

PATRIMONIUM COMMERCIAL OPPORTUNITY I AG

Annual Report 2020



Managed by Patrimonium Asset Management AG, Baar

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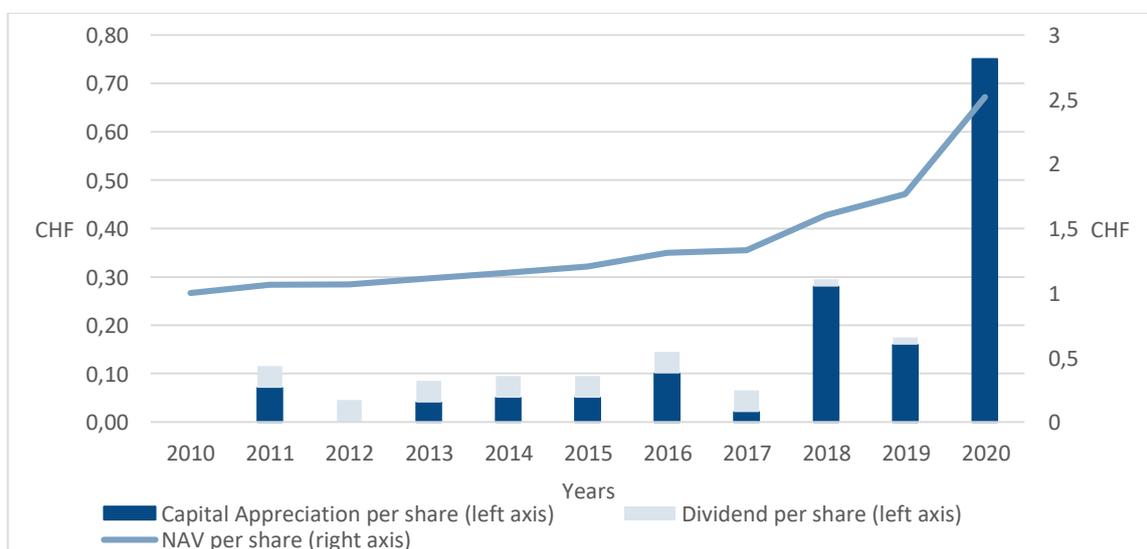
Key figures

Portfolio market value CHF 207.8 M	Number of properties 9	Rental area 78'974
Gross yield 6.10%	Loan to value 49%	WAULT 5.54 years

CHF	FY 2020	FY 2019
RENTAL INCOME	8'582'629	5'201'329
RESULT FROM REVALUATION	21'611'809	2'245'180
PROPERTY EXPENSES	1'938'594	590'110
OTHER EXPENSES	1'588'347	672'471
EBIT	27'093'353	6'183'927
PROFIT FOR THE PERIOD	20'905'107	4'870'629
NAV PER SHARE AFTER DEFERRED TAXES	2.52	1.77

Track Record

Patrimonium Commercial Opportunity I AG – NAV per share evolution since inception



The compounded total annual return since inception 2010 – 2020 amounts to 11.1%.

Since inception, the net asset value of the company increased by 252%. On top, the investors received most years a dividend. Including dividends and capital appreciation, the total return to the investors is 286.5% since inception.

Letter to shareholders

Dear Shareholders,

We are very pleased to be able to present to you the most important points from the past financial year. 2020 was an extremely challenging and difficult year for many. We are therefore particularly grateful to be able to look back on a successful 2020: We succeeded in increasing the net asset value by 75 centimes per share, which corresponds to a performance of 42.37%. At the same time, we were able to expand our portfolio with promising real estate properties in the Vaud and Geneva regions - despite facing pandemic-related challenges and restrictions.

The current market environment remains interesting for real estate investors. The dynamic development, especially in urban areas, allows for promising investments in buildings that are attractive in the long term. In addition, the potential of peripheral regions is growing. The pandemic-driven digitization push is also bringing locations further away from the center into the focus of real estate investors.

Highlights of 2020

The positive development of our portfolio is based on a strategy that gives us the necessary flexibility to identify promising investments. One of these successful 2020 investments was made in Geneva. Through the share acquisition of Protir AG, we acquired an office property with a vacancy rate of around 28 percent at the time of purchase on January 1, 2020. Thanks to our active asset management approach, we succeeded in obtaining various new commercial tenants by the end of the year, thus reducing the vacancy rate by more than half.

Another highlight in 2020 was the development of a building in Bussigny (VD) that had been vacant for years: In summer 2020, we were able to acquire the almost completely vacant office building with just over 12,000 sqm of rental space. Shortly thereafter, we were able to sign a long-term lease for the large complex with the canton of Vaud, which is set to become the future "Gymnase de Bussigny". The necessary renovation work could be commissioned and should be completed on schedule in the summer of 2021. We are very pleased that this building complex will serve as a new school for around 800 students starting summer 2021. This project continues to be a great success for our company - but above all, it is a benefit for the entire region and the canton of Vaud.

"Patrimonium Commercial Opportunity I AG" becomes "Patrimonium Urban Opportunity AG" - and goes public on the Bern Stock Exchange

"Patrimonium Commercial Opportunity I AG" was founded in 2011 with a strong focus on commercial properties. Since then, we have strategically developed ourselves and our portfolio. In the medium term, we plan to add residential properties to our real estate portfolio and benefit from interesting investment opportunities within this segment. This enrichment and the resulting broader focus are now reflected in our new name – thus, it should better reflect our character and

the breadth of the company as it has grown. As of mid-August 2021, we have therefore completed the name change to "Patrimonium Urban Opportunity AG".

Urban and Opportunity go hand in hand: In the coming years, we will continue to focus on urban locations with a lot of potential. In doing so, we will take advantage of the good investment opportunities that present themselves to us.

The pleasing development has prompted us to take a further strategic step: Last year, we decided to list the company on the Bern Stock Exchange in the fourth quarter 2021.

Outlook: Modern projects thanks to a sound strategy

2021 will be a busy year. We are currently pushing ahead with various forward-looking, modern construction projects. On the Glattgate site, we have entered a building permit for the two skyscrapers "Harry" and "Sally". One of the skyscrapers will be home to 140 residential apartments. The other tower will host a student residence with more than 380 flats. Moreover, the ground floor they will accommodate a lively mix of restaurants and shops. This will densify the formerly commercial area and allow us to meet the various needs of the surrounding area.

At the same time, we continue to strive to acquire suitable and attractive properties for our portfolio. This means that we are steadily and gradually refining our investment strategy. Our active and interdisciplinary management approach has proven its value and will remain a central element of our strategy in the coming years. The changing demands on residential space, commercial real estate, and urban development are also constantly presenting our employees with new challenges. We are happy to tackle them! We have achieved these excellent results in collaboration with the team of Patrimonium Asset Management AG.

We would like to take this opportunity to thank our shareholders and employees for their trust and commitment. We look forward to the coming year with you.

Urdorf, 23.8.2021

Christoph Syz

Chairman of the Board of Directors

Patrimonium Urban Opportunity AG

Hanspeter Berchtold, CFA

Chief Executive Officer

Patrimonium Urban Opportunity AG

Financial year report

Evolution of the portfolio

The portfolio currently consists of 9 properties. During the year under review, Patrimonium Commercial Opportunity I AG (“PCOI” or the “Company”) acquired a new commercial property in Bussigny, at Chemin de la Rente 26, as well as an office building in Geneva, at La Voie-Creuse 16. The latter was taken over in a quasi-merger operation with a real estate company called PROTIR SA.

During the reporting period, major investments were undertaken in the building at La Voie-Creuse 16, Geneva, owned by Protir SA, in order to re-let the vacant spaces.

