

INVESTIS

REAL ESTATE GROUP

# ANNUAL REPORT 2019





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## SELECTED KEY FIGURES

Investis financial key figures		31.12.2019	31.12.2018
Revenue	CHF 1,000	187,509	197,491
EBITDA before revaluations/disposals <sup>1)</sup>	CHF 1,000	46,665	39,724
EBIT	CHF 1,000	127,159	74,575
Net profit	CHF 1,000	172,825	54,376
Net profit excluding revaluation effect <sup>1)</sup>	CHF 1,000	69,535	35,576
Funds from operations (FFO) <sup>1)</sup>	CHF 1,000	16,093	61,145
<b>Total assets</b>			
Total assets	CHF 1,000	1,565,564	1,423,653
<b>Interest-bearing financial liabilities</b>			
Interest-bearing financial liabilities	CHF 1,000	660,000	545,631
<b>Gross LTV <sup>1)</sup></b>			
Gross LTV <sup>1)</sup>		46%	41%
Deferred tax liabilities	CHF 1,000	127,197	177,639
Shareholders' equity	CHF 1,000	739,981	588,511
Equity ratio		47.3%	41.3%
<b>Number of employees</b>			
Headcount (as at period end)		1,229	1,391
FTE (full-time equivalent, average over the period)		1,081	1,169
<b>Data per share</b>			
<b>Share data</b>		31.12.2019	31.12.2018
Share capital	CHF 1,000	1,280	1,280
Number of registered shares issued		12,800,000	12,800,000
Nominal value per share	CHF	0.10	0.10
NAV per share <sup>1)</sup>	CHF	57.74	45.89
NAV per share excluding deferred taxes with regard to properties <sup>1)</sup>	CHF	67.61	59.59
Earnings per share (basic/diluted)	CHF	13.59	4.27
Gross dividend <sup>2)</sup>	CHF	2.35	2.35
Dividend yield <sup>1,2)</sup>		2.9%	3.8%
Payout ratio <sup>1,2)</sup>		17.4%	55.4%
<b>Share price</b>			
Share price – high	CHF	81.60	67.80
Share price – low	CHF	60.20	56.60
Share price at end of period	CHF	81.20	61.80
Average number of shares traded per day		4,497	1,762
Market capitalisation at end of period	CHF 1,000	1,039,360	791,040

Properties key figures		31.12.2019	31.12.2018
Residential investment properties	CHF 1,000	1,260,330	1,146,271
Commercial investment properties	CHF 1,000	127,713	102,729
Investment properties under construction	CHF 1,000	8,765	25,073
Undeveloped plots of land	CHF 1,000	-	1,673
Properties held for sale	CHF 1,000	40,965	69,476
Total property portfolio	CHF 1,000	1,437,774	1,345,221
Total buildings		170	157
Total residential units		3,049	2,911
Average discount rate		3.43%	3.49%
Revenue	CHF 1,000	56,980	54,983
Like-for-like rental growth <sup>1)</sup>		0.4%	1.7%
EBITDA before revaluations/disposals <sup>1)</sup>	CHF 1,000	37,768	34,953
EBIT	CHF 1,000	102,549	71,864
Annualised full occupancy property rent	CHF million	61.2	57.7
Annualised property rent	CHF million	59.2	56.0
Vacancy rate		3.2%	2.9%
Real Estate Services key figures		31.12.2019	31.12.2018
Rents under management	CHF billion	1.41	1.74
Revenue	CHF 1,000	135,967	147,832
Of which property management		51%	54%
Of which facility services		48%	46%
Of which other		1%	0%
EBIT	CHF 1,000	11,489	7,701
EBIT margin		8.4%	5.2%

- 1) The section "Alternative Performance Measures" includes definitions of performance measures that are not defined under Swiss GAAP FER.  
2) Intended distribution per share 2019 in accordance with the proposal to the Annual General Meeting of 28 April 2020.

# GROUP OVERVIEW

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## PROFILE

### Unique residential property company with a nationwide real estate services business

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. Investis Real Estate Services is active throughout Switzerland with well-known local brands. The Group has been listed on SIX Swiss Exchange in Zurich since June 2016.



### HIGHLY ENTREPRENEURIAL MANAGEMENT

Investis is characterised by a lean structure and a highly entrepreneurial and experienced management. As of 1.1.2020, the Executive Board consists of the following management team:



Walter Eberle (Head Real Estate Services), Stéphane Bonvin (CEO), René Häsler (CFO)

(as of 1.1.2020)



\* Member of the Executive Board

**FUNDAMENTAL BUSINESS STRENGTHS**  
**INVESTIS' VALUE PROPOSITION**

PROPERTIES	REAL ESTATE SERVICES
Pure Swiss player	
Stable financing and financial flexibility to take advantage of market opportunities	
Established position with high barriers to entry and differentiated success factors	
Highly entrepreneurial management with a track record of value creative growth	
Attractive and stable return profile	
Largest listed residential portfolio in the Swiss market	Nation wide service with own local offices in both activities
Robust and well-maintained portfolio focused on the Lake Geneva region – first class location quality	Top-tier Property Management activity with largest diversified customer base of institutional clients
Low vacancy rates	Leading Facility Services activity with focus on residential buildings
Value creation through execution on rent upside potential	Digitalisation leads to greater efficiency – enhanced quality and innovative products

## HIGHLIGHTS 2019

Excellent operating performance – achievement of all targets set during IPO in time



## REPORT TO SHAREHOLDERS

### Excellent result – all IPO objectives achieved ahead of time

Dear Shareholders  
Dear Sir or Madam

Investis can look back on an excellent year. The Properties segment saw a further organic increase in rental income and expanded its portfolio through targeted investments in prime locations. Meanwhile, the plan to concentrate the Real Estate Services segment on two brands was completed successfully, and the segment established its profitability in the high single-digit range. The overall net profit of CHF 173 million can be attributed to an excellent operational performance, a positive one-off effect from the implementation of the tax reform in Canton Geneva (TRAF), disposal gains and revaluation effects. Net asset value (NAV) per share excluding deferred taxes with regard to properties increased considerably to CHF 67.61 (previous year: CHF 59.59).



#### INVESTIS INCREASES PROFITABILITY OF BOTH SEGMENTS

Revenue came to CHF 188 million in 2019 (previous year: CHF 197 million). The decrease is due to sales made during the year and to further streamlining of mandates in the Real Estate Services segment. EBITDA before revaluations and disposal gains rose by a healthy 17% to CHF 46.7 million (CHF 39.7 million). Including revaluations and gains from disposals, as well as gains from the sale of Real Estate Services subsidiaries the EBIT was 71% higher at CHF 127.2 million (CHF 74.6 million).

## PROPERTIES: RENTAL INCOME RISES TO CHF 57 MILLION

Investis posted a very good result in its Properties segment. It also made significant additional investments in the portfolio (CHF 134 million, prior year CHF 242 million). Rental income increased in the year under review by 4% to CHF 57.0 million (CHF 55.0 million), which is equivalent to a 0.4% rise (1.7%) on a like-for-like basis.

Segment EBIT was CHF 102.5 million (CHF 71.9 million). This excellent result includes revaluation effects of CHF 56.6 million as well as disposal gains of CHF 8.2 million from the sale of individual properties.

The portfolio value amounted to CHF 1,438 million at the end of the year, an increase of 6.9% (CHF 1,345 million); this is based on an annualised full occupancy property rent of CHF 61.2 million (CHF 57.7 million). The vacancy rate stayed low at 3.2% (2.9%). On the balance sheet date, the portfolio comprised 170 properties with 3,049 residential units.

## REAL ESTATE SERVICES SEGMENT: IPO TARGETS ACHIEVED – CONCENTRATION ON TWO BRANDS

The Real Estate Services segment generated revenue of CHF 136.0 million, which is 8% down on the previous year's CHF 147.8 million. Both activities were streamlined and now operate under one brand each: Privera for Property Management and hauswartprofis / conciergepro for Facility Services. The disposed subsidiaries contributed revenue of CHF 20.6 million in 2019.

**Property Management** sold both Régie du Rhône subsidiaries. Rents under management fell to CHF 1.41 billion as a result (CHF 1.74 billion). Privera posted healthy organic growth of 2.3% for the year under review.

**Facility Services** streamlined its portfolio over the course of the year, selling its Synergie, Chauffage-Assistance and Clim-Assistance subsidiaries.

The Real Estate Services Segment's operating profit (EBIT) rose significantly, by 49% to CHF 11.5 million (CHF 7.7 million). The EBIT margin came to 8.4% (5.2%), surpassing the defined target.

## EBIT

Thanks to higher cash flows from properties and a slightly lower weighted average real discount rate of 3.43% (6 basis points lower than previous year), revaluation gains stood at CHF 56.6 million. The sale of individual properties generated disposal gains of CHF 8.2 million (CHF 12.8 million). In addition, a gain from the disposal of subsidiaries in the Real Estate Service Segment of CHF 18.2 million was achieved. All in all, this resulted in an excellent EBIT of CHF 127.2 million (CHF 74.6 million).

## FINANCIAL RESULT

**Financial income** came to CHF 5.8 million, a substantial rise on the prior year's CHF 0.1 million. This income includes predominately the positive impact of reducing the stake in Polytech Ventures Holding SA.

**Financial expenses** went up from CHF 3.9 million in the previous year to CHF 5.2 million owing to a new bond issue and the renewal of the bond that fell due in February 2019.

### INCOME TAXES

Following implementation of the TRAF tax reform in Canton Geneva, CHF 61 million of deferred tax liabilities were released in May 2019. This positive one-off effect led to total net tax income for 2019 of CHF 45.0 million (previous year: tax expense of CHF 16.4 million). An average tax rate of 16% is expected for 2020.

### NET PROFIT

Net profit came to an excellent CHF 172.8 million (CHF 54.4 million) and earnings per share to CHF 13.59 (previous year: CHF 4.27). Net profit excluding revaluation effects doubled to 69.5 million (CHF 35.6 million).

Net asset value (NAV) per share excluding deferred taxes with regard to properties increased year-on-year to CHF 67.61 (previous year: CHF 59.59).

### VERY SOLID BALANCE SHEET – STRONGER EQUITY RATIO OF 47%

Total assets came to CHF 1.57 billion as at 31 December 2019, with a comfortable equity ratio of 47% (41%). The significant deferred tax liabilities came to CHF 127 million (previous year: CHF 178 million).

The real estate portfolio was worth CHF 1.44 billion at the end of the year (CHF 1.35 billion), giving a loan-to-value of 46% in relation to interest-bearing financial liabilities or 42% after considering the excess cash at the end of the year. In addition, all mortgages were paid back during the financial year. As of the balance sheet date, there was no third-party collateral charged against the real estate portfolio, and all promissory notes were held by Investis itself.

### 2020 ANNUAL GENERAL MEETING OF SHAREHOLDERS

At the AGM 2020, shareholders will be asked to approve a dividend of CHF 2.35 per share, half of which would be in the form of a repayment from capital contribution reserves. This corresponds to a pay-out ratio of 17.4%. All members of the Board of Directors and the Compensation Committee are making themselves available for re-election.

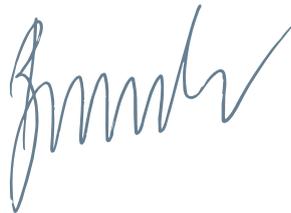
### MARKET ENVIRONMENT AND OUTLOOK FOR 2020

The Swiss economy performed positively again in 2019. In the global competition to attract international companies, Switzerland – in the Lake Geneva region but also elsewhere – did well. The residential property market around Lake Geneva continued to benefit from this. Ongoing migration coupled with demographic change and a low proportion of new build properties in central locations mean there is still a strong demand for mid-market rental apartments. This is having a positive effect on the rent situation and vacancy rates. We expect only apartment rents in or close to urban centers to increase. The microlocation, especially the quality of public transportation network, is a decisive factor when choosing an apartment, i.e. city centers are benefiting from accessibility and rental preferences.

The foundations have been laid in the Real Estate Services segment for profitable business going forward. In both areas, the focus is on revenue growth coupled with profitability.

Investis plans to maintain its expansion through targeted acquisition of investment properties in attractive locations with a focus on the Lake Geneva Region.

The Board of Directors and Executive Board of Investis Holding SA would like to express their sincere thanks to our valued shareholders for the trust they have placed in us, and to our staff for their great commitment and loyalty.



**Riccardo Boscardin**  
Chairman of the Board of Directors



**Stéphane Bonvin**  
CEO

## MILESTONES

Since its foundation in 1994, Investis has been driven by an entrepreneurial approach and has focused on value creation with a long-term perspective.

- **2019** Disposal of Régie du Rhône SA, Geneva and Régie du Rhône Crans-Montana SA  
Further portfolio adjustments in Real Estate Services
- **2018** Acceleration of the digital transformation through selected investments in start-ups  
Acquisition of two large property portfolios in Geneva
- **2017** Acquisition of Hauswartprofis AG  
Investment in Polytech Ventures Holding SA (50%, today 33%)
- **2016** Entry onto the capital market on 30 June 2016 through the successful initial public offering (IPO) with an issue volume of CHF 148.4 million  
Issue of a first fixed-rate bond of CHF 100 million  
Acquisition of the minority stake in Investis Patrimoine SA
- **2014** Acquisition of Privera AG, Treos AG, AGD Renovationen AG. Investis Group expands its real estate services offering across the whole of Switzerland
- **2011** Entry into the real estate services market with the completion of the acquisition of Régie du Rhône SA
- **2009** The company name is changed to Investis
- **1997** Compagnie Foncière de la Cité SA acquires its first buildings in the Canton of Geneva
- **1996** Compagnie Foncière de la Cité SA acquires residential properties in the Canton of Vaud
- **1994** Foundation of Compagnie Foncière de la Cité SA

## STRATEGY

Investis aims to be the market leader for residential property investments in the Lake Geneva region and for real estate services throughout Switzerland. The Company is also targeting continued successful growth with a conservative financing profile in its “**Properties**” business, as well as further expansion of its “**Real Estate Services**” business, both organically and through acquisitions, by means of the following measures:



### CONTINUATION OF BUY-AND-HOLD STRATEGY THROUGH SELECTED INVESTMENTS IN THE PROPERTIES SEGMENT

Investis is keen to continue its long-term buy-and-hold strategy, and to further expand the scope of its residential property portfolio through acquisitions and selected development projects. In view of the positive demographic trend and favourable macroeconomic factors, the Group plans to maintain its focus on residential property for target customers with mid-range incomes in the Lake Geneva region, particularly in the metropolitan areas of Geneva and Lausanne.

### PRESERVATION AND GROWTH OF PORTFOLIO VALUE THROUGH ACTIVE PORTFOLIO MANAGEMENT

The investment focus is on properties and projects with sustainable, attractive returns and long-term value enhancement potential. Investis seeks to preserve and increase the value of its real estate portfolio through active portfolio management. A high level of occupancy and constant cost optimisation enable value to be systematically preserved and increased. Investis is also involved in realising targeted and cost-efficient renovation projects, including optimising energy efficiency. This is in addition to construction measures such as extending rentable floor space by adding storeys, and conversions.

**INCOME GROWTH THROUGH A BROAD RANGE OF REAL ESTATE SERVICES ACROSS SWITZERLAND**

The Real Estate Services segment generates attractive added value for Investis and its stakeholders. The Group also seeks national recognition by offering real estate services across Switzerland. In addition, the Group intends to add further services to its Property Management and Facility Services activities.

**GREATER EFFICIENCY AND ENHANCED QUALITY THROUGH DIGITALISATION**

Digitalisation of internal processes permits shorter and more efficient process flows. Staff are thus free to concentrate on activities that add more value, such as advising clients. Investis also intends to push ahead with the digitalisation of client interfaces in order to improve its service offering.

**SOLID FINANCING STRATEGY WITH A SOUND CAPITAL BASE**

The Group is solidly financed and is targeting a gross loan-to-value ratio (LTV) of 40%. LTV is measured as the ratio of interest-bearing financial debt to portfolio value, but it does not include the value of the real estate service business. A low LTV ratio gives the company full flexibility to exploit any attractive opportunities that arise in the market. The Group continues to strive to optimise its financing structure and to use the most suitable financing sources over the long term, including opportunities presented by the capital market.

In view of this strategy and as announced at the IPO in 2016 all privileged creditors have been repaid and replaced by attractive fixed-rate bonds, traded on the SIX Swiss Exchange in Zurich, with staggered terms. Short term financing needs are covered by unsecured senior debt credit lines.

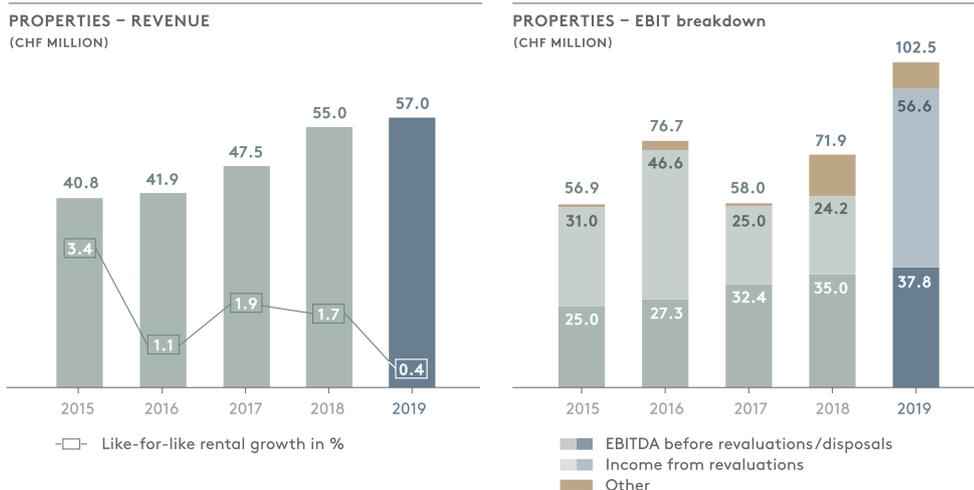
## PROPERTIES

The portfolio of Investis Properties consists predominantly of residential properties located in the Lake Geneva region



Rue du Nant 30, Geneva

Investis has developed its Properties business line over 25 years. It generated revenues of CHF 57.0 million and an operating profit (EBIT) of CHF 102.5 million in 2019.



**FOCUSED ON THE LAKE GENEVA REGION**

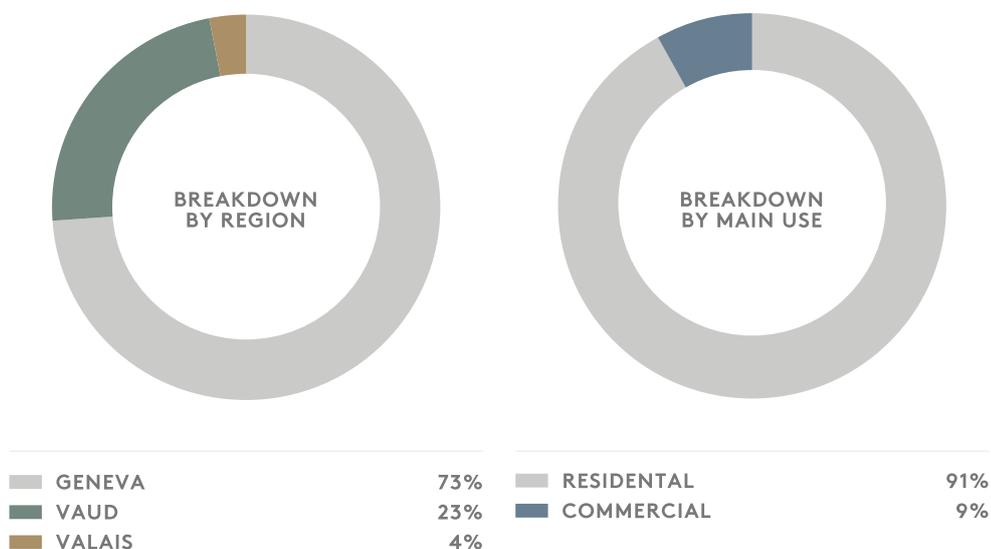
Within the Properties business segment, investing is the main activity. This consists of the ownership and development of a residential property portfolio focused on the Lake Geneva region.

The portfolio is mainly located within the Cantons of Geneva, Vaud and, to a smaller extent, Valais. In the Cantons of Geneva and Vaud, the majority of buildings are clustered around the cities of Geneva and Lausanne.

**INVESTMENT PROPERTIES — MAINLY RESIDENTIAL**

Based on market value and main use, 91% of the properties are used for residential purposes and 9% for commercial purposes.

The following graphs depict the geographical distribution and main use of the investment properties:



**PROJECTS**

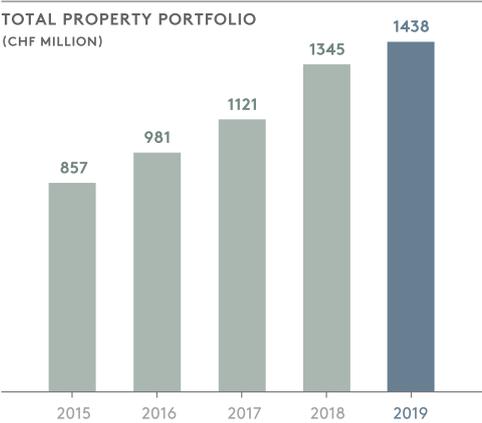
Investis carries out opportunistic developments aimed at high returns on sales. To this end, Investis selectively purchases the land, obtains the necessary construction permits, develops the properties and subsequently rents or sells them. Currently two developments are under construction and four development properties are held for sale.

**SERVICED APARTMENTS**

The Serviced Apartments activity consists of the operation of 88 serviced apartments under the OMI Residences brand. The apartments are mainly located in the center of Geneva.

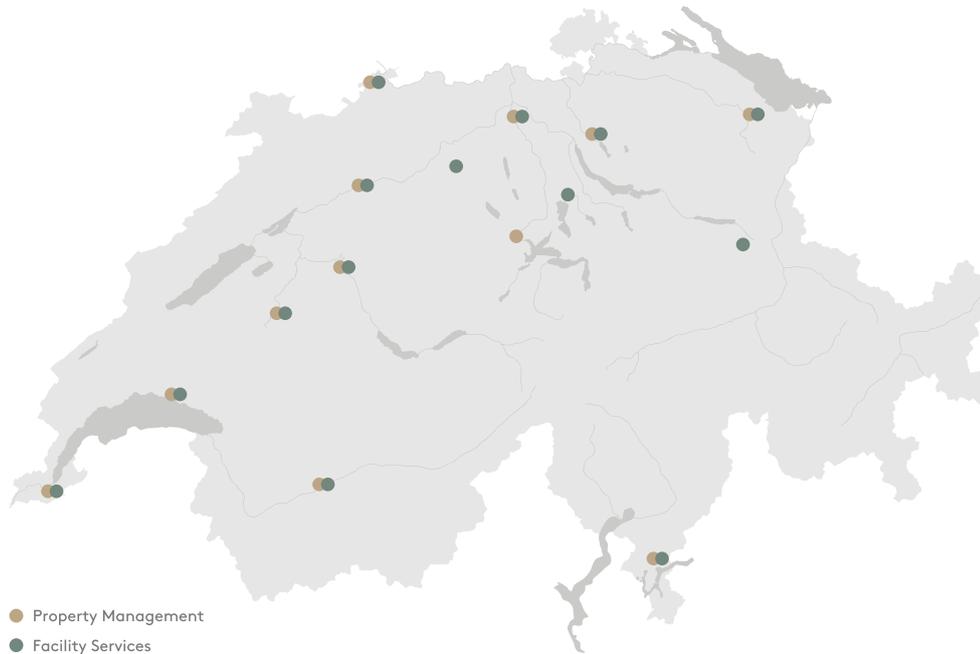
**PROPERTY PORTFOLIO**

The portfolio was valued at CHF 1,438 million as at 31 December 2019 and consists of 3,049 middle-income residential units in 170 buildings as well as six projects. The apartments are mostly in the mid-price segment in the Lake Geneva region. Detailed information on the properties is available on the [Company website](#) or under the [property portfolio](#) in this annual report.



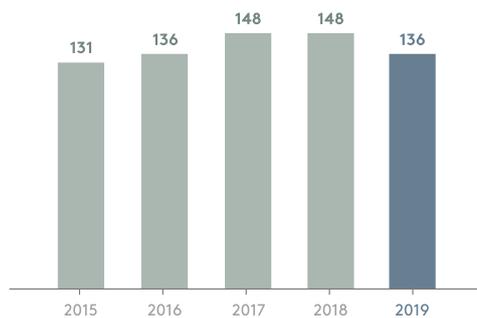
## REAL ESTATE SERVICES

Investis Real Estate Services is active through well-known brands across Switzerland

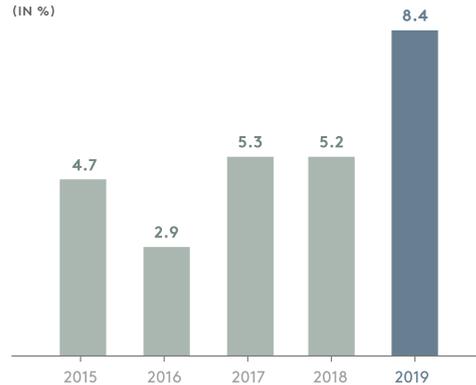


In the Real Estate Services business segment, Investis pursues two activities throughout Switzerland, namely Property Management and Facility Services. This business segment generated revenues of CHF 136 million in 2019, with an EBIT margin of 8.4%.

