



EPIC SUISSE

# Annual Report 2023

Conference call presentation, 25 March 2024



## Disclaimer

This publication contains specific forward-looking statements, e.g. statements including terms like "believe", "assume", "expect", "forecast", "project", "may", "could", "might", "will" or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may result in a substantial divergence between the actual results, financial situation, development or performance of EPIC Suisse AG and those explicitly or implicitly presumed in these statements. Against the background of these uncertainties, readers should not rely on forward-looking statements. EPIC Suisse AG assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.

The information contained in this presentation does not purport to be comprehensive. Please refer to our consolidated financial statements for the year ended 31 December 2023 on our website at <https://ir.epic.ch/en/financial-reports/>

## Alternative performance measures

This presentation contains references to operational indicators, such as reported vacancy rate, adjusted vacancy rate and WAULT, and alternative performance measures ("APM") that are not defined or specified by the IFRS Accounting Standards, including EBITDA (incl. revaluation of properties), EBITDA (excl. revaluation of properties), net operating income, return on equity (incl. revaluation effects), return on equity (excl. revaluation effects), profit (excl. revaluation effects), net loan to value (LTV) ratio. These APM should be regarded as complementary information to and not

as substitutes of the Group's consolidated financial results based on IFRS Accounting Standards. These APM may not be comparable to similarly titled measures disclosed by other companies. For the definitions of the main operational indicators and APM used, including related abbreviations, please refer to the section "Alternative Performance Measures" on page 159 of our Annual Report 2023.

Except if indicated otherwise, all numbers are shown according to the audited IFRS consolidated financial statements per 31 December 2023. APM are shown based on the sector in which the properties belonged to during the period (i.e. before any transfers between sectors if any).

## Other Data

Certain numerical figures set out in this presentation, including financial data presented in millions or thousands, certain operating data, percentages describing shares and industry data, have been subject to rounding adjustments and, as a result, the totals of the data in this presentation may vary slightly from the actual arithmetic totals of such information. Furthermore, the variations shown in percentages are based on the actual numbers and may therefore vary slightly from the variation calculated on the rounded numbers.

## Glossary

A glossary of alternative performance measures have been included in the appendix for ease of reference.

# Annual results 2023

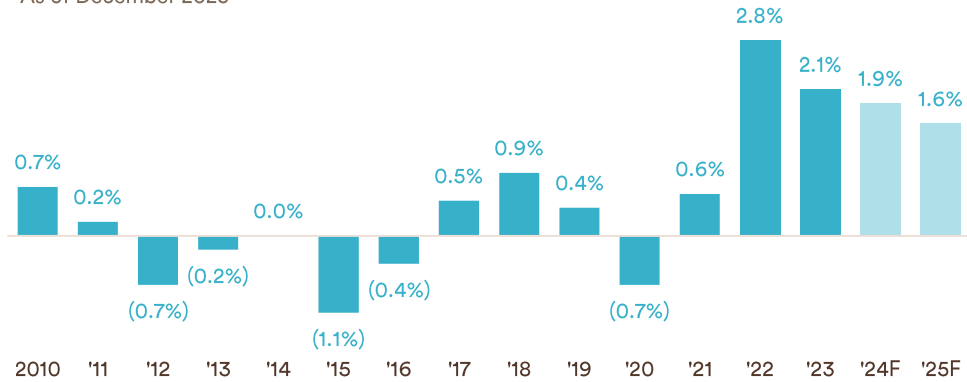
## Agenda

- Market overview
- EPIC at a glance
- Highlights
- Key figures
- Developments
- ESG
- Outlook

# Switzerland macroeconomic outlook

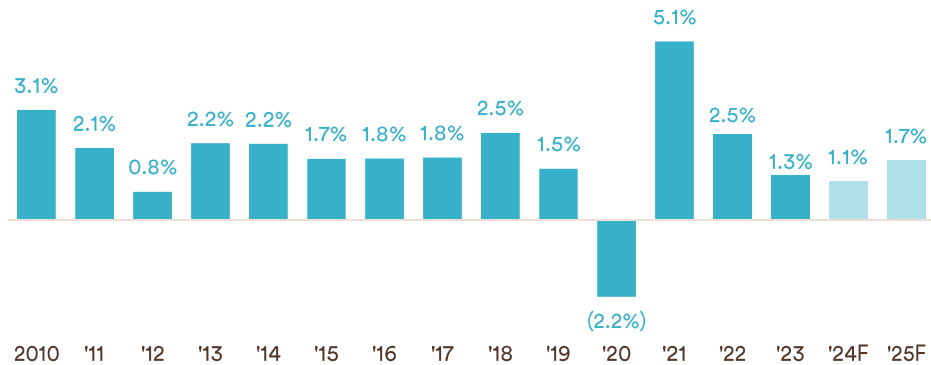
## Swiss Consumer Price Index (CPI) with forecast data<sup>(1)</sup>

As of December 2023



## Annual growth of real Swiss gross domestic product (GDP) with forecast data<sup>(2)</sup>

As of December 2023



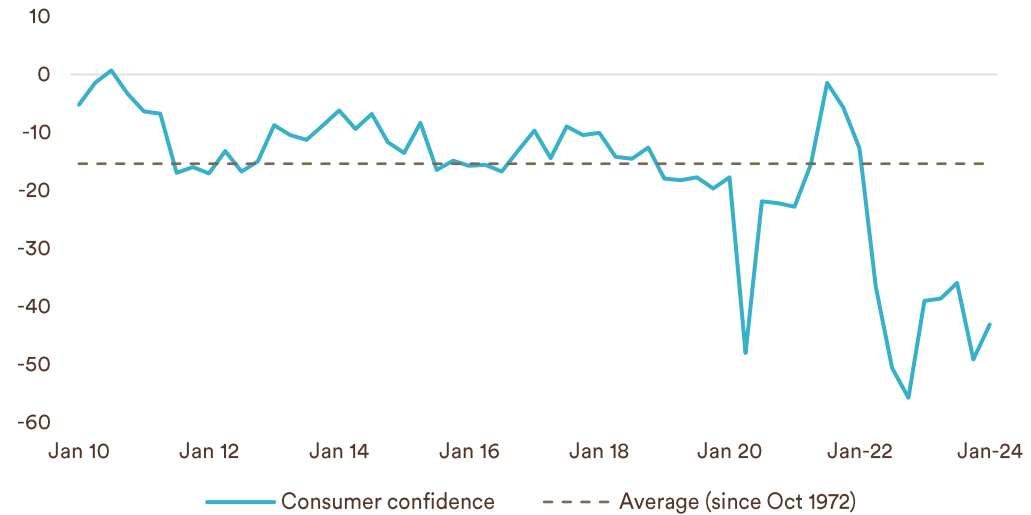
Notes:

(1) Swiss National Bank

(2) SECO

## Swiss Consumer Sentiment Index<sup>(2)</sup>

As of January 2024



- **Inflation prospects:** Inflation in Switzerland has cooled off from its peak in December 2022 at 2.8% to 2.1% in December 2023 and is expected to continue to go down to 1.9% in 2024 and to 1.6% in 2025.
- **Positive economic outlook:** GDP has come down since December 2021 at 5.1% to 2.5% in December 2022 and below average at 1.3% in December 2023. Expectations are that GDP will decrease further to 1.1% during 2024 before increasing again during 2025.
- **Consumer sentiment:** Consumer sentiment is still negative and stands at (43), after a sharp decline since mid of 2021, indicating a degree of uncertainty from the consumer side.

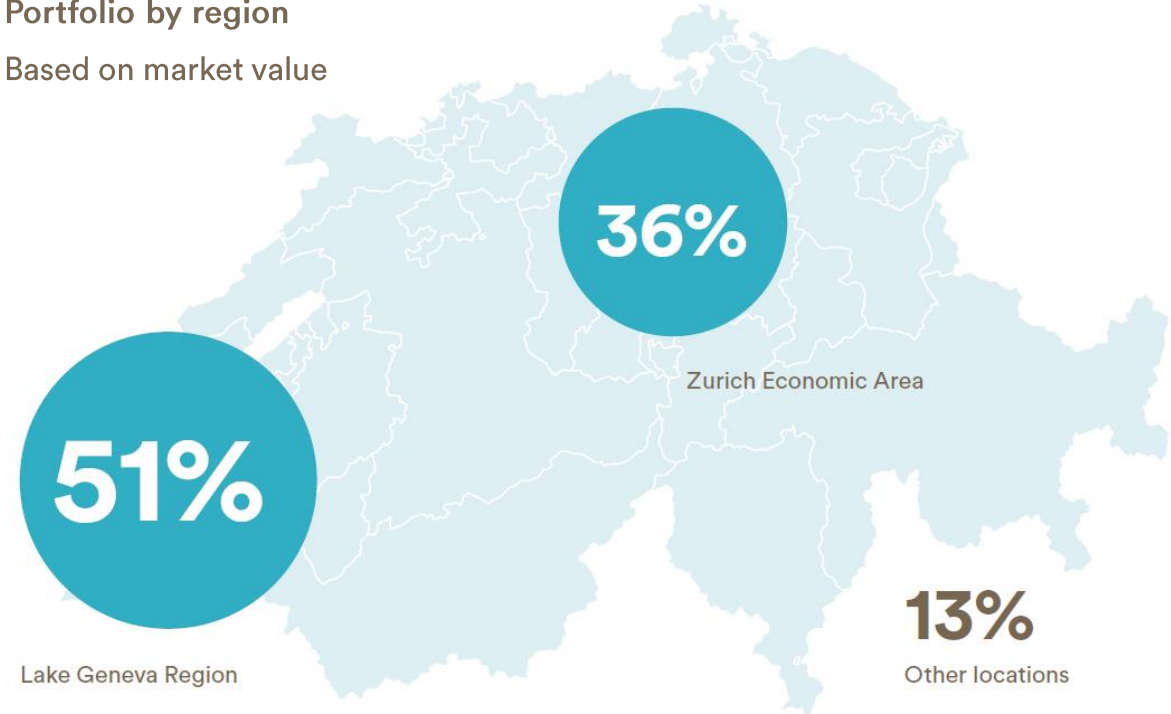
# Annual results 2023

## Agenda

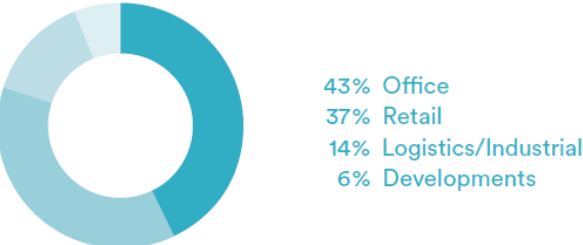
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# EPIC's 1.5 billion CHF portfolio by 31 December 2023

