



Public
For marketing purposes

Residentia

Financial year-end results as at 31 December 2022



21 April 2023

Section 1

Financial year-end results as at 31 December 2022

Residentia - At a glance

Financial year 2022



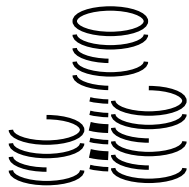
+36,4%

Increase in distribution related to cash flow from CHF 2.20 to CHF 3.00



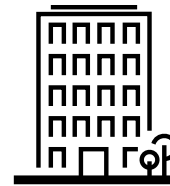
+4,0%

Increase in rental income to CHF 10.8 million



+47,6%

Increase of distribution yield to 3.1%



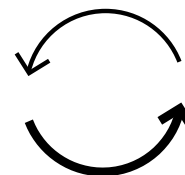
CHF 250m

Stable market value of the portfolio



+55%

Increase in net income to CHF 5.6 million



Strategic

portfolio adjustments

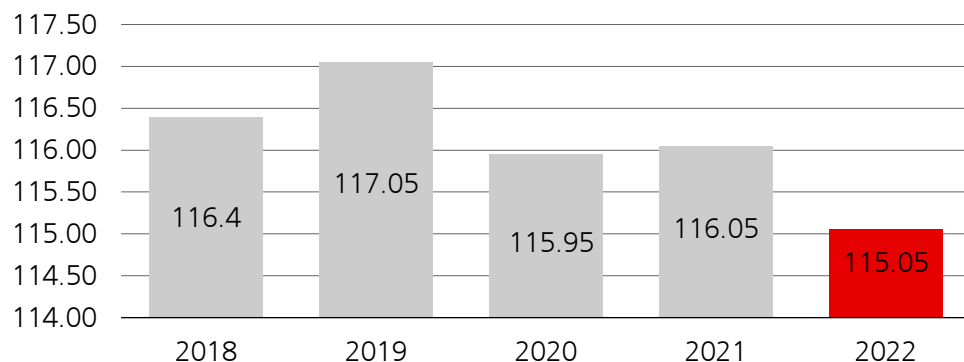
Residentia – Key Data

Financial year 2022

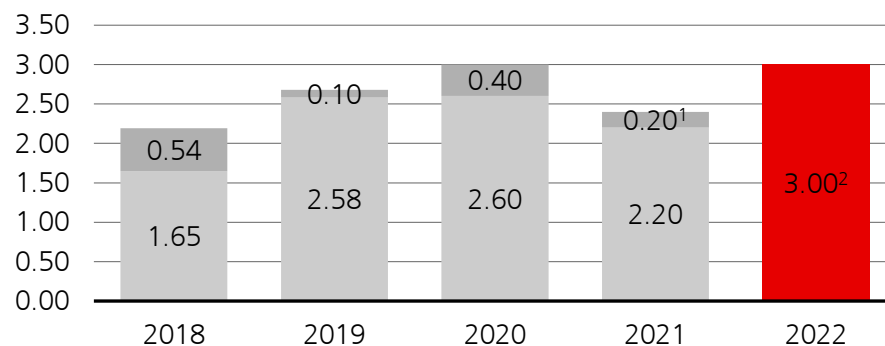
- Per share increase in distribution from cash flow by 36.4% from CHF 2.20 to CHF 3.00
- Increase of dividend yield by 47.6% to 3.1%

	31.12.2022	31.12.2021	31.12.2020
Performance	-14.0%	2.1%	-5.1%
Total return on NAV	1.2%	2.8%	1.4%
Dividend yield	3.1%	2.1%	2.3%
Premium	-15.3%	-0.1%	0.5%
Rental default rate	15.6% ³	16.5%	15.2%
Leverage ratio	26.4%	26.8%	33.0%

Net asset value



Distribution per unit



Source: UBS Asset Management, Real Estate & Private Markets (REPM); Data as at 31 December 2022

These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units. The data presented as of 31.12.2020 correspond to those published by the previous fund management company FidFund Management SA in the respective annual financial statements.

¹ Capital gain distribution per share; ² Ordinary distribution per share; ³ As of 31.12.2022 no rent waivers (COVID-19) were granted; there is therefore no effect on the reported loss of rent rate of 15.6%.

Residentia - Management Summary

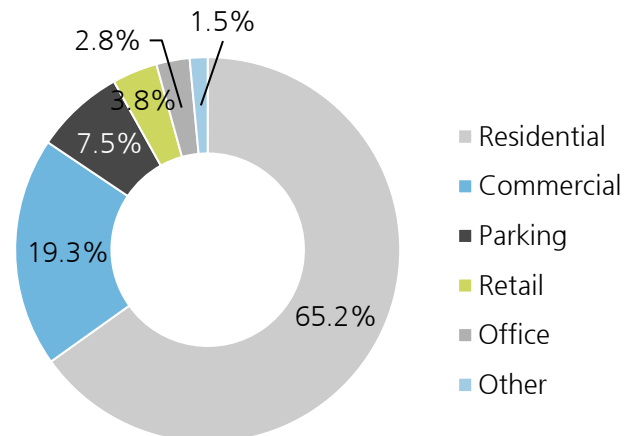
Financial year 2022

- Listed Swiss real estate fund with direct investments mainly in residential and mixed buildings in southern Switzerland
- Only Swiss real estate fund with a focus on properties in southern Switzerland
- Local expertise and network accessibility provided by Pagani Real Estate SA
- Fund managed by Real Estate Switzerland since 1st February 2021

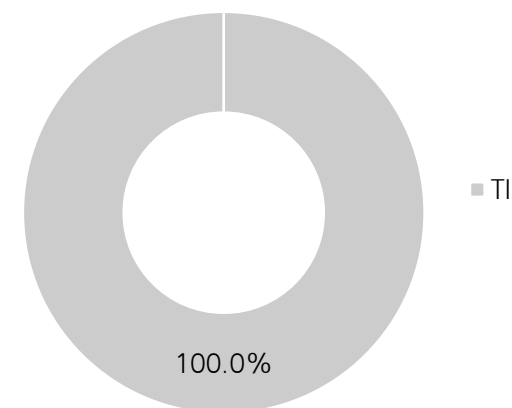
Key Figures

Year of launch	2009
Net Asset value	CHF 184.1m
Market value	CHF 249.7m
Rental income	CHF 10.8m
Rental default rate ¹	15.6%
Leverage ratio	26.4%
Total return on NAV	1.2%
Performance	-14.0%
Number of properties	30