REAL ESTATE SERVICES – REVENUE  
(CHF MILLION)



REAL ESTATE SERVICES – EBIT MARGIN  
(IN %)



Rents under management came to CHF 1.41 billion (vs. CHF 1.74 billion at the end of 2018). The decrease is a result of the disposal of the Régie du Rhône companies. Privera, however, achieved an organic growth of 2.3%

## PROPERTY MANAGEMENT

Investis' Property Management activities are offered by **Privera AG** and cover all real estate services throughout the lifecycle of properties, whether residential buildings, commercial buildings or shopping centers. These services include:

### Property management

- Multi-storey dwellings
- Office and commercial properties
- Retail properties and shopping centers
- Co-ownership
- Condominium properties

### Co-ownership associations

- Complete organisation and operation of large and challenging property complexes
- Coordination of all property management services as well as accounting
- Reporting that meets the highest requirements
- Planning and implementation of building measures in the interests of the investor

### Center management

- Development of new shopping centers
- Property and market analyses, market research
- Center positioning
- Center management and operational management
- Switzerland-wide retail marketing
- Center marketing and promotional activities
- Support/guidance for tenants' associations
- Alterations and modernisations

### Letting management

- First-time, renewal and special lettings of residential and commercial properties, office, service and retail spaces
- Market and site analyses
- Property and usage analyses
- Letting and marketing concepts
- Property marketing, letting management

### Brokerage

- Procurement/sale of properties
- Valuations/surveys
- Market and site analyses
- Property and usage analyses
- Development of sales concepts
- Property search mandates

### Construction management

- Building condition assessments
- Energy-optimisation measures
- Alterations and renovations
- Construction project and general management as per SIA 102 and SIA 112
- Client fiduciary and advisory services



Privera's headquarter is located in Gümligen, in the canton of Bern. Its twelve offices are spread across the country.



The majority of Privera's revenue is generated through recurring contract-based income from the services Property Management, Co-ownership and Center Management. Top ten clients generate just over one third of Privera's total revenue. With its nationwide coverage, Privera is one of only few property management services companies offering their services throughout Switzerland.

## FACILITY SERVICES

The Group companies active in Facility Services are **hauswartprofis AG** respectively **conciergepro SA**.

Investis' Facility Services offers a wide range of services for the maintenance of buildings and outdoor services for residential, office and commercial buildings, and shopping centers. The particular services are:

### Caretaking services

- Indoor and outdoor
- Technical maintenance
- Grounds maintenance
- Playgrounds

### Cleaning services

- Facades
- Windows and roller shutters
- Basic and deep cleaning
- Building cleaning
- Escalators
- Offices

### Building technology

- Facility management
- Electrical safety plans
- Warranty
- Evacuation plans

### Technical services

- Ventilation / air conditioning
- Heating systems / plumbing
- General renovations
- Electric appliances



## PEOPLE

Investis' most important ambassadors are its employees



### IN GENERAL

Investis combines the strengths of a privately owned company with the financial clout of a listed group. Its organisation is characterised by lean structures with short decision-making paths, trust, transparency and dialogue. This allows Investis to react swiftly to changing market conditions and seize opportunities as they arise.

Committed, well-trained employees are a key prerequisite to the company's future success. During the reporting year 2019, Investis continued its efforts to position itself on the job market as a progressive employer with an open corporate culture and development opportunities. Investis' employees contribute to the overall success of the group with their high degree of specialisation. Investis actively promotes and supports training and continuing education (254 employees were supported with an amount of CHF 0.2 million in 2019, including multi-year study programmes and additional qualifications). 21 young people are starting their careers within the Group as an apprentice, predominantly with a commercial apprenticeship. The aim is to impart all the skills that are required for apprentices to pursue their chosen careers in a professional, independent and responsible manner.

### ATTRACTIVE WORKING ENVIRONMENT

Investis' prime objective is to acquire and retain the best employees for the Company. Investis sees itself as an attractive employer with an open entrepreneurial culture that offers development opportunities. The Group strives to implement reasonable work requirements, fair wages, above average social security benefits and overall attractive working conditions, i.e. environment. 35% of our employees are employed part-time.

## CODE OF CONDUCT

Both, Privera and hauswartprofis, have a Code of Conduct implemented. The Group strives for diversity and promotes equal opportunities irrespective of gender, ethnic origin, skin colour, age, religion and nationality.

## GUIDELINE ON THE REPORTING OF MISCONDUCT EVIDENCE

The success and good reputation is based on the trust of clients, business partners and employees as well as the general public place in the integrity of the Investis Group. The purpose of these guidelines is to ensure that unlawful actions, violations of the Code of Conduct or other misconduct can be reported accordingly. Investis Group manages to attract and retain qualified employees for the medium- and long-term by providing an open-minded, safe and healthy environment.

## EMPLOYEE FLUCTUATION

Employee fluctuation is in the range of the respective industry.

## PARENTAL LEAVE

Investis applies the currently applicable legal framework conditions. It also attempts in individual cases to find solutions that are as suitable as possible for the affected person and their team.

100% of all permanently employed women are entitled to paid maternity leave and 21 women made use of this in 2019. 81% of these women returned to Investis following their maternity leave.

## NON-DISCRIMINATION

According to the Code of Conduct of Privera and hauswartprofis, any discrimination or harassment of employees, clients or business partners on grounds of their sex, race, religion, age, national origin, sexual orientation, disabilities or political or trade union activities are not being tolerated.

## SHARE INFORMATION, BOND INFORMATION

The registered shares of Investis Holding SA are traded on the SIX Swiss Exchange in Zurich since 30 June 2016 and are listed in accordance with the Standard for Real Estate Companies.

### SHARE PRICE DEVELOPMENT IN THE REPORTING YEAR

The Investis share price started the new trading year at CHF 61.60 and reached its year high of CHF 81.60 on 9 December. The share price closed the 2019 trading year at CHF 81.20. Overall, this corresponds to an increase of 31.8%. In the same period, the Swiss Performance Index posted an increase of 30.6%.



Source: SIX Exchange

### SHARE PRICE DEVELOPMENT SINCE IPO ON 30 JUNE 2016

Overall, since entering the capital markets, the share price shows an excellent performance of 53.2%. A stable dividend of CHF 2.35 per registered share was paid since IPO.



Source: SIX Exchange

## FIXED-RATE BONDS

In order to optimise the financing structure and to benefit from the attractive conditions on the capital market, Investis Holding SA successfully issued one additional fixed-rate bond in 2019 and renewed another one. All fixed-rate bonds are traded on the SIX Swiss Exchange in Zurich.

ISIN	CH 0373476792	CH 0419040818	CH 0337645516	CH 0361533224	CH 0419041519
Trading currency	CHF	CHF	CHF	CHF	CHF
Issuing volume	100 million	140 million	100 million	180 million	140 million
Listing	SIX Swiss Exchange				
Coupon	0.35%	0.773%	0.55%	0.75%	0.05%
Tenor	2 years	2 years	5 years	5 years	4 years
Payment date	12 Jun 2018	14 Feb 2019	15 Nov 2016	3 Oct 2017	9 Oct 2019
Redemption date	12 Jun 2020	15 Feb 2021	15 Nov 2021	3 Oct 2022	9 Oct 2023

## DISTRIBUTION

Since entering the capital markets, Investis has paid a steady dividend of CHF 2.35 per share, i.e., in 2017, 2018 and 2019.

The Board of Directors will propose to the ordinary General Meeting of Investis, to be held on 28 April 2020, an unchanged dividend of CHF 2.35 per share to be paid out.

# CORPORATE GOVERNANCE

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## INTRODUCTION

This Corporate Governance Report describes the principles of management and control as they apply to the top decision-making bodies of the Investis Group. To enhance transparency and thus comparability with other companies, it has been prepared in conformity with the SIX Corporate Governance Directive. Unless otherwise specified, all information contained in the report is based on data as at 31 December 2019. Due to rounding, parts of an item that has been broken down may add up to more or less than 100% of the total item.

The principles and rules of corporate governance as practised by the Investis Group are set out in the Company's Articles of Association, its Organisational Regulations and the regulations of the Board of Directors' committees. The chairman of the Board of Directors (the "Chairman") reviews the content and current relevance of the corporate provisions regularly and proposes any additions or amendments required to the Board of Directors.

The Investis Group complies with all the rules relevant to corporate governance. In particular, the Investis Group abides by all existing legislation, the directives of the SIX Swiss Exchange and the remarks thereto, and the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*, Switzerland's umbrella business association.

This Annual Report contains the Compensation Report of the Board of Directors, which also complies with the Swiss Ordinance against Excessive Compensation at Listed Joint-Stock Companies (OaEC).

To avoid duplication, some sections contain cross-references that are available on the Investis website under the following links:

- a) for the Annual Report 2019: [reports.investisgroup.com/19/ar](https://reports.investisgroup.com/19/ar)
- b) for the Compensation Report 2019:  
[reports.investisgroup.com/19/ar/compensation-report](https://reports.investisgroup.com/19/ar/compensation-report)
- c) for the Articles of Association and for the Organisational Regulations:  
<https://www.investisgroup.com/nc/en/investors/#c1386>

All weblinks being referred to are listed under the chapter "Information policy of this Corporate Governance Report 2019".

## GROUP STRUCTURE AND SHAREHOLDERS

### GROUP STRUCTURE

Investis Holding SA (the “**Company**”) is a joint-stock holding company organised under Swiss law, which has direct or indirect shareholdings in various companies (the Company together with its subsidiaries, the “**Investis Group**” or the “**Group**”). While the Board of Directors devotes itself to overall management, strategic and supervisory duties, the Executive Board is entrusted with operational management tasks. The Company’s legal domicile is Neumühlequai 6, 8001 Zurich, Switzerland.

Since 30 June 2016, the registered shares of Investis Holding SA have been listed at SIX Swiss Exchange AG, Zurich (securities number 32 509 429, ISIN CH 032 509 4297, Bloomberg: IREN.SW, Reuters: IREN.S). The shares have a nominal value of CHF 0.10 each. The Company’s market capitalisation reached CHF 1,039 million as at 31 December 2019 an increase in the year under review of 31.4%. None of the Company’s subsidiaries are listed.

For details of the non-listed companies that belong to the Investis Group of consolidated companies, see the relevant chapter of the Financial Report Note 25.

The Group is divided into two operational divisions, namely the Properties business segment (“**Properties**”) and the Real Estate Services business segment (“**Real Estate Services**”). The Properties business segment focuses on investing and developing its residential property portfolio. The Real Estate Services business segment provides a wide range of services throughout Switzerland. The activities are structured into property management and facility services.

### SIGNIFICANT SHAREHOLDERS

Upon listing on 30 June 2016, Stéphane Bonvin was the sole shareholder. The Board of Directors is aware of the following shareholders and groups of shareholders that hold at least 3% of the voting rights in the Company:

Stéphane Bonvin owned 9,888,561 shares or 77.3% of the outstanding share capital as at 31 December 2019. As at 31 December 2018 Stéphane Bonvin owned 9,860,021 or 77.0%;

As of 21 January 2019, UBS Fund Management (Switzerland) AG notified that they own 386,998 shares or 3.02% of the outstanding share capital. This notification was published on the SIX Swiss Exchange’s notifications platform [www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html](http://www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html).

Investis Holding SA received no other notification of significant shareholders as required under Article 20 of the Swiss Federal Act on Stock Exchanges and Securities Trading in the course of 2019.

Investis Holding SA is not aware of any other significant shareholder or any shareholders’ agreement as of 31 December 2019.

## SHAREHOLDER STRUCTURE

Registered shareholder structure as they are individually registered in the share ledger as per 31 December 2019.

Shares issued				
Registered shares			11,988,422	94.1%
Non-registered shares			726,727	5.1%
Treasury shares			84,851	0.8%
<b>Total</b>			<b>12,800,000</b>	<b>100.0%</b>
Registered shareholders and shares				
	Registered shareholders		Registered shares	
Switzerland	470	94.4%	11,765,713	98.1%
Europe (excluding Switzerland)	21	4.2%	196,523	1.6%
North America	4	0.8%	11,321	0.1%
Other countries	3	0.6%	14,865	0.1%
<b>Total</b>	<b>498</b>	<b>100.0%</b>	<b>11,988,422</b>	<b>100.0%</b>
Natural persons	331	66.5%	10,126,526	84.7%
Legal persons	167	33.5%	1,861,896	15.3%
<b>Total</b>	<b>498</b>	<b>100.0%</b>	<b>11,988,422</b>	<b>100.0%</b>
Conforming to Federal law (BewG <sup>1)</sup> <sup>2)</sup>	445	89.4%	11,652,043	97.2%
Other	53	10.6%	336,379	2.8%
<b>Total</b>	<b>498</b>	<b>100.0%</b>	<b>11,988,422</b>	<b>100.0%</b>
1 – 1,000	352	70.7%	100,724	0.8%
1,001 – 10,000	99	19.9%	427,346	3.6%
10,001 – 100,000	45	9.0%	1,440,124	12.0%
100,001 and over	2	0.4%	10,020,228	83.6%
<b>Total</b>	<b>498</b>	<b>100.0%</b>	<b>11,988,422</b>	<b>100.0%</b>

1) Federal law for acquisitions of real estate by persons abroad (Lex Koller)

2) Shareholders that confirmed to Investis their conformity to the Federal law (BewG)

## CROSS-SHAREHOLDINGS

There are no cross-shareholdings exceeding 5% of the capital shareholdings or voting rights on both sides.

## CAPITAL STRUCTURE

As at 31 December 2019, the share capital amounted to CHF 1,280,000 and comprised 12,800,000 fully paid-up registered shares with a nominal value of CHF 0.10 each. For further details and the composition of the capital of Investis Holding SA, please see [Note 2.4](#) in the Statutory Financial Statements.

### AUTHORISED CAPITAL

There is no authorised capital.

### CONDITIONAL CAPITAL

Article 3a of the Company's [Articles of Association](#) sets out the following relating to the conditional share capital:

- “The Company’s share capital shall be increased by a maximum amount of CHF 30,000 through the issuance of no more than 300,000 fully paid-up registered shares with a nominal value of CHF 0.10 by way of the exercise of options or similar rights belonging to employees and members of the Board of Directors and the Executive Board in accordance with the applicable regulations and resolutions of the Board of Directors.

The subscription rights of the shareholders are excluded. The acquisition of registered shares pursuant to Article 3a of the Articles of Association and all other transfers of such registered shares are subject to the transfer restrictions set forth in Article 5 of the Articles of Association.

The conditions governing the allocation and exercise of said option rights and other rights to shares under Article 3a of the Articles of Association are to be regulated by the Board of Directors. Shares may be issued at a price lower than the market price.”

Article 3b of the Company's Articles of Association sets out the following relating to the conditional share capital:

- “The share capital according to article 3 may be increased by the issuance of up to 1,280,000 fully paid-in registered shares with a nominal value of CHF 0.10 each, up to CHF 128,000, by means of the exercise of conversion rights and/or warrants granted in connection with newly or already issued bonds or similar debt instruments of the Company or its Group companies to Company creditors and/or investors.

The pre-emptive rights of the shareholders are excluded. The acquisition of shares issued based on this article by exercise of warrants or convertible rights is subject to the transfer restrictions according to article 5 of the Articles of Association.

The Board of Directors may limit or withdraw the advance subscription right of the shareholders regarding conversion rights and/or warrants which entitle the shareholders to subscribe for shares according to this provision of the Articles of Association, if the financial instruments are issued for the purpose of:

- a) acquiring or financing the acquisition of real estate by the Company or a Group company;
- b) acquiring or financing the acquisition of companies, parts of companies or participations in companies by the Company or a Group company;
- c) issuing convertible and/or warrant bonds for placement on national or international capital markets to strategically broaden the circle of investors, including placement with one or more strategic investors.

The following shall apply for all conversion rights and warrants that, pursuant to the resolutions of the Board of Directors, have not been offered first to the shareholders for subscription:

- a) warrants entitling to the subscription of shares shall be exercisable for a period of up to seven years and conversion rights for a period of up to ten years as of the issuance of the relevant bond or similar debt instrument; and
- b) the Board of Directors shall set the exercise price at market conditions.”

The Articles of Association, containing the precise wording of the provision mentioned above, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

## CHANGES IN CAPITAL

Investis Holding SA was incorporated on 7 June 2016 as a joint-stock company by its sole shareholder Stéphane Bonvin and was registered in the commercial register of the Canton of Zurich on 8 June 2016 with a share capital of CHF 1,000,000 divided into 10,000,000 registered shares with a nominal value of CHF 0.10 each.

At the Extraordinary General Meeting of the Company held on 17 June 2016, the shareholder of the Company resolved to increase the share capital by CHF 280,000, consisting of 2,800,000 shares with a nominal value of CHF 0.10 each. There have been no changes in capital since.

## SHARES AND PARTICIPATION CERTIFICATES

As at 31 December 2019, the share capital amounted to CHF 1,280,000 and comprised 12,800,000 fully paid-up registered shares with a nominal value of CHF 0.10 each. All shares with the exception of treasury shares are entitled to dividends. Further details of the composition of the share capital are shown in Note 2.4 of the Statutory Financial Statements. At the General Meeting of Investis Holding SA each registered share carries one vote. These voting rights can be exercised only if the shareholder is registered as a shareholder with voting rights in the Investis Holding SA share ledger. According to the Articles of Association, such registration is restricted as further set out in the next chapter. The registered shares of Investis Holding SA are uncertificated.

The Articles of Association, containing the precise wording of the provision mentioned above, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

There are no preference shares or voting shares. Investis Holding SA has not issued any participation certificates.

## RESTRICTIONS ON TRANSFERABILITY AND NOMINEE REGISTRATIONS

Article 5 of the Articles of Association provides that a share ledger is kept for registered shares in which the name and address of every owner, usufructuary and nominee of registered shares is recorded. In relation to Investis, only the person or entity entered in the share ledger is recognised as a shareholder, usufructuary or nominee.

Persons acquiring registered shares require the approval of the Board of Directors in each case to be recorded in the share ledger as shareholder with voting rights.

Persons acquiring registered shares are recorded in the share ledger as shareholders with voting rights, if:

- a) they verify that the registered shares in question have been acquired and are to be held in their own name and for their own account. Persons who do not provide such verification will be recorded in the share ledger as nominees with voting rights only if they confirm in writing that they are prepared to disclose the names, addresses and shareholding of those persons for whose account they hold the shares or if they immediately disclose this information in writing on first demand. The other provisions of the Articles of Association, in particular Article 4, 5 and 8, apply equally to nominees. The Board of Directors may conclude agreements with nominees regarding their disclosure obligations;
- b) the recognition of a buyer of shares as a shareholder does not and cannot, according to the information at Investis' disposal, prevent Investis and/or its subsidiaries from providing proof regarding the composition of the group of shareholders and/or beneficial owners required by law. In particular, the Board of Directors may refuse to register persons domiciled abroad within the meaning of the Federal law of 16 December 1983 on the Acquisition of Real Estate by Persons Abroad (BewG) in the share ledger if such registration could impede the Investis Group in providing the required proof that Investis Holding SA and/or its subsidiaries are under Swiss control.

The Board of Directors has the power to issue regulations on the maintenance of the share ledger and specify registration requirements and restrictions, in particular requirements concerning the proof of a person's acquisition and holding of shares in their own name and for their own account, the percentage limits applicable to registration of persons domiciled abroad in total and for persons domiciled abroad acting individually, jointly or in association, and rules governing the distribution of free allocations to foreigners. As at 31 December 2019, a regulation was in place to restrict the cumulative shareholding of persons domiciled abroad to 30% of the voting rights. This regulation is within the meaning of the Federal law of 16 December 1983 on the Acquisition of Real Estate by Persons Abroad (BewG).

No exemptions from the transferability and nominee registration restrictions were granted in the reporting year.

The Company may delete a registration from the share ledger after consulting with the registered shareholder if the registration was made on the basis of incorrect information provided by the shareholder. The shareholder in question will be notified immediately of such deletion.

The Articles of Association, containing the precise wording of the provision mentioned above, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

#### CONVERTIBLE BONDS AND OPTIONS

Investis Holding SA has no convertible bonds or options outstanding.

## BOARD OF DIRECTORS

### MEMBERS OF THE BOARD OF DIRECTORS

The Board of Directors of Investis Holding SA consists of the following four members:



Albert Baehny, Stéphane Bonvin, Riccardo Boscardin and Thomas Vettiger

Name	Year of birth	Nationality	Function	Joined	Current term expires
Riccardo Boscardin	1952	Swiss	Chairman, Member of the Audit and Compensation Committee	2016	2020
Albert Baehny	1952	Swiss	Vice-Chairman and Chairman of the Compensation Committee	2016	2020
Thomas Vettiger	1965	Swiss	Member and Chairman of the Audit Committee	2016	2020
Stéphane Bonvin	1967	Swiss	Member	2016 <sup>*)</sup>	2020

<sup>\*)</sup> Stéphane Bonvin was the sole shareholder of Investis Investments SA from 1994 until its shares were contributed to Investis Holding SA. Thereafter, he was the sole shareholder of Investis Holding SA until its listing on 30 June 2016.

All terms expire at the next regular Annual General Meeting. The curricula vitae of the individual Board members can also be found on the Investis website.

<https://www.investisgroup.com/en/profile/#c1340>

All members of the Board of Directors are independent directors with the exception of Stéphane Bonvin.

**RICCARDO BOSCARDIN**  
Chairman of the Board of Directors



Non-executive member  
Member of the Compensation Committee  
Member of the Audit Committee  
Swiss citizen, born in 1952 and currently residing in Basel

Riccardo Boscardin was Head of the Global Real Estate Switzerland division of UBS from 2002 to 2014, and Head of the Global Customised Client Mandates division of UBS from 2011 until 2014. Before that he was Head of Consulting and Portfolio Management at Serimo AG between 1997 and 2002 and served as Chief Executive Officer of the real estate fund company Himac AG and Serimo Immobiliendienste AG, both subsidiaries of Schweizerischer Bankverein, from 1988 to 1997. Riccardo Boscardin has been predominantly active in the real estate industry since 1984. He holds a Dr. iur. (doctor of law) degree from the University of Basel.

He joined the Investis Group as a member of the Board of Directors of the Company in 2016. Riccardo Boscardin was a member of the Board of Directors of Privera AG from 26 August 2015 until 25 November 2016. Apart from this, he has not been a member of the management of the Company or any of its subsidiaries in the last three financial years, nor does he have any major business relationships with the Investis Group.

**ALBERT BAEHNY**  
Vice-Chairman of the Board of Directors

Non-executive member  
Chairman of the Compensation Committee  
Swiss citizen, born in 1952 and currently residing in Arlesheim

Albert Baehny is Chairman of the Board of Directors and interim Chief Executive Officer of Lonza Group Ltd. He is also Chairman of the Board of Directors of Geberit AG. From 2005 to 2014, Albert Baehny served as Chief Executive Officer of Geberit Group. Before he moved to Geberit in 2003, Albert Baehny was Senior Vice President of the Specialties division of Wacker Chemie AG. He advanced through numerous management positions in firms including Vantico (2000–2001), Ciba-Geigy/Ciba SC (1994–2000), and Dow Chemicals Europe (1981–1993) after starting his career in the science department of Serono-Hypolab in 1979. Albert Baehny graduated from the University of Freiburg (Switzerland) with a degree in biology.

He joined the Investis Group as a member of the Board of Directors of the Company in 2016. Apart from this, he has not been a member of the management of the Company or any of its subsidiaries in the last three financial years nor does he have any major business relationships with the Investis Group.

**THOMAS VETTIGER**  
Member of the Board of Directors



Non-executive member  
Chairman of the Audit Committee  
Swiss citizen, born in 1965 and currently residing in Russikon

Thomas Vettiger is Managing Partner and member of the Board of Directors of IFBC, a consulting firm active in the field of corporate finance and financial advisory, which he co-founded in 1997. Since 2015, Thomas Vettiger has been a member of the Swiss Takeover Board. From 2005 to 2015, he was a member of the Board of Directors and the Audit Committee of Clientis AG, where he additionally served as Vice-Chairman and Chairman of the Audit Committee from 2013 to 2015. Thomas Vettiger holds a lic. oec. degree from the University of St. Gallen (HSG) and a doctoral degree in finance from the University of Zurich.

He joined the Investis Group as a member of the Board of Directors of the Company in 2016. Apart from this, he has not been a member of the management of the Company or any of its subsidiaries in the last three financial years, nor does he have any major business relationships with the Investis Group.

**STÉPHANE BONVIN**  
Member of the Board of Directors

Executive member  
Chief Executive Officer of Investis Group  
Member of the Executive Board of Investis Group  
Swiss citizen, born 1967 and currently residing in Lens

Stéphane Bonvin founded Investis in 1994. Since then, he has been CEO of the Investis Group and has headed its Properties division. With over 30 years of experience in the real estate sector, Stéphane Bonvin's extensive network of contacts and wide-ranging knowledge of the property market have enabled the gradual enlargement of the Group's portfolio. He acquired various real estate service companies between 2010 and 2014 in the fields of property management and facility management. In 2006 he co-founded the Patrimonium Group, where he served as Managing Director until 2015; he continues to sit on its Supervisory Board.