Portfolio by region  
Based on market value



Portfolio by use  
Based on market value



**25**

Properties

**324'549** m<sup>2</sup>

Rentable area  
of properties in operation

**4.5** %

Net rental income yield  
of properties in operation

**8.1** years

WAULT

# Annual results 2023

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# Highlights for the financial year 2023

- 1 Rental income grew by 6.3% to CHF 65.3 million in 2023 versus CHF 61.5 million in 2022 (6.0% on a like-for-like basis)
- 2 Reported vacancy rate in 2023 reduced to 4.6% and on an adjusted basis to 3.0% due to new lettings (in 2022, 5.8% and 3.3% respectively)
- 3 Long WAULT as at 31 December 2023 of 8.1 years (8.2 years as at 31 December 2022)
- 4 EBITDA (excl. revaluation on properties) amounted to CHF 52.4 million (CHF 48.9 million in 2022 excl. one-off IPO costs of CHF 5.9 million)
- 5 Solid equity ratio at 51.0% as at 31 December 2023
- 6 Dividend proposal of CHF 3.10 per registered share, equivalent to a 4.7% yield on closing price as at 31 December 2023



# Annual results 2023

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# Portfolio key figures

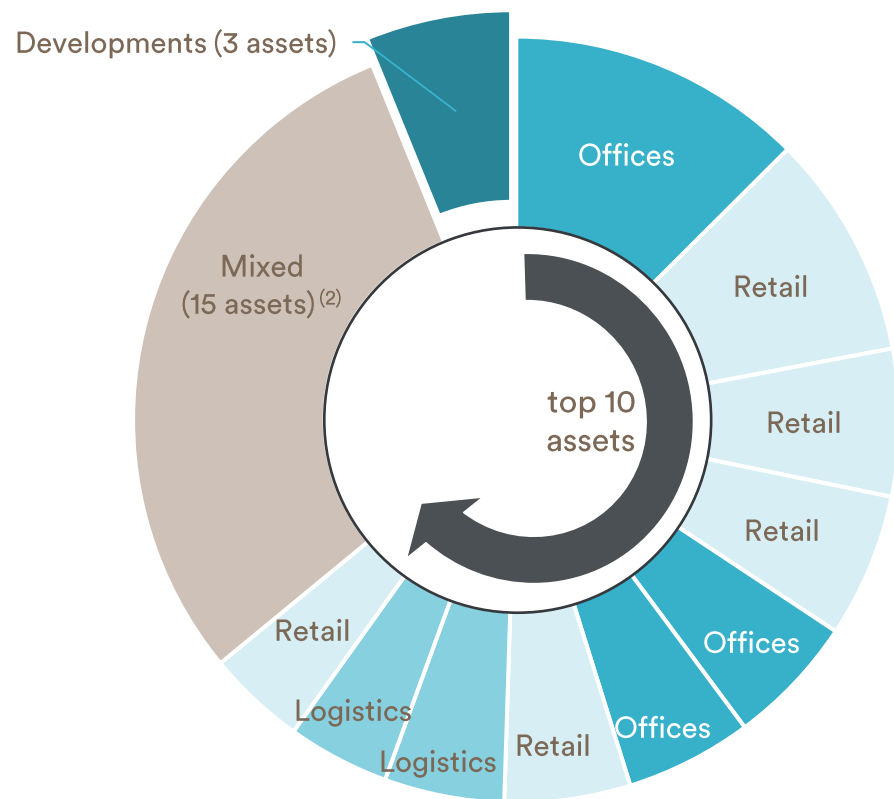
Portfolio	Unit	31 Dec 2023	31 Dec 2022	Variation
Number of properties per segment (in operation / development)	#	25 (25 <sup>(1)</sup> / 3 <sup>(2)</sup> )	25 (25 <sup>(1)</sup> / 3 <sup>(2)</sup> )	= -
Total portfolio	CHF ('000)	1'535'538	1'501'882	↗ 2.2%
Investment properties in operation	CHF ('000)	1'441'248	1'447'761	↘ (0.4%)
Investment properties under development/construction	CHF ('000)	94'290	54'121	↗ 74.2%
Reported vacancy rate (properties in operation)	%	4.6%	5.8%	↘ (19.9%)
Adjusted vacancy rate (properties in operation) <sup>(3)</sup>	%	3.0%	3.3%	↘ (10.6%)
WAULT (weighted average unexpired lease term)	Years	8.1	8.2	↘ (0.8%)

## Notes:

- (1) The property acquired in Tolochenaz (via EPiC 24) in December 2022 is valued separately but considered as an extension of the property in Tolochenaz (EPiC 7)
- (2) Two properties are split into two segments - EPiC 19 (Campus Lemans) and EPiC 21 (Brunnpark) as they have a yielding and a development part
- (3) Adjusted for Zänti Volketswil and Biopôle Serine (see slide 13)

# Balanced portfolio

Breakdown of the portfolio as at 31 December 2023 based on market value<sup>(1)</sup>



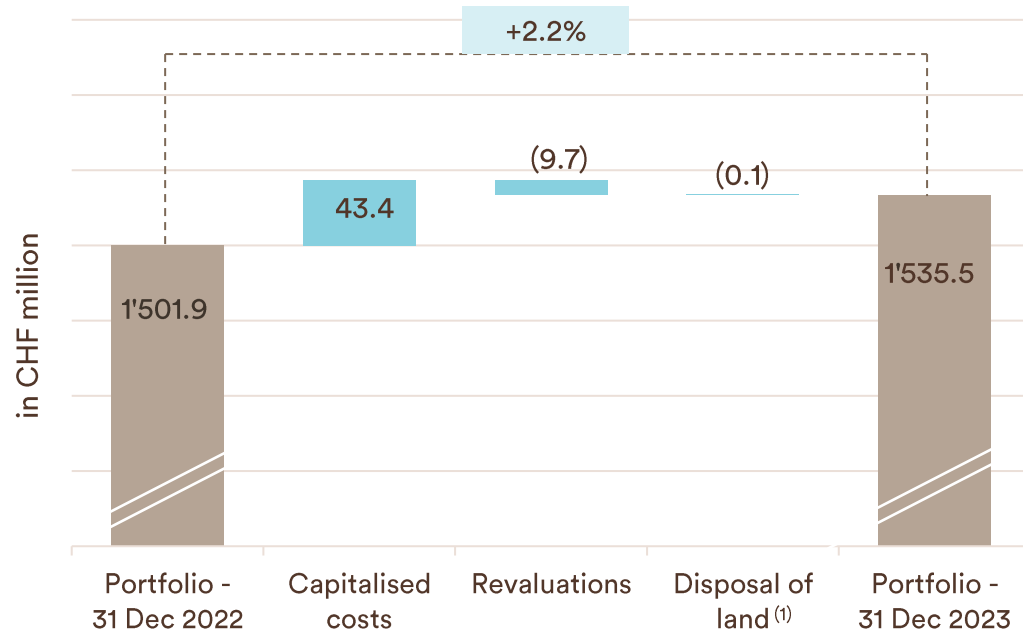
- The portfolio consists of 25 properties, with 2 properties divided into two segments<sup>(3)</sup> and one property considered as an extension of an existing property<sup>(4)</sup>
  - 25 assets in operation
  - 3 assets in development / construction
- Top 10 properties in operation with value of 64% of total portfolio
- Two properties with individual value higher than CHF 100 million
- Average property value: circa CHF 55 million
- Median property value: circa CHF 41 million
- Smallest property in operation: circa CHF 6 million

Notes:

- (1) In accordance with IFRS when taking into account the right-of-use of land
- (2) Mixed includes properties categorised as Offices, Retail and Logistics / Industrial
- (3) Campus Leman Buildings C and D (EPiC 19) and the land reserve of Brunnpark in Roggwil (EPiC 21)
- (4) EPiC 24 is considered as an extension of EPiC 7 in Tolothenaz

# Portfolio value increased by 2.2% compared to 31 December 2022

## Portfolio market value evolution over 2023



The portfolio growth was mainly driven by the continuous investment in:

- the developments (CHF 37.4 million), with CHF 32.2 million related to project PULSE in Cheseaux-sur-Lausanne and CHF 5.2 million related to the construction of the Campus Lemman Building C in Morges
- the properties in operation (CHF 6.0 million)

