



Public
For marketing purposes

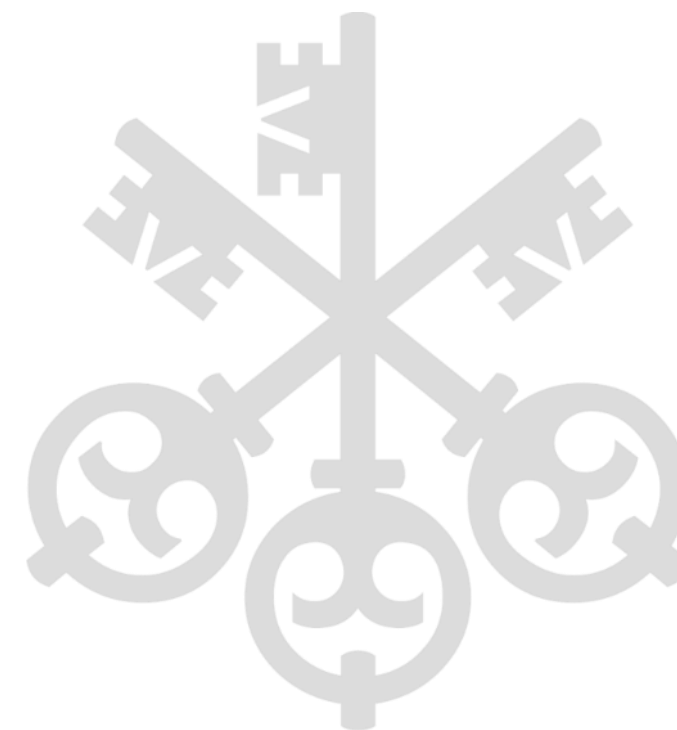
UBS Direct Residential

Capital increase in October/November 2024

UBS Direct Residential, UBS Direct Urban and UBS PF Europe

Annual financial statements as of 30 June 2024

25 September 2024





Section 1

UBS Direct Residential

Conditions of the capital increase

The advantages of UBS Direct Residential



Product

- Listed Swiss real estate fund with direct investments primarily in residential property
- Fund returns are tax-exempt for Swiss investors
- Liquidity due to high market capitalization and small denominations
- Attractive investment and dividend yield



Portfolio

- Geographic concentration on selected agglomeration regions across Switzerland
- Stable returns from the existing portfolio
- Growth through acquisition of construction projects and existing properties
- By being enshrined in norms, strategies and operations, sustainability plays a key role in all decisions made by the Fund Management Company – whether in respect of the managed real estate funds and the underlying real estate assets or the development of the organization.



Management

- Your partner for responsible real estate management since more than 80 years
- Reliable, resourceful, passionate
- Fund and competence teams with many years of experience
- Responsible real estate management through appreciation and value creation

UBS Direct Residential – overview of the capital increase

The fund invests primarily in residential buildings throughout Switzerland, with investments concentrated in larger cities and selected agglomeration regions, and offers attractive residential and living spaces with a very good price-performance ratio.

Issue of around CHF 70 Mio.

- Subscription price CHF 14.90*
- 24 October – 1 November 2024, 12.00 noon, settlement 8 November 2024
- The aim of the capital increase is to finance renovations and construction projects and to raise additional funds for the purchase of additional properties.
- 4 construction projects in good locations in the Canton of Zurich



UBS Direct Residential – Objective of the capital increase

A large part of the issue proceeds will be used for the following projects:



Renovation
Mixed property
Birmensdorferstrasse, Zurich

- Investment volume approx. CHF 8 million
- Start of construction 4th quarter 2024



Redevelopment
Residential property
Wehntalerstrasse, Zurich

- Investment volume approx. CHF 25 million
- Start of construction 3rd quarter 2025



Redevelopment
Residential property
Stettbacherrain, Zurich

- Investment volume approx. CHF 30 million
- Handover 2nd quarter 2025



Renovation
Residential property
Schwandenholzstrasse, Zurich

- Investment volume approx. CHF 7 million.
- Start of construction 2nd quarter 2026

The remaining proceeds from the capital increase will primarily be used to acquire additional properties, to finance refurbishments and development projects, and to repay debt.

UBS Direct Residential – Issue conditions

- Ex-dividend payout : 1 October 2024
- Ex-date subscription rights : 24 October 2024
- Subscription period : 24 October 2024 – 1 November 2024, 12.00 noon
- SIX Swiss Exchange subscription rights trading : 24 to 30 October 2024
- Settlement : 8 November 2024
- Subscription price = asset value as of 30 June 2024 (after distribution) + accrued income + issuance commission*

Issue conditions UBS (CH) Property Fund – Direct Residential

Valor shares	2 646 536
Valor subscription rights	137 914 491
Subscription ratio (new : existing shares)	1 : 10
Amount of existing shares	46 465 557
Amount of new shares (maximum)	4 646 556 commission («best effort basis»)
Subscription price for new shares	CHF 14.90
Stock price (30 August 2024)	CHF 20.20
Theoretical stock market price after distribution	CHF 19.78
Theoretical value of subscription rights after distribution	CHF 0.44
Theoretical opening price Share on the 1st day of the subscription period	CHF 19.34
Volume	Approx. CHF 70 Mio.

The new shares are entitled to dividends retroactively from 1 July 2024 for the entire current financial year.

Why participate in the capital increase?

- Participation in the capital increase enables further exposure to **high-quality Swiss real estate**.
- Clear investment guidelines and **professional management** ensure the careful investment of new capital.
- The acquisition of additional properties increases **diversification and stability**, rejuvenates the portfolio and thus increases its attractiveness for tenants and thus ultimately for investors.
- The issue of new units is based on the net asset value, independent of the market price, (following distribution) as per financial year end as of 30 June 2024 plus accrued income up to the payment date and the issuing commission as well as the incidental costs accruing to the fund assets.

Why UBS Real Estate Investment Products?

- Real estate funds offer **additional diversification** of a portfolio.
- In the case of UBS real estate funds, the aim is to provide **regular, sustainable income distributions** (focus on income-oriented investors) and asset preservation (income generation through core real estate investments).
- **Attractive dividend yield** (UBS Direct Residential at 2.1% as of 30.06.2024). This significantly exceeds the current yields on CHF bonds.
- Compared to real estate stock corporations, real estate funds offer additional security thanks to the Collective Investment Schemes Act (e.g. guaranteed redemption of shares at asset value).

Why UBS Real Estate Investment Products?

- Product range with clearly positioned products
- **Responsible real estate management** with a long-standing commitment to ESG.
- A clear focus makes it easier to assemble an individual real estate fund mix.
- The large fund asset values and the small denomination ensure **good tradability** on the stock exchange.
- All properties are valued according to a recognized and up-to-date valuation method (DCF) by independent valuation experts.



Section 2

UBS Direct Residential

Financial year-end results as at 30 June 2024

UBS Direct Residential – Management Summary

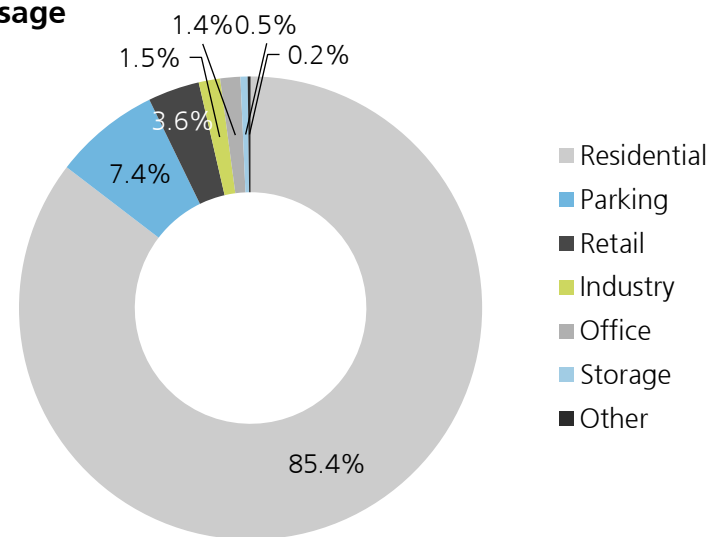
Financial year 2023/2024

- Listed Swiss real estate fund, launched in November 2006
- Real estate fund with direct investments primarily in residential property
- Regional focus on selected agglomerations across Switzerland
- Internal growth through value appreciation potential from renovations and redensification
- Focus on sustainability: binding targets on the way to net zero set in the fund contract; economic, ecological and social aspects taken into account in acquisitions, new buildings and renovations

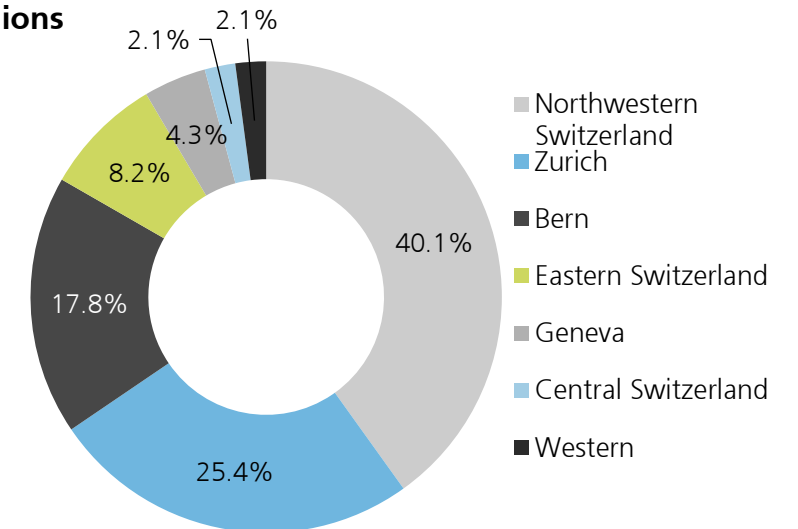
Key Figures

Year of launch	2006
Net asset value	CHF 674.2 m
Market value	CHF 987.1 m
Rental income	CHF 40.6 m
Rental loss rate	2.3%
Leverage	28.4%
Investment yield	2.6%
Performance	20.6%
Number of properties	84

Usage



Regions



Source: UBS Asset Management, Real Estate & Private Markets (REPM); data as per 30 June 2024

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. Details on the implementation of the sustainable investment policy by integrating sustainability criteria can be found in the fund prospectus. Slide 48 "Risks" in the appendix shows a list of the known risks of the product.

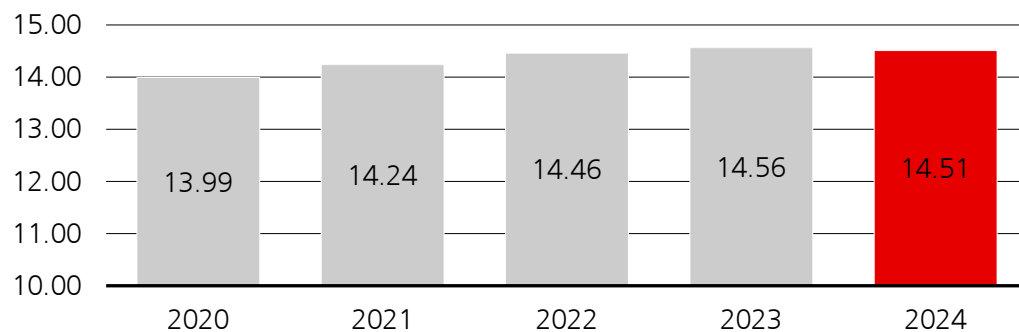
UBS Direct Residential – Key data

Financial year 2023/2024

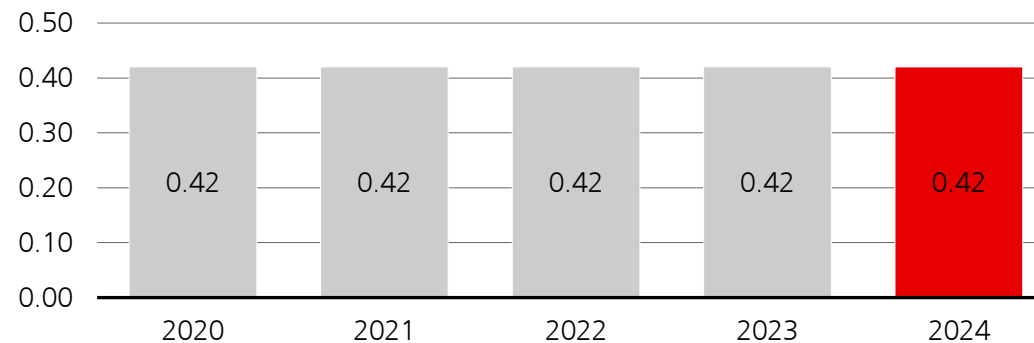
- Stable distribution of CHF 0.42 per share
- Stable net asset value of CHF 14.51

	30.06.2024	30.06.2023	30.06.2022
Performance	20,6%	-0,4%	-10,9%
Investment yield	2,6%	3,7%	4,7%
Dividend yield	2,1%	2,5%	2,5%
Premium/Discount	34,7%	14,0%	18,2%
Rental default rate	2,3%	3,1%	3,4%
Leverage ratio	28,4%	26,7%	24,2%