In the year under review, investment properties increased from CHF 121.0 million (31.12.2019) to CHF 207.8 million as of 31.12.2020.

At the end of the year, based on market values, the allocation structure is as follows: office properties represent 51% of the portfolio, retail properties 24%, and industrial properties 25%.

The weighted average unexpired lease term (WAULT) reached 5.54 years at the end of 2020. WAULT for the 10 main tenants rose to 6.20 years.

In the last 12 months the portfolio became further diversified. Out of all the tenants, the 10 largest tenants contribute to 70% of total income. RRG Suisse AG (21.5% of total rents), Etat de Vaud (15.7% of total rents), Renault Suisse AG (12.5%), International Road Transport Union (11.1% of total rents), and Servier (Suisse) SA (2.1% of total rents) are now amongst the 10 main tenants. The vacancy rate increased from 3.11% to 30.57% during the reporting period. This change is mainly attributable to the newly acquired properties. The assets in Geneva and Bussigny were taken over during summer 2020 with significant vacancy. Since the acquisition of the new properties, the management team signed new leases for more than 20'000 sqm of rentable surfaces. Hence, the vacancy rate will drop substantially over the upcoming months. Based on today's signed leases, we expect a reduction of vacancy rates in Geneva Voie Creuse from 28% to 14.3% and Bussigny Chemin de la Rente from 85% to 9.8%. So, with these newly signed contracts, the vacancy rate of the overall portfolio will drop to 10.1% over the coming months. There is a major time lag between the signing of the leases, the installation of the fit-out of the new tenants, and the beginning of the leases.

New acquisitions

In September 2020, Patrimonium Commercial Opportunity I AG acquired an office building in Bussigny. The property, built in 2008, is well located, close to highway access and to public transport. The lettable area is 11'546 sqm with 276 parking spaces. The building is currently being rehabilitated to host a high school and a nursery. The main new tenant is the Canton de Vaud, which signed a 10-years rental contract for about 9'000 sqm. Furthermore, a 20-years lease for roughly 1'000 sqm with the Municipality of Bussigny is awaiting sign-off. With these two new tenants, the vacancy rate of the building will decrease from 85% to 9.8%. Last but not least, discussions with potential tenants are ongoing and we are confident to rent out the remaining surfaces in the coming months.

In 2020, Patrimonium Commercial Opportunity I AG took over PROTIR SA, a real estate company that owns an office building in Geneva. Built in 1967, the building is very well located in the international district in Geneva. The total rental area of the building is 14'878 sqm. There is a ground lease on the plot with Swiss Federal Railways until 31.12.2061. Also, thanks to an active asset management approach, we managed to sign various new leases and the vacancy rate will decrease from 28% to 14.3%. Investments have been done towards the refurbishment of vacant areas. Other investments will be concluded for new technical installations (air cooling, ventilation, photovoltaics, electric blinds) and regarding the treatment of carbonatation on facades.

Development projects

Patrimonium Commercial Opportunity I AG is developing a project on the plot No. 2102, in Bussigny, close to Lausanne. The property is located in the industrial zone of Bussigny close to the Bussigny train station. There is a vacant lot on the property. The project involves the construction of an office building with 4 floors above ground and a basement, with a total area of 2'900 sqm. A building permit is in preparation. We expect construction to start at the beginning of 2022. The total investment is estimated at CHF 12 million.

The property in Glattbrugg has important construction reserves. The company is planning a construction project with 23'189 sqm net floor area and 268 parking spaces. A first building permit for 140 apartments, 384 student flats and about 7'500 sqm of commercial space was applied for. This building permit became legally binding on 04.03.2021. Currently, the entire site is leased with a long-term contract to Renault Retail Group Schweiz AG (RRG). At the moment, the management is negotiating with RRG for a replacement of RRG's current operations to another site in the region. The construction will begin, once an agreement with RRG is reached and the plot is vacated. For the moment, negotiations are ongoing. A development agreement has been concluded with Halter AG, Zurich. As soon as an agreement has been found with RRG, a TU contract will be concluded. Total investment of about CHF 170 million is projected.

After completion of these two construction projects in Opfikon and Bussigny, the portfolio will be further diversified and have a large residential portion.

Financing and shareholder's equity

On 31 December 2020, bank loans represented about CHF 102 million. The Loan-to-Value-ratio reached 49%. The weighted average interest rate amounted to 1.23% per 31 December 2020. As part of the quasi-merger transaction with PROTIR SA, mortgages at CIC bank with fixed rate until November 2028 were taken over. At the end of the year 2020, an additional financing of CHF 15 million was completed with the bank CIC to refinance the newly acquired building in Chemin de la Rente 26, Bussigny. Short term financial liabilities of CHF 1 million consist of a convertible loan from Wider SA, seller of the property in Chaux 5, Bussigny, who can receive reimbursement in cash or in shares. The interest rate for this convertible loan is 4%.

During the period under review, the investor's loans for a total amount of CHF 30 million were swapped into equity. Additionally, due to the transaction with PROTIR SA, 8'001'266 new shares were issued. Patrimonium Commercial Opportunity I AG share capital is set at CHF 38'101'266 per

31.12.2020. The net asset value of PCOI per 31.12.2020 is CHF 95'860'804. The NAV per share amounts to CHF 2.52.

Evolution of rents and expenses

As of 31 December 2020, annualized rental income amounted to CHF 8.6 million compared to CHF 4.9 million on 31 December 2019. The increase of rental income resulted from the acquisition of two additional properties and several new lease agreements closed in the reporting period.

The measures ordered by the Federal Council and the effects of the COVID-19 pandemic have slightly affected the tenants of the portfolio. Rent deferral agreements were preferred to overgratuity of rent. PCOI's portfolio is sustainably positioned in terms of sectors, uses, location and tenant mix, and possesses little exposure to sectors at risk.

Operating expenses include "property expenses" and "other operating expenses". Property expenses amounted to 15.3% of the potential rental income. Maintenance and renovation costs which are part of property expenses amounted to 3.4% of the potential rental income. The buildings are in good condition with regular refurbishments. The "other operating expenses" amount to 12.6% of the potential rental income and are mainly the management fee paid to Patrimonium Asset Management AG for their asset management mandate.

The operating margin (EBIT) for 2020 is 88%, compared to 83% for 2019.

The net result for the period under review amounts to CHF 20.9 million (2019: CHF 4.9 million). Revaluation of investment properties and mainly Chemin de la Rente 26 in Bussigny, have positively impacted the net result. Total revaluation of investment properties amounted to CHF 21.6 million (2019: CHF 2.2 million).

Evolution of market value

All properties were evaluated on the 31.12.2020 by the independent appraiser Wüest Partner AG. The development projects have not been valued. The discount rates used in the appraiser's valuations for the investment properties range from 3.2% to 3.7% in real terms for the reporting year 2020. All properties increased in value.

The total value of the portfolio as of 31 December 2020 sums up to CHF 207.8 million, an increase of CHF 86.8 million compared to 31 December 2019. The change in value primarily relates to the new acquisitions in Bussigny and Geneva. Moreover, a large part of the increase is due to the revaluation result of CHF 21.6 million.

The effects of COVID-19 on the transaction market are currently difficult to assess. However, a cautious attitude can be observed on both the buyer's and the seller's side. In our view, Patrimonium Commercial Opportunity I AG has sufficient financial resources and a secured credit facility to effectively manage this crisis, as well as to take advantage of interesting opportunities as and when they arise. The company's goal remains to maintain a healthy mix of stable rental income, value creation, and risk in order to achieve the required return.

