



Executive Summary 2024

for the Annual Report as of 31.12.2024

Company profile

NOVAVEST Real Estate AG is a Swiss real estate company based in Zurich. We focus our 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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For our shareholders

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JEGENSTORF (BE)

Solothurnstrasse 77, 79



Ultra-modern living experience with proximity to nature

The two apartment buildings are located on the outskirts of Jegenstorf, in the immediate vicinity of nature with various local recreation areas. At the same time, schools, shopping facilities and the train station, with train connections to Bern and Solothurn every 15 minutes, are just a few minutes' walk away. The property offers an ultra-modern living experience and comprises a total of 20 residential units with 2-, 2½-, 3½- and 4½-room apartments.

Residential property with 20 apartments

Land area 2 884 m²

Total rental space 2 480 m²

Target rental income TCHF 475 p.a.

Year of construction 2015

Key figures in accordance with Swiss GAAP FER

(for pro forma figures please refer to page 10 of the management report)

Income Statement		01.01. - 31.12.2024	01.01. - 31.12.2023
Earnings from rental activities ¹⁾	in TCHF	30 366	24 670
Earnings from sale of investment properties	in TCHF	0	538
Earnings from revaluation	in TCHF	1 078	-20 595
Earnings before interests and taxes (EBIT)		28 836	-563
Earnings incl. revaluation / deferred taxes		19 110	-3 969
Earnings excl. revaluation / deferred taxes ²⁾		18 237	12 701
Return on equity incl. revaluations ³⁾		5.2%	-1.2%
Return on equity excl. revaluations ⁴⁾		4.9%	3.7%
Balance Sheet		31.12.2024	31.12.2023
Total assets	in TCHF	1 052 739	793 705
Equity	in TCHF	423 240	331 869
Equity ratio	in %	40.2%	41.8%
Total mortgage liabilities	in TCHF	559 131	427 165
Leverage ratio	in %	59.8%	58.2%
Loan-to-value ratio of properties	in %	53.8%	54.5%
Net gearing ⁵⁾	in %	131.3%	127.9%
Portfolio		31.12.2024	31.12.2023
Total real estate portfolio	in TCHF	1 038 530	783 619
Gross yield ⁶⁾	in %	4.4%	4.1%
Net yield ⁷⁾	in %	3.6%	3.3%
Vacancy rate excluding projects	in %	2.7%	4.1%
Average discount rate for valuations at market value	in %	2.9%	2.8%
Average interest rate financial liabilities	in %	1.2%	1.2%
Average term to maturity of financial liabilities	in years	2.0	2.3
Information per share		31.12.2024	31.12.2023
Share price on stock exchange	in CHF	35.40	36.40
Net asset value (NAV)	in CHF	41.61	43.04
Earnings per share incl. revaluation (EPS) ⁸⁾	in CHF	2.11	-0.51
Earnings per share excl. revaluation (EPS) ⁹⁾	in CHF	2.01	1.65

Definitions:

¹⁾ Rental income minus direct operating expenses for investment properties

²⁾ Earnings before taxes (EBT) minus revaluation result, minus income taxes plus deferred taxes attributable to revaluation result

³⁾ Earnings incl. revaluations/deferred taxes in relation to average weighted equity

⁴⁾ Earnings excl. revaluations/deferred taxes in relation to the average weighted equity

⁵⁾ Net debt (current and non-current mortgage liabilities minus cash and cash equivalents) in relation to equity as of balance sheet date

⁶⁾ Gross yield reflects target rental income (target rental income based on annual rents of investment properties as of balance sheet date) in percentage of the market value (fair value) of the investment properties

⁷⁾ Net yield reflects net rental income (actual rental income based on annual rents of investment properties as of balance sheet date less operating and maintenance costs for the reporting year) in percentage of the market value (fair value) of the investment properties

⁸⁾ Earnings incl. revaluation / deferred taxes divided by average number of registered shares outstanding

⁹⁾ Earnings excl. revaluation / deferred taxes divided by average number of registered shares outstanding

For a glossary with further definitions of key figures, please refer to page 20/21.

Portfolio information

Total portfolio

Investment categories
TCHF 1 038 530 at 31.12.2024



Residential	34%
Residential/Commercial	50%
Commercial	12%
Projects	4%

Investment size
TCHF 1 038 530 at 31.12.2024



Properties < CHF 5 m	4%
Properties CHF 5 – 15 m	29%
Properties > CHF 15 m	63%
Projects	4%

Target rental income investment properties

Use
TCHF 43 627 (annualised)



Residential	59%
Commercial	41%

Cantons
TCHF 43 627 (annualised)



AG	4%	NW	2%
AR	1%	SG	10%
BE	11%	SH	3%
BL	2%	SO	7%
BS	4%	TG	11%
FR	7%	VD	1%
GE	3%	VS	5%
LU	3%	ZH	25%
NE	1%		

Management report for the 2024 financial year

Dear Shareholders,

Novavest Real Estate AG (“NOVAVEST”) can look back on a successful 2024 financial year. One of the highlights was the successful merger of NOVAVEST and SenioResidenz AG. It was completed in June 2024 with strong shareholder approval from both companies, and we are delighted that the strategic merger showed its first measurable success in the year of completion, as planned.