Usage

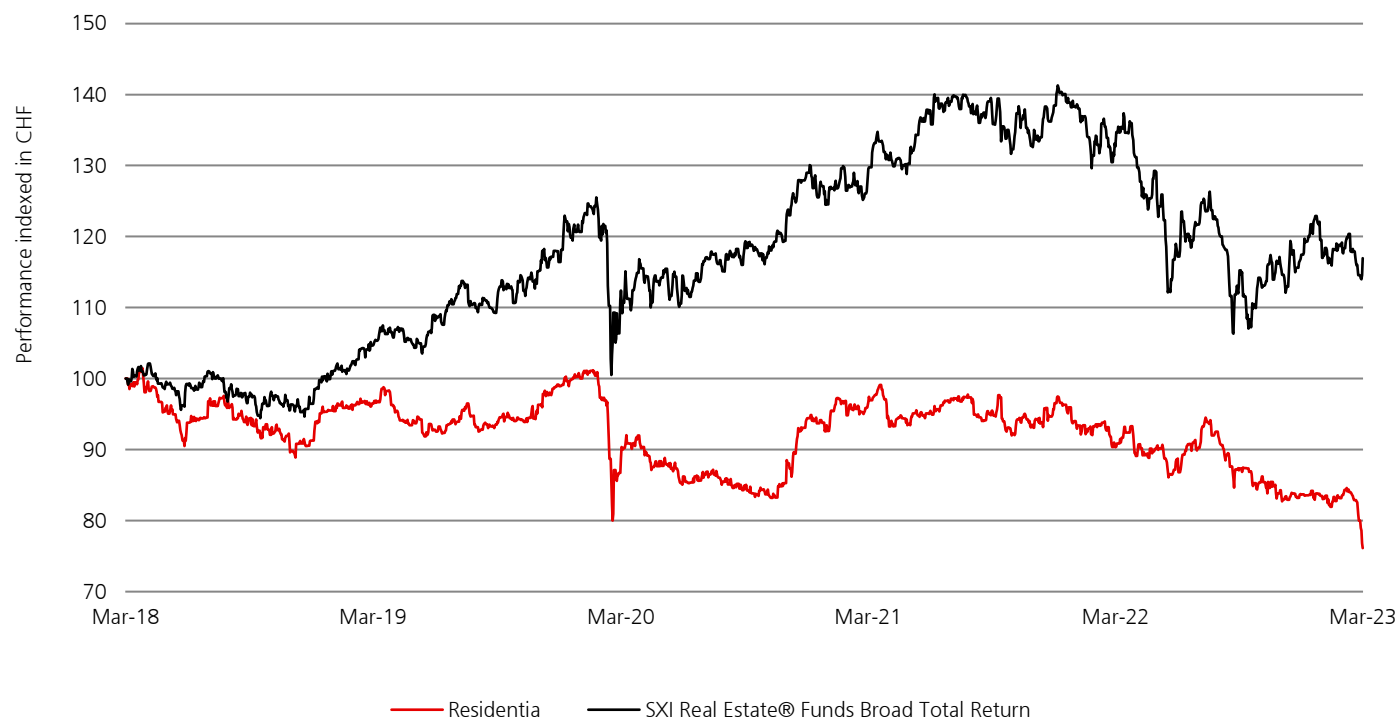


Regions



Residentia - Performance and benchmark comparison

Performance in % as at 31.3.2023							
	2019	2020	2021	2022	2023 YTD	5 years	avg p.a. 5 years
Residentia	7.5%	-5.1%	2.1%	-14.0%	-8.6%	-24.3%	-5.4%
BM	20.7%	10.8%	7.3%	-15.2%	-0.4%	16.9%	3.2%



Performance: Source: Datastream, UBS Asset Management; as at end of March 2023

These figures refer to the past. Past performance is not a reliable indicator of future results. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.

Residentia - Sustainability Highlights

Financial year 2022

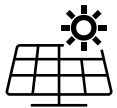


First participation in GRESB

in the form of a test phase (grace period) with "Green Star"- status



20% of the market value is certified



29% of the properties have a sustainable heating system (incl. district heating)



CO₂ reduction path developed and implemented **across the entire portfolio**

“ Since we took over the fund management of Residentia in 2021, we have already achieved positive developments in the area of sustainability.

Elvire Massacand

Fund Manager
Residentia



Residentia – Current highlight from the portfolio

Cresciano (TI), In di Vign 10

- Residential property
- 13 apartments as well as 10 indoor and 10 outdoor parking spaces
- Market value approx. CHF 4 Mio.
- Gross return approx. 4,5%
- Heat generation via a heat pump; the roof is equipped with a photovoltaic system
- Purchase 2022; year of construction 2018



Section 2

Swiss Real Estate and Ticino Market

Summary: Swiss Real Estate Market 1H23

Macro



- Full employment leads to a solid employment situation for households and thus supports private consumption, which should save the Swiss economy from recession. However, given that the global economy is currently characterized by inflation, monetary tightening and increasing geopolitical tensions, a slowdown in economic growth is also to be expected in Switzerland due to the lack of (external) growth drivers.
- Inflation in Switzerland has always been well below the level of neighboring countries due to the lower energy dependency of Swiss value added and the strong Swiss franc. With the rise to 3.3% in January, which was mostly due to the sharp, anticipated rise in electricity prices, inflation should have reached its peak. Persistent inflationary pressure from abroad and the spread of inflation to various product categories though mean that inflation is expected to remain at an average of 2.1% in 2023.
- It thus cannot be ruled out that after the increase in the SNB's key interest rate by 50 bps to 1.5% in March 2023, additional interest rate hikes are likely to follow, although these will remain limited both in time and in scope.

Swiss Real Estate Market



- High net immigration and declining construction activity are further accelerating the decline in vacant apartments and thus leading to a sustained positive development on the rental housing market.
- Future-oriented commercial properties (attractive shopping locations, modern, centrally located office space, etc.) continue to see robust tenant demand, while secondary properties are affected by the consolidation trend in these sectors.

