion in September 2022



Visualisation as at November 2020



View of construction site, October 2021

# Herrliberg, Fuederholzstrasse 8

## New build as reference project

### Timeline

- |  |                |
|--|----------------|
| – Transfer of ownership                      | 1 October 2020 |
| – Planning application                       | 1 June 2021    |
| – Legally effective building permit, planned | Q1 2022        |
| – Start of marketing, planned                | Q2 2022        |
| – Start of construction, planned             | Q2 2022        |
| – Occupation, planned                        | Spring 2024    |

### Milestones in 2021

- Planning application
- Building permit received

### Objectives for 2022

- Obtaining of the legally effective building permit
- Start of marketing
- Start of construction



Visualisation as at November 2021



Visualisation as at December 2021

# Zurich, Minervastrasse 124

## New build as reference project

### Timeline

- |  |               |
|--|---------------|
| – Transfer of ownership                      | 30 March 2021 |
| – Planning application                       | Q1 2022       |
| – Legally effective building permit, planned | Q3 2022       |
| – Start of marketing, planned                | Q4 2022       |
| – Start of construction, planned             | Q4 2022       |
| – Occupation, planned                        | Summer 2024   |

### Milestones in 2021

- Transfer of ownership
- Preliminary building permit obtained
- Project planning

### Objectives for 2022

- Building permit becomes legally effective
- Start of marketing
- Start of construction



North-eastern view, colour and materials concept, 2022



# Basle, Elsässerstrasse 1+3

## New replacement construction as reference project

### Timeline

- Planning application October 2019
- Legally effective building permit May 2021
- Start of marketing November 2021
- Start of construction, planned May 2022
- Occupation, planned mid-2024

### Milestones in 2021

- Receive legally effective building permit
- GC assignment signed
- Marketing activities started

### Objectives for 2022

- Start of construction in May 2022
- Demolition and excavation
- Work on the skeleton structure, basement and ground floor



Visualisation of the construction project



Visualisation of the attic maisonette

# Arlesheim/Münchenstein, Walzwerk site

## Site development with zoning-compliant projects

### Timeline

- Preliminary project, south-eastern perimeter From Q2 2022
- Preliminary project, underground engineering, utilities development From Q2 2022

### Objectives for the first half of 2022

- Delivery, underground car park, division into stages, construction logistics, development/transport Q1 2022
- Building B: Planning triggered Q1 2022
- BLT plot ruling Q1 2022
- Clarification of the resources required with RR BL Q2 2022
- Building N2: Planning triggered Q2 2022

### Targets for the second half of 2022

- Follow-up tenant information Q3 2022
- Building J3: Start of construction Q3 2022
- Building C: Handover of project to SFUP Q4 2022
- Building N2: Permit/design for regulatory approval Q4 2022



Portfolio property, spring 2021



A photograph of a multi-story building with a facade of orange and white. The building has many windows, some with white frames and others with dark frames. The roof is dark, and there are several dormer windows. A tree is visible in the bottom right corner. The text "4. Financials" is overlaid in the center.

