

Media release, 20 August 2025

Ad hoc announcement pursuant to Art. 53 LR

NOVAVEST Real Estate AG with significantly higher earnings in the first half of 2025

- Earnings including revaluation effects increased to CHF 16.0 million (H1 2024 pro forma: CHF 6.4 million)
- Earnings excluding revaluation effects at CHF 12.7 million (H1 2024 pro forma: CHF 8.4 million)
- Market value of the real estate portfolio at CHF 1 004.2 million; five smaller properties sold in H1 2025
- Annualised target rental income at CHF 41.9 million; Residential share increased to 60% as at 30 June 2025
- Vacancy rate reduced by a further 0.4 percentage points to 2.3% as at 30 June 2025
- Net asset value of CHF 41.79 as at 30 June 2025 (NAV of CHF 40.23 as at 30.06.2024)
- Loan-to-value ratio reduced by 1.2 percentage points to 52.6% as at 30 June 2025

Novavest Real Estate AG («NOVAVEST» or «company»; SIX Swiss Exchange: NREN) achieved a good result in the first half of 2025, which underlines the strategic importance of the successful merger between the company and the former SenioResidenz AG. NOVAVEST increased its earnings, including revaluations, by over 150% to CHF 16.0 million in the first half of 2025. The operating result, earnings excluding revaluations, rose by 52% to CHF 12.7 million. In addition, the vacancy rate was further reduced to 2.3% and the loan-to-value ratio of properties decreased by 1.2 percentage points to 52.6%.

Five properties were sold in the first half of 2025, in order to optimise the portfolio and reduce the loan-to-value ratio. These consisted of carefully chosen smaller properties in the cantons of Berne, Lucerne and Schaffhausen whose rental income potential had been reached from the perspective of Novavest Real Estate AG and considering future investments to be taken. The sale of these properties resulted in a profit of CHF 0.3 million.

The market value of the entire portfolio was CHF 1 004.2 million as at 30 June 2025 (31.12.2024: CHF 1 038.5 million). The change in value is largely attributable to the following factors: the sale of the aforementioned five properties (CHF -42.4 million); investments in existing investment properties (CHF +2.2 million) and in the Basel and Oberburg conversion projects (CHF +1.7 million); and revaluation gains (CHF +4.1 million).

Half-year results for 2025 in detail

Target rental income from investment properties of CHF 41.9 million p.a.

The target rental income from investment properties as at 30 June 2025 was CHF 41.9 million on an annualised basis (31.12.2024: CHF 43.6 million). The change compared to the end of 2024 is largely due to the sale of the five properties (CHF -1.8 million), coupled with positive effects from the former Basel/Oberburg conversion projects and the reclassification of the Schaffhausen property to the projects segment. The conclusion of new lease agreements for the property in Volketswil/ZH will increase the portfolio's target rental income by additional CHF 0.3 million in the future. As at 30 June 2025, the residential share of the portfolio was 60% (31.12.2024: 59%).

Income statement H1 2025¹

Rental income in the first half of 2025 was CHF 21.2 million (H1 2024 pro forma: CHF 20.9 million). The net yield of investment properties amounted to 3.5% as at 30 June 2025 (31.12.2024: 3.6%; 30.06.2024: 3.5%). The vacancy rate was reduced further to 2.3% particularly through the reduction of vacant residential space (31.12.2024: 2.7%; 30.06.2024: 3.1%).

Rental income increased slightly to CHF 17.64 million compared to the pro forma value recorded in the first half of the previous year (H1 2024 pro forma: CHF 17.55 million). Measured against net rental income, direct expenses for rented

¹ In accordance with Swiss GAAP FER, the half-year financial statements for the previous year 2024 only include the income/expenses of the stand-alone NOVAVEST (merger with SenioResidenz took place on 14 June 2024, with the accounting integration of the former SenioResidenz as at 30 June 2024). For reasons of comparability and transparency, the pro forma figures for 2024 (including SenioResidenz properties) are used for the comparative figures for H1 2024. For further information, please refer to the table of key figures at the end of the media release.

investment properties amounted to 16.7% in the first half of 2025 (H1 2024 pro forma: 16.0%). Personnel expenses for the Executive Board positions of CEO and CFO decreased to CHF 0.3 million in the reporting period (H1 2024 pro forma: CHF 0.4 million). Consulting expenses rose to CHF 0.6 million (H1 2024 pro forma: CHF 0.5 million) which is related to the additional costs for the Extraordinary General Meeting held in January 2025. Administrative expenses amounted to CHF 2.6 million (H1 2024 pro forma: CHF 2.7 million).