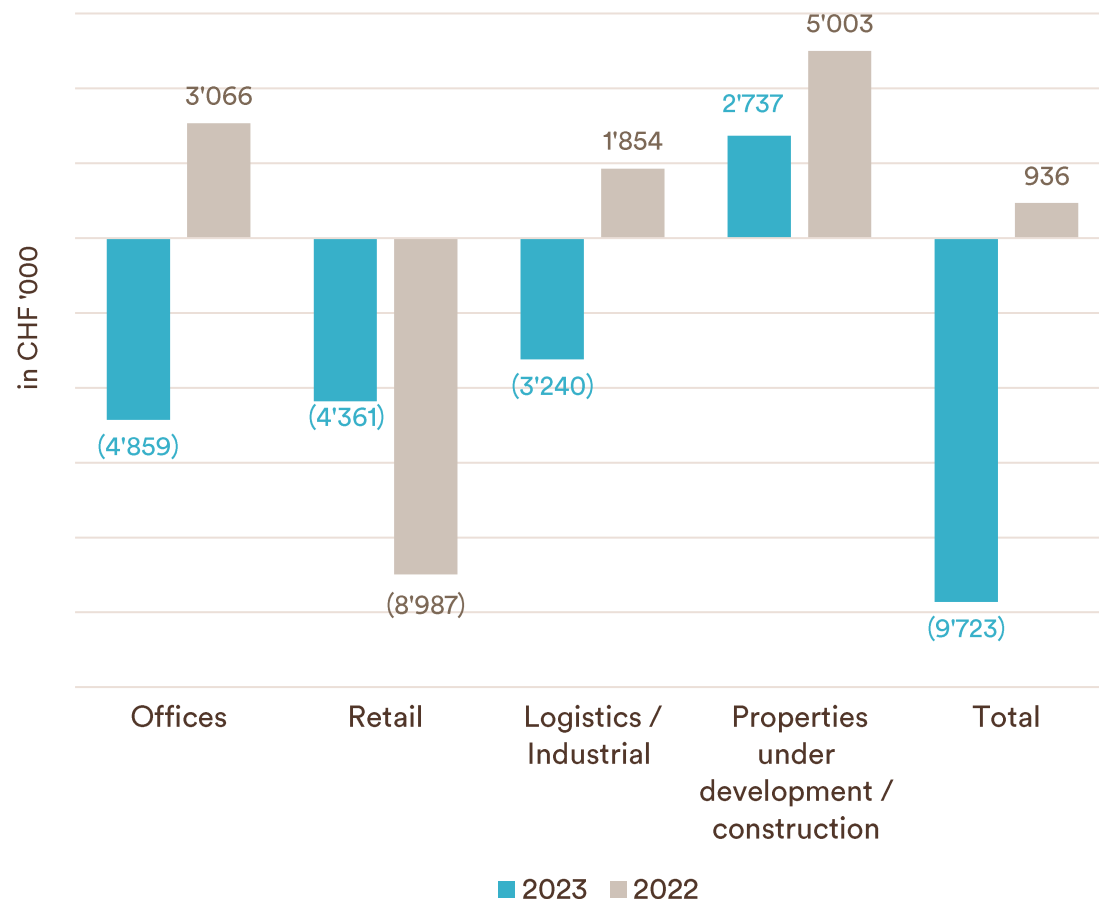
The CHF 9.7 million of net revaluation losses represents a moderate (0.6%) reduction of the portfolio value compared to 31 December 2022

### Notes:

(1) Sale of land of 91 m<sup>2</sup> in Wiggis-Park (EPiC 3) to its neighbour for TCHF 72.8 resulting in a gain of TCHF 8.3.

# Net unrealised revaluation loss of CHF 9.7 million in 2023

## Net revaluation results comparison



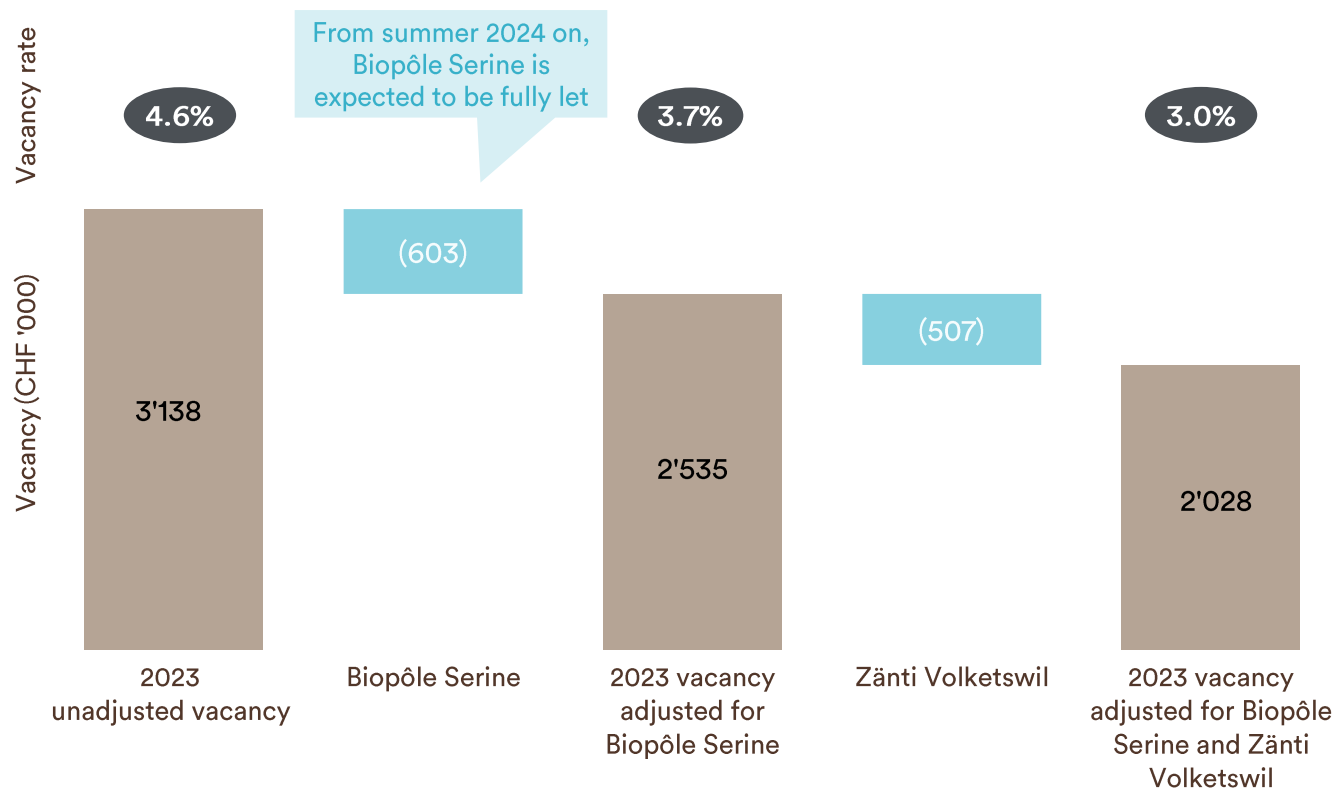
- All properties were revalued by Wüest Partner, an independent valuer, as at 31 December 2023 and as at 31 December 2022
- In 2023, the revaluation of the properties resulted in a net unrealised revaluation loss of CHF 9.7 million (versus an unrealised gain of CHF 0.9 million in 2022)

Wüest Partner Input parameters	31 Dec 2023	31 Dec 2022
Average nominal discount rate	4.69%	4.34%
Assumed inflation rate	1.25%	1.00%
Average real discount rate	3.39%	3.31%
Lowest discount rate	2.80%	2.65%
Highest discount rate	4.00%	4.00%



# Reduced reported and adjusted vacancy rates for properties in operation

Adjusted vacancy after excluding Biopôle Serine and Zänti Volketswil<sup>(1)</sup>



2023 vacancy rates	Reported	Adjusted
Offices <sup>(2)</sup>	6.1%	4.1%
Retail <sup>(3)</sup>	4.5%	2.6%
Logistics / light industrial	0.6%	0.6%
Properties in operation	4.6%	3.0%

Notes:

- (1) Properties recently built or repositioned
- (2) Adjusted for Biopôle Serine
- (3) Adjusted for Zänti Volketswil

# Top 6 tenants with above-average WAULT of > 10 years

Tenant group	Net rental income 2023 (CHF million)	Share (% of total)	WAULT (years) <sup>(4)</sup>
Coop group <sup>(1)</sup>	13.0	20%	
Migros group <sup>(1)</sup>	5.6	9%	
CHUV <sup>(2)</sup>	5.1	8%	
GXO Logistics Switzerland S.A.G.L.	4.2	6%	
Hitachi Zosen Inova AG	3.7	6%	
Incyte Biosciences International S.à.r.l.	2.8	4%	
<b>Top 6 tenants</b>	<b>34.4</b>	<b>53%</b>	<b>10.2</b>
Other (160+ tenants <sup>(3)</sup> )	30.9	47%	
<b>Rental income</b>	<b>65.3</b>	<b>100%</b>	<b>8.1</b>

