

Corporate Communications

Zurich, 27 March 2024 – 07.00 a.m. | Ad hoc announcement pursuant to Art. 53 LR

Investis Group records strong operating performance in 2023

- **Rental income +3.1% on a like-for-like basis**
- **Excellent EBIT margin of 9.9% at Real Estate Services**
- **Unchanged dividend of CHF 2.50 and positive outlook**

“I am delighted with our strong operating performance in both segments in 2023. In the Real Estate Services segment, we were able to increase revenues while maintaining a remarkable EBIT margin. Our decision in autumn 2021 to sell a portfolio of eleven properties in order to reduce our LTV has proved correct. The balance sheet has been further strengthened, giving us a solid basis for future growth. The vacancy rate has continued to fall. Given the record-high level of immigration into Switzerland, the housing shortage is likely to get even more acute – especially in the two hotspots in western Switzerland. Despite the economic uncertainties, we were able to increase rents thanks to persistently high demand and a low level of construction activity. The lower valuation of our portfolio is due to a rise in interest rates and is market-driven. This does not affect the strong profitability and above-average quality of the portfolio. In an environment where the industry has had to adjust to higher capital costs, we managed to create value in both our segments. I am very satisfied with these results,” says Stéphane Bonvin, CEO of Investis Group.

Impressive Group operating result

Despite the successful sale of eleven properties in 2022, the Group succeeded in increasing revenue by 1.7% to CHF 231.5 million (previous year CHF 227.5 million) during the year under review. This net increase was achieved organically and through acquisitions. EBITDA before revaluations and disposal gains was CHF 50.1 million (CHF 53.5 million).

The continued increase in cash flow from investment properties underlines the quality of the portfolio. The higher average real discount rate of 2.97% (2.74% as of 31.12.2022) led to a devaluation of CHF 47.7 million in the reporting year. This resulted in an overall operating loss (EBIT) of CHF 1.5 million. The previous year had been marked by high disposal and revaluation gains, which helped produce an operating profit of CHF 180.4 million.

The net loss in 2023 was CHF 5.4 million (net profit 2022: CHF 151.8 million), or CHF -0.42 per share (CHF 11.90). Excluding revaluation effects, net profit came to CHF 35.5 million, compared to CHF 93.8 million in 2022, which included CHF 63.4 million of disposal gains.

Increased rental income and sustainably high operating margin in the Service segment

The **Properties** segment recorded revenue of CHF 53.1 million (CHF 57.8 million), with the net decline being solely attributable to the rental income lost from the properties that were sold in 2022. Rental income increased by an excellent 3.1% on a like-for-like basis (also +3.1% for residential properties). The vacancy rate was further reduced to a very low 0.9% (1.3% as of 31.12.2022). Due to the higher discount rates, the revaluation effect came to CHF -47.7 million. The purchase of two properties and the increase in like-for-like rental income pushed gross rental income up to CHF 57.9 million as of 31.12.2023 (CHF 53.9 million as of 31.12.2022). This segment achieved an impressive EBITDA of CHF 33.7 million (CHF 36.8 million). EBIT came to CHF -13.9 million (CHF 167.3 million). The prior-year figure included disposal gains of CHF 63.4 million from the aforementioned property sales, as well as revaluation effects of CHF 67.2 million.

The **Real Estate Services** segment saw revenue increase by another 4.7% to CHF 181.7 million (CHF 173.5 million). EBIT margin for the segment reached an excellent 9.9% (10.6%). This segment thus contributes around 40% of the Group's operating result. Rents under management in the property management sector reached CHF 1.53 billion, with revenue slightly below the previous year. The Facility Services business increased revenue to CHF 122.6 million, an increase of +8.5%. Facility Services now accounts for 67% of the segment revenue.

Capital structure remains very solid – LTV of 26%

Total assets came to CHF 1.6 billion as at 31 December 2023, with the equity ratio remaining very comfortable at 64% (31.12.2022: 67%). The ratio between the value of the portfolio and the interest-bearing financial liabilities of just CHF 397.0 million (CHF 319.0 million) resulted in a low loan-to-value (LTV) of 26%. The property portfolio was valued at CHF 1,518 million. On the balance sheet date, it comprised 152 buildings with 2,477 residential units. Deferred tax liabilities fell to CHF 140.8 million (CHF 142.6 million).