The market valuation of the real estate portfolio by independent real estate valuer Wüest Partner AG resulted in a revaluation gain of CHF 4.1 million (H1 2024 pro forma: CHF -2.4 million). The average discount rate applied decreased only slightly by 0.02 basis points to 2.86% (31.12.2024 and 30.06.2024: 2.88%).

Earnings before interest and taxes (EBIT), including the pro rata dissolution of negative goodwill of CHF 2.97 million in the first half of 2025, amounted to CHF 21.5 million (H1 2024 pro forma: CHF 11.7 million). Mortgage liability expenses for the overall portfolio declined due to lower interest rates compared to the same period in the previous year and sale of the five properties in the first half of 2025. Net financial expenses decreased to CHF 3.0 million in the first half of 2025 (H1 2024 pro forma: CHF 3.7 million). Following the pro rata release of existing loss carry forwards of the former SenioResidenz AG, income taxes amounted to CHF 2.5 million, resulting in a low tax rate of 13.6% for the first half of 2025 (H1 2024 pro forma: CHF 1.6 million; tax rate of 20.2%).

Earnings including revaluation effects amounted to CHF 16.0 million in the 2025 reporting period (H1 2024 pro forma: CHF 6.4 million), while earnings excluding revaluation effects came to CHF 12.7 million (H1 2024 pro forma: CHF 8.4 million). Earnings per share including revaluation effects in the first half of 2025 reached CHF 1.58; or CHF 1.25 excluding revaluations (H1 2024 pro forma: CHF 0.63 incl. revaluation effects or CHF 0.82 excl. revaluations).

Balance sheet as at 30 June 2025

As at 30 June 2025, equity accounted for CHF 425.0 million (31.12.2024: CHF 423.2 million) with an equity ratio of 41.6% (31.12.2024: 40.2%). The change in equity is attributable to the par value repayment of CHF 1.40 per registered share, totalling CHF 14.2 million in June 2025, and the profit contribution of CHF 16.0 million in the first half of 2025. The net asset value (NAV) per registered share was CHF 41.79 as at the balance sheet date (31.12.2024: CHF 41.61; 30.06.2024: CHF 40.23). The negative goodwill remaining in the balance sheet in the amount of CHF 23.8 million, which will be continuously amortised on a straight-line basis over the remaining period of four years, has an additional net future NAV-value of CHF 1.89 per share, after taking into account tax considerations and being calculated on the basis of the number of registered shares currently outstanding (10 170 915 shares).

Current and non-current mortgage liabilities amounted to CHF 528.2 million as at 30 June 2025 (31.12.2024: CHF 559.1 million). In the 2025 reporting period, the property loan-to-value ratio was therefore reduced by 1.2 percentage points to 52.6% (31.12.2024: 53.8%). The average remaining term of financial liabilities as at 30 June 2025 was 1.9 years (31.12.2024: 2.0 years), while the average interest rate on mortgage liabilities was 1.1% (31.12.2024: 1.2%).

Sustainability

NOVAVEST continues to pursue its focused sustainability strategy in the combined real estate portfolio. It is also optimising the sustainability of its portfolio by means of various project developments: for example, at Johanniterstrasse 5, 11 in Basel, where the extension and renovation work featured timber sectional construction using pre-greyed, rear-ventilated wooden cladding and made use of green roofing. Using wood in this way supports climate-neutral construction methods and contributes to improving the ecological balance.

NOVAVEST is taking part in the Global Real Estate Sustainability Benchmark (GRESB) for the first time in the current 2025 financial year. The company is also evaluating all portfolio properties using the 36 ESG indicators of the Swiss Sustainable Real Estate Index (SSREI), which are based on the Sustainable Construction in Switzerland Standard (Standard Nachhaltiges Bauen Schweiz, SNBS) as well as on social, economic and environmental aspects.

Outlook

The Swiss National Bank (SNB) eased its monetary policy further in the first half of 2025 – a move intended to respond to falling inflation and to counteract the upward pressure on the Swiss Franc. It also made two cuts to the SNB key interest

rate, lowering it from 0.5% at the end of 2024 to 0% as at 30 June 2025. The SNB forecasts an average annual inflation rate of 0.2% for 2025 and 0.5% for 2026².

NOVAVEST expects the Swiss real estate market to trend upwards for 2025 as a whole, despite persistent geopolitical and global economic uncertainties. This is particularly true for the residential sector, where demand continues to outstrip supply in an environment of ongoing immigration and low construction activity.