Portfolio

Patrimonium Commercial Opportunity I AG owns real estate properties in very well interconnected urban districts with high potential of development. The properties are mainly located in 3 urban areas: Geneva, Lausanne, and Zürich. The buildings are leased to various tenants with mid-term leases. These 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 Commercial Opportunity I AG will pursue a policy of opportunistic growth.



Avenue de Mategnin 5,
Meyrin (GE)



Rte St. Julien 180,
Plan les Ouates (GE)



Voie-Cresue 16,
La Voie-Creuse (GE)



Bergermoosstrasse 4,
Urdorf (ZH)



Thurgauerstr. 101, 103
Glattbrugg (ZH)



Arc-en-Ciel 9,
Crissier (VD)



Rte. de la Chaux 3-5,
Bussigny (VD)



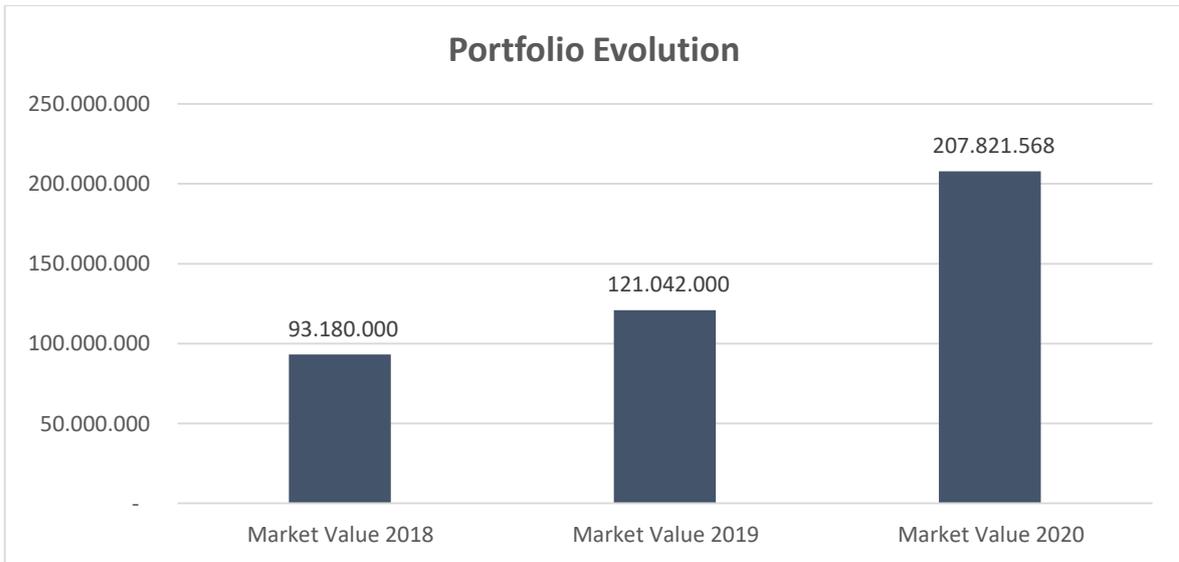
Chemin de la Rente 26,
Bussigny (VD)

Key figures

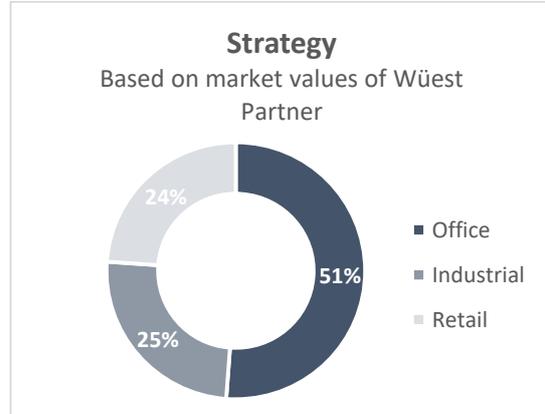
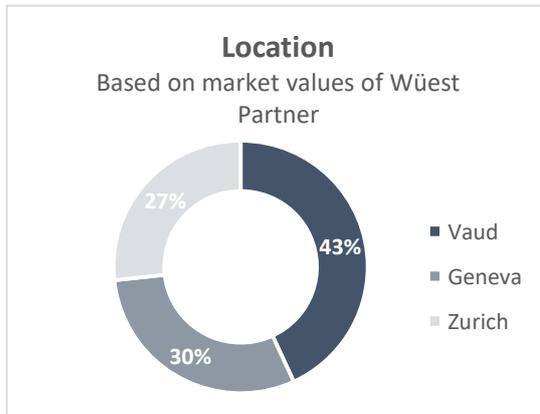
31.12.2020

Number of properties	9
Rental area (sqm)	78'974
Potential Rental income (CHF)	12'633'152
Market value (CHF)	207'821'568
WAULT (years)	5.54
Vacancy rate	30.57%
Plot area (sqm)	138'470
Rent per sqm (CHF)	160
Number of parking spaces	1'340

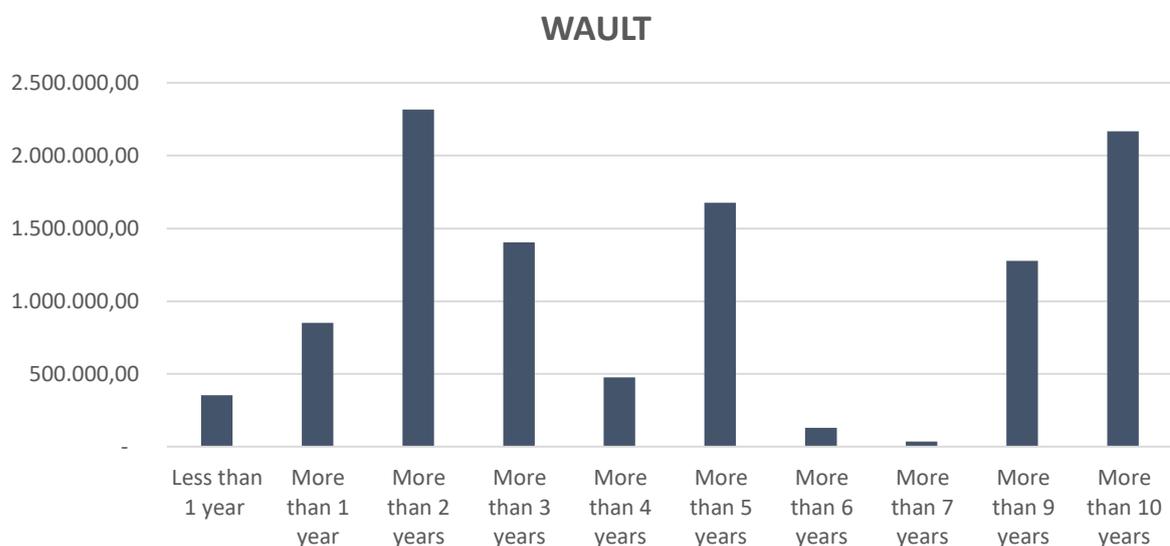
Market value evolution in CHF



Allocation of the portfolio



Lease terms



The average WAULT of the portfolio is 5.54 years.