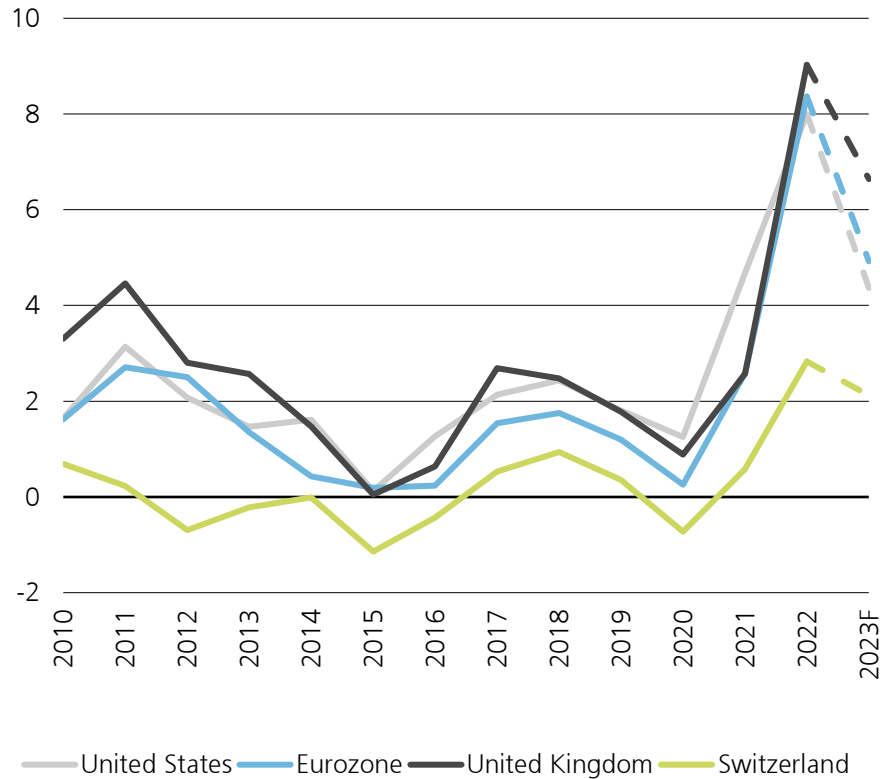
Strategic considerations



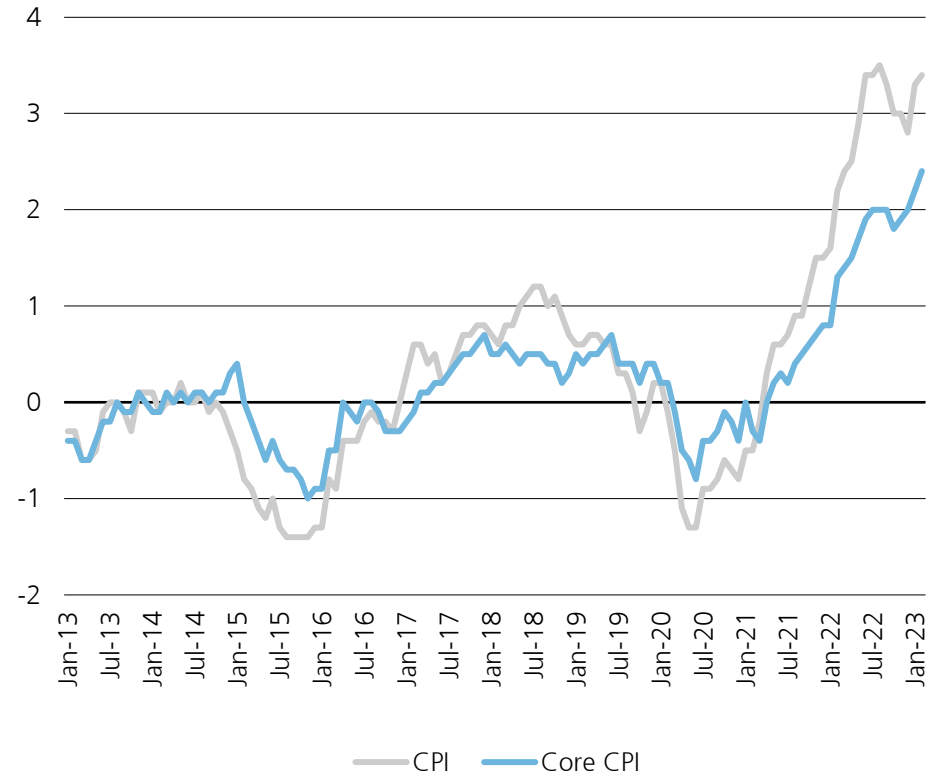
- In the current macroeconomic environment, the quality of income returns and the robustness of rental growth prospects are becoming increasingly important.
- Location, property and tenant quality as well as lease aspects (indexation for commercial properties) are in the foreground in order to mitigate the currently increased downside risks.
- ESG aspects are also becoming economically important with regard to the efficiency of energy costs and the long-term robustness of performance.

Inflation remains a dominant theme

Consumer price inflation (YoY, quarterly, %) incl. forecast (dashed line)



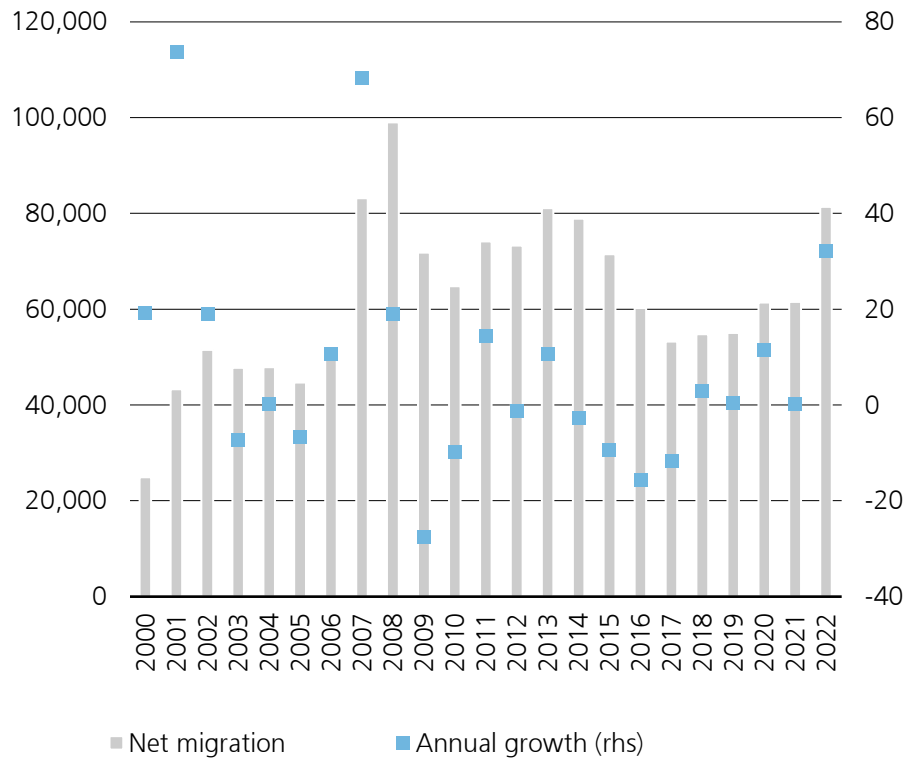
Inflation- and core inflation rate in Switzerland (YoY, monthly, %)



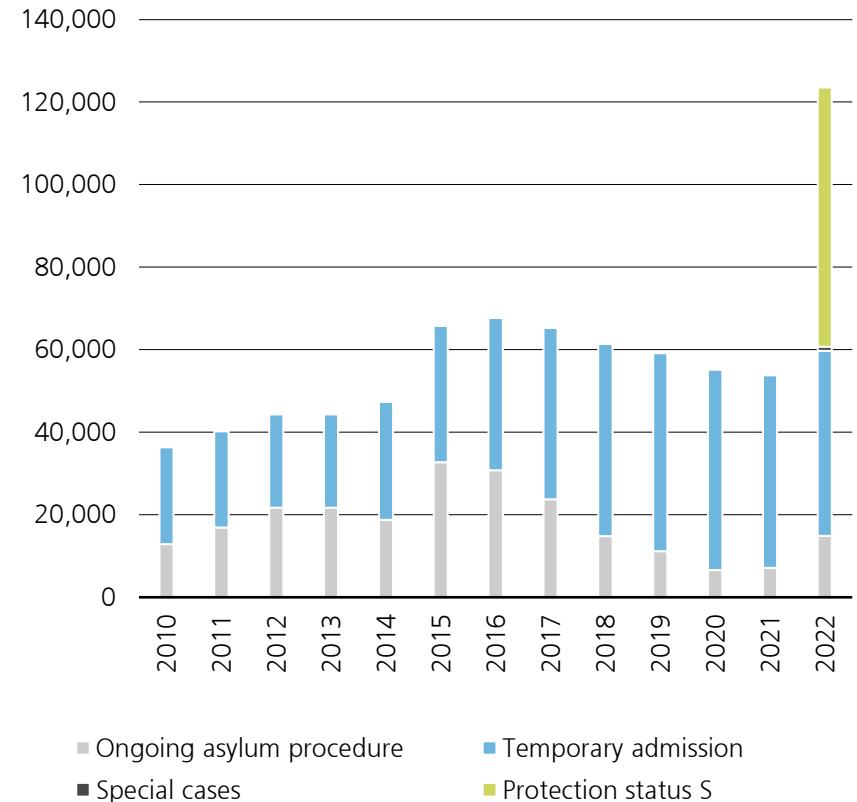
Source: Swiss Statistical Office; Oxford Economics; UBS Asset Management, Real Estate & Private Markets (REPM), March 2023

Record immigration for rental apartments...

