



**PATRIMONIUM URBAN
OPPORTUNITY LTD**

Annual Report 2023

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COMPANY

Board of Directors

Daniel Heine — President of the Board

Christoph Syz — Board Delegate

Ulrich Burkhard — Member

Arne Kirchner — Member

Nicolas Leuba — Member

Legal Seat

Patrimonium Urban Opportunity Ltd

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CH – 1023 Crissier

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LETTER TO SHAREHOLDERS

Dear Shareholders,

In an environment of higher interest rates, increased volatility and turmoil in Europe, the stock of Patrimonium Urban Opportunity Ltd was a stable value.

In 2023, the company pursued its growth strategy and acquired an industrial asset in Reinach (BL). With this additional asset, Patrimonium Urban Opportunity Ltd managed to increase its foothold and expand in a new region around Basel. Due to the distressed situation of the seller, the property was taken over entirely vacant. Our experienced asset management team rapidly enforced a new strategy. The team repositioned the asset and relet more than 50% of the property before year end. In Reinach alone 5'400 m² of surfaces were signed over the last 12 months.

Nevertheless, due to the addition of an unoccupied asset to the portfolio, vacancy rate increased again to 9.2% until the end of the year. Thanks to a continued letting effort and experienced management in place, we are confident to further reduce the vacancy rate in the upcoming months.

Furthermore, management continuously strives to optimize operations and decrease costs. With this in mind, it was decided to merge the separate legal entity Protir Ltd, Geneva, with Patrimonium Urban Opportunity Ltd. The merger took place retroactively from January 1st 2023. Hence since the beginning of the year the only property possessed by Protir Ltd – the office building at Voie Creuse 16 in Geneva, was integrated into the portfolio. The merger of these two entities will bring economies of scale and synergies in regards to the property management and corporate functions.

We are happy to share that our construction project in Bussigny, Mochettaz advances well and will be delivered on time in May 2024. This state-of-the-art office building close to the train station will be an example for Patrimonium's ESG policy.

Wood is a natural CO²-accumulator and will allow a positive climatic balance of this building. Through its mainly wood construction, the building will store more than 600 tonnes of carbon. Moreover, it integrates further eco-friendly characteristics like a Canadian heat exchanger, photovoltaic panels linked to a smart grid, heat pumps, building automation with geo-cooling through water storage tanks and rainwater recovery among other features. Finally, the building is designed in a way to improve social interaction through extensive interior courts and terraces. Over 60% of the project is pre-let. Multiple discussions are currently ongoing with potential tenants, and we are confident to rent the remaining space until the end of 2024.

Unfortunately, we are not immune to the rising interest rate environment. Even though our active asset management approach delivered superior returns and evaluation gains in Reinach of CHF 3.6 million and our Bussigny project of CHF 0.4 million, the remaining portfolio was negatively impacted by the rising interest rates and an increase in the overall discount rate used by our evaluators. All in all, a revaluation loss of CHF 3.4 million was the result. Despite having over 60% of our debt exposure protected by fixed rates, our income statement was negatively impacted by increased financing costs compared to 2022.

In spite the above average operating performance with an increase of 17.6% in operating result before revaluations, the financial year closes with a loss of CHF 0.95 million. This results in a slight decrease of our Net Asset Value of 1.05% to CHF 2.85 per share at year end.

We are confident that our management approach focused on value-add and opportunistic investments will continue to deliver superior results. In the past years, we acquired promising properties with significant reserves. Looking forward we intend to unlock the embedded values of the current portfolio. The management team will focus to increase cash flows by reletting vacant spaces and develop our project pipeline. As in the past, we continue our strategy of opportunistic and selective growth. We will favour quality and cash flow yield over short-term growth. We have the privilege to be able to invest with a long-term horizon and will search for additional value in our acquired properties through development and value-add strategies.

We are confident that sticking to our investment principles and the proven strategy pursued over the past 13 years, we will continue to deliver superior returns for our shareholders even in these uncertain times.

We would like to thank our shareholders, tenants and collaborators for their trust and commitment. We look forward to the coming year with you.

Crissier, Spring 2024



Christoph Syz
Board Delegate
Patrimonium Urban Opportunity Ltd



Hanspeter Berchtold, CFA
CIO Real Estate
Patrimonium Asset Management Ltd

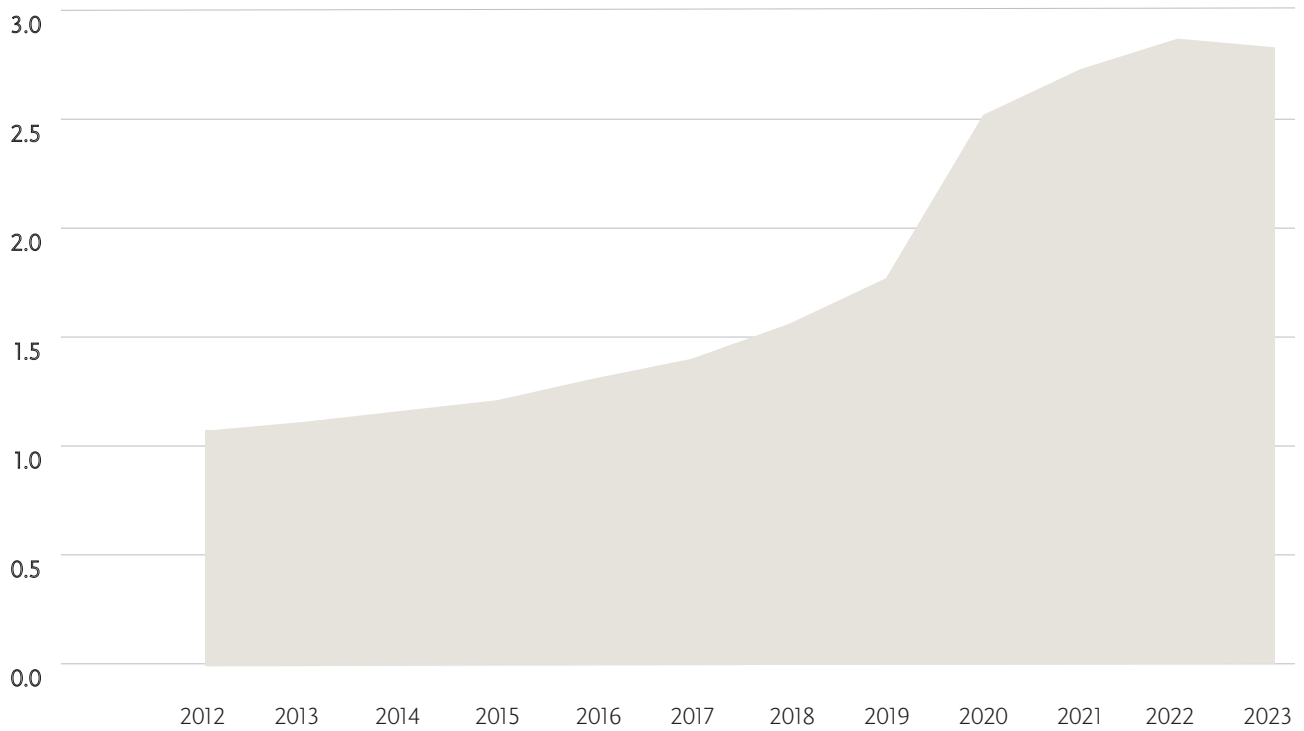
KEY FIGURES

Portfolio Market Value CHF 254.84 million	Operating Income +14.29%	Operating Result* +17.60%
NAV per Share CHF 2.85	Debt Ratio 48.73%	WAULT 5.98 years

*Before revaluation

CHF	FY 2023	FY 2022
OPERATING INCOME	12'600'508	11'024'814
PROPERTY EXPENSES	3'363'874	2'936'342
NET OPERATING INCOME	9'236'634	8'088'474
OTHER OPERATING EXPENSES	2'224'432	2'125'898
OPERATING RESULT BEFORE REVALUATION	7'012'202	5'962'574
REVALUATION OF INVESTMENT PROPERTIES	(3'350'036)	2'539'836
NET INCOME	(951'712)	5'635'791
NAV PER SHARE	2.85	2.87

Patrimonium Urban Opportunity Ltd – NAV Per Share Evolution Since Inception



The compounded total annual return since inception (2010 – 2023) amounts to 9.16%.

Including distributions and capital appreciation, the total return to the investors is 319.42% since inception.



Photo: Yannic Bartolozzi

Arc-en-ciel 9, Crissier (VD)

MANAGEMENT REPORT

Strategy

Patrimonium Urban Opportunity Ltd or the Company invests in value-add and opportunistic real estate properties located in Switzerland's main urban areas. The investment focus is set on light industrial, retail and office properties. The Company acquires existing properties and carries out development and construction projects.

Patrimonium Urban Opportunity Ltd provides access to a diversified, income-generating real estate portfolio with an attractive upside potential.

This investment opportunity is open for investors (private, professional, and institutional) residing in Switzerland with a long-term investment horizon.

Activities & Results

Patrimonium Urban Opportunity Ltd owns real estate properties in very well interconnected urban areas with high potential for development. The properties are located in 4 urban areas: Geneva, Lausanne, Basel, and Zurich. These target regions benefit from attractive economic conditions, which give the necessary tailwind for a long-term sustainable development of the portfolio. Thanks to their excellent accessibility, the plots will take advantage from their attractive long-term positioning. Patrimonium Urban Opportunity Ltd pursues a policy of opportunistic growth. The buildings are leased to various tenants on mid-term leases.

Currently, the portfolio consists of 10 properties. Upon completion in May 2024, the current portfolio will be strengthened by the Mochettaz office building in Bussigny.

Based on market values, the allocation structure is as follows: office properties represent 49% (2022: 56%) of the portfolio, retail properties 19% (21%), and industrial properties 32% (23%), leading to an improved portfolio diversification. The team also managed to further diversify the tenant base. The 10 largest tenants contribute to 61.8% (last year 67.6%) of total income.

On the January 1st 2023, the merger between Patrimonium Urban Opportunity Ltd and Protir Ltd was closed. The goal of the merger is to streamline operations and to improve efficiency. The merger had no impact on Net Asset Value.

In January 2023, Patrimonium Urban Opportunity Ltd became the owner of an industrial building in Reinach (BL), Kägenstrasse 12/14. Acquired in the context of a distressed situation of the seller, the 11'000m² building was integrated fully vacant to our portfolio. However, due to an active reletting effort, Patrimonium managed to relet more than 50% of this property by the end of 2023.

The renovation works of the Voie-Creuse asset got nearly completed, allowing the asset to be almost fully occupied by year end. Further final renovations will be carried out throughout 2024 (installation of cellars, renovation of the concierge apartment, etc).

The construction of the Mochettaz building in Bussigny continued as scheduled. No delays were encountered, and the delivery of the asset is expected in May 2024 as planned.

All properties were evaluated on the 31.12.2023 by the independent appraiser Wüest Partner Ltd. The potential development projects and construction reserves have not been evaluated. The discount rates used in the appraiser's valuations for the investment properties ranged from 3.2% to 3.8%, in real terms, for the reporting year 2023 (2022: respectively 3.1% to 3.4%).

The total value of the existing properties as of 31. December 2023 sums up to CHF 254.8 million (2022: CHF 237.9 million), which represents an increase of CHF 16.9 million compared to 31. December 2022.

The change in value relates to the addition of the Reinach building to the portfolio (CHF 10.8 million remaining acquisition costs) and to the capital expenditures (CHF 9.5 million, of which CHF 6.1 million for the project in Bussigny). In total CHF 20.3 million was invested in the portfolio.

On the Reinach acquisition and the Bussigny Mochettaz project resulted evaluation gains totalling CHF 4.0 million. On the other hand, the rest of the existing portfolio experienced revaluation losses mostly due to an increase in the discount rate. In summary this resulted in a revaluation loss of CHF 3.4 million at year end for the entire portfolio.

The weighted average unexpired lease term (WAULT) was 5.98 years at the end of 2023 (2022: 6.51 years). The WAULT for the 10 main tenants is 7.03 years.

As of 31st December 2023 annualized rental income amounted to CHF 12.3 million compared to CHF 10.8 million the year before. Rental income increased by 14.2% compared to the previous year.

Major efforts have been undertaken to rent out the vacant spaces, especially of the Reinach property. The team managed to attract a long-term anchor tenant to this asset who rents 2'510 m² for 17 years. On the entire portfolio, management relet a total of 7'685 m² and 93 parking spaces to 22 tenants. This represented roughly CHF 1.0 million of additional rental income.