88% of rental income is indexed according to Swiss CPI formulas<sup>(4)</sup>

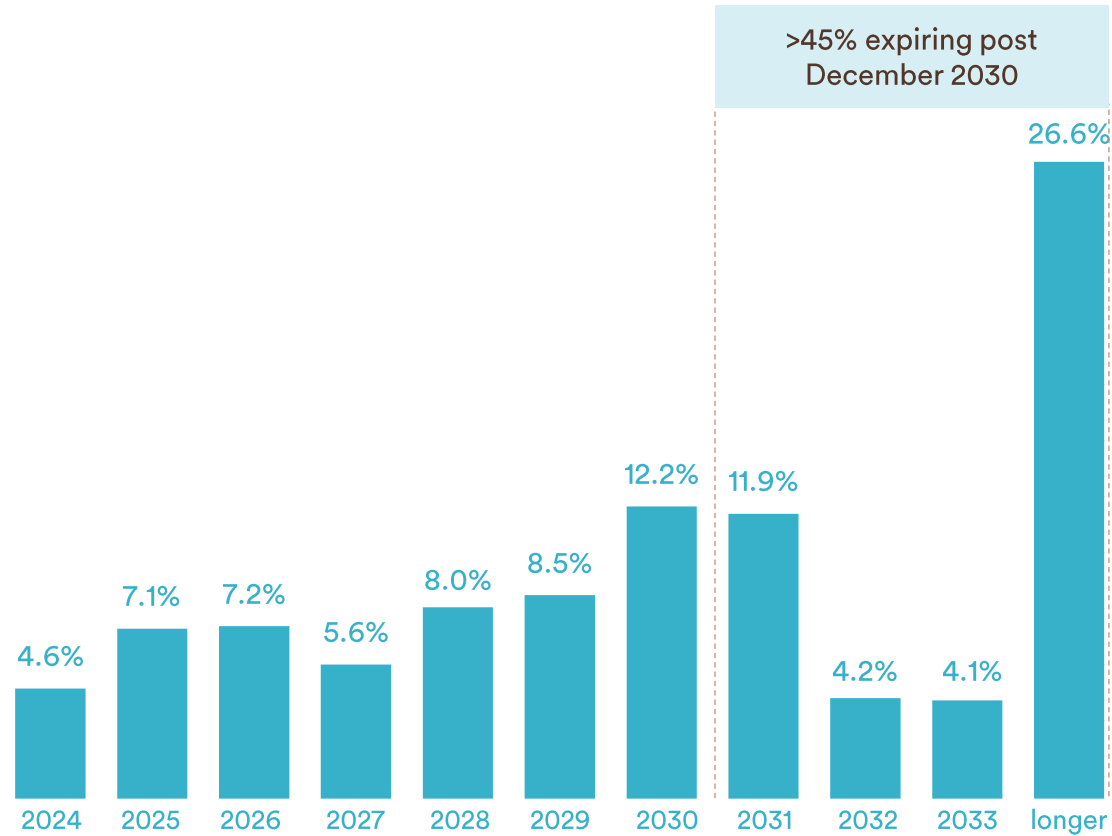
Notes:

- (1) Coop and Migros captions all brands and shops belonging to their respective groups (retail and non-retail)
- (2) "Centre Hospitalier Universitaire Vaudois" group, including PMU Policlinique médicale universitaire

- (3) Number of tenants excludes tenants with rental contracts from parking spaces, apartments, storage and ancillary areas (such as delivery ramps, antennas, show cases for adverts etc.)
- (4) Weighted by rental income excluding rent free

# Long leases with balanced expiry profile

Expiry of investment properties' lease contracts  
based on 31 Dec 2023 rent<sup>(1)</sup>



## Out of the leases expiring in 2024:

- 82% relate to contracts:
  - with no fixed maturity; or
  - which were renewed / re-let; or
  - are currently under negotiations
- 18% relate to areas that are on the market

## Out of the contracts coming to maturity in 2025:

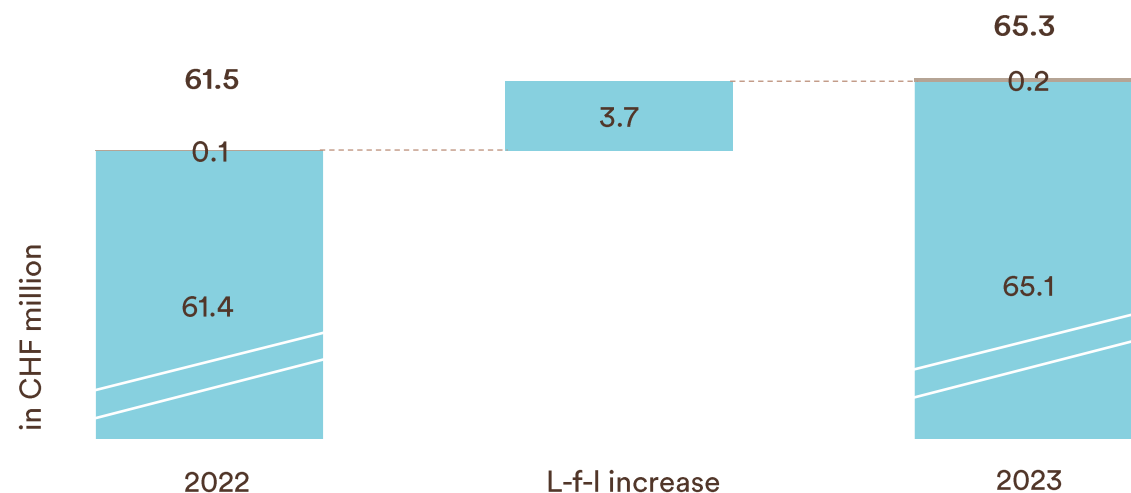
- 79% in relation to one tenant, who gave us positive indications, however, final decision expected by 30 September 2024
- 10% relates to contracts already renewed

### Notes:

(1) Rental income excludes rent free and exercise of any early break option(s)

# 6.0% like-for-like rental growth for investment properties in operation

Rent evolution on a like-for-like basis<sup>(1)</sup>



- Rent from other properties<sup>(2)</sup>
- Rent from like-for-like portfolio

Sector	L-f-l growth 2023 versus 2022
Offices	5.5%
Retail	7.1%
Logistics / light industrial	4.5%
Like-for-like (L-f-l) for properties in operation	6.0%
Total properties in operation (not L-f-l)	6.3%










- All sectors benefitted from the indexation of rents
- The remaining of the like-for-like increase was driven mostly from less incentives granted to tenants and lower vacancies

Notes:

(1) Rental income from properties in operation excluding the property in Tolochenaz (EPiC 24) bought in December 2022

(2) Rental income from the property in Tolochenaz (EPiC 24) bought in December 2022

# Balance sheet key figures

Balance sheet	Unit	31 Dec 2023	31 Dec 2022	Variation
Total assets	CHF ('000)	1'578'434	1'563'201 	1.0%
Equity (NAV)	CHF ('000)	804'943	818'412 	(1.6%)
Equity ratio	%	51.0%	52.4% 	(2.6%)
Mortgage-secured bank loans	CHF ('000)	610'256	595'966 	2.4%
Weighted average interest rate of mortgage-secured bank loans	%	1.3%	1.0% 	30.3%
Weighted average residual maturity of mortgage-secured bank loans	Years	4.5	4.1 	10.7%
Net loan to value (LTV) ratio	%	38.9%	38.3% 	1.6%
Return on equity (incl. revaluation effects)	%	2.2%	8.1% 	(73.1%)
Return on equity (excl. revaluation effects)	%	5.0%	4.7% 	7.9%

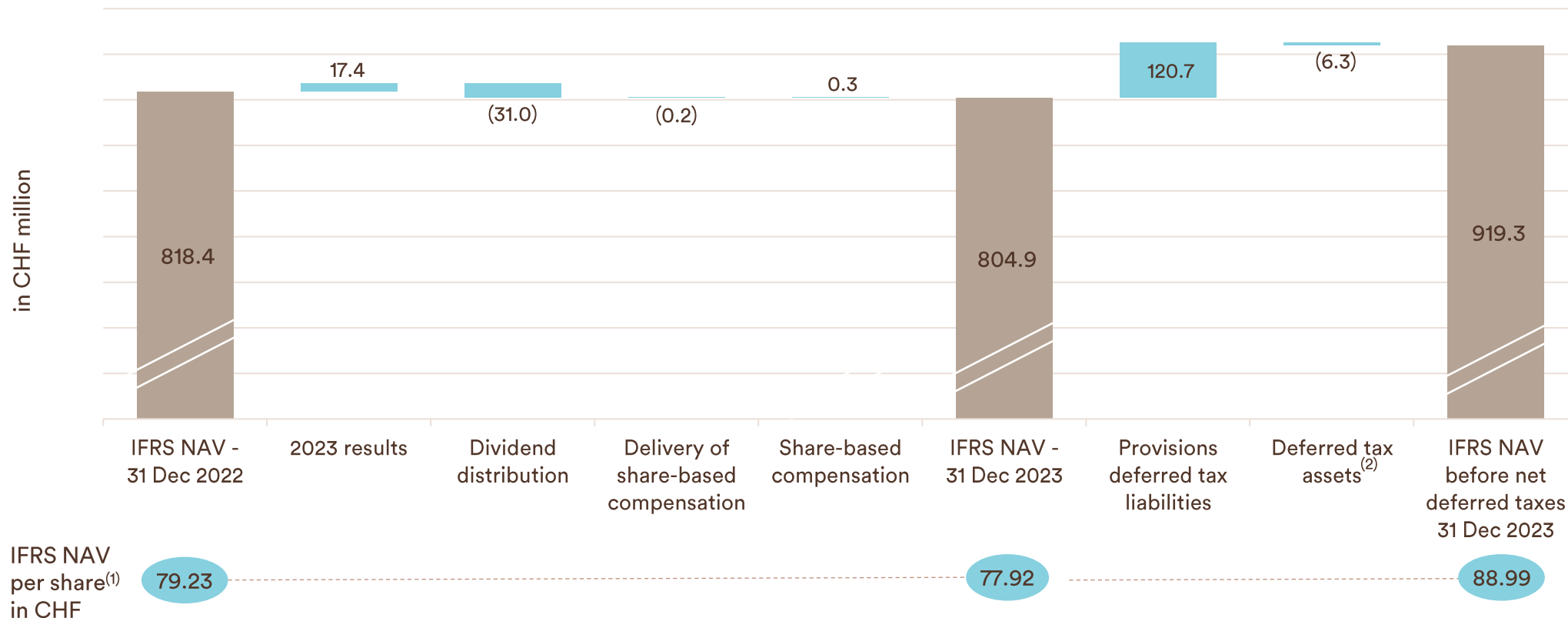
Target net LTV of 45% medium term

2022 return on equity ratios affected by one-off IPO costs and IPO capital increases



