NOVAVEST Real Estate AG

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Ad hoc announcement pursuant to Art. 53 LR

NOVAVEST Real Estate AG achieved very good results in the first half of 2026

- **Earnings including revaluation effects rose to CHF 20.1 million (H1 2025: CHF 16.0 million)**
- **Earnings excluding revaluation effects increased to CHF 15.2 million (H1 2025: CHF 12.7 million)**
- **Loan-to-value ratio reduced again to 48.8% as at 30 June 2026 (31.12.2025: 51.2%)**
- **Vacancy rate further reduced to a low of 1.9% as at 30 June 2026 (31.12.2025: 2.0%)**
- **Successful portfolio optimisation through the sale of seven selectively chosen properties**
- **Market value of real estate portfolio at CHF 946.1 million; target rental income on an annualised basis at CHF 38.1 million**
- **Net asset value significantly increased to CHF 43.74 as at 30 June 2026 (NAV as at 30.06.2025: CHF 41.79)**

Novavest Real Estate AG («NOVAVEST» or «company»; SIX Swiss Exchange: NREN) achieved several of its targets defined for 2026 and delivered very pleasing results in a number of ways during the first half year 2026. The real estate portfolio was successfully optimised and a total of seven properties were sold at a profit. Earnings including revaluations rose to CHF 20.1 million, whilst operating profit (earnings excluding revaluations) increased to CHF 15.2 million. At the same time, the vacancy rate fell to a low of 1.9% and the loan-to-value ratio to 48.8%.

With a view to strategically further optimise its portfolio, NOVAVEST sold a total of seven carefully selected properties at a profit during the first half of 2026. From the company's perspective, the future growth potential of these properties had been exhausted, taking into consideration mid-term investments in CAPEX and/or that the rental income potential of the individual property had already been achieved. In total, the sale of these properties resulted in a profit of CHF 3.6 million for the reporting period. The market value of the total portfolio stood at CHF 946.1 million as at 30 June 2026 (31.12.2025: CHF 1,009.5 million). The change in value is mainly attributable to the sale of the seven properties (CHF -74.8 million), investments in investment properties and conversion/development projects (CHF +5.3 million), and revaluation gains (CHF +6.0 million). The real estate portfolio remains broadly diversified, comprising a total of 62 properties across 16 cantons.

Half-year results for 2026 in detail

<u>Target rental income from investment properties of CHF 38.1 million p.a.; additional potential from current projects</u>

Annualised target rental income for investment properties amounted to CHF 38.1 million as at 30 June 2026 (31.12.2025: CHF 41.4 million). Compared to year-end 2025, this change is mainly related to the sale of the seven properties (CHF -3.3 million). The share of rental income from residential use temporarily declined slightly due to the property disposals and amounted to 56% of target rental income for investment properties as at 30 June 2026 (31.12.2025: 59%). The two current conversion and development projects in Schaffhausen, Bahnhofstrasse 46 and Basel, Laufenstrasse 5/7 are progressing according to plan and are expected to be completed in the course of the third and fourth quarters of 2026. Once the projects have been completed and reclassified as investment properties, these two properties will generate target rental income of around CHF 1.6 million in total and once again have a positive impact on the residential share in the portfolio

The WAULT for commercial rental contracts was 6.4 years as at 30 June 2026 (31.12.2025: 6.8 years). This long-term contractual rental income forms a solid basis for attractive distributions to shareholders in the future.

<u>Income statement H1 2026</u>

Rental income in the first half of 2026 amounted to CHF 20.7 million, slightly down on the previous year (H1 2025: CHF 21.2 million), which is primarily attributable to the changes in the portfolio following the sale of properties in the 2026 reporting period and in the first and second half of 2025. On a like-for-like basis[1], a pleasing rental income growth of 3.1% compared to the first half of 2025 was achieved for the properties held by 30 June 2026. At 3.6%, the net yield on investment

[1] Like-for-like analysis excluding rental income from properties sold in the 2025 financial year and the first half of 2026

properties was on a par with the previous year (31.12.2025: 3.6%; 30.06.2025: 3.5%). Earnings from rental activities reached CHF 17.3 million in the first half of 2026 (H1 2025: CHF 17.6 million). Measured against net rental income, direct expenses for rented investment properties were therefore 16.5% for the first half of 2026 (H1 2025: 16.7%).