Additionally, thanks to a consequent indexation policy, additional rental income of CHF 0.3 million was generated. Moreover, following the end of the renovation works at Voie-Creuse 16 in Geneva, several rent-free periods ended generating additional revenues.

While standing at 6.1% by the end of 2022, the vacancy rate increased to 13.0% on January 1st 2023 with the acquisition of the vacant property Reinach. Thanks to the successful reletting activities, the vacancy rate at the end of the year decreased to 9.2%.

The vacancy rate is an indicator for vacant surfaces at a certain date. The loss rate corresponds to the average vacancy rate in the portfolio, including rent-free periods and unpaid rents.

The average vacancy rate over the year was 11.5%. Adding the effect of rent-free periods and unpaid rents, it results in a loss rate for 2023 of 12.99%. In comparison, the 2022 loss rate stood at 15.72% due to a higher number of rent-free periods and economical vacancy due to the capex periods in Geneva Voie-Creuse and Bussigny En-Rente. Management is confident that the loss rate will further decrease in 2024.

The current vacancy of the portfolio is mainly due to Reinach (47% vacancy), to Crissier Arc-en-Ciel (12.3% vacancy) and Bussigny En Rente (11.3% vacancy from vacant parking spaces). Reletting efforts remain a top priority of the management. As a result, several actions will be taken in 2024, like the signature of a new letting mandate with a specialized broker for Crissier or specific actions to increase parking occupancy in Bussigny. Furthermore, several discussions are currently on-going with potential tenants in Reinach.

The property expenses amounted to CHF 3.4 million (2022: CHF 2.9 million). A portion of CHF 0.3 million of this increase is driven by the perimeter change following the integration of the Reinach property in the portfolio. This specially impacted energy costs, property taxes and insurance costs. Caretaker costs have been reduced following the cancellation of the reception contract in the Geneva asset. Finally, due to the intense letting activity, on-time letting fees increased substantially.

Other operating expenses mostly contain the management fee paid to Patrimonium Asset Management Ltd for their asset management mandate. In line with the additional duties linked to the public quotation at the stock market, management fees increased to CHF 1.7 million compared to CHF 1.4 million in 2022. Overall, due to absence of any provision for project risk (vs. CHF 0.25 million in 2022), the other operating expenses remained fairly stable at CHF 2.2 million (2022: CHF 2.1 million).

As a result of the efforts of management to increase top line and reduce expenses, the operating result before revaluation of investment properties for 2023 increased by 17.6% to roughly CHF 7.0 million, compared to CHF 6.0 million in 2022. Operating result before revaluation increased to 55.7% of the operating income compared to 54.1% the year before.

On the 31st December 2023, bank loans represented CHF 126 million (2022: CHF 111 million). The acquisition of the asset in Reinach was fully leveraged, as well as the additional construction costs of the Mochettaz project. Therefore, the debt ratio increased slightly to 48.73% (2022: 45.54%). The weighted maturity of outstanding debt is 4.71 years (2022: 4.26 years). The weighted average interest rate amounted to 2.19% per 31. December 2023 (2022: 1.73%).

Average maturity and interest rates increased, as the company swapped floating debt into three fixed tranches with a nominal value of CHF 11 million each starting in May 2023 and maturing respectively in May 2026, May 2027, and May 2028. The interest rates on the three fixed tranches ranges between 2.23% and 2.53%. As a result of the higher interest rate environment and the increase of the total outstanding debt, financial expenses increased to CHF 2.5 million (2022: CHF 1.4 million).

Deferred income tax liabilities increased by CHF 2.0 million, compared to CHF 1.4 million in 2022. The increase is mainly due to revaluation gain in Reinach which generate additional deferred income taxes of CHF 1.4 million.

Considering the revaluation losses of 2023 and the above tax effect, the net result for the period under review amounts to CHF - 0.95 million (2022: CHF 5.6 million).

Patrimonium Urban Opportunity Ltd share capital is set at CHF 38'101'266 per 31st December 2023 (no change since last

year). The net asset value (NAV) of Patrimonium Urban Opportunity Ltd per 31st December 2023 is CHF 108'557'404 (2022: CHF 109'509'116). The NAV per share decreased to CHF 2.85 (2022: CHF 2.87), due to the negative net result, mainly generated by the impact of revaluation in regards of the current market conditions.

Construction, Renovation & Development

Bussigny - Chemin de la Rente 24/26

The building constructed in 2008 has been completely transformed into a high school, a nursery, and a day-care center. The renovation works have been completed in 2022 with the opening of a community nursery and a collective after-school care (UAPE and APEMS) on the 5th floor, with the Municipality of Bussigny as tenant who invested close to CHF 2.5 million in the project.

These major works were followed in 2023 by the installation of solar panels on the roof, which will start to produce electricity in 2024. This represented an additional investment of CHF 0.3 million. The energy produced by this installation will be utilized directly by the tenants through a smart grid system.

In addition, facade renovation works have been completed as well as fit-out works of exterior areas, for a total of CHF 0.4 million.

Finally, the activities of the high school have been progressing, expecting to reach their full capacity by the school year 2024/2025.

Genève - La Voie-Creuse 16

The refurbishment program of the building constructed in 1967 is completed per end of 2023. The last engineering works to ensure fire compliance of the building have been finished in summer 2023. The restoration of the facade and blinds has also been completed, as well as the installation of changing rooms in the 1st underground floor.

Moreover, additional works have been started in 2023 and are currently ongoing, like the tenant fit-out of the 1st underground floor to accommodate a self-storage company or the transformation of part of the shelters into storage units for one of our tenants.

Furthermore, additional cellars will be installed in Q1 2024 in the former salt depot, creating additional rental revenue. Finally, the concierge apartment will be fully renovated during summer 2024 and relet at market conditions.

These renovation works enabled the asset to be now close to fully let, reduce the level of non-recoverable charges, and to improve the ESG characteristics of this office building.

Glattbrugg, Thurgauerstr. 101 - 103

In spite of year-long negotiations between the tenant of the premises, Renault Retail Group Ltd (RRG) and Patrimonium, no agreement was reached. The building permit expired on the 14th March 2024. The project was developed together with Halter Ltd, Zurich under a development agreement. Under this agreement Halter financed the majority of development costs. In the

past years, the Patrimonium Urban Opportunity Ltd wrote off its share of the development costs incurred. Therefore, the extinction of the building permit has no material impact on the financial statements 2023. For the moment, there are no further projects planned on the site in Glattbrugg.

Bussigny - Chemin de Mochettaz 7

Patrimonium Urban Opportunity Ltd is undertaking a construction project on the plot no. 2102, in Bussigny, close to Lausanne. The plot is located in the industrial zone, next to the Bussigny train station.

Designed by Archilab Gabriele M. Rossi Ltd, the future office building will comprise 4 floors and a basement totalling a projected rental area of 3'275 m² and 30 indoor parking spaces.

As of 31st December 2023, the project is 62% pre-let to two tenants. Estimated around CHF 11 million, the project will be delivered in May 2024.



Bussigny - Chemin de Mochettaz 7

Sustainability

Buildings are responsible for about 40% of the world's energy consumption and 30% of annual CO² emissions. Sustainability and responsibility towards climate change are critical issues. In line with the Paris Climate Agreement and the Swiss Energy Strategy 2050, Patrimonium gives central priority to the reduction of CO² emissions in the real estate sector.

Patrimonium Urban Opportunity Ltd is continuously evaluating opportunities to improve its portfolio through capex works, installation of new greener equipment, additional solar panels and developing greener projects.

The best example is the development of the Mochettaz property in Bussigny. This prime office building was developed by a renowned local architect and is being constructed by a local company which will also be the anchor tenant. The property is expected to be delivered in May 2024.

Wood serves as a natural CO²-accumulator, contributing to a positive climatic balance within the building. With its predominantly wooden construction, the structure will store over 600 tonnes of carbon. Additionally, it incorporates various eco-friendly elements, including a Canadian heat exchanger, 215 kW photovoltaic panels connected to a smart grid, heat pumps with 80 kW active cooling capacity, and building automation featuring geo-cooling via water storage tanks and rainwater harvesting systems. Furthermore, the design fosters social interaction by incorporating spacious interior courtyards and terraces.

Additional measures have been taken in 2023 throughout the portfolio, like the installation of solar panels in Bussigny En-Rente which will help to reduce the carbon footprint. On the Reinach asset, the management team is undertaking improvements to the heating system, which will in the short-run help reduce energy consumption and prepare the building to an upcoming connection to district heating expected as early as 2025.

Moreover, the team continues to closely watch the energy consumption of its portfolio and evaluate opportunities to reduce its ecological footprint.

Patrimonium Urban Opportunity Ltd will continue to pursue its energy improvement policy in 2024 through various projects like the installation of new photovoltaic panels, heating renovations, a roof renovation, etc.

PORTFOLIO

Patrimonium Urban Opportunity Ltd owns real estate properties in very well interconnected urban areas with high potential for development. The properties are located in 4 urban areas: Geneva, Lausanne, Basel and Zurich. These target regions benefit from attractive economic conditions, which give the necessary tailwind for a long-term sustainable development of the portfolio. Thanks to their excellent accessibility, the plots will take advantage from the attractive long-term positioning.

Patrimonium Urban Opportunity Ltd pursues a policy of opportunistic growth. The buildings are leased to various tenants on mid-term leases.

Currently, the portfolio consists of 10 properties. Upon completion in May 2024, the current portfolio will be strengthened by the Mochettaz 7 office building in Bussigny.