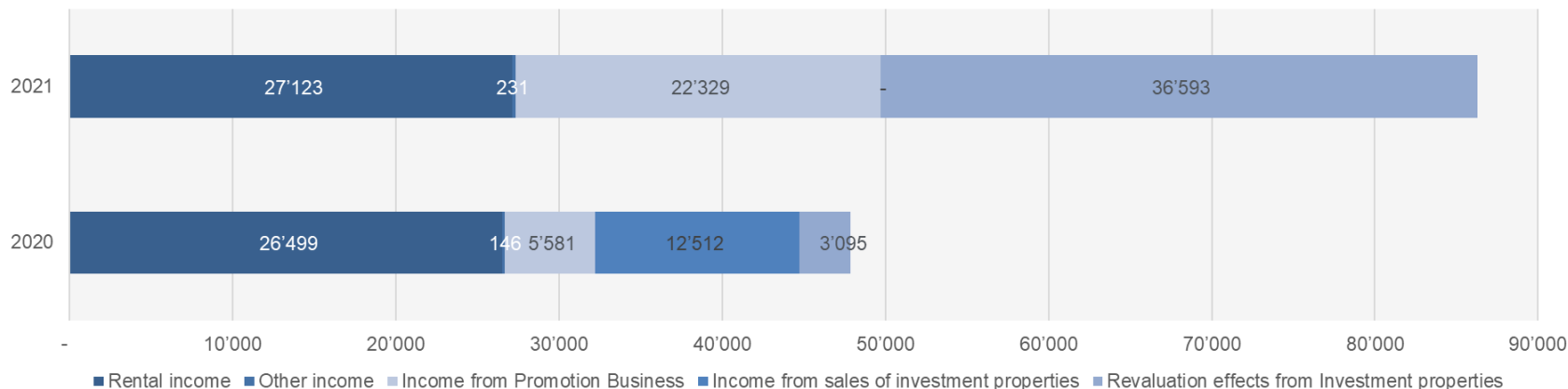
## 4. Financials

# Income statement figures

	Figures in	1. Jan. to 31 Dec. 2021	1. Jan. to 31 Dec. 2020	Deviation	Change in %
Property income	CHF 1 000	27'123	26'499	624	2.4%
Total operating income before revaluations	CHF 1 000	49'683	44'738	4'945	11.1%
Revaluation of investment properties	CHF 1 000	36'755	3'260	33'495	1027.4%
Earnings before interest and tax (EBIT)	CHF 1 000	57'800	31'954	25'846	80.9%
EBIT margin	%	66.9	66.6	0.3	0.4%
Net profit	CHF 1 000	41'887	22'834	19'053	83.4%
Net profit exkl. revaluation effects as well as their tax effects and further tax effects	CHF 1 000	13'511	23'926	-10'414	-43.5%

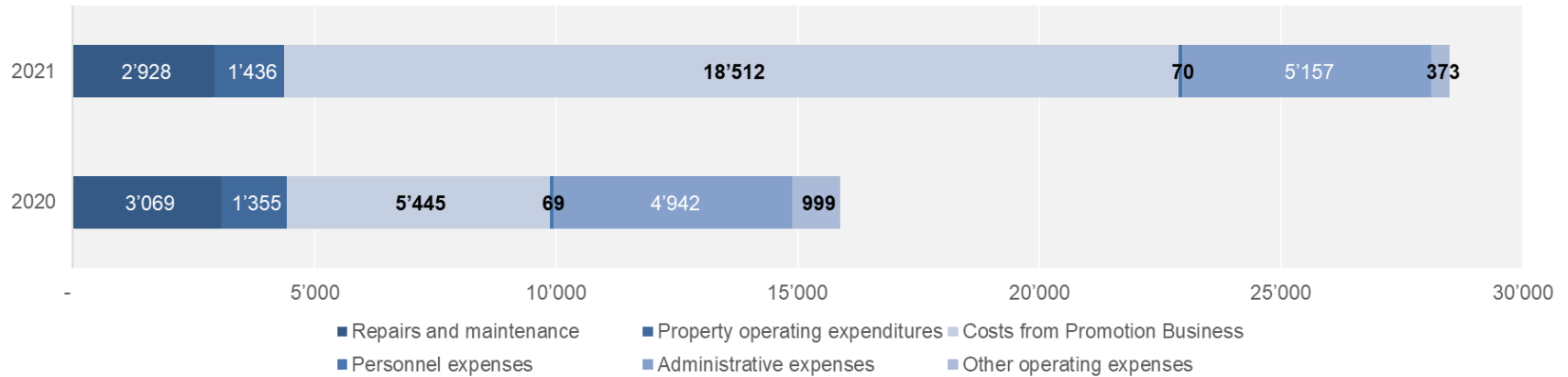
- Income from new acquisitions offsets the rental income from the properties sold in Badenerstrasse
- Income from development properties increases the operating income before revaluations
- Appreciation of the portfolio by around 5.5%
- Net profit excluding valuation/tax effects of CHF 13 511 000, or CHF 4.03 per share
- Adjusted EBIT margin of 63.4% (previous year: 60.6%)