The merger created an extremely attractive and resilient real estate portfolio with a market value of over CHF 1 billion. In addition, the risk profile of the new portfolio was reduced with regard to individual properties and to the largest individual tenants. The completion of the development project in St. Gallen and the targeted conclusion of new rental contracts led to a further reduction in the vacancy rate and a significant increase in the WAULT for commercial rental contracts. Looking to the future, we see additional synergy potential with our “Housing for young and old” strategy, which we will realise incrementally.

The operating result for 2024 was extremely solid, with a pro forma profit excluding revaluation of CHF 20.4 million (NOVAVEST and SenioResidenz on a 12-month basis), reflecting the earnings potential of the merged portfolio in 2024. Based on the result, the Board of Directors will propose to the ordinary Annual General Meeting of 24 March 2025 an increased cash distribution in the form of a par value reduction of CHF 1.40 per registered share, which corresponds to a year-on-year increase of CHF 0.15 per share and a distribution yield of about 4% based on the year-end share price in 2024.



The four pillars of our “Housing for young and old” strategy

We are convinced of the attractiveness and prospective success of our strategy, which is based on four pillars.



1. Tenant focus

We provide attractive living space for young and old with individual rental apartments, senior or assisted living units.

2. Portfolio diversification

We achieve a broad and solid earnings base through diversified uses as well as macro- and micro-locations. Demographic trends and the housing shortage are supportive of portfolio growth going forward.

3. Operational excellence

The merged company will be able to realise sustainable synergies and economies of scale of around CHF 0.9 million (compared to the full year 2023 pro forma basis). We expect a positive impact on profitability from 2025 onwards.

4. ESG strategy

We will continue our ESG strategy focusing on the long-term reduction of greenhouse gas emissions. The merger will further strengthen the “social” component of our ESG strategy.

Economic and market environment

The Swiss National Bank (“SNB”) eased its monetary policy significantly in the 2024 reporting year and lowered the SNB policy rate in four increments from 1.75% (as of the end of 2023) to 0.50% (as of 13 December 2024). Inflation stood at 1.1% in August 2024 and 0.7% in November, prompting the SNB to also adjust its inflation forecast to 1.1% for 2024, 0.3% for 2025 and 0.8% for 2026¹.

These interest rate cuts by the SNB calmed property valuations to some extent in the 2024 reporting year. The company expects that the current lower interest rate level will also have a positive impact on the discounting models used in real estate valuations throughout 2025.

Housing market

Sustained dynamic population growth is keeping demand for rental apartments very high. At the same time, too few new buildings are being built for renters. As a result, initial yields on new investments in attractive residential properties in good locations remain low.

NOVAVEST is well positioned and, with its focused “Housing for young and old” strategy, has a portfolio of 1 390 apartments as of 31 December 2024, as well as 448 approved residential spaces in senior living and nursing homes. The company expects that high-quality rental apartments in central or good peripheral locations as well as attractive residential accommodation for elderly people will continue to enjoy very high tenant demand over the coming years.

Commercial property market

The market for commercial and office space remained challenging. The trends have not changed significantly from the previous year. Regarding office space, trends are still defined by such topics as home office and hybrid working models. For retail space, the structural changes in retail and selling – especially in the non-food sector – remain a major issue.

In terms of its commercial space, NOVAVEST has a concentrated tenant portfolio, with main tenants such as SBB, BMW (Schweiz) AG, Sicherheitsdirektion Kanton Zürich, Leukerbad Clinic AG and Kantonsspital St. Gallen, which together account for around 19% of the portfolio’s target rental income. The majority of these rental contracts (apart from the one with Sicherheitsdirektion Kanton Zürich) run until between 2032 and 2038. In the reporting year, leases were extended for the commercial properties in Dielsdorf (BMW) and Richterswil (Sicherheitsdirektion Kt. Zürich). There was also a partial reduction in the office vacancy rate of the property in Altstätten and a full occupation of the property in Grenchen.

¹ Source: SNB press release dated 12 December 2024.

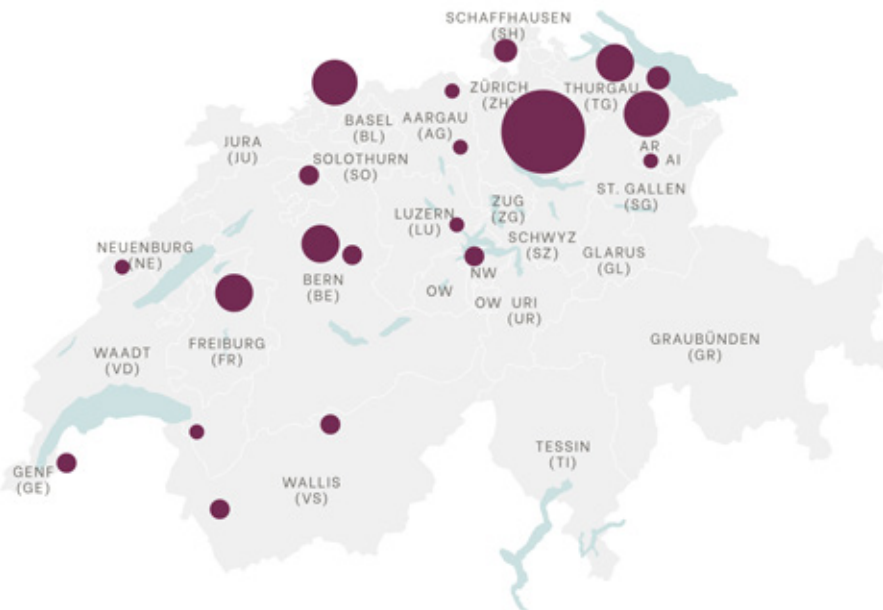
75 properties with a market value of CHF 1.04 billion