# NAV per share at CHF 77.92 by end of December 2023

IFRS NAV evolution over 2023



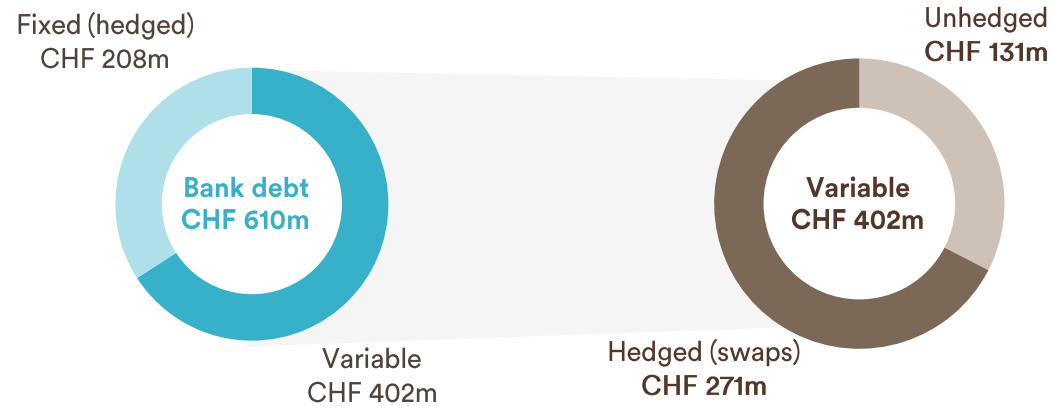
Notes:

(1) Based on 10'330'076 shares

(2) Deferred tax assets (TCHF 217) and other non-current assets corresponding to the complementary property tax in Vaud (CHF 6.1 million)

# Spread maturity bank debt profile

## Bank debt by type as at 31 December 2023

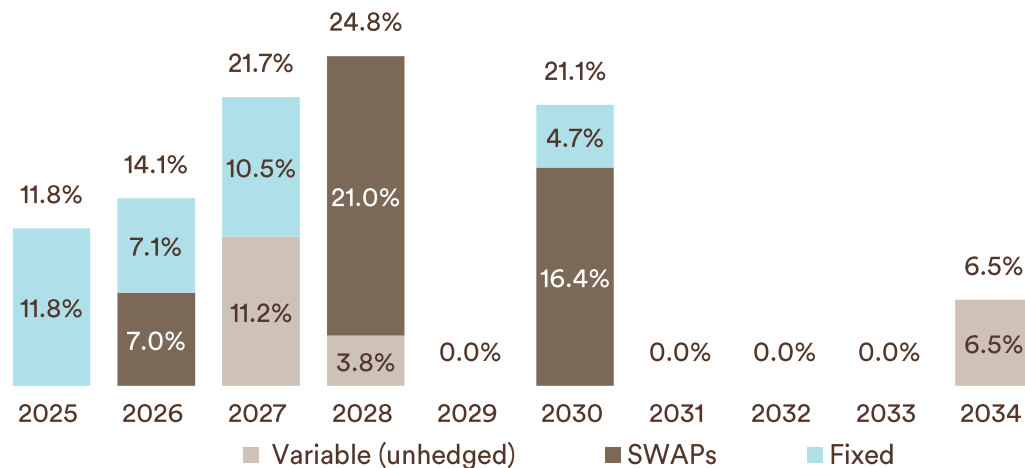


## As at 31 December 2023










- **Low financing costs** – average cost of debt of 1.3%
- **Broad range of bank debt maturities** – weighted average debt maturity of 4.5 years
- **Majority of bank debt hedged** – 79% of bank debt is hedged (either through fixed rates or swaps)
- **No currency risk crystallisation** – use of 3-year foreign cross currency swaps with nominal amount of CHF 91.3 million to reduce the bank margin. The foreign currency conversion rates are equal at inception and maturity of the swaps. Only unrealised foreign exchange revaluation losses or gains will be recorded at each balance sheet date through the profit or loss

## Bank loan maturity profile as at 31 December 2023 over the years

Maturing debt in % of bank debt

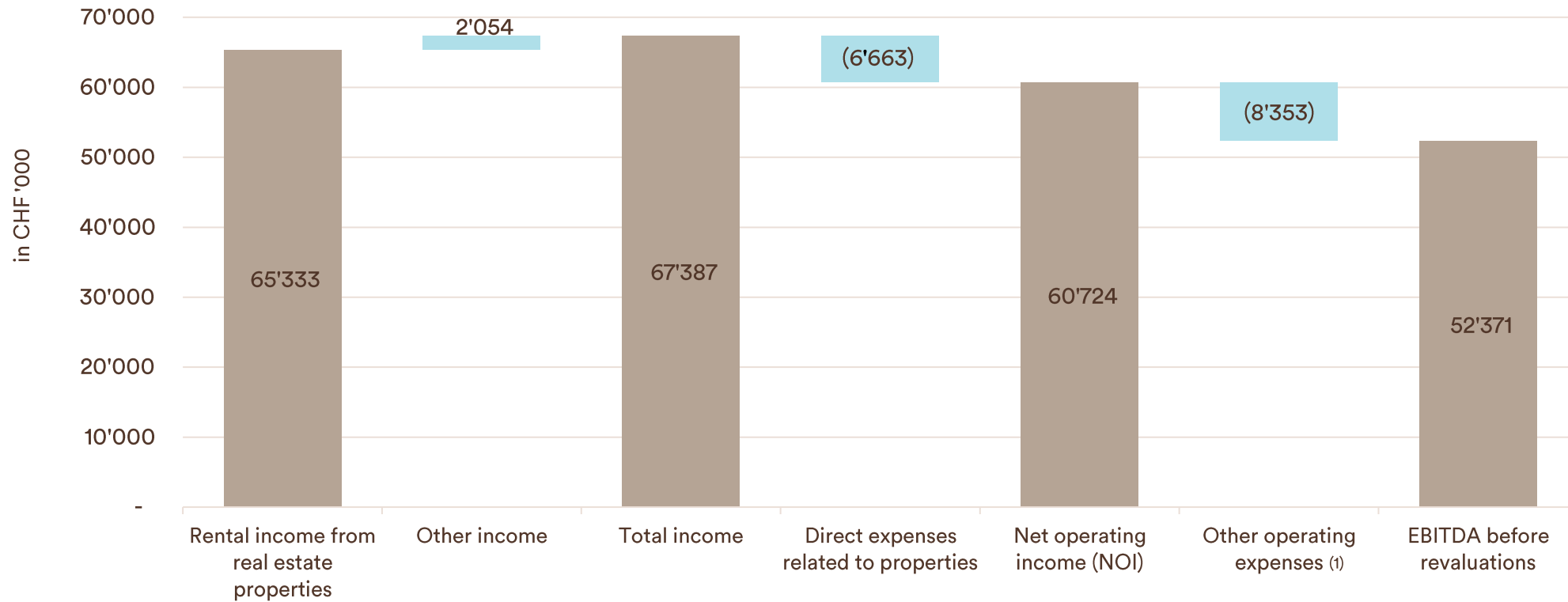


# Profit or loss key figures

Results	Unit	2023	2022	Variation
Rental income from real estate properties	CHF ('000)	65'333	61'480 	6.3%
Net operating income (NOI)	CHF ('000)	60'724	56'401 	7.7%
Net gain (loss) from revaluation of properties	CHF ('000)	(9'715)	936 	(1'137.9%)
EBITDA (incl. revaluation of properties)	CHF ('000)	42'656	44'017 	(3.1%)
EBITDA (excl. revaluation of properties)	CHF ('000)	52'371	43'081 	21.6%
Earnings before interest and tax (EBIT)	CHF ('000)	42'461	43'825 	(3.1%)
Profit (incl. revaluation effects)	CHF ('000)	17'627	56'373 	(68.7%)
Profit (excl. revaluation effects)	CHF ('000)	40'874	32'584 	25.4%
Net rental income yield of properties in operation	%	4.5%	4.2% 	6.9%