# Operating income



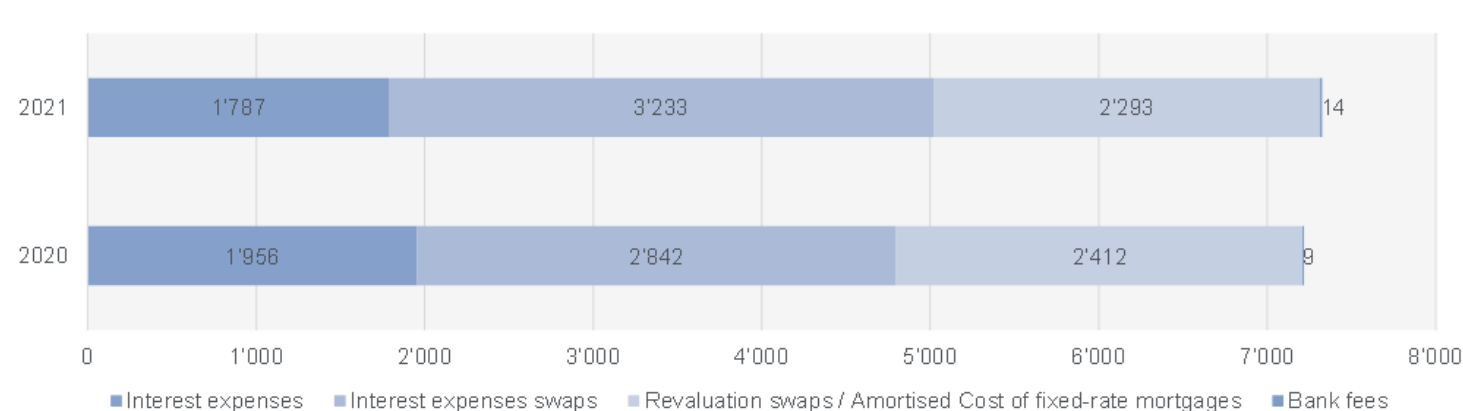
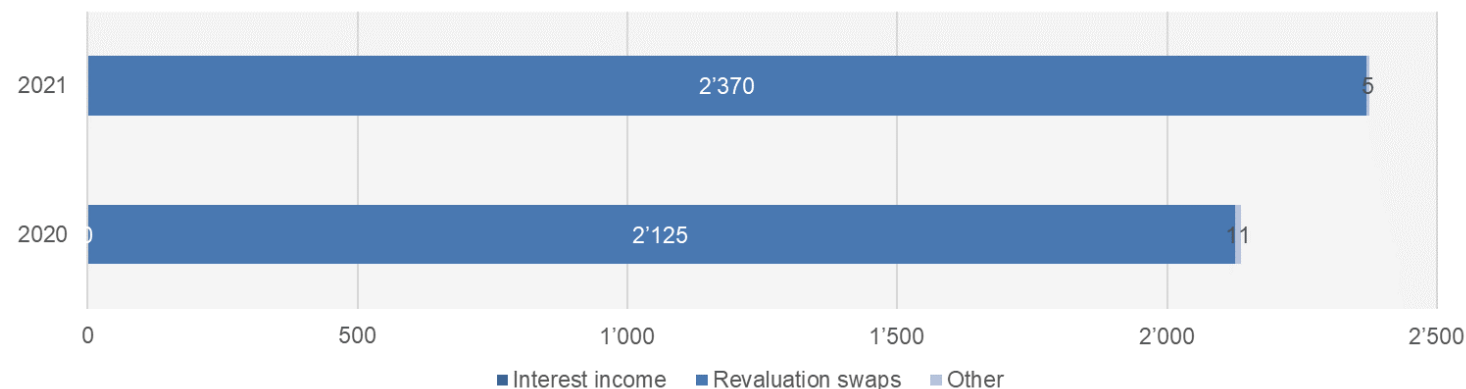
- New acquisitions contributed CHF 374 000 to property income in the financial year, and in so doing already offset the loss of income from the properties sold in Badenerstrasse (CHF 320 000 in 2020) during the year
- The new, annualised rental income amounts to around CHF 1 100 000 (Badenerstrasse: CHF 480 000)
- Reduced impact on profit as a result of COVID-19 (CHF 505 000, prior year: 875 000) and losses on receivables
- Temporary loss of rental income as a result of the general renovation of the property in Neptunstrasse (CHF 248 000)
- Stable rent (+0.1% like-for-like) and letting levels (97.4%, unchanged)
- Result from promotion: income of CHF 22 329 000 (2020: CHF 5 581 000); expenses of CHF 18 512 000 (prior year: CHF 5 445 000)
- Further reduction of 20 basis points in the discount rate results in substantial increases in value