As at 31 December 2024, the broad-based real estate portfolio comprised 73 investment properties with a market value of CHF 1 000.3 million and two projects with a market value of CHF 38.3 million. Following the construction phase of about three-and-a-half years on the development project at Rorschacherstrasse 135 in St. Gallen, this property was reclassified from projects to investment properties in the second half of 2024 and valued at CHF 17.7 million at the end of 2024. In the Progressastrasse 23/25/27 property in Oberburg with a market value of CHF 5.3 million, a project for conversion into additional residential space and an expansion of the attic into additional apartments was started in one of two buildings and the property was therefore reclassified to projects. The work is expected to be completed by the end of the first quarter of 2025. The renovation and extension of the property at Johanniterstrasse 5, 11 in Basel, which started in autumn

2023, is proceeding according to plan and the project conversions are also scheduled for completion by the end of the first quarter of 2025.

“59% residential share of target rental income”

As at 31 December 2024, the share of rental income from residential use amounted to 59% of target rental income from investment properties. The portfolio’s regional diversification increased further as a result of the merger, with properties spread across 17 cantons.



Note: Size of circles reflect market values of properties

Management commentary on the 2024 annual result ²

The merger of NOVAVEST and SenioResidenz was technically carried out as an absorption merger, with transaction date and commercial register entry on 14 June 2024. Due to the accounting rules in accordance with Swiss GAAP FER, the former SenioResidenz AG cannot be integrated into the income statement under Swiss GAAP FER retroactively as of 1 January 2024, but only as of the merger date. For reasons of transparency and materiality, SenioResidenz AG was first consolidated as at 30 June 2024. As a result, the income statement in the annual financial statements of Novavest Real Estate AG

reflect 12 months of the NOVAVEST portfolio and six months of the SenioResidenz portfolio under Swiss GAAP FER (as in the 2024 interim financial statements, no income from the acquired former SenioResidenz properties is included for the first half of 2024). In order to present the earnings potential of the combined portfolio as comprehensively and transparently as possible, corresponding pro forma figures (including prior-year comparison) were prepared – as for the first half of 2024 – as if the additions had already been made on 1 January. See the table below.

Key figures Income Statement (unaudited)	Unit	Pro forma ¹⁾	Pro forma ¹⁾	Financial Statement ²⁾	Financial Statement ²⁾
		01.01. – 31.12.2024	01.01. – 31.12.2023	01.01. – 31.12.2024	01.01. – 31.12.2023
Rental income	TCHF	42 189	40 706	36 101	29 860
Earnings from rental activities ³⁾	TCHF	35 593	34 170	30 366	24 670
Earnings incl. revaluation / deferred taxes	TCHF	20 442	-14 349	19 110	-3 969
Earnings excl. revaluation / deferred taxes ³⁾	TCHF	20 430	20 402	18 237	12 701
Earnings per share incl. revaluation / deferred taxes	CHF	2.01 ⁴⁾	-1.41 ⁴⁾	2.11 ⁴⁾	-0.51
Earnings per share excl. revaluation / deferred taxes ³⁾	CHF	2.01 ⁴⁾	2.01 ⁴⁾	2.01 ⁴⁾	1.65
No. of average outstanding shares to calculate EPS	Number	10 170 915 ⁴⁾	10 170 915 ⁴⁾	9 057 993 ⁴⁾	7 711 434
Key figures Real Estate Portfolio (unaudited)		Financial Statement ²⁾	Pro forma ⁵⁾	Financial Statement ²⁾	Financial Statement ²⁾
		31.12.2024	31.12.2023	31.12.2024	31.12.2023
Market value of real estate portfolio	TCHF	1 038 530	1 024 230	1 038 530	783 619
of which investment properties	TCHF	1 000 252	985 910	1 000 252	745 299
of which projects	TCHF	38 278	38 320	38 278	38 320
Number of investment properties and projects	Number	75	75	75	53
of which investment properties	Number	73	73	73	51
of which projects	Number	2	2	2	2
Target rental income investment properties p.a.	TCHF	43 627	42 597	43 627	30 813
Gross yield ³⁾	%	4.4%	4.3%	4.4%	4.1%
Net yield ³⁾	%	3.6%	3.5%	3.6%	3.3%
Vacancy rate excluding projects ³⁾	%	2.7%	3.1%	2.7%	4.1%

¹⁾ Pro forma disclosures to the income statement include 12 months for Novavest Real Estate AG and SenioResidenz AG. The release of negative goodwill is only taken into account for the H2 periods with CHF 2.97 million. The pro forma 2023 income statement corresponds to the pro forma information in the merger prospectus, but with an adjusted negative goodwill release of CHF 2.97 million as well, for only six months.