Net asset value



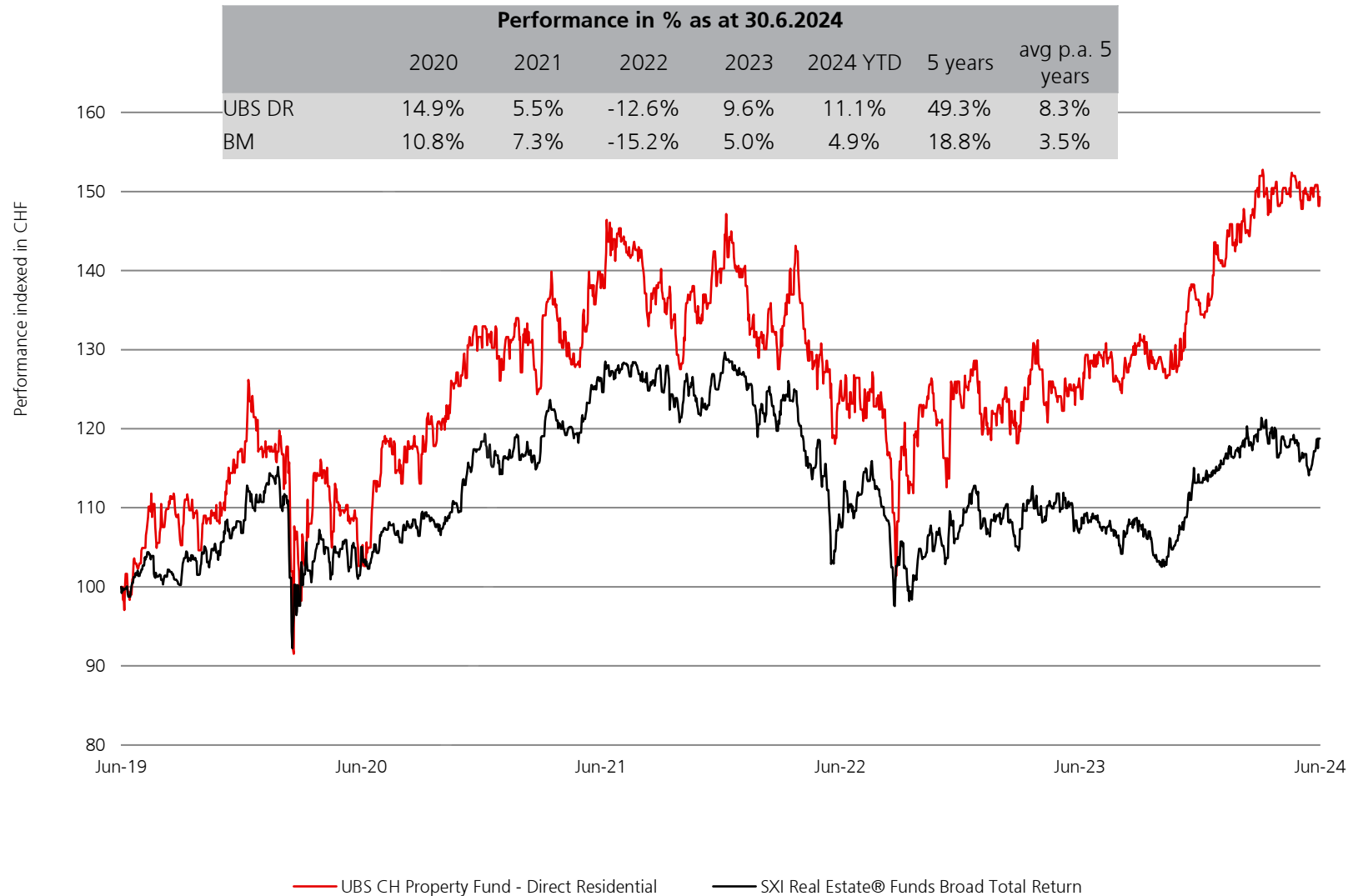
Distribution per unit



Source: UBS Asset Management, Real Estate & Private Markets (REPM), data as at 30 June 2024

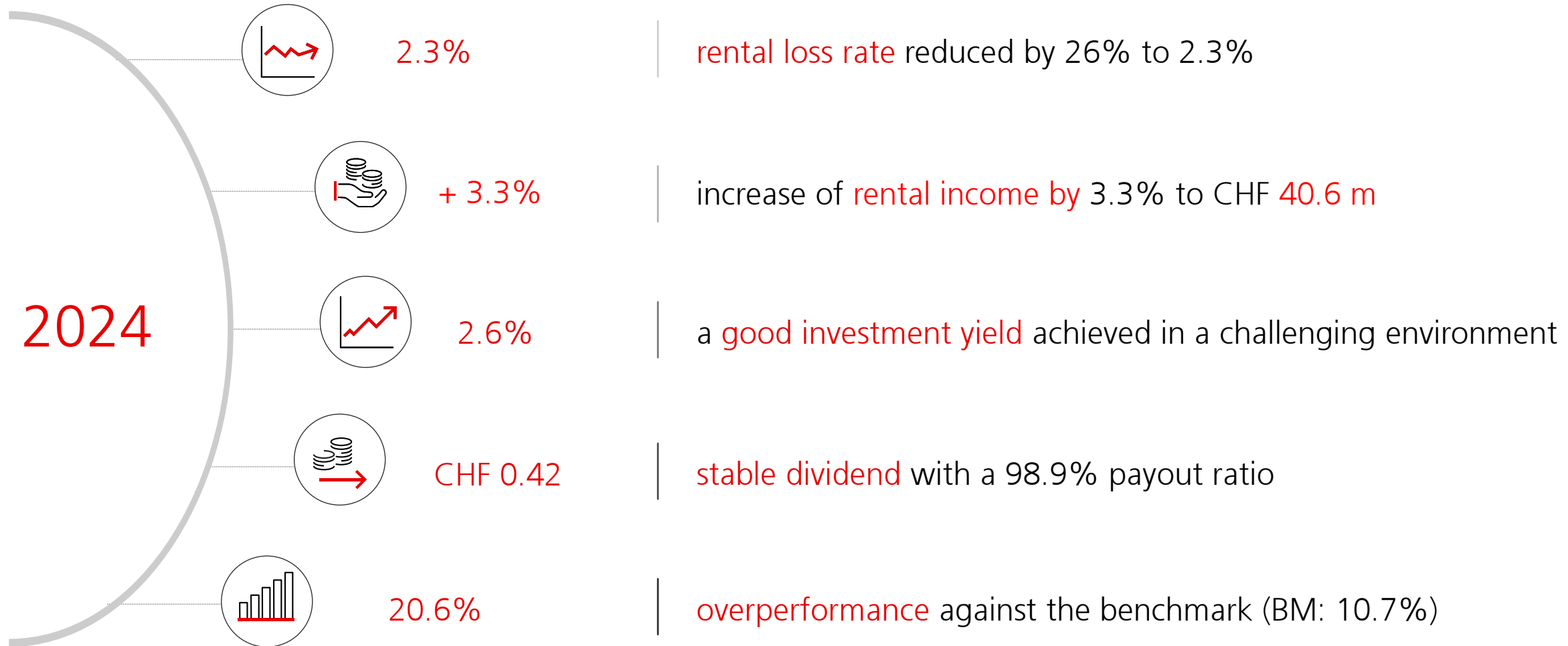
Past performance is no guarantee of future performance. Performance does not take into account any commissions and costs charged for the subscription and redemption of shares.

UBS Direct Residential – Benchmark Comparison



Source: UBS Asset Management, Real Estate & Private Markets (REPM), data as per 30 June 2024, **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. It is not possible to directly invest in an index. The index returns shown do not represent the results of actual trading in investable assets/securities. Investors who follow an index-like strategy can earn higher or lower returns and bear the cost of fees and expenses that reduce returns. This does not constitute a guarantee on the part of UBS AG, Asset Management.

UBS Direct Residential – At a glance



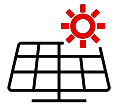
UBS Direct Residential – Sustainability



GRESB-Rating 2023¹:
Stading Investments: 5 stars
Development: 5 stars



Over **25%** of the energy is obtained from
renewable energy sources



378 kWp installed PV capacity



Over **40%** of properties with
«DGNB im Betrieb» certification

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We are successfully implementing our targets of an average of four heating system renovations per year, which is reflected in the key figures. These concrete plans make our sustainability goals tangible and financially viable.

Christian Sturm

Fund Manager
UBS Direct Residential



UBS Direct Residential – Highlights



Niederhasli (ZH), «Zentrumweg» – Residential

Completion:	Q2 2025
Investment volume:	CHF 42 m
Market value:	CHF 53 m
Gross profit:	CHF 1.9 m
Gross return:	3.5% ¹
No. of units:	65
Additional info:	Newest sustainability standards with SGNI Gold pre-certification



Zurich-Schwamendingen, Stettbacherrain – Residential

Completion:	Q2 2025
Investment volume:	CHF 30 m
Market value:	CHF 39 m
Gross profit:	CHF 1.3 m
Gross return:	3.3% ¹
No. of units:	45
Additional info:	Building in timber construction with SGNI Gold pre-certification



¹ Gross return on market value after completion



Section 3

UBS Direct Urban

Financial year-end results as at 30 June 2024

UBS Direct Urban – Management Summary

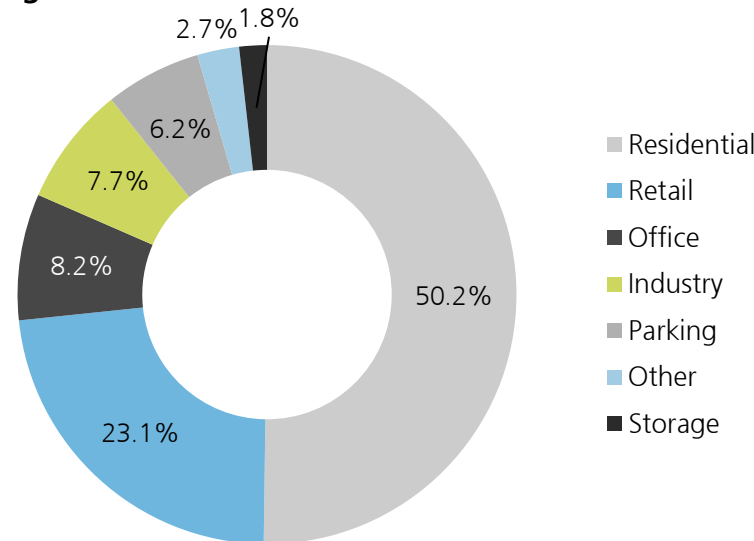
Financial year 2023/2024

- Listed Swiss real estate fund, launched in November 2012
- Real estate fund with a direct investment strategy in residential, mixed-use and commercial properties across Switzerland
- Regional focus on agglomerations of primary and secondary centers and on urban development areas
- Focus on sustainability: binding targets on the way to net zero set in the fund contract; economic, ecological and social aspects taken into account in acquisitions, new buildings and renovations

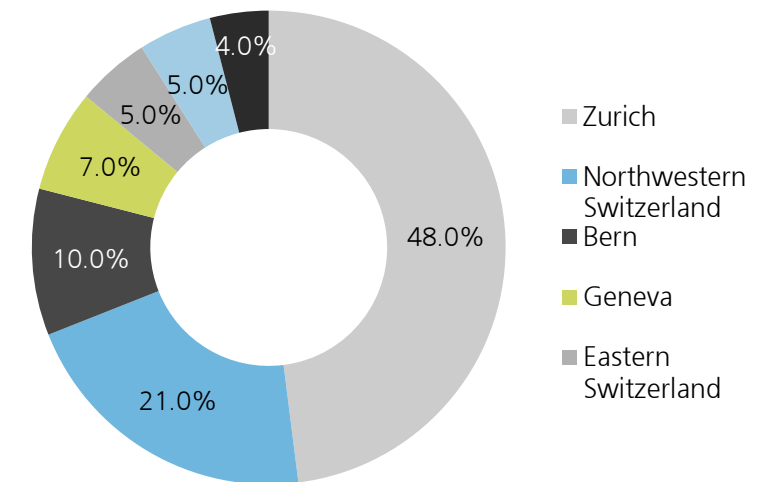
Key Figures

Launching year	2012
Net asset value	CHF 419.1 m
Market value	CHF 584.1 m
Rental income	CHF 21.9 m
Rental loss rate	5.2%
Leverage	25.2%
Investment yield	2.2%
Performance	9.8%
Number of properties	23

Usage



Regions



Source: UBS Asset Management, Real Estate & Private Markets (REPM); data as per 30 June 2024

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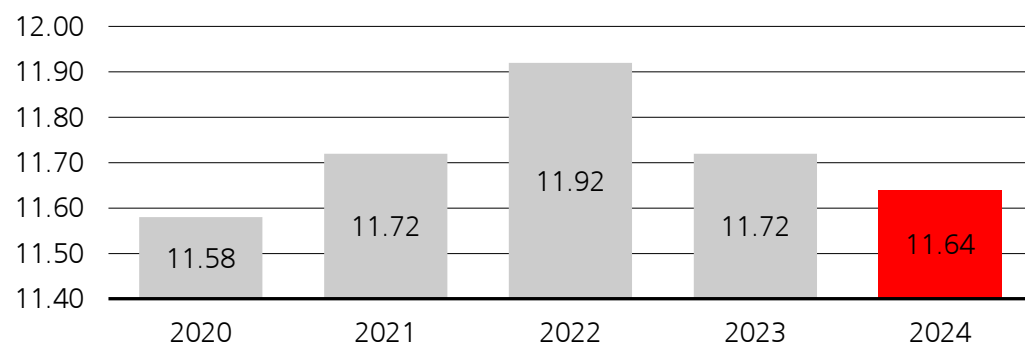
UBS Direct Urban – Key Data

Financial year 2023/2024

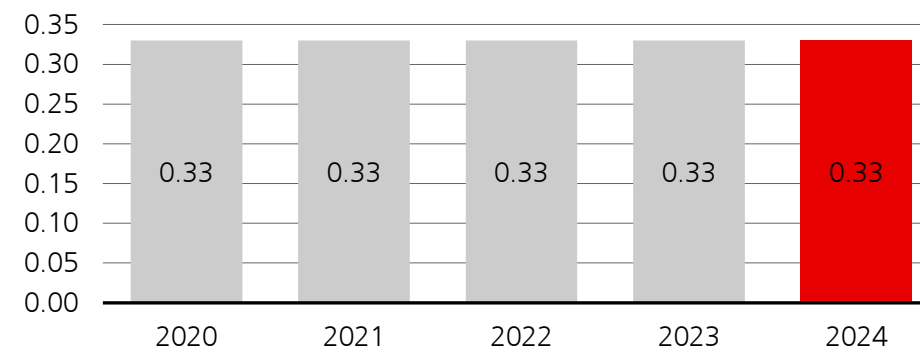
- Stable distribution of CHF 0.33 per share
- Net asset value per share of CHF 11.64

	30.06.2024	30.06.2023	30.06.2022
Performance	9,8%	11,9%	-19,3%
Investment yield	2,2%	1,1%	4,6%
Dividend yield	2,4%	2,6%	2,8%
Primium/Discount	18,1%	9,7%	-1,0%
Rental default rate	5,2%	5,6%	7,3%
Leverage ratio	25,2%	25,0%	24,0%