Current positions held outside the Investis Group: Stéphane Bonvin has been a member of the Supervisory Board of Patrimonium and its subsidiaries since 2006, and of Be Capital and its subsidiaries since 2015.

**Other activities and functions**

Other than as described above, the members of the Board of Directors do not engage in any other activities or perform any other functions which are significant to the Group.

No member of the Board of Directors holds any official function or political office.

**Regulation on the number of additional positions**

According to Article 23 of the Articles of Association, no member of the Board of Directors may hold more than ten mandates outside the Investis Group, of which no more than five may be for listed companies. The mentioned Articles of Association, containing the precise wording of the provision mentioned hereafter, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

These limitations do not apply to the following:

- 1) mandates in companies controlled by Investis or which control Investis;
- 2) mandates performed by a member of the Board of Directors or the Executive Board on instruction of Investis (no member of the Board of Directors or the Executive Board may perform more than ten such mandates); and
- 3) mandates in associations, charitable foundations and pension schemes (no member of the Board of Directors or the Executive Board may hold more than ten such mandates).

Mandates as referred to herein are functions in the most senior management and administrative bodies of legal entities required to be entered in the Swiss commercial register or an equivalent foreign register. Mandates in different legal entities under joint control or with the same beneficial ownership are treated as one mandate.

### **Election and term of office**

The Board of Directors consists of at least three members.

As a general rule, the members of the Board of Directors and the Chairman are elected individually in the General Meeting and hold their posts until the conclusion of the next ordinary Annual General Meeting, subject to early resignation or dismissal. Members elected mid-term serve for the remainder of the term of the member they are replacing. Otherwise, the Board of Directors organises itself. It appoints a Vice-Chairman and designates a secretary, who does not have to be a shareholder or a member of the Board of Directors.

The members of the Board of Directors can be re-elected at any time.

The General Meeting elects the members of the Compensation Committee individually for a term of one year ending at the conclusion of the next Annual General Meeting. Re-election is permitted. The Compensation Committee is composed of at least two members. Only members of the Board of Directors may be elected. The chairman of the Compensation Committee is appointed by the Board of Directors.

The age limit for the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) is in general the end of the month in which the age of 65 is reached. The Board of Directors may decide differently in individual cases.

Members of the Board of Directors who have turned 70 may not be reappointed if their term of office has expired. The Board of Directors may, however, decide to make an exception and propose to the General Meeting the reappointment of a member after the age of 70 has been reached. In any event, members who turn 75 in the course of their ordinary term of office must resign at the next Annual General Meeting following their 75<sup>th</sup> birthday and may not run for another term of office.

### **Internal organisational structure**

The internal organisation of the Board of Directors is based on the Company's relevant valid Organisational Regulations, which are issued by the Board of Directors and reviewed regularly. <https://www.investisgroup.com/nc/en/investors/#c1386>

### Allocation of tasks within the Board of Directors

Subject to Article 17 of the Articles of Association, the Board of Directors organises itself. It may designate one Vice-Chairman among its members. It appoints a secretary, who does not necessarily have to be a member of the Board of Directors. The Articles of Association, containing the precise wording of the provision mentioned, can be found on the website. <https://www.investisgroup.com/nc/en/investors/#c1386>

The Chairman monitors the observance of legal requirements, the Articles of Association, regulations and directives by the Company's management bodies, and submits the requisite motions, requests and proposals to the Board of Directors. The Chairman also ensures, in collaboration with the Executive Board, that information is provided in good time on all major aspects of the Company which are of relevance to the monitoring of its activities and to the corporate decision-making process. Further details of the duties and authorities of the Chairman of the Board are provided in Article 20 of the Organisational Regulations. <https://www.investisgroup.com/nc/en/investors/#c1386>

### Board Committees

The Board of Directors has formed the following two committees to assist it in its work: the Compensation Committee and the Audit Committee.

As a rule, the committees are constituted by the Board of Directors, unless otherwise stated in the Articles of Association or regulations. The chairmen of the committees inform the Board of Directors about their activities at the subsequent ordinary meeting of the Board of Directors, or in urgent cases also immediately. All of these committees have written regulations specifying their tasks and responsibilities. These regulations are reviewed regularly.

### Compensation Committee

Investis' Compensation Committee acts as the relevant body in accordance with the Ordinance Against Excessive Compensation in Listed Companies (Ordinance) and the Articles of Association as amended based on this Ordinance. The mentioned Articles of Association can be found on the Investis website. <https://www.investisgroup.com/nc/en/investors/#c1386>

The Annual General Meeting elects all Compensation Committee members individually. The committee consists of at least two non-executive members of the Board. The term of office of the members of the Compensation Committee ends at the latest with the closing of the General Meeting following their election. Re-election is permitted. The Board of Directors appoints the chairman of the Compensation Committee. In case of vacancies, the Board appoints substitutes from amongst its members for the remaining term of office.

The Compensation Committee assists and advises the Board of Directors in remuneration-related matters, namely by:

- supporting the Board in proposing motions to the Annual General Meeting so that the Annual General Meeting may vote on the aggregate amounts of remuneration of the members of the Board of Directors and the members of the Executive Board, as well as implementing resolutions passed by the Annual General Meeting in this respect;
- assisting the Board of Directors with the preparation of the compensation report;
- advising the Board of Directors on setting-up, monitoring and regularly reviewing the compensation policy and guidelines at the highest level of the Company;
- helping the Board of Directors set the conditions for the remuneration of the members of the Board of Directors and of the Executive Board in the form of equity securities, conversion rights and option rights as well as assisting and advising the Board of Directors in the review and approval of general compensation and benefit policies, including any long-term incentive compensation or equity plans; and
- submitting recommendations or motions to the Board of Directors on other remuneration-related matters.

The Compensation Committee is entitled to conduct investigations in all matters within its remit. In particular, it has full access, to the extent required to carry out its duties, to the Executive Board, employees, books and records of Investis Holding SA and its subsidiaries. It may also request the services of independent advisors and experts to the extent required to carry out its duties.

The Compensation Committee performs an annual self-evaluation of its performance and reports the results to the Board of Directors.

The members of the Compensation Committee are: Albert Baehny (Chairman) and Riccardo Boscardin.

#### **Audit Committee**

The Audit Committee supports the Board in its supervisory function, in particular with respect to the completeness of the annual closing of accounts and financial statements, compliance with statutory provisions, analysis of the qualification of the external auditors, as well as the performance of the external auditors. The Committee assesses the usefulness and suitability of the financial reporting, the internal control system and the general supervision of business risks. It makes sure that communication between Group companies and the external auditors regarding financial matters and the Group's course of business is continuous, efficient and productive.

The Audit Committee is composed of at least two non-executive members of the Board of Directors. At least one member of the Audit Committee has to have recent and relevant financial experience, the others should be familiar with accounting and auditing issues. The members of the Committee are elected for a term of office of one year ending at the end of the next Annual General Meeting following their designation.

The members of the Audit Committee are: Thomas Vettiger (Chairman) and Riccardo Boscardin.

The Audit Committee has the following general duties and competencies:

- evaluating the external auditors with regard to the fulfilment of the necessary qualifications and independence according to the applicable legal provisions, and making proposals for the attention of the Board of Directors concerning the choice of external auditors;
- assessing the work done by the external auditors in office and approving the budget submitted by the external auditors for the audit work;
- making proposals to the Board of Directors regarding the appointment of a compliance officer and assessing the work done by the compliance officer;
- approving the necessary non-audit-specific services provided by the external auditors.

Furthermore, the Audit Committee has the following powers and duties in relation to the internal control system, risk management and compliance:

- assessing the effectiveness of the internal control systems and of the risk management;
- questioning the Chief Executive Officer, the Chief Financial Officer, the Compliance Officer and the external auditor about the significant risks, contingent liabilities and other fundamental obligations of Investis, as well as assessing the measures taken to deal with these.

Finally, the Audit Committee has the following powers and duties in relation to the financial statements:

- examining and submitting proposals to the Board of Directors regarding the approval of the annual and interim accounts of the Company (including significant off-balance sheet positions);
- reviewing the outcome of the annual accounts with the external auditor as well as issuing the necessary applications or recommendations to the Board of Directors;
- making a summary assessment of the annual business expenses incurred by the members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and any other members of the Executive Board of the Company.

The Audit Committee is entitled to conduct investigations in all matters within its remit. In particular, it has full access, to the extent required for the accomplishment of its duties, to the Executive Board, employees, books and records of the Investis Group and its subsidiaries. It may also request the services of independent advisors and experts to the extent required to carry out its duties.

The Audit Committee performs an annual self-evaluation of its performance and reports the results to the Board of Directors.

#### **Working methods of the Board of Directors and its committees**

The Board of Directors meets as often as business requires, but at least four times a year. Extraordinary meetings are held as needed and decisions may also be made by way of approval of a written circular resolution. The CEO and the CFO are usually invited to attend the meetings of the Board of Directors in an advisory capacity. At every meeting, the Board of Directors must receive information from the CEO regarding the business of the Group, the Company and the other most important Group companies. Each member of the Board of Directors may request information regarding all business of the Group as a whole, the Company or other Group companies, and may request access to corporate documents at any time.

The Chairman decides whether other persons should attend all or part of any meeting of the Board of Directors, and, as the case may be, who shall be invited. These persons do not vote. The Board of Directors passes its resolutions by the majority of votes cast, each Director having one vote. Abstentions are not counted as votes cast. In case of equal votes, the chairman of the meeting has the casting vote.

Every meeting of the Board of Directors is minuted. The minutes must generally be signed by the Chairman and by the secretary of the Board of Directors. Circular resolutions must be reflected in the minutes of the next meeting of the Board of Directors. The minutes of each meeting of the Board of Directors must be approved at the next meeting of the Board of Directors.

The Committees meet as often as required. Both Committees (Audit and Compensation) meet at least three times a year. Board committee meetings are held at the invitation of the chair. A Board committee meeting may also be demanded by any committee member or the CEO (and an Audit Committee meeting may additionally be demanded by the Chairman of the Board of Directors, the CFO or the external auditors). The agenda of the Board committee meetings is compiled by the chair. Any committee member may include an agenda item. The committee members each receive documentation prior to the meetings, which enables them to prepare for discussion of the agenda items concerned. A committee meeting shall be quorate, and empowered to submit proposals to the Board of Directors, if the majority of committee members are present. The meeting votes and passes resolutions by a simple majority, whereby the meeting chair has the casting vote.

In addition to its members, meetings of the Audit Committee are attended by the CFO and the Head of Corporate Controlling. In addition to its members, meetings of the Compensation Committee are attended by the CEO. Minutes are kept of all Board committee meetings. Committee resolutions may also be passed by circular written communication provided no member demands that a meeting be convened.

An annual self-assessment procedure has been established to permanently monitor and if possible enhance the performance of the Board of Directors. This evaluates how efficiently the Board and its committees are performing their functions and meeting their responsibilities, whether each Board member participates actively in Board discussions and makes contributions based on independent judgment, and whether an environment of open discussion is maintained at Board meetings.

MEETINGS: ATTENDANCE 2019

Board member	#of BoD meetings	#of BoD calls	#of AC meetings/calls	#of NCC meetings/calls
Riccardo Boscardin	6	3	4	4
Albert Baehny	6	3		4
Thomas Vettiger	5	2	4	
Stéphane Bonvin	6	3		
<b>Total</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>4</b>
<b>Meetings held in reporting period</b>		<b>9</b>	<b>4</b>	<b>4</b>
<b>Average length of meetings (in hours)</b>	<b>5.3</b>	<b>0.7</b>	<b>5.0</b>	<b>2.5</b>

### Areas of responsibility

The Board of Directors is responsible for the overall, high-level management of the Company (which cannot be delegated) and the supervision of the CEO, the CFO and other members (if any) of the Executive Board. The list of duties that cannot be delegated can be found in the Organisational Regulations on the Company website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

With regard to the non-transferability and inalienability of the duties of the Board of Directors, reference is made to Article 716a of the Swiss Code of Obligations and Article 17 of the Articles of Association, and for more detail to Article 16 of the Organisational Regulations. The precise wording of both provisions mentioned above, can also be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

In addition to the responsibilities and powers of authority set out above, and in the interests of coordinated Group management, the Board of Directors is responsible at Group level for the following tasks in particular (without limitation):

#### Strategy and business orientation

- a) setting the strategy and business policy of the Group;
- b) approving the Group's business plans as proposed by the CEO;
- c) approving the model and defining the individual principles of the Group's business policy;
- d) approving the measures and transactions set out in Article 16 of the Organisational Regulations, to the extent they are of fundamental importance to the Group.

The precise wording of the provision mentioned above, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

#### Organisation and supervision

- a) approving the essential features of the Group's organisation, management, corporate governance principles and Code of Conduct;
- b) approving the organisational principles of the main subsidiaries, including the approval of amendments to parts of the Articles of Association that are of fundamental importance to the Company or the Group;
- c) issuing important regulations, instructions and guidelines at the level of the Group, provided the authority to do so is not assigned to the Executive Board;
- d) passing resolutions on the Group's underlying financial, legal and organisational structure;
- e) ensuring an internal control system and appropriate risk and compliance management at the Group level and for the main subsidiaries;
- f) processing the management's reporting with respect to the Group;
- g) passing resolutions on contracts made by the main Group companies that do not concern their daily business, as well as resolutions on initiating and withdrawing legal actions and administrative proceedings, and on the conclusion of settlements by Group companies, if the amount at stake exceeds CHF 500,000 or if the dispute has a strategic importance.

Accounting, financial controlling and planning

- a) approving the annual budget of the Group and of the main Group companies;
- b) approving the medium-term business plan and the investment budget of the Group;
- c) supervising the financial stability (security, liquidity, profitability) of the Group;
- d) receiving orientations on the business development of the Group and each of the main Group companies, their quarterly interim accounts as well as on significant business transactions and extraordinary events within the Group.

Human resources

- a) giving advance notice about the appointment and dismissal of members of the Board of Directors, the Executive Board and of the management of the main subsidiaries;
- b) approving general policy with respect to staff.

Other business of Group companies (other than the Company)

Beyond the responsibilities listed above, the Board of Directors has the power to approve all decisions made by Group companies that are of strategic relevance for the Investis Group.

Unless stated otherwise in the mandatory statutory provisions, the Articles of Association or the Organisational Regulations, the Board of Directors delegates management of the Group (i.e. coordinated management of the Company and all other Group companies) to the CEO. According to Article 32 of the Organisational Regulations, the CEO is mainly responsible for the operational management of the Investis Group within the guidelines provided by the Board of Directors, as well as for setting Company targets, preparing and supervising compliance with the principles of general business policy, and periodic reporting to the Board of Directors.

The precise wording of the provisions mentioned above can be found on the Investis website. <https://www.investisgroup.com/nc/en/investors/#c1386>

#### **Information and controlling instruments for supervising the Executive Board**

The Board of Directors makes sure it is regularly informed about the business of the Company and the other Group companies, and about any developments that may be relevant thereto. It deals with the reports and proposals submitted by the committees of the Board of Directors, the CEO and the CFO.

The Chairman also monitors observance of legal requirements, the Articles of Association, regulations and directives issued by the Company's management bodies, and submits the requisite motions, requests and proposals to the Board of Directors. The Chairman also ensures, in collaboration with the Executive Board, that information is provided in good time about all major aspects of the Company which are of relevance to the monitoring of its activities and to the corporate decision-making process. Further details of the Chairman's duties and powers of authority are provided in Article 20 of the Organisational Regulations. The precise wording of the provision mentioned above can be found on the Investis website. <https://www.investisgroup.com/nc/en/investors/#c1386>

Any member of the Board of Directors may demand to be informed about the Group's affairs. The CEO is responsible for informing the Board of Directors about the current course of business and important business transactions occurring in the Company and its subsidiaries. The CEO reports to the Chairman at regular intervals. If a specific development with significant business or financial importance occurs in the course of ordinary or extraordinary business, the CEO must also inform the Chairman immediately, and the Chairman will in turn pass such information on to the members of the Board. Members of the Board of Directors may directly contact the CEO, the CFO and other members of the Executive Board or employees of any Group companies subject to the prior consent of the Chairman.

To ensure the Board of Directors is informed directly, the CEO and the CFO regularly attend meetings of the Board of Directors, though not if the Board or its committees need to conduct a closed session. The CEO attends all meetings of the Compensation Committee. The CFO attends all meetings of the Audit Committee. Other members of the Executive Board attend Board meetings for particular agenda items as and when required.

In addition, the Company has implemented a management information system (MIS) for the Investis Group which is based on the individual monthly reporting of all the subsidiaries. These figures are aggregated per segment and consolidated for the Group. The figures are compared with the previous year and the budget. The attainability of the budget is assessed on the basis of quarterly reporting and forecasts. Written reports on the progress of the segment/activities are submitted to the Executive Board and the Board of Directors. Additionally the Board of Directors reviews the implementation and observance of Board resolutions and the Company's liquidity levels.

The Company's risk management function provides an established risk model for identifying, managing and monitoring strategic and operational risks throughout the Group. The Group-wide risk profile consists of the risks identified (adopting the bottom-up approach) and Group-wide strategic risks (adopting the top-down approach). The present risk profile and the current status of risks-reducing measures are regularly monitored and are reported to the Board of Directors.

## EXECUTIVE BOARD

The Executive Board of Investis Holding SA consists as of 1 January 2020 of the following three members:



René Häsler (CFO), Stéphane Bonvin (CEO), Walter Eberle (Head Real Estate Services)

The Executive Board is responsible for the operational management of the Investis Group and represents the Group publicly. The Executive Board corresponds to the “executive management” pursuant to the Swiss Ordinance Against Excessive Compensation in Listed Companies (Ordinance).

Name	Year of birth	Nationality	Function	Member since
Stéphane Bonvin	1967	Swiss	CEO	1994 <sup>*)</sup>
René Häsler	1963	Swiss	CFO	2015
Walter Eberle	1957	Swiss	Head Real Estate Services	2017

<sup>\*)</sup> Stéphane Bonvin was the sole shareholder of Investis Investments SA from 1994 until its shares were contributed to Investis Holding SA. Thereafter, he was the sole shareholder of Investis Holding SA until its listing on 30 June 2016.

**STÉPHANE BONVIN**  
**CHIEF EXECUTIVE OFFICER (CEO)**  
Member of the Executive Board and of the Board of Directors



Stéphane Bonvin founded Investis in 1994. Since then, he has been CEO of the Investis Group and has headed its Properties division. With over 30 years of experience in the real estate sector, Stéphane Bonvin's extensive network of contacts and wide-ranging knowledge of the property market have enabled the gradual enlargement of the Group's portfolio. He acquired various real estate service companies between 2010 and 2014 in the fields of property management and facility management. In 2006 he co-founded the Patrimonium Group, which he served as Managing Director until 2015; he continues to sit on its Supervisory Board.

Current positions held outside the Investis Group: Stéphane Bonvin has been a member of the Supervisory Board of Patrimonium and its subsidiaries since 2006 and of Be Capital and its subsidiaries since 2015.

**RENÉ HÄSLER**  
**CHIEF FINANCIAL OFFICER (CFO)**  
**Member of the Executive Board**



Swiss Certified Public Accountant and Swiss Certified Expert for Accounting and Controlling

René Häslér has been the CFO of the Investis Group and a member of its Executive Board since 2015. Prior to this he was Head of Corporate Controlling and Senior Vice-President at Kuoni Travel Holding Ltd for 17 years. After the successful completion of his training as a Swiss Certified Expert for Accounting and Controlling, and as a Swiss Certified Public Accountant, René Häslér brought his extensive financial expertise to bear as a Senior Manager in the Auditing department of KPMG in Zurich. Prior to this he held various financial positions at Fides Treuhandgesellschaft in Geneva and at Bank Leu in Zurich.

**WALTER EBERLE**  
**Head Real Estate Services (as of 1 January 2020)**  
**Member of the Executive Board**



Walter Eberle was Head of the Facility Services activity until 31 December 2019. As of 1 January 2020, Michèle Goepfert has taken over this position. As of the same date, he became Head of Real Estate Services, leading the Property Management as well as the Facility Services activities. He has been a member of the Executive Board of the Investis Group since April 2017. He was CEO of hauswartprofis AG between 2009 and 2019, a subsidiary of Investis since 1 January 2017. Between 2009 and 2016, he professionally and successfully ran and owned Hauswartprofis. He has extensive experience and expertise in facility management. Prior to this, he was Managing Director of investment company Robinvest AG. Between 2003 and 2007, he was the Secretary General of the Federal Department of Justice and Police in Berne, after having served as general secretary for the EMS Group between 1991 and 2003. He began his career with vocational training in book printing, which he followed up with a range of additional training courses.

### Other activities and functions

All details of other activities and any further functions of Executive Board members are provided above or on the Company website.

<https://www.investisgroup.com/en/profile/#c1015>

No member of the Executive Board holds any official function or political office.

### Regulation and additional positions

According to Article 23 of the Articles of Association, no member of the Executive Board may hold more than five mandates outside the Investis Group, of which no more than three may be for listed companies. All mandates must be approved by the Board of Directors. The Articles of Association, containing the precise wording of the provision mentioned above, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

These limitations do not apply to the following:

- 1) mandates within companies controlled by Investis or which control Investis;
- 2) mandates performed by a member of the Board of Directors or the Executive Board on instruction of Investis (no member of the Board of Directors or the Executive Board may perform more than ten such mandates); and
- 3) mandates in associations, charitable foundations and pension schemes (no member of the Board of Directors or the Executive Board may hold more than ten such mandates).

Mandates as referred to herein are functions in the most senior management and administrative bodies of legal entities required to be entered in the Swiss commercial register or an equivalent foreign register. Mandates in different legal entities under joint control or with the same beneficial ownership are treated as one mandate.

### Management contracts

Investis Holding SA and its Group subsidiaries have not concluded any management contracts with any third parties.

## COMPENSATION, SHAREHOLDINGS AND LOANS

Details of the compensation, shares and loans of members of the Board of Directors and the Executive Board are provided in the Compensation Report.

## SHAREHOLDERS' PARTICIPATION RIGHTS

### VOTING RIGHTS RESTRICTIONS AND REPRESENTATION

The Articles of Association can be found on the Company website under Corporate Governance or under <https://www.investisgroup.com/nc/en/investors/#c1386>. The following are references to selected relevant articles:

- share ledger, restrictions on transferability and registration (Article 5)
- powers of the Annual General Meeting (Article 6)
- convening/agenda of the Annual General Meeting (Article 8)
- voting rights and adoption of resolutions, independent voting rights proxy and issuing instructions (Articles 10, 11 and 12)
- special quorums (Article 13)
- remuneration of the Board of Directors and Executive Board (Article 19)

The texts of certain provisions within the Articles of Association are presented in the following section:

### VOTING RIGHTS RESTRICTIONS AND REPRESENTATION

Each share entitles the holder to one vote. The transferability of the shares is restricted pursuant to Article 5 of the Articles of Association. For details on the restrictions on transferability, see the Capital structure chapter in this Corporate Governance section under “Restrictions on transferability and nominee registration”. Other than this, there are no restrictions.

The Articles of Association, containing the precise wording of the provision mentioned below, can be found on the Investis website.  
<https://www.investisgroup.com/nc/en/investors/#c1386>.

Investis recognises only one proxy per share. A shareholder may represent himself at the General Meeting or appoint a proxy, who need not be a shareholder but must present a written proxy form or arrange to be represented by the independent proxy. The officer presiding over the General Meeting decides whether individual instances of representation are permissible. Investis ensures that the shareholders can issue their powers of attorney and instructions to the independent proxy, including by electronic means, up until 6 p.m. two working days prior to the date of the General Meeting. Compliance with the submission deadline for powers of attorney and instructions is determined by the time at which they are received by the independent proxy. The Board of Directors determines the procedure for electronically issuing powers of attorney and instructions.

Powers of attorney and instructions may be issued only for the upcoming General Meeting.

## SPECIAL QUORUM

A resolution by the General Meeting passed with both a minimum of two thirds of the votes represented and the absolute majority of the nominal value of the shares represented shall be required in order to

- 1) amend official purpose of Investis;
- 2) introduce shares with preferential voting rights;
- 3) restrict the transferability of registered shares;
- 4) carry out any authorised or conditional capital increase;
- 5) carry out a capital increase funded by equity capital in consideration of contributions in kind or to fund acquisitions in kind and the granting of special rights;
- 6) restrict or cancel subscription rights;
- 7) relocate the registered office of the Company;
- 8) dissolve the Company;
- 9) or as prescribed otherwise by law.

## CONVOCAATION OF THE GENERAL MEETING

The General Meeting is convened by the Board of Directors or, if necessary, by the auditors. Liquidators are also entitled to convene the General Meeting.

The General Meeting is convened by publishing a notice to the shareholders in the Company's official publications or by written invitation sent to the shareholders registered in the share ledger not less than 20 days before the date of the meeting. The notice of the General Meeting must contain, in addition to stating the date, time and place of the General Meeting, the agenda as well as motions proposed by the Board of Directors and any shareholders who requested the General Meeting or exercised their right to add an item to the agenda.