Personnel expenses for the CEO and CFO Executive Board positions amounted to CHF 0.4 million (H1 2025: CHF 0.3 million), while consulting expenses were CHF 0.7 million (H1 2025: CHF 0.6 million). Total administrative expenses amounted to CHF 2.1 million (H1 2025: CHF 2.6 million). The market valuation of the real estate portfolio by the independent real estate valuer Wüest Partner AG led to revaluation gains of CHF 6.0 million (H1 2025: CHF 4.1 million). The average applied discount rate decreased slightly by three basis points to 2.82% (31.12.2025: 2.85%).

EBIT, including the release of negative goodwill of CHF 2.97 million, increased by 24% to CHF 26.7 million (H1 2025: CHF 21.5 million). Net financial expenses decreased to CHF 2.9 million in the first half of 2026 (H1 2025: CHF 3.0 million). Income taxes amounted to CHF 3.7 million, with a tax rate of 15.6% for the first half of 2026 (H1 2025: CHF 2.5 million; tax rate 13.6%). Overall, the first half of 2026 generated earnings including revaluation gains of CHF 20.1 million (H1 2025: CHF 16.0 million) and earnings excluding revaluations of CHF 15.2 million (H1 2025: CHF 12.7 million). Earnings per registered share incl. revaluation gains amounted to CHF 1.98 in the first half of 2026 or CHF 1.49 excluding revaluations (H1 2025: CHF 1.58 including and CHF 1.25 excluding revaluations).

Balance sheet as at 30 June 2026
Total assets reached CHF 969.1 million as at 30 June 2026 (31.12.2025: CHF 1,020.4 million), with the change being largely due to the properties sold, the distribution paid in the first half of the year and the profit contribution. Of this, equity amounts to CHF 444.9 million (31.12.2025: CHF 439.5 million) with an increased equity ratio of 45.9% (31 December 2025: 43.1%). The change in equity is due to the par value repayment of CHF 1.45 per registered share totalling CHF 14.7 million in June 2026 and the profit contribution of CHF 20.1 million for the first half of 2026. The net asset value (NAV) per registered share increased to CHF 43.74 as at the balance sheet date (31.12.2025: CHF 43.22; 30.06.2025: CHF 41.79). The negative goodwill remaining in the balance sheet of CHF 17.8 million, which will be continuously amortised on a straight-line basis over the remaining period of 3.0 years, has an additional net future NAV-value of CHF 1.42 per share after taking into account tax aspects and calculated on the basis of the currently outstanding number of registered shares.

Current and non-current mortgage liabilities amounted to CHF 461.2 million as at 30 June 2026 (31.12.2025: CHF 516.8 million), with an average remaining term of financial liabilities of 2.0 years (31.12.2025: 1.7 years). At 1.0%, the average interest rate on mortgage liabilities remained practically unchanged over the prior-year period (31.12.2025: 1.0%; 30.06.2025: 1.1%). The loan-to-value ratio of the properties was again strategically reduced and stood at 48.8% as at 30 June 2026.

Governance – Successful implementation of succession planning in the Board of Directors and Executive Board
At the 2026 Annual General Meeting, Adrian Nösberger, a recognised financial expert, and Salome Wieser, an experienced lawyer specialising in company law, M&A, and property and construction law, were newly elected to the NOVAVEST Board of Directors. As part of strategic succession planning, the position of CEO was also newly filled within the Executive Board. On 1 May 2026, Dieter Kräuchi, a proven property specialist with many years of management experience, took over the operational management of NOVAVEST. This marked the completion of long-planned and carefully executed generational transitions in both bodies.