Net proceeds from the previous year's property sales were used entirely to reduce financial liabilities. Two properties were acquired in the year under review. The Group's strong capacity for future investments thus remains as high as before.

Net asset value (NAV) per share excluding deferred tax relating to properties came to CHF 92.00 (31.12.2022: CHF 95.07).

Non-financial reporting

Investis strives to create long-term value by integrating economic, social and environmental factors (ESG) at all levels of the company. Investis is committed to the sustainable development of its real estate portfolio. While the focus of renovation activity over the past ten years has been on interiors and thus on tenant comfort ("S"), Investis is increasingly investing in renovations that reduce the environmental footprint of its real estate portfolio in order to comply with the Swiss government's 2050 net-zero strategy. To achieve this goal, Investis, in collaboration with Signa-Terre, Services Industriels

de Genève and SSREI, carried out a comprehensive assessment of its buildings' energy consumption and greenhouse gas emissions with the aim of identifying energy-saving potential.

Within the Real Estate Services segment, Investis is striving to further reduce its environmental impact: by improving operations, consistently using environmentally friendly products, promoting innovative, resource-efficient solutions, and by offering training to customers and employees. The companies are in the process of converting to electric vehicles and using local suppliers wherever possible. For Investis, sustainability is a long-term commitment.

In addition to environmental aspects, Investis attaches great importance to specific social and governance practices. These include actively involving tenants through surveys to determine their expectations and overall rates of satisfaction, favouring high quality housing and providing homes for different income groups to ensure that the housing stock is inclusive. Investis' commitment also extends to creating a positive and safe working environment for its employees, with a focus on gender equality and a zero-tolerance policy towards discrimination.

In accordance with Switzerland's Ordinance on Climate Reporting (KVI), Investis reports in detail on the status and progress of its non-financial reporting as part of its 2023 Annual Report.

Proposals to the 2024 AGM

At this year's Annual General Meeting on 18 April 2024, Investis shareholders will be asked to approve an unchanged dividend of CHF 2.50 per share. All members of the Board of Directors are standing for re-election.

Market environment and outlook for 2024

Investis expects the market to normalise in 2024. Rental market fundamentals are likely to remain solid. Continued immigration and below-average construction activity in Switzerland mean that demand for rental apartments remains high, creating sustained excess demand. Cantons Geneva and Vaud still have some of the lowest residential ownership rates in Switzerland, which continues to boost rental activity. Against this background, we can expect a further increase in market rents in the Lake Geneva region. In line with interest rates, residential yields in the region have moved slightly up in 2023. Investis expects an increased liquidity in the investment market as institutional investors return.

Ninety percent of the Investis investment portfolio consists of centrally located residential properties in the middle price segment in the Lake Geneva region. Its concentration on this region is the Investis Group's USP. Vacancy rates in the Lake Geneva region are currently at a very low level. The Group's low LTV allows it to make targeted acquisitions to expand its portfolio.

The subsidiaries of the Real Estate Services segment are excellently positioned. They offer an outstanding range of services throughout Switzerland over the entire property lifecycle. Their focus continues to be on recurring earnings from real estate management and maintenance/servicing. Consolidating the excellent EBIT margin, which facilitates healthy organic growth, remains another priority. The growing importance of sustainability in the real estate industry is a major driver of market development in this segment.

Investis is confident that it is very well equipped and positioned to meet the current challenges, and it expects a very good operating result for the 2024 financial year.

Full-year 2023 results presentation

The detailed 2023 annual report is available at <https://reports.investisgroup.com/23/ar> and available on our website <https://www.investisgroup.com/en/investors/reporting>.

Investis' management will present the full-year results 2023 in English as a conference call/webcast today at 09:00 CET. Following the presentation the management will be available for questions.