Main tenants (31.12.2020)

Nb.	City	Address	Tenant	Annual rent	Maturity	% Total rent
1	Glattbrugg, Meyrin, Plan-les-Ouates	Thurgauerstrasse 103, Route St-Julien 180, Avenue de Mategning 3-5	RRG Suisse SA	2.299.902	30/04/2023	21,5%
2	Bussigny	Chemin de la Rente 26	Etat de Vaud	1.679.780	31/08/2031	15,7%
3	Urdorf	Bergmoostrasse 4	Renault Suisse SA	1.340.916	30/04/2026	12,5%
4	Geneva	Voie-Creuse 16	International Road Transport Union	1.181.341	31/05/2024	11,1%
5	Bussigny	Route de la Chaux 5	Wider SA	950.000	31/12/2029	8,9%
6	Geneva	La Voie-Creuse 16	Let's Go Fitness Sàrl.	359.628	31/03/2025	3,4%
7	Geneva	La Voie-Creuse 16	Geneva Business School SA	336.504	30/09/2026	3,1%
8	Geneva	La Voie-Creuse 16	Swiss Gun Center (SGC) SA	258.600	28/02/2036	2,4%
9	Geneva	La Voie-Creuse 16	Swiss Security Holding Group	229.250	31/01/2031	2,1%
10	Geneva	La Voie-Creuse 16	Servier (Suisse) SA	226.800	15/09/2030	2,1%

Total annual rent main tenants	8.862.722	70,15%
Total annual rents (SOLL)	12.633.152	
Vacancy rate on portfolio	3.862.523	30,57%
WAULT of 10 main tenants	6,20	

List of properties currently in development

In CHF	31.12.2020
Bussigny college	37'500'000
PEC Collège de Bussigny	304'550
PEC Glattbrugg	268'991
PEC Arc-en-Ciel 9	24'026
Total properties under development	38'097'568

List of properties

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

City	Address	Plot area	Rental area	Nb of parking spaces	Discount rate	Market value	Actual income	Target rental income
Glattbrugg	Thurgauerstrasse 103	11'036	8'223	140	3.20%	29'778'991	1'290'872	1'290'872
Urdorf	Bergermoosstrasse 4	28'586	11'908	296	3.50%	25'640'000	1'340'916	1'340'916
Meyrin	Avenue de Mategnin 3-5	6'362	4'656	140	3.60%	8'786'000	499'521	499'522
Plan-les-Ouates	Route de Saint-Julien 180	8'779	3'102	150	3.60%	11'020'000	509'508	509'508
Crissier	Avenue de l'Arc-en-Ciel 9	24'389	16'420	187	3.60%	25'944'027	971'491	1'525'153
Bussigny	Chaux 3 / Mochettaz 5	4'400	1'721	40	3.70%	5'958'000	310'524	310'524
Bussigny	Route de la Chaux 5	9'663	6'520	65	3.70%	19'950'000	950'000	950'000
Geneva	La Voie-Creuse 16	7'295	14'878	46	3.50%	42'940'000	2'655'941	3'706'657
Bussigny	Chemin de la Rente 26	37'960	11'546	276	3.40%	37'804'550	53'855	2'500'000
TOTAL		138'470	78'974	1'340	3.53%	207'821'568	8'582'628	12'633'152

Report of the independent appraiser



Patrimonium Commercial Opportunity I AG

Brief Report of Property valuers as at December 31, 2020

1 Mandate

The valuations of the properties in the Patrimonium Commercial Opportunity I AG (PCOI) as of December 31, 2020 were carried out by Wüest Partner AG. The valuations of the properties in the existing portfolio are updated annually.

The valuations are based on continuation scenarios, without taking into account potential additional building rights or redevelopment of existing sites. PCOI AG was responsible for the collection and transmission to the experts of the current documents of the properties to be valued.

2 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 event 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 market value.

In accordance with the mandate, the valuations are based on continuation scenarios.

3 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.

4 Independence and privacy

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

Geneva, 1st of June 2021

Wüest Partner AG

Andreas Ammann (Partner)

Favre François-Xavier (Manager)

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Regulated by RICS

Corporate Governance

The following information refers to the situation as of 31st December 2020, or to the year under review (2020). In view of the projected listing of the Company at the BX Swiss AG (Bernese Stock Exchange), the structure of the Company will be slightly amended, particularly as regards the Company's General Management function, in order to comply with specific legal provisions which apply to companies listed on a stock exchange.

Patrimonium Commercial Opportunity I AG understands corporate governance as the way in which it organizes corporate management. The balance between an efficient decision-making process, transparent and open communication as well as the continuous and careful review of company goals ensures value creation and long-term oriented corporate success for all Patrimonium Commercial Opportunity I AG stakeholders.

Structure

Patrimonium Commercial Opportunity I AG is incorporated under the laws of Switzerland, with its registered office in Urdorf. Patrimonium Commercial Opportunity I AG counts one 100% subsidiary, PROTIR SA, which owns a commercial building in the city of Geneva. PROTIR SA is incorporated under the laws of Switzerland, with its registered office in Geneva.

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

Group structure:



**PROTIR SA is not listed.*

Organization and corporate governance

Board of directors

The Board of Directors of the Company is adapted for the management of its holdings and relations with its share- and stakeholders. Its members cover the necessary financial and legal skills and share in-depth knowledge of real estate. As at 31.12.2020, the Board of Directors was composed of the following 5 members.

Name	Function	Year of birth	Nationality	First elected
Christoph Syz	President	1967	Swiss	01.10.2010
Daniel Heine	Member	1967	Swiss	01.10.2010
Ueli Burkhard	Member	1961	Swiss	01.10.2010
Arne Kirchner	Member	1967	Swiss	01.10.2010
Patrice Crisinel	Member	1976	Swiss	13.08.2020

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

In 2020, the Board of Directors met four times. The average attendance at the Board meetings was 100% and the average meeting duration was 1.4 hours. During its meetings, the Board reviews the activities of the Company with reference to operating reports. Meetings are prepared by the Chairman and the CEO. The CEO and/or individuals representing Patrimonium Asset Management AG, 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.

General Management

Management and Direction

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.

Chief Executive Officer (CEO): Hanspeter BERCHTOLD	
Business address	Patrimonium Urban Opportunity AG c/o Patrimonium Asset Management AG Zugerstrasse 74, 6340 Baar
Function	Chief Executive Officer
Activity	Coordination within the framework of the duties of a chief executive officer
Principal activities outside the issuer, if significant to the issuer	Employed by Patrimonium Asset Management AG ("PAM"), Head of Real Estate Developments and Chairman of the Real Estate Investment Committees at PAM

The Company delegates the 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 AG. The Company has concluded a service agreement with Patrimonium Asset Management AG for this purpose. In view of the projected listing of the Company at the BX Swiss AG (Bernese Stock Exchange), a new management agreement will be made with PAM by which the Company will delegate the Asset Management function to PAM as, for listed companies, the General Management function may only be delegated to natural persons.

Reporting to the Board of Directors

The management team, which 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.

Shareholding structure

All significant shareholders who are known to Patrimonium Commercial Opportunity I AG, 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.

<u>Shareholders</u>	<u>Shareholdings (%)</u>
Martin Otto Pestalozzi, Zürich	29.98%
Viatrans SA, Geneva	21.00%
Chrometech Investment Ltd., Mauritius	14.76%
Marlborough Business SA, Panama	5.95%
Springvale Entreprises Ltd., Virgin Islands	5.95%
Avni Orllati, Mex	5.25%
Patrimonium AG, Baar	4.52%

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.

Capital structure

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

	Number of shares	Nominal value	Total share capital
Share capital	38'101'266	CHF 1.-	CHF 38'101'266
Conditional share capital	19'050'633	CHF 1.-	CHF 19'050'633
Authorized share capital	19'050'633	CHF 1.-	CHF 19'050'633

Conditional and authorized capital

Following the approval of the shareholders at the extraordinary general meeting on 11 August 2020 the Board of Directors is authorized, until 11 August 2022, 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 on page 24 (see "consolidated statement of changes in equity")

Remuneration report

The 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.
- There isn't any variable compensation for individuals participating in the Company's management / or is set at a moderate level.