Dieter Kräuchi (CEO) and Fabio Gmür (CFO) will work with the Board of Directors, Thomas Sojak (Chairman), Floriana Scarlato (Vice-Chairwoman), Daniel Ménard, Adrian Nösberger and Salome Wieser (Board members) to further develop NOVAVEST's corporate strategy "Housing for Young and Old" over the long term and provide new impetus. Following the continued strengthening of the balance sheet and financing structure, the main focus is now on building a growth pipeline and systematically adapting capabilities and structure in line with this growth phase.

Outlook
NOVAVEST expects the situation in the Swiss real estate market to remain positive in the second half of 2026. With its strategic focus on "Housing for Young and Old," the company aims to benefit in the long term from the persistent high demand for housing and from the demographic developments.

The real estate portfolio is stable and contains further development reserves enabling a certain amount of organic growth and earnings improvements. Targeted and selective portfolio adjustments will continue to be made where the income and value performance of individual properties have peaked and/or where alignment with the strategy is declining in the medium or long term.

Strategically, an attractive distribution policy with medium-term growth potential, further structural optimisation of the portfolio's loan-to-value ratio, low vacancy rates and targeted portfolio/efficiency optimisations remain the focal points for the full-year 2026. This creates the options needed to realise organic and inorganic growth potential in the following year and in the medium term. However, these options will only be pursued if they can generate objective value for shareholders.

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Key figures first half-year 2026

Income Statement	Unit	H1 2026	H1 2025
Rental income	TCHF	20 734	21 188
Income from sale of investment properties	TCHF	3 576	281
Total operating income	TCHF	**24 310**	**21 470**
Direct operating expenses for investment properties	TCHF	-3 431	-3 546
Personnel expenses	TCHF	-394	-323
Consulting expenses	TCHF	-697	-603
Administrative expenses	TCHF	-2 111	-2 564
Total operating expenses	TCHF	**-6 633**	**-7 036**
Total earnings from revaluation of real estate investments	TCHF	**6 049**	**4 142**
Dissolution of negative goodwill (badwill)	TCHF	2 972	2 972
Earnings before interest and taxes EBIT)	TCHF	**26 698**	**21 548**
Net financial result	TCHF	-2 872	-2 997
Income taxes	TCHF	-3 711	-2 525
Earnings incl. effects from revaluation / deferred taxes	TCHF	**20 115**	**16 026**
Earnings excl. effects from revaluation / deferred taxes [1)]	TCHF	**15 191**	**12 663**
Earnings per share incl. effects revaluation / deferred taxes (EPS)	CHF	1.98	1.58
Earnings per share excl. effects revaluation / deferred taxes	CHF	1.49	1.25
Average number of shares used to calculate EPS	Number	10 170 915	10 170 915

Balance sheet	Unit	30.06.2026	31.12.2025
Total assets	TCHF	969 088	1 020 433
Equity	TCHF	444 905	439 537
Equity ratio	%	45.9	43.1
Total mortgage liabilities	TCHF	461 217	516 789
Leverage ratio	%	54.1	56.9
Loan-to-value ratio of properties	%	48.8	51.2
Net Gearing [2)]	%	100.2	116.6
Net Asset Value (NAV) [3)]	CHF	43.74	43.22
Future NAV-value from dissolution of negative goodwill	CHF	1.42	1.66

Portfolio	Unit	30.06.2026	31.12.2025
Total real estate portfolio	TCHF	946 051	1 009 464
Number of investment properties	Number	60	66
Number of properties in projects	Number	2	3
Gross yield [4)]	%	4.2	4.3
Net yield [5)]	%	3.6	3.6
Vacancy rate excluding projects	%	1.9	2.0
Average discount rate for revaluation	%	2.8	2.9
Average interest rate financial liabilities	%	1.0	1.0
Average remaining life of financial liabilities	Years	2.0	1.7

1) 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.
2) Net debt (current and non-current mortgage liabilities minus cash and cash equivalents) in relation to equity as of balance sheet date.
3) Total equity per registered share issued at balance sheet date.
4) 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.
5) 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 52/53 of the Half-year 2026 Report (German version) or to pages 14/15 in the Executive Summary Half-Year 2026 (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).

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