MEYRIN (GE)
Mategnin 5



PLAN-LES-OUATES (GE)
St-Julien 180



GENEVA (GE)
Voie-Creuse 16



BUSSIGNY (VD)
Chaux 3



BUSSIGNY (VD)
Chaux 5



BUSSIGNY (VD)
Rente 24/26



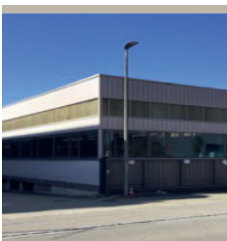
CRISSIER (VD)
Arc-en-Ciel 9



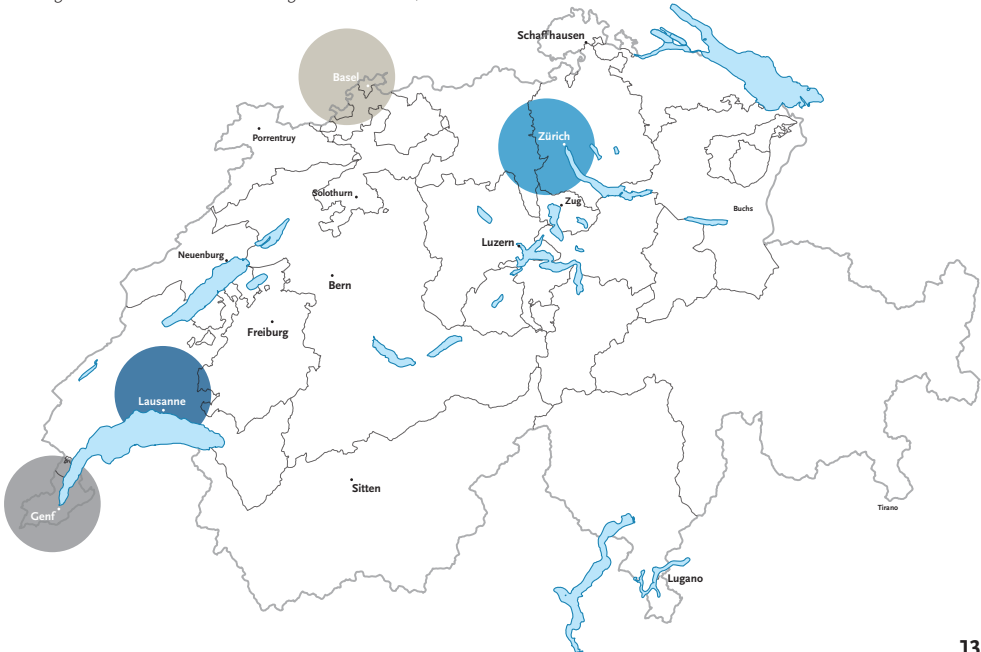
URDORF (ZH)
Bergermoosstrasse 4



GLATTBRUGG (ZH)
Thurgauerstrasse 101, 103

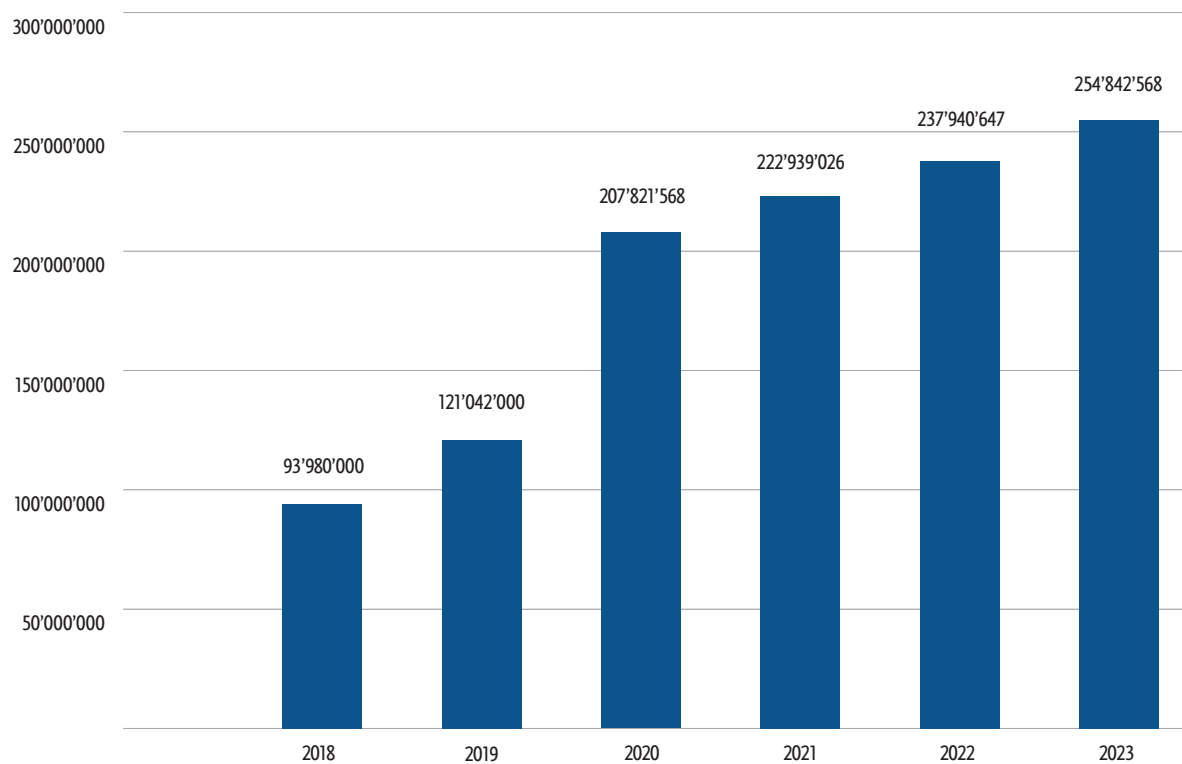


REINACH (BL)
Kägenstrasse 12/14



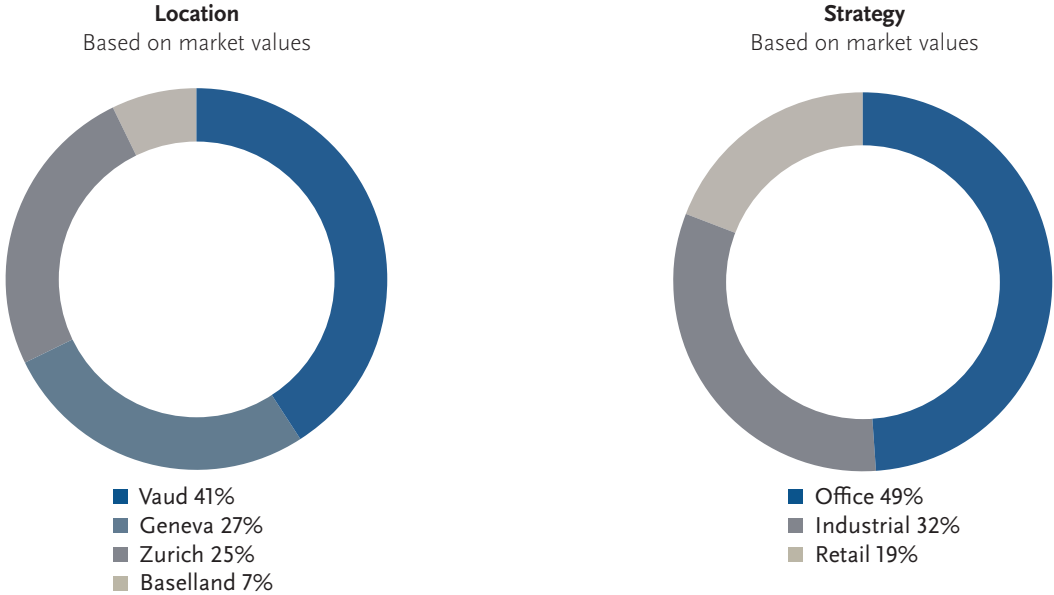
KEY FIGURES	31.12.2023	31.12.2022
INVESTMENT PROPERTIES VALUE (CHF)	254'842'568	237'940'647
NUMBER OF PROPERTIES	10	9
RENTAL AREA (M ²)	89'679	78'276
RENTAL INCOME (TARGET) (CHF)	14'105'787	12'753'949
RENTAL INCOME (ACTUAL) (CHF)	12'272'867	10'749'353
LOSS RATE (ANNUAL)	12.99%	15.72%
VACANCY RATE (as of 31.12.)	9.2%	6.11%
PLOT AREA (M ²)	142'609	134'823
RENT PER M ² (CHF)	157	163
NUMBER OF PARKING SPACES	2'009	1'933
WAVLT (YEARS)	5.98	6.51

Evolution of Portfolio's Market Value in CHF

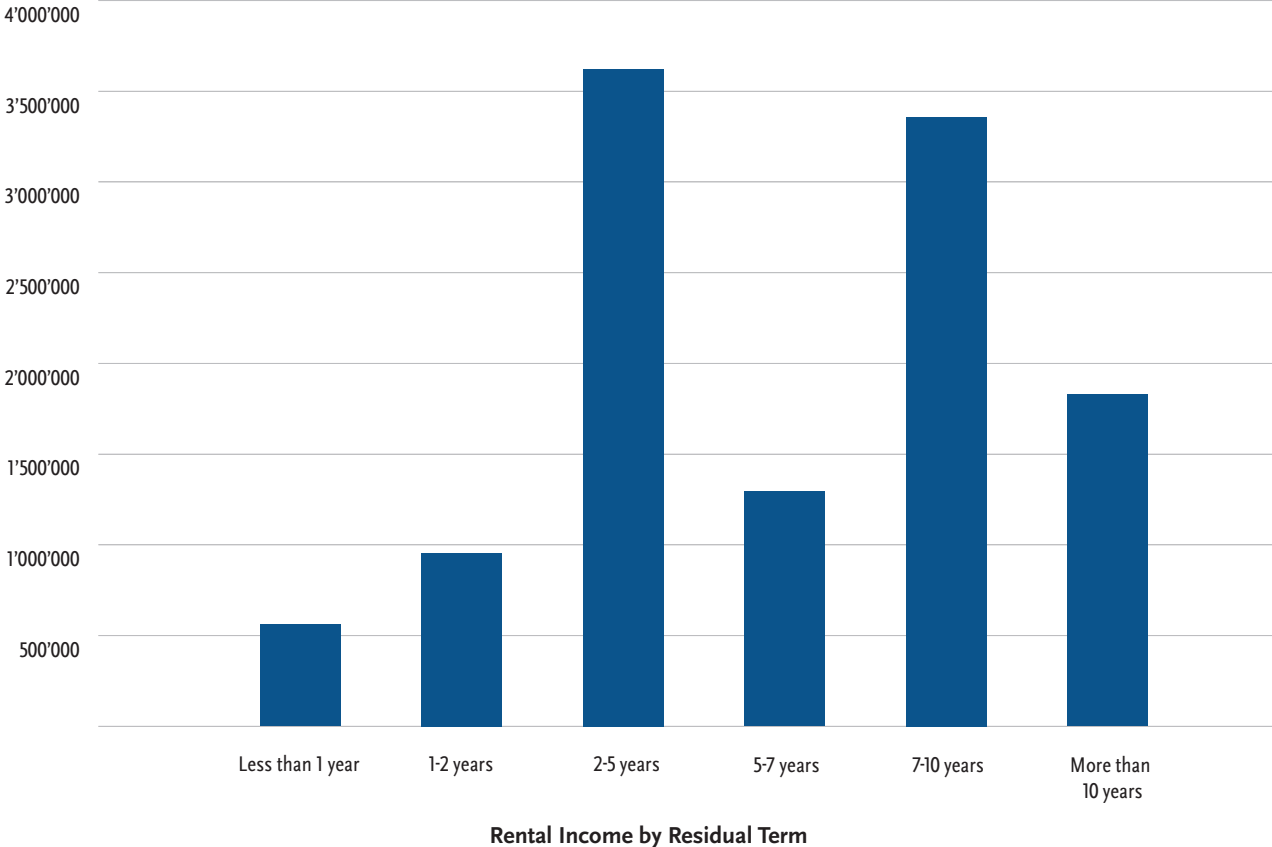


Investment Properties

Allocation of the Portfolio

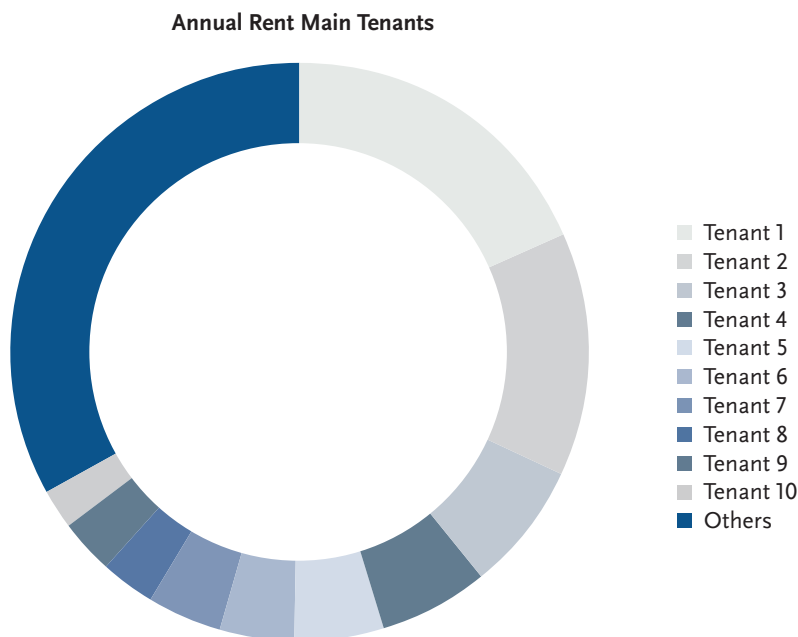


Lease Terms



The WAULT of the portfolio is 5.98 years (2022: 6.51 years).

Main Tenants - 31st December 2023



TOTAL ANNUAL RENT 10 LARGEST TENANTS	8'715'603
TOTAL ANNUAL RENTS (TARGET)	14'105'787
WAULT OF 10 MAIN TENANTS	7.03 years

The largest 10 tenants represent 61.8% of total target rental income.