²⁾ Annual financial statements of Novavest Real Estate AG in accordance with Swiss GAAP FER. Reflects 12 months of NOVAVEST and 6 months of SenioResidenz (as of 1 July 2024). Release of negative goodwill for H2 2024 period of CHF 2.97 million taken into account.

³⁾ Alternative key figures. For definitions, see glossary key figures on pages 20/21.

⁴⁾ Number of average shares outstanding taken into consideration: 10 170 915 for pro forma FY 2024 and FY 2023 (from 1 January in each case); 9 057 993 financial report in accordance with Swiss GAAP FER (takes into account increased number of shares due to capital increase as of 14 June 2024).

⁵⁾ Pro forma information on the real estate portfolio, combined Novavest Real Estate AG and SenioResidenz AG portfolio, as at 31 December 2023.

²⁾ A glossary of various performance indicators can be found on pages 20/21. Comparative figures for Novavest Real Estate AG on a stand-alone basis from the previous year are indicated by the abbreviation "NREN" in the comparative figures in the text.

Target rental income for investment properties at CHF 43.6 million

As a result of the merger and taking into account market valuations and investments in the portfolio, the market value of the overall portfolio as at 31 December 2024 increased by 33% to CHF 1 038.5 million (NREN 31 December 2023: CHF 783.6 million). Target rental income increased by 42% to CHF 43.6 million (NREN 31 December 2023: CHF 30.8 million), mainly attributable to the merger, completion of the development project in St. Gallen and rent adjustments based, among other things, on index and reference interest rate increases. No properties were bought or sold in the 2024 reporting year.

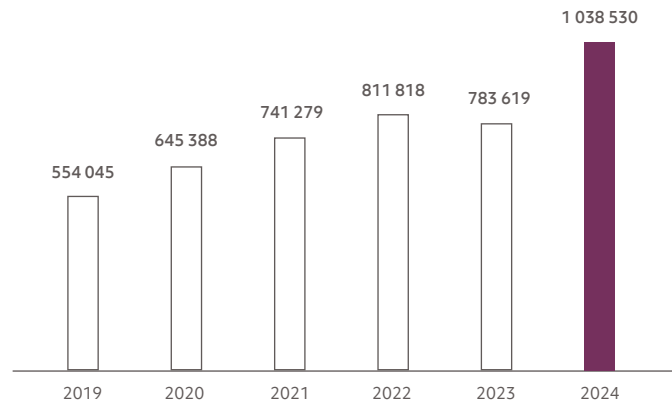
The two current conversion projects at Johanniterstrasse 5, 11 in Basel and Progressastrasse 23/25/27 in Oberburg will generate target rental income totalling around CHF 1.4 million upon completion and reclassification as investment properties.

Low vacancy rate of 2.7% and WAULT for commercial properties of 6.9 years

The vacancy rate, which had already fallen as a result of the merger and the completed project in St. Gallen, was further improved through targeted new rental contracts in the second half of 2024. As at 31 December 2024, the vacancy rate of the merged portfolio was 2.7% (NREN 31 December 2023: 4.1%). At the same time, the merger and early lease extensions with existing tenants and the newly leased spaces also led to a significant increase in the WAULT for commercial rental contracts to 6.9 years (NREN 31 December 2023: 4.3 years).

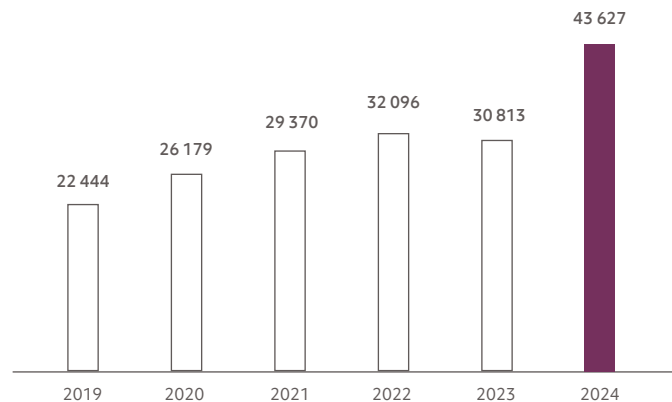
Market value portfolio

TCHF



Target rental income

TCHF



Income statement

Based on a pro forma assessment (including SenioResidenz properties from 1 January 2024) rental income of CHF 42.2 million was generated in the 2024 reporting year, which corresponds to an increase of 41% compared to NOVAVEST's previous stand-alone portfolio in 2023 (NREN 2023: CHF 29.9 million). The net yield on investment properties amounted to 3.6% as at 31 December 2024, which was 0.3 percentage points higher than NOVAVEST's stand-alone portfolio at the end of 2023. The gross yield also improved by 0.3 percentage points to 4.4%.

Rental income on a pro forma basis increased by 45% to CHF 35.6 million (NREN 2023: CHF 24.7 million), which is attributable not only to merger effects but also to rent adjustments based, among other things, on increases in the index and reference interest rates. Measured against net rental income, pro forma direct expenses for rented investment properties in the 2024 reporting year were 15.6% (NREN 2023: 17.4%).