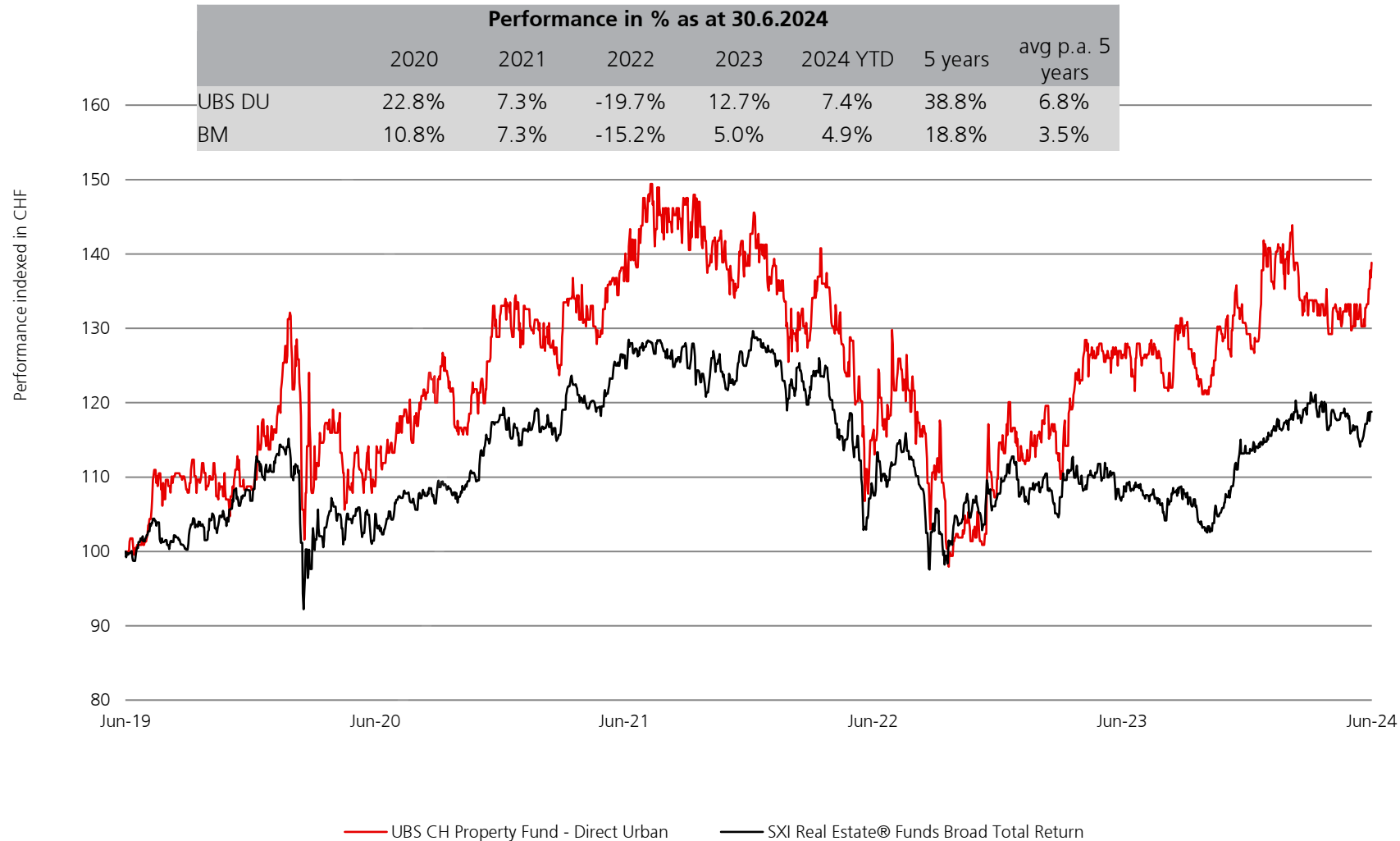
Net asset value



Distribution per unit



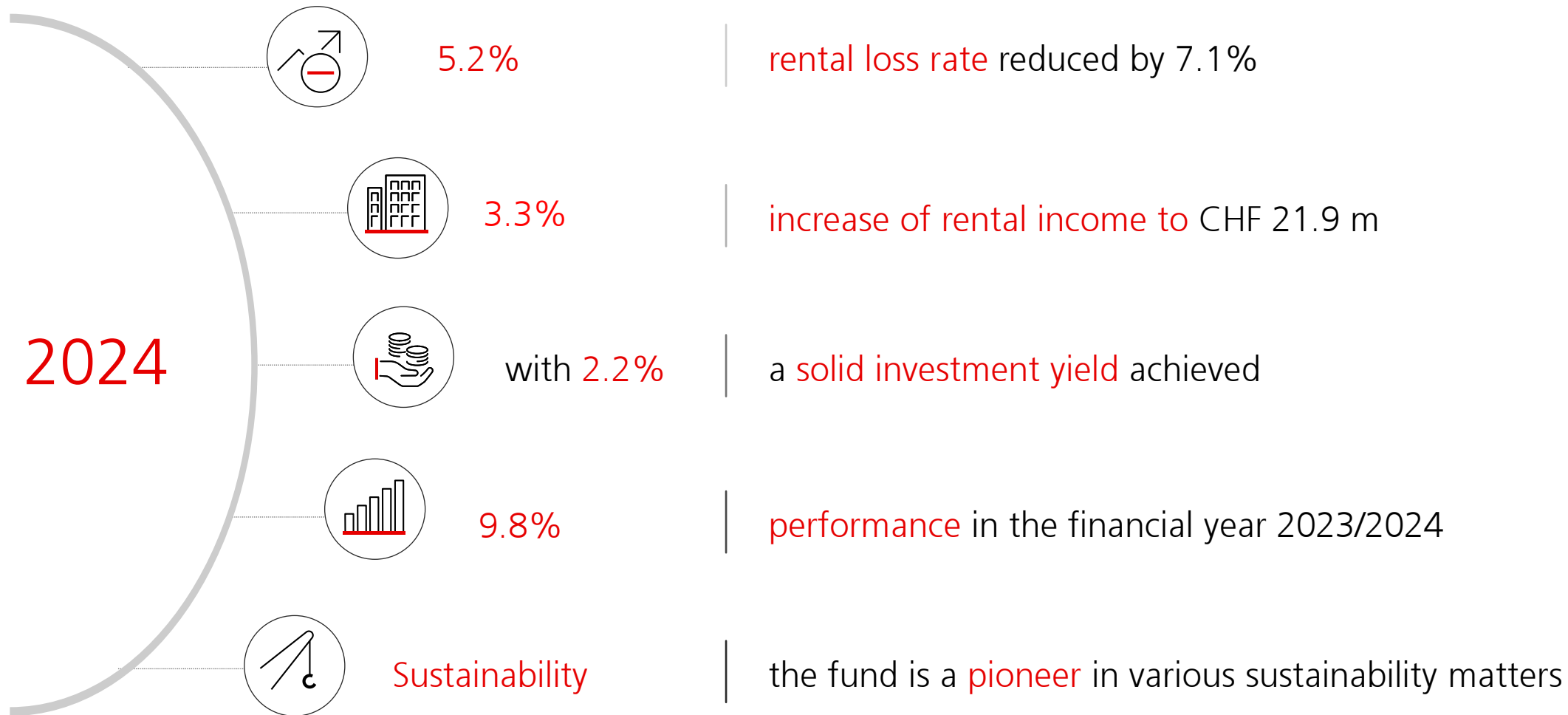
UBS Direct Urban – Benchmark Comparison



Source: UBS Asset Management, Real Estate & Private Markets (REPM), data as per 30 June 2024

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UBS Direct Urban – At a glance



UBS Direct Urban – Sustainability



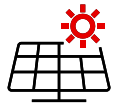
GRESB-Rating 2023¹:

Standing investments: 5 stars

2. Place in the category «Switzerland Mixed»



Modelling of a **reduction path** across the entire portfolio with the aim of being CO₂-neutral by 2050 at the latest (Scope 1+2)



54.7% **renewable energy** in the energy mix



100% of the properties have a GEAK certificate and around 2/3 of the properties are designated with a building certificate



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We are aware of our responsibility as a sustainable real estate fund and prudently align our measures accordingly.

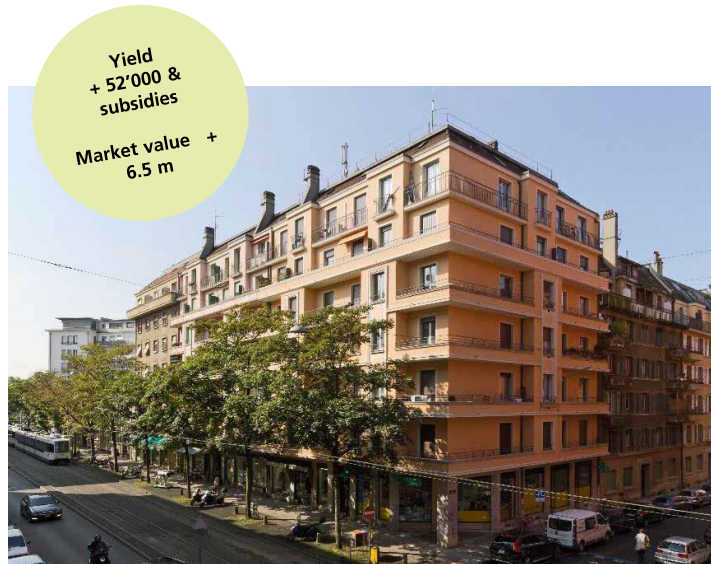
Stephan Pellegrini

Fund Manager

UBS Direct Urban



UBS Direct Urban – Highlights



Geneva, Rue de Carouge 110 – Residential

Project:	Energy-efficient renovation and attic conversion.
Status:	Building application submitted at the beginning of 2024, receipt expected at the beginning of 2025
Scope:	Thermal insulation of the building enclosure, replacement of the windows with 3-fold glazing, replacement of the current oil heating system with a heat pump, construction of a photovoltaic system and solar thermal energy in planning, expansion of the attic with two additional apartments.
Certification:	«Minergie Renovation» planned



Freiburg, Granges-Paccot «AGY Centre» – Commercial

Property info:	Shopping center with around 10'000 m ² of retail and catering space as well as more than 360 parking spaces.
Vacancy management:	As of 1 August 2024, a large part of the vacant space on the 1 st floor was successfully re-leased. Further contract negotiations are nearing completion, with these agreements the shopping center would become fully leased.
Impact:	Reduction of around 60% of the cumulative vacancy rate in the portfolio, as well as additional rental income and value stability.



Section 4

UBS PF Europe

Financial year-end results as at 30 June 2024

UBS PF Europe – Management Summary

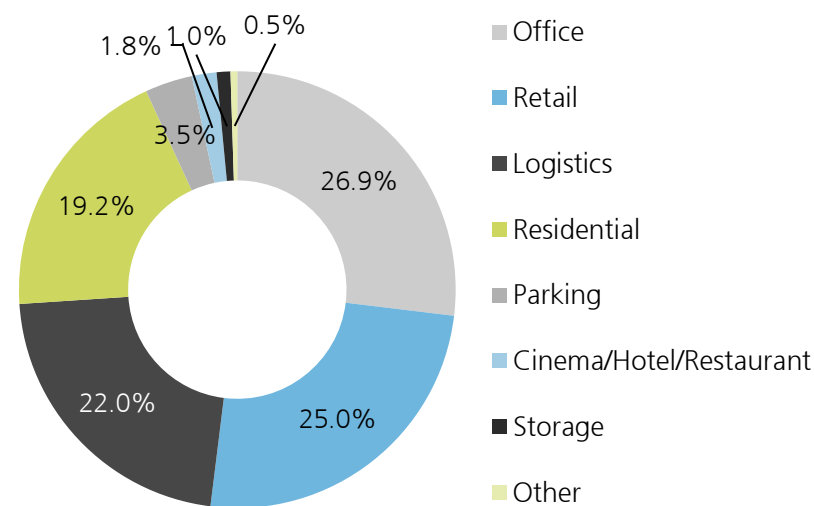
Financial year 2023/2024

- Listed Swiss real estate fund, launched in 2018
- Direct investments into residential, mixed and commercial properties in Europe
- Broad sectoral and regional diversification with sustainable profitability
- Stable returns from the portfolio
- Growth through acquisitions and value enhancement potential within existing portfolio

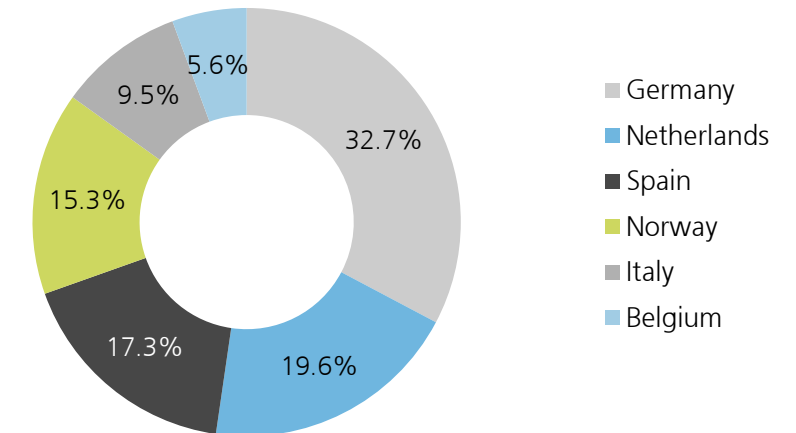
Key Figures

Year of launch	2018
Net asset value	EUR 225.8 m
Market value	EUR 286.2 m
Rental income	EUR 13.5 m
Rental loss rate	0.4%
Leverage	28.6%
Investment yield	-8.9%
Performance	-3.9%
Number of properties	14

Usage



Regions



Source: UBS Asset Management, Real Estate & Private Markets (REPM); data as per 30 June 2024

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. Details on the implementation of the sustainable investment policy by integrating sustainability criteria can be found in the fund prospectus. Slide 48 "Risks" in the appendix shows a list of the known risks of the product.