# Operating expenses



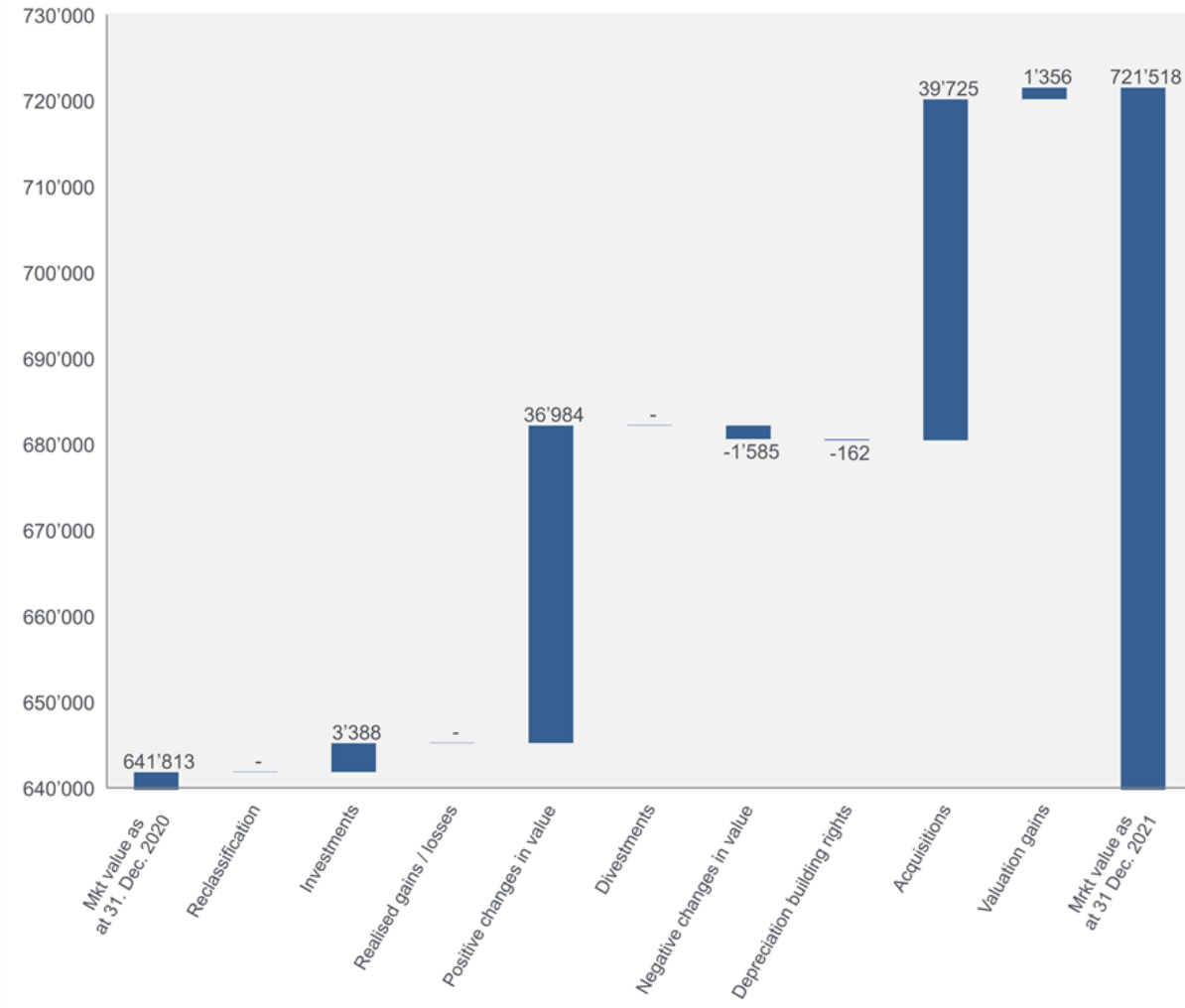
- Increased promotion expenses
- Stable expense ratios based on conservative capitalisation practice
- Administrative expenses increased by around 4% overall, and therefore at a slower rate than the growth in assets