In 2020 total board member compensation was CHF 6'000.-. The compensation of the CEO is covered by the asset management agreement with Patrimonium Asset Management AG.



Bergermoosstrasse 4, Urdorf

Consolidated financial statements (in Swiss GAAP FER)

Auditor's report on the consolidated financial statements



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BDO Ltd
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8031 Zurich

Auditor's Report to the Board of Directors on the consolidated financial statements of Patrimonium Commercial Opportunity I AG in Urdorf

In accordance with your instructions, we have audited the accompanying consolidated financial statements of Patrimonium Commercial Opportunity I AG, which comprise the consolidated balance sheet as at 31 December 2020, and the consolidated income statement, consolidated statement of cash flows, consolidated statement of changes in equity and notes for the year then ended.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of these consolidated financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control system relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the existence and effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2020 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law.

Zurich, 2 June 2021

BDO Ltd

Urban Pürro
Swiss Certified Accountant

David Schraner
Swiss Certified Accountant

Consolidated Balance Sheet

In CHF	Note	31.12.2020	01.01.2020
Cash and cash equivalents	4.1	4.019.052	167.215
Trade receivables	4.2	306.220	13.373
Other receivables	4.3	2.332.339	192.158
Accrued income and prepaid expenses	4.4	1.353.632	13.920
Total current assets		8.011.242	386.666
Financial assets	4.5	2.000.000	-
Investment properties	4.6	207.821.568	121.042.000
Total non-current assets		209.821.568	121.042.000
TOTAL ASSETS		217.832.810	121.428.666
In CHF	Note	31.12.2020	01.01.2020
Current financial liabilities	4.7	5.535.000	3.250.000
Trade payables	4.8	920.669	140.666
Other current liabilities	4.9	407.178	373.466
Accrued expenses and deferred income	4.10	3.085.731	1.422.969
Total current liabilities		9.948.578	5.187.101
Non-current financial liabilities	4.7	97.873.125	87.330.000
Deferred tax liabilities	4.11	14.150.303	5.720.287
Total non-current liabilities		112.023.428	93.050.287
Share capital	4.12	38.101.266	100.000
Capital reserves		9.219.355	-
Retained earnings		48.540.183	23.091.278
Shareholders' equity		95.860.804	23.191.278
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		217.832.810	121.428.666

Consolidated Income Statement

In CHF	Note	01.01.2020- 31.12.2020
Rental income		8.582.629
Other operating income		425.855
Operating income	3.1	9.008.484
Revaluation of investment properties	4.6	21.611.809
Property expenses	3.2	-1.938.594
Other operating expenses	3.3	-1.588.347
Operating expenses		-3.526.941
Operating income (EBIT)		27.093.353
Financial result	3.4	-1.064.178
Income before taxes (EBT)		26.029.175
Income tax expense	3.5	-5.124.068
Net income		20.905.107

Consolidated Statement of Cash Flow

(in CHF)	2020
Net income	20.905.107
Change from revaluation of investment properties	-21.611.809
Change in trade receivables	-250.002
Change in other receivables	-1.917.853
Change in accrued income and prepaid expenses	-1.193.156
Change in trade payables	854.947
Change in other current liabilities	-316.822
Change in deferred income tax liabilities	5.025.705
Change in accrued expenses and deferred income	1.576.895
Other non-cash items affecting net income	1.084
Cash flow from operating activities	2.824.092
Investment in properties	-23.200.675
Investment in financial assets	-2.000.000
Cash flow from investing activities	-25.200.675
Capital increase (Acquisition of PROTIR)*	3.408.419
Cash inflows / outflows from financial liabilities (net)	22.820.000
Cash flow from financing activities	26.228.419
Change in cash and cash equivalents	3.851.836
Cash and cash equivalents at the beginning of the financial year	167.215
Cash and cash equivalents at the end of the financial year	4.019.052
Change in cash and cash equivalents	3.851.836

*The cash and cash equivalents of PROTIR SA as at the date of acquisition is CHF 3'408'719.

Non liquidity-related investing and financing activities:

A capital increase by offsetting existing loans in the amount of CHF 30'000'000 has been carried out.

In the context of the acquisition of PROTIR, the purchase price for 100% shares of PROTIR has been settled with newly issued own shares of PCOI (refer to 2.1).

Consolidated Statement of Changes in Equity

in KCHF	Share capital	Capital reserves	Retained earnings	Total shareholders' equity
Balance on 01.01.2020	100.000	0	23.091.278	23.191.278
Capital increase (Acquisition of PROTIR)	8.001.266	9.219.355	0	17.220.621
Capital increase (loan conversion)	30.000.000	0	0	30.000.000
Acquisition (badwill)	0	0	4.543.798	4.543.798
Net income	0	0	20.905.107	20.905.107
Balance on 31.12.2020	38.101.266	9.219.355	48.540.183	95.860.804

Notes to the consolidated financial statements

General information

Patrimonium Commercial Opportunity I SA (PCOI, the “Company”) and its subsidiary PROTIR SA (together “PCOI group”) operate in Switzerland. The purpose of the group is to purchase, sell, lease and manage real estate in Switzerland.

The Company is a limited company incorporated and domiciled in Switzerland. The address of its registered office is Bergermoosstrasse 4, 8902 Urdorf.

PROTIR SA, “PROTIR”, is a limited company incorporated and domiciled in Switzerland. PROTIR is held 100% by PCOI. The address of its registered office is La Voie-Creuse 16, 1202 Genève.

Corporate accounting principles – Significant accounting policies

General

These consolidated financial statements provide a true and fair view of PCOI group 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 consolidated financial statements are based on the financial statements of Patrimonium Commercial Opportunity I SA and its subsidiary for the year ended 31 December, prepared in accordance with uniform corporate accounting principles. The consolidated financial statements have been prepared on the basis of the historical cost principle, except for the investment properties which are measured at market value.

The preparation of the consolidated 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 later are affected by the revised estimates.

The Company has acquired a subsidiary in 2020 (PROTIR), the PCOI group issues consolidated financial statements as at 31 December 2020 for the first time. The comparative numbers of the balance sheet as at 1 January 2020 equal to the standalone numbers of PCOI as at 31 December 2019.

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

Scope and principles of consolidation

The consolidated financial statements of PCOI group comprise PROTIR as the sole subsidiary. The full consolidation method is applied, where assets, liabilities as well as income and expenses are included at 100 per cent in the consolidated accounts.

Entity	Activity	Location	Functional currency	Consolidation method	Held (%)	Interest (%)
PROTIR SA	Ownership and management of real estate	Switzerland	CHF	Full consolidation	100	100

Intercompany balances and transactions are fully eliminated upon consolidation. Gains and losses arising from intercompany transactions are eliminated in full.

The acquisition cost of subsidiary is compared at the time of acquisition against the market value of the net assets acquired, liabilities and contingent liabilities based on their new valuation with the PCOI group principles and the resulting goodwill/badwill is offset at the time of acquisition against shareholders' equity (retained earnings).

On 30 January 2020, the Company and the former shareholder of PROTIR entered into a quasi-merger agreement whereby PROTIR's shareholder contributed all of its 5'000 shares, in exchange for new 8'001'266 shares of PCOI. The exchange of shares was made based on the Swiss GAAP FER carrying amounts of PROTIR effective on 1 January 2020.