List of Properties

City	Address	Canton	Form of ownership	Ownership share in %	Year of construction	Year of renovation
Glattbrugg	Thurgauerstrasse 101/103	ZH	Sole ownership	100%	1971	2004
Urdorf	Bergermoosstrasse 4	ZH	Sole ownership	100%	1973	2006
Meyrin	Avenue de Mategnin 3/5	GE	Sole ownership	100 %	1985	2004
Plan-les-Ouates	Route de Saint-Julien 180	GE	Sole ownership	100%	1970	2015
Crissier	Avenue de l'Arc-en-Ciel 9	VD	Sole ownership	100%	1973	-
Bussigny	Chaux 3 / Mochettaz 5	VD	Sole ownership	100%	1954	2010
Bussigny	Route de la Chaux 5	VD	Sole ownership	100%	1973	2012
Geneva	La Voie-Creuse 16	GE	Ground lease	100%	1967	2021
Bussigny	Chemin de la Rente 24/26	VD	Sole ownership	100%	2008	2021 - 2023
Reinach	Kägenstrasse 12/14	BL	Sole ownership	100 %	1980, 1987	-

Market Values of Properties

City	Address	Plot area (m ²)	Rental area (m ²)	Nb of parking spaces	Market value (CHF)	Target rental income (CHF)
Glattbrugg	Thurgauerstrasse 101/103	11'036	8'223	140	29'400'000	1'334'424
Urdorf	Bergermoosstrasse 4	28'586	10'948	898	34'050'000	1'416'368
Meyrin	Avenue de Mategnin 3/5	6'362	4'656	141	8'908'000	517'416
Plan-les-Ouates	Route de Saint-Julien 180	8'779	3'102	150	10'850'000	523'704
Crissier	Avenue de l'Arc-en-Ciel 9	24'389	16'613	187	24'690'000	1'603'613
Bussigny	Chaux 3 / Mochettaz 5	4'400	1'721	40	5'921'000	319'164
Bussigny	Route de la Chaux 5	9'663	6'520	65	20'380'000	982'596
Geneva	La Voie-Creuse 16	3'648	15'360	46	48'230'000	3'579'036
Bussigny	Chemin de la Rente 24/26	37'960	11'133	266	42'880'000	2'510'870
Reinach	Kägenstrasse 12/14	7'786	11'403	76	18'790'000	1'318'596
TOTAL		142'609	89'679	2'009	244'099'000	14'105'787

Market Values Development Projects

IN CHF	31.12.2023	31.12.2022
Chemin de Mochettaz 7, Bussigny	10'743'568	3'117'733
Avenue de l'Arc-en-Ciel 9, Crissier	-	24'026
Total properties under development	10'743'568	3'141'759

At Mochettaz 7 in Bussigny, the Company is undertaking the construction of an office building, which will be delivered in May 2024. The project is constructed on a vacant part of the parcel 2102 in Bussigny. The project has a projected rental area of 3'275 m² and a target rental income of CHF 772'000 (including revenues from solar panels). The market value is estimated at CHF 10'743'568 as of year-end.

REPORT OF THE INDEPENDENT APPRAISER



Wüest Partner SA, Rue du Stand 60-62, 1204 Genève

Patrimonium Urban Opportunity AG

Brief Report of Property valuers as at Decembre 31, 2023

Mandate

The valuations of the properties in the Patrimonium Urban Opportunity AG as of December 31, 2023 were carried out by Wüest Partner AG. The valuations of the properties in the existing portfolio are update annually. The valuations are based on continuation scenarios, without taking into account potential additional building rights or redevelopment of existing sites. Patrimonium Urban Opportunity AG was responsible for the collection and transmission to the experts of the current documents of the properties to be valued.

Référence
101162.2301

Valuation Standards

Wüest Partner confirms that the valuations were carried out in accordance with the legal standards and legal requirements. The properties were valued using Wüest Partner's discounted cash flow (DCF) method. The market value is defined in the sense of fair value, i.e. the amount that could probably be realized in the even of a careful sale at the time of valuation between well-informed, willing parties acting in an arm's length transaction, normal competition. In Switzerland, it is known as the marke value. In accordance with the mandate, the valuations are based on continuation scenarios.

Valuation Method

The valuations are made using the Discounted Cash Flow (DCF) method. The market value of a property corresponds to the sum of all expected net income discounted to the valuation date. The discount rate used corresponds to market conditions. It is risk-adjusted and reflects the specific chances and risks profile of each property.

Independence and privacy

Wüest Partner confirms its independence and guarantees the confidentiality of all information related to these evaluations.

Geneva, January 30th 2024
Wüest Partner SA

Andreas Ammann
Partner

Pieter Stolz
Director

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Rue du Stand 60-62
1204 Genève
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wuestpartner.com
Regulated by RICS

CORPORATE GOVERNANCE

The following information refers to the situation as of 31st December 2023. Due to the listing of the Company on the BX Swiss Ltd (Bern Stock Exchange), the structure of the Company was amended, particularly regarding the Company's general management function, in order to comply with specific legal provisions, which apply to companies listed on a stock exchange.

Patrimonium Urban Opportunity Ltd understands corporate governance as the way in which it organizes corporate management. Corporate governance enables maintaining an efficient decision-making process while ensuring strict transparency and open communication. Moreover, the continuous and careful review of company goals ensures value creation and long-term orientated corporate success for all Patrimonium Urban Opportunity Ltd stakeholders.

Structure

Patrimonium Urban Opportunity Ltd is incorporated under the laws of Switzerland and is headquartered in Crissier (VD).

The Company is bound by a Management Agreement with Patrimonium Asset Management Ltd, responsible for the asset management of Patrimonium Urban Opportunity Ltd. In particular, Patrimonium Asset Management Ltd has been mandated with preparing and executing the Company's investment decisions.

On 9th June 2023, Patrimonium Urban Opportunity Ltd took over the assets and liabilities of its fully owned subsidiary PROTIR Ltd. This takeover was enacted retroactively, starting from 1st January 2023, as part of a simplified merger between the two companies. The merger that took place as from 1st January 2023, resulted in a merger deficit totaling CHF 11'689'964 (statutory accounts). This merger deficit was offset within in the shareholder's equity (Swiss GAAP FER accounts) and compares, without negative NAV impact, with the 2022 financial statements.

Board of Directors

The Board of Directors of the Company is adapted for the management of its holdings and relations with its shareholders and stakeholders. Its members cover the necessary financial and legal skills while sharing in-depth knowledge of real estate. As of 31st December 2023, the Board of Directors was composed of the following members.

NAME	FUNCTION	YEAR OF BIRTH	NATIONALITY	FIRST ELECTED
Daniel Heine	President	1967	Swiss	01.10.2010
Christoph Syz	Delegate	1965	Swiss	01.10.2010
Ulrich Burkhard	Member	1961	Swiss	01.10.2010
Arne Kirchner	Member	1967	Swiss	01.10.2010
Nicolas Leuba	Member	1967	Swiss	13.06.2023

All board members are elected for a one-year term.

Due to personal reasons Mr. Patrice Crisinel decided to leave the Board of Directors. His term ended on the 13th June 2023. On the same date, Mr. Nicolas Leuba was elected to the Board of Directors by the General Assembly.

In 2023, the Board of Directors met four times. During its meetings, the Board reviews the activities of the Company with reference to operating reports. Meetings are prepared by the Chairman and the Board Delegate. Members of the management team of Patrimonium Asset Management Ltd, the asset manager, may be invited to take part in Board of Directors meetings, with an advisory capacity.

The Board of Directors is the ultimate governing body of the Company. It fulfils the function of defining the Company strategy, monitoring, and directly controlling the Company's general management. It represents the Company externally and makes decisions on all matters that do not fall under the responsibility of another body within the Company by law or pursuant to the Articles of Association or other regulations.

The Company has a Compensation Committee, which is composed of the following board members:

- Mr. Arne Kirchner (President)
- Mr. Daniel Heine

Until the 13th June 2023, Mr. Patrice Crisinel was member of the Compensation Committee. He stepped down on the 13.6.2023. On the same date, Mr. Daniel Heine was elected as member of the Compensation Committee.

The Compensation Committee is elected for a one-year term. In accordance with the Articles of Association, the Compensation Committee has assisted the Board of Directors in defining and implementing the Company's compensation policy and in preparing proposals to the shareholders' meeting regarding the compensation of the members of the Board of Directors and the Executive Board.

GENERAL MANAGEMENT

The general management is responsible for the day-to-day business of the Company. Subject to the organizational regulations, certain transactions require a corresponding decision by the Board of Directors. The general management is delegated to the Board Delegate – Christoph Syz.

BOARD DELEGATE: CHRISTOPH SYZ	
Business address	Patrimonium Urban Opportunity Ltd Chemin des Lentillières 15 1023 Crissier
Function	Board Delegate
Activity	The Board of Directors has delegated the executive general management of the Company to Mr. Christoph Syz. The Board Delegate is responsible for the coordination of the operative general management for the daily business of the Company.
Principal activities outside the issuer, if significant to the issuer	Vice-President of the Board and CEO of Patrimonium Asset Management Ltd, Baar

The Company delegates the asset management with all its related tasks such as portfolio management, financial planning/management, controlling, management of the property portfolio, marketing, and administration as well as acquisition of properties and new construction projects to the consulting services for the Company, in accordance with organizational regulations and to the extent permitted by law to Patrimonium Asset Management Ltd. The Company has concluded a management agreement with Patrimonium Asset Management Ltd for this purpose.

Reporting to the Board of Directors

The Board Delegate, who is entrusted with the management of the Company, shall regularly report to the full Board of Directors on their activities, in particular in the areas of financial planning and financial control, business performance, as well as financial requirements and profit expectations.

Capital Structure

The structure of the issued share capital, conditional share capital and authorized share capital is as follows:

	NUMBER OF SHARES
Share capital	38'101'266
Conditional share capital	19'050'633
Authorized share capital	19'050'633
	NOMINAL VALUE
Share capital	CHF 1.-
Conditional share capital	CHF 1.-
Authorized share capital	CHF 1.-
	TOTAL SHARE CAPITAL
Share capital	CHF 38'101'266
Conditional share capital	CHF 19'050'633
Authorized share capital	CHF 19'050'633

Shareholding Structure

All significant shareholders who are known to Patrimonium Urban Opportunity Ltd, together with information about the composition of shareholder groups, are listed hereafter. A shareholder is considered significant as soon as he has a shareholding of more than 3% in the Company.

Shareholders	Shareholdings (%)
Martin Otto Pestalozzi	36.38%
Viatrans Ltd, Geneva	16.62%
Patrimonium Holding Ltd, Baar	5.39%
Avni Orllati	5.25%
Ulrich Burkhard	4.23%

Other than this, the Company is not aware of any mutual agreements between shareholders who are subject to registration.

Cross-Shareholdings

There are no cross-shareholdings with other companies.

Stock Exchange:	BX Swiss Ltd
Symbol:	PATRI
Valor:	114111796
ISIN:	CH 1141117965
Opening Price:	CHF 2.73
Year-end Price 31.12.2023:	CHF 2.73
Tax Value (Switzerland):	CHF 2.73
Dividend 2023:	None

Compensation Report

In accordance with the applicable Swiss Code of Obligations and the Articles of Association, this Compensation Report contains information on the Company's compensation system and the compensation paid to the members of the Board of Directors of the Company.

This Report covers the period from 1st January 2023 to 31st December 2023. The Company's compensation system is structured in such a way that the interests of the persons who received compensation are compatible with the interests of the Company. It is built on the following guiding principles:

- The Company's compensation system is straightforward and transparent.
- Members of the Board of Directors receive fixed compensation only.
- The Company does not grant any variable compensation for individuals participating in the Company's management.

The compensation of the members of the Board of Directors is determined by the Board of Directors, based on the proposal of the Compensation Committee, and is voted by the Annual General Meeting. The compensation policy is designed to ensure the independence of the Board of Directors in the exercise of its control function and is based on fixed cash compensation.

The Annual General Meeting votes on the maximum total amounts of compensation to be paid to the Board of Directors (in each case for the period until the next Annual General Meeting).

Conditional and Authorized Capital

Following the approval of the shareholders at the extraordinary general meeting on the 26th October 2022 the Board of Directors is authorized, until the 25th October 2024, to increase the share capital by a maximum amount of CHF 19'050'633 by issuance of a maximum number of 19'050'633 fully paid-up registered shares with a nominal value of CHF 1.00 each. The authorized capital amounts to CHF 19'050'633, which corresponds to 50% of the existing share capital.

Changes in Capital

Information on changes in capital in the reporting period is listed in the financial report (see "statement of changes in equity").

Fixed Compensation Received in the Reporting Period 2023 (audited):

NAME	FUNCTION	COMPENSATION	COMMENT
Daniel Heine	President	CHF 0	The President was granted a CHF 5'000.- yearly remuneration. However, he waived his compensation for the financial year due to his corporate function in the delegated asset manager, Patrimonium Asset Management Ltd.
Christoph Syz	Delegate	CHF 0	The Delegate was granted a CHF 10'000.- yearly remuneration. However, he waived his compensation for the financial year due to his corporate function in the delegated asset manager, Patrimonium Asset Management Ltd.
Ueli Burkhard	Member	CHF 5'000.-	N/A
Arne Kirchner	Member	CHF 5'000.-	N/A
Patrice Crisinel	Member	CHF 2'500.-	Patrice Crisinel stepped down on the 13.6.2023 (date of AGM 2023).
Nicolas Leuba	Member	CHF 2'500.-	Nicolas Leuba was elected on the 13.6.2023 (date of AGM 2023).