Subject to the provisions governing a Universal General Meeting (Universalversammlung), resolutions may not be passed on any agenda items not announced in this way except where they relate to convening an Extraordinary General Meeting or carrying out a Special General Meeting at the request of a shareholder. However, no prior notification is required for the submission of motions as part of the agenda items and for deliberations, not for resolutions.

The Board of Directors must call an Extraordinary General Meeting within 20 days of being requested to do so by a written notice submitted by shareholders representing at least 10% of the share capital and specifying the business to be conducted and the motions to be put before the General Meeting.

The Annual Report, the Compensation Report and the Auditors' Report must be made available for inspection by shareholders at Investis' registered office no later than 20 days before the Annual General Meeting. A note must be included in the invitation to the General Meeting informing shareholders to this effect and of their right to request that these documents be sent to them.

## INCLUSION OF ITEMS ON THE AGENDA

Shareholders who represent shares with a nominal value of CHF 1 million or at least 10% of the share capital may submit items for inclusion on the agenda. The request must be received by Investis at least 40 days before the General Meeting. Whenever applicable the due date can be found on the Investis [website](https://www.investisgroup.com/nc/en/investors/#c1535).

<https://www.investisgroup.com/nc/en/investors/#c1535>

## ENTRIES IN THE SHARE LEDGER

All shareholders entered in the share ledger as shareholders with voting rights up to three working days before a General Meeting may vote at the meeting concerned. Shareholders who sell their shares before the General Meeting takes place are no longer entitled to vote. Shareholders who buy additional shares or sell part of their shareholding after their meeting admission card has been issued must exchange the card sent to them at the information desk on arriving at the meeting concerned.

The Board of Directors may refuse to register persons domiciled abroad within the meaning of the Federal law of 16 December 1983 on the Acquisition of Real Estate by Persons Abroad (BewG) in the share ledger if such registration could impede the Company in providing the required proof that Investis and/or subsidiaries are under Swiss control.

The Board of Directors has the power to issue regulations on the maintenance of the share ledger and to specify registration requirements and restrictions, in particular requirements concerning the proof of a person's acquisition and holding of shares in their own name and for their own account, the percentage limits applicable to registration of persons domiciled abroad in total and for persons domiciled abroad acting individually, jointly or in association, and rules governing the distribution of free allocations to foreigners.

As at 31 December 2019, a regulation was in place to restrict the cumulative shareholding of persons domiciled abroad to 30% of the voting rights. This regulation is within the meaning of the Federal law of 16 December 1983 on the Acquisition of Real Estate by Persons Abroad (BewG).

## CHANGES OF CONTROL AND DEFENCE MEASURES

### DUTY TO MAKE AN OFFER

There are no opting-up or opting-out clauses in the Articles of Association of Investis Holding SA within the meaning of Articles 125 and 135 of the Swiss Financial Market Infrastructure Act.

### CHANGE OF CONTROL CLAUSES

In the event of a change of control, bondholders are entitled to demand the premature repayment of their bond amount. This change of control provision does not apply to Stéphane Bonvin, current controlling shareholder of Investis. Stéphane Bonvin's holding can float between 0% and 100% without triggering a change of control event for him.

In the event of a change of control in the Company, there are no agreements or schemes for the benefit of the members of the Board of Directors and the Executive Board.

## AUDITORS

### DURATION OF MANDATE AND TERM OF OFFICE OF THE AUDITOR-IN-CHARGE

The statutory auditors of Investis since its incorporation has been PricewaterhouseCoopers AG, Bahnhofplatz 10, 3001 Bern, Switzerland. Oliver Kuntze has been the lead auditor since the financial year 2014.

### AUDIT FEES

PricewaterhouseCoopers invoiced CHF 0.28 million during fiscal year 2019 for services in connection with the auditing of the annual accounts of Investis Holding SA and its Group subsidiaries, as well as the consolidated financial statements of the Investis Group (prior year CHF 0.32 million).

### ADDITIONAL FEES

For the 2019 reporting period, PricewaterhouseCoopers invoiced CHF 0.07 million in additional fees (prior year CHF 0.14 million). No other significant fees were charged by other audit companies for any other services.

### SUPERVISORY AND CONTROLLING INSTRUMENTS WITH REGARD TO THE EXTERNAL AUDITORS

Each year, the Audit Committee of the Board of Directors evaluates the performance, remuneration and independence of the statutory auditor and proposes an external auditor to the Board of Directors which is put forward for election at the General Meeting. The Audit Committee also annually examines the scope of the external auditing, the auditing plans and the relevant processes, and discusses the audit results with the external auditors.

## INFORMATION POLICY

The Investis Group maintains an open and transparent communication policy towards its shareholders, current and potential investors, financial analysts, customers, business partners and other stakeholder groups. The Investis Group provides prompt and comprehensive information on the Group's business activities, while paying due and full regard to all the applicable provisions and directives of the SIX Swiss Exchange.

Investis Holding SA publishes a comprehensive Annual Report each year informing its shareholders about business developments and the Company's annual results. The Annual Report 2019 is the fourth one to be made available to the public and is an online version only. Of particular importance are the Corporate Governance Report integrated into the Annual Report and the Financial Report on the past business year. Investis' consolidated financial statements are compiled in compliance with Swiss GAAP FER.

The report on the half-year results is published and distributed in the same way as the Company's media releases. This report contains unaudited financial results which are compiled in compliance with Swiss GAAP FER.

Investis Holding SA occasionally publishes information on current developments within its two business segments or on other Group activities. In compliance with the relevant listing regulations of the SIX Swiss Exchange, these communications are always issued simultaneously to a broad circle of recipients. The information contained in these reports and communications is considered correct at the time of its publication. Investis does not update media releases issued in the past in the light of subsequent market or business developments.

Investis conducts its reporting in accordance with the disclosure obligations set out in the Financial Market Infrastructure Act (FMIA) as well as the SIX Swiss Exchange's ad hoc publicity rules. An archive of all media releases can be found on the Company website under Media releases. These releases are always published in three languages, i.e. English, German and French.

<https://www.investisgroup.com/nc/en/media/>

Following its listing, Investis has created an archive on its website containing all published reports, presentations and other relevant published communications.

<https://www.investisgroup.com/nc/en/investors/#c1377>

As part of its investor relations function, Investis Holding SA organises:

- conference calls around the publication of its full and half-year results or other information updates;
- meetings with investors and analysts, either individually or in groups on roadshows in key financial centers;
- presentations at brokers' and banks' events.

These activities are conducted with a focus on recently announced developments or financial results, and in full compliance with the SIX Exchange's directive on ad-hoc publicity.

Presentations for financial analysts and investors are regularly archived on the Company website. These presentations are not constantly updated, but document long-term developments within the Company.

<https://www.investisgroup.com/nc/en/investors/#c1377>

Interested parties may also add their name to the Investor Relations e-mail list on the Company website.

<https://www.investisgroup.com/nc/en/investors/#c811>

The following links may be useful:

Subject	Link
Information on Investis' shares	<a href="https://www.investisgroup.com/nc/en/investors/#c1511">https://www.investisgroup.com/nc/en/investors/#c1511</a>
Board of Directors	<a href="https://www.investisgroup.com/en/profile/#c1340">https://www.investisgroup.com/en/profile/#c1340</a>
Executive Board	<a href="https://www.investisgroup.com/en/profile/#c1015">https://www.investisgroup.com/en/profile/#c1015</a>
Articles of Association	<a href="https://www.investisgroup.com/nc/en/investors/#c1386">https://www.investisgroup.com/nc/en/investors/#c1386</a>
Organisational Regulations	<a href="https://www.investisgroup.com/nc/en/investors/#c1386">https://www.investisgroup.com/nc/en/investors/#c1386</a>
Corporate Governance (incl. Compensation Report)	<a href="https://www.investisgroup.com/nc/en/investors/#c1386">https://www.investisgroup.com/nc/en/investors/#c1386</a>
Archive	<a href="https://www.investisgroup.com/nc/en/investors/#c1711">https://www.investisgroup.com/nc/en/investors/#c1711</a>
Media releases	<a href="https://www.investisgroup.com/en/media/#c1455">https://www.investisgroup.com/en/media/#c1455</a>
Key dates	<a href="https://www.investisgroup.com/nc/en/investors/#c1388">https://www.investisgroup.com/nc/en/investors/#c1388</a>
To be added to the distribution list	<a href="https://www.investisgroup.com/nc/en/investors/#c811">https://www.investisgroup.com/nc/en/investors/#c811</a>

## COMPENSATION REPORT

### 1. INTRODUCTION

This compensation report is intended to provide an overview of the compensation structure, the compensation procedure and the compensation committee of Investis Holding SA as well as the compensation amounts paid to the members of the Board of Directors and Executive Board for fiscal year 2019. The compensation report follows the requirements of the Swiss Ordinance against Excessive Compensation at Listed Joint-Stock Companies (OaEC) and also contains certain information which has to be disclosed pursuant to Article 663c para 3 of the Swiss Code of Obligations and sections 5.1 and 5.2 of the annex to the Directive on Information Relating to Corporate Governance of the SIX Exchange Regulation. In addition, Investis Holding SA has taken into account the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*. The compensation report regarding fiscal year 2019 has been reviewed and audited by the Company's auditors and will be submitted to the 2020 Annual General Meeting for an advisory vote. Please find the Auditors' Report at the end of this chapter.

### 2. COMPENSATION COMMITTEE

According to Article 25 of the Articles of Association and the Organisational Regulations of Investis Holding SA, the Compensation Committee consists of at least two non-executive members of the Board of Directors. The members of the Compensation Committee are elected annually and individually by the Annual General Meeting for a term of office of one year ending at the closure of the next Annual General Meeting following their election. At the end of their term of office, members of the Compensation Committee can be re-elected. The Chairman of the Compensation Committee is appointed by the Board of Directors. Currently, the Compensation Committee consists of Albert Baehny (Chairman) and Riccardo Boscardin. In the opinion of the Board of Directors, both Compensation Committee members possess the required experience for this function and are familiar with the regulatory requirements as well as with compensation practices and developments.

The Articles of Association, containing the precise wording of the provision mentioned above and below, and the Organisational Regulations can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

The duties and responsibilities of the Compensation Committee are set out in Article 26 of the Articles of Association and further described in detail in the Organisational Regulations of Investis Holding SA as issued by the Board of Directors. In accordance with the Organisational Regulations, the Board of Directors of Investis Holding SA has adopted separate Compensation Committee regulations which govern in detail the organisation, functions, operation and modalities of the resolutions passed by the Compensation Committee. Meetings of the Compensation Committee are convened by its chairman and are held as often as required for the fulfilment of its duties but at least three times a year.

The main duty of the Compensation Committee is to develop the compensation principles, compensation policies and performance criteria with respect to compensation for the Board of Directors and the Executive Board of Investis Holding SA and to monitor their implementation in order to ensure a fair, reasonable and competitive remuneration that is consistent with the strategic objectives of the Investis Group. The Compensation Committee further prepares decisions of the Board of Directors that relate to the compensation of the Board of Directors and the Executive Board and submits motions to the Board of Directors. In addition, the Compensation Committee assists the Board of Directors with respect to the preparation of the Compensation Report.

### 3. COMPENSATION PROCEDURE

The Compensation Committee annually reviews the compensation structure as well as the amounts of compensation paid to the members of the Board of Directors and the members of the Executive Board, and submits motions and recommendations for compensation-related decisions and changes to the compensation structure and policies to the entire Board of Directors. The Board of Directors takes its compensation-related decisions in response to the motions and recommendations presented by the Compensation Committee. This annual review process includes an assessment of basic salaries and fringe benefits as well as performance-based short-term remuneration and stock purchase plans.

If necessary, the Compensation Committee may use the services of independent external consultants. External consultants are usually used to ensure remuneration is benchmarked and to contribute to the design of compensation plans.

Members of the Executive Board are not involved in determining their own remuneration. The Chief Executive Officer (CEO), however, is consulted about the remuneration proposed for the other members of the Executive Board.

Recommendations by the Compensation Committee about the remuneration of members of the Board of Directors must comply with internal corporate guidelines. Remuneration of members of the Board of Directors has to be approved by all members of the Board of Directors, though when a vote is taken on compensation for a specific member of the Board of Directors, the respective member must comply with the applicable walkout rules.

#### 3.1 Performance review process

The actual remuneration effectively paid out in a given year depends on the individual's as well as on the Company's performance. Individual performance is assessed through the formal annual review process. Company and individual performance objectives are approved at the beginning of the business year and achievements against those objectives are assessed after year-end. The performance appraisal is the basis for the determination of the actual remuneration.

Objective setting (December)	Mid-year review (July/August)	Full-year review (January)	Determination of compensation (March)
Determination of objectives - Group - individual	Discussion of performance to date against defined objectives and corrective measures	Performance assessment	Determination of actual compensation

## 4. COMPENSATION-RELATED RULES IN THE ARTICLES OF ASSOCIATION

### 4.1 Principles of compensation

The Investis Group is committed to attracting, motivating and retaining the best professionals and managers to ensure the sustained success of the Company.

Pursuant to Article 19 of the Articles of Association, the members of the Board of Directors and the members of the Executive Board are entitled to a remuneration commensurate with their activities. The remuneration may be paid by the Company or by another Group company provided it is covered by the total compensation amount approved by the General Meeting for the Board of Directors and Executive Board, respectively. Reimbursement of expenses does not qualify as remuneration. The Company may reimburse members of the Board of Directors and the members of the Executive Board in the form of lump sum expenses as recognised for tax purposes.

The Articles of Association, containing the precise wording of the provision mentioned above, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

### 4.2 Remuneration of the Board of Directors

The members of the Board of Directors receive fixed remuneration, half of which is awarded in shares. No other remuneration or committee fees are paid except for the relevant employer social security contributions.

The preferential allocation price of the shares concerned is redefined each year and is equal to the base price minus a discount. The base price consists of the average of the official closing prices of Investis shares at the Swiss Stock Exchange (SIX) during the calendar year prior to the share award. The Board of Directors determines the amount of discount each year at its discretion, taking into consideration the performance and results of the Investis Group during the financial year prior to the share award.

The shares are allocated on the day the Board of Directors approves the consolidated financial statements of the Investis Group. These shares are subject to a blocking period of three years. During the blocking period the shares may not be disposed of, sold, donated or transferred in any other way (other than by a transfer by operation or application of the laws of succession). Subject to applicable securities laws restricting resale of the shares at the end of the blocking period, the member of the Board of Directors may freely dispose of the shares. During the blocking period, shares will be held for the participant in his account. The participant will have the right to vote his shares and to receive all dividends and other distributions in respect of them. In the event of a stock split, stock dividend or distribution of property other than cash affecting the shares, the shares and/or property received, will, unless the Board of Directors determines otherwise, be held in the participant's account and be subject to the transfer restrictions set out in this rule applicable to the related shares.

In the event of death or total disability of the participant, the blocking period of his shares will terminate immediately, and all of his shares will be delivered to him or his personal representative, as appropriate, as soon as practicable. The participant will be liable for any additional tax liability arising from the acceleration of the blocking period.

Unless otherwise determined by the Board of Directors, upon termination of the participant's assignment the blocking period of the shares will continue in accordance with its terms. If the Board of Directors determines otherwise, the participant will be liable for any additional tax liability arising from the acceleration of the blocking period.

If a change of control occurs, any blocking period shall be terminated, i.e., the participant has the right to sell the shares that are still subject to a blocking period.

The discount may be fully taxable according to the applicable laws. The participant is responsible for reporting the receipt of any income from these shares however made, to the appropriate tax authority.

The Board of Directors may at any time amend or terminate the plan in any respect except that no amendment or termination may adversely affect the existing rights of the participant. The participant will be given written notice of any amendment that affects him as soon as practicable.

The Investis Group uses treasury shares bought at market price on the open market to grant shares. This does not dilute the value of the shares of existing shareholders.

#### **4.3 Remuneration of the Executive Board**

The remuneration of members of the Executive Board consists of a fixed and a variable component.

##### **4.3.1 Executive Board fixed compensation**

The fixed components are proposed by the Compensation Committee and approved by the Board of Directors. When considering changes to fixed salary components, benchmarking data as well as the individual's performance during the previous year are taken into account. The fixed component fluctuates between 60% and 70% of the total compensation. The fixed compensation is entirely paid in cash.

##### **4.3.2 Executive Board variable compensation**

The variable component fluctuates between 30% and 40% of the total compensation. The amount of the variable compensation depends on qualitative and quantitative targets and parameters defined by the Compensation Committee and approved by the Board of Directors. 50% of this variable compensation is paid in cash, the remaining 50% in shares. All variable compensation payments are based on the Investis business year, which extends from 1 January to 31 December.

The Board of Directors defines and assesses the targets and their achievement, or delegates this task to the Compensation Committee. All such variable compensation payments shall be a one-off remuneration and shall be subject to tax and social security contributions as applicable to the participants recurring other compensation.

The variable compensation shall be measured by the following components:

Component	
"G" for Growth	directly related to the revenue development
"O" for Operating Profit	directly related to the EBIT performance
"N" for Net Profit	directly related to the Consolidated Net Profit of the Investis Group

Each of the components G/O/N accounts for one third of the targeted variable compensation amount.

The financial targets are independent from each other and are measured and evaluated separately.

100% PAID IN CASH	50% PAID IN CASH	50% GRANTED IN SHARES	
60-70% OF COMPENSATION FIXED COMPONENT	30-40% OF COMPENSATION VARIABLE COMPONENT		
	1/3	1/3	1/3
	TARGET «G»	TARGET «O»	TARGET «N»
		2/3	1/3
	1	1	2
			3

TARGET «G» «Growth» is directly related to the revenue development

TARGET «O» «Operating profit» is directly related to the EBIT performance

TARGET «N» «Net Profit» is directly related to the consolidated Net Profit of the Investis Group

- 1 Financial target under the responsibility of the respective EB Member (CEO and CFO are measured on Group level)
- 2 Financial target «one level up» (CEO and CFO are measured on Group level)
- 3 Financial target on Group level

#### 4.3.2.1 Calculation of the amounts available for variable compensation payments

**Component G** is related to the achievement of the budgeted financial targets that the respective member of the Executive Board is responsible for. If the budgeted financial target is 100% achieved, then the component G variable compensation will be paid. If the budgeted financial target is exceeded (overachieved) or is not met (underachieved), the component G variable compensation will be increased or decreased by 3% for every 1% deviation from the budgeted financial target.

**Component O** is:

- partly (2/3) related to the achievement of the budgeted financial targets that the respective member of the Executive Board is responsible for; and
  - partly (1/3) related to the achievement of the budgeted financial targets “one level up”
- If the budgeted financial target is 100% achieved, then the component O variable compensation will be paid. If the budgeted financial target is exceeded (overachieved) or is not met (underachieved), the component O variable compensation will be increased or decreased by 3% for every 1% deviation from the budgeted financial target.

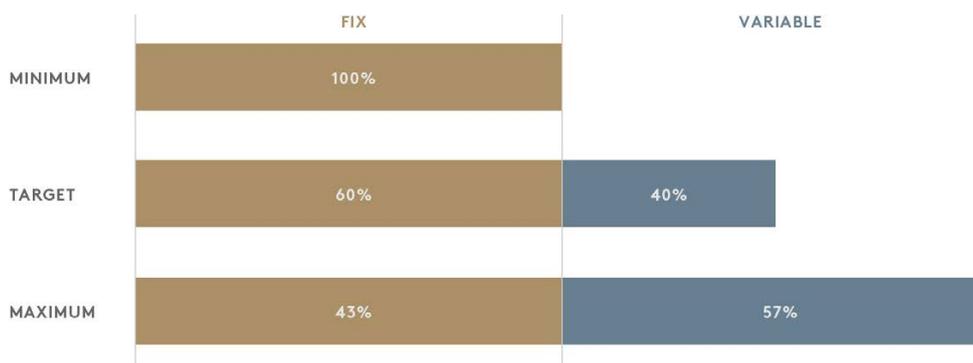
**Component N** is related to the achievement of the financial targets budgeted at the Investis Group level, i.e. that the entire Executive Board is responsible for.

CEO and CFO are always measured on Group level.

#### 4.3.2.2 Cap and floor for each component

The above system is limited in both directions at 100% for each individual component, i.e. every component can vary from 0 to 200%. If the actual result is overachieved by more than 33.33% above the budgeted financial target, the respective component is set to 200%. If the actual result is underachieved by more than 33.33% below the budgeted financial target, this component will be set to 0%, i.e. to zero.

Visualisation of the compensation components described above:



#### 4.3.2.3 Financial targets

The relevant financial targets are derived from the annual budget of the Investis Group and approved by the Board of Directors.

#### 4.3.2.4 Supplementary provisions

The criteria and formulas for calculating overall variable compensation amounts are assessed and adjusted annually by the Compensation Committee. The employee's annual salary, including the target variable compensation achievable, represents a particular target package for each Executive Board member.

Should the principles on which the variable compensation component is based be affected by acquisitions (of consolidated companies and/or investment properties), divestitures (of consolidated companies and/or investment properties), major projects not budgeted but approved by the Board of Directors or an increase or decrease in the employee's responsibilities, the variable compensation calculation criteria and formulas may/will be adjusted accordingly.

Effects from the revaluation of investment properties as well as related deferred taxes are not included in any calculation of components O and N.

The Board of Directors determines the respective amounts of remuneration within the total remuneration amounts approved by the General Meeting and in response to proposals made by the Compensation Committee. All variable compensations are optional payments whose amount is at the full discretion of the Board of Directors.

### 4.3.3 Share-based compensation

The amount a member of the Executive Board must invest in shares is set to 50% of the individual variable compensation.

The number of shares shall be equal to the portion of the variable compensation the eligible person has to invest divided by the preferential allocation price of the shares, whereby the number of shares shall be rounded off to the nearest whole number of shares. The residual rounding difference shall be paid to the participant in cash.

The preferential allocation price of the shares is redefined each year and is equal to the base price minus a discount. The base price consists of the average of the official closing prices of Investis shares at the Swiss Stock Exchange (SIX) during the calendar year prior to the share award. The Board of Directors determines the amount of discount for each year at its discretion, taking into consideration the performance and results of the Investis Group during the financial year prior to the share award.

The shares are allocated on the day the Board of Directors approves the consolidated financial statements of the Investis Group. These shares are subject to a blocking period of three years. During the blocking period the shares may not be disposed of, sold, donated or transferred in any other way (other than by a transfer by operation or application of the laws of succession). Subject to applicable securities laws restricting resale of the shares at the end of the blocking period, the member of the Executive Board may freely dispose of the shares. During the blocking period, shares will be held for the participant in his account. The participant will have the right to vote his shares and to receive all dividends and other distributions in respect of them. In the event of a stock split, stock dividend or distribution of property other than cash affecting the shares, the shares and/or property received will, unless the Board of Directors determines otherwise, be held in the participant's account and be subject to the transfer restrictions set out in this rule applicable to the related shares.

In the event of death or total disability of the participant, the blocking period of his shares will terminate immediately, and all of his shares will be delivered to him or his personal representative, as appropriate, as soon as practicable. The participant will be liable for any additional tax liability arising from the acceleration of the blocking period.

Unless otherwise determined by the Board of Directors, upon termination of the participant's employment as a result of resignation, retirement, dismissal or dismissal for cause, the blocking period of the shares will continue in accordance with its terms. If the Board of Directors determines otherwise, the participant will be liable for any additional tax liability arising from the acceleration of the blocking period.

If a change of control occurs, any blocking period under these regulations shall be terminated, i.e., the participant has the right to sell the shares that are still subject to a blocking period.

The discount may be fully taxable according to the applicable laws. The participant is responsible for reporting the receipt of any income from these shares however made, to the appropriate tax authority.

The Board of Directors may at any time amend or terminate the plan in any respect except that no amendment or termination may adversely affect the existing rights of the participant. The participant will be given written notice of any amendment that affects him as soon as practicable.

The Investis Group uses treasury shares bought at market price on the open market to grant shares. This does not dilute the value of the shares of existing shareholders.

#### 4.4 Approval of total compensation by the General Meeting

According to Article 20 of the Articles of Association, the General Meeting approves annually, separately and with binding effect the proposals made by the Board of Directors regarding the maximum total compensation for the Board of Directors and the Executive Board as follows:

- 1) For the remuneration of the Board of Directors, the maximum total amount is approved for the period until the next Annual General Meeting;
- 2) For the remuneration of the Executive Board, the maximum total amount is approved for the fiscal year following the Annual General Meeting (approval period).

If the proposed remuneration amount for the Board of Directors or the Executive Board is rejected by the Annual General Meeting, the Board of Directors can put forward new proposals at the same General Meeting or can convene an Extraordinary General Meeting for this purpose.

The Articles of Association, containing the precise wording of the provision mentioned above, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

#### 4.5 Additional amount for the compensation of additional members of the Executive Board

For Investis Holding SA, the additional amount within the meaning of Article 19 of the OaEC is governed by Article 21 of the Articles of Association. Pursuant to this provision, an additional amount of not more than 33% of the last total compensation amount approved for the compensation of the members of the Executive Board is available per year for each new member of the Executive Board who is appointed after the annual total compensation has been approved by the General Meeting, provided that the aggregate amount approved for the respective approval period proves insufficient.