# Financial income and financial expenses



- Net financial expenses of CHF 5 168 000 (prior year: CHF 5 083 000)
- Average interest rate (incl./excl. swaps): 1.35% / 0.55% (prior year: 1.62% / 0.56%)
- Average fixed interest period 7.7 years (2020: 8.0 years)

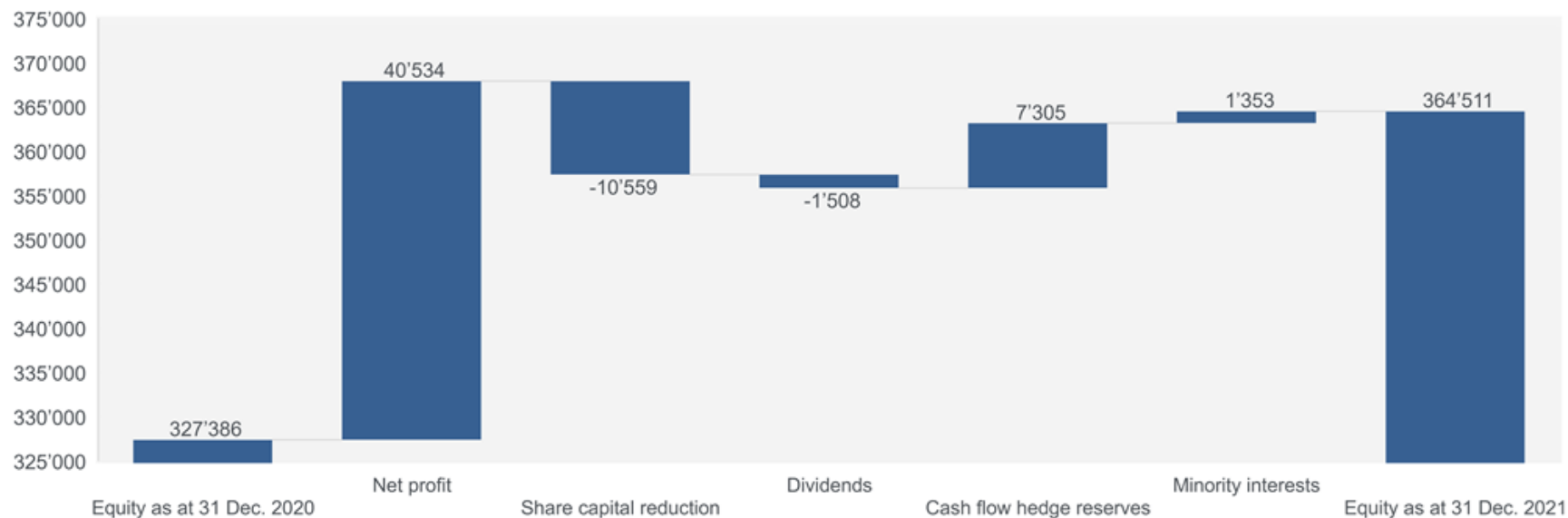
# Development of the portfolio



- Growth due to valuation increases and acquisitions in particular



# Change in equity



- Total result of CHF 47 839 000 (prior year: CHF 20 327 000) exceeds the payout of CHF 12 067 000 several times over
- NAV per share has increased to CHF 108.36 (prior year: 97.69)