Fixed Compensation Received in the Reporting Period 2022 (audited):

NAME	FUNCTION	COMPENSATION	COMMENT
Daniel Heine	President	CHF 0	The President was granted a CHF 5'000.- yearly remuneration. However, he waived his compensation for the financial year due to his corporate function in the delegated asset manager, Patrimonium Asset Management Ltd.
Christoph Syz	Delegate	CHF 0	The Delegate was granted a CHF 10'000.- yearly remuneration. However, he waived his compensation for the financial year due to his corporate function in the delegated asset manager, Patrimonium Asset Management Ltd.
Ueli Burkhard	Member	CHF 5'000.-	N/A
Arne Kirchner	Member	CHF 5'000.-	N/A
Patrice Crisinel	Member	CHF 5'000.-	N/A

Loans and Credit Facilities (audited):

The Company has not granted any loans or credit facilities to the members of the Board of Directors or to any of their close associates.

Participation Rights (audited):

The Company has not granted any participation rights to any members of the Board of Directors or to any of their close associates.

Options on Participation Rights (audited):

The Company has not granted any options on participation rights to the members of the Board of Directors or to any of their close associates.

	31.12.2023	
Securities and option rights held by Board members and Management	number of shares	interest in %
Christoph Syz and via Patrimonium Holding Ltd - Board Delegate	2'193'007	5.76%
Related parties with close relationship to the Board Delegate	572'643	1.50%
Ulrich Burkhard - Board member	1'613'135	4.23%
Arne Kirchner via Virtalis International Ltd - Board member	624'868	1.64%

	31.12.2022	
Securities and option rights held by Board members and Management	number of shares	interest in %
Christoph Syz and via Patrimonium Holding Ltd - Board Delegate	2'193'358	5.76%
Related parties with close relationship to the Board Delegate	572'643	1.50%
Ulrich Burkhard - Board member	1'613'135	4.23%
Arne Kirchner via Virtalis International Ltd - Board member	624'868	1.64%

Activities in Other Undertakings (audited):

Daniel Heine:

- Patrimonium Holding Ltd: Member of the Board
- Patrimonium Asset Management Ltd: Member of the Board and Managing Director
- Patrimonium Urban Opportunity Ltd: President of the Board
- Capital Securities Group Ltd: Member of the Board
- Patrimonium Private Equity Advisors Ltd: Member of the Board
- Patrimonium Anlagestiftung: Member of the Board of Foundation
- Patrimonium Invest Ltd: Vice-President of the Board

Christoph Syz:

- Patrimonium Holding Ltd: President of the Board
- Patrimonium Asset Management Ltd: Vice-President of the Board and CEO
- Patrimonium Urban Opportunity Ltd: Delegate of the Board
- Patrimonium Residential Opportunity I Ltd: Member of the Board
- Patrimonium Private Equity Advisors Ltd: President of the Board
- Patrimonium Anlagestiftung: Vice-President of the Board of Foundation
- Patrimonium Invest Ltd: President of the Board
- Prolival Ltd: Member of the Board
- Kollektivgesellschaft Huber – Syz : Associate
- PRIO Ltd: Member of the Board

Ulrich Burkhard:

- Green Bean Holding Ltd: President of the Board
- Bödeli Anlagen Ltd: President of the Board and Managing Director
- Patrimonium Residential Opportunity I Ltd: President of the Board
- Eléphant Vert Ltd: President of the Board
- Baru Immobilien Ltd: President of the Board
- Marcuard Family Office Ltd: President of the Board
- Patrimonium Urban Opportunity Ltd: Member of the Board

Arne Kirchner:

- NeoPrediX Ltd: Member of the Board
- GAJA Performance GmbH: Associate and Managing Director
- Kineo finance Ltd: Member of the Board
- Alp Financial Services Ltd: Delegate of the Board
- Patrimonium Urban Opportunity Ltd: Member of the Board

Patrice Crisinel:

- Elevated Autonomy Ltd: President of the Board
- ADSIS Ltd: Member of the Board
- Autonomy Partners Ltd: President of the Board
- BEVERLY BEL-AIR Ltd: Member of the Board
- Patrimonium Urban Opportunity Ltd: Member of the Board

Nicolas Leuba:

- SISCAP Ltd: President of the Board
- Patrimonium Urban Opportunity Ltd: Member of the Board
- Viaservice Ltd: President of the Board
- Fondation du Pied à l'Etrier du Rotary Club de Pully: President of the Board
- Automobil Club der Schweiz, ACS: Member of the Board
- Walo Bertschinger Ltd Romandie: President of the Board
- CFO Solutions Ltd: President of the Board
- Pro infirmis succursale du canton de Vaud: Authorized officer
- VIAINVEST Ltd: Member of the Board
- Fondation Lavaux Classic: President of the Board
- Viatrans Ltd: Member of the Board
- DHR Immobilier Ltd: President of the Board
- proparis Vorsorge-Stiftung Gewerbe Schweiz: Member of the Board
- Leuba Holding Ltd: Delegate Board of Directors
- Mobiplus Ltd: Delegate Board of Directors
- Dozin Ltd: Member of the Board
- Elios Sàrl: Managing Director
- Auto Gewerbe Verband Schweiz (AGVS): Board Member

Total Compensation (audited):

For the financial year 2023, the total compensation of the members of the Company's Board of Directors was CHF 15'000.-, (2022 : CHF 15'000.-).

The compensation of the President of the Board and Board Delegate, both employees of Patrimonium Asset Management Ltd, is covered by the asset management agreement with Patrimonium Asset Management Ltd.

AUDITOR'S REPORT ON THE REMUNERATION REPORT



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8031 Zurich

STATUTORY AUDITOR'S REPORT

To the general meeting of Patrimonium Urban Opportunity AG, Crissier

Report on the Audit of the Remuneration Report (hereafter "Compensation Report") according to Art. 734a-734f CO

Opinion

We have audited the compensation report of Patrimonium Urban Opportunity AG (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked "audited" on pages 22 to 24 of the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying compensation report complies with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibility for the Audit of the Compensation Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The board of directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked "audited" in the compensation report, the financial statements (CO), the financial statements (Swiss GAAP FER) and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Compensation Report

The board of directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the board of directors determines is necessary to enable the preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the compensation system and defining individual compensation packages.

Auditor's Responsibilities for the Audit of the Compensation Report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but



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is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the board of directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Zurich, 8 May 2024

BDO Ltd

Reto Frey
Licensed Audit Expert
Auditor in Charge

David Schraner
Licensed Audit Expert

FINANCIAL STATEMENTS (IN SWISS GAAP FER)

INCOME STATEMENT

IN CHF	NOTE	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
Rental income		12'272'867	10'749'353
Other operating income		327'641	275'461
Operating income	3.1	12'600'508	11'024'814
Property expenses	3.2	-3'363'874	-2'936'342
Other operating expenses	3.3	-2'224'432	-2'125'898
Operating expenses		-5'588'306	-5'062'240
Operating result before revaluation		7'012'202	5'962'574
Revaluation of investment properties	4.5	-3'350'036	2'539'836
Operating result (EBIT)		3'662'166	8'502'410
Financial expenses	3.4	-2'506'168	-1'454'436
Earnings before tax (EBT)		1'155'998	7'047'974
Income tax expense	3.5	-2'107'710	-1'412'183
NET INCOME		-951'712	5'635'791
Number of shares		38'101'266	38'101'266
Earning per share		-0.02	0.15
Earning per share - diluted		-0.02	0.15

BALANCE SHEET

IN CHF	NOTE	31.12.2023	31.12.2022
Cash and cash equivalents	4.1	669'608	1'961'953
Trade receivables	4.2	854'426	838'788
Other receivables	4.3	790'548	908'002
Accrued income and prepaid expenses	4.4	1'676'322	2'183'502
Total current assets		3'990'904	5'892'245
Investment properties	4.5	254'842'568	237'940'646
Total non-current assets		254 842 568	237 940 646
TOTAL ASSETS		258'833'472	243'832'891
Current financial liabilities	4.6	1'640'000	1'640'000
Trade payables	4.7	564'892	2'020'967
Other current liabilities	4.8	358'223	366'373
Accrued expenses and deferred income	4.9	2'465'255	2'190'426
Short-term provisions	4.11	500'000	-
Total current liabilities		5'528'370	6'217'766
Non-current financial liabilities	4.6	124'490'000	109'398'000
Other non-current liabilities	4.10	400'000	400'000
Provisions	4.11	-	500'000
Deferred tax liabilities	4.12	19'857'698	17'808'009
Total non-current liabilities		144'747'698	128'106'009
Share capital		38'101'266	38'101'266
Capital reserves		-	9'219'355
Retained earnings		70'456'138	62'188'495
Shareholders' Equity	4.13	108'557'404	109'509'116
TOTAL LIABILITIES AND SHREHOLDERS' EQUITY		258'833'472	243'832'891

STATEMENT OF CASH FLOWS

IN CHF	NOTE	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
Net income		-951'712	5'635'791
Change from revaluation of investment properties	4.5	3'350'036	-2'539'836
Change in trade receivables		-15'639	-260'396
Change in other receivables		117'454	-482'027
Change in accrued income and prepaid expenses		507'180	181'393
Change in trade payables		-1'456'075	-368'687
Change in other current liabilities		-8'150	-513'336
Change in other non-current liabilities		-	-45'000
Change in provisions		-	250'000
Change in deferred income tax liabilities	4.12	2'049'689	1'367'635
Change in accrued expenses and deferred income		274'829	453'518
CASH FLOW FROM OPERATING ACTIVITIES		3'867'612	3'679'055
Investment in properties	4.5	-20'251'957	-12'461'784
CASH FLOW FROM INVESTING ACTIVITIES		-20'251'957	-12'461'784
Cash inflows/outflows from financial current liabilities (net)	4.6	-1'640'000	-3'000'000
Cash inflows/outflows from financial non-current liabilities (net)	4.6	16'732'000	8'618'000
CASH FLOW FROM FINANCING ACTIVITIES		15'092'000	5'618'000
CHANGE IN CASH AND CASH EQUIVALENTS		-1'292'345	-3'164'729
Cash and cash equivalents at the beginning of the financial year		1'961'953	5'126'682
Cash and cash equivalents at the end of the financial year		669'608	1'961'953
CHANGE IN CASH AND CASH EQUIVALENTS		-1'292'345	-3'164'729

STATEMENT OF CHANGES IN EQUITY

IN CHF	Share capital	Capital reserves	Retained earnings	Total shareholders' equity
Balance on 01.01.2022	38'101'266	9'219'355	56'552'704	103'873'325
Net income	-	-	5'635'791	5'635'791
Balance on 31.12.2022	38'101'266	9'219'355	62'188'495	109'509'116
Reclass linked to the merger with PROTIR	-	-9'219'355	9'219'355	-
Net income	-	-	-951'712	-951'712
Balance on 31.12.2023	38'101'266	-	70'456'138	108'557'404

Voie-Creuse 16, Geneva (GE)



NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Patrimonium Urban Opportunity Ltd. (PATURBO, the “Company”) operates in Switzerland. The purpose of the company is to purchase, sell, lease, and manage real estate in Switzerland.

The Company is a limited company incorporated and domiciled in Switzerland.

The registered office is since 26th October 2022, located at Chemin des Lentillières 15, 1023 Crissier.

On 9th June 2023, Patrimonium Urban Opportunity Ltd has taken over the assets and liabilities, of its fully owned subsidiary PROTIR Ltd. This takeover was enacted retroactively, starting from 1st January 2023, as part of a simplified merger between the two companies.

After the merger with its sole subsidiary, PATURBO is not reporting as a group any longer but as a standalone company. Nevertheless, the comparison numbers reflect the consolidated numbers as published under the consolidated financial statements 2022 in the prior year annual report 2022. This approach has been followed since from an economical point of view there is no change in the scope of the financial positions due to the merger.

The company is listed on the stock exchange BX Swiss Ltd since 18th June 2022.

2. Corporate Accounting Principles – Significant Accounting Policies

2.1. General

These financial statements provide a true and fair view of PATURBO assets, financial position, and earnings, and have been drawn up in accordance with all the existing guidelines of the accounting and reporting recommendations of Swiss GAAP FER.

The financial statements are prepared in accordance with uniform corporate accounting principles and have been prepared based on the historical cost principle, except for the investment properties which are measured at market value.