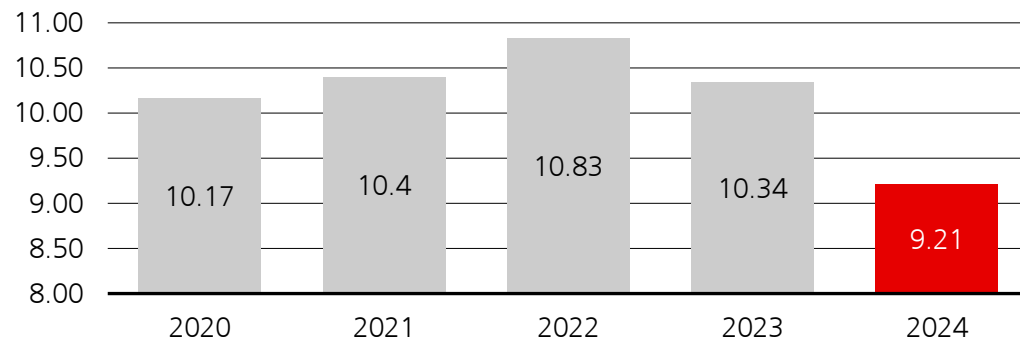
UBS PF Europe – Key Data

Financial year 2023/2024

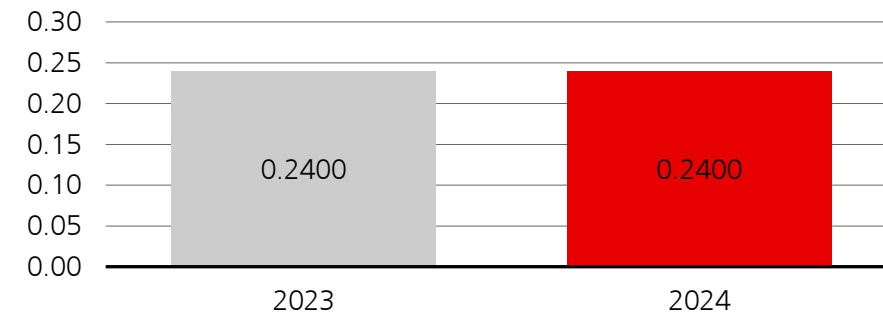
- Distribution* of CHF 0.2400 per share at previous year's level
- Net asset value of CHF 9.21 per share

	30.06.2024	30.06.2023	30.06.2022
Performance	-3,9%	-5,3%	n.a.
Investment yield	-8,9%	-4,5%	4,1%
Dividend yield	2,4%	2,3%	n.a.
Premium/Discount	8,9%	3,0%	n.a.
Rental default rate	0,4%	0,2%	0,4%
Leverage ratio	28,6%	30,5%	28,8%

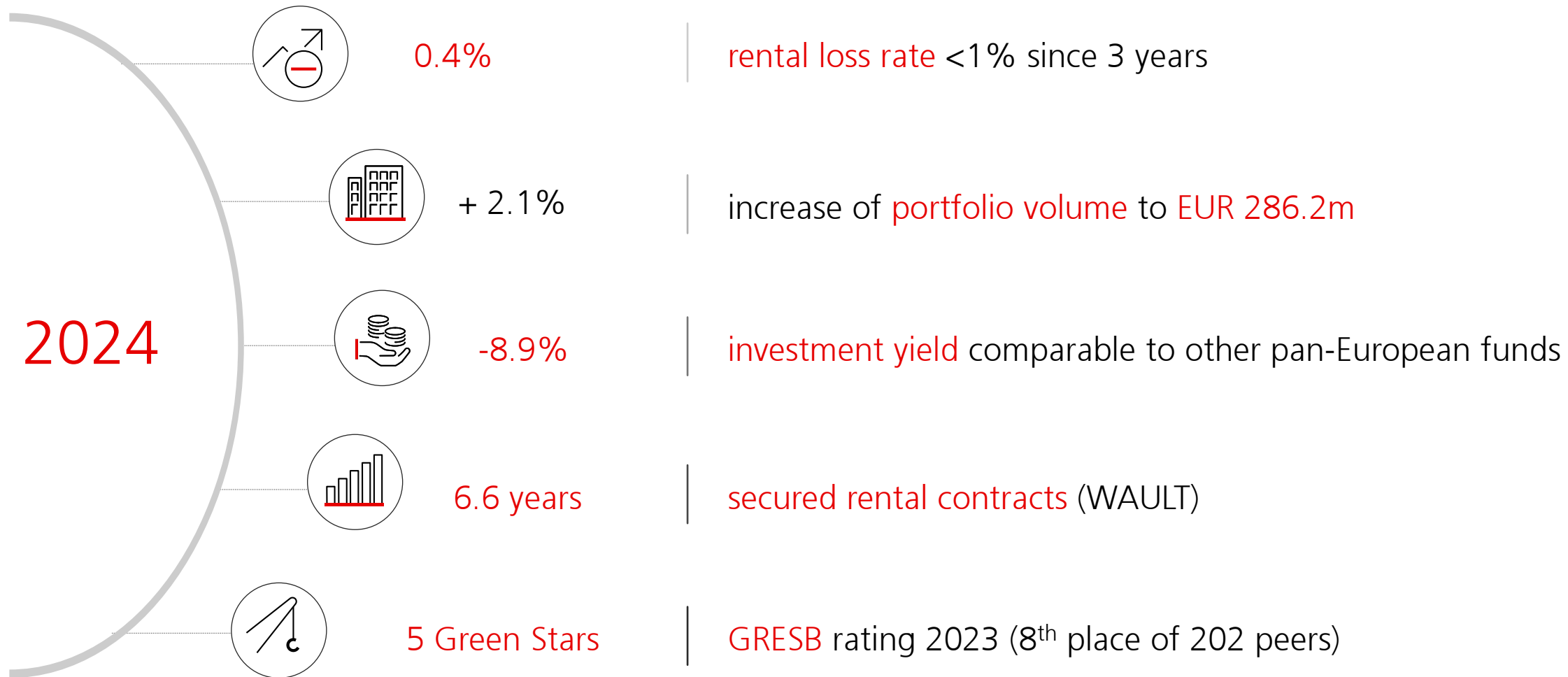
Net asset value



Distribution



UBS PF Europe – At a glance



UBS PF Europe – Sustainability



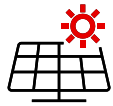
GRESB-Rating 2023¹:

Standing investments: 5 stars

Score: 89/100



Modelling of a **reduction path** across the entire portfolio with the aim of being **CO₂-neutral by 2050** at the latest (Scope 1+2)



800 kWp installed **PV capacity**



All properties have a **European Union Energy Performance Certificate (EU EPC)**

“

We do not fundamentally reject properties with sustainability deficits for purchasing decisions, but examine the possibilities of making them more sustainable.

Florian Kutz

Fund Manager

UBS PF Europe



UBS PF Europe – Highlights



Norway, Sandvika – Retirement housing

Completion:	Q4 2019
Investment volume:	EUR 37 m (incl. ancillary purchase costs)
Market value:	EUR 39 m
Gross profit:	EUR 2.1 m (22% rental income increase since acquisition)
Gross return:	5.5%
Spaces:	5 500 m ² retirement housing, 1 900 m ² retail space, 1 800 m ² office & other
Additional info:	Retirement housing leased to the municipality on a long-term basis (~ 13 year WAULT, ~ 33 year WALT on contract level)



Netherlands, Tilburg – Logistics property

Completion:	Q2 2019
Investment volume:	EUR 20 m (incl. ancillary purchase costs)
Market value:	EUR 20 m
Gross profit:	EUR 1.1 m (22% rental income increase since acquisition)
Gross return:	5.7%
Spaces:	14 700 m ² logistics property, 1 900 m ² office & other
Additional info:	Modern logistics building within an established logistics cluster, leased long-term with a WAULT of ~10 years, WALT ~20 years

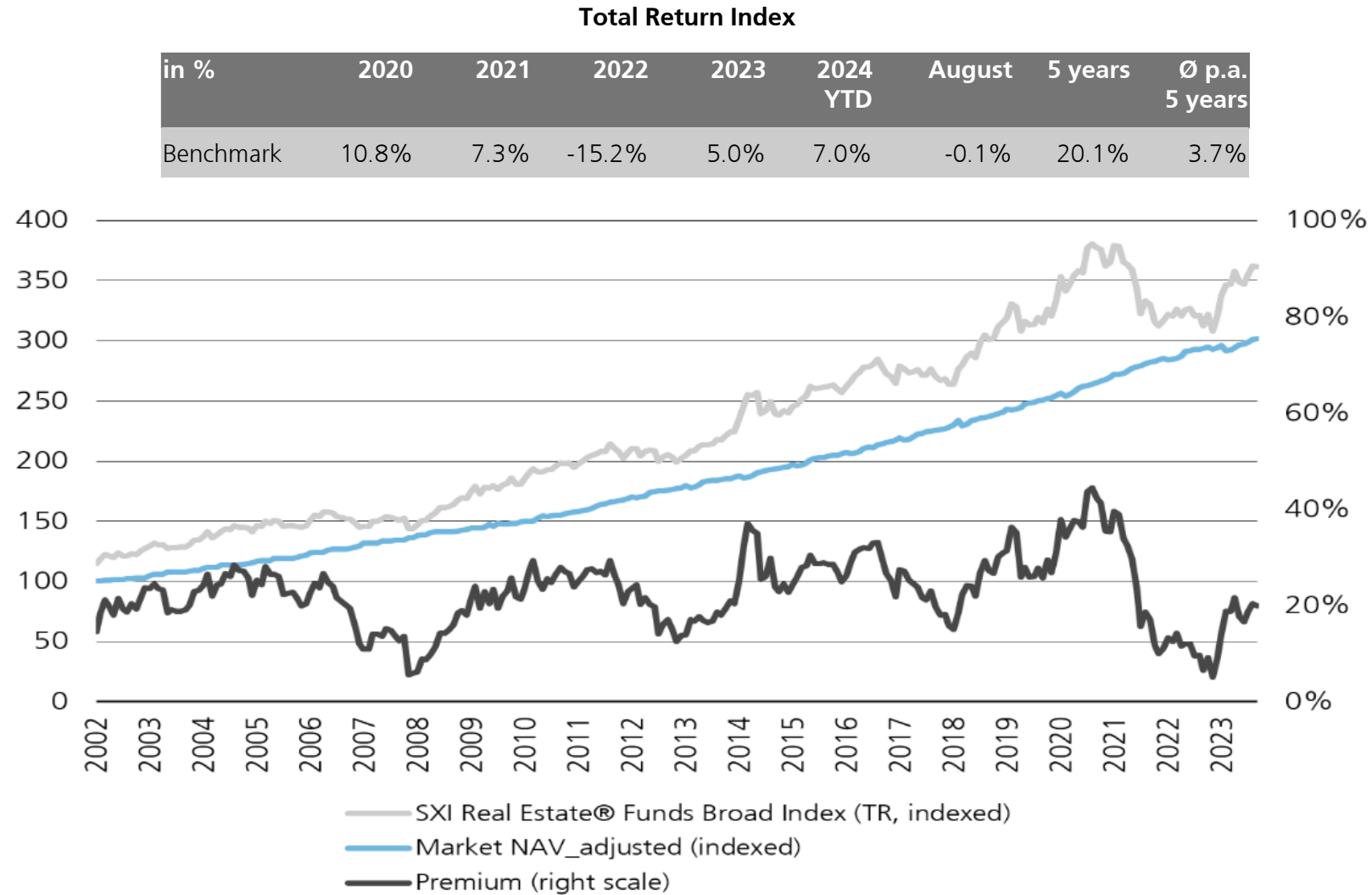


Section 4

Real Estate Switzerland

Performance of listed Swiss real estate funds

Premium development from 1 January 2003 to 31 August 2024



Key figures for Swiss real estate funds (SXI Real Estate® Funds Broad)