Net migration into Switzerland (permanent population)



Number of persons in the asylum process (stock)



Source: State Secretariat for Migration SEM; UBS Asset Management, Real Estate & Private Markets (REPM), February 2023

Outlook on the Ticino market

Important regional market

- The canton of Ticino with the agglomeration of Lugano shows a high regional importance between the agglomerations of Zurich (CH) and Milan (IT)
- The Ticino multi-family housing sector counts more than 130,000 residential units and Lugano represents one of the largest office space markets of the Swiss mid-sized centers

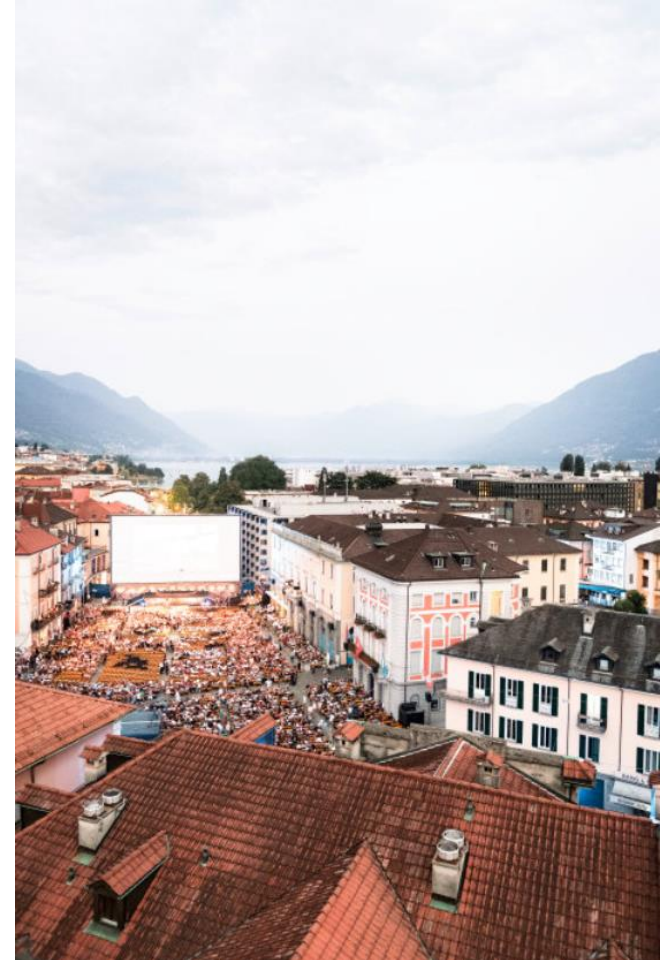
Infrastructural game changers

- The new Gotthard and Ceneri base tunnels will lead to a significant reduction in public transport travel time between the canton of Ticino, Zurich and Milan
- The cities of Locarno, Bellinzona and Lugano also move significantly closer together, enabling the long-term development of a Ticino agglomeration

Ticino real estate market in transition

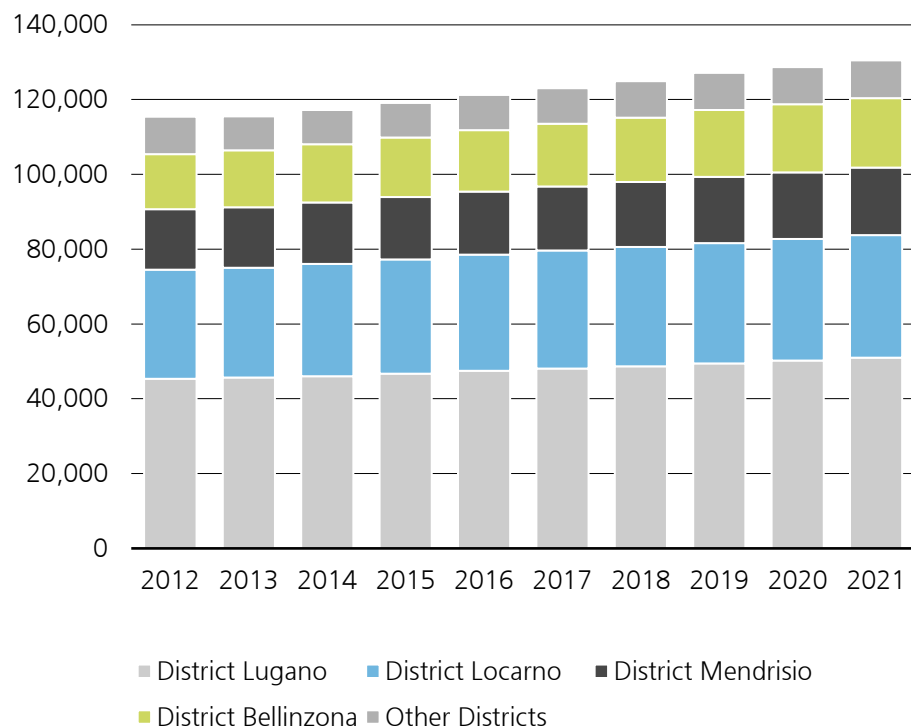
- After several years of dynamic construction activity, the number of residential projects approved for construction on the Ticino market has been developing with a downward trend since the beginning of 2020
- In the regional office space market of Lugano, the supply in 2022 was below the average for large and medium-sized Swiss centres (3.9%) at 2.9% of the total stock.

Source: Federal Office for Statistics, Bauinfo, JLL Research; UBS Asset Management, Real Estate & Private Markets (REPM), April 2023