2022 numbers include one-off IPO costs of CHF 5.9 million

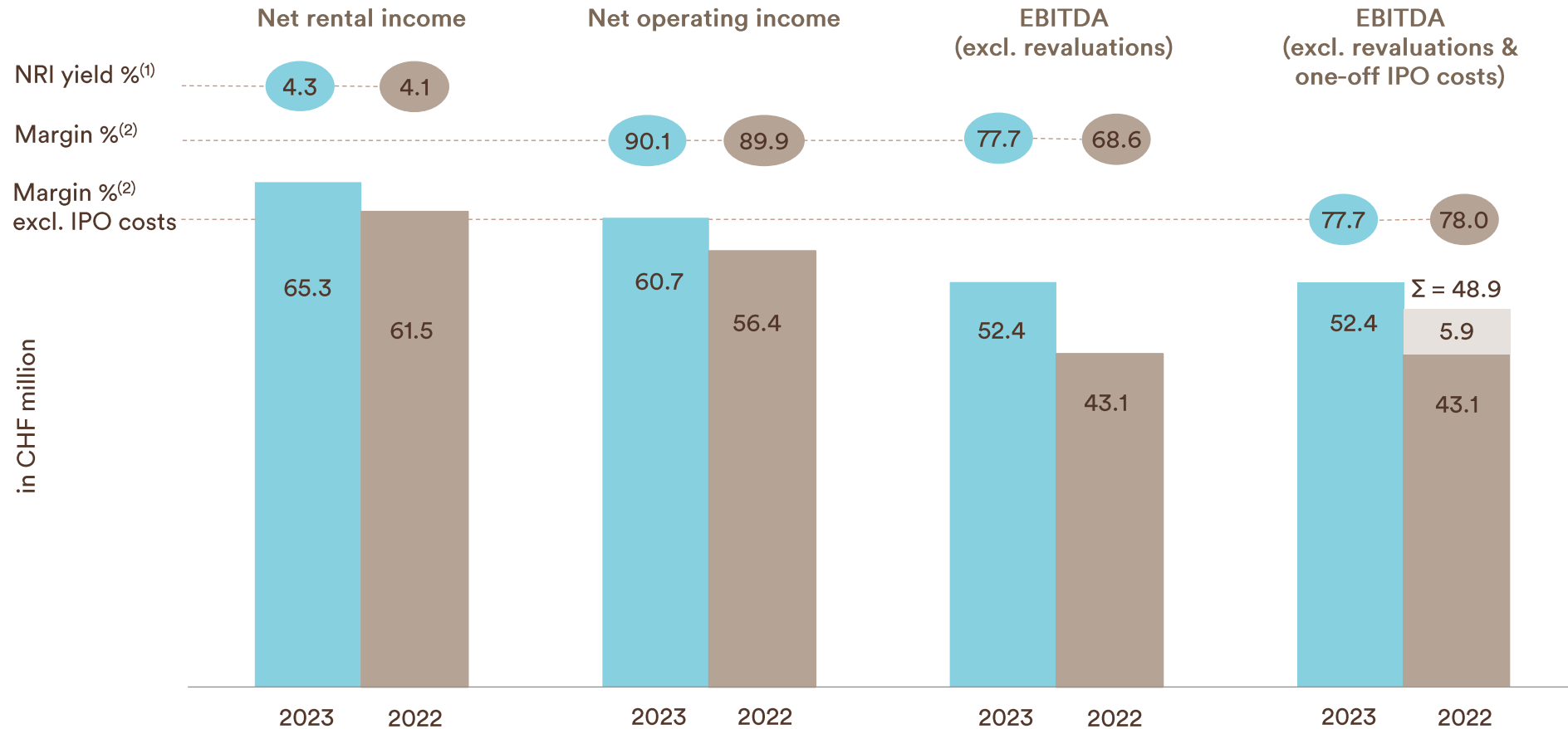
# 2023 net rental income to EBITDA (before revaluations)



Notes:

(1) Other operating expenses include personnel expenses, operating expenses and administrative expenses

# Rental income, NOI and EBITDA (excl. revaluations & IPO costs) in 2023 higher than in 2022



Notes:

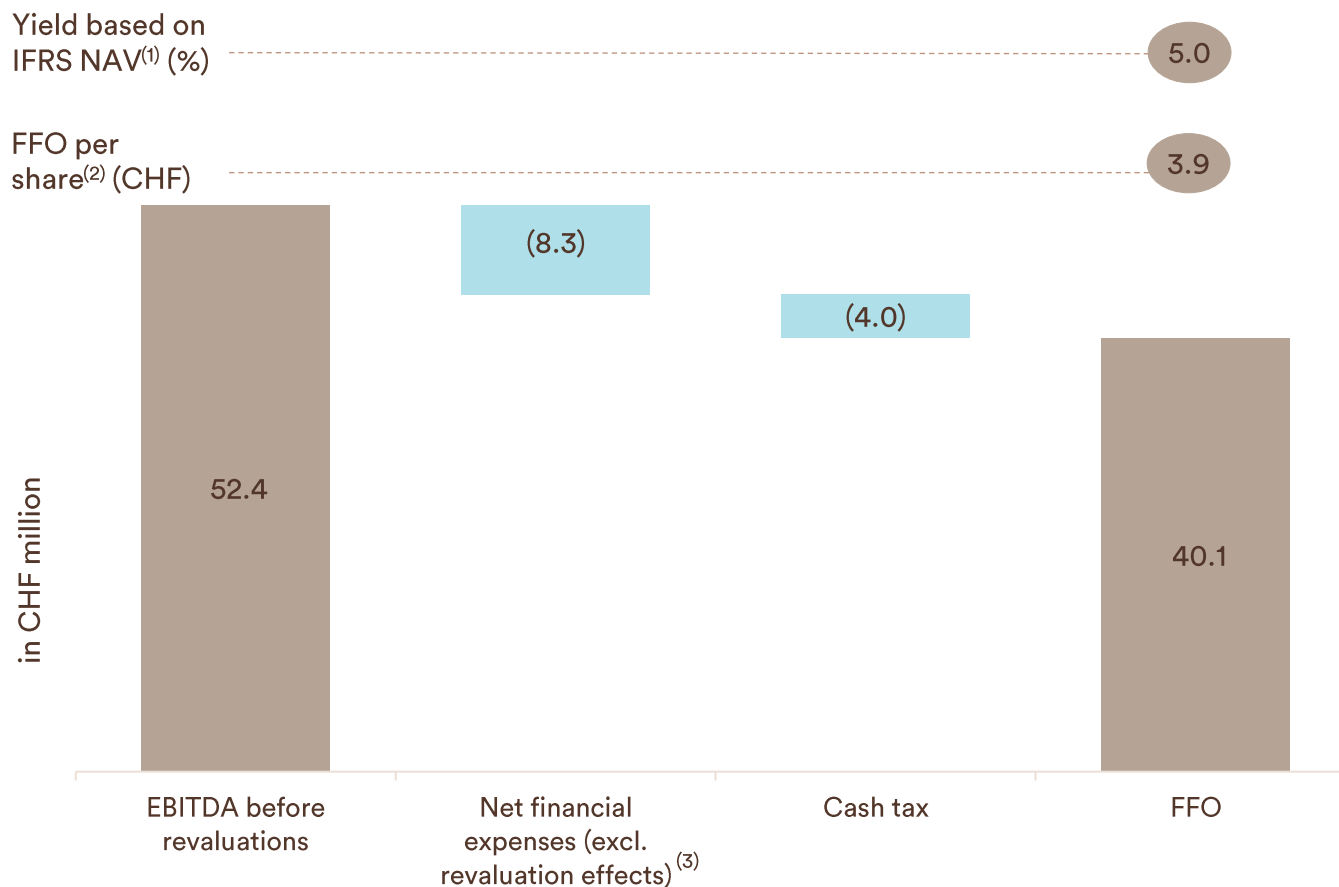
(1) Net rental income of the total portfolio divided by the fair value of total real estate properties

(2) Net operating income (NOI) divided by total income / EBITDA (excluding revaluations on properties) divided by total income



# Funds from operations (FFO) as at 31 December 2023

## Bridge from EBITDA excl. revaluations to FFO



## Distribution

- The Board of Directors will propose to increase the dividend from CHF 3.00 CHF to CHF 3.10 per share to the Annual General Meeting to be held on 25 April 2024
- The gross dividend distribution of CHF 32.0 million will take place on 8 May 2024
- The distribution will be made out of the foreign capital contributions reserves, which are free of Swiss withholding tax upon distribution

### Notes:

- (1) FFO divided by the IFRS NAV
- (2) Based on 10'330'076 existing shares
- (3) Net financial expenses of (CHF 22.7 million) adjusted for unrealised revaluation effects (loss of CHF 20.3 million on the swaps and gain of CHF 5.8 million on the underlying USD loans)

# Information per share key figures

Information per share	Unit	31 Dec 2023	31 Dec 2022	Variation	
Number of shares outstanding at period end	# ('000)	10'330	10'330	=	-
Net asset value (NAV) per share	CHF	77.92	79.23	↘	(1.6%)
Share price on SIX Swiss Exchange at period end	CHF	65.60	63.50	↗	3.3%
		<b>2023</b>	<b>2022</b>		
Weighted average number of outstanding shares	# ('000)	10'330	9'200	↗	12.3%
Earnings per share incl. revaluation effects	CHF	1.71	6.13	↘	(72.2%)
Earnings per share excl. revaluation effects	CHF	3.96	3.54	↗	11.7%

2022 numbers include one-off IPO costs of CHF 5.9 million

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# Progress on ongoing development projects

Current status updates and impressions<sup>(1)</sup>

## Campus Leman (phase 2)



- Construction is ongoing and building C is expected to be completed by H1 2025
- Anchor tenant has already committed for 2 floors (out of 6)
- Other 4 floors are currently being marketed