The company will continue to focus on its core business as well as on implementing the synergy possibilities and potentials arising from the merger. Through portfolio optimisations, increases in rental income and efficiency gains, the company intends to further increase the attractive distribution policy in the medium term, while any excess liquidity shall be used to further reduce the loan-to-value ratio, or alternatively for share buybacks.

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² Source: SNB press release dated 19 June 2025

Key figures first half-year 2025

Income Statement	Unit	Financial Stat. ¹⁾ H1 2025	Pro forma ²⁾ H1 2024	Financial Stat. ¹⁾ H1 2024
Rental income	TCHF	21 188	20 898	15 128
Income from sale of investment properties	TCHF	281	0	0
Other income	TCHF	0	83	0
Total operating income	TCHF	21 470	20 981	15 128
Direct operating expenses for investment properties	TCHF	-3 546	-3 344	-2 483
Personnel expenses	TCHF	-323	-382	-382
Consulting expenses	TCHF	-603	-476	-323
Administrative expenses	TCHF	-2 564	-2 683	-1 760
Total operating expenses	TCHF	-7 036	-6 886	-4 947
Total earnings from revaluation of real estate investments	TCHF	4 142	-2 401	-1 337
Dissolution of negative goodwill (badwill)	TCHF	2 972	n/a	n/a
Earnings before interest and taxes EBIT)	TCHF	21 548	11 693	8 844
Net financial result	TCHF	-2 997	-3 685	-2 589
Income taxes	TCHF	-2 525	-1 617	-1 204
Earnings incl. effects from revaluation / deferred taxes	TCHF	16 026	6 392	5 051
Earnings excl. effects from revaluation / deferred taxes ³⁾	TCHF	12 663	8 354	6 134
Earnings per share incl. effects revaluation/deferred taxes (EPS)	CHF	1.58	0.63	0.64
Earnings per share excl. effects revaluation/deferred taxes (EPS)	CHF	1.25	0.82	0.77
Average number of shares used to calculate EPS	Number	10 170 915	10 170 915	7 924 857
Balance Sheet	Unit	Financial Stat.¹⁾ 30.06.2025	Financial Stat.¹⁾ 31.12.2024	
Total assets	TCHF	1 022 900	1 052 739	
Equity	TCHF	425 027	423 240	
Equity ratio	%	41.6	40.2	
Total mortgage liabilities	TCHF	528 154	559 131	
Leverage ratio	%	58.4	59.8	
Loan-to-value ratio of properties	%	52.6	53.8	
Net Gearing ⁴⁾	%	123.2	131.3	
Net Asset Value (NAV) in CHF ⁵⁾	CHF	41.79	41.61	
Future NAV-value from dissolution of negative goodwill	CHF	1.89	2.13	
Portfolio	Unit	Financial Stat.¹⁾ 30.06.2025	Financial Stat.¹⁾ 31.12.2024	
Total real estate portfolio	TCHF	1 004 194	1 038 530	
Number of investment properties	Number	69	73	
Number of properties in projects	Number	1	2	
Gross yield ⁶⁾	%	4.3	4.4	
Net yield ⁷⁾	%	3.5	3.6	
Vacancy rate excluding projects	%	2.3	2.7	
Average discount rate for revaluation	%	2.9	2.9	
Average interest rate financial liabilities	%	1.1	1.2	
Average remaining life of financial liabilities	Years	1.9	2.0	

¹⁾ Half-year financial statements and annual financial statements of Novavest Real Estate AG in accordance with Swiss GAAP FER. The income statement for the previous period H1 2024 includes income from NOVAVEST, but excludes income from SenioResidenz, as the merger took place at 14 June 2024, with the accounting integration of the former SenioResidenz as of 30 June 2024.

²⁾ Pro forma information on the income statement for the prior period H1 2024 includes six months for NOVAVEST and SenioResidenz. The dissolution of negative goodwill of CHF 2.97 million per half-year period began on 1 July 2024.

³⁾ Earnings before taxes (EBT) minus earnings from revaluation of real estate investments, minus income taxes plus share of deferred taxes attributable to earnings from revaluation of real estate investments.

⁴⁾ Net debt (current and non-current mortgage liabilities minus cash and cash equivalents) in relation to equity as of balance sheet date.

⁵⁾ Total equity per registered share issued at 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 percent of 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.

For a glossary with further definitions of key figures, please refer to pages 56/57 of the Half-Year 2025 Report (German version) or to pages 16/17 in the Executive Summary H1 2025 (English). They are available on the Company's website under Investor Relations – section Financial Reports / Presentations: https://www.novavest.ch/en/investor-relations/?section=investor-relations_financial-reports-presentations

NOVAVEST Real Estate AG

www.novavest.ch

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).

Disclaimer

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