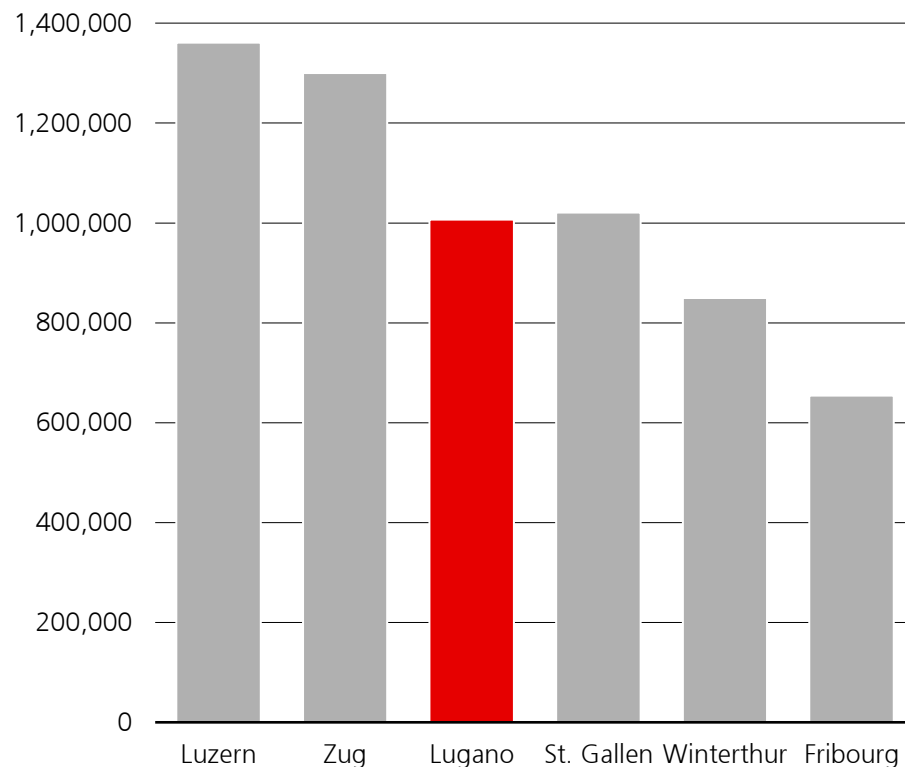


Ticino as an important regional real estate market

Number of residential units in apartment buildings (2021)



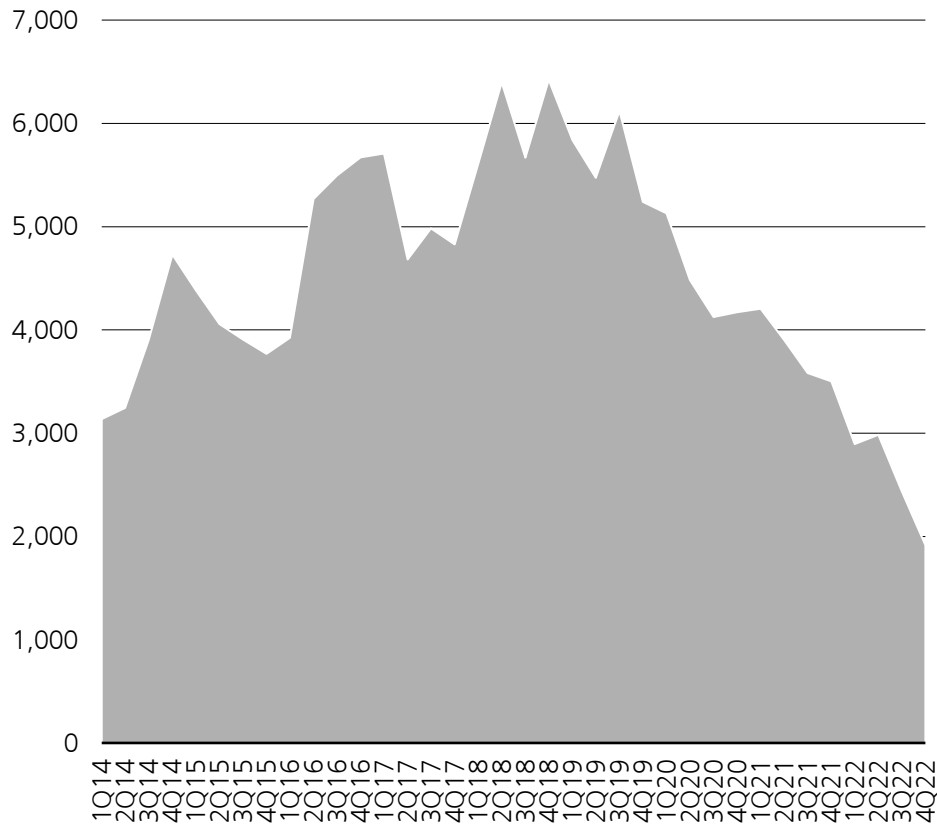
Office space stock of Swiss medium-sized centers (2022, in m²)



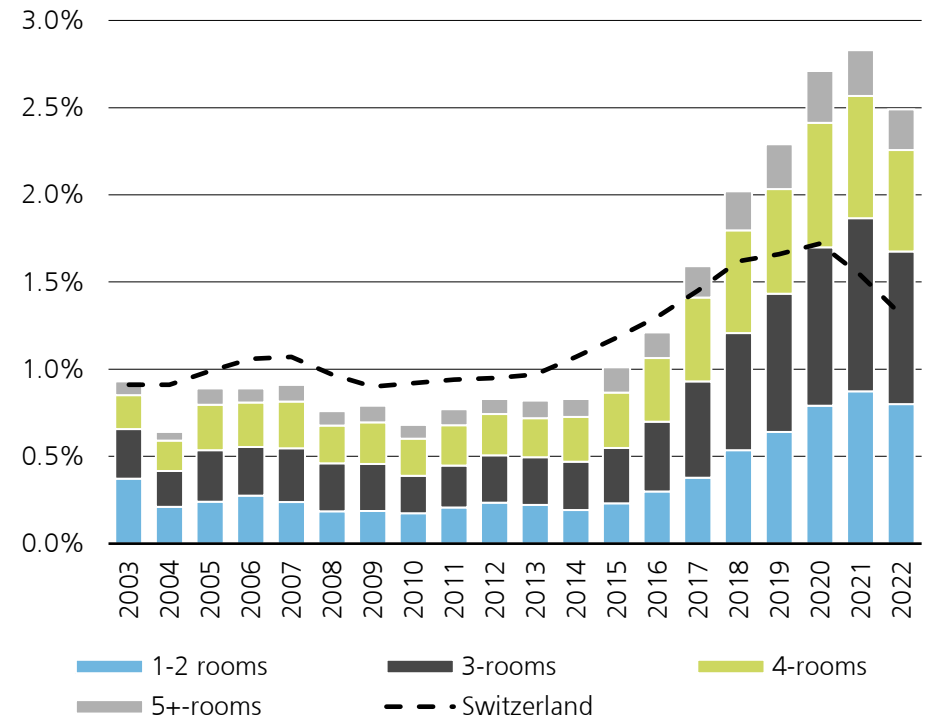
Source: Bundesamt für Statistik, JLL Research; UBS Asset Management, Real Estate & Private Markets (REPM), April 2023

Supply on the Ticino housing market is declining

Annual sum of the residential projects approved for construction on the Ticino market (number of residential units)