Assets and liabilities of PROTIR as at acquisition date

The acquired assets and liabilities of PROTIR at acquisition date included the following revalued items:

In CHF	01.01.2020	In CHF	01.01.2020
Cash and cash equivalents	3.408.719	Trade payables	-18.205
Trade receivables	42.845	Other current liabilities	-257.387
Other receivables	4.222.327	Accrued expenses and deferred income	-85.866
Accrued income and prepaid expenses	146.556	Total current liabilities	-361.457
Total current assets	7.820.447	Non-current financial liabilities	-20.000.000
Financial assets	3.988.712	Deferred tax liabilities	-3.404.311
Investment properties	41.960.000	Total non-current liabilities	-23.404.311
Total non-current assets	45.948.712	Shareholders' equity	-30.003.391
TOTAL ASSETS	53.769.159	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	-53.769.159

Segment information

The group'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.

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 recognised on an accrual basis over the period in which the service is provided.

Other operating income

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

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.

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.

Financial result

The item consists the net result of interest income deducted by the interest expenses for mortgages and loans as well as other financing fees and charges.

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 recognised.

Cash and cash equivalents

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

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 from current accounts and deposits valued at nominal value. Allowances for doubtful receivables are established individually based on maturity structure and identifiable solvency risks.

Accrued income and prepaid expenses

Prepaid expenses include expenses paid in advance for the following reporting period as well as deferred income from the reporting period not invoiced yet at balance sheet date.

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.

Investment properties and properties under development

Investment properties serve for long-term investment purposes are measured at market value in accordance with Swiss GAAP FER 18. 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 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. From that date on, properties under development are valued the same as investment properties. 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 construction cost for properties under development include borrowing cost which can be allocated to the project.

Impairment

The recoverable amount of non-current assets 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.

Financial liabilities

Financial liabilities comprise 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.

Trade payables and other liabilities

Trade payables and other liabilities are recognised at nominal value.

Accrued expenses and deferred income

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

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.

Notes to the consolidated income statement

Rental income

In CHF	2020
Rental income Geneva	2.655.941
Rental income Urdorf	1.340.916
Rental income Glattpark	1.290.872
Rental income Bussigny (La Chaux 5 et 7)	1.260.524
Rental income Crissier	971.491
Rental income Plan les Ouates	509.508
Rental income Meyrin	499.521
Income from other properties	53.855
Other operating income	425.855
Operating income	9.008.484

The other operating income mainly corresponds to re invoicing of expenses to tenants. All the revenue is generated in Switzerland.

Property expenses

In CHF	2020
Maintenance and renovation costs	426.280
Energy / water costs	388.438
Property tax	349.160
Building lease costs	161.610
Insurance costs	141.437
Building costs	125.835
Caretaker costs	116.927
Administrative costs	102.961
Other costs	125.945
Total direct costs	1.938.594

Other operating expenses

In CHF	2020
Management fees	1.354.403
Legal fees	130.688
VAT costs	69.160
Audit fees	30.025
Other operational costs	4.071
Total operational costs	1.588.346

Financial result

In CHF	2020
Other financial income	62.877
Total financial income	62.877
Mortgage interests	1.064.851
Loan interests	20.326
Bank fees and charges	41.878
Total financial expenses	1.127.055
Total financial result	1.064.178

Income tax expense

In CHF	2020
Current income taxes	98.363
Deferred income taxes	5.025.705
Total income tax expense	5.124.068

Income tax reconciliation

In CHF	2020
Income before tax (EBT)	26.029.175
Average tax rate	19,75%
Expected tax expense	5.140.801
Other effects	16.733
Effective income tax expense	5.124.068

The 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.

Notes to the consolidated balance sheet

Cash and cash equivalents

In CHF	31.12.2020	01.01.2020
Cash at banks	4.019.052	167.215
Total cash and cash equivalents	4.019.052	167.215

Trade receivables

In CHF	31.12.2020	01.01.2020
Account receivables, gross	345.877	13.373
Bad debt provision allowances	-39.657	0
Total trade receivables	306.220	13.373

Trade receivables are only composed of third-party receivables (commercial and private tenants). The increase in the position is mainly relative to PROTIR SA and is due to COVID pandemic context.

Other receivables

In CHF	31.12.2020	01.01.2020
Current account - Bussigny college	1.884.753	0
Current account with property managers	393.095	170.502
VAT receivables	46.402	0
Tax receivables	8.089	21.657
Total other receivables	2.332.339	192.158

Other short-term receivables are mainly made of advance payments for CHF 1.9 million for Bussigny college and other receivables from property managers for an amount of CHF 0.4 million.

Accrued income and prepaid expenses

In CHF	31.12.2020	01.01.2020
Leasing fee	904.564	0
Loan interests to receive	172.273	0
Accrued income to tenants	134.000	0
Prepaid VAT	63.236	0
Rent paid in advance	42.711	0
Insurance prepaid expenses	27.352	4.657
Others	9.496	9.262
Total accrued income and prepaid expenses	1.353.632	13.920

Financial assets

The financial assets represent a payment in the amount of CHF 2 million performed on the basis of the "Repayment and Assignment Agreement" for the purpose of acquiring a property.

Investment properties and properties under development

In CHF	Properties	Properties under development	TOTAL investment properties
Opening balance as at 01.01.2020	121.042.000	-	121.042.000
Reclassifications	7.084	-	7.084
Additions	952.258	22.248.416	23.200.675
Disposals	-	-	-
Change in scope of consolidation	41.960.000	-	41.960.000
Revaluations of properties	5.762.658	15.849.152	21.611.809
Closing balance as at 31.12.2020	169.724.000	38.097.568	207.821.568

The discount rates used in the appraiser's valuations for the investment properties ranged from 3.2% to 3.7% in real terms for the reporting year 2020.

The properties currently under development are split as follows:

In CHF	31.12.2020	01.01.2020
Bussigny college	37.500.000	-
PEC Collège de Bussigny	304.550	-
PEC Glattbrugg	268.991	-
PEC Bussigny 31	24.026	-
Total properties under development	38.097.568	-

Financial liabilities

In CHF	31.12.2020	01.01.2020
Convertible loan	1.000.000	1.000.000
Bank loans - current	4.535.000	2.250.000
Bank loans - non-current	97.873.125	87.330.000
Total financial liabilities	103.408.125	90.580.000

	Currency	Nominal amount as at 31.12.20	Interest rate	Start date	End date	< 1 year	> 1 year
Convertible loan	CHF	1.000.000	4%	30.06.2020	31.12.2021	1.000.000	
Bank loan 1	CHF	15.000.000	1,30%	28.12.2020	28.12.2021	735.000	14.265.000
Bank loan 2	CHF	58.400.000	0,85%	27.01.2020	01.02.2021	3.000.000	55.400.000
Bank loan 3	CHF	15.000.000	2,32%	28.11.2018	28.11.2028		15.000.000
Bank loan 4	CHF	5.000.000	2,26%	21.12.2018	28.11.2028		5.000.000
Bank loan 5	CHF	9.008.125	1,30%	06.08.2020	01.02.2021	800.000	8.208.125
Total loans		103.408.125	1,23%			5.535.000	97.873.125

Bank loans have been granted with a weighted average interest rate of 1.23%.

The convertible loan has been contracted with an average rate of 4.00%.

In CHF	31.12.2020	01.01.2020
Fair value of affected investment properties	207.224.000	121.042.000
Nominal value of pledged mortgage notes	162.100.000	80.600.000
Current claim (nominal)	102.408.125	59.580.000

Trade payables

In CHF	31.12.2020	01.01.2020
Trade payables - third parties	59.770	140.666
Trade payables - related parties	860.899	0
Total Trade payables	920.669	140.666

Trade payables are mainly composed of payables to related party companies for 861 KCHF whereof management fees for 326 KCHF and transaction fees for 535 KCHF.