## Brunnpark - Roggwil land reserve



- Preliminary building permit with main project guidelines was submitted to the authorities during H2 2023, in order to receive an official feedback from the authorities before moving to the preparation of the final building permit
- Discussions with the authorities are ongoing
- The preliminary building permit filed is for buildings size of circa gross 30'000 m<sup>2</sup> or gross 425'000 m<sup>3</sup>

## PULSE in Cheseaux-sur-Lausanne



- Construction ongoing and is expected to be completed as planned during H1 2025
- Project was included as a reference of examples for densification of light industrial buildings
- Signed first rental agreement for about 5% of the surface, for prices in line with our business plan
- Ongoing discussions with various tenants, reinforcing the viability of the product

## Tolochenaz (in planning)<sup>(2)</sup>



- Informed by the municipality that the Public Enquiry for the new masterplan is expected to begin during April 2024
- New master plan expected to improve flexibility of the building rights and also attractiveness of the site
- Strategic development site in canton Vaud
- Current tenant installed photovoltaic panels on the roof (circa 4'900 m<sup>2</sup>)

Notes:

(1) Source of pictures: Bonnard+Woeffray Architectes, Architram / Atelier du Simplon, Laurent Kaczor and Pichler Fotografen

(2) Currently classified under investment properties in operation

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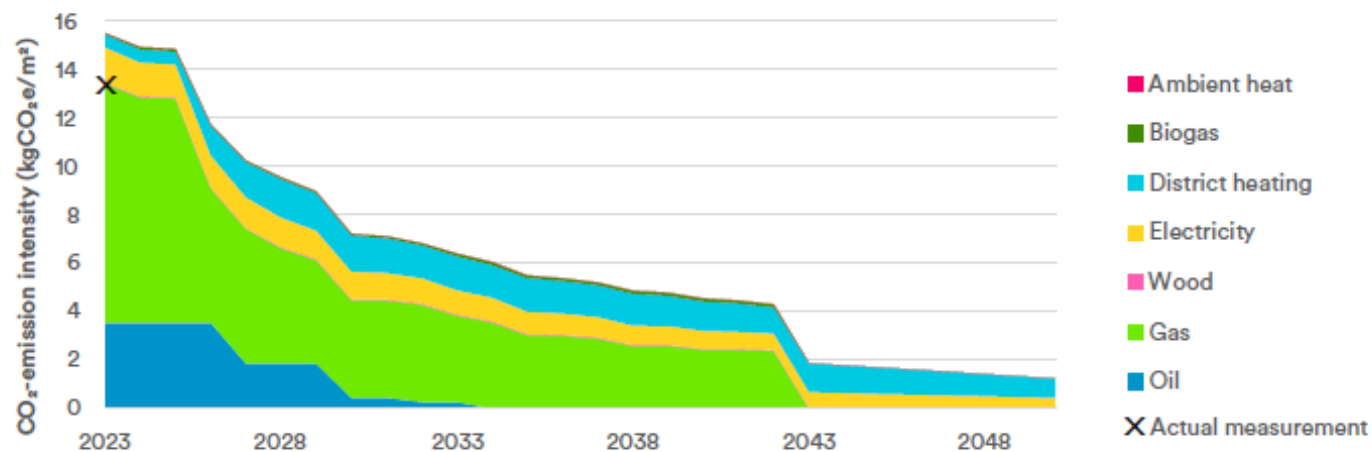
# Environmental, Social and Governance (ESG)



- The Board of Directors approved in 2023 the decarbonisation pathway targeting **net zero carbon emission** by 2050
- We have published for the first time the sustainability report in accordance with **GRI standards**
- To further enhance transparency, we have voluntarily complemented our existing ESG reporting with further information on the climate related risks and opportunities by preparing a **TCFD Report** (Task Force on Climate-related Financial Disclosures)

# Environmental, Social and Governance (ESG)

Forecasted decarbonisation pathway per energy source 2023-2050<sup>(1)</sup>



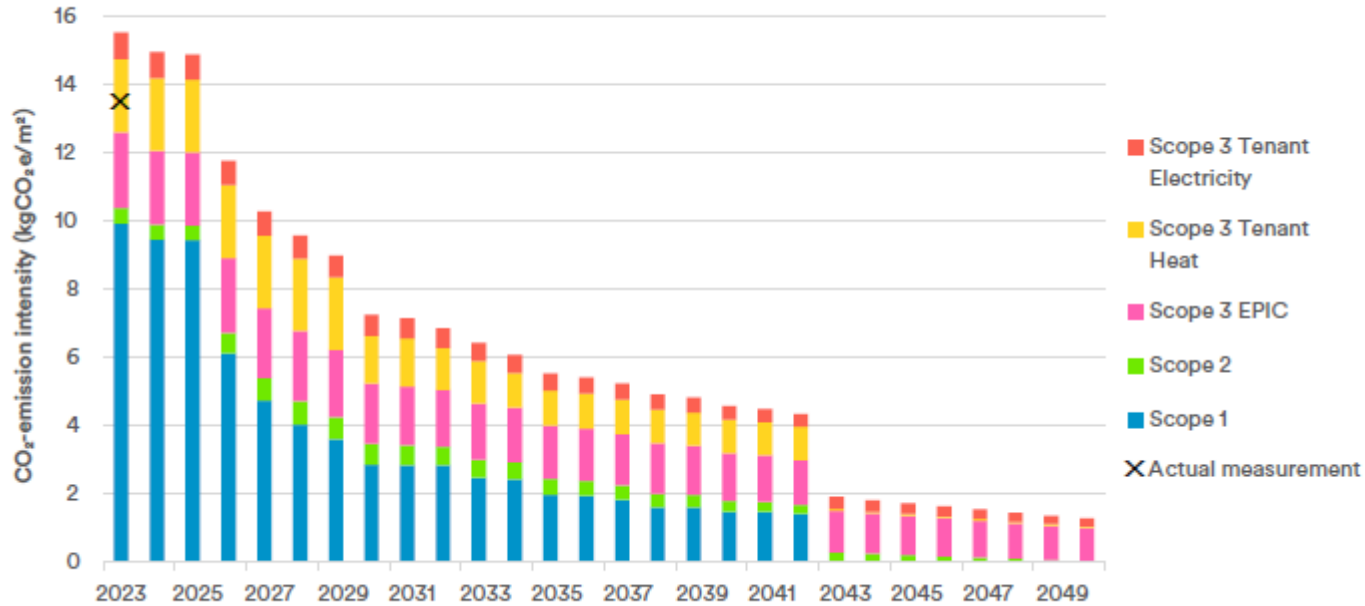
- The projected decarbonisation pathway represents strategies to reduce greenhouse gas emissions by reducing reliance on gas and oil for heating and switching to cleaner energy sources. The pathway is based on forecasted measures for the period from 2023 to 2050
- Energy-efficiency improvements (like envelope and insulations retrofits) further contribute to an overall reduction in emissions
- Measures already taken during 2023:
  - Continuation of the change of the façade in Provencenter with new insulation – expected completion during 2024, after which we expect to receive the Minergie label for the building
  - Installation of new photovoltaic panels of circa 4'500 m<sup>2</sup> on the roof of the Wiggis-Park shopping center
  - Installation of circa 4'900 m<sup>2</sup> of photovoltaic panels by the tenant on the roof of the logistics site En Molliau in Tolochenaz

Notes:

(1) The actual measured data highlights the effects of a warmer year in 2022-2023 as compared to the multi-year average

# Environmental, Social and Governance (ESG)

Forecasted decarbonisation pathway per scope 2023-2050<sup>(1)</sup>



- The forecasted decarbonisation pathway is expected to significantly reduce Scopes 1, 2 & 3<sup>(2)</sup> emissions
- The pathway assumes regular weather conditions and that district heating providers move to green energy in line with the federal target of net zero carbon emission by 2050
- Data for the decarbonisation pathway was assessed by surveys

Notes:

(1) The actual measured data highlights the effects of a warmer year in 2022-2023 as compared to the multi-year average  
 (2) The included Scope 3 emissions only consider category 13 - downstream leased assets - as well as category 3.3 - fuel- and energy-related activities



# Environmental, Social and Governance (ESG)

## Emission intensity 2023 based on consumption data

EPIC Group's portfolio	Unit	Total 2023
<b>Total GHG Emissions of the portfolio (Scopes 1-3)</b>	<b>tCO<sub>2</sub>e</b>	<b>3'770</b>
<b>CO<sub>2</sub>-Emission intensity</b>	<b>kgCO<sub>2</sub>e/m<sup>2</sup></b>	<b>13.5</b>
<b>Scope 1</b>	<b>tCO<sub>2</sub>e</b>	<b>2'296</b>
– Fuel oil	tCO <sub>2</sub> e	270
– Natural gas	tCO <sub>2</sub> e	2'006
– Biogas	tCO <sub>2</sub> e	20
– Biomass	tCO <sub>2</sub> e	-
<b>Scope 2</b>	<b>tCO<sub>2</sub>e</b>	<b>108</b>
– Electricity	tCO <sub>2</sub> e	64
– District heating	tCO <sub>2</sub> e	44
<b>Scope 3<sup>1</sup></b>	<b>tCO<sub>2</sub>e</b>	<b>1'366</b>
Scope 3.13 - Downstream leased assets <sup>2</sup>	tCO <sub>2</sub> e	819
Combustibles	tCO <sub>2</sub> e	627
– Fuel oil	tCO <sub>2</sub> e	307
– Natural gas	tCO <sub>2</sub> e	307
– Biogas	tCO <sub>2</sub> e	3
– Biomass	tCO <sub>2</sub> e	10
Electricity	tCO <sub>2</sub> e	175
District heating	tCO <sub>2</sub> e	17
Other Scope 3 emissions	tCO <sub>2</sub> e	547
Scope 3.3 - Fuel and Energy-Related Activities	tCO <sub>2</sub> e	527
Scope 3.3 - PV	tCO <sub>2</sub> e	20
<b>Out-of-scope Emissions<sup>3</sup></b>	<b>tCO<sub>2</sub>e</b>	<b>127</b>