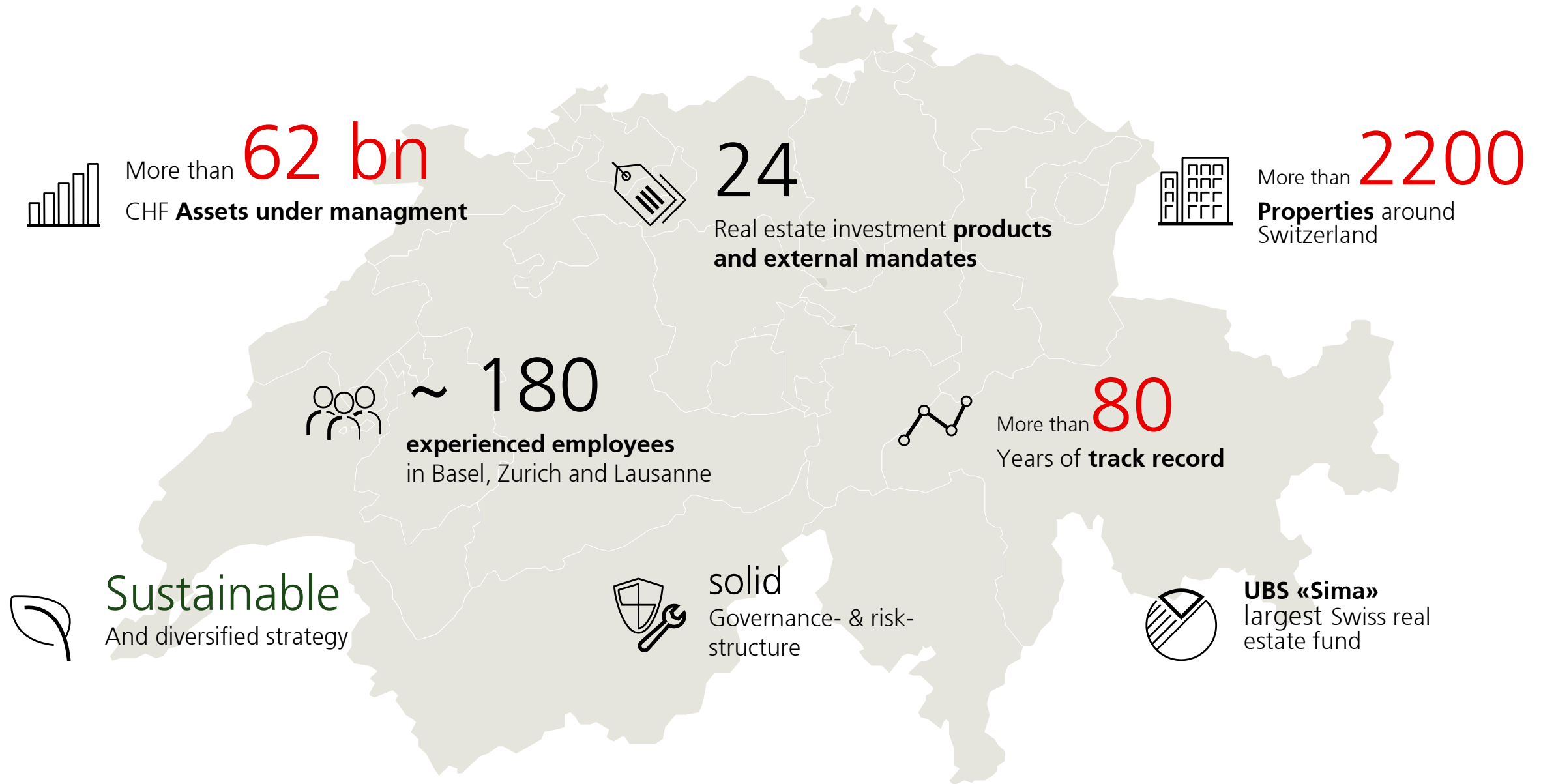
Name	Launch	Price	52 week		Performance			Vola. 3 years ann.	NAV per unit (prov.)	Agio	Distribution yield (%)	TER _{REF} (MV)	Turnover in mn CHF ³	Total market capitalization in mn CHF	Investment focus	Property ownership ⁴
			high	low	YTD	-1 y	-5 y p.a.									
		31.07.2024														
UBS SWISS SIMA	1950	141.5	145.00	120.00	8.3%	16.1%	5.1%	11.6%	102.3	38.3%	2.3%	0.96%	87.0	10'425.7	Mixed	Indirect
CS REF SIAT	1956	227	230.00	190.00	7.1%	17.0%	5.1%	13.7%	162.1	40.0%	2.3%	0.80%	28.4	3'723.6	Residential	Indirect
CS REF LIVINGPLUS	2007	147.5	152.00	126.00	5.3%	12.7%	2.6%	11.7%	110.6	33.3%	2.4%	0.73%	28.5	3'076.0	Residential	Direct
UBS SWISS ANFOS	1956	88	90.00	74.20	7.8%	17.9%	5.4%	11.9%	64.6	36.1%	2.0%	0.89%	13.1	3'125.2	Residential	Indirect
ROTHSCHILD RE SWISS	2010	149	153.00	125.50	11.9%	13.2%	5.6%	11.8%	121.1	23.0%	2.6%	0.81%	27.1	2'389.7	Residential	Direct
CS REF GREEN PROPERTY	2009	121.5	130.50	107.00	2.9%	2.1%	-1.4%	14.2%	118.0	3.0%	2.6%	0.90%	29.9	2'385.2	Mixed	Direct
LA FONCIERE	1954	138	141.50	120.50	7.5%	13.0%	5.1%	11.8%	105.1	31.3%	1.8%	0.72%	14.3	2'022.4	Residential	Indirect
UBS FONCIPARS	1943	135.5	139.50	111.50	10.6%	21.3%	7.1%	12.7%	100.4	35.0%	2.0%	0.85%	16.7	1'931.0	Residential	Indirect
SWISS LIFE REF SWISS PROPERTIES	2015	115.5	124.50	110.50	-3.7%	2.3%	0.0%	9.2%	113.2	2.0%	2.3%	0.99%	21.9	2'494.8	Residential	Direct
IMMOFONDS	1969	536	580.00	485.00	3.1%	3.4%	6.2%	12.1%	409.6	30.9%	2.5%	0.74%	15.5	1'882.2	Residential	Indirect
SWISSCANTO IFCA	1968	183.5	185.00	142.50	18.7%	24.6%	7.4%	14.3%	125.3	46.4%	2.1%	0.90%	19.3	1'932.8	Residential	Indirect
SCHRODER IMMOPLUS	1997	159	163.50	133.50	5.3%	15.9%	1.7%	10.8%	144.8	9.8%	3.1%	1.04%	14.4	1'698.2	Commercial	Indirect
REALSTONE	2008	125.5	131.00	113.50	4.2%	4.2%	0.6%	10.7%	121.3	3.4%	2.9%	1.17%	15.9	1'683.6	Residential	Indirect
FIR	1953	223	229.00	191.50	5.2%	15.2%	4.1%	9.9%	166.0	34.4%	2.0%	0.68%	10.1	1'699.9	Residential	Indirect
SOLVALOR 61	1953	297	303.00	264.00	5.1%	13.0%	5.2%	14.7%	233.2	27.4%	1.8%	0.76%	20.5	1'719.0	Residential	Mixte
UBS SW SWISSREAL	1962	66.4	68.40	57.20	11.7%	13.6%	1.0%	8.4%	61.1	8.7%	4.0%	1.10%	23.7	1'636.1	Commercial	Indirect
CS REF INTERSWISS	1954	177	180.00	147.00	8.6%	14.7%	0.5%	12.6%	187.3	-5.5%	4.2%	1.22%	12.7	1'570.1	Commercial	Indirect
PROCIMMO	2007	159	160.50	128.50	9.7%	17.5%	2.1%	13.0%	147.1	8.1%	3.5%	1.15%	12.5	1'553.9	Commercial	Direct
IMMO HELVETIC	1943	209	218.00	191.50	6.7%	6.7%	2.6%	12.3%	184.0	13.6%	3.2%	0.80%	10.7	1'254.0	Residential	Indirect
ZIF IMMOBILIEN DIREKT SCHWEIZ	2018	116	118.00	102.00	3.6%	n.a.	n.a.	n.a.	106.0	9.4%	2.4%	0.95%	8.6	1'114.1	Residential	Direct
BONHOTE IMMOBILIER	1960	149	156.00	122.00	9.4%	17.8%	4.2%	10.3%	123.6	20.6%	2.2%	1.06%	8.9	1'101.4	Residential	Direct
SWISSINVEST REAL	2006	194.5	199.00	164.50	5.7%	11.0%	4.6%	13.3%	159.5	21.9%	2.3%	0.79%	6.9	1'028.1	Residential	Indirect
SF SUSTAINABLE PROPERTY	2010	122.5	127.50	106.00	1.8%	10.7%	0.4%	16.5%	118.5	3.4%	2.6%	1.17%	11.7	1'031.0	Residential	Direct
PATRIMONIUM	2007	165.5	176.00	138.00	2.3%	14.7%	4.1%	14.0%	146.7	12.8%	2.2%	0.90%	9.9	946.8	Residential	Direct
UBS DIRECT RESIDENTIAL	2006	20.5	20.60	16.55	16.5%	21.4%	8.3%	12.1%	14.6	40.3%	2.0%	0.94%	13.7	952.5	Residential	Direct
HELVETIA SWISS PF	2020	107	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	100.7	6.2%	2.6%	0.95%	n.a.	869.4	Residential	Direct
BALOISE SWISS PROPERTY	2018	116	121.00	107.00	-1.3%	10.1%	0.0%	0.0%	105.0	10.4%	2.6%	0.90%	7.8	836.2	Residential	Direct
CS REF LOGISTICSPLUS	2014	100.5	105.00	87.00	6.2%	12.1%	0.8%	14.6%	101.7	-1.2%	3.5%	0.74%	8.1	804.0	Logistics	Direct
CRONOS IMMO FUND	2016	112.5	122.00	109.00	-3.9%	0.6%	n.a.	0.0%	106.2	5.9%	2.6%	0.83%	7.0	763.1	Residential	Direct
SF RETAIL PROPERTIES	2015	114	116.00	95.80	11.2%	15.0%	3.0%	16.0%	99.6	14.5%	3.8%	1.10%	3.6	738.7	Commercial	Indirect
CS REF HOSPITALITY	2010	79.2	79.80	60.80	14.9%	29.9%	2.2%	16.2%	76.3	3.9%	3.2%	0.59%	4.9	669.6	Commercial	Direct
SWISSCANTO COMMERCIAL	2010	101.5	107.00	88.80	6.4%	10.2%	2.3%	16.5%	97.8	3.7%	4.1%	1.10%	2.9	528.1	Commercial	Direct
UBS DIRECT URBAN	2012	14	14.40	12.00	9.4%	11.8%	6.4%	17.7%	11.7	19.3%	2.4%	1.08%	7.3	503.9	Mixed	Direct
DOMINICE SWISS PROPERTY	2013	135	135.00	110.50	10.3%	17.1%	4.7%	9.9%	123.8	9.0%	2.3%	1.14%	6.0	499.5	Residential	Direct
PROCIMMO RESIDENTIAL LEMANIC	2009	153	155.00	117.50	20.6%	29.0%	2.6%	12.1%	135.1	13.3%	2.0%	1.13%	3.1	399.4	Residential	Direct
HELVETICA SWISS COMMERCIAL	2016	87	95.40	72.20	22.0%	-0.1%	0.0%	0.0%	112.6	-22.7%	7.1%	1.52%	2.6	373.9	Commercial	Indirect
SUSTAINABLE RE SWITZERLAND	2015	89.4	108.00	86.80	-3.7%	n.a.	0.0%	0.0%	105.0	-14.9%	2.5%	0.97%	n.a.	304.2	Residential	Direct
GOOD BUILDINGS	2011	139.5	140.00	127.50	8.8%	6.8%	0.0%	0.0%	116.3	20.0%	3.0%	0.98%	3.6	290.4	Residential	Direct
SWISS CENTRAL CITY	2018	72	93.20	69.40	-2.6%	-20.6%	0.0%	0.0%	102.3	-29.6%	2.9%	1.28%	1.9	273.7	Residential	Direct
SUISSE ROMANDE PROPERTY	2014	99	100.50	74.00	17.6%	14.9%	-0.1%	20.2%	104.1	-4.9%	3.0%	1.38%	1.1	265.7	Residential	Direct
STREETBOX	2009	516	518.00	412.00	19.0%	25.4%	3.3%	13.8%	347.6	48.5%	3.0%	1.05%	1.7	221.7	Commercial	Direct
SF COMMERCIAL PROPERTIES	2016	81.6	85.80	70.00	9.5%	7.1%	-0.1%	13.9%	86.3	-5.4%	5.2%	1.55%	1.1	195.8	Commercial	Indirect
RESIDENTIA	2009	98.6	106.00	91.80	1.9%	1.9%	-3.9%	10.8%	109.4	-9.8%	3.4%	0.67%	2.0	157.8	Residential	Direct
SXI REAL ESTATE FUNDS BROAD					7.1%	12.7%	3.5%	9.6%		22.6%	2.5%	0.91%	556.7	62'203.2		



Source: Credit Suisse Asset Management (Switzerland) Ltd, Datastream, annual/semi-annual reports of the funds. Data as of 31 July 2024. The management fee is included in the Total Expense Ratio (TER). The performance figures do not take into account the commissions and costs charged on issue and redemption. The financial instruments mentioned are for illustrative purposes only and constitute neither an offer nor a recommendation to buy or sell. The use of leverage by the fund can lead to an increased reaction to market movements, i.e. increase the volatility of the fund and lead to a greater loss than with products without leverage. If the currency of a financial product and/or its costs differ from your reference currency, the return and costs may rise or fall due to currency fluctuations. The peer group consists of all property funds included in the SXI Real Estate Funds Broad (SWIIT) Index (i.e. funds that are listed on the Swiss Stock Exchange and at least 75% of whose assets are invested in Switzerland). The peer comparison does not cover all characteristics of the selected products/funds. 1 Monthly trading turnover - average of the last 12 months 2 The taxation of property funds differs depending on whether a fund holds its properties directly or indirectly via subsidiaries.

Past performance is no guarantee of future developments.

Convincing facts about Real Estate Switzerland



Our real estate investment products

Listed Funds	Investment Focus		Ownership of real estate	Market value
UBS «Sima»	All types of use	All of Switzerland	Indirect	11 701
UBS «Anfos»	Residential	German-speaking CH	Indirect	3 206
UBS «Swissreal»	Commercial	All of Switzerland	Indirect	2 159
UBS «Foncipars»	Residential	French-speaking CH	Indirect	1 953
UBS Direct Residential	Residential	All of Switzerland	Direct	987
UBS Direct Urban	All types of use	All of Switzerland	Direct	584
UBS PF Europe ¹	All types of use	Europe	Direct	276
Residentia ²	Residential	Italian-speaking CH	Direct	243
CS Real Estate Fund Siat	Residential	All of Switzerland	Indirect	3 989
CS Real Estate Fund Interswiss	Commercial	All of Switzerland	Indirect	2 516
CS Real Estate Fund Green Property	All types of use	All of Switzerland	Direct	3 330
CS Real Estate Fund LivingPlus	Residential	All of Switzerland	Direct	3 105
CS Real Estate Fund LogisticsPLUS	Commercial (i.e. Logistics)	All of Switzerland	Direct	941
CS Real Estate Fund Hospitality	All types of use (i.e. Residential)	All of Switzerland	Direct	836
Total Listed Funds				35 826



Source: UBS Asset Management, Real Estate & Private Markets (REPM); Market values in CHF million are based on the most recent published annual/half-year financial statements.

¹ Exchange rate: EUR 1 = 0.9634 CHF (per 30.06.2024); ² Residentia: Real Estate Switzerland has taken over the fund management of Residentia as of 1 February 2021

Our real estate investment products

Investment Foundations	Investment Focus		Market value
Investment Fondation 1	All types of use	All of Switzerland	8 546
Investment Fondation 2	All types of use	All of Switzerland	2 712
Investment Fondation 3	Commercial	All of Switzerland	1 336
Investment Fondation 4	Commercial	All of Switzerland	1 938
Investment Fondation 5	Commercial	All of Switzerland	776
Investment Fondation 6	Commercial	Germany	882
Total Investment Fondations ¹			16 190
NAV-basierter Immobilienfonds			
Real Estate Fund ¹	All types of use	All of Switzerland	4 962
External Mandates			
External Mandat 1	All types of use	All of Switzerland	3 578
External Mandat 2	Residential	German-speaking CH	1 006
External Mandat 3	All types of use	Northwestern Switzerland	718
Total Portfolio Real Estate Switzerland			62 280



Section 5

Swiss real estate market

Summary: Swiss real estate market 2H24

Economy



- The economic recovery is dragging on, return to trend growth is expected for 2025.
- Significant calming of inflation enables interest rate cuts. One more interest rate cut is currently expected.
- Residual risks to the economy remain in view of the tense geopolitical situation.

Swiss real estate market



- Momentum returns.
- Risk premium is back at the level of the long-term average.
- Residential market is characterized by shortages and strong rental growth.
- Commercial user markets are feeling the effects of the economic slowdown but remain in healthy shape – especially by international standards. Consolidations exacerbate polarization.

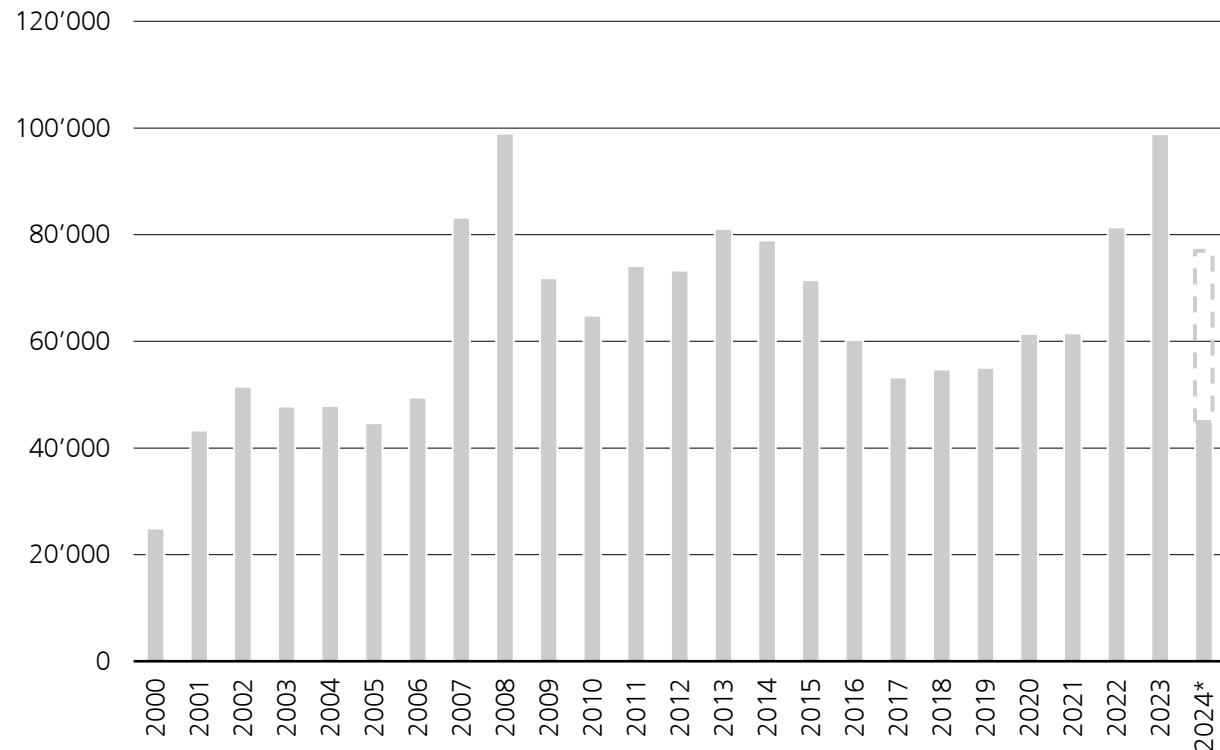
Strategic recommendations



- Income returns remain at the center of attention.
- Housing stands out with positive rental growth prospects, but the risk of increasing regulation is high.
- In the case of commercial properties, quality of location and the asset are becoming even more important.