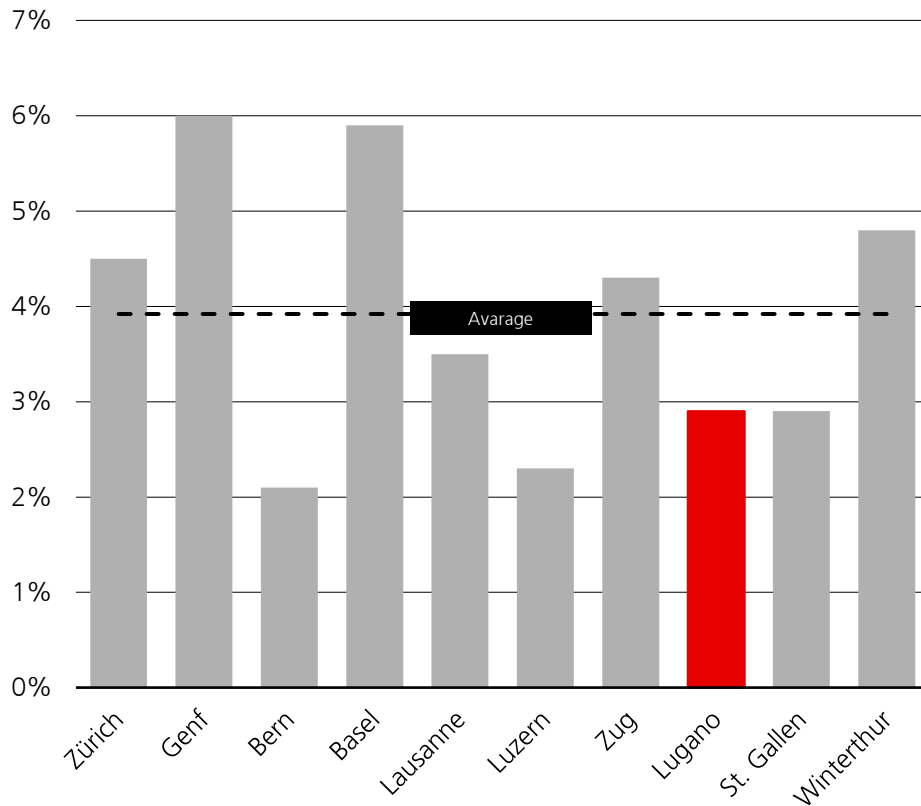
Vacancy rate (by number of rooms) in the Canton of Ticino (in % of stock)



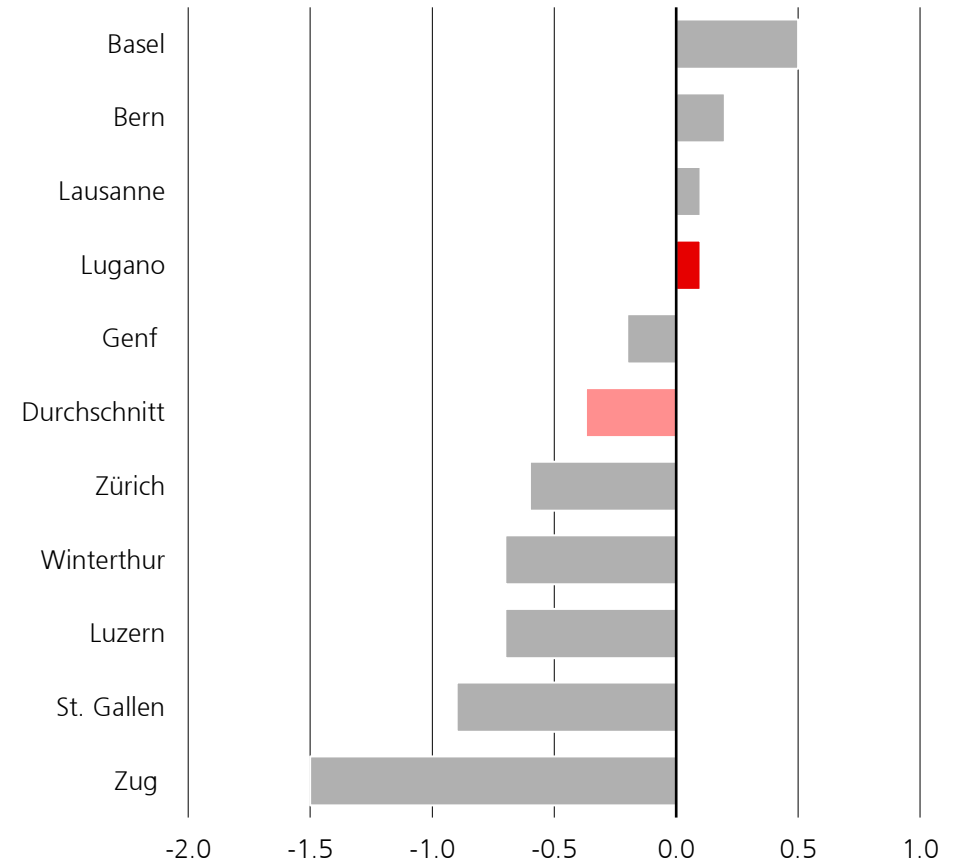
Source; Bauinfo, JLL Research, CSL, Wüest Partner, UBS CIO; UBS Asset Management, Real Estate & Private Markets (REPM), April 2023

Office supply rate in Lugano below average

Supply rates of office space in selected large and medium-sized centers (2022, in % of total stock)



Change in the supply ratios of office space between 2021 and 2022, in percentage points



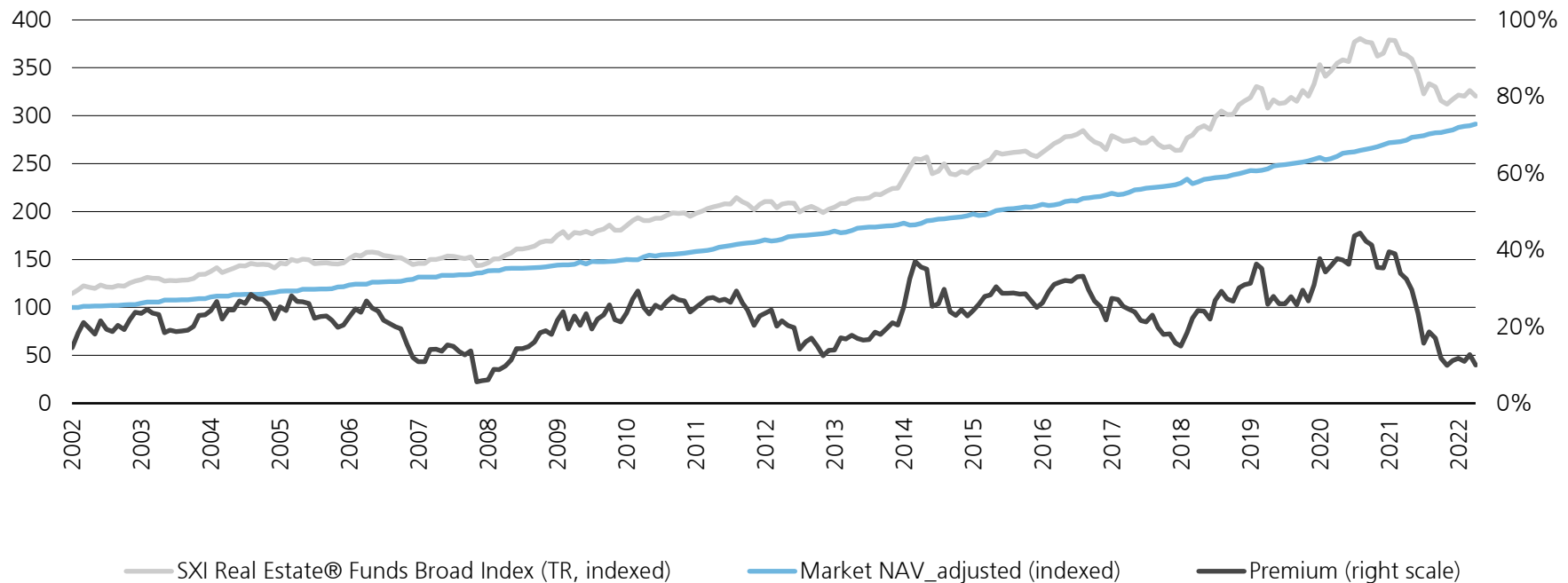
Source: JLL Research, UBS Asset Management, Real Estate & Private Markets (REPM), April 2023

Performance of listed Swiss real estate funds

Premium development from 1 January 2003 to 31 March 2023

Total Return Index

in %	2018	2019	2020	2021	2022	2023 YTD	March	5 years	avg p.a. 5 years
Benchmark	-5.3%	20.7%	10.8%	7.3%	-15.2%	-0.4%	-1.9%	17.0%	3.2%



Source: UBS Asset Management, SXI Real Estate Funds Index, Bloomberg, listed Swiss real estate funds financial results.