The valuation of the merged portfolio by the independent real estate valuer Wüest Partner AG resulted in a neutral pro forma result of TCHF +14 for the 2024 financial year (NREN 2023: CHF -20.6 million). The average discount rate for 2024 was 2.9% (NREN 2023: 2.8%). The easing of interest rates on the capital market did not yet have a positive impact on the discount rates applied by the valuer in the 2024 reporting year.

Earnings before interest and taxes (EBIT), including the release of negative goodwill of CHF 2.97 million, amounted to CHF 31.7 million on a pro forma basis due to the above-mentioned changes (NREN 2023: CHF -0.6 million).

After financial expenses of CHF 7.2 million net and income taxes of CHF 4.0 million, the pro forma profit including revaluation gains for the 2024 financial year amounted to CHF 20.4 million (NREN 2023: CHF -4.0 million). Pro forma profit excluding revaluation gains was also CHF 20.4 million, 61% above the stand-alone value of the NOVAVEST portfolio at the end of 2023 (NREN 2023: CHF 12.7 million).

On a pro forma basis, earnings per share including and excluding revaluation gains amounted to CHF 2.01 (NREN 2023: CHF -0.51 incl. or CHF 1.65 excl. revaluation gains). On a pro forma basis, the average number of shares outstanding for the 2024 reporting year is calculated at 10 170 915, the final number of shares after the capital increase due to the merger (NREN 2023: 7 711 434 shares).

Balance sheet

As part of the merger with SenioResidenz, NOVAVEST acquired net assets of CHF 113.5 million. In the transaction, 2 325 479 new NOVAVEST registered shares were issued for the exchange of SenioResidenz registered shares and a further 134 002 NOVAVEST registered shares were issued for the conversion of SenioResidenz's previous mandatory convertible bond. They were entered in the accounts at the closing price of NOVAVEST registered shares of CHF 33.30 on 14 June 2024. Taking acquisition costs of CHF 1.9 million into account, this resulted in negative goodwill of CHF 29.7 million. This will be reversed through profit or loss over five years (with a positive effect of CHF 5.9 million per year in the income statement from the second half of 2024 over the next five years). CHF 2.97 million was taken into account for the second half of 2024.

The balance sheet total of the merged company increased to CHF 1 052.7 million as at 31 December 2024 (NREN 31 December 2023: CHF 793.7 million). Of which, equity amounts to CHF 423.2 million (NREN 31 December 2023: CHF 331.9 million) with an equity ratio of 40.2% (NREN 31 December 2023: 41.8%). The change in equity is due to the NOVAVEST par value repayment of CHF 1.25 per registered share totalling CHF 9.6 million in April 2024, the capital increases in connection with the merger of CHF 81.9 million, and the profit contribution of the 2024 financial year (according to Swiss GAAP FER) of CHF 19.1 million. The net asset value (NAV) per registered share was CHF 41.61 as at the balance sheet cut-off date (NREN 31 December 2023: CHF 43.04). The remaining negative goodwill of CHF 26.7 million also has an additional net future NAV value of CHF 2.13 per share after taking into account tax considerations and calculated on the basis of the number of registered shares currently outstanding (10 170 915 shares).

As at the balance sheet date, short and long-term mortgage liabilities totalled CHF 559.1 million (NREN 31 December 2023: CHF 427.2 million). The average remaining term of financial liabilities as at 31 December 2024 was 2.0 years (NREN 31 December 2023: 2.3 years), the average interest rate for mortgage liabilities was 1.2% (NREN 31 December 2023: 1.2%). The loan-to-value ratio of the properties was 53.8% as at the balance sheet date (NREN 31 December 2023: 54.5%).

**“Net asset value CHF 41.61;
remaining future NAV value
CHF 2.13 per registered share
from negative goodwill”**

Sustainability reporting expanded to include the combined portfolio

The development and management of sustainable real estate with affordable housing for young and old is a key component of NOVAVEST's business model and value creation. In its sustainability strategy, the company commits to selected United Nations goals (UN Sustainability Development Goals) and to responsible business management that reconciles stable growth and sustainable profitability with environmental and social issues.

Sustainability reporting was expanded in the 2024 Annual Report and, in particular, the reporting on environmental performance indicators and the CO₂ reduction pathway were applied to the entire merged portfolio in line with the pro forma presentation of the financial results. The report was prepared in accordance with the GRI Standards and now also includes data in accordance with EPRA standards. For the full Sustainability Report (in German), please see pages 19 to 37 of the Annual Report 2024 (German version).

Prevention of attempted cold takeover of control

In mid-November 2024, the company was unexpectedly confronted with a request from a minority shareholder, CACEIS (Switzerland) SA on behalf of the MV Immoextra Schweiz Fund, to convene an Extraordinary General Meeting. The shareholder's objective was to remove three elected members of the existing Board of Directors, including the Chairman of the Board of Directors, and replace them with three new members. The Board of Directors of NOVAVEST vigorously resisted the attempt of this cold takeover of control of the Board of Directors and the company.

At the Extraordinary General Meeting on 17 January 2025, all proposals of the minority shareholder were clearly rejected with quotas of 58% to 66%. Excluding the shares of the requesting minority shareholder, the other shareholders who personally attended the Annual General Meeting or were represented by the independent proxy sent an even clearer signal by rejecting the respective proposals for agenda items with quotas of between 80% and 90%.