Please dial in 5 – 10 minutes prior to the start of the conference call. The accompanying presentation will be available on our website as at 7 a.m. Please note that moderator can only take questions from dialled-in participants. Webcast participants may submit written questions. A webcast invitation was sent to Investis' news subscribers earlier this month. If you have not received it and wish to participate, [please click here to pre-register](#) by 08:30 CET latest to receive the link to the webcast and dedicated dial-in details. A replay of the webcast will be made available in the afternoon.

Agenda

18 April 2024	Annual General Meeting 2024
2 September 2024	Publication of half-year results 2024

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About Investis Group

Founded in 1994, Investis Group is a leading real estate company in the Lake Geneva region and a national real estate services provider active in the two segments of Properties and Real Estate Services.

The portfolio of Investis consists almost exclusively of residential properties with apartments in the mid-price segment in the Lake Geneva region and was valued at CHF 1,518 million as at 31 December 2023. Investis Real Estate Services is active throughout Switzerland with well-known brands.

INVESTIS has been listed on the SIX Swiss Exchange since June 2016 (symbol: IREN, security number: 32509429, ISIN CH0325094297). For further information: www.investisgroup.com

SELECTED KEY FIGURES

INVESTIS FINANCIAL KEY FIGURES		
CHF 1,000	31.12.2023	31.12.2022
Revenue	231,530	227,548
EBITDA before revaluations/disposals ¹⁾	50,062	53,524
EBIT	-1,487	180,399
Net result	-5,402	151,825
Net profit excluding revaluation effect ¹⁾	35,548	93,751
Funds from operations (FFO) ¹⁾	40,612	51,780
Total assets	1,613,696	1,597,358
Total property portfolio	1,518,026	1,507,923
Interest-bearing financial liabilities	397,000	319,000
Gross LTV ¹⁾	26.2%	21.2%
Deferred tax liabilities	140,839	142,636
Shareholders' equity	1,033,349	1,069,675
Equity ratio	64.0%	67.0%
Number of employees		
Headcount at end of period	2,305	2,334
FTE (full-time equivalent, average over the period)	1,600	1,526
DATA PER SHARE		
CHF	31.12.2023	31.12.2022
Share capital	1,280,000	1,280,000
Number of registered shares issued	12,800,000	12,800,000
Nominal value per share	0.10	0.10
NAV per share ¹⁾	81.03	83.96
NAV per share excluding deferred taxes with regard to properties ¹⁾	92.00	95.07
Earnings per share (basic/diluted)	-0.42	11.90
Gross dividend ²⁾	2.50	2.50
Dividend yield ^{1,2)}	2.6%	2.5%
Payout ratio ^{1,2)}	n/a	21.1%
Share price – annual high	101.50	115.00
Share price – annual low	89.60	84.80
Share price at end of period	97.60	101.50
Average number of shares traded per day	3,115	3,131
Market capitalisation at end of period (CHF million)	1,249	1,299

PROPERTIES KEY FIGURES

CHF 1,000	31.12.2023	31.12.2022
Residential investment properties	1,361,482	1,383,135
Commercial investment properties	147,012	108,170
Investment properties under construction	263	263
Properties held for sale	9,269	16,354
Total property portfolio	1,518,026	1,507,923
Total buildings	152	149
Total residential units	2,477	2,445
Average discount rate (real)	2.97%	2.74%
Revenue	53,077	57,790
Like-for-like rental growth ¹⁾	3.1%	1.0%
EBITDA before revaluations/disposals ¹⁾	33,691	36,802
EBIT	-13,868	167,342
Gross rental income (CHF million)	57.9	53.9
Net rental income (CHF million)	57.4	53.2
Vacancy rate	0.9%	1.3%

REAL ESTATE SERVICES KEY FIGURES

CHF 1,000	31.12.2023	31.12.2022
Revenue	181,696	173,512
of which property management	33%	35%
of which facility services	67%	65%
EBIT	17,914	18,367
EBIT margin	9.9%	10.6%
Rents under management (CHF billion)	1.53	1.58

- 1) The section "Alternative Performance Measures" includes definitions of performance measures that are not defined under Swiss GAAP FER.
- 2) Intended distribution per share in accordance with the proposal to the Annual General Meeting.