The preparation of the financial statements in accordance with Swiss GAAP FER requires management to make evaluations, estimates and assumptions that affect the items in the financial statements as of the balance sheet date. These evaluations, estimates and assumptions are based on historical values, future expectations and other factors that are considered adequate under the given conditions. The actual results may deviate from these estimates. Estimates and underlying assumptions are subject to continuous assessment. Changes to estimates that affect the financial statements are included in the reporting period in which the estimate was revised, as well as in future reporting periods if the latter is affected by the revised estimates.

The reporting currency is the Swiss franc (CHF). The financial statements are based on the going concern principle.

2.2. Segment information

The company's business operations are limited to one segment (real estate investment properties). It also operates only in the Swiss market. Therefore, no further segment information is presented.

2.3. Rental income

Income reported from real estate operations is comprised exclusively of rental income after consideration of vacancies. Rental income is based on leases and is recognized on an accrual basis over the period in which the service is provided.

2.4. Other operating income

Other operating income consists of recharged costs such as heating and maintenance or energy and water costs as well as income from other services.

2.5. Property expenses

Property expenses contain expenses which are directly related to individual properties. They include maintenance and renovation, administrative expenses, insurance premium, property taxes and other fees, which cannot be charged to the tenants.

2.6. Other operating expenses

Other operating expenses are related to the general administration of the business. They consist of i.e. audit fees, legal and consultancy fees as well as management fees.

2.7. Financial result

The item consists of the net result of interest income deducted by the interest expenses for mortgages and loans as well as other financing fees and charges. Further, the costs relative to the initial public offering are also presented in the financial result.

2.8. Income tax expense

Current income taxes are calculated based on the taxable income of the year and are recorded in the income statement. Deferred income taxes are calculated using the balance sheet liability method. Temporary differences arise from divergences between the book value of assets and liabilities for financial reporting purposes and the value used for tax purposes. Deferred tax is calculated using tax rates enacted or substantially enacted on the balance sheet date and will be offset in future tax periods. Deferred income tax assets are capitalized only to the extent that it is probable that they will be realized in the future. No deferred income tax asset on taxable losses carried forward are recognized.

2.9. Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and are recorded at nominal value.

2.10. Receivables

Trade receivables are recognised and carried at the original net invoice amount less the necessary value adjustments for trade receivables at risk. Other receivables consist mainly of current accounts and deposits valued at nominal value. Allowances for doubtful receivables are established individually based on the maturity structure and identifiable solvency risks.

2.11. Accrued income and prepaid expenses

Prepaid expenses include expenses paid in advance for the following reporting period. In addition accrued income from the reporting period not invoiced yet at balance sheet date is included under this balance sheet position.

2.12. Financial assets

Financial assets include long-term loans and are recorded in the balance sheet at nominal value. Value adjustments are recognised according to the credit risk on an individual basis.

2.13. Investment properties

Investment properties serve as long-term investment purposes and are measured at market value. The fair values of the investment properties are assessed annually by an external independent appraiser using the discounted cash flow method (DCF). The revaluation result for the period is recognized in the income statement whilst considering deferred income taxes. The investment properties are not depreciated.

The properties under development for own future long-term investment purposes are carried at cost less necessary value adjustments until the date when the market value can be reliably calculated. The conditions for making a reliable calculation are met when the building permission is granted, and an approved construction project exists for which costs and income can be reliably determined and allocated. The expected outcome of

new construction projects, which corresponds to the difference between the estimated completion value of the work by an external independent appraiser and the actual project costs, is evenly distributed over the duration of the project and integrated into the fixed assets each quarter. The principle of the lower of cost or market is applied if the expected outcome is negative.

The undeveloped land are revalued at fair market value.

2.14. Impairment

The recoverable amount of non-current assets valued at cost is reviewed at least once a year. If there is any indication of impairment, an impairment test is performed immediately. If the carrying amount exceeds the recoverable amount, an impairment loss is recognised in the income statement.

2.15. Financial liabilities

Financial liabilities consist of loans from financial institutions and loans from third parties. They are carried at nominal value. Financial liabilities with a maturity date less than 365 days are presented as current financial liabilities.

2.16. Trade payables and other liabilities (current and non-current)

Trade payables and other liabilities are recognised at nominal value.

2.17. Accrued expenses and deferred income

Accrued expenses contain accruals for expenses related to the reporting period. Deferred income is rental income for the following period already paid by the tenants before balance sheet date.

2.18. Provisions

Provisions are obligations based on events in the past; their amount and/or due dates are uncertain but can be estimated. Provisions are reported as short-term or long-term according to their expected due dates.

2.19. Contingent liabilities

Possible liabilities whose occurrence as at the balance sheet date cannot be assessed, or liabilities for which the level cannot be reliably estimated, are disclosed in the notes as contingent liabilities.

3. Notes to the Income Statement

3.1. Operating income

IN CHF	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
Rental income Geneva	3'239'354	2'574'402
Rental income Bussigny college	2'188'277	1'980'154
Rental income Urdorf	1'397'640	1'349'310
Rental income Crissier	1'335'389	1'285'061
Rental income Glattpark	1'334'424	1'290'872
Rental income Bussigny (La Chaux 3 et 5)	1'301'760	1'260'524
Rental income Plan les Ouates	523'704	509'508
Rental income Meyrin	517'416	499'522
Rental income Reinach	434'903	-
Other operating income	327'641	275'461
Operating income	12'600'508	11'024'814

The noteworthy variations in operating income (+1.6 MCHF) can be explained as follows:

- i. Geneva : Several contracts took effect throughout the year in 2022 (730 KCHF). Therefore, the operating income in 2022 did not fully benefit from these contracts, which then was the case in 2023. In addition, rental indexations accounted for +56 KCHF rental income. Rent-free periods ended at the end of 2022 and in April 2023 (+280 KCHF), and the level of unpaid rents decreased between 2022 and 2023 (-240 KCHF)
- ii. Bussigny College: mainly driven by rental indexations (+75 KCHF)
- iii. Reinach: Reflects the acquisition of the building effective from 01.01.23 (+435 KCHF).
- iiii. The cumulative impact of the rental indexation for other buildings during the period totals +140 KCHF.

Other operating income primarily pertains to the re-billing of expenses to tenants. All operating income is generated within Switzerland.

3.2. Property expenses

IN CHF	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
Energy / water costs	689'721	459'996
Maintenance and renovation costs	681'050	659'536
Real estate agency fees	550'128	374'545
Property tax	467'109	420'585
Leasing fee (Bussigny college)	381'528	221'064
Insurance costs	202'450	155'019
Building lease costs	156'060	156'060
Caretaker costs	145'694	339'691
Building costs	76'950	39'042
Other costs	13'184	110'806
Total property expenses	3'363'874	2'936'342

The acquisition of the building in Reinach in January 2023 led to an escalation in property costs during the reporting period, amounting to a total of +321 KCHF. This includes 134 KCHF in energy costs, 73 KCHF in renovation and maintenance expenses, 48 KCHF in initial rental fees, and 26 KCHF in insurance costs. It is worth noting that this rise in costs is intricately tied to the change in perimeter resulting from the acquisition, serving as a counterbalance to the augmented revenue streams.

Energy costs : Primarily attributed to the change in perimeter (+134 KCHF, Reinach).

Real estate agency fees: A one-time letting fee of 110 KCHF was incurred after finalizing new rental agreements during the period.

Insurance costs experienced an upswing due to both the change in perimeter (+26 KCHF) and a rise in premiums (+21 KCHF).

Caretaker costs: The reduction is tied to the cancellation of the ground floor reception contract in the Geneva building, effective since December 2022, leading to a decrease of 150 KCHF.

3.3. Other operating expenses

IN CHF	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
Management fees	1'777'297	1'423'917
Audit and consulting fees	149'713	87'160
Bad debt provision	108'248	118'764
VAT costs	68'068	157'729
Legal fees	53'304	51'003
Other operational costs	30'802	3'705
Valuation costs	25'000	33'620
Other fees	12'000	-
Provision for project risk	-	250'000
Total property expenses	2'224'432	2'125'898

Management fees: The increase is directly associated with the modification of the management contract with the asset manager, which took effect following the company's listing on the stock exchange starting from 01.07.2022 (+236 KCHF). Additionally, there is a notable expansion in assets under management, primarily linked to the acquisition of a new property during the period under review (+132 KCHF).

Audit and consulting fees: The rise is attributed to the listing of the company in June 2022, accompanied by heightened work duties and responsibilities. This increase is in effect for the full year 2023.

Bad debt provision allowance: note 4.2.

Provision for project risk: note 4.11.

3.4. Financial expenses

IN CHF	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
Capitalized interests	-47'894	-
Other financial income	-198	-140
Mortgage interests	2'544'073	1'372'173
Bank fees and charges	4'562	18'712
Other financial expenses	5'625	63'691
Total financial expenses	2'506'168	1'454'436

The increase in mortgage interests is due to (i) the rise in the weighted average interest rate over the period (2.19% in 2023 vs 1.73% in 2022, see note 4.6) and (ii) the increase in bank loans (+15 MCHF). The remaining financial expenses recorded in 2022 represent costs associated with the company's initial public offering on the stock exchange.

3.5. Income tax expense

IN CHF	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
Current income taxes	58'021	44'548
Deferred income taxes	2'049'689	1'367'635
Total income tax expense	2'107'710	1'412'183

3.6. Income tax reconciliation

IN CHF	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
Income before tax (EBT)	1'155'998	7'047'974
Expected tax rate	18.35%	16.89%
Expected tax expense	212'126	1'190'403
Change in scope of investment properties	1'416'412	-
Impact of tax rate differentials	552'103	-
Taxable losses not recognized	81'008	303'650
Other effects	-153'939	-81'870
Effective income tax expense	2'107'710	1'412'183

Deferred income tax liabilities: arise from the revaluation of the investment properties due to the application of Swiss GAAP FER. Positive valuation differences between market values and tax values as at the balance sheet date are reflected by the deferred tax liabilities. Deferred taxes on properties are generally calculated according to the tax rates applicable on the balance sheet date and the tax system applicable to the respective properties.

This approach considers higher deferred tax amounts, gradually diminishing over the holding periods in accordance with the applicable law in the canton where the property is located.

The Company has decided not to recognize deferred tax assets from unused tax losses. The total of taxable losses not recognized amounts to 8'213 KCHF (2022 : 6'413 KCHF).

4. Notes to the balance sheet

4.1. Cash and cash equivalents

IN CHF	31.12.2023	31.12.2022
Cash at banks	669'608	1'961'953
Total cash and cash equivalents	669'608	1'961'953

4.2. Trade receivables

IN CHF	31.12.2023	31.12.2022
Account receivables, gross	1'120'805	996'919
Bad debt allowances	-266'379	-158'131
Total trade receivables	854'426	838'788

Trade receivables: Exclusively comprise third-party receivables from commercial and private tenants. The rise in this position is predominantly attributed to overdue rental payments from Crissier (335 KCHF; 2022: 274 KCHF), Geneva (639 KCHF; 2022: 419 KCHF), and Bussigny College (0 KCHF; 2022: 275 KCHF).

Provisions for doubtful debts: Specifically related to Geneva (180 KCHF; 2022: 99 KCHF) and Crissier (115 KCHF; 2022: 59 KCHF). Notably, the provision for doubtful debts related to Bussigny College was reversed during the period (-46 KCHF).

4.3. Other receivables

IN CHF	31.12.2023	31.12.2022
Tax receivables	486'621	71'518
VAT receivables	229'543	441'801
Current account with property manager A	46'280	197'278
Other receivables	28'104	50'067
Current account with property manager B	-	147'338
Total other receivables	790'548	908'002

Other receivables: Predominantly consist of short-term receivables, including a tax down payment of 487 KCHF (compared to 72 KCHF in 2022). Additionally, there is a decrease in VAT receivable amounting to 212 KCHF (compared to 442 KCHF in 2022, which includes 308 KCHF related to the input VAT on the down payment of the Reinach building).

Furthermore, there are other receivables from property managers totaling 46 KCHF (compared to 344 KCHF in 2022). The reduction in this particular position is primarily attributed to the regularization of the buyer-seller settlement related to the Bussigny College building, resulting in a decrease of 147 KCHF.

4.4. Accrued income and prepaid expenses

IN CHF	31.12.2023	31.12.2022
Leasing success fee	1'526'102	1'907'630
Accrued income from tenants	150'220	25'500
Prepaid expenses for heating and ancillary costs	-	109'595
Others	-	140'777
Total accrued income and prepaid expenses	1'676'322	2'183'502

Accrued income and prepaid expenses: the decline is primarily driven by the amortization of the capitalized leasing success fee paid to a third-party company for the Bussigny College project.