The Articles of Association, containing the precise wording of the provision mentioned above, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

#### 4.6 Loans and credits, post-retirement benefits outside the occupational pension scheme

Pursuant to Article 22 of the Articles of Association, loans and credits to members of the Board of Directors or Executive Board may only be granted at market conditions. Further, the total amount of any loans and credits granted directly or indirectly to members of the Board of Directors or Executive Board may not exceed CHF 50 million.

The Articles of Association of Investis Holding SA do not allow the payment of post-retirement benefits outside the occupational pension scheme (within the meaning of the OaEC) to members of the Board of Directors or Executive Board.

The Articles of Association, containing the precise wording of the provision mentioned above, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

#### **4.7 Termination clauses applicable to members of the Executive Board**

The employment contracts of the members of the Executive Board provide for a twelve-month notice period. There is no entitlement to any severance payments.

In the event of a change in corporate control, no additional compensation or benefits are paid to members of the Executive Board.

### **5. COMPENSATION, LOANS AND CREDITS TO THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD**

The following paragraphs provide information on the compensation granted to the members of the Board of Directors and Executive Board for fiscal 2019, as well as information about loans and credits granted to the members of the Board of Directors and Executive Board, as required by the OaEC.

#### **5.1 Compensation of the Board of Directors and the Executive Board**

##### **5.1.1 Compensation of the Board of Directors**

(non-executive)

For the approval period up to the 2020 Annual General Meeting maximum total compensation of CHF 0.5 million was approved by the General Meeting of 29 April 2019 for the compensation of the Board of Directors.

The following table sets out the aggregate compensation granted to the Board of Directors for 2019 and 2018, as well as the compensation granted to the individual members of the Board of Directors.

## Compensation of the Board of Directors in detail for 2019 and 2018:

Name	Function	Basic cash compensation (fixed)	Share-based compensation (fixed) <sup>1)</sup>		Social security contributions	Total
		CHF 1,000	Number of shares <sup>2)</sup>	CHF 1,000	CHF 1,000	CHF 1,000
<b>2019</b>						
Riccardo Boscardin	Chairman, Member of the Audit and Compensation Committee	80	1,947	133	13	226
Albert Baehny	Vice-Chairman and Chairman of the Compensation Committee	40	974	66	6	112
Thomas Vettiger	Member and Chairman of the Audit Committee	40	974	66	8	114
Stéphane Bonvin <sup>3)</sup>	Member	0	0	0	0	0
<b>Total compensation 2019</b>		<b>160</b>	<b>3,895</b>	<b>265</b>	<b>27</b>	<b>452</b>
<b>2018</b>						
Riccardo Boscardin	Chairman, Member of the Audit and Compensation Committee	80	2,009	105	13	198
Albert Baehny	Vice-Chairman and Chairman of the Compensation Committee	40	1,004	52	7	99
Thomas Vettiger	Member and Chairman of the Audit Committee	40	1,004	52	7	99
Stéphane Bonvin <sup>3)</sup>	Member	0	0	0	0	0
<b>Total compensation 2018</b>		<b>160</b>	<b>4,017</b>	<b>209</b>	<b>27</b>	<b>396</b>

- 1) The shares were valued at a market value of CHF 68.18 as per 31.12.2019 (2018: CHF 51.89). The market value calculated includes a 16% discount in view of the shares' restricted availability.
- 2) The number of shares was calculated at the preferential allocation price of CHF 41.08 (2018: CHF 39.83). The latter was calculated with the base price of CHF 68.46 (2018: CHF 61.27). The base price consists of the average of the official closing prices of Investis shares at the Swiss Stock Exchange (SIX) during the calendar year 2019 or 2018 respectively.
- 3) Stéphane Bonvin has been compensated for his role as Chief Executive Officer (CEO) only and did not receive a separate compensation for his function as member of the Board of Directors.

## 5.1.2 Compensation of the Executive Board

(including the executive member of the Board of Directors)

Elements of compensation of the Executive Board:	
Base salary (fix)	Reflects the function and scope of responsibilities, as well as the personal profile of the incumbent (experience and skill set).
Variable compensation	Rewards performance and the achievement of business, financial and personal objectives over a one-year period. Delivered 50% in cash and 50% in form of restricted shares. The allocated shares are subject to a three year blocking period.
Social security/pension benefits	Establishes a level of security for the employees and their dependents against risks such as age, death and disability. Tailored to local regulations and market practice.

The following table sets out the compensation granted to the Executive Board for the financial year 2019 and 2018 as well as the compensation granted to the individual member of the Executive Board who received the highest remuneration in 2019 and in 2018. For the year 2019, the shareholders' meeting has approved a maximum total compensation for the members of the Executive Board in the amount of CHF 4.5 million (2018: CHF 4.2 million).

	Executive Board	of which: Stéphane Bonvin (CEO)
	CHF 1,000	CHF 1,000
<b>2019</b>		
Basic cash compensation (fixed)	1,395	455
Variable compensation		
- in cash <sup>1)</sup>	394	155
- in shares <sup>2)</sup>	654	257
Pension fund contribution	295	116
Social security contributions	216	81
Other <sup>3)</sup>	30	4
<b>Total compensation 2019</b>	<b>2,984</b>	<b>1,068</b>
<b>2018</b>		
Basic cash compensation (fixed)	1,395	455
Variable compensation		
- in cash <sup>1)</sup>	339	137
- in shares <sup>2)</sup>	442	178
Pension fund contribution	202	69
Social security contributions	197	73
Other <sup>3)</sup>	24	4
<b>Total compensation 2018</b>	<b>2,599</b>	<b>916</b>

- 1) In the financial year 2019 the targets attained led to an achievement ratio between 95-104%, for the financial year 2018 between 71-91%.
- 2) The members of the Executive Board were assigned 9,590 shares for 2019 (2018: 8,516). These shares were valued at a market value of CHF 68.18 as per 31.12.2019 (CHF 51.89 per 31.12.2018). The market value calculated includes a 16% discount in view of the shares' restricted availability. The number of shares was calculated at the preferential allocation price of CHF 41.08 (2018: CHF 39.83). The latter was calculated with the base price of CHF 68.46 (2018: CHF 61.27). The base price consists of the average of the official closing prices of Investis shares at the Swiss Stock Exchange (SIX) during the calendar year 2019 or 2018 respectively.
- 3) Allowances in connection with Company car entitlements

No remuneration was paid in 2019 or 2018 to former members of the Executive Board (either directly or indirectly) or to any persons affiliated to current or former members of the Executive Board.

The Articles of Association, containing the precise wording of the provision mentioned above, can be found on the Investis website.

<https://www.investisgroup.com/nc/en/investors/#c1386>

## 5.2 Loans and credits to the Board of Directors and Executive Board

### 5.2.1 Loans and credits to the Board of Directors

No loans or credits have been granted to any current or former members of the Board of Directors or to any persons affiliated to current or former members of the Board of Directors.

As at 31 December 2019 the Group had no outstanding loan to a related party.

### 5.2.2 Loans and credits to the members of the Executive Board

No loans or credits have been granted to any current or former members of the Executive Board or to persons affiliated to current or former members of the Executive Board.

As at 31 December 2019, the Group had no outstanding loan to a related party.

## 6. SHARE OWNERSHIP

### Members of the Board of Directors

(non-executive)

As at 31 December 2019, the non-executive members of the Board of Directors (including their related parties) held the following Investis shares.

As at 31 December 2019	Function	Number of registered shares held	Voting rights in % (rounded)
Riccardo Boscardin	Chairman, Member of the Audit and Compensation Committee	5,831	<0.1
Albert Baehny	Vice-Chairman and Chairman of the Compensation Committee	20,782	0.2
Thomas Vettiger	Member and Chairman of the Audit Committee	3,415	<0.1
<b>Total</b>		<b>30,028</b>	<b>0.2</b>

As at 31 December 2018	Function	Number of registered shares held	Voting rights in % (rounded)
Riccardo Boscardin	Chairman, Member of the Audit and Compensation Committee	3,822	<0.1
Albert Baehny	Vice-Chairman and Chairman of the Compensation Committee	19,778	0.2
Thomas Vettiger	Member and Chairman of the Audit Committee	2,411	<0.1
<b>Total</b>		<b>26,011</b>	<b>0.2</b>

### Members of the Executive Board

(including the executive member of the Board of Directors)

As at 31 December 2019, the executive member of the Board of Directors and the members of the Executive Board (including their related parties) held the following Investis shares.

As at 31 December 2019	Function	Number of registered shares held	Voting rights in % (rounded)
Stéphane Bonvin	Chief Executive Officer and member of the Board of Directors	9,888,561	77.3
René Häsler	Chief Financial Officer	16,595	0.1
Walter Eberle	Head Facility Services	13,634	0.1
Dieter Sommer <sup>1)</sup>	Head Property Management	2,997	<0.1
<b>Total</b>		<b>9,921,787</b>	<b>77.5</b>

As at 31 December 2018	Function	Number of registered shares held	Voting rights in % (rounded)
Stéphane Bonvin	Chief Executive Officer and member of the Board of Directors	9,860,021	77.0
René Häsler	Chief Financial Officer	13,310	0.1
Walter Eberle	Head Facility Services	10,512	0.1
Dieter Sommer	Head Property Management	1,315	<0.1
<b>Total</b>		<b>9,885,158</b>	<b>77.2</b>

1) Member of the Executive Board until 31 December 2019.

# Report of the statutory auditor

## to the General Meeting of Investis Holding SA

### Zurich

We have audited the compensation report of Investis Holding SA for the year ended 31 December 2019. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the tables on pages 70 to 73 of the compensation report.

#### Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the compensation report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the compensation system and defining individual compensation packages.

#### Auditor's responsibility

Our responsibility is to express an opinion on the accompanying compensation report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the compensation report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the compensation report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the compensation report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of compensation, as well as assessing the overall presentation of the compensation report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Opinion

In our opinion, the compensation report of Investis Holding SA for the year ended 31 December 2019 complies with Swiss law and articles 14–16 of the Ordinance.

PricewaterhouseCoopers AG



Oliver Kuntze  
Audit expert  
Auditor in charge



Marc Zurflüh  
Audit expert

Bern, 23 March 2020

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## CONSOLIDATED INCOME STATEMENT

In CHF 1,000	Note	2019	2018
Revenue	2, 3	187,509	197,491
Direct expenses	2	-22,562	-24,514
Personnel expenses	2, 4	-96,849	-108,582
Other operating expenses	2, 5	-21,433	-24,672
<b>Operating profit before revaluations, disposal of properties and subsidiaries, depreciation and amortisation</b>		<b>46,665</b>	<b>39,724</b>
Income from revaluations	12	56,577	24,157
Income from disposal of properties	6	8,235	12,770
Income from disposal of subsidiaries	1	18,238	-
<b>Operating profit before depreciation and amortisation (EBITDA)</b>		<b>129,714</b>	<b>76,651</b>
Depreciation and amortisation	13	-2,555	-2,076
<b>Operating profit (EBIT)</b>		<b>127,159</b>	<b>74,575</b>
Financial income		5,847	116
Financial expenses		-5,152	-3,939
<b>Financial result</b>	<b>7</b>	<b>695</b>	<b>-3,823</b>
<b>Profit before taxes</b>		<b>127,855</b>	<b>70,752</b>
Income taxes	8	44,970	-16,376
<b>Net profit</b>		<b>172,825</b>	<b>54,376</b>
Of which attributable to Investis Holding SA shareholders		172,726	54,331
Of which attributable to non-controlling interests		99	45
Earnings per share in CHF (basic/diluted)	9	13.59	4.27

The disclosures in the notes form an integral part of the consolidated financial statements.

## CONSOLIDATED BALANCE SHEET

In CHF 1,000	Note	31.12.2019	31.12.2018
Cash and cash equivalents		65,830	33,245
Trade receivables	10	9,641	17,271
Other receivables		6,861	2,261
Properties held for sale	11	40,965	69,476
Prepaid expenses and accrued income		8,409	9,127
<b>Total current assets</b>		<b>131,707</b>	<b>131,380</b>
Investment properties	12	1,396,808	1,275,746
Tangible fixed assets	13	4,478	4,950
Intangible assets	13	2,630	1,997
Financial assets	15	29,850	9,464
Deferred tax assets	19	90	116
<b>Total non-current assets</b>		<b>1,433,857</b>	<b>1,292,273</b>
<b>Total assets</b>		<b>1,565,564</b>	<b>1,423,653</b>
Current financial liabilities	17	100,000	163,480
Trade payables		6,613	15,277
Other liabilities	16	4,402	55,713
Accrued expenses and deferred income		25,921	35,531
<b>Total current liabilities</b>		<b>136,936</b>	<b>270,001</b>
Mortgages	17	-	2,151
Bonds	17	560,000	380,000
Other non-current financial liabilities	17	-	4,001
Provisions	18	1,450	1,349
Deferred tax liabilities	19	127,197	177,639
<b>Total non-current liabilities</b>		<b>688,647</b>	<b>565,141</b>
<b>Total liabilities</b>		<b>825,583</b>	<b>835,142</b>
Share capital	20	1,280	1,280
Capital reserves		50,690	80,661
Treasury shares	20	-5,172	-5,936
Retained earnings		692,265	511,343
<b>Equity attributable to the shareholders of Investis Holding SA</b>		<b>739,063</b>	<b>587,348</b>
Non-controlling interests		918	1,163
<b>Total shareholders' equity</b>		<b>739,981</b>	<b>588,511</b>
<b>Total shareholders' equity and liabilities</b>		<b>1,565,564</b>	<b>1,423,653</b>

The disclosures in the notes form an integral part of the consolidated financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

In CHF 1,000	Note	2019	2018
<b>Cash flow from operating activities</b>			
Net profit		172,825	54,376
Financial result and income taxes		-45,665	20,199
<b>Operating profit (EBIT)</b>		<b>127,159</b>	<b>74,575</b>
Income from revaluations	12	-56,577	-24,157
Depreciation and amortisation	13	2,555	2,076
Income from disposal of properties	6	-8,235	-12,770
Income from disposal of subsidiaries	1	-18,238	-
Other non-cash items		-110	-809
Changes in net working capital			
Trade receivables		836	-2,931
Other receivables and prepaid expenses		-8,883	-5,317
Properties held for sale		4,890	-16,394
Trade payables		-6,495	10,914
Other liabilities and accrued expenses		-2,114	27,477
Income taxes paid		-10,931	-4,998
<b>Net cash from operating activities (cash flow)</b>		<b>23,858</b>	<b>47,666</b>
<b>Cash flow from investing activities</b>			
Investments in investment properties		-65,791	-76,882
Disposal of investment properties		18,029	13,687
Purchase of tangible fixed assets and intangible assets	13	-3,898	-2,321
Disposal of tangible fixed assets and intangible assets		27	45
Acquisition of subsidiaries, net of cash acquired	1	-42,165	-105,478
Disposal of subsidiaries, net of cash disposed	1	23,206	22,683
Repayment of loans to related parties	23	-	15,000
Disposal of associates		300	-
Increase of financial assets		-1,630	-5,196
Disposal of securities		-	4,095
Interest received		379	56
<b>Net cash used in investing activities</b>		<b>-71,543</b>	<b>-134,312</b>
<b>Cash flow from financing activities</b>			
Repayment of financial liabilities, net		-165,631	8,359
Bond issuance		279,152	99,647
Distribution to shareholders		-29,881	-30,062
Distribution to non-controlling interests		-117	-117
Purchase of treasury shares	20	-	-5,504
Interest paid		-3,255	-2,972
<b>Net cash from financing activities</b>		<b>80,269</b>	<b>69,352</b>
<b>Net change in cash and cash equivalents</b>		<b>32,585</b>	<b>-17,293</b>
Cash and cash equivalents at beginning of period		33,245	50,539
<b>Cash and cash equivalents at end of period</b>		<b>65,830</b>	<b>33,245</b>

The disclosures in the notes form an integral part of the consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In CHF 1,000	Share capital	Capital reserves	Treasury shares	Retained earnings		Total equity attributable to shareholders of Investis Holding SA	Non-controlling interests	Total shareholders' equity
				Goodwill recognised	General reserves			
<b>Equity as at 1 January 2018</b>	1,280	110,777	-1,135	-65,977	523,057	568,002	987	568,989
Net profit					54,331	54,331	45	54,376
Distribution to shareholders		-30,062				-30,062	-117	-30,179
Purchase of treasury shares			-5,504			-5,504		-5,504
Use of treasury shares		-54	703			649		649
Changes in scope of consolidation				-36	-31	-67	247	180
<b>Equity as at 31 December 2018</b>	1,280	80,661	-5,936	-66,013	577,357	587,348	1,163	588,511
<b>Equity as at 1 January 2019</b>	1,280	80,661	-5,936	-66,013	577,357	587,348	1,163	588,511
Net profit					172,726	172,726	99	172,825
Distribution to shareholders		-29,881				-29,881	-117	-29,997
Use of treasury shares		-90	764			674		674
Changes in scope of consolidation				8,196		8,196	-227	7,969
<b>Equity as at 31 December 2019</b>	1,280	50,690	-5,172	-57,817	750,083	739,063	918	739,981

The disclosures in the notes form an integral part of the consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### ACCOUNTING PRINCIPLES

Investis Holding SA (“the Company”) is based in Zurich, Switzerland. Its shares have been traded on the SIX Swiss Exchange since 30 June 2016 (IREN). The consolidated financial statements, prepared as at 31 December 2019, include Investis Holding SA and all its direct or indirect subsidiaries and joint ventures (Investis Group) as well as its shareholdings in associated companies.

The business activity of the Investis Group includes the long-term holding of residential and commercial properties as well as comprehensive real estate services in the areas of property management and facility services.

#### BASIS OF ACCOUNTING

The consolidated financial statements of Investis Holding SA have been prepared in accordance with Swiss GAAP FER as a whole and with the special provisions for real estate companies specified in article 17 of the SIX Swiss Exchange’s Directive on Financial Reporting. They give a true and fair view of the assets, liabilities, cash flows and earnings of Investis Group.

The consolidated financial statements have been prepared applying the principle of historical cost accounting or fair value. Please refer to the “Key accounting and valuation principles” in this chapter for the valuation principles of individual balance sheet items. The income statement is presented by nature. The financial statements have been drawn up on the basis of going-concern values.

Assets realised or consumed in the ordinary course of business within twelve months or held for sale purposes are classified as current assets. All other assets are included in non-current assets. Liabilities to be settled in the ordinary course of business or falling due within twelve months from the balance sheet date are classified as current liabilities. All other liabilities are classified as non-current liabilities.

#### APPLICATION OF NEW SWISS GAAP FER STANDARDS

In the year under review the Swiss GAAP FER accounting principles have not been changed.

#### CONSOLIDATION PRINCIPLES

The consolidated financial statements are based on the individual financial statements of the Group companies, which were prepared as at 31 December 2019 and drawn up according to uniform accounting principles. The relevant accounting principles are described below. The consolidated financial statements are presented in Swiss francs (CHF). Unless otherwise stated, all amounts are stated in thousands of Swiss francs (CHF 1,000). Due to rounding, parts of an item that has been broken down may add up to more or less than 100% of the total item.

The consolidated financial statements include all subsidiaries that are directly or indirectly controlled by Investis Holding SA. The Investis Group controls a subsidiary if it is exposed to the fluctuating returns of the investment or if it holds rights to these returns and has the ability to influence these returns given its power over the subsidiary. This is the case where the Investis Group holds more than 50% of the voting rights of an entity or where the Investis Group has been granted management of an entity contractually or is exercising control by other means. These entities are fully consolidated; assets, liabilities, income and expenses are incorporated in the consolidated accounts and all intercompany balances are eliminated.

Joint ventures are entities which the Investis Group jointly controls with one or more joint venture partners, and whereby the Investis Group is heavily involved in the management. Joint ventures are consolidated proportionally.

Associates are all companies on which the Investis Group exerts significant influence but does not have control. This is generally evidenced when the Investis Group holds voting rights and share capital ownership of between 20% and 50% of a company. Investments in associated companies are recognised using the equity method. Ownership of shares in organisations where Investis has voting rights of less than 20% of the total is recognised as financial assets at acquisition cost, less any necessary write-downs.

Capital consolidation is based on the purchase method. Companies acquired by the Investis Group are included in the consolidated financial statements from the date of obtaining control. The net assets previously recognised by the acquired subsidiary are revalued at acquisition date using uniform Group accounting principles and then consolidated. Any difference between the higher purchase price and the net assets acquired (goodwill) is offset against retained earnings. Where an offset takes place with retained earnings, the impact of this theoretical capitalisation and amortisation over the estimated useful life of five years is disclosed separately in the notes. In a business acquisition achieved in stages (including transactions with minorities) the goodwill is determined on each separate transaction and offset against retained earnings. Goodwill arising from acquisitions of associates remains recognised as part of the investment.

Companies sold are excluded from the scope of consolidation as of the date on which the Group ceases to have control, with any gain or loss (after goodwill recycling) recognised in the operating result. Non-controlling interests in equity and profit are presented separately in the consolidated balance sheet and the consolidated income statement.

Changes in the scope of consolidated companies are disclosed in [Note 1](#).

## TRANSLATION OF FOREIGN CURRENCIES

All Group companies prepare their financial statements in CHF.

## KEY ACCOUNTING AND VALUATION PRINCIPLES

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, current accounts with banks, as well as fixed-term deposits with a maturity of less than three months and are shown at nominal value. Positions in foreign currencies are translated at the spot rate on the balance sheet date.

## Securities

Securities are made up of investments in shares, bonds and include longer-term fixed-term deposits and money market investments with a maturity of more than three months. They are valued at fair value.

## Trade receivables and other receivables

Trade receivables and other receivables are stated at nominal value. Provisions for doubtful debts are made in cases where the Group faces a risk of not collecting the outstanding amount. Changes in provisions are recognised in the income statement.

## Properties held for sale

Investment properties leased out but intended for sale are classified under current assets as properties held for sale and valued at cost.

Development properties (projects) intended for sale are accounted for at the lower of cost (incl. interest incurred during the construction phase) or fair value and are recognised under current assets. The costs include the plot of land as well as the directly attributable construction costs in line with the construction progress. Discounts are recorded as a reduction in construction costs.

Properties reclassified from investment properties under construction (non-current assets, valued at fair value) are subsequently valued at the lower of this value (including construction costs after reclassification) or fair value.

## Investment properties

The portfolio consists of the following categories:

- Residential properties
- Commercial properties
- Properties under construction
- Undeveloped plots of land

Investment properties are held for long-term investment purposes with the aim of realising revenues from the letting of properties. Investment properties are accounted for at fair value and as such are not subject to depreciation. The fair values are updated and calculated using the discounted cash flow (DCF) method on an annual basis by an independent property appraiser based on the individual risk profile per property. Single-family houses and condominiums are valued by the independent property appraiser using a sales comparison approach. In accordance with the provisions of Swiss GAAP FER, increases and decreases in fair value are recognised in the income statement in the period in which they occur.

Investment properties under construction and undeveloped plots of land are recorded at fair value from the date on which their fair value can be reliably determined. Investis has defined the existence of a final construction permit, plus a definite construction project in which costs and revenues can be determined reliably, as mandatory requirements for a reliable market valuation. If the conditions for a reliable assessment of market value are not yet present, investment properties under construction and undeveloped plots of land are accounted for at cost. Provided they do not lead to an increase in market value, investments and refurbishments are recorded as an expense in the period in which they are incurred.

Borrowing costs for the financing of properties under construction and undeveloped plots of land are capitalised. Other borrowing costs are charged to financial expenses.

### **Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation and impairment. The depreciation is recognised on a straight-line basis over their estimated useful lives: three to ten years for office and other equipment.

### **Intangible assets**

Acquired intangible assets are stated at cost less amortisation and impairment. The amortisation is recognised on a straight-line basis over their estimated useful lives: three to five years for intangible assets. Internally generated intangible assets are not capitalised.

### **Financial assets**

These items include investments in associates, long-term loans and other long-term receivables that are stated at nominal value. Investments in associates are ownership interests of more than 20% in companies in which the Investis Group has no control. They are valued and accounted for using the equity method.

### **Deferred tax assets**

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which temporary differences or unused tax losses can be utilised.

### **Impairment of assets**

If there is any indication of impairment, an impairment test is performed immediately. If the carrying amount exceeds the recoverable amount, an impairment loss is recognised in the income statement. As the goodwill is already charged against equity at the date of the acquisition, an impairment of the goodwill does not affect the income statement but leads to a disclosure in the respective note.

### **Trade payables and other liabilities**

Trade payables and other liabilities are recognised at their nominal values. They are recognised under current liabilities unless a broader economic perspective requires them to be assigned to non-current liabilities.

### **Current and non-current financial liabilities**

Mortgages and fixed advances that are not repaid within twelve months, but are renewed, are regarded financially as long-term borrowings and disclosed as such in the balance sheet. Financial liabilities are stated at nominal value.

Bond issuance costs, reduced by the amount of the premium, are charged in full to the income statement upon issue of the bonds.

## Provisions

Provisions are recognised only if the company has a present obligation to a third party as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the obligation can be sufficiently reliably estimated. Provisions are presented as being either short- or long-term in accordance with their expected due dates.

## Deferred tax liabilities

Deferred taxes are calculated by applying the balance sheet liability method for any temporary difference between the carrying amount according to Swiss GAAP FER and the tax basis of assets and liabilities. They include deferred taxes on revaluation of investment properties.