Residential: migration decreasing slightly, but staying on high levels

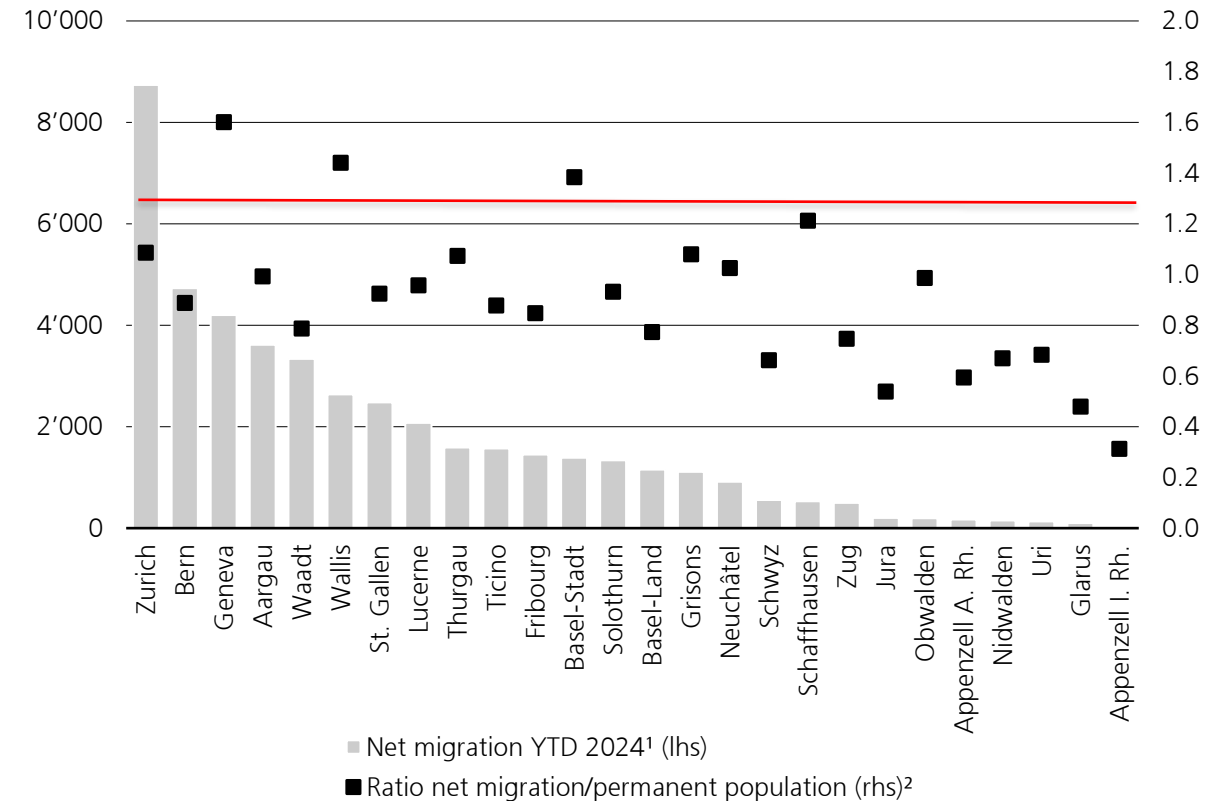
Net migration in Switzerland (permanent population)



Source: State Secretariat for Migration; UBS Asset Management, Real Estate & Private Markets (REPM); August 2024. Last data point: July 2024

* 2024: Jan – Jul + extrapolation (dotted line)

Net migration YTD 2024 by canton



Source: State Secretariat for Migration; Federal Statistical Office; UBS Asset Management, Real Estate & Private Markets (REPM); August 2024. Last data point: July 2024

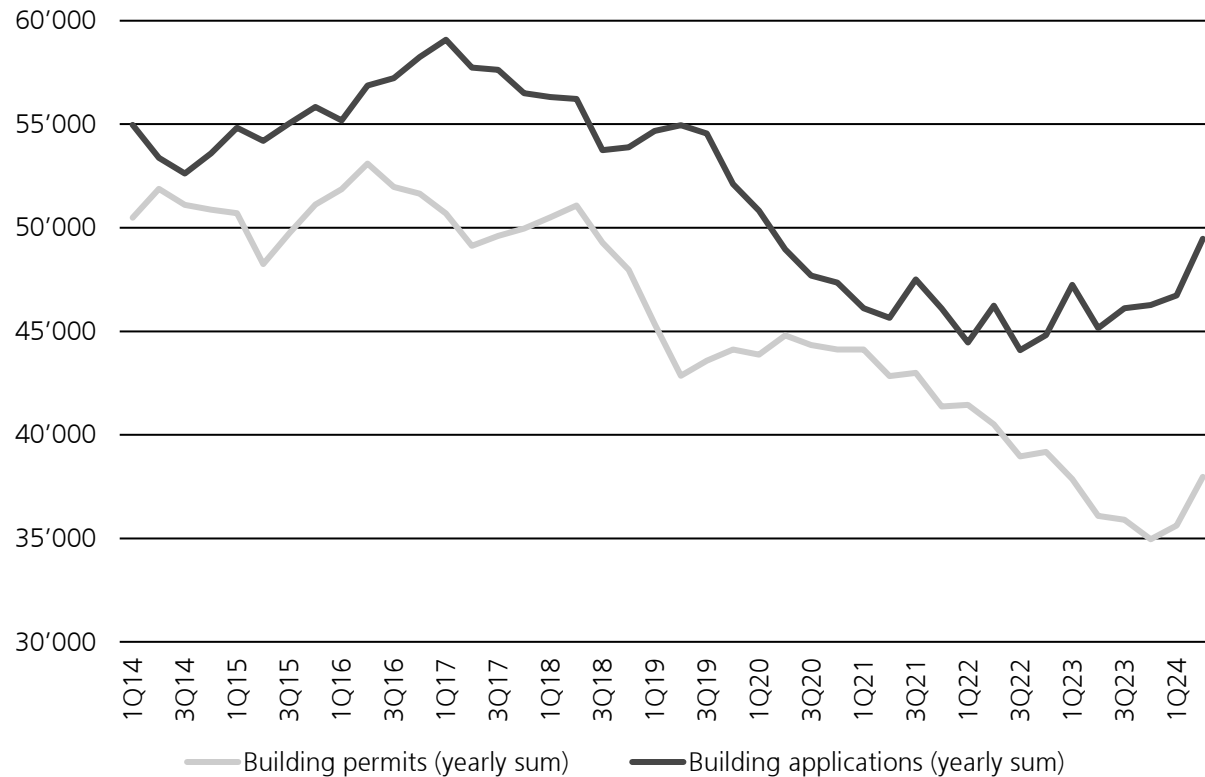
1: Net migration Jan-Jul 2024

2: Ratio of immigration into a canton (relative to total immigration) and permanent population into the same canton on 31.12.2023 (relative to total population); values > 1 mean disproportionately high immigration, values < 1 correspond to disproportionately low immigration

Residential: planning activity picking up again

Planning activity in the Swiss housing market

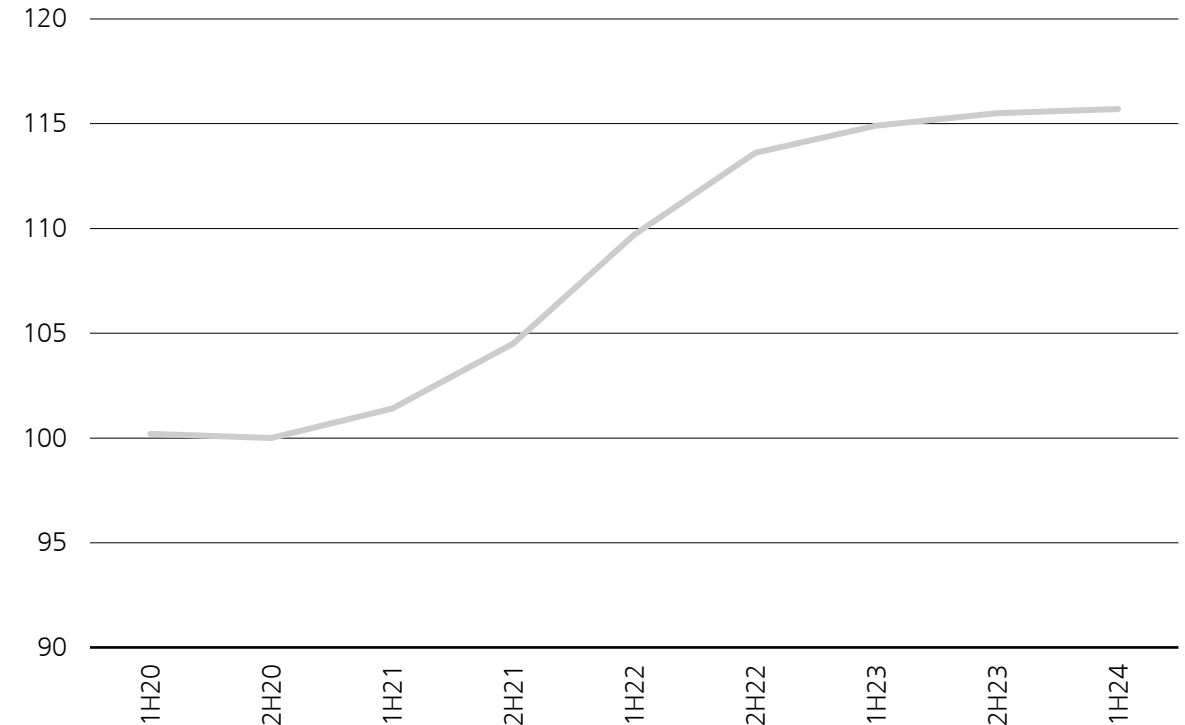
(12-month sum, number of dwelling units)



Source: Bauinfo; UBS Asset Management, Real Estate & Private Markets (REPM); August 2024. Last data point: 2Q24

Construction Price Index

(Construction multi-family home, Index, 2H20=100)