# Key figures per share

	Figures in	1. Jan. to 31 Dec. 2021	1. Jan. to 31. Dec. 2020
Net profit per share (EPS) à CHF 9.00 nominal	CHF	12.09	6.85
Net profit per share (EPS) à CHF 9.00 nominal excluding revaluation effects	CHF	4.03	7.14
EPRA earnings per share (EPS) à CHF 9.00 nominal	CHF	2.80	3.12
Net Asset Value (NAV) per share à CHF 9.00 nominal	CHF	108.36	97.69
Net Asset Value (NAV) per share à CHF 9.00 nominal before deferred taxes	CHF	121.51	108.94
EPRA (NRV) per share à CHF 9.00 nominal	CHF	133.60	122.92
EPRA (NTA) per share à CHF 9.00 nominal	CHF	133.60	122.92
EPRA (NDV) per share à CHF 9.00 nominal	CHF	107.63	96.25
Share price	CHF	101.00	97.00
Premium (+) / discount (–) versus NAV	%	-6.79	-0.70

## 5. Outlook for 2022



# Key events

## After the balance-sheet date

### Adrian Schenker stands down as CEO of SF Urban Properties Ltd after a successful financial year

As part of its succession planning, the Board of Directors has named Bruno Kurz as the new CEO of SF Urban Properties Ltd from 1 April 2022. He will be taking over from Adrian Schenker, who has served as the company's CEO since 2018.



Adrian Schenker



Bruno Kurz

### Portfolio management

- Registration of a development project with a view of the lake at Alte Landstrasse 26 in Rüschlikon
- Agreement with Grieder and Globus regarding Grieder's long-term occupancy of the "Haus zum Tanz" property in Basle
- Consistent re-letting of two office floors (2 x 215 m<sup>2</sup>) at Zweierstrasse 25 in Zurich as of 1 September 2022
- Letting of an office space (230 m<sup>2</sup>) as of 1 April 2022 at Zeltweg 67 in Zurich



# Bruno Kurz

## Designated CEO of SF Urban Properties Ltd



**Bruno Kurz**  
designated CEO  
SF Urban Properties Ltd

Head Direct Real Estate  
Services & Mandates

Member of the Executive Board  
Swiss Finance & Property  
Funds Ltd

### Personal information

- Dual German/Swiss citizenship, born 1973, living in Switzerland since 2001
- Married
- Two sons

### Extensive education in the fields of real estate and finance

- Master's degree in architecture, Berlin University of Technology
- MAS in Finance, University of Zurich
- Real Estate Economist (ebs)
- Member of the Royal Institute of Chartered Surveyors (RICS)

### Years of experience in the field of asset and transaction management

Since 2021	Head Direct Real Estate Services & Mandates Swiss Finance & Property Funds Ltd
2018 - 2020	CEO Immovertis AG (subsidiary of the Swiss Prime Site Group)
2013 - 2017	Managing Director Letting & Investment Advisory Wincasa AG (subsidiary of Swiss Prime Site Group)
2007 - 2013	Senior Transaction Manager, Real Estate Advisory, UBS Inc.

*"I am particularly motivated to continue sustainable growth across all aspects of value added in the real estate life cycle with an established team."*

# Outlook for 2022

## Most important goals

	Targets
Portfolio in general	Vacancy rate kept below 3%
	The market for retail and office space remains challenging, particularly in the region around Basle. However, the company expects the strong economic recovery and the end of the requirement to work from home to have a positive effect on the letting of commercial spaces.
	Expiring commercial rental contracts should be renewed early
	Work will continue on the renovation and conversion of selected properties in 2022 as part of the developed property strategies. The project at Zollikerstrasse 6 in Zurich in particular is to be tackled.
Developments	Elsässerstrasse 1+3, Basle: reservation of all units, start of construction
	Sandreuterweg 39, Riehen: completion of construction
	Klusstrasse 38, Zurich: completion of construction
	Fuederholzstrasse 8, Herrliberg: obtaining of the legally effective building permit
	Minervastrasse 124, Zurich: obtaining of the legally effective building permit
Acquisitions / divestments	The company expects the significant surplus in demand to persist and the transaction market to remain competitive.
	The company's stated goal is to acquire additional, targeted investment properties. The focus is on the possible consolidation of properties with potential for expansion.



# Address



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