The current income tax rates are applied in cantons with a two-tier system. In cantons with a single-tier system there is a separate property gains tax with speculation surcharges or deductions for the period of ownership, depending on the holding period. For properties that are intended for sale, the actual holding period will apply. For the remaining properties, a holding period of 20 years or the effective holding period will apply, provided it is more than 20 years. Liabilities for deferred taxes are not discounted.

The tax rates applied in the financial year and preceding years lie between 14% and 24%.

## Pension liabilities

All companies in the Investis Group are members of independent collective pension plan foundations with defined contribution plans. The capitalisation of possible economic benefits (stemming from a surplus in the pension institution) is neither intended nor do the conditions for this exist. A financial obligation is carried as a liability if the conditions for the establishment of a provision are met.

## Equity

Treasury shares (own equity instruments held by the Investis Group) are accounted for as a reduction of equity at acquisition cost and are not subsequently remeasured. When shares are used or sold out of treasury shares, the resulting profit or loss is recognised in the capital reserves, net of tax.

## Share-based compensation

Share-based compensation to members of the Board of Directors and the Executive Board are stated at fair value and recognised in personnel expenses in the period in which the service is performed. Share-based compensation is disclosed in chapters 4.2 (for the Board of Directors) and chapter 4.3.3 (for the Executive Board) of the Compensation Report.

## Financial result

This item includes interest income and expenses, exchange rate differences, gains and losses on securities and other financial income and expenses.

## Derivative financial instruments

Investis has no derivative financial instruments outstanding at the balance sheet date.

## Transactions with related parties

Related parties include natural or legal persons who could exert a significant direct or indirect influence on financial and operating decisions affecting Investis Holding SA. Organisations that are directly or indirectly controlled by a related party are also classified as related parties. Major transactions with related parties are disclosed in Note 23.

## Segment information

The following operating and reporting segments have been identified based on the management structure as well as the reporting to the Executive Board and the Board of Directors:

- Properties: invests primarily in Swiss residential properties
- Real Estate Services: provides comprehensive real estate services in Switzerland

Segment reporting is prepared to operating profit (EBIT) level since this key figure is used for management purposes. All operating assets and liabilities that can be assigned to the segments, either directly or on a reasonable basis, are reported in the respective segment. There are no differences between the accounting and valuation principles used for segment reporting and those used for the preparation of the consolidated financial statements.

The position “segment elimination” contains transactions between segments.

## Contingent liabilities and other obligations

Contingent liabilities as well as other obligations for which a provision has not been recorded are assessed at each balance sheet date and are disclosed in the notes to the financial statements. If contingent liabilities or other obligations could lead to an outflow of funds without a useable inflow of funds, services and/or goods, and this outflow of funds is probable and can be estimated, a provision is recorded.

## Appraisals

The preparation of financial statements requires judgement and assumptions to be made. This will affect the reported asset values, liabilities and contingent liabilities at the balance sheet date, as well as income and expenses during the reporting period. If assumptions that were made at the date of the financial statements to the best of management’s knowledge and belief differ from the actual circumstances, the original assessments and assumptions will be adjusted in the reporting year in which the circumstances change.

## Risk management

The Investis Group has a risk management programme. Every year a risk analysis is carried out to compile and document all business risks in accordance with uniform criteria. The identified risks are then assessed according to their probability of occurrence and their potential scope. Financial implications as well as general effects are taken into account when determining the potential impact on the Investis Group. Such risks are then either borne, avoided, reduced or passed on by the measures decided upon by the Board of Directors.

## 1. ACQUISITIONS AND DISPOSALS OF CONSOLIDATED COMPANIES

In CHF 1,000	2019					2018		
	Acquisitions			Disposals		Acquisitions		Disposals
	Total	Régie du Rhône SA	Others	Total	Société d'investissement immobiliers SII SA	Others	Total	Total
Cash and cash equivalents	584	-38,873	-3,256	-42,129	106	406	512	-100
Trade and other current receivables	133	-14,939	-2,074	-17,013	19	158	178	-370
Investment properties and properties held for sale	45,133	-	-62,963	-62,963	130,616	5,474	136,090	-18,900
Fixed assets	42	-454	-742	-1,197	-	210	210	-
Financial assets	-	-101	-74	-175	-	6	6	-
Trade and other current liabilities	-933	48,794	11,479	60,274	-1,754	-225	-1,980	228
Non-current liabilities	-4,487	75	5,352	5,427	-22,357	-906	-23,263	1,388
Non-controlling interests	29	-	198	198	-	-	-	-
<b>Net assets acquired/disposed of</b>	<b>40,500</b>	<b>-5,498</b>	<b>-52,080</b>	<b>-57,578</b>	<b>106,630</b>	<b>5,124</b>	<b>111,753</b>	<b>-17,754</b>
Investments in associates <sup>1)</sup>	-	-	578	578	-	-	-	-
Shareholder loan <sup>1)</sup>	-	-	21,922	21,922	-	-	-	-
<b>Subtotal</b>	<b>40,500</b>	<b>-5,498</b>	<b>-29,581</b>	<b>-35,078</b>	<b>106,630</b>	<b>5,124</b>	<b>111,753</b>	<b>-17,754</b>
Goodwill (recognised in/derecognised from equity)	3,898	-8,284	-3,810	-12,094	-	36	36	-
Recognised income from disposal of properties	-	-	-3,682	-3,682	-	-	-	-6,529
Recognised income from disposal of subsidiaries <sup>2)</sup>	-	-15,785	-2,453	-18,238	-	-	-	-
<b>Purchase/selling prices, net</b>	<b>44,399</b>	<b>-29,567</b>	<b>-39,526</b>	<b>-69,093</b>	<b>106,630</b>	<b>5,160</b>	<b>111,790</b>	<b>-24,183</b>
Cash and cash equivalents acquired/disposed of	-584	38,873	3,256	42,129	-106	-406	-512	100
Unpaid purchase price consideration	-1,650	-	3,758	3,758	-	-	-	-
Purchase price consideration paid/received in prior years	-	-	-	-	-10,800	-	-10,800	1,500
Purchase price consideration for acquisitions in prior years	-	-	-	-	-	-	5,000	-
<b>Cash outflow on acquisitions</b>	<b>42,165</b>	-	-	-	-	-	<b>105,478</b>	-
<b>Cash inflow from disposals</b>	-	-	-	<b>-23,206</b>	-	-	-	<b>-22,683</b>

- 1) With the sale of half of the 83% stake in La Foncière de la Dixence SA, the remaining 42% stake was recognised as an investment in associates. The previously eliminated shareholder loan was recognised as a financial asset.
- 2) Recognised as separate line in the income statement within operating result. In the half-year report 2019 the respective income from disposal of subsidiaries in the amount of CHF 1.0 million was disclosed as financial income.

## TRANSACTIONS IN 2019

On 1 January 2019, Régie du Rhône SA acquired and integrated the property management portfolio of DHR Immobilier SA.

On 28 February 2019, 100% of the shares in Régie du Rhône Crans-Montana SA, Lens, were sold.

On 25 March 2019, half of the investment in La Foncière de la Dixence SA, Lens, was sold. The remaining 42% stake in the company was recognised as an investment in associates.

On 27 June 2019, 100% of the shares in Valotel SA, Lens, were sold.

On 8 August 2019, 100% of the shares in Régie du Rhône SA, Lancy, were sold.

On 8 August 2019, Investis Properties SA acquired 100% of the shares in the real estate companies RGS Immobilier SA, Geneva, and Intercapital Development & Management SA, Geneva.

On 30 August 2019, Hauswartprofis AG acquired and integrated the facility services portfolio of Handwerker & OPTIVER AG, Ettingen.

On 18 November 2019, 100% of the shares in Chauffage-Assistances SA, Geneva, Clim-Assistance SA, Geneva, and Synergie Services Facility Management SA, Lancy, were sold.

On 13 December 2019, Hauswartprofis AG acquired and integrated the facility services portfolio of Geronet SA, Vernier.

On 18 December 2019, all shares held (60%) in C.T. Creative Technologies SA, Martigny, were sold.

In 2019, net assets acquired in an acquisition in 2018 had to be adjusted. The recognition of a newly identified liability of CHF 0.07 million reduced the net asset value of the acquired company and consequently led to an increase in goodwill offset against retained earnings of CHF 0.04 million and a reduction in non-controlling interests of CHF 0.03 million.

## TRANSACTIONS IN 2018

On 1 February 2018, Investis Properties SA acquired 100% of the shares in the real estate company Société d'investissements immobiliers SII SA, Geneva, and merged it into the acquiring company.

On 1 February 2018, 100% of the shares in Domus Flavia Investments AG, Geneva, were sold.

On 3 July 2018, Investis Properties SA acquired 100% of the shares in the real estate company Carmat S.A., Lausanne.

On 23 August 2018, Investis Investments SA increased its shareholding in the company La Foncière de la Dixence SA from 75% to 83%.

On 28 August 2018, 100% of the shares in Hotel Investissements et Management SA, Fribourg, were sold.

On 20 November 2018, Investis Investments SA acquired 60% of the shares in the company C.T. Creative Technologies SA, Martigny. The company provides services in the area of property management software solutions.

#### NON-CASH EFFECTS IN 2018

With the signing of the purchase price agreement for the acquisition of Société d'investissements immobiliers SII SA, Geneva, a deposit of CHF 10.8 million was paid in December 2017. As the transaction was completed only in February 2018, the corresponding cash outflow was reported as increase in other receivables in the net cash from operating activities (cash flow) in the Annual Financial Statements 2017.

With the signing of the purchase price agreement for the sale of Domus Flavia Investment AG, Geneva, a deposit of CHF 1.5 million was received in December 2017. As the transaction was completed only in February 2018, the corresponding cash inflow was reported as increase in other payables in the net cash from operating activities (cash flow) in the Annual Financial Statements 2017.

#### GROUP INTERNAL MERGERS IN 2018

As at 1 January 2018 following Group companies were merged:

- Casamar AG, Geneva, Jalu SA, Lens, Investis Patrimoine SA, Lens, Les Résidences Privées SA, Lens, Parallax SA, Geneva, Serge Spaggiari SA, Perly-Certoux, Transimo SA, Fribourg, and WEGRA Holding AG, Auenstein, were merged into Investis Properties SA, Lens.
- Hauswartprofis Baar GmbH, Baar, Hauswartprofis Mägenwil AG, Mägenwil, Hauswartprofis ZH AG, Dübendorf, and Treos AG, Volketswil, were merged into hauswartprofis AG, Mägenwil.
- Minas-Tirith SA, Wollerau, was merged into Investis Investments SA, Lens.

## 2. SEGMENT REPORTING

### SEGMENT INFORMATION 2019

In CHF 1,000	Properties	Real Estate Services	Corporate	Eliminations	Investis Group
Revenue <sup>1)</sup>	56,980	135,967 <sup>2)</sup>	-	-5,438	187,509
Direct expenses	-16,638	-11,358	-	5,435	-22,562
Personnel expenses	-1,114	-92,251	-3,483	-	-96,849
Other operating expenses	-1,459	-18,518	-1,460	3	-21,433
<b>Operating profit before revaluations, disposal of properties and subsidiaries, depreciation and amortisation</b>	<b>37,768</b>	<b>13,840</b>	<b>-4,943</b>	<b>-</b>	<b>46,665</b>
Income from revaluations	56,577				56,577
Income from disposal of properties	8,235				8,235
Income from disposal of subsidiaries			18,238		18,238
<b>Operating profit before depreciation and amortisation</b>	<b>102,579</b>	<b>13,840</b>	<b>13,295</b>	<b>-</b>	<b>129,714</b>
Depreciation and amortisation	-30	-2,351	-173	-	-2,555
<b>Operating profit (EBIT)</b>	<b>102,549</b>	<b>11,489</b>	<b>13,122</b>	<b>-</b>	<b>127,159</b>
<b>Total segment assets as at 31 December 2019 <sup>3)</sup></b>	<b>1,465,006</b>	<b>34,851</b>	<b>74,726</b>	<b>-9,020</b>	<b>1,565,564</b>
<b>Total segment liabilities as at 31 December 2019 <sup>3)</sup></b>	<b>25,953</b>	<b>17,417</b>	<b>791,234</b>	<b>-9,020</b>	<b>825,583</b>
Headcount as at 31 December 2019	8	1,209	12		1,229
FTE as at 31 December 2019	8	959	10		977
FTE (full-time equivalent, average over the period)	9	1,061	11		1,081

1) Revenue is generated exclusively in Switzerland.

2) In 2019, revenue from subsidiaries disposed in 2019 amounted to CHF 20.6 million (2018: 34.4 million).

3) The assets and liabilities shown under "Corporate" include the corporate items from the balance sheet and the financial assets/liabilities and tax assets/liabilities of the Investis Group.

SEGMENT INFORMATION 2018

In CHF 1,000	Properties	Real Estate Services	Corporate	Eliminations	Investis Group
Revenue <sup>1)</sup>	54,983	147,832	-	-5,324	197,491
Direct expenses	-16,504	-13,320	-	5,311	-24,514
Personnel expenses	-1,357	-103,853	-3,372	-	-108,582
Other operating expenses	-2,169	-21,085	-1,431	14	-24,672
<b>Operating profit before revaluations, disposal of properties, depreciation and amortisation</b>	<b>34,953</b>	<b>9,574</b>	<b>-4,803</b>	<b>-</b>	<b>39,724</b>
Income from revaluations	24,157				24,157
Income from disposal of properties	12,770				12,770
<b>Operating profit before depreciation and amortisation</b>	<b>71,880</b>	<b>9,574</b>	<b>-4,803</b>	<b>-</b>	<b>76,651</b>
Depreciation and amortisation	-16	-1,872	-187	-	-2,076
<b>Operating profit (EBIT)</b>	<b>71,864</b>	<b>7,701</b>	<b>-4,990</b>	<b>-</b>	<b>74,575</b>
<b>Total segment assets as at 31 December 2018 <sup>2)</sup></b>	<b>1,357,418</b>	<b>56,170</b>	<b>21,151</b>	<b>-11,086</b>	<b>1,423,653</b>
<b>Total segment liabilities as at 31 December 2018 <sup>2)</sup></b>	<b>48,593</b>	<b>28,880</b>	<b>768,754</b>	<b>-11,086</b>	<b>835,142</b>
Headcount as at 31 December 2018	10	1,368	13		1,391
FTE as at 31 December 2018	9	1,154	11		1,175
FTE (full-time equivalent, average over the period)	9	1,149	11		1,169

1) Revenue is generated exclusively in Switzerland.

2) The assets and liabilities shown under "Corporate" include the corporate items from the balance sheet and the financial assets/liabilities and tax assets/liabilities of the Investis Group.

### 3. REVENUE FROM LETTING OF PROPERTIES

#### DURATION OF EXISTING FIXED LEASES OF COMMERCIAL PROPERTIES

The duration of existing fixed leases of commercial properties was:

In CHF 1,000	Annualised rental income	
	31.12.2019	31.12.2018
Less than one year	582	102
1–5 years	3,890	2,585
More than 5 years	780	1,600

#### MOST IMPORTANT TENANTS

The five most important tenants measured according to property income were (in alphabetical order):

- As of 31.12.2019: Clamac SA, Globe Plan et Cie SA, Hospice Général, Permanent Mission of India to the UN in Geneva, Régie du Rhône SA
- As of 31.12.2018: Hospice Général, Permanent Mission of India to the UN in Geneva, Valotel Management (Fribourg) Sàrl, Valotel Management (Rothrist) AG and Valotel Management (Sion) SA

Share of annualised rental income (%)	31.12.2019	31.12.2018
Most important tenant	2.0%	1.4%
Second to fifth most important tenants	3.4%	3.3%
Five most important tenants	5.4%	4.7%

### 4. PERSONNEL EXPENSES

In CHF 1,000	2019	2018
Wages and salaries	80,215	89,519
Share-based compensation	919	651
Social security expenses	8,606	9,792
Pension benefit expenses	4,540	5,146
Other personnel expenses	2,569	3,474
<b>Total personnel expenses</b>	<b>96,849</b>	<b>108,582</b>

There are no pension funds with a surplus or deficit (full-value insurance) or employer contribution reserves.

## 5. OTHER OPERATING EXPENSES

In CHF 1,000	2019	2018
Rent and utilities	6,078	7,259
Administrative expenses	10,843	12,990
Other operating expenses	4,513	4,423
<b>Total other operating expenses</b>	<b>21,433</b>	<b>24,672</b>

## 6. INCOME FROM DISPOSAL OF PROPERTIES

In CHF 1,000	2019	2018
Sales proceeds, net	105,827	53,996
Investment costs	-96,047	-45,683
<b>Gross profit from disposal of properties</b>	<b>9,780</b>	<b>8,312</b>
Accumulated valuation gains	-1,545	4,458
<b>Total profit on disposal of properties</b>	<b>8,235</b>	<b>12,770</b>
Of which profits on disposal of properties held for sale	4,117	5,806
Of which profits on disposal of residential properties	1,582	396
Of which profits on disposal of commercial properties	1,813	6,568
Of which profits on disposal of undeveloped plots of land	723	-

For details of the properties sold see [Note 11](#) and [Note 12](#).

## 7. FINANCIAL RESULT

In CHF 1,000	2019	2018
Income from disposal of associates	4,748	-
Share of results of associates	719	-
Interest income	309	56
Other financial income	70	60
<b>Total financial income</b>	<b>5,847</b>	<b>116</b>
Interest expenses	-3,833	-2,978
Share of results of associates	-429	-423
Other financial expenses	-889	-539
<b>Total financial expenses</b>	<b>-5,152</b>	<b>-3,939</b>
<b>Total financial result</b>	<b>695</b>	<b>-3,823</b>

In 2019, the stake in Polytech Ventures Holding SA was reduced from 50% to 33%, the remaining financial investment in La Foncière de la Dixence was sold and the stake in YetiVisit SA was reduced from 40% to 13%, resulting in income from disposal of associates of CHF 4.7 million.

The weighted average interest expense for interest-bearing financial liabilities amounted to 0.6% (2018: 0.5%).

Other financial expenses include CHF 0.8 million (2018: CHF 0.4 million) for the issuance of bonds.

## 8. INCOME TAXES

In CHF 1,000	2019	2018
Current income taxes	8,556	15,388
Deferred income taxes	-53,527	989
<b>Total income taxes</b>	<b>-44,970</b>	<b>16,376</b>

The difference between the expected income tax expense and the income tax expense shown in the income statement can be explained as follows:

In CHF 1,000	2019	2018
Profit before taxes	127,855	70,752
Expected Group tax rate	23%	23%
<b>Expected income taxes</b>	<b>29,407</b>	<b>16,273</b>
Non-deductible expenses	152	195
Tax-free income	-6,014	-21
Use of non-capitalised tax losses carried forward	-122	-644
Non-capitalisable tax losses for the period	56	105
Expenses/income which are taxed at a lower/higher tax rate	-7,359	-135
Impact of changes in tax rate on deferred tax items recognised	-61,365	-
Tax effects for prior periods	275	603
<b>Effective income tax charge</b>	<b>-44,970</b>	<b>16,376</b>
Effective tax rate	-35%	23%

Due to the release of deferred tax liabilities the total income taxes resulted in an income in 2019.

In 2019, deferred taxes in the amount of CHF 61.4 million were reversed after the Canton of Geneva voted on 19 May 2019 that the corporate tax reform should be implemented at cantonal level at the beginning of 2020.

Deferred income taxes are calculated for each subsidiary using the local tax rates. In 2019, the non-capitalised tax assets from losses carried forward decreased from CHF 0.5 million in 2018 to CHF 0.1 million. Deferred income tax assets relate to deferred income taxes on temporary differences. Accrued expenses and other liabilities include accrued taxes of CHF 3.9 million (2018: CHF 5.8 million).

## 9. EARNINGS PER SHARE

Earnings per share are calculated by dividing net profit attributable to Investis Holding SA shareholders by the weighted average number of outstanding shares entitled to dividends. For both periods under review, there were no dilutive effects.

### WEIGHTED AVERAGE NUMBER OF SHARES

	2019	2018
Shares issued as at 1 January	12,800,000	12,800,000
Effects of change in holdings of treasury shares	-87,770	-67,813
<b>Weighted average number of shares as at 31 December</b>	<b>12,712,230</b>	<b>12,732,187</b>

### EARNINGS PER SHARE

		2019	2018
Net profit attributable to Investis Holding SA shareholders	in CHF 1,000	172,726	54,331
Weighted average number of shares		12,712,230	12,732,187
<b>Earnings per share (basic/diluted)</b>	<b>in CHF</b>	<b>13.59</b>	<b>4.27</b>

## 10. TRADE RECEIVABLES

In CHF 1,000	31.12.2019	31.12.2018
Trade receivables	11,156	17,293
Receivables from property accounts	-	1,086
Receivables from related parties	-	139
Provision for doubtful debts	-1,515	-1,248
<b>Total trade receivables</b>	<b>9,641</b>	<b>17,271</b>

In 2018, receivables from property accounts mainly include expenses for properties that were paid shortly before the balance sheet date but not yet reimbursed by the owners. These receivables were connected to Group companies sold in 2019.

## 11. PROPERTIES HELD FOR SALE

In CHF 1,000	2019	2018
Acquisition costs as at 1 January	69,476	35,805
Changes in scope of consolidation	-32,631	7,850
Increases	10,519	28,601
Disposals	-16,455	-9,063
Reclassifications	10,056	6,283
<b>Acquisition costs as at 31 December</b>	<b>40,965</b>	<b>69,476</b>

In 2019, the consolidated Group company La Foncière de la Dixence SA was deconsolidated, together with the development project “Route de la Forêt Derrière” in Hérémece. Moreover, several apartments of “Route de Vermala 43/45” in Crans-Montana, “Route de Crans 89” in Lens and “Gstaadstrasse 6/8” in Saanen were sold. The increases relate to the acquisition of “Avenue Neuve 22” in Ardon and to ongoing construction activities in development properties. The properties “Vermala 43/45” in Crans-Montana and “Route de Crans 87” in Lens were reclassified from residential properties.

In 2018, the two properties “Rue de Zurich 35” in Geneva and “Rue du Vieux-Chêne 20/22” in Chêne-Bougeries were acquired in connection with the takeover of Société d’investissements immobiliers SII SA. The increases relate to ongoing construction activities in development properties. The properties “Rue de Zurich 35” in Geneva, “Rue du Vieux-Chêne 20/22” in Chêne-Bougeries, one apartment in the jointly held (50%) property “Rue du Prado 19” in Lens and one apartment of “Route de la Forêt Derrière” in Hérémece were sold. The property “Chemin des Chantres 8” in St.-Sulpice was reclassified from investment properties under construction and the property “Route de Crans 89” in Lens was reclassified from residential properties.

## 12. INVESTMENT PROPERTIES

In CHF 1,000	Residential properties	Commercial properties	Properties under construction	Undeveloped plots of land	Total investment properties
<b>Market value as at 1 January 2018</b>	<b>940,629</b>	<b>127,784</b>	<b>14,826</b>	<b>1,673</b>	<b>1,084,912</b>
Acquisition costs as at 1 January 2018	405,432	115,999	14,701	1,673	537,804
Changes in scope of consolidation	128,240	-19,939	-	-	108,301
Increases	60,139	1,489	15,254	-	76,882
Disposals	-8,033	-7,388	-1,261	-	-16,682
Reclassifications	-2,536	-	-3,621	-	-6,157
<b>Acquisition costs as at 31 December 2018</b>	<b>583,242</b>	<b>90,162</b>	<b>25,073</b>	<b>1,673</b>	<b>700,149</b>
Revaluation as at 1 January 2018	535,197	11,785	126	-	547,108
Gains on valuations	32,395	552	-	-	32,947
Losses on valuations	-5,655	-3,135	-	-	-8,790
Disposals	1,092	2,327	-	-	3,419
Changes in scope of consolidation	-	1,039	-	-	1,039
Reclassifications	-	-	-126	-	-126
<b>Revaluation as at 31 December 2018</b>	<b>563,029</b>	<b>12,567</b>	<b>-</b>	<b>-</b>	<b>575,597</b>
<b>Market value as at 31 December 2018</b>	<b>1,146,271</b>	<b>102,729</b>	<b>25,073</b>	<b>1,673</b>	<b>1,275,746</b>
<b>Market value as at 1 January 2019</b>	<b>1,146,271</b>	<b>102,729</b>	<b>25,073</b>	<b>1,673</b>	<b>1,275,746</b>
Acquisition costs as at 1 January 2019	583,242	90,162	25,073	1,673	700,149
Changes in scope of consolidation	45,133	-29,114	-1,964	-	14,054
Increases	31,167	33,696	13,053	-	77,916
Disposals	-13,644	-566	-	-1,673	-15,883
Reclassifications	-8,442	27,396	-27,396	-	-8,442
<b>Acquisition costs as at 31 December 2019</b>	<b>637,456</b>	<b>121,574</b>	<b>8,765</b>	<b>-</b>	<b>767,796</b>
Revaluation as at 1 January 2019	563,029	12,567	-	-	575,597
Gains on valuations	70,165	2,214	-	-	72,379
Losses on valuations	-6,945	-8,858	-	-	-15,803
Disposals	-1,761	-531	-	-	-2,292
Changes in scope of consolidation	-	746	-	-	746
Reclassifications	-1,614	-	-	-	-1,614
<b>Revaluation as at 31 December 2019</b>	<b>622,874</b>	<b>6,139</b>	<b>-</b>	<b>-</b>	<b>629,013</b>
<b>Market value as at 31 December 2019</b>	<b>1,260,330</b>	<b>127,713</b>	<b>8,765</b>	<b>-</b>	<b>1,396,808</b>

Increases consisted of value-enhancing renovations, purchases of buildings and investments.