Past performance is not a guarantee for future results.

Update - SXI Real Estate® Funds Broad

Data as at 31 March 2023

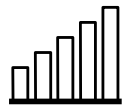
Name	Founded	Mkt cap. (mn.)	Weight	Sector	Region	Price	NAV	Premium	Div. Yield	Perf. YTD	Perf. 2022	Perf. 2021	Perf. 3YR
UBS Sima	1950	9'434	17.4%	Mixed	German-speaking CH	131.70	103.74	27.0%	2.5%	3.9%	-12.8%	8.5%	12.8%
CS Siat	1956	3'295	6.1%	Mixed	German-speaking CH	200.90	162.34	23.8%	2.6%	-1.9%	-15.4%	9.8%	7.4%
UBS Anfos	1956	2'720	5.0%	Residential	German-speaking CH	76.60	63.52	20.6%	2.3%	1.5%	-16.8%	5.5%	5.4%
* CS LivingPlus	2007	2'786	5.1%	Residential	German-speaking CH	133.60	114.41	16.8%	2.7%	-0.5%	-22.8%	8.2%	-3.8%
* CS Green	2009	2'352	4.3%	Mixed	German-speaking CH	119.80	120.34	-0.5%	2.8%	-2.0%	-27.7%	6.8%	-14.0%
* Edmond de Rothschild RE SICAV	2010	2'138	3.9%	Mixed	Geneva / Vaud	133.30	125.61	6.1%	2.7%	-1.8%	-15.7%	12.3%	10.0%
* SL REF ESG Swiss Properties	2015	1'926	3.6%	Mixed	German-speaking CH	118.90	114.30	4.0%	2.2%	-0.1%	-8.7%	6.8%	7.3%
Immofonds	1969	1'856	3.4%	Residential	German-speaking CH	528.50	393.83	34.2%	2.6%	1.4%	-13.3%	18.3%	20.2%
UBS Foncipars	1943	1'707	3.1%	Residential	Geneva / Vaud	119.80	96.86	23.7%	2.2%	-1.0%	-13.6%	9.2%	14.2%
La Fonciere	1954	1'751	3.2%	Residential	Geneva / Vaud	128.70	99.86	28.9%	1.9%	2.2%	-15.0%	9.9%	14.9%
* Realstone Swiss Property Fund	2008	1'678	3.1%	Mixed	Mixed	125.10	127.53	-1.9%	2.8%	-2.6%	-9.5%	1.3%	2.7%
Fonds Immobilier Romand	1997	1'535	2.8%	Residential	Geneva / Vaud	201.30	160.68	25.3%	2.1%	1.2%	-14.7%	8.0%	6.4%
UBS Swissreal	1962	1'491	2.7%	Commercial	German-speaking CH	60.50	63.87	-5.3%	4.4%	0.5%	-16.3%	2.6%	-6.9%
CS Interswiss	1954	1'470	2.7%	Commercial	Mixed	163.60	193.65	-15.5%	4.5%	1.1%	-13.0%	-5.7%	-6.4%
Schroder ImmoPLUS	1997	1'469	2.7%	Commercial	Mixed	137.50	144.62	-4.9%	3.6%	-0.1%	-13.0%	-0.9%	-0.7%
Swisscanto REF Resp. IFCA	1968	1'586	2.9%	Residential	Mixed	150.60	124.31	21.1%	2.4%	1.4%	-13.4%	4.3%	15.8%
* Solvalor 61	1997	1'383	2.5%	Residential	Geneva / Vaud	273.00	226.59	20.5%	1.9%	0.8%	-16.1%	1.8%	7.0%
Immo Helvetic	1997	1'100	2.0%	Residential	German-speaking CH	196.40	184.58	6.4%	3.4%	-1.5%	-15.1%	13.1%	3.6%
* SF Sustainable Property	2010	1'009	1.9%	Residential	Mixed	119.90	125.87	-4.7%	2.9%	-4.8%	-14.3%	1.3%	-5.1%
* Bonhote-Immobilier SICAV	2006	937	1.7%	Residential	Geneva / Vaud	128.50	125.10	2.7%	2.5%	-4.7%	-14.8%	6.5%	1.1%
Swissinvest RE Fund	2006	942	1.7%	Residential	German-speaking CH	178.30	161.82	10.2%	2.6%	-1.9%	-14.8%	13.8%	10.0%
* Patrimonium Swiss RE Fund	2007	895	1.7%	Residential	Geneva / Vaud	156.50	150.33	4.1%	2.4%	-4.5%	-17.6%	7.6%	2.9%
* CS Real Estate Fund LogisticsPlus	2014	763	1.4%	Commercial	German-speaking CH	95.40	104.51	-8.7%	3.7%	-15.4%	-22.4%	10.6%	-6.1%
* Procimmo Swiss Commercial	2007	818	1.5%	Commercial	Geneva / Vaud	137.20	148.41	-7.6%	4.0%	-0.6%	-14.5%	11.2%	5.5%
* UBS Direct Residential	2006	769	1.4%	Residential	German-speaking CH	16.55	14.34	15.4%	2.5%	0.6%	-12.6%	5.5%	16.0%
* Baloise Swiss Property Fund	2018	703	1.3%	Residential	German-speaking CH	118.00	107.77	9.5%	2.5%	0.0%	-12.5%	23.0%	9.9%
SF Retail Properties	2015	608	1.1%	Commercial	Mixed	100.00	105.94	-5.6%	4.4%	-1.1%	-16.5%	8.2%	-6.6%
* Cronos Immo Fund	2016	715	1.3%	Residential	Geneva / Vaud	116.90	107.70	8.5%	2.6%	1.2%			
* CS Hospitality	2010	498	0.9%	Commercial	Mixed	58.50	78.31	-25.3%	4.3%	-4.6%	-17.7%	12.5%	-21.3%
* Procimmo Swiss Commercial II	2015	465	0.9%	Commercial	German-speaking CH	117.60	121.06	-2.9%	4.5%	-0.1%	-11.6%		
* Swisscanto REF Resp. Commercial	2010	503	0.9%	Commercial	Mixed	96.70	104.28	-7.3%	4.3%	-1.3%	-11.5%	1.8%	-5.8%
* Helvetica Swiss Commercial Fund	2016	426	0.8%	Commercial	German-speaking CH	98.00	113.20	-13.4%	5.4%	0.0%	-10.8%	10.4%	1.3%
* UBS Direct Urban	2012	405	0.7%	Mixed	German-speaking CH	11.25	11.83	-4.9%	2.9%	-3.4%	-19.7%	7.3%	-3.0%
* Swiss Central City Real Estate	2018	350	0.6%	Mixed	German-speaking CH	92.00	110.69	-16.9%	2.7%	0.0%	-13.6%	17.4%	-4.0%
* Procimmo Residential Lemanic	2009	346	0.6%	Mixed	Geneva / Vaud	132.50	141.13	-6.1%	4.6%	-6.7%	-12.4%	6.8%	-5.7%
* Dominicé Swiss Property Fund	2013	341	0.6%	Residential	Geneva / Vaud	113.60	124.34	-8.6%	2.7%	-7.3%	-1.7%	12.2%	8.0%
* Good Buildings Swiss RE Fund	2011	282	0.5%	Mixed	German-speaking CH	128.00	117.83	8.6%	3.1%	-4.5%	-6.3%	18.6%	17.0%
* Suisse Romande Property Fund	2014	257	0.5%	Mixed	Geneva / Vaud	95.90	124.21	-22.8%	3.1%	-12.8%	0.0%	-0.2%	-7.7%
SF Commercial Properties	2016	196	0.4%	Commercial	German-speaking CH	81.50	99.34	-18.0%	5.2%	-3.4%	-4.3%	5.3%	-6.8%
* Streetbox Real Estate Fund	2009	190	0.4%	Commercial	Geneva / Vaud	443.00	339.07	30.7%	3.4%	5.7%	-21.1%	2.4%	-1.3%
* Residentia	2009	143	0.3%	Mixed	Ticino	89.15	116.93	-23.8%	2.7%	-8.6%	-14.0%	2.1%	-16.1%
TOTAL		54'235	100.0%				0	10.0%	2.8%	-0.4%	-15.2%	7.3%	4.0%