Governance structure

The Board of Directors has reviewed the company's current governance structure and, in particular, intensively discussed the expansion of an internal team compared to the existing structure with dedicated management and an external service agreement. The Board is convinced that the current organisation with a Board of Directors, dedicated Executive Board and specialists via a service agreement has advantages and, in particular, provides access to an existing, experienced team of experts for all necessary areas.

In accordance with the recommendations of the Swiss Code of Best Practice for Corporate Governance, the Board of Directors has decided to carry out a regular self-evaluation of its work and that of its committees as of 2025. It is also considering a periodic external evaluation. An important part of the renewal process at Executive Board level was initiated with the appointment of a new CFO as of September 2024. At the request of the Remuneration Committee, the Board of Directors has decided to fix the CEO's remuneration at

CHF 450 000 as of the 2025 financial year. It is also examining the introduction of a performance-related remuneration component with a short-term incentive/long-term incentive structure for the Executive Management. An implementation of such a variable remuneration structure would be planned from 2026.

The Board of Directors also periodically reviews the appropriateness of the service agreement with Nova Property Fund Management AG (NPFM). The staggered decreasing model of the existing contract for the management fee is considered to be favorable and corresponds to current industry standard. With the service agreement, NOVAVEST can ensure an efficient, cost- and synergy-focussed structure. The lean organisational structure is based on clear governance rules that ensure a strict separation of responsibilities and competences between the Board of Directors, Executive Board and external service provider at all times.

Proposals to the 2025 ordinary Annual General Meeting

Re-election of the existing members of the Board of Directors

All current members of the Board of Directors are standing for re-election at the ordinary Annual General Meeting of 24 March 2025. Thomas Sojak will be proposed for re-election as Chairman of the Board of Directors. Claudia Suter and Daniel Ménard will be proposed for re-election as members of the Compensation Committee.

The Board of Directors also proposes a cash distribution in the form of a par value repayment of CHF 1.40 per registered

share. Based on the closing price of the share on 31 December 2024, the yield on the proposed distribution is about 4%. Subject to approval by the Annual General Meeting, the capital reduction will be registered in the commercial register and paid in June 2025.

The invitation to the ordinary Annual General Meeting will be published on 23 February 2025 in the company's official publication, the Swiss Official Gazette of Commerce, and will be published on the same day on the company's website at www.novavest.ch – Investor Relations – General Meetings of Shareholders.

Outlook

The Board of Directors and the Executive Board are optimistic about the expected developments on the Swiss real estate market in 2025. In view of the continued trend towards lower interest rates and a still strong Swiss franc, investments in Swiss residential property remain interesting.

NOVAVEST considers itself well positioned with its “Housing for young and old” strategy and aims to continue providing affordable housing for the public in the coming years while benefiting from demographic developments.

The synergy opportunities and potential identified in the merger are being implemented on an ongoing basis, meaning that this can be expected to have a positive impact on profit in 2025. The Board of Directors also decided to examine the sale of individual properties in the amount of CHF 40-70 million as a portfolio optimisation measure. In conjunction with implemented synergies, increased rental income, portfolio optimisations and efficiency gains, the company aims to further increase its attractive distribution policy in the medium term and reduce the loan-to-value ratio of the portfolio. Furthermore, a possible share buyback will be examined from 2025 onwards.

Thank you

2024 was a very eventful year for NOVAVEST. We would like to thank you, dear shareholders, for your trust and your tremendous support on our journey to successfully implement the defined “Housing for young and old” strategy.



Thomas Sojak

Chairman of the Board of Directors



Peter Mettler

Chief Executive Officer

Extract financial statements

Novavest Real Estate AG

Balance sheet

Amounts in CHF	31.12.2024	31.12.2023
Cash and cash equivalents	3 327 693	2 559 385
Trade receivables	6 321 952	5 728 607
Other current receivables	238 790	10 602
Pre-financed tenant fittings third parties	152 112	157 101
Accrued income and prepaid expenses	1 050 497	183 440
Total current assets	11 091 045	8 639 135
Other non-current receivables	400 380	0
Investment properties	1 000 251 700	745 299 000
Projects	38 278 000	38 320 000
Deferred income tax assets	1 720 637	0
Pre-financed tenant fittings third parties	997 708	1 446 573
Total non-current assets	1 041 648 424	785 065 573
Total assets	1 052 739 469	793 704 708
Trade payables	1 472 777	781 130
Other current liabilities	9 571 606	7 722 676
Accrued expenses and deferred income	3 201 589	3 575 100
Current mortgage liabilities	179 121 379	85 537 500
Provision for negative goodwill (badwill)	5 943 264	0
Total current liabilities	199 310 615	97 616 406
Other non-current liabilities	1 011 753	0
Non-current mortgage liabilities	380 009 751	341 627 250
Provision for negative goodwill (badwill)	20 801 422	0
Provision for deferred income tax liabilities	28 365 489	22 592 244
Total non-current liabilities	430 188 415	364 219 494
Total liabilities	629 499 030	461 835 900
Share capital	231 388 316	185 074 416
Capital reserves	57 813 432	31 865 908
Retained earnings	134 038 691	114 928 484
Total equity	423 240 439	331 868 808
Total liabilities and equity	1 052 739 469	793 704 708