In 2019, the four residential properties “Chemin de la Rochette 4” in Montpreveyres, “Avenue de Bussy 22/24” in Moudon, “Chemin de Valentines 25” in Bex, “Rue Juste Olivier 13” in Nyon, one part of the commercial property “Grand Place 12/14” in Lens and the undeveloped plot of land “Route de Vermala” in Crans-Montana were sold. Moreover, the consolidated Group company “Valotel SA” was disposed of, together with three commercial properties “Grand-Places 14” in Fribourg, “Avenue du Grand-Champsec 21” in Sion, “Helblingstrasse 9” in Rothrist and two properties under construction “Heiligkreuzstrasse” in St. Gallen and “Allée de la petite Prairie” in Nyon. The residential properties “Route de Vermala 43/45” in Crans-Montana and “Route de Crans 87” in Lens were reclassified as properties held for sale.

In 2018, the residential property “Route de Pliany 16/18” in Crans-Montana, the commercial property “Chemin Lambien” in Sion and the property under construction “Route du Lac” in Granges-Paccot were sold. Additionally, the consolidated Group company “Domus Flavia Investments AG” was disposed of, together with the commercial property “Rue Peillonnex 39” in Chêne-Bourg.

The valuation of investment properties as at 31 December 2019 was carried out by CBRE (Geneva) SA in accordance with national and international standards and guidelines (valuations were performed by Wüest Partner AG until 31.12.2018).

### 13. TANGIBLE FIXED ASSETS AND INTANGIBLE ASSETS

In CHF 1,000	Tangible fixed assets	Intangible assets
<b>Net carrying amount as at 1 January 2018</b>	<b>5,207</b>	<b>1,335</b>
Acquisition costs as at 1 January 2018	11,855	4,390
Changes in scope of consolidation	11	263
Additions	1,317	1,004
Disposals	-775	-88
<b>Acquisition costs as at 31 December 2018</b>	<b>12,408</b>	<b>5,569</b>
Accumulated depreciation/amortisation as at 1 January 2018	6,647	3,055
Changes in scope of consolidation	3	61
Depreciation/amortisation	1,543	533
Disposals	-736	-77
<b>Accumulated depreciation/amortisation as at 31 December 2018</b>	<b>7,458</b>	<b>3,572</b>
<b>Net carrying amount as at 31 December 2018</b>	<b>4,950</b>	<b>1,997</b>
Acquisition costs as at 1 January 2019	12,408	5,569
Changes in scope of consolidation	-2,445	-1,066
Additions	1,943	1,955
Disposals	-93	-
<b>Acquisition costs as at 31 December 2019</b>	<b>11,814</b>	<b>6,457</b>
Accumulated depreciation/amortisation as at 1 January 2019	7,458	3,572
Changes in scope of consolidation	-1,916	-441
Depreciation/amortisation	1,859	696
Disposals	-66	-
<b>Accumulated depreciation/amortisation as at 31 December 2019</b>	<b>7,335</b>	<b>3,827</b>
<b>Net carrying amount as at 31 December 2019</b>	<b>4,478</b>	<b>2,630</b>

All intangible assets were acquired.

## 14. GOODWILL ARISING FROM ACQUISITIONS

The goodwill resulting from acquisitions is charged against equity at the acquisition date. The theoretical amortisation is based on a straight-line method over a useful life of five years. The theoretical capitalisation of the goodwill would affect the results of the consolidated financial statements as follows:

### THEORETICAL MOVEMENTS IN GOODWILL

In CHF 1,000	2019	2018
<b>Acquisition costs</b>		
Acquisition costs as at 1 January	66,013	65,977
Additions	3,898	36
Disposal	-12,094	-
<b>Acquisition costs as at 31 December</b>	<b>57,817</b>	<b>66,013</b>
Accumulated amortisation as at 1 January	51,531	40,011
Amortisation for the period	8,552	11,519
Disposal	-10,778	-
<b>Accumulated amortisation as at 31 December</b>	<b>49,304</b>	<b>51,531</b>
<b>Theoretical values as at 31 December</b>	<b>8,513</b>	<b>14,483</b>

### EFFECT ON CONSOLIDATED INCOME STATEMENT

In CHF 1,000	2019	2018
Net profit as per financial statements	172,825	54,376
Release of disposal of goodwill as per financial statements	12,094	-
Disposal of theoretical value of goodwill	-1,316	-
Amortisation of goodwill	-8,552	-11,519
<b>Theoretical net profit including goodwill amortisation</b>	<b>175,051</b>	<b>42,857</b>

### EFFECT ON CONSOLIDATED BALANCE SHEET

In CHF 1,000	31.12.2019	31.12.2018
<b>Equity</b>		
Equity as per financial statements	739,981	588,511
Theoretical value of goodwill	8,513	14,483
<b>Theoretical equity when reporting goodwill</b>	<b>748,494</b>	<b>602,994</b>

## 15. FINANCIAL ASSETS

In CHF 1,000	31.12.2019	31.12.2018
Loans to third parties	17,902	717
Loans to associates	413	281
Investments in associates <sup>1)</sup>	7,625	4,675
Other financial assets	3,910	3,791
<b>Total financial assets</b>	<b>29,850</b>	<b>9,464</b>

1) Including goodwill arising from the acquisition in the amount of CHF 2.7 million (2018: CHF 4.0 million) which was recognised as part of the investment in associates.

In 2019, loans to third parties include unpaid selling price consideration of CHF 3.8 million and CHF 8.3 million of the former shareholder loan to disposed Group company La Foncière de la Dixence SA.

In 2018, investments in associates include acquisitions of 28.6% of the share capital of PropTech Partners SA and 40% of the share capital of YetiVisit SA. Other financial assets include acquisitions of 10.7% of the share capital of Vanguard Internet SA and 10.8% of the share capital of Flatfox AG.

## 16. OTHER LIABILITIES

In CHF 1,000	31.12.2019	31.12.2018
Liabilities from property accounts	-	33,424
Others	4,402	22,289
<b>Total other liabilities</b>	<b>4,402</b>	<b>55,713</b>

In 2018, the liabilities from property accounts mainly comprise rental income that was received shortly before the balance sheet date but not yet forwarded to the owners of the relevant properties, or that was used for expenses relating to these properties. These liabilities were connected to Group companies sold in 2019.

## 17. FINANCIAL LIABILITIES

In CHF 1,000	31.12.2019	31.12.2018
Current mortgages	-	23,480
Current bonds	100,000	140,000
<b>Current financial liabilities</b>	<b>100,000</b>	<b>163,480</b>
Mortgages	-	2,151
Bonds	560,000	380,000
Loans from third parties	-	4,001
<b>Non-current financial liabilities</b>	<b>560,000</b>	<b>386,153</b>
<b>Total financial liabilities</b>	<b>660,000</b>	<b>549,633</b>

Mortgages and bonds due for repayment within the next twelve months are reported under current financial liabilities.

In 2019, a CHF 140 million bond maturing on 15 February 2021 was issued on 14 February 2019. The coupon is 0.773%. The proceeds were used to refinance the CHF 140 million bond that expired on 14 February 2019. Furthermore, a CHF 140 million bond maturing on 9 October 2023, with a coupon of 0.05%, was issued on 9 October 2019.

In 2018, a CHF 100 million bond, maturing on 12 June 2020, with a coupon of 0.35%, was issued on 12 June 2018.

As at the balance sheet date, the following bonds are outstanding:

ISIN	CH 0373476792	CH 0419040818	CH 0337645516	CH 0361533224	CH 0419041519
Trading currency	CHF	CHF	CHF	CHF	CHF
Issuing volume	100 million	140 million	100 million	180 million	140 million
Listing	SIX Swiss Exchange				
Coupon	0.35%	0.773%	0.55%	0.75%	0.05%
Tenor	2 years	2 years	5 years	5 years	4 years
Payment date	12 Jun 2018	14 Feb 2019	15 Nov 2016	3 Oct 2017	9 Oct 2019
Redemption date	12 Jun 2020	15 Feb 2021	15 Nov 2021	3 Oct 2022	9 Oct 2023

As at 31 December 2019, no properties (31.12.2018: properties in the amount of CHF 233.7 million) were pledged to secure mortgages and available credit lines. Credit lines (without securities) totalled CHF 107 million (31.12.2018: CHF 205 million), of which CHF 93 million was unused as at 31 December 2019 (31.12.2018: CHF 171 million).

As at the balance sheet date, amounts falling due are as follows:

In CHF 1,000	31.12.2019	31.12.2018
Rollover mortgages	-	18,400
Due within the first year	100,000	145,080
Due within the second year	240,000	102,151
Due within the third year	180,000	100,000
Due within the fourth year	140,000	180,000
Due within the fifth year and beyond	-	-
<b>Total interest-bearing financial debt</b>	<b>660,000</b>	<b>545,631</b>
Loans from third parties <sup>1)</sup>	-	4,001
<b>Total other financial liabilities</b>	<b>-</b>	<b>4,001</b>
<b>Total financial liabilities</b>	<b>660,000</b>	<b>549,633</b>

1) Loans from third parties as at 31 December 2018 had no fixed maturity and were interest-free.

Interest maturity periods are as follows (composition until next interest rate adjustment):

In CHF 1,000	Interest rates as at 31.12.2019	31.12.2019	31.12.2018
Up to one year		100,000	165,631
Up to 2 years		240,000	100,000
Up to 3 years		180,000	100,000
Up to 4 years		140,000	180,000
Up to 5 years and beyond		-	-
<b>Total interest-bearing financial debt</b>	<b>0.05%–0.77%</b>	<b>660,000</b>	<b>545,631</b>
Loans from third parties		-	4,001
<b>Total other financial liabilities</b>		<b>-</b>	<b>4,001</b>
<b>Total financial liabilities</b>		<b>660,000</b>	<b>549,633</b>

## 18. PROVISIONS

In CHF 1,000	2019	2018
Provisions as at 1 January	1,349	2,164
Changes in scope of consolidation	-50	-
Increase	767	96
Use	-189	-178
Release	-428	-732
<b>Provisions as at 31 December</b>	<b>1,450</b>	<b>1,349</b>

The position includes mainly provisions for pending legal cases and disputes (CHF 0.8 million, 2018: CHF 0.3 million), for lease commitments (CHF 0.4 million, 2018: CHF 0.7 million) and for warranties (CHF 0.2 million, 2018: CHF 0.3 million).

## 19. DEFERRED TAXES

In CHF 1,000	2019	2018
Deferred tax assets	116	81
Deferred tax liabilities	177,639	154,977
<b>Deferred tax liabilities as at 1 January (net)</b>	<b>177,523</b>	<b>154,896</b>
Changes in scope of consolidation	3,111	21,638
Changes recognised in the income statement	-53,527	989
<b>Deferred tax liabilities as at 31 December (net)</b>	<b>127,108</b>	<b>177,523</b>
Deferred tax assets	90	116
Deferred tax liabilities	127,197	177,639

Deferred taxes are calculated using the local applicable tax rates for each subsidiary (see [Note 8](#)).

## 20. EQUITY

As at 31 December 2019, the share capital consists of 12,800,000 registered shares at a par value of CHF 0.10 each and remains unchanged from 31 December 2018.

### CONDITIONAL SHARE CAPITAL

Article 3a of the Company's Articles of Association sets out that the Company's share capital shall be increased by a maximum amount of CHF 30,000 through the issuance of no more than 300,000 fully paid-up registered shares with a nominal value of CHF 0.10 by way of the exercise of options or similar rights belonging to employees and members of the Board of Directors and the Executive Board in accordance with the applicable regulations and resolutions of the Board of Directors.

Article 3b of the Company's Articles of Association sets out that the share capital may be increased by the issuance of up to 1,280,000 fully paid-in registered shares with a nominal value of CHF 0.10 each, up to CHF 128,000, by means of the exercise of conversion rights and/or warrants granted in connection with newly or already issued bonds or similar debt instruments of the Company or its Group companies to Company creditors and/or investors.

### RETAINED EARNINGS

Retained earnings are only distributable on a limited basis:

- The retained earnings of Investis Holding SA pursuant to a resolution of the Annual General Meeting
- The retained earnings of subsidiaries in accordance with local fiscal and statutory requirements, first to the respective parent company

The non-distributable statutory and legal reserves of the Group amount to CHF 4.0 million (2018: CHF 6.1 million).

### TREASURY SHARES

Members of the Board of Directors and the Executive Board received part of their compensation in shares. See [compensation report](#).

	2019		2018	
	Quantity	Value in CHF 1,000	Quantity	Value in CHF 1,000
Net carrying amount as at 1 January	97,384	5,936	20,000	1,135
Purchase of treasury shares <sup>1)</sup>	-	-	89,766	5,504
Use of treasury shares <sup>2)</sup>	-12,533	-674	-12,382	-649
Loss on use of treasury shares recognised in capital reserves		-90		-54
Net carrying amount as at 31 December	84,851	5,172	97,384	5,936

1) In 2018, Investis Holding SA acquired 89,766 registered shares at an average price of CHF 61.31.

2) In 2019, Investis Holding SA used registered treasury shares at an average price of CHF 53.74 (2018: CHF 52.39).

## 21. CONTINGENT ASSETS AND LIABILITIES

In 2018, a Group company issued a bank guarantee until 31 March 2021 of CHF 13.7 million for a Valotel SA construction project in St. Gallen. Following the sale of Valotel SA on 27 June 2019, this bank guarantee was not replaced by the buyer and remains as a contingent liability of the Group.

In 2018, there are no material contingent assets or liabilities on the balance sheet date.

## 22. PLEDGED ASSETS AND OFF-BALANCE SHEET LEASE/RENTAL OBLIGATIONS

In CHF 1,000	31.12.2019	31.12.2018
<b>Pledged assets</b>		
Nominal charges on real estate property	-	233,718
Of which as security for own liabilities	-	25,631
<b>Off-balance sheet lease/rental obligations</b>		
Up to 1 year	4,302	6,880
From 1 year up to 5 years	11,478	12,973
Over 5 years	3,048	216
<b>Total</b>	<b>18,829</b>	<b>20,069</b>

## 23. TRANSACTIONS WITH RELATED PARTIES

Business transactions with related parties are based on standard commercial contractual forms and conditions. All transactions are included in the 2019 and 2018 consolidated financial statements. There are loans and services from and to related parties. The respective balances are reported separately in these financial statements (see [Note 10](#) and [Note 15](#)).

The consolidated income statement 2019 contains rental revenue amounting to CHF 0.7 million (2018: CHF 1.4 million) from the letting of three hotels in Fribourg, Rothrist and Sion to companies controlled until 27 June 2019 by Stéphane Bonvin.

In 2018, the commercial property “Chemin Lambien” in Sion was sold for CHF 5.1 million to, and financial assets of related parties amounting to CHF 15.0 million were fully repaid by a company controlled by Stéphane Bonvin.

## 24. EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors approved the consolidated annual financial statements for publication on 23 March 2020. These statements are also subject to approval by the Annual General Meeting of Investis Holding SA on 28 April 2020.

No events occurred between 31 December 2019 and the date of approval of the consolidated financial statements, which would require adjustments to the carrying amounts of the Group's assets and liabilities as at 31 December 2019 or disclosure in this section.

## 25. GROUP COMPANIES

	Domicile	Original currency	31.12.2019		31.12.2018		Footnote
			Share capital in CHF 1,000	Ownership interest <sup>1)</sup>	Ownership interest <sup>1)</sup>		
<b>Investis Holding SA</b>	<b>Zurich</b>	<b>CHF</b>	<b>1,280</b>	<b>n.a.</b>	<b>n.a.</b>	<b>C</b>	
<b>Properties</b>							
Investis Properties SA	Lens	CHF	1,650	100%	100%	C	
Domus Angelo S.à.r.l.	Luxembourg (LUX)	EUR	200	100%	100%	C	
Alaïa Invest SA	Lens	CHF	100	100%	100%	C	
Carmat S.A.	Lens	CHF	50	100%	100%	C	
RGS Immobilier SA	Geneva	CHF	100	100%		C	
Intercapital Development & Management SA	Geneva	CHF	100	100%		C	
OR omiresidences Sàrl	Lens	CHF	20	100%	100%	C	
Raffaële Investissement SA	Lens	CHF	100	50%	50%	Q	
Valotel SA	Morges	CHF			100%	C <sup>2)</sup>	
La Foncière de la Dixence SA	Lens	CHF			83%	EP <sup>2,3)</sup>	
<b>Real Estate Services</b>							
Privera AG	Muri bei Bern	CHF	4,000	100%	100%	C	
Hauswartprofis AG	Mägenwil	CHF	200	100%	100%	C	
AGD Renovationen AG	Neuenhof	CHF	500	53%	53%	C	
SoRenova SA	Lens	CHF	100	100%	100%	C	
Régie du Rhône SA	Lancy	CHF			100%	C <sup>2)</sup>	
Régie du Rhône Crans-Montana SA	Lens	CHF			100%	C <sup>2)</sup>	
Synergie Services Facility Management SA	Lancy	CHF			100%	C <sup>2)</sup>	
Chauffage-Assistance SA	Geneva	CHF			100%	C <sup>2)</sup>	
Clim-Assistance SA	Geneva	CHF			100%	C <sup>2)</sup>	
C.T. Creative Technologies SA	Martigny	CHF			60%	C <sup>2)</sup>	
<b>Corporate</b>							
Investis Investments SA	Lens	CHF	1,000	100%	100%	C* <sup>3)</sup>	
Investis Management SA	Lens	CHF	100	100%	100%	C	
Investis SA	Lens	CHF	100	100%	100%	C	
Volki-Land AG	Volketswil	CHF	50	100%	100%	C	
Insite Management SA	Echandens	CHF	120	42%	42%	EF	
Polytech Ventures Holding SA	Ecublens	CHF	214	33%	50%	EF	
PropTech Partners SA	Ecublens	CHF	144	30%	40%	EF	
YetiVisit SA	Bulle	CHF	167	13%	40%	EF <sup>4)</sup>	

C) Consolidated

Q) Joint venture (proportionate consolidation)

EP) Investment in real estate company included in the consolidated financial statements using the equity method

EF) Financial investment included in the consolidated financial statements using the equity method

\*) Investment held directly by Investis Holding SA

1) Ownership interest is equal to voting rights

2) Sold in 2019

3) Consolidated until ownership reduction to 42% on 25 March 2019. Thereafter, using the equity method until the sale of the remaining stake on 3 September 2019.

4) The investment was reduced from 40% to 13% on 27 December 2019 and was reclassified thereafter from investment in associates to other financial assets.

# Report of the statutory auditor

## to the General Meeting of Investis Holding SA

### Zurich

#### Report on the audit of the consolidated financial statements

##### Opinion

We have audited the consolidated financial statements of Investis Holding SA and its subsidiaries (the Group), which comprise the consolidated income statement for the year ended 31 December 2019, the consolidated balance sheet as at 31 December 2019, the consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 76 to 107 and 113 to 119) give a true and fair view of the consolidated financial position of the Group as at 31 December 2019 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER, article 17 of the Directive on Financial Reporting (DFR) of SIX Swiss Exchange and comply with Swiss law.

##### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Our audit approach

###### Overview

Overall Group materiality: CHF 7,400,000



We concluded full scope audits at 4 reporting units. Our audit approach addressed over 90% of total assets.

As key audit matter, the following area of focus has been identified:

Valuation of investment properties

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### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

<b>Overall Group materiality</b>	CHF 7,400,000
<b>How we determined it</b>	1% of equity
<b>Rationale for the materiality benchmark applied</b>	We chose equity as the benchmark because, in our view, it is a measure against which the performance of the Group is assessed and is a generally accepted benchmark for the real estate industry.

We agreed with the Audit Committee that we would report to them misstatements above CHF 740,000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

### Audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The audit strategy for the consolidated financial statements was determined considering the work of component auditors from the PwC network. The audit of the consolidation process and of the presentation and disclosure of the consolidated financial statements was performed by us as group auditor. Out of 17 reporting units, we identified 4 reporting units (components) to be the largest contributors to the consolidated profit and equity. These reporting units were subject to a full scope audit by local PwC network firms. We determined the level of involvement needed from us as group auditors to ensure that we obtained adequate audit evidence from the work of the component auditors regarding the financial statements of the components as a basis for our opinion on the consolidated financial statements. Our involvement included the communication of identified risks and materiality levels determined at group level as well as reviews of the component reports and conference calls during the interim and year-end audits.

### Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Valuation of investment properties**

**Key audit matter**

We consider the valuation of investment properties to be a key audit matter because of the significance of the assets on the balance sheet and the judgement required in evaluating them. As of 31 December 2019, investment properties amount to CHF 1,397 million (89.2% of total assets).

Investment properties are measured at fair value as of the reporting date. The Executive Board and the independent external property appraiser apply judgement when determining the valuation assumptions used in the valuation model.

We identified the following risk in relation to the appropriateness of the valuation:

- The valuation assumptions used, such as market rents, vacancy rates, operating/maintenance and investment costs as well as discount- and capitalisation rates, have a substantial impact on the outcome of the valuation. Determining these valuation assumptions involves significant judgement, which could lead to larger variations in the computed fair value than those observed in the market.

Please refer to note 12 to the consolidated financial statements.

**How our audit addressed the key audit matter**

We read the contract between Investis Holding SA and the independent external property appraiser, and we evaluated the competence and capability as well as the objectivity of the independent external property appraiser.

With regard to the valuation of investment properties, we included in our team internal PwC real estate specialists and we performed the following audit procedures:

- On a sample basis, we examined and assessed the appropriateness of the applied valuation approaches (mainly discounted cash flow methods).
- We examined the most important valuation assumptions, such as market rents, vacancy rates, operating/maintenance and investment costs as well as discount- and capitalisation rates. We checked whether these assumptions were within an acceptable range compared to market conditions by using benchmarks provided by recognised external data providers, other publicly available market data as well as empirical data from comparable properties supplied by our internal real estate specialists.

We discussed with the Executive Board our audit results and the changes in valuations as well as the assumptions underlying the valuations.

On the basis of our audit procedures, we are satisfied that the approach taken by the Executive Board was appropriate and that the valuation assumptions applied were within an acceptable range.