- For the Annual Report 2023, sufficient energy consumption data for the period from July 2022 until June 2023 was available to report the portfolio CO<sub>2</sub> emissions Scope 1-3<sup>(1)</sup>. A small share of missing data (less than 20%) was extrapolated or modelled
- Scope allocation of energy consumption follows the GHG Protocol and the REIDA<sup>(4)</sup> guidance
- Emission intensity: 13.5 kgCO<sub>2</sub>e/m<sup>2</sup> – low compared to Swiss average, due to the young age of the real estate portfolio, partial reliance on lower-carbon alternatives and renewable electricity as well as large surfaces that do not require heating

### Notes:

- (1) The included Scope 3 emissions only consider category 13 - downstream leased assets - as well as category 3.3 - fuel- and energy-related activities
- (2) Emissions associated with tenant-procured utilities as well as embodied emissions of tenant's operations
- (3) CO<sub>2</sub> emissions associated with the combustion of biogas and biomass
- (4) Real Estate Investment Data Association

# Annual results 2023

## Agenda

- Market overview
- EPIC at a glance
- Highlights
- Key figures
- Developments
- ESG
- Outlook



# Outlook

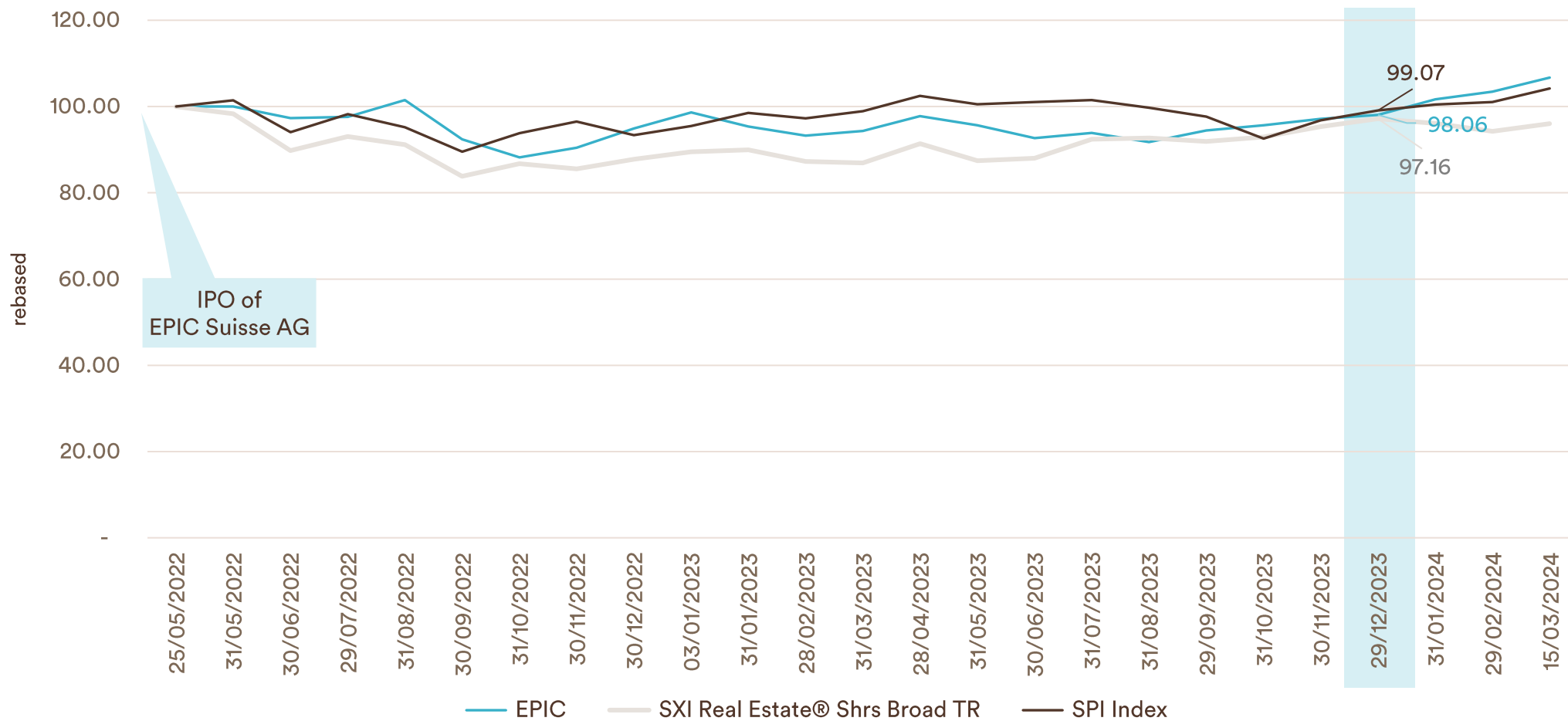


- The Swiss economy is still forecasted to grow in 2024 despite a troubled and uncertain geopolitical environment
- Assuming no materially adverse changes on our operations during this year, our net rental income for 2024 is expected to remain robust and in line with 2023
- We forecast significant rental increases to come with the future lettings of our developments in accordance with our planned construction timeline



# Appendix

# EPIC share price compared with SXI Real Estate & SPI indexes<sup>(1)</sup>



Notes:  
 (1) Source: SIX Swiss Exchange

# Glossary of Alternative Performance Measures

## **Adjusted vacancy rate (properties in operation)**

Reported vacancy rate (properties in operation) adjusted for absorption and strategic vacancy in certain properties in operation (for 31 December 2023 and 31 December 2022, Zänti Volketswil and Biopôle Serine)

## **EBIT**

Earnings before interest and tax corresponds to EBITDA after depreciation and amortisation

## **EBITDA or EBITDA (incl. revaluation of properties)**

Earnings before interest, tax, depreciation and amortisation including net gain (loss) from revaluation of properties

## **EBITDA (excl. revaluation of properties)**

Earnings before interest, tax, depreciation and amortisation excluding net gain (loss) from revaluation of properties

## **EBITDA (excl. revaluation of properties) margin**

EBITDA (excl. revaluation of properties) divided by total income

## **EBITDA (excl. revaluation of properties) yield**

EBITDA (excl. revaluation of properties) divided by the fair value of total real estate properties

## **IFRS NAV**

Total equity as shown in the consolidated statement of financial position

## **IFRS NAV (before net deferred taxes)**

IFRS NAV excluding deferred tax liabilities, deferred tax assets and other non-current assets (corresponding to the complementary property tax in canton of Vaud)

## **Funds from operations (FFO)**

EBITDA (excl. revaluation of properties) less net financial expenses (excl. unrealised revaluation effects) and less cash tax and before capital expenditure and mortgage-secured bank debt amortisation

# Glossary of Alternative Performance Measures

## **FFO yield (IFRS)**

FFO divided by IFRS NAV as at the respective date

## **Net debt**

Total debt net of cash and cash equivalents

## **Net loan to value (LTV) ratio**

Ratio of net debt to the market value of total real estate properties including the right-of-use of the land

## **Net operating income (NOI)**

Rental income from real estate properties plus other income less direct expenses related to properties

## **NOI margin**

NOI divided by total income

## **Net rental income**

Rental income from real estate properties on the statement of profit and loss

## **Net rental income yield (properties in operation)**

Net rental income of investment properties in operation divided by the fair value of investment properties in operation (classified as such) during the period (i.e. before any period-end transfers between categories)

## **Net rental income yield (total portfolio)**

Net rental income of the total portfolio divided by the fair value of total real estate properties

## **Profit (excl. revaluation effects)**

Profit after tax before other comprehensive income excluding revaluation of properties and derivatives and related deferred taxes as well as any related foreign exchange effects

# Glossary of Alternative Performance Measures

## **Reported vacancy rate (properties in operation)**

Vacancy of the properties in operation divided by target rental income of the properties in operation for the reporting period

## **Return on equity (excl. revaluation effects)**

Profit after tax before other comprehensive income excluding revaluation of properties and derivatives and related deferred taxes as well as any related foreign exchange effects divided by the average IFRS NAV. The average IFRS NAV corresponds to  $\frac{1}{2}$  of the sum of the IFRS NAV at the beginning and at the end of the reporting period

## **Return on equity (incl. revaluation effects)**

Profit after tax before other comprehensive income divided by the average IFRS NAV. The average IFRS NAV corresponds to  $\frac{1}{2}$  of the sum of the IFRS NAV at the beginning and at the end of the reporting period

## **Total debt**

Total of mortgage-secured bank loans and shareholders' loans

## **Vacancy**

Sum of the target rental income of vacant units

## **WAULT (weighted average unexpired lease term)**

Weighted average unexpired lease term (in number of years) calculated as the sum-product of lease maturities based on contract expiration and corresponding rental income divided by the total rental income, excluding early breaks, adjusted for rental contracts that terminated during the relevant financial period and with annualised contractual rental income for rental contracts that started during the relevant financial period



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