4.5. Investment properties

IN CHF	Down payment	Undeveloped land	Properties	Properties under development	Total investment properties
Balance as at 01.01.2022	-	2'080'000	220'435'000	424'026	222'939'026
Additions	4'000'887	18'860	6'654'040	1'787'997	12'461'784
Revaluations of properties	-	180'140	1'429'960	929'736	2'539'836
Balance as at 31.12.2022	4'000'887	2'279'000	228'519'000	3'141'759	237'940'646
Reclassifications	-4'000'887	-	4'024'913	-24'026	-
Additions	-	17'368	14'180'568	6'054'021	20'251'957
Revaluations of properties	-	-196'368	-4'725'482	1'571'814	-3'350'036
Balance as at 31.12.2023	-	2'100'000	241'998'999	10'743'568	254'842'568

The discount rates used in the appraiser's valuations for the investment properties ranged from 3.2% to 3.8%, in real terms, for the reporting year 2023 (2022: respectively 3.1% to 3.4%).

The properties currently under development are split as follows:

IN CHF	31.12.2023	31.12.2022
PEC Mochettaz 7	10'743'568	3'117'733
Crissier, Arc-en-Ciel 9	-	24'026
Total properties under development	10'743'568	3'141'759

4.6. Financial liabilities

IN CHF	31.12.2023	31.12.2022
Bank loans - current	1'640'000	1'640'000
Bank loans - non-current	124'490'000	109'398'000
Total financial liabilities	126'130'000	111'038'000

	Currency	Nominal amount as at 31.12.23	Interest rate	Start date	End date	<1 year	>1 year
Bank loan 1	CHF	11'000'000	1.12%	28.12.2021	28.12.2030	-	22'100'000
Bank loan 1	CHF	11'100'000	1.18%	28.12.2021	28.12.2031	-	
Bank loan 1	CHF	4'220'000	0.80%	28.02.2022	28.02.2027	840'000	3'380'000
Bank loan 2 **	CHF	30'800'000	2.55%	31.12.2023	31.03.2024	-	30'800'000
Bank loan 2 * / **	CHF	11'000'000	2.23%	16.05.2023	15.05.2026	-	11'000'000
Bank loan 2 * / **	CHF	11'000'000	2.37%	16.05.2023	18.05.2027	-	11'000'000
Bank loan 2 * / **	CHF	11'000'000	2.53%	16.05.2023	16.05.2028	-	11'000'000
Bank loan 2 **	CHF	4'000'000	2.53%	04.12.2023	04.01.2024	-	4'000'000
Bank loan 2 **	CHF	2'180'000	2.53%	04.12.2023	04.01.2024	-	2'180'000
Bank loan 2 **	CHF	1'160'000	2.59%	18.12.2023	18.01.2024	-	1'160'000
Bank loan 2 **	CHF	600'000	2.56%	18.12.2023	18.03.2024	-	600'000
Bank loan 2 **	CHF	1'500'000	2.59%	22.12.2023	22.01.2024	-	1'500'000
Bank loan 3	CHF	15'000'000	2.32%	28.11.2018	28.11.2028	-	15'000'000
Bank loan 3	CHF	5'000'000	2.26%	21.12.2018	28.11.2028	-	5'000'000
Bank loan 3 **	CHF	6'570'000	2.99%	06.12.2023	06.01.2024	800'000	5'770'000
Total loans		126'130'000	2.19%			1'640'000	124'490'000

* The company fixed long term interest rates for an existing loan split in three tranches with a nominal value of 11 MCHF each starting in May 2023 and maturing respectively in May 2026, May 2027, and May 2028. The interest rates range between 2.23% and 2.53%.

** These bank loans (rollover mortgages) are part of a long-term credit line.

	Currency	Nominal amount as at 31.12.22	Interest rate	Start date	End date	<1 year	>1 year
Bank loan 1	CHF	11'000'000	1.12%	28.12.2021	28.12.2030	-	22'100'000
Bank loan 1	CHF	11'100'000	1.18%	28.12.2021	28.12.2031	-	
Bank loan 1	CHF	5'060'000	0.80%	28.02.2022	28.02.2027	840'000	4'220'000
Bank loan 2 * / **	CHF	54'808'000	1.82%	28.12.2022	30.01.2023	-	54'808'000
Bank loan 2 * / **	CHF	1'700'000	1.50%	01.11.2022	01.02.2023	-	1'700'000
Bank loan 3	CHF	15'000'000	2.32%	28.11.2018	28.11.2028	-	15'000'000
Bank loan 3	CHF	5'000'000	2.26%	21.12.2018	28.11.2028	-	5'000'000
Bank loan 3 **	CHF	7'370'000	2.00%	06.12.2022	06.01.2023	800'000	6'570'000
Total loans		111'038'000	1.73%			1'640'000	109'398'000

Bank loans have been granted with a weighted average interest rate of 2.19% (2022: 1.73%). The contractual weighted maturity is 4.71 years (2022: 4.26 years).

IN CHF	31.12.2023	31.12.2022
Book value of pledged investment properties	241'998'999	228'519'000
Nominal value of pledged mortgage notes	172'002'468	176'002'468
Current claim (nominal)	126'130'000	111'038'000

4.7. Trade payables

IN CHF	31.12.2023	31.12.2022
Trade payables - third parties	564'892	1'606'322
Trade payables - property manager	-	414'645
Total Trade payables	564'892	2'020'967

The reduction in trade payables is attributed to a timing discrepancy in payments at the year-end.

4.8. Other current liabilities

IN CHF	31.12.2023	31.12.2022
Rent paid in advance	153'024	101'229
VAT liabilities	146'562	129'614
Liabilities to other third parties	58'637	61'636
Guarantee retentions	-	73'894
Total Other current liabilities	358'223	366'373

The change in other current liabilities is primarily a result of the release of the guaranteed retention related to the Geneva building (-74 KCHF) and the rise in rents paid in advance (+52 KCHF).

4.9. Accrued expenses and deferred income

IN CHF	31.12.2023	31.12.2022
Accrued expenses	1'920'571	1'928'540
<i>to other third parties</i>	692'720	990'985
<i>to related parties</i>	1'227'851	937'555
Accrued tax	391'564	176'065
Accrued interests on loans	86'761	85'821
Expenses for heating and ancillary costs	66'359	-
Total accrued expenses	2'465'255	2'190'426

The rise in accrued expenses is primarily attributable to the accrual of:

- i. Technical fees for projects under development and/or finalized totaled 335 KCHF (2022: 120 KCHF).
- ii. Expenses for heating and ancillary costs were recorded at 66 KCHF (booked in accrued income and prepaid expenses in 2022).
- iii. Accrued taxes accounted for 392 KCHF (2022: 176 KCHF).

4.10. Other non-current liabilities

This position corresponds to a guarantee and deposit from the tenants to PATURBO for 400 KCHF (2022: 400 KCHF).

4.11. Provisions

IN CHF	31.12.2023	31.12.2022
Provisions at the beginning of reporting period	500'000	250'000
Increase	-	250'000
Provisions at the end of reporting period	500'000	500'000
Of which long-term at the end of the reporting period	-	500'000

A provision was established due to the potential risk of the project Glattbrugg facing discontinuation. Specifically, there is a possibility that PATURBO might reimburse a portion of the development costs to the developer. The estimated amount of this risk was set at 500 KCHF and is unchanged since 2022.

4.12. Deferred tax liabilities

IN CHF	31.12.2023	31.12.2022
Investment properties	19'857'698	17'808'009
Total deferred tax liabilities	19'857'698	17'808'009

4.13. Shareholders' equity

Patrimonium Urban Opportunity Ltd. share capital is set at CHF 38'101'266 represented by 38'101'266 registered shares with a par value of CHF 1 each. There was no movement in the share capital during the year under review.

On 26th October 2022, the shareholders modified the articles of incorporation to authorize the Board of Directors to increase the share capital (authorized and conditional capital) by a maximum of CHF 19'050'633 until 25 October 2024.

Following the merger, the capital reserves which were those of PROTIR Ltd have been absorbed.

4.14. Transaction with related parties

All relevant asset management tasks are contractually delegated to a specialized FINMA-approved asset manager. The asset manager received as remuneration for 2023 an annual management fee amounted to 1'717 KCHF (2022: 1'310 KCHF).

Besides, technical fees relative to the management of projects under development have been accrued for a total amount of 335 KCHF during the period (2022: 120 KCHF). A letting fee for a total amount of 110 KCHF was booked following the conclusion of new rental agreements during the period. Besides, an amount of 217.5 KCHF was paid for the acquisition of the new building in Reinach.

4.15. Commitments and contingent liabilities

Commitments

PATURBO holds a temporary building right, officially registered as an easement on plots 3696 and 3697 at rue de la Voie-Creuse 16 in Geneva. The land's owner is SBB. The building lease, initially established, was extended on the 5th October 2009 and is now valid until the conclusion of 2061. PATURBO, upon its incorporation in 2020, acquired the building, which was constructed under the building lease, for a total of 24 MCHF. In 2023, the cumulative commitment until the contract's termination is outlined as follows:

IN CHF	< 1 year	1-5 years	>5 years	Total
Building lease	156'060	624'240	5'149'980	5'930'280
Total commitment	156'060	624'240	5'149'980	5'930'280

In 2022, the total commitment was the following:

IN CHF	< 1 year	1-5 years	>5 years	Total
Building lease	156'060	624'240	5'306'040	6'086'340
Total commitment	156'060	624'240	5'306'040	6'086'340

4.16. Events after the balance sheet date

The financial statements have been approved by the Board of Directors on the 8th May 2024.

On 8th February 2024, a fire broke out on the ground floor of a building located in Reinach. Thankfully, there were no casualties. Moreover, both the rental income and the building itself are adequately insured, providing assurance that the financial impact of the incident will be mitigated to a minimum.

AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS



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STATUTORY AUDITOR'S REPORT

To the general meeting of Patrimonium Urban Opportunity AG, Crissier

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Patrimonium Urban Opportunity AG (the Company), which comprise the statement of financial position as at 31 December 2023, the statement of income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements (pages 27 to 41) give a true and fair view of the financial position of the Company as at 31 December 2023 and its results of operations and cash flows for the year then ended in accordance with Swiss GAAP FER and complies with the requirements of Art. 962a CO.

Basis for Opinion

We conducted our audit in accordance with Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Independent Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Key Audit Matter

How the Key Audit Matter was addressed in the audit

Valuation of investment properties

Investment properties are important to our audit because the valuation process involves significant assumptions and estimates with regards to expected future cash flows and the discounted rate used for each property depending on its individual rewards and risks.

The carrying amount of the investment properties further represent with CHF 254.8 mio the most material portion of the total assets in the financial statements.

The investment properties serve as long-term investment purposes and are measured at market value. The fair values of the investment properties are assessed annually by an external independent appraiser using the discounted cash flow method (DCF).

Please refer for additional information to note 2.13. for the valuation principles combined with note 4.5 for the different categories within the portfolio.

Among other audit procedures we evaluated the objectivity, independence and competence of the external appraiser as well as the used valuation model.

Additionally, we assessed the key assumptions used in the valuation with regards to the rental income and the discount rates. We involved our own real estate valuation specialists to support our audit procedures.

We further verified the correctness of selected property specific data (among others rental income and maintenance expenses), which was used in the valuation by a comparison to historical amounts.

We also considered for properties under development the correct calculation for the evenly captured difference between the expected completion value and the current amount over the period of the project as well as the appropriateness of the disclosures in the table of note 4.5.

Other Matter

The Company prepared statutory financial statements (CO) for the year ending on 31 December 2023 for which we issued a statutory auditor's report to the general meeting of the Company on 8 May 2024.

These financial statements in accordance with Swiss GAAP FER present standalone financial statements of the Company for the reporting period while the numbers for the comparison period reflect the consolidated financial statements 2022 of the Group as published in the annual report 2022. We refer to the disclosures in the note "1. General Information" in the notes to the financial statements for further information to the merger with its sole subsidiary in 2023.

Other Information

The board of directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements (CO), the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a



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material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The board of directors is responsible for the preparation of the financial statements, which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the independent auditor's responsibilities for the audit of the financial statements is located at EXPERTSuisse's website at: <https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits>. This description forms part of our auditor's report.