Other current liabilities

In CHF	31.12.2020	01.01.2020
VAT liabilities	74.623	37.565
Liabilities to other third parties	280.648	0
Liabilities to related parties	0	275.150
Rent paid in advance	51.907	60.751
Total Trade payables	407.178	373.466

Accrued expenses and deferred income

In CHF	31.12.2020	01.01.2020
Accrued expenses	2.970.568	994.277
<i>Bussigny college project</i>	<i>1.876.620</i>	<i>0</i>
<i>to other third parties</i>	<i>489.153</i>	<i>902.277</i>
<i>to related parties</i>	<i>604.795</i>	<i>92.000</i>
Accrued tax	95.163	91.191
Accrued interests on loans	20.000	337.501
Total accrued expenses	3.085.731	1.422.969

The increase in accrued expenses is linked to the project Bussigny college. The property manager has the mandate to perform the conversion of the building and makes call for funds to the owner (PCOI) and the tenant (Etat de Vaud) and pay the bills for the conversion work.

Deferred tax assets and liabilities

In CHF	31.12.2020	01.01.2020
Investment properties	14.150.303	5.720.287
Total deferred income tax liabilities	14.150.303	5.720.287

Shareholders' equity

Patrimonium Commercial Opportunity I SA share capital is set at CHF 38'101'266 represented by 38'101'266 registered shares with a par value of CHF 1 each. The movements in the share capital during the year are the following:

In CHF	
Authorised and conditional capital as at 01.01.2020	100.000
Appropriation of capital due to investors loan conversion	30.000.000
Appropriation of capital due to quasi-merger with PROTIR	8.001.266
Authorised and conditional capital as at 31.12.2020	38.101.266

Transaction with related parties

All relevant asset management tasks are contractually delegated to a specialized FINMA-approved asset manager. The asset manager perceived as remuneration for 2020 an annual management fee amounted to 907 KCHF.

Besides, a one-off transaction fee in the amount of 420 KCHF was paid for the purchase of PROTIR and another transaction fee of 77 KCHF was paid for the acquisition of Bussigny college.

Commitments and contingent liabilities

Commitments

PROTIR owns a permanent building right registered as an easement on plots 3696 and 3697 at 16 rue de la Voie-Creuse in Geneva. The owner of the land are the Swiss Federal Railways (SBB). The building lease was extended on 5 October 2009 until the end of 2061. PROTIR acquired the building constructed under the building lease at the time of incorporation in 2020 for 24 MCHF. The total commitment until the end of the contract is the following:

In CHF	< 1 year	1-5 years	> 5 years	Total
Building lease	156.060	624.240	5.618.160	6.398.460
Total commitment	156.060	624.240	5.618.160	6.398.460

Contingent liabilities

In connection with the acquisition of a property, a commission of 1 MCHF may be payable to a third party company. Another commission of up to 1.7 MCHF on future rental income may also be payable to a third party.

Other information

It is intended to list the company on the Bern Stock Exchange in the calendar year 2021. For this reason, the accounting was adapted to Swiss GAAP FER. Furthermore, the commercial name of the company and its bylaws are to be updated in the course of this strategy (Patrimonium Commercial Opportunity I SA is renamed Patrimonium Urban Opportunity SA).

Events after the balance sheet date

These consolidated financial statements were approved by the Board of Directors and the General Assembly in June 2021.

On the 17.8.2021, the commercial register of the Canton of Zurich approved the new company name Patrimonium Urban Opportunity AG and the updated bylaws.

Annual financial statements of PCOI AG

Report of statutory auditor (BDO)



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8031 Zurich

Report of the statutory auditor on the limited statutory examination to the general shareholders' meeting of

Patrimonium Commercial Opportunity I AG, Urdorf

As statutory auditor, we have examined the financial statements (balance sheet, income statement and notes) of Patrimonium Commercial Opportunity I AG for the financial year ended 31 December 2020.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the company's articles of incorporation.

Zurich, 2 June 2021

BDO Ltd

Urban Pürro

Licensed Audit Expert

David Schraner

Auditor in Charge
Licensed Audit Expert

Balance Sheet

ASSETS (in CHF)	AKTIVEN (in CHF)	Anhang	31/12/2020	31/12/2019
Cash and cash equivalents	Flüssige Mittel		1.408.502	167.215
Accounts receivables	Forderungen aus Lieferungen und Leistungen	2,1	37.317	13.373
Other current receivables	Übrige kurzfristige Forderungen		2.006.275	192.158
Accrued income and prepaid expenses	Aktive Rechnungsabgrenzungen		946.138	13.920
Current Assets	Umlaufvermögen		4.398.233	386.666
Financial assets	Finanzanlagen	2,2	2.000.000	-
Tangible fixed assets	Sachanlagen	2,3	109.143.674	91.479.794
Participations	Beteiligungen	2,4	15.989.978	-
Fixed Assets	Anlagevermögen		127.133.652	91.479.794
Total ASSETS	TOTAL AKTIVEN		131.531.884	91.866.460

LIABILITIES	PASSIVEN			
(in CHF)	(in CHF)	Anhang	31/12/2020	31/12/2019
Trade payables	Verbindlichkeiten aus Lieferungen und Leistungen	2,5	916.343	140.666
Short-term interest-bearing liabilities	Kurzfristige verzinsliche Verbindlichkeiten	2,6	4.735.000	2.250.000
Other short-term liabilities	Übrige kurzfristige Verbindlichkeiten	2,7	214.156	1.098.316
Accrued expenses and deferred income	Passive Rechnungsabgrenzungen	2,8	2.824.821	1.606.928
Short-term Provisions	Kurzfristige Rückstellungen		69.177	91.191
Short-term liabilities	Kurzfristiges Fremdkapital		8.759.497	5.187.101
Long-term interest-bearing liabilities	Langfristige verzinsliche Verbindlichkeiten	2,9	87.153.712	84.330.000
Long-term loan liabilities (with subordination)	Langfristige Darlehensverbindlichkeiten (mit Rangrücktritt)		-	3.000.000
	Langfristiges Fremdkapital		87.153.712	87.330.000
Share capital	Aktienkapital		38.101.266	100.000
Common Reserves	Allgemeine Reserven		-	-
Balance sheet Result	Bilanzverlust			
- Loss brought forward	- Verlustvortrag		-750.641	-540.011
- Loss of the year	- Jahresverlust		-1.731.950	-210.630
Shareholders' equity	Eigenkapital	2,11	35.618.675	-650.641
TOTAL LIABILITIES	TOTAL PASSIVEN		131.531.884	91.866.460

Income Statement

		01/01/2020	01/01/2019
(in CHF)	(in CHF)	31.12.2020	31.12.2019
Income from Real Estate	Liegenschaftenertrag	6.216.453	5.201.329
TOTAL OPERATING INCOME	TOTAL BETRIEBSERTRAG	6.216.453	5.201.329
Real Estate Expenses	Liegenschaftenaufwand	-1.646.760	-1.089.624
Other operating expenses	Übriger betrieblicher Aufwand	-922.263	-172.958
Depreciation of commercial properties	Abschreibungen auf Sachanlagen	-4.591.620	-3.451.539
EBIT	BETRIEBLICHES ERGEBNIS	-944.190	487.208
Financial income	Finanzertrag	1.819	0
Financial expenses	Finanzaufwand	-768.913	-819.748
EBT	JAHRESERGEBNIS VOR STEUERN	-1.711.284	-332.540
		0	
Direct taxes	Direkte Steuern	2,10 -20.666	121.910
LOSS OF THE YEAR	JAHRESVERLUST	-1.731.950	-210.630