Income Statement

Amounts in CHF	01.01. - 31.12.2024	01.01. - 31.12.2023
Rental income	36 100 529	29 859 940
Earnings from sale of investment properties	0	537 519
Other income	771 020	0
Total operating income	36 871 550	30 397 459
Direct operating expenses for investment properties	-5 734 060	-5 189 727
Personnel expenses	-803 090	-757 225
Consulting expenses	-1 125 724	-863 532
Administrative expenses	-4 422 222	-3 555 669
Total operating expenses	-12 085 096	-10 366 153
Profit from revaluation of real estate investments	13 399 259	1 599 990
Loss from revaluation of real estate investments	-12 320 898	-22 194 785
Earnings from revaluation	1 078 361	-20 594 795
Dissolution of negative goodwill (badwill)	2 971 632	0
Earnings before interests and taxes (EBIT)	28 836 446	-563 489
Financial income	75 074	44 206
Financial expenses	-6 176 169	-4 654 392
Earnings before taxes (EBT)	22 735 351	-5 173 675
Income taxes	-3 625 225	1 204 904
Earnings / loss	19 110 126	-3 968 770
Earnings per share (diluted/basic)	2.11	-0.51

Cash Flow Statement

Amounts in CHF	01.01. - 31.12.2024	01.01. - 31.12.2023
Earnings / loss	19 110 126	-3 968 770
Earnings from revaluation of investment properties	125 100	18 944 310
Earnings from revaluation of projects	-1 203 461	1 650 485
Earnings from sale of investment properties	0	-537 519
Dissolution of negative goodwill (badwill)	-2 971 632	0
Changes in deferred income tax assets	1 110 156	0
Changes in deferred income tax liabilities	2 544 971	-2 984 702
Changes in trade receivables	-162 511	-298 648
Changes in other receivables and accrued income and prepaid expenses	-878 261	226 510
Changes in trade payables	-523 944	-77 204
Changes in other payables and accrued expenses and deferred income	-2 536 037	855 093
Cash flow from operating activities	14 614 506	13 809 554
Investments in investment properties	-1 674 336	-5 234 214
Investments in projects	-11 877 162	-7 615 676
Pre-financed tenant fittings	0	-188 335
Amortisation pre-financed tenant fittings	453 854	143 194
Divestment of investment properties	0	19 562 519
Cash flow from acquisition of SenioResidenz AG after transaction costs	1 287 610	0
Cash flow from investing activities	-11 810 034	6 667 488
Capital reduction through repayment of nominal value	-9 639 293	-9 639 293
Proceeds from/repayment of current financial liabilities	-51 965 370	-97 048 750
Proceeds from non-current financial liabilities	59 568 500	84 446 250
Cash flow from financing activities	-2 036 163	-22 241 793
Change in cash and cash equivalents	768 308	-1 764 751
Verification		
Cash and cash equivalents at beginning of period	2 559 385	4 324 136
Cash and cash equivalents at end of period	3 327 693	2 559 385
Change in cash and cash equivalents	768 308	-1 764 751

Changes in Equity

01.01. – 31.12.2024

Amounts in CHF	Share capital	Capital reserves	Accumulated earnings	Total
Total 31 December 2023	185 074 416	31 865 908	114 928 484	331 868 808
Capital increases	55 953 193	25 947 525		81 900 717
Repayment of nominal value	-9 639 293			-9 639 293
Earnings			19 110 126	19 110 126
Total 31 December 2024	231 388 316	57 813 432	134 038 611	423 240 359

At the Annual General Meeting on 20 March 2024, the shareholders of Novavest Real Estate AG resolved a capital reduction through repayment of nominal value. The nominal value repayment of CHF 1.25 per share in a total amount of CHF 9.6 million was paid out on 15 April 2024.

In conjunction with the acquisition of SenioResidenz AG, the capital of Novavest Real Estate AG was increased.

01.01. – 31.12.2023

Amounts in CHF	Share capital	Capital reserves	Accumulated earnings	Total
Total 31 December 2022	194 713 709	31 865 908	118 897 255	345 476 871
Repayment of nominal value	-9 639 293			-9 639 293
Loss			-3 968 770	-3 968 770
Total 31 December 2023	185 074 416	31 865 908	114 928 484	331 868 808

At the Annual General Meeting on 23 March 2023, the shareholders of Novavest Real Estate AG resolved a capital reduction through repayment of nominal value. The nominal value repayment of CHF 1.25 per share in a total amount of CHF 9.6 million was paid out on 14 June 2023.