Zurich, 8 May 2024

BDO Ltd

Reto Frey
Licensed Audit Expert
Auditor in Charge

David Schraner
Licensed Audit Expert

ANNUAL FINANCIAL STATEMENTS OF PATRIMONIUM URBAN OPPORTUNITY AG

BALANCE SHEET

ASSETS (IN CHF)	NOTE	31.12.2023	31.12.2022
Cash and cash equivalents		669'608	1'312'580
Accounts receivables	2.1	854'426	518'881
Other current receivables	2.2	790'548	744'015
Accrued income and prepaid expenses		1'836'786	2'097'776
Current Assets		4'151'368	4'673'251
Tangible fixed assets	2.3	146'639'707	112'279'013
Goodwill	2.4	10'520'968	0
Participation	2.5	0	15'989'978
Fixed Assets		157'160'675	128'268'991
TOTAL ASSETS		161'312'043	132'942'242
LIABILITIES (IN CHF)	NOTE	31.12.2023	31.12.2022
Trade payables	2.6	564'892	1'574'131
Short-term interest-bearing liabilities	2.7	1'640'000	840'000
Other short-term liabilities	2.8	358'222	240'297
Accrued expenses and deferred income	2.9	2'465'255	1'981'986
Short-term provisions	2.10	500'000	500'000
Short-term liabilities		5'528'369	5'136'414
Long-term interest-bearing liabilities	2.11	124'490'000	94'918'673
Long-term liabilities		400'000	400'000
		124'890'000	95'318'673
Share capital		38'101'266	38'101'266
Balance sheet Result			
- Loss brought forward		-5'614'111	-3'907'846
- Loss of the year		-1'593'481	-1'706'265
Shareholders' equity		30'893'674	32'487'155
TOTAL LIABILITIES		161'312'043	132'942'242

INCOME STATEMENT

IN CHF	NOTE	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022
Rental income		12'272'867	8'174'950
Other operating income		327'641	213'298
TOTAL OPERATING INCOME		12'600'508	8'388'248
Property Expenses		-3'093'403	-1'975'233
Other operating expenses		-2'334'439	-1'674'228
EBITDA		7'172'666	4'738'788
Depreciation of commercial properties		-5'032'961	-4'923'219
Amortization of Goodwill		-1'168'996	0
EBIT		970'709	-184'431
Financial income	2.12	200	2'339
Financial expenses	2.13	-2'506'368	-1'491'050
EBT		-1'535'459	-1'673'142
Direct taxes	2.14	-58'022	-33'123
LOSS OF THE YEAR		-1'593'481	-1'706'265

APPENDIX

IN CHF	31.12.2023	31.12.2022	
1	Disclosures on the principles applied in the financial statements		
1.1	General		
	These financial statements have been prepared in accordance with the provisions of Swiss law, in particular the articles on commercial accounting and financial reporting of the Code of Obligations (Art. 957 to 962). The significant valuation principles applied, which are not prescribed by law, are described below.		
1.2	Tangible fixed assets		
	Tangible fixed assets are valued at acquisition and production cost less accumulated depreciation and any operationally necessary value adjustments.		
2	Disclosures and explanations of items in the balance sheet and income statement		
2.1	Accounts receivables		
	Trade receivables from third parties	1'120'805	577'731
	Bad debt provision	(266'379)	(58'850)
	Total accounts receivables	854'426	518'881
2.2	Other current receivables		
	VAT receivables	229'543	345'661
	Current accounts with property management companies	46'280	344'616
	Tax receivables	486'621	36'830
	Insurance reimbursement receivable	5'585	0
	Other receivables from third parties	16'370	16'908
	Other receivables from shareholders	6'149	0
	Total other current receivables	790'548	744'015
2.3	Tangible fixed assets		
	Commercial property Glattpark	13'723'511	14'117'697
	Commercial property Meyrin	4'769'407	4'900'114
	Commercial property Plan-les-Ouates	5'363'540	5'517'265
	Commercial property Urdorf	15'346'971	15'481'792
	Commercial property Crissier	17'228'321	18'012'194
	Commercial property Bussigny Chauv 3	4'283'378	4'482'387
	Commercial property Bussigny Chauv 5	16'697'460	17'095'418
	Commercial property Bussigny Rente 26	24'024'059	24'360'376
	Commercial property Reinach Kägenstrasse 12-14	14'684'853	0
	Commercial property Geneva Voie-Creuse 16	20'135'935	0
	Parcels N° 1845/3454/3233 Bussigny*	2'116'228	2'098'860

IN CHF	31.12.2023	31.12.2022
PEC Crissier Arc-en-Ciel 9 (under construction)	24'026	24'026
PEC Bussigny Mochettaz 7 (under construction)	8'242'018	2'187'997
Down payment commercial property Reinach	0	4'000'887
Total tangible fixed assets	146'639'707	112'279'013

The properties are depreciated on a declining balance basis from the carrying amount. The Company has applied the following depreciation rates:

Commercial property Glattpark	4.00%	4.00%
Commercial property Meyrin	4.00%	4.00%
Commercial property Plan-les-Ouates	4.00%	4.00%
Commercial property Urdorf	3.00%	3.00%
Commercial property Crissier	6.00%	6.00%
Commercial property Bussigny Chaux 3	6.00%	6.00%
Commercial property Bussigny Chaux 5	3.00%	3.00%
Commercial property Bussigny Rente 26	3.00%	3.00%
Commercial property Reinach Kägenstrasse 12-14	6.00%	NA
Commercial property Geneva Voie-Creuse 16	4.00%	NA

Renovation work relative to the building Geneva Voie-Creuse 16 is depreciated on a declining balance basis at a rate of 20% per annum.

In November 2022, Patrimonium Urban Opportunity AG paid a down payment of 4 MCHF on the acquisition of a new building in Reinach (change in ownership starting from 01.01.23).

Until December 31, 2022, capitalized transaction costs were amortized on a straight-line basis over a period of 5 years. Starting from January 1, 2023, they are now depreciated using the same method applied to the building. This change in depreciation calculation results in a lower depreciation expense amount of 670 KCHF for the period under review.

Starting from January 1, 2023, land values are now recorded separately from the building, and there is no depreciation applied to the land. At constant scope, this change in depreciation calculation results in a lower depreciation expense amount of 619 KCHF for the period under review.

2.4 Goodwill

Patrimonium Urban Opportunity AG and Protir AG merged in June 2023, with retroactive effect as from 1st January 2023. This resulted in a goodwill of CHF 11'689'964.38, which will be amortized over 10 years.

2.5 Participations

Company : PROTIR AG, Geneva		
Purpose: real estate company		
Share capital : 5'000'000	0	15'989'978
Capital and voting rights:	0%	100%

2.6 Trade payables

Liabilities due to third parties	564'892	1'159'486
Liabilities due to related parties	0	414'645
Total trade payables	564'892	1'574'131

IN CHF		31.12.2023	31.12.2022
2.7	Short-term interest-bearing liabilities		
	Mortgages	1'640'000	840'000
	Total short-term interest-bearing liabilities	1'640'000	840'000
2.8	Other short-term liabilities		
	VAT liabilities	146'562	77'432
	Other short-term liabilities to third parties	58'636	61'636
	Prepaid rent	153'024	101'229
	Total other short-term liabilities	358'222	240'297
2.9	Accrued expenses and deferred income		
	Accrued expenses due to third parties	779'481	778'302
	Accrued expenses due to related parties (py: and subsidiary)	1'203'851	1'008'619
	Accrued expenses due to Board members	24'000	19'000
	Downpayments - heating and ancillary costs	66'359	0
	Tax provisions	391'564	176'065
	Total accrued expenses and deferred income	2'465'255	1'981'986
2.10	Short-term provisions		
	Project-related provisions	500'000	500'000
	Total short-term provisions	500'000	500'000
2.11	Long-term interest-bearing liabilities		
	Mortgages	124'490'000	82'828'000
	Loans from subsidiary	0	12'090'673
	Total long-term interest-bearing liabilities	124'490'000	94'918'673
2.12	Financial income		
	Other financial income	200	2'339
	Total financial income	200	2'339
2.13	Financial expenses		
	Interests to banks	2'544'073	791'656
	Capitalized interest	(47'892)	0
	Interests to subsidiary	0	619'859
	Other financial expenses	10'187	79'536
	Total financial expenses	2'506'368	1'491'050
2.14	Direct taxes		
	In 2023, the position includes income taxes (75 KCHF) and tax income related to prior tax periods (-17 KCHF). In 2022, the position includes income taxes (42 KCHF) and tax income related to prior tax periods (-9 KCHF).	58'022	33'123

IN CHF	31.12.2023	31.12.2022	
3	Other information		
3.1	Full-time positions		
	The annual average number of full-time employees did not exceed 10 in the year under review or the previous year.		
3.2	Collateral provided for liabilities		
	Book value Glattpark	13'723'511	14'117'697
	Pledged amount of the property	20'000'000	28'000'000
	Book value Meyrin	4'769'407	4'900'114
	Pledged amount of the property	11'500'000	11'500'000
	Book value Plan-les-Ouates	5'363'540	5'517'265
	Pledged amount of the property	5'400'000	5'400'000
	Book value Urdorf	15'346'971	15'481'792
	Pledged amount of the property	14'000'000	22'000'000
	Book value Crissier	17'228'321	18'012'194
	Pledged amount of the property	11'500'000	11'500'000
	Book value Chaux 3	4'283'378	4'482'387
	Pledged amount of the property	2'700'000	2'700'000
	Book value Chaux 5 / PEC Bussigny Mochettaz 7	24'939'478	19'283'415
	Pledged amount of the property	20'500'000	20'500'000
	Book value Bussigny, Rente 26	24'024'059	24'360'376
	Pledged amount of the property	42'000'000	42'000'000
	Book value Reinach, Kägenstrasse 12-14	14'684'853	NA
	Pledged amount of the property	12'000'000	NA
	Book value Geneva, La Voie-Creuse 16	20'135'935	NA
	Pledged amount of the property	32'000'000	NA
	Pledged amount of the parcel N° 3698 (SBB)	402'468	NA
	Book value parcels N° 1845/3454/3233 Bussigny-	2'116'228	2'098'860
	Pledged amount of the property	0	0
	Of which claimed (CSA/UBS/CIC/(py: and PROTIR AG))	126'130'000	95'758'673
3.3	Other information related to a public entity		
	Share capital	38'101'266	38'101'266
	Authorized capital (until 25 October 2024)	19'050'633	19'050'633
	Conditional capital (until 25 October 2024)	19'050'633	19'050'633
	Significant shareholders (>5% of voting rights)	interest in %	interest in %
	Martin Otto Pestalozzi, VD	36.38%	36.38%
	Viatrans Ltd, GE	16.62%	16.62%
	Patrimonium Holding Ltd, ZG	5.39%	5.39%
	Avni Orlatti, VD	5.25%	5.25%

IN CHF	31.12.2023	31.12.2022
Securities and option rights held by Board members and Management		
In 31.12.2023	number of shares	interest in %
Christoph Syz and via Patrimonium Holding Ltd - Board Delegate	2'193'007	5.76%
Related parties with close relationship to the Board Delegate	572'643	1.50%
Ulrich Burkhard - Board member	1'613'135	4.23%
Arne Kirchner via Virtalis International Ltd - Board member	624'868	1.64%
In 31.12.2022	number of shares	interest in %
Christoph Syz and via Patrimonium Holding Ltd - Board Delegate	2'193'358	5.76%
Related parties with close relationship to the Board Delegate	572'643	1.50%
Ulrich Burkhard - Board member	1'613'135	4.23%
Arne Kirchner via Virtalis International Ltd - Board member	624'868	1.64%

3.4 Significant events after the balance sheet date

On February 8, 2024, a fire broke out on the ground floor of a building located in Reinach. Thankfully, there were no casualties. Moreover, both the rental income and the building itself are adequately insured, providing assurance that the financial impact of the incident will be mitigated to a minimum.

REPORT OF STATUTORY AUDITOR (BDO)



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STATUTORY AUDITOR'S REPORT

To the general meeting of Patrimonium Urban Opportunity AG, Crissier

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Patrimonium Urban Opportunity AG (the Company), which comprise the balance sheet as at 31 December 2023, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements (pages 45 to 51) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have concluded that there are no key audit matters to be communicated in our audit report.

Other Information

The board of directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements (Swiss GAAP FER), the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The board of directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going



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concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits>. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of directors.

We recommend that the financial statements submitted to you be approved.

Zurich, 8 May 2024

BDO Ltd

Reto Frey
Licensed Audit Expert
Auditor in Charge

David Schraner
Licensed Audit Expert

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