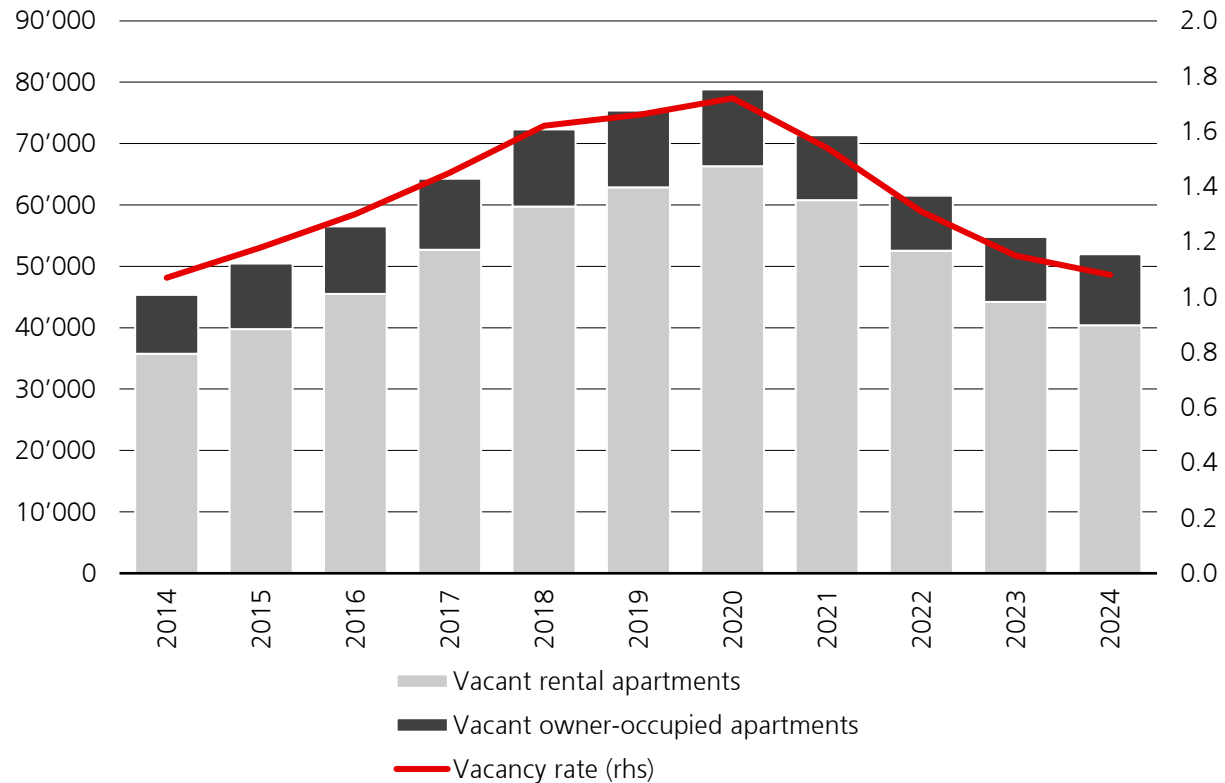


Source: Federal Statistical Office; August 2024. Last data point: April 2024

Residential: vacancy rate sinking again

Vacancies

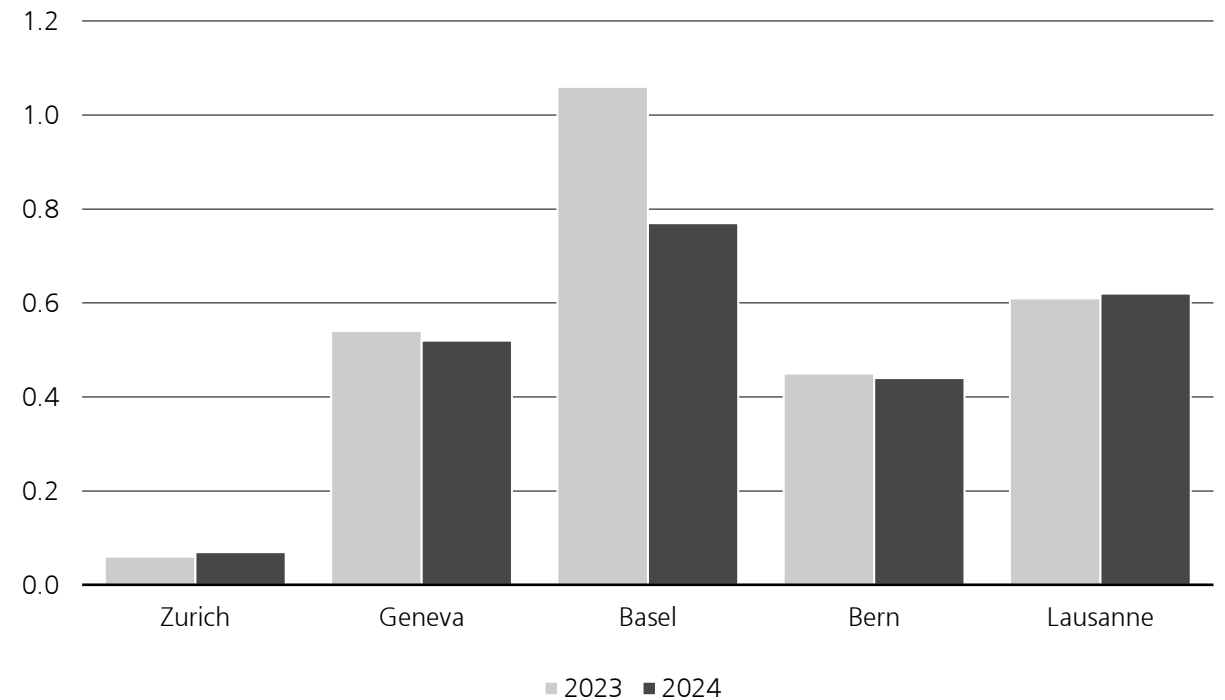
(Total (lhs); as % of stock (rhs))



Source: Federal Statistical Office; UBS Asset Management, Real Estate & Private Markets (REPM); September 2024. Last data point: June 2024

Vacancies in selected cities

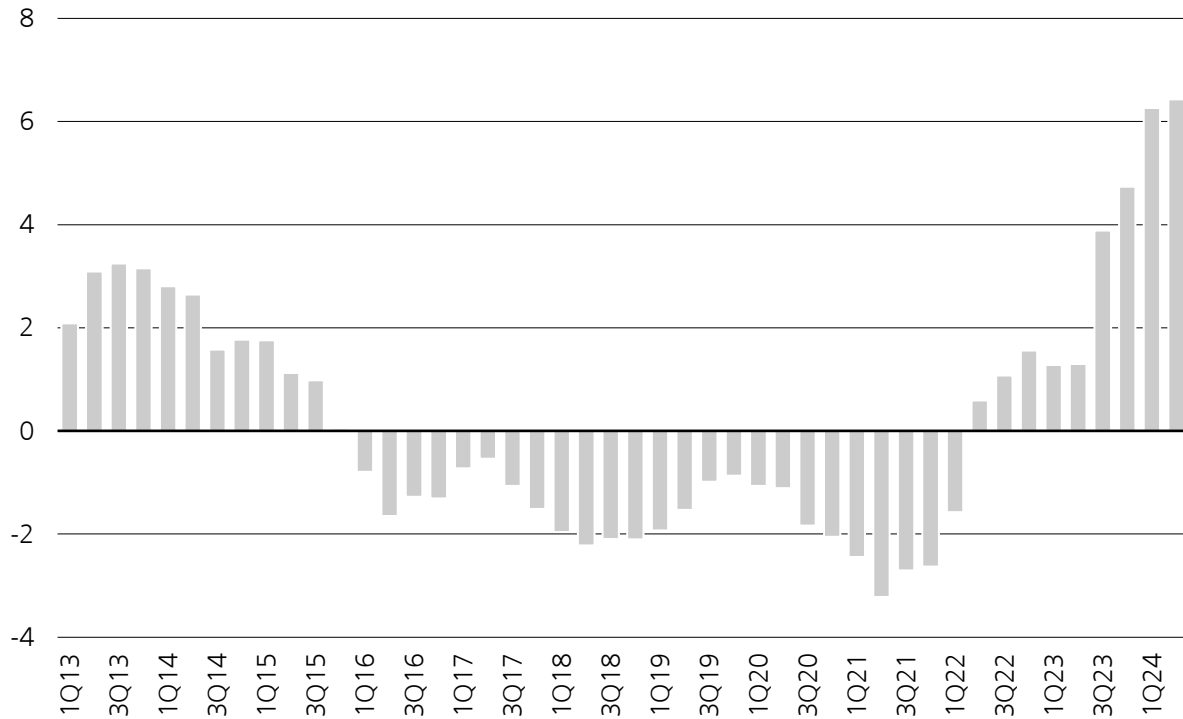
(% of stock)



Source: Cantonal Statistical Offices; UBS Asset Management, Real Estate & Private Markets (REPM); September 2024. Last data point: June 2024

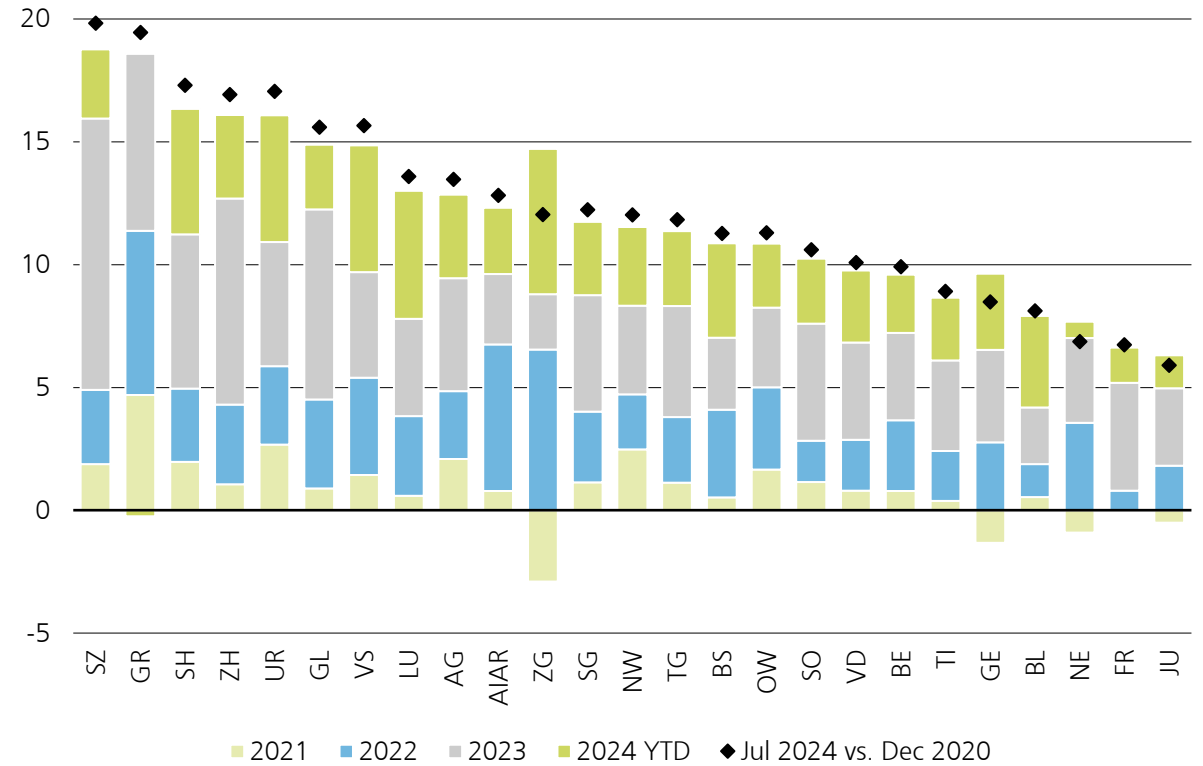
Residential: advertised rents continue to increase strongly

Annual growth rates advertised rents
(%, YoY)



Source: Wüest Partner; Last data point: 2Q24

Regional rental price growth
(%, since December 2020)



Source: homegate, UBS Asset Management, Real Estate & Private Markets (REPM), August 2024; Last data point: July 2024

Residential: declining mortgage interest rates stabilize the reference interest rate

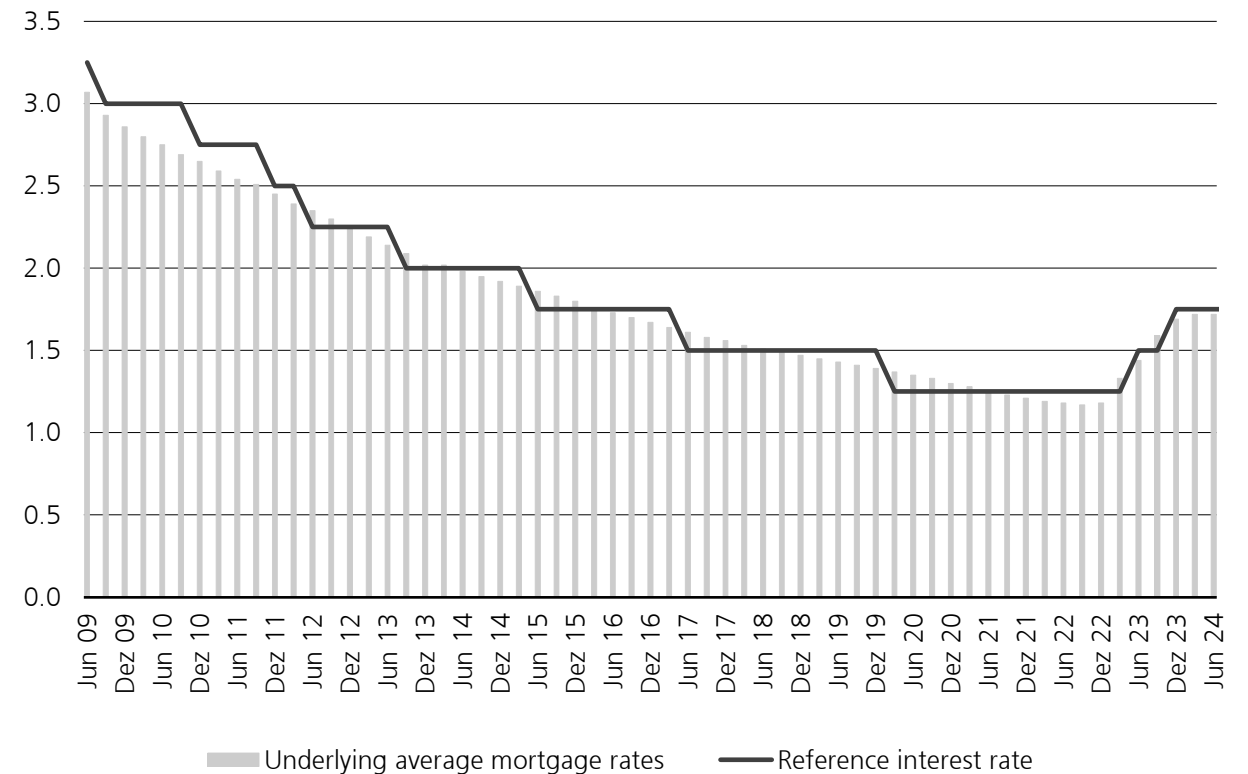
Mortgage rates (%)



Source: SNB; September 2024; Last data point: 31 July 2024

1: * Interest rates for SARON mortgage since January 2021. Historic interest rates: flex rollover mortgage (3-month LIBOR).

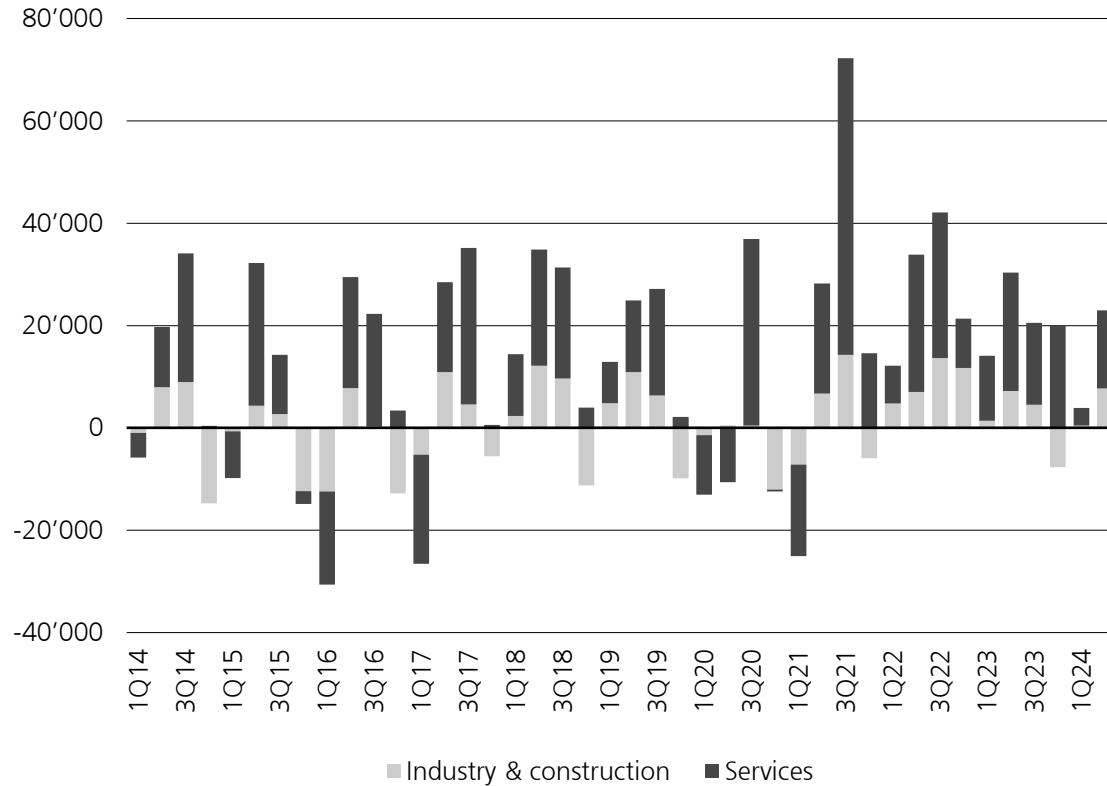
Development reference interest rate and underlying average mortgage rates (%)