Glossary of key figures

Earnings from rental activities	Rental income (income statement) minus direct operating expenses for investment properties (income statement)
Earnings from the sale of investment properties	See the same item in the income statement
Earnings from revaluation	See the same item in the income statement
Earnings before interest and taxes (EBIT)	See the same item in the income statement
Earnings incl. revaluation/deferred taxes	Corresponds to "Earnings" in the income statement
Earnings excl. revaluation/deferred taxes	Earnings before taxes (EBT) minus revaluation result, minus income taxes plus deferred taxes attributable to revaluation result
Earnings per share (EPS) incl. revaluation	Earnings incl. revaluations/deferred taxes divided by the average number of registered shares outstanding
Earnings per share (EPS) excl. revaluation	Earnings excl. revaluations/deferred taxes divided by the average number of registered shares outstanding
Return on equity incl. revaluations	Earnings incl. revaluations/deferred taxes in relation to average weighted equity (the weighting takes account of changes in capital, such as par value repayments and capital increases), annualised
Return on equity excl. revaluations	Earnings excl. revaluations/deferred taxes in relation to average weighted equity (the weighting takes account of changes in capital, such as par value repayments and capital increases), annualised
Total assets	Total assets and/or total liabilities and equity in the balance sheet
Equity	Corresponds to "Total equity" in the balance sheet
Equity ratio	Total equity in relation to total liabilities and equity
Total mortgage liabilities	Current and non-current mortgage liabilities
Leverage ratio	Total liabilities in relation to total liabilities and equity
Loan-to-value ratio of properties	Current and non-current mortgage liabilities in relation to total property portfolio
Net gearing	Net debt (current and non-current mortgage liabilities minus cash and cash equivalents) in relation to equity as at the balance sheet date
Total property portfolio	Investment properties plus projects in the balance sheet

Gross yield	Gross yield corresponds to target rental income (target rental income based on annual rents for investment properties as at the balance sheet date) as a percentage of the fair value of the investment properties
Net yield	Net yield corresponds to net income (actual rental income based on annual rents of investment properties as at the balance sheet date less operating and maintenance costs for the year under review) as a percentage of the fair value of the investment properties
Vacancy rate excluding projects	Difference (in percent) in actual rental income for investment properties based on annual rents relative to target rental income for investment properties based on annual rents (actual and target rental income relate to the investment properties as at the balance sheet date)
Average discount rate for valuations at market value	Weighted average of the discount rate applied by the independent real estate evaluator (weighted on the basis of the market value of the properties)
Average interest rate for financial liabilities	Weighted average of interest rates on current and non-current mortgage liabilities as at the balance sheet date (weighted on the basis of the outstanding amount of mortgage liabilities)
Average term to maturity of financial liabilities	Weighted average remaining term of current and non-current mortgage liabilities as at the balance sheet date (weighting based on the outstanding amount of mortgage liabilities)
Net asset value (NAV) per share	Total equity per registered share issued as at the balance sheet date

Further information

Reconciliation for earnings excl. revaluation / deferred taxes

all amounts in CHF	Pro forma ¹⁾ 01.01. – 31.12.2024	Pro forma ¹⁾ 01.01. – 31.12.2023	Financial Statem. ²⁾ 01.01. – 31.12.2024	Financial Statem. ²⁾ 01.01. – 31.12.2023
Earnings before taxes (EBT)	24 481 402	-18 839 443	22 735 351	-5 173 675
Earnings from revaluation	-14 078	+43 168 683	-1 078 361	+20 594 795
Income taxes	-4 039 346	+4 489 791	-3 625 225	+1 204 904
Tax effect on revaluation result	+2 678	-8 416 106	+205 104	-3 925 368
Earnings incl. revaluation / deferred taxes	20 430 656	20 402 925	18 236 869	12 700 657

¹⁾ Pro forma information on the income statement includes 12 months of Novavest Real Estate AG and SenioResidenz AG. The release of negative goodwill is only accounted for the H2 period with CHF 2.97 million (both years).

²⁾ Novavest Real Estate AG financial statements in accordance with Swiss GAAP FER

Investor Relations Information

Important dates

19 February 2025	Publication Annual Results / Annual Report 2024
24 March 2025	Ordinary General Meeting 2025
20 August 2025	Publication Semi-Annual Results / Semi-Annual Report 2025

Information regarding registered shares (as of 31 December 2024)

Number of outstanding shares	10 170 915 registered shares with nominal value of CHF 22.75 each
Listing	SIX Swiss Exchange
Swiss valor number	21 218 624
ISIN number	CH0212186248
Ticker symbol	NREN
Market capitalisation	CHF 360.1 million
Closing price	CHF 35.40

Other information

Accounting standard	Swiss GAAP FER
Auditors	PricewaterhouseCoopers Ltd, CH-St. Gallen
Independent real estate evaluator	Wüest Partner Ltd, CH-Zurich
Share register	Computershare Switzerland Ltd, CH-Oltten

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BERIKON (AG)

Corneliastrasse 8a, 8b



Comfortable living for seniors

The "Belano Zuhause Berikon" offers 35 senior-friendly and obstacle-free rental apartments specially designed to meet the needs of older people (1½- to 4½-room apartments). The property is located south of the centre of Berikon in the immediate vicinity of the train station. A medical centre with 10 practicing doctors is right next to the residential complex. A shopping centre opposite completes the excellent range of services available to tenants.

Residential/commercial property with 35 apartments, office/medical centre space 254 m²

Land area 3 308 m²

Total rental space 2 896 m²

Target rental income TCHF 871 p.a.

Year of construction 2017

Imprint

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Disclaimer

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All such statements are made on the basis of estimates, assumptions and expectations that the company deems reasonable at the present time of preparation of the reports. Such statements may, in retrospect, prove to be erroneous or inaccurate.

Novavest Real Estate AG assumes no obligation to update forward-looking statements in the reports at a later date as a result of new information, future events or the like.

Website

The Annual Report 2024 as well as the executive summary reports thereof in German, English and French are available online at www.novavest.ch – Investor Relations – Financial Reports / Presentations.

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