* property directly held by the fund

Notes: Market cap. & weightings based on SIX data, prices based on Bloomberg data. NAV according to the latest company statement, adjusted for the dividends. Mixed means portfolio consists of more than one sector. Region and sector classification as well as Premium and Div. Yield calculation done by UBS Asset Management based on financial year statements. Performance is Total Return based on Bloomberg data. **Past performance is no guarantee for future results.**



Convincing facts about Real Estate Switzerland



More than **27 bn**
CHF **Assets under Management**



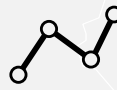
11
Real estate investment
products and external mandates



1100+
Properties around
Switzerland



~ 95
experienced employees
in Basel, Zurich and Lausanne



80
Years of **track record**



UBS «Sima»
largest Swiss real
estate fund



Sustainable
and diversified strategy



solid
Governance- & risk-
structure



Oldest
Swiss real estate fund
UBS «Foncipars»

Our real estate investment products at a glance

	Investment focus	2018	2019	2020	2021	2022 ¹
Listed Funds						
UBS Direct Residential	Residential / all of CH	588	705	776	814	933
UBS Direct Urban	Mixed / all of CH	402	447	492	577	590
UBS «Anfos»	Residential / German-speaking CH	2 607	2 704	2 808	2 925	3 081
UBS «Foncipars»	Residential / French-speaking CH	1 432	1 492	1 607	1 703	1 829
UBS «Sima»	Mixed / all of CH	9 326	9 895	10 307	11 028	11 452
UBS «Swissreal»	Commercial / all of CH	1 907	1 987	2 051	2 074	2 121
Residentia ²	Residential / Italian-speaking CH				247	250
UBS PF Europe ³	All types of use / Europe					271
Investment trusts						
UBS AST-IS	Mixed / all of CH	2 129	2 308	2 384	2 491	2 695
UBS AST-KIS	Commercial / all of CH	681	711	711	728	774
External mandates						
Mandate (external)	Mixed / all of CH	2 913	2 953	3 141	3 194	3 475
Total Portfolio Real Estate Switzerland		21 985	23 202	24 277	25 781	27 471
Annual percentage change (%)		5,0	5,5	4,6	6,2	6,6

Source: UBS Asset Management, Real Estate & Private Markets (REPM); 2018-2022: Market values in mill. CHF;

¹ UBS «Anfos» as at 30.09.22; UBS Direct Residential, UBS Direct Urban, UBS PF Europe, UBS «Foncipars», UBS «Sima», UBS «Swissreal», Residentia and external mandate as at 31.12.22; UBS AST-IS and UBS AST-KIS as at 31.03.2023

² Residentia: Real Estate Switzerland has taken over the fund management of Residentia as of 1 February 2021; ³ Exchange rate: EUR 1 = 0.98745 CHF (as at 31.12.22)

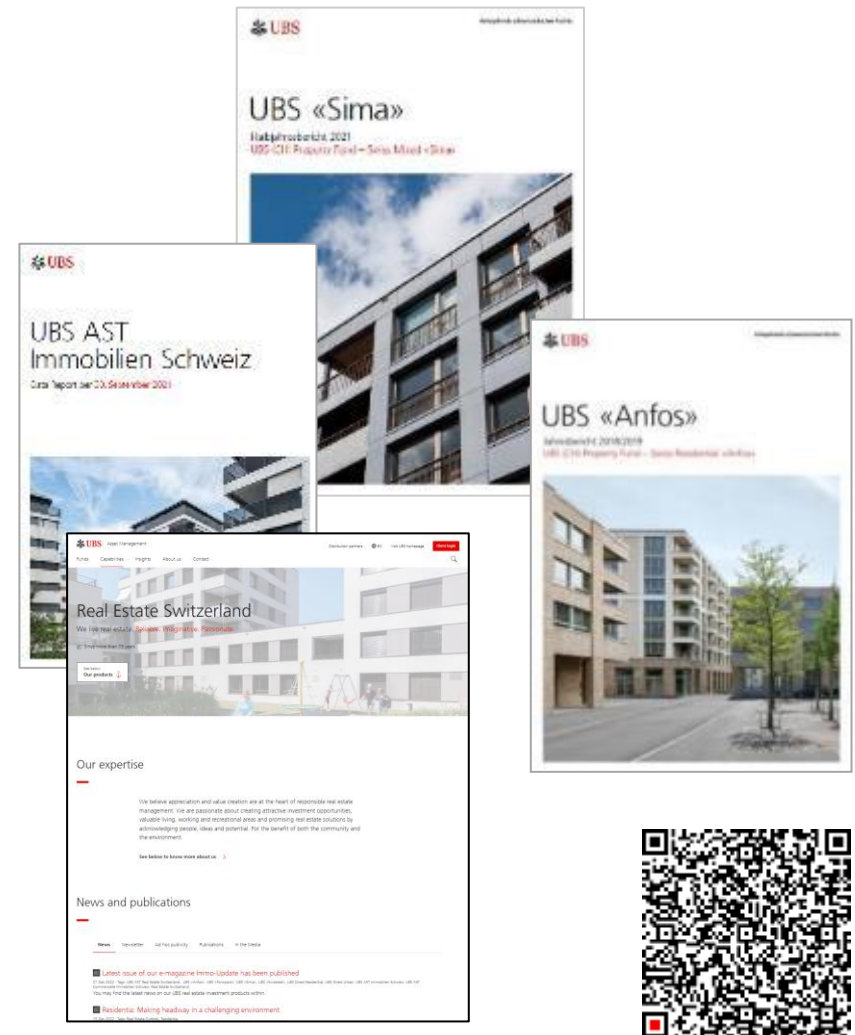
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