Source: Federal Office of Housing; September 2024; Last data point: 30 June 2024

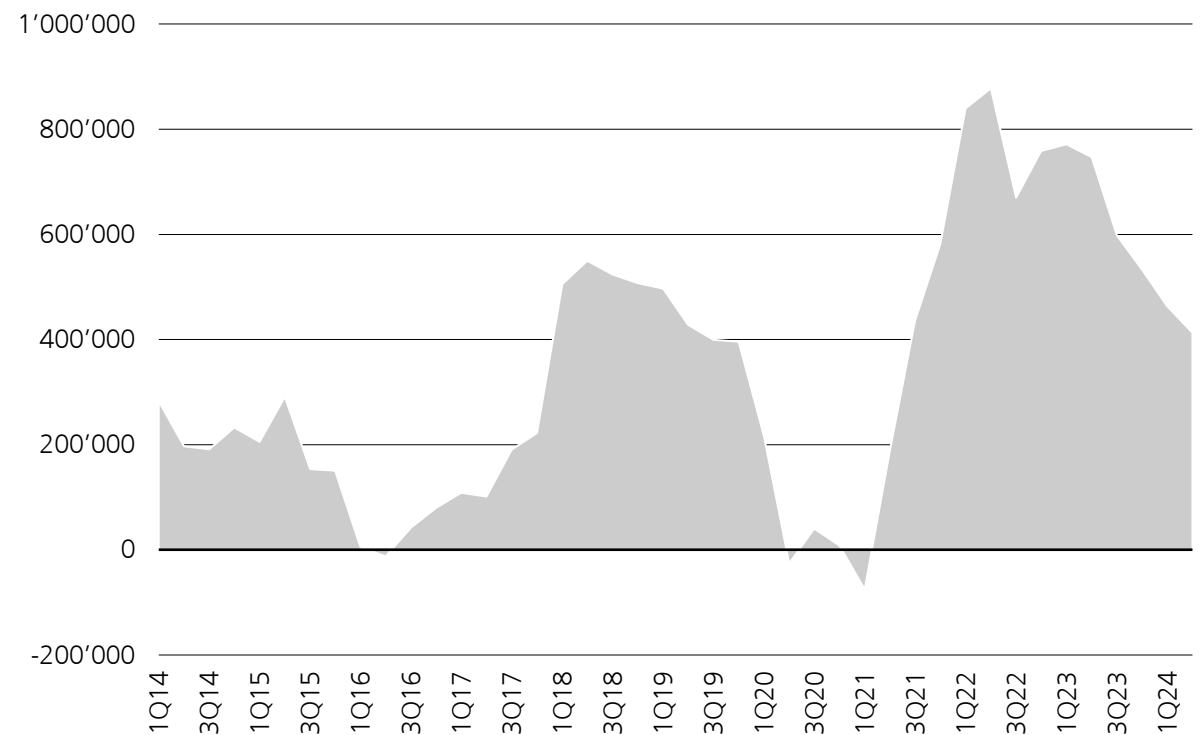
Offices: Employment growth with support for the segment

Employment growth
(QoQ, full-time equivalents)



Source: State Secretariat for Economic Affairs SECO; Last data point: 2Q24

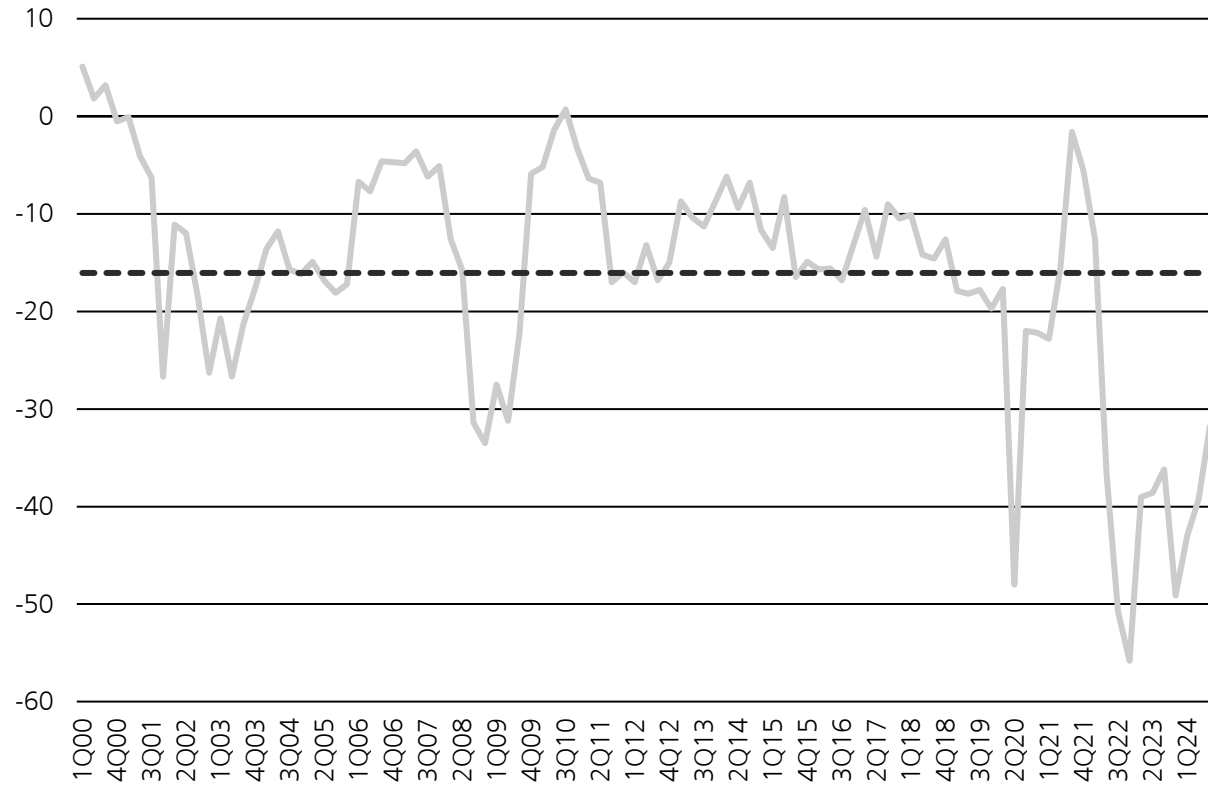
Estimated employment-related growth in office space demand (rolling annual total, m²)



Source: State Secretariat for Economic Affairs SECO; IW Cologne; Federal Statistical Office; UBS Asset Management, Real Estate & Private Markets (REPM); August 2024; Last data point: 2Q24

Retail: Consumer sentiment is slowly improving

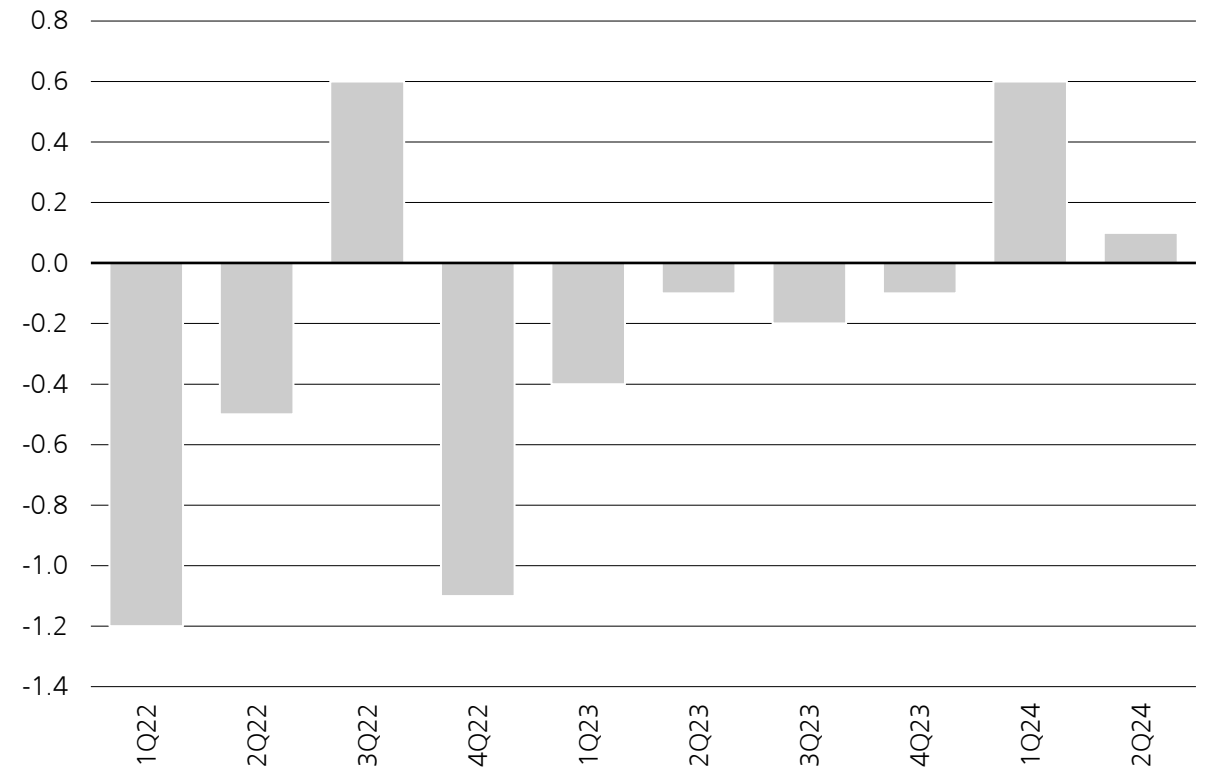
Consumer sentiment



Source: Refinitiv; State Secretariat for Economic Affairs SECO; Last data point: 3Q24

Retail trade turnover

(Adjusted for sales days and holidays, excl. service stations, YoY, %)



Source: Federal Statistical Office; Last data point: 2Q24

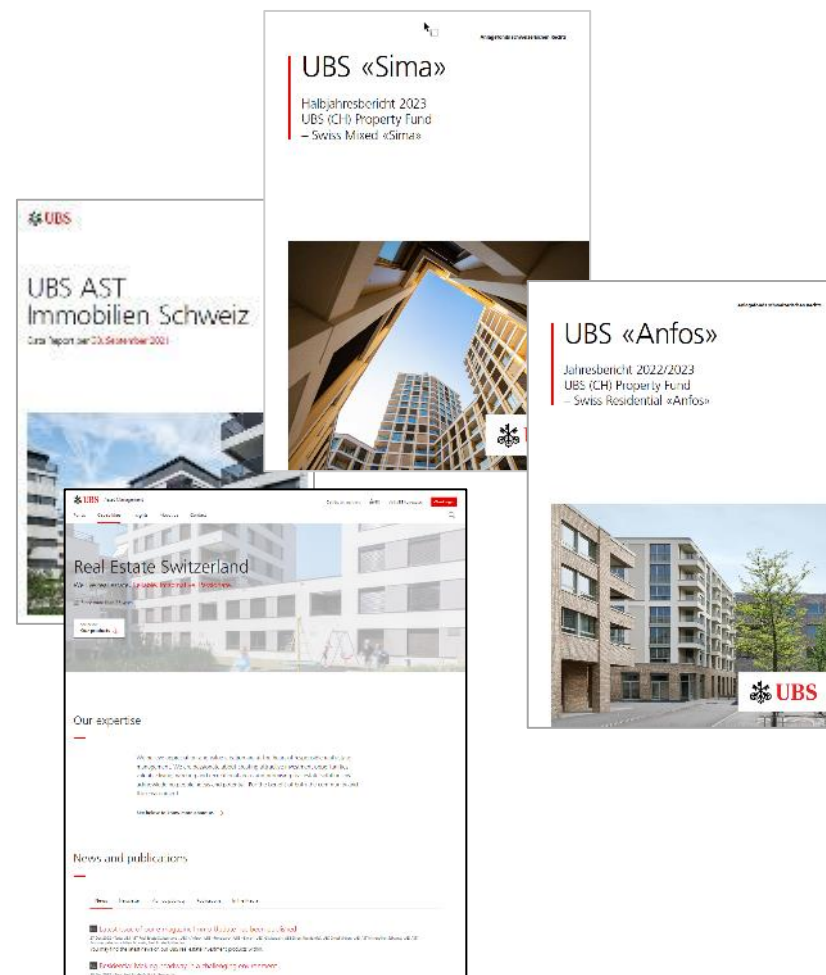
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Glossary 1/2

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 2/2

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.

Risks

- **General risks:**

- The material risks associated with this Real Estate Fund are the dependency on economic trends, changes in the Swiss real estate market, limited liquidity, interest rate changes, competition and pricing.
- The Real Estate Fund is also subject to sustainability risks (see Sustainability-related risks below). The occurrence of the aforementioned risks can have an actual or potential material negative impact on the value of the investments and therefore on the assets, financial and earnings position, and on the reputation of the Real Estate Fund.
- Such risks cannot be excluded completely.

- **Sustainability-related risks:**

- Switzerland currently has no standardized definition of sustainability (“sustainability taxonomy”). In connection with the sustainability criteria, there is a risk that these may not conform with a potential future sustainability taxonomy.
- Climate change and its impact harbors potential financial risks. Finance-related climate risks can be divided into two categories: physical risks and transition risks. Physical risks arise if, for example, damage to property increases due to climate-related natural catastrophes. Transition risks arise, for example, due to the intervention of climate policy measures. The impact of physical risks, for example, is hedged as much as possible through insurance against natural forces.
- The sustainability criteria (see Fund Prospectus Part I, 1.9.2. Investment policy) defined by the Fund Management Company allow transition risks to be reduced at the same time, by measuring the portfolio’s energy consumption and reporting it using defined ratios (cf. § 8 of the Fund Contract).
- As part of its investment process, the Fund Management Company also includes the relevant, sustainability-related risks in its investment decision and assesses them continuously.

- **Liquidity risk management / information on the liquidity management process:**

- In accordance with the applicable provisions of the Fund Contract, investors may terminate their units at the end of each accounting 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 assets with regard to the redemption of units or the net out-flow of assets. The instruments and models used allow the analysis of various scenarios and stress tests.

The above risks are not an exhaustive list

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A summary of investor rights in English can be found online at: ubs.com/funds.

More explanations of financial terms can be found at ubs.com/glossary

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