Appendix

(in CHF)	31/12/2020	31/12/2019	
1	Angaben über die in der Jahresrechnung angewandten Grundsätze		
1,1	Allgemein		
	Die vorliegende Jahresrechnung wurde gemäss den Vorschriften des Schweizerischen Gesetzes, insbesondere der Artikel über die kaufmännische Buchführung und Rechnungslegung des Obligationenrechts (Art. 957 bis 962) erstellt. Die wesentlichen angewandten Bewertungsgrundsätze, welche nicht vom Gesetz vorgeschrieben sind, sind nachfolgend beschrieben.		
1,2	Sachanlagen		
	Die Bewertung von Sachanlagen erfolgt zu Anschaffungs- und Herstellungskosten abzüglich betriebswirtschaftlich notwendiger Wertberichtigungen.		
2	Angaben und Erläuterungen zu Positionen der Bilanz und Erfolgsrechnung		
2,1	Forderungen aus Lieferungen und Leistungen		
	Forderungen gegenüber Dritten	37.317	13.373
	Total Forderungen aus Lieferungen und Leistungen	37.317	13.373
2,2	Finanzanlagen		
	Patrimonium Commercial Opportunity I AG hat im Zusammenhang mit dem Erwerb einer Immobilie eine Zahlung von CHF 2 Mio. geleistet. Der Kaufvertrag wird wirksam, sobald die noch fehlenden Schuldbriefe im Umfang von CHF 6 Mio. auf die Gesellschaft übertragen worden sind.		
2,3	Sachanlagen		
	Geschäftsliegenschaft Glattpark	15.318.678	15.956.958
	Geschäftsliegenschaft Meyrin	5.316.964	5.538.504
	Geschäftsliegenschaft Plan-les-Ouates	5.986.616	6.236.060
	Geschäftsliegenschaft Urdorf	16.454.240	16.963.132
	Geschäftsliegenschaft Crissier	20.586.971	22.122.763
	Geschäftsliegenschaft Bussigny Chaux 3	5.151.389	5.513.877
	Geschäftsliegenschaft Bussigny Chaux 5	18.452.468	19.148.500
	Geschäftsliegenschaft Chemin de la Rente 26, Bussigny	21.278.780	0
	PEC Bussigny 31 (im Bau)	24.026	0
	PEC Collège de Bussigny (im Bau)	304.550	0

PEC Glattbrugg (im Bau)	268.991	0
Total Sachanlagen	109.143.674	91.479.794

Die Liegenschaften werden degressiv vom Buchwert abgeschrieben. Die Gesellschaft hat folgende Abschreibungssätze angewandt:

Geschäftsliegenschaft Glattpark	4,00%	4,00%
Geschäftsliegenschaft Meyrin	4,00%	4,00%
Geschäftsliegenschaft Plan-les-Ouates	4,00%	4,00%
Geschäftsliegenschaft Urdorf	3,00%	3,00%
Geschäftsliegenschaft Crissier	6,00%	6,00%
Geschäftsliegenschaft Chaux 3	6,00%	6,00%
Geschäftsliegenschaft Chaux 5	3,00%	0,00%
Geschäftsliegenschaft Chemin de la Rente 26, Bussigny	3,00%	0,00%

Aktivierete Transaktionskosten werden linear über 5 Jahre abgeschrieben.

2,4 Beteiligungen

Firma: PROTIR AG, Genf

Zweck: Immobiliengesellschaft

Buchwert	15.989.978	N/A
Aktienkapital	5.000.000	N/A
Kapital- und Stimmenanteil	100%	N/A

2,5 Verbindlichkeiten aus Lieferungen und Leistungen

Verbindlichkeiten gegenüber Dritten	55.444	140.666
Verbindlichkeiten gegenüber Nahestehenden	860.899	0
Total Verbindlichkeiten aus Lieferungen und Leistungen	916.343	140.666

2,6 Kurzfristige verzinsliche Verbindlichkeiten

Verbindlichkeiten gegenüber Dritten	1.000.000	0
Hypotheken	3.735.000	2.250.000
Total Kurzfristige verzinsliche Verbindlichkeiten	4.735.000	2.250.000

2,7 Übrige kurzfristige Verbindlichkeiten

Verbindlichkeiten gegenüber Dritten	214.156	1.098.316
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	davon vorausbezahlte Mieten in Höhe von	51.907	60.751
	Total Übrige kurzfristige Verbindlichkeiten	214.156	1.098.316
2,8	Passive Rechnungsabgrenzung		
	Transitorische Passiven gegenüber Dritten	397.762	1.209.252
	Transitorische Passiven gegenüber Nahestehenden	550.439	397.676
	Gebäude Renovierung, Bussigny Collège	1.876.620	0
	Total Passive Rechnungsabgrenzung	2.824.821	1.606.928
2,9	Langfristige verzinsliche Verbindlichkeiten		
	Hypotheken	69.665.000	57.330.000
	Darlehen von Dritten	0	27.286.642
	davon mit Rangrücktritt	0	2.728.664
	Darlehen von Beteiligten	0	1.620.690
	davon mit Rangrücktritt	0	162.069
	Darlehen von Nahestehenden	17.488.712	1.092.668
	davon mit Rangrücktritt	0	109.267
	Total Langfristige verzinsliche Verbindlichkeiten	87.153.712	87.330.000
2,10	Direkte Steuern		
	Die Position enthält im Geschäftsjahr 2020 Ertragssteuern (TCHF 69) und periodenfremde Steuererträge (TCHF 48). Im Vorjahr enthält die Position Ertragssteuern (TCHF 11) für die aktuelle Periode und Steuerrückerstattungen aus Einspracheverfahren (TCHF 125) betreffend den Perioden 2016/2017.		
3	Weitere Angaben		
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3,1	Vollzeitstellen		
	Die Anzahl der Vollzeitstellen im Jahresdurchschnitt lag im Berichtsjahr sowie im Vorjahr nicht über 10.		
3,2	Für Verbindlichkeiten Dritter bestellte Sicherheiten		
	Buchwert Liegenschaft Glattpark	15.318.678	15.956.958
	Grundpfandrechte nominell	20.000.000	20.000.000
	Buchwert Liegenschaft Meyrin	5.316.964	5.538.504
	Grundpfandrechte nominell	11.500.000	11.500.000
	Buchwert Liegenschaft Plan-les-Ouates	5.986.616	6.236.060

Grundpfandrechte nominell	5.400.000	5.400.000
Buchwert Liegenschaft Urdorf	16.454.240	16.963.132
Grundpfandrechte nominell	20.000.000	20.000.000
Buchwert Liegenschaft Crissier	20.586.971	22.122.763
Grundpfandrechte nominell	11.500.000	11.500.000
Buchwert Liegenschaft Chaux 3	5.151.389	5.513.877
Grundpfandrechte nominell	2.700.000	2.700.000
Buchwert Liegenschaft Chaux 5	18.452.468	19.148.500
Grundpfandrechte nominell	9.500.000	9.500.000
Buchwert Liegenschaft Chemin de la Rente 26, Bussigny	21.278.780	0
Grundpfandrechte nominell	49.500.000	0
Davon beansprucht (Fester Vorschuss CIC/UBS)	73.400.000	59.580.000

3,3 Eventualverbindlichkeiten

Im Zusammenhang mit dem Erwerb einer Immobilie (Note 2.2) kann eine Provision von CHF 1 Mio. an eine Drittfirma fällig werden.

Auf künftigen Mieteinnahmen auf einer anderen Immobilie kann ebenfalls eine Provision von maximal CHF 1.7 Mio. an eine Drittfirma fällig werden.

3,4 Wesentliche Ereignisse nach dem Bilanzstichtag

Es bestehen keine wesentlichen Ereignisse nach dem Bilanzstichtag, die Einfluss auf die Buchwerte der ausgewiesenen Aktiven oder Verbindlichkeiten haben oder an dieser Stelle offengelegt werden müssen.

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