

Press release, 19 December 2024

Novavest Real Estate AG – Successful optimisation of portfolio performance 2024

NOVAVEST Real Estate AG (SIX Swiss Exchange: NREN) announces that the successful merger with SenioResidenz AG, the completion of the new construction project in St. Gallen and the targeted conclusion of new rental contracts in 2024 have made a significant contribution to reduce vacancies. Compared to the end of 2023, the vacancy rate will be reduced from 4.1% (NOVAVEST stand-alone portfolio as at 31 December 2023) to below 3% (merged portfolio as of December 2024). At the same time, the merger, early contract extensions with existing tenants and the newly let space will also significantly increase the WAULT for commercial leases from 4.3 years (NOVAVEST stand-alone as at 31 December 2023) to around 6.9 years (merged portfolio as of December 2024).

During 2024, a number of strategic measures were taken to further increase the attractiveness of the properties and thus strengthen tenant loyalty.

Significant completion of construction projects, important contract signings and extensions:

- Completion of the development project at Rorschacherstrasse 135 in St. Gallen with corresponding reclassification to investment properties in the second half of 2024. The property is fully let with target rental income of CHF 0.6 million per annum
- Full occupancy of the property in Grenchen – thanks to 10-year leases signed with two new tenants
- Successful partial reduction of the office vacancy in Altstätten – new contract signed with a radiology centre
- Contract extensions for a total of about 20'000 m² of rental space, which corresponds to approx. 9% of the rental space of the entire portfolio and to target rental income of over CHF 5.3 million per annum. This includes significant contract extensions for the retirement and nursing homes in Reute and Presinge, as well as for the commercial properties in Dielsdorf and Richterswil (Bergstr. 16; Bodenstr. 10)

The reduction in vacancies and the increase in WAULT are decisive steps in the ongoing optimisation of the portfolio performance. They create a solid foundation for sustainable growth and reflect the long-term confidence of tenants in the quality and stability of the properties in the NOVAVEST Real Estate AG portfolio. At the same time, they also strengthen investors' confidence in the company's operational performance.

The Board of Directors and the Executive Board of NOVAVEST Real Estate AG are convinced about the strategy of the merged company, with its focus on 'Living for young and old', and are on the right track to implement the transformation process comprehensively and in a structured manner.

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NOVAVEST Real Estate AG is a Swiss real estate company based in Zurich. It focuses its activities on the management and development of properties used exclusively for residential purposes (rental apartments) and living space for the elderly generation (senior residences, care facilities), and properties for office and commercial use as well as new building projects in all these segments. The share of rental income from residential use shall strategically account for at least 50% of total target rental income. The real estate portfolio comprises properties throughout Switzerland that are, in terms of purely residential properties, located in cities or conurbation areas and/or with good public transport links and easy access by private motor vehicles. For senior residences and care facilities, the properties can be located either in urban or in rural regions of Switzerland. The registered shares of the company are listed on the SIX Swiss Exchange (Ticker NREN, Valor 21218624, ISIN CH0212186248).

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