**Responsibilities of the Board of Directors for the consolidated financial statements**

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Swiss GAAP FER, article 17 of the Directive on Financial Reporting (DFR) of SIX Swiss Exchange and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can



arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the website of EXPERTsuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

### Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Oliver Kuntze  
Audit expert  
Auditor in charge



Marc Zurflüh  
Audit expert

Bern, 23 March 2020

# PROPERTY PORTFOLIO

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## INFORMATION ON INVESTMENT CATEGORIES AS AT 31 DECEMBER 2019

In CHF million	Fair value	Annualised full occupancy property rent <sup>1)</sup>	Vacancy rate in %
<b>Residential properties</b>	<b>1,260.3</b>	<b>55.1</b>	<b>2.9%</b>
of which in Canton of Geneva	957.2	41.4	3.2%
of which in Canton of Vaud	285.0	13.1	1.8%
of which in other cantons	18.1	0.6	7.9%
<b>Commercial properties</b>	<b>127.7</b>	<b>6.1</b>	<b>5.4%</b>
of which in Canton of Geneva	64.0	3.6	1.0%
of which in Canton of Vaud	32.3	1.2	0.0%
of which in other cantons	31.4	1.3	21.9%
<b>Properties under construction</b>	<b>8.8</b>		
of which in Canton of Geneva	0.0		
of which in Canton of Vaud	0.0		
of which in other cantons	8.8		
<b>Total investment properties</b>	<b>1,396.8</b>	<b>61.2</b>	<b>3.2%</b>
<b>Properties held for sale</b>	<b>41.0</b>		
of which in Canton of Geneva	0.0		
of which in Canton of Vaud	8.7		
of which in other cantons	32.3		
<b>Total property portfolio</b>	<b>1,437.8</b>	<b>61.2</b>	<b>3.2%</b>

1) Including rental income from Group companies

## INVESTMENT PROPERTIES AS AT 31 DECEMBER 2019

Acquired in current year	Canton	Place	Address	Main use	Market value (CHFm)	Annualised full occupancy property rent (CHFm)	Net annualised property rent (CHFm)	Occupancy rate (%)	Site area (sqm)	Ownership type 2)	Ownership %
	GE	Geneva	Rue du Môle 5	Residential	14.4	0.6	0.6	100.0%	277	S	100%
	GE	Geneva	Rue de la Servette 23	Residential	15.3	0.7	0.7	100.0%	421	S	100%
	GE	Geneva	Rue Charles Cusin 10	Residential	18.6	0.6	0.2	41.1%	279	S	100%
*	GE	Geneva	Rue de Bâle 28/30	Residential	18.1	0.6	0.6	98.0%	1,230	S	100%
	GE	Geneva	Rue des Asters 8	Residential	6.2	0.3	0.3	100.0%	302	S	100%
	GE	Geneva	Rue Antoine-Carteret 5 – Rue du Colombier 11/13	Residential	22.1	0.9	0.9	99.4%	1,242	S	100%
	GE	Geneva	Rue de Montbrillant 52	Residential	10.5	0.4	0.4	100.0%	263	S	100%
	GE	Geneva	Rue du Grand-Pré 39	Residential	11.4	0.5	0.5	100.0%	393	S	100%
	GE	Geneva	Rue Lamartine 23	Residential	27.2	1.1	1.1	99.5%	2,230	S	100%
	GE	Geneva	Rue Lamartine 13/15a/15b	Residential	27.8	1.2	1.1	98.0%	1,803	S	100%
	GE	Geneva	Rue de Lyon 65	Residential	11.3	0.5	0.5	100.0%	601	S	100%
	GE	Geneva	Avenue d'Aire 47	Residential	8.3	0.4	0.4	100.0%	233	S	100%
	GE	Geneva	Rue des Délices 21 bis	Residential	12.4	0.5	0.5	100.0%	285	S	100%
	GE	Geneva	Rue Liotard 69/71	Residential	15.4	0.7	0.7	100.0%	1,496	S	100%
	GE	Geneva	Avenue Wendt 3/5	Residential	24.5	1.2	1.1	94.2%	939	S	100%
	GE	Geneva	Rue Lamartine 17a/17b	Residential	26.8	1.2	1.1	95.7%	1,470	S	100%
	GE	Geneva	Avenue Ernest Pictet 14	Residential	26.3	1.1	1.1	99.6%	356	S	100%
	GE	Geneva	Rue Daubin 35	Residential	8.7	0.4	0.4	100.0%	624	S	100%
*	GE	Geneva	Avenue Wendt 27	Residential	7.6	0.3	0.3	100.0%	1,265	S	100%
*	GE	Geneva	Rue Henri-Frédéric-Amiel 8	Residential	12.0	0.4	0.4	100.0%	456	S	100%
	GE	Geneva	Avenue Henri-Dunant 20 – Rue Guillaume de Marcossay 21	Residential	23.4	1.0	0.9	98.1%	1,165	S	100%
	GE	Geneva	Boulevard de St-Georges 71 – Rue des Rois 12	Residential	14.2	0.6	0.6	100.0%	371	S	100%
	GE	Geneva	Rue du Vieux-Billard 12	Residential	7.2	0.3	0.3	95.0%	385	S	100%
	GE	Geneva	Boulevard de la Cluse 35	Residential	12.1	0.6	0.5	86.1%	188	S	100%
	GE	Geneva	Rue Goetz-Monin 24	Residential	25.7	1.3	1.0	77.4%	728	S	100%
	GE	Geneva	Rue de Carouge 72/74	Residential	20.0	0.9	0.8	95.9%	904	S	100%
	GE	Geneva	Boulevard Carl-Vogt 6	Residential	9.2	0.4	0.4	100.0%	436	S	100%
	GE	Geneva	Rue des Peupliers 13	Residential	3.9	0.2	0.2	100.0%	147	S	100%
	GE	Geneva	Rue du Village-Suisse 4	Residential	3.9	0.2	0.2	100.0%	145	S	100%
	GE	Geneva	Rue de la Mairie 6	Residential	14.9	0.6	0.6	88.5%	318	S	100%
	GE	Geneva	Rue du Nant 30	Residential	18.2	0.8	0.8	100.0%	567	S	100%
	GE	Onex	Avenue Bois-de-la-Chapelle 101	Residential	15.9	0.7	0.7	99.2%	320	S	100%
	GE	Petit-Lancy	Route de Chancy 40	Residential	5.3	0.3	0.3	100.0%	804	S	100%
	GE	Vernier	Rue du Village 18 a/b/c/d/e	Residential	10.3	0.5	0.5	100.0%	3,692	S	100%
	GE	Vernier	Route de Peney 4	Residential	7.9	0.3	0.3	99.1%	253	S	100%
	GE	Cointrin	Avenue Louis-Casaï 80	Residential	11.0	0.6	0.4	74.2%	1,372	S	100%
	GE	Meyrin	Avenue François-Besson 16	Residential	9.8	0.4	0.4	100.0%	345	S	100%
	GE	Meyrin	Chemin du Grand-Puits 64/66	Residential	9.1	0.4	0.4	95.9%	499	S	100%
	GE	Meyrin	Avenue François-Besson 1/3	Residential	21.3	0.9	0.9	99.0%	579	S	100%
	GE	Meyrin	Avenue de Vaudagne 29/31	Residential	29.9	1.3	1.3	99.9%	1,020	S	100%
	GE	Meyrin	Rue des Lattes 25/27	Residential	8.3	0.4	0.4	99.5%	425	S	100%
	GE	Meyrin	Rue des Lattes 63	Residential	10.0	0.5	0.5	100.0%	213	S	100%
	GE	Meyrin	Rue de la Prulay 64/66	Residential	21.1	0.9	0.9	99.7%	3,393	S	100%
	GE	Meyrin	Route de Meyrin 283/285	Residential	14.3	0.6	0.6	99.7%	2,642	S	100%
	GE	Meyrin	Avenue de Vaudagne 78/80/82	Residential	19.0	0.5	0.5	100.0%	669	S	100%
	GE	Meyrin	Avenue de Mategnin 75/77	Residential	17.6	0.4	0.4	100.0%	450	S	100%
	GE	Meyrin	Chemin du Vieux-Bureau 98	Residential	9.7	0.4	0.4	100.0%	333	S	100%
	GE	Meyrin	Rue De-Livron 17/19	Residential	22.1	0.9	0.9	99.8%	670	S	100%
	GE	Le Grand-Saconnex	L'Ancienne-Route 77a	Residential	8.1	0.4	0.4	100.0%	2,452	S	100%
	GE	Le Grand-Saconnex	Route de Ferney 208a/b	Residential	19.0	0.8	0.8	100.0%	2,910	S	100%
	GE	Châtelaine	Chemin de l'Écu 15/17a	Residential	14.9	0.6	0.6	100.0%	1,043	S	100%
	GE	Les Avanchets	Avenue Louis-Casaï 43	Residential	11.2	0.5	0.5	100.0%	1,035	S	100%
	GE	Les Avanchets	Avenue Louis-Casaï 37	Residential	11.8	0.5	0.5	100.0%	1,093	S	100%
	GE	Chêne-Bougeries	Avenue des Cavaliers 7	Residential	12.7	0.5	0.5	93.7%	1,690	S	100%
	GE	Thônex	Route de Mon-Ideé 65/67	Residential	20.2	1.0	1.0	100.0%	1,001	S	100%
*	GE	Thônex	Chemin des Deux-Communes 13	Residential	9.0	0.4	0.4	100.0%	470	S	100%
	GE	Carouge	Rue de la Fontenette 11	Residential	11.2	0.5	0.5	94.9%	427	S	100%

Year of construction	Full renovation 3)	Partial renovation 3)	Discount rate	Register of polluted sites	Compulsory surveillance	Obligatory remediation	Total (sqm)	Lettable area (% sqm)							Parking units
								Residential	Office	Retail	Trade / Industry	Warehousing / Archiving	Special use	Other	
1957	2012/2014	2016	3.3%	No	-	-	1,518	85%	-	5%	10%	-	-	-	-
1967	-	-	3.3%	No	-	-	2,149	61%	16%	16%	-	7%	-	-	-
1970	2018/2019	-	3.4%	No	-	-	1,256	77%	-	-	18%	5%	-	-	-
1963	-	-	2.5%	No	-	-	3,490	47%	4%	10%	-	39%	-	-	-
1910	-	2009	3.3%	No	-	-	1,115	83%	-	-	8%	9%	-	-	-
1956	2011/2013	-	3.1%	No	-	-	2,779	98%	-	-	-	2%	-	-	26
1959	-	-	3.1%	No	-	-	1,372	87%	13%	-	-	-	-	-	-
1962	-	2005	3.4%	No	-	-	2,043	87%	-	-	2%	11%	-	-	-
1964	2009	2012/2017	3.3%	No	-	-	3,677	70%	5%	16%	9%	-	-	-	90
1955	2012/2016	-	3.4%	No	-	-	3,551	100%	-	-	-	-	-	-	-
1957	2006	-	3.3%	No	-	-	1,321	100%	-	-	-	-	-	-	8
1950	-	2006	3.3%	No	-	-	1,028	100%	-	-	-	-	-	-	-
1935	-	2011/2017	3.3%	No	-	-	1,744	100%	-	-	-	-	-	-	-
1968	-	2008	3.3%	No	-	-	2,019	99%	-	-	1%	-	-	-	18
1950	2008/2010	2016	3.8%	No	-	-	3,006	83%	2%	6%	7%	2%	-	-	-
1956	2019	-	3.4%	No	-	-	3,140	100%	-	-	-	-	-	-	32
1980	-	-	3.1%	No	-	-	3,522	93%	-	7%	-	-	-	-	59
1940	-	-	3.1%	No	-	-	1,188	100%	-	-	-	-	-	-	11
1955	-	-	2.9%	No	-	-	1,340	100%	-	-	-	-	-	-	-
1919	-	-	2.7%	No	-	-	1,809	94%	4%	2%	-	-	-	-	-
1965	2006/2008	2009	3.4%	No	-	-	3,560	65%	-	-	17%	18%	-	-	3
1971	-	2009	3.5%	No	-	-	2,105	64%	14%	-	12%	11%	-	-	-
1957	-	2017/2018	3.2%	No	-	-	932	100%	-	-	-	-	-	-	-
1961	2009	2012	3.7%	No	-	-	915	78%	-	-	13%	9%	-	-	-
1947	2007/2008	2010/2011	4.1%	No	-	-	2,313	60%	-	-	40%	-	-	-	-
1970	2018/2019	-	3.3%	No	-	-	3,504	69%	-	-	31%	-	-	-	-
1960	-	-	3.6%	No	-	-	1,354	73%	-	-	27%	-	-	-	-
1920	-	-	3.0%	No	-	-	514	100%	-	-	-	-	-	-	-
1920	-	-	3.1%	No	-	-	490	100%	-	-	-	-	-	-	-
1930	2009	2011	3.3%	No	-	-	1,422	85%	-	15%	-	-	-	-	-
1960	2013/2015	2019	3.5%	No	-	-	2,024	95%	-	5%	-	-	-	-	-
1970	-	2009	3.4%	No	-	-	2,525	98%	-	-	2%	-	-	-	31
1910	-	-	3.4%	No	-	-	713	100%	-	-	-	-	-	-	16
1970	-	-	3.4%	No	-	-	1,551	100%	-	-	-	-	-	-	11
1973	-	-	3.3%	No	-	-	1,230	100%	-	-	-	-	-	-	15
1973	-	2013	4.1%	No	-	-	1,389	55%	-	28%	-	17%	-	-	10
1967	2015/2016	2018	3.3%	No	-	-	1,365	100%	-	-	-	-	-	-	8
1974	-	2019	3.4%	No	-	-	1,608	100%	-	-	-	-	-	-	21
1973	2014/2015	2016	3.4%	No	-	-	3,294	87%	4%	-	5%	4%	-	-	35
1961	2004/2006	2008	3.2%	No	-	-	4,458	92%	5%	-	3%	-	-	-	66
1975	-	2016	3.4%	No	-	-	1,343	94%	-	-	6%	-	-	-	16
1975	-	-	3.4%	No	-	-	1,745	100%	-	-	-	-	-	-	22
1962	2011/2012	-	3.4%	No	-	-	3,012	97%	-	-	-	3%	-	-	46
1994	-	-	3.1%	No	-	-	2,422	93%	-	-	-	7%	-	-	33
1964	-	2015	3.0%	No	-	-	2,457	100%	-	-	-	-	-	-	-
1968	-	2012	3.0%	No	-	-	2,301	100%	-	-	-	-	-	-	-
1970	2018/2019	-	3.4%	No	-	-	1,521	98%	-	-	2%	-	-	-	19
1970	-	-	3.2%	No	-	-	3,562	89%	5%	6%	-	-	-	-	47
1962	2015/2016	-	3.3%	No	-	-	1,151	66%	-	-	34%	-	-	-	18
1959	2015/2017	-	3.4%	No	-	-	2,654	92%	1%	-	5%	2%	-	-	56
1960	2012/2013	2007	3.4%	No	-	-	2,323	100%	-	-	-	-	-	-	-
1963	2017/2018	2006	3.5%	No	-	-	1,682	91%	5%	-	3%	-	-	-	29
1963	2015/2016	-	3.1%	No	-	-	1,688	91%	4%	6%	-	-	-	-	27
1975	-	-	3.1%	No	-	-	1,959	85%	-	15%	-	-	-	-	12
1971	-	-	3.3%	No	-	-	2,609	100%	-	-	-	-	-	-	33
1963	-	-	3.1%	No	-	-	1,577	99%	-	-	-	1%	-	-	18
1963	-	2016	3.3%	No	-	-	1,590	100%	-	-	-	-	-	-	5

## INVESTMENT PROPERTIES AS AT 31 DECEMBER 2019

Acquired in current year Canton	Place	Address	Main use	Market value (CHFm)	Annualised full occupancy property rent (CHFm)	Net annualised property rent (CHFm)	Occupancy rate (%)	Site area (sqm)	Ownership type 2)	Ownership %
GE	Les Acacias	Routé des Acacias 20 – Rue des Ronzades 1/3 – Rue Gustave Revillod 14	Residential	38.0	1.8	1.8	98.4%	1,857	S	100%
GE	Carouge	Rue de la Gabelle 3	Residential	8.0	0.4	0.4	100.0%	482	S	100%
GE	Les Acacias	Route des Acacias 28	Residential	9.7	0.5	0.5	100.0%	570	S	100%
GE	Les Acacias	Rue Simon Durand 5	Residential	5.9	0.3	0.3	100.0%	306	S	100%
GE	Carouge	Place d'Armes 8	Residential	10.9	0.5	0.5	100.0%	250	S	100%
* GE	Perly	Route de Certoux 11/15B/15D	Residential	6.8	0.3	0.3	100.0%	2,426	S	100%
* GE	Perly	Route de Certoux 17/17A/19/21	Residential	19.0	1.2	1.2	99.5%	2,426	S	100%
GE	Versoix	Avenue Théodore-Vernes 20/22	Residential	7.8	0.3	0.3	100.0%	512	S	100%
GE	Versoix	Grand-Montfleury 38	Residential	12.7	0.6	0.6	99.8%	329	S	100%
GE	Geneva	Rue du Valais 7/9/11	Commercial	23.2	1.2	1.2	97.1%	1,032	S	100%
GE	Petit-Lancy	Chemin des Olliquettes 10	Commercial	24.7	1.3	1.3	100.0%	4,247	S	100%
GE	Perly	Route de Saint-Julien 253/255	Commercial	16.0	1.1	1.1	100.0%	9,099	S	100%
VD	Lausanne	Rue du Maupas 61/67	Residential	22.3	0.9	0.9	100.0%	2,471	S	100%
VD	Lausanne	Avenue Alexandre-Vinet 39	Residential	7.0	0.3	0.3	100.0%	597	S	100%
VD	Lausanne	Avenue d'Echallens 87/89	Residential	2.0	0.1	0.0	45.3%	535	S	100%
VD	Lausanne	Chemin de Montmeillan 19/21	Residential	9.8	0.5	0.5	100.0%	1,158	S	100%
VD	Lausanne	Place du Vallon 1	Residential	8.8	0.4	0.4	100.0%	515	S	100%
VD	Lausanne	Chemin du Closelet 4/6/8/10	Residential	23.4	1.0	1.0	100.0%	1,747	S	100%
* VD	Lausanne	Avenue d'Ouchy 72/74	Residential	3.9	0.2	0.2	100.0%	1,911	S	100%
VD	Prilly	Rue de la Combette 22/24	Residential	12.3	0.6	0.6	95.8%	2,840	S	100%
VD	Lausanne	Chemin des Lys 14	Residential	7.8	0.3	0.3	100.0%	958	S	100%
VD	Lausanne	Avenue Victor-Ruffly 33	Residential	5.2	0.2	0.2	100.0%	1,097	S	200%
VD	Lausanne	Avenue des Oiseaux 15/17	Residential	15.6	0.7	0.7	100.0%	1,030	S	100%
VD	Lausanne	Route Aloys Fauquez 122/124	Residential	17.3	0.8	0.8	96.4%	1,447	S	100%
VD	Lausanne	Route Aloys Fauquez 60	Residential	6.8	0.3	0.3	89.3%	786	S	100%
VD	Renens	Avenue du Censuy 18/20/22/24/26	Residential	27.3	1.3	1.3	99.1%	6,321	S	100%
VD	Renens	Avenue de Florissant 30/32	Residential	19.5	0.9	0.9	98.1%	9,259	S	100%
VD	Renens	Avenue de Florissant 34/36	Residential	41.0	1.9	1.9	98.2%	4,784	S	100%
VD	Renens	Rue Neuve 10/12/14	Residential	5.2	0.3	0.3	100.0%	574	S	100%
VD	Chavannes-près-Renens	Avenue du Tir-Fédéral 79/81	Residential	20.0	0.9	0.9	97.6%	2,898	S	100%
VD	Bussigny	Chemin de Roséaz 8	Residential	6.6	0.3	0.3	100.0%	1,463	S	100%
VD	Cugy	Chemin des Petits-Esserts 1	Residential	3.3	0.2	0.2	100.0%	1,515	S	100%
VD	Gland	Rue du Jura 15	Residential	7.5	0.3	0.3	100.0%	1,787	S	100%
VD	Yverdon-les-Bains	Avenue Kiener 1/3	Residential	9.2	0.5	0.4	95.9%	3,900	S	100%
VD	Vevey	Rue du Centre 7	Residential	3.3	0.2	0.2	100.0%	143	S	100%
* VD	Lausanne	Place de la Navigation 4/6	Commercial	15.1	0.7	0.7	100.0%	1,710	S	100%
VD	Cheseaux-sur-Lausanne	Chemin de la Chapelle 2	Commercial	5.2	0.4	0.4	100.0%	5,358	S	100%
VD	Morges	Rue de Lausanne 35	Commercial	12.1	0.1	0.1	100.0%	377	S	100%
VS	Lens	Route de Crans 87	Residential <sup>1)</sup>	2.7	0.0	0.0	-	1,531	S	100%
VS	Crans-Montana	Route des Briesses 4	Residential	3.6	0.1	0.1	100.0%	916	S	100%
VS	Crans-Montana	Route de Grinchon 1	Residential	9.7	0.3	0.2	83.7%	2,340	S	100%
VS	Crans-Montana	Route de Vermala 43/45	Residential <sup>1)</sup>	2.0	0.0	0.0	-	2,105	C 268/1000	100%
VS	Randogne	Chemin de Praty 4	Residential	4.8	0.2	0.2	98.6%	1,678	S	100%
* VS	Monthey	Avenue de la Gare 18 – Avenue du Théâtre 18	Commercial	10.8	0.7	0.4	57.8%	1,368	S	100%
VS	Sion	Chemin de Grély 21	Commercial	5.2	0.1	0.1	100.0%	3,339	S	100%
VS	Lens	Route de Crans 81 <sup>4)</sup>	Commercial	9.0	0.3	0.3	100.0%	7,892	S	100%
VS	Crans-Montana	Rue du Prado 19	Commercial	1.9	0.1	0.1	100.0%	1,317	S	100%
VS	Lens	Grand Place 12/14	Commercial	4.5	0.2	0.2	100.0%	1,415	S	100%
* VS	Ardon	Avenue Neuve 22	Residential <sup>1)</sup>	1.4	0.0	0.0	-	NA	C 192/1000	100%
<b>Total</b>				<b>1,394.2</b>	<b>61.2</b>	<b>59.2</b>	<b>96.8%</b>	<b>155,937</b>		

1) Properties held for sale.  
2) S = Sole ownership, C = Condominium  
3) Under Investis' ownership  
4) Building right

Year of construction	Full renovation 3)	Partial renovation 3)	Discount rate	Register of polluted sites	Compulsory surveillance	Obligatory remediation	Total (sqm)	Lettable area (% sqm)							Parking units
								Residential	Office	Retail	Trade / Industry	Warehousing / Archiving	Special use	Other	
1958	2006	-	3.5%	No	-	-	5,672	72%	2%	6%	16%	5%	-	-	10
1930	-	2006	3.1%	No	-	-	1,112	100%	-	-	-	-	-	-	-
1959	-	2005	3.4%	No	-	-	1,480	100%	-	-	-	-	-	-	7
1960	-	-	3.3%	No	-	-	776	44%	-	-	37%	19%	-	-	-
1940	-	2019	3.2%	No	-	-	1,198	92%	-	8%	-	-	-	-	8
1977	-	-	3.5%	No	-	-	1,300	100%	-	-	-	-	-	-	-
1985	-	-	3.3%	No	-	-	3,157	100%	-	-	-	-	-	-	45
1959	2017/2018	2006	3.4%	No	-	-	1,061	98%	-	-	-	2%	-	-	4
1980	-	-	3.4%	No	-	-	2,249	100%	-	-	-	-	-	-	11
1919	-	-	4.4%	No	-	-	4,639	-	87%	1%	4%	8%	-	-	-
2010	-	-	3.8%	No	-	-	2,570	-	86%	-	-	14%	-	-	29
1982	-	-	5.0%	No	-	-	6,018	-	-	-	100%	-	-	-	141
1955	2009	2016	3.1%	No	-	-	3,121	91%	5%	-	4%	-	-	-	24
1953	2005	-	3.1%	No	-	-	1,125	76%	-	17%	7%	-	-	-	5
1899	-	2018	2.8%	No	-	-	745	100%	-	-	-	-	-	-	-
1966	2009	-	3.4%	No	-	-	1,661	85%	-	-	15%	-	-	-	3
1955	-	2019	3.3%	No	-	-	1,544	95%	-	-	4%	1%	-	-	4
1895	2006	-	3.3%	Yes	No	No	2,936	92%	-	-	6%	2%	-	-	34
1907	-	-	3.2%	No	-	-	988	100%	-	-	-	-	-	-	-
1963	-	2018	3.4%	No	-	-	2,506	100%	-	-	-	-	-	-	15
1962	-	2012	3.1%	No	-	-	1,259	100%	-	-	-	-	-	-	13
1952	-	-	3.1%	No	-	-	1,120	100%	-	-	-	-	-	-	12
1960	2004/2005	-	3.2%	No	-	-	2,136	100%	-	-	-	-	-	-	16
1968	2019	-	3.4%	No	-	-	3,472	91%	4%	-	4%	2%	-	-	6
1962	2019	-	3.5%	No	-	-	1,405	62%	-	-	23%	15%	-	-	8
1972	2008/2009	-	3.5%	No	-	-	6,014	91%	-	2%	5%	3%	-	-	78
1962	2018	2009	3.5%	No	-	-	3,604	92%	1%	-	6%	0%	-	-	70
1960	2004	2009/2017	3.4%	No	-	-	7,792	99%	-	-	-	1%	-	-	17
1900	-	-	3.7%	Yes	No	No	1,027	57%	12%	22%	7%	2%	-	-	-
1962	2009/2010	2004	3.5%	No	-	-	3,442	100%	-	-	-	-	-	-	44
1966	2005/2008	-	3.4%	No	-	-	984	100%	-	-	-	-	-	-	16
1965	-	-	3.9%	No	-	-	706	100%	-	-	-	-	-	-	16
1969	-	2017	3.3%	No	-	-	992	100%	-	-	-	-	-	-	15
1991	-	-	3.5%	No	-	-	2,080	100%	-	-	-	-	-	-	35
1920	2006/2007	-	3.6%	No	-	-	575	76%	-	-	17%	7%	-	-	-
1906	-	-	4.5%	No	-	-	3,437	-	-	-	-	-	-	100%	-
1961	-	-	5.2%	No	-	-	3,142	5%	17%	-	78%	-	-	-	43
2019	-	-	4.3%	No	-	-	2,070	-	100%	-	-	-	-	-	20
1985	2018	-	3.6%	No	-	-	393	100%	-	-	-	-	-	-	7
2012	-	-	3.5%	No	-	-	263	100%	-	-	-	-	-	-	3
2015	-	-	3.5%	No	-	-	963	100%	-	-	-	-	-	-	17
1910	2018	2013	4.0%	No	-	-	903	93%	-	7%	-	-	-	-	1
1950	2015	-	4.3%	No	-	-	610	100%	-	-	-	-	-	-	3
1971	-	-	4.6%	No	-	-	4,268	33%	32%	21%	-	14%	-	-	32
2019	-	-	5.1%	No	-	-	3,348	-	-	-	100%	-	-	-	53
2019	-	-	0.0%	No	-	-	5,305	-	-	-	-	-	-	100%	26
2013	-	-	3.9%	No	-	-	162	-	-	100%	-	-	-	-	-
1972	2013/2015	2019	4.7%	No	-	-	1,056	10%	57%	-	-	33%	-	-	3
2019	-	-	3.6%	No	-	-	338	100%	-	-	-	-	-	-	6
							224,653	76%	6%	2%	9%	3%	0%	4%	1,741

## DEVELOPMENT PROPERTIES AS AT 31 DECEMBER 2019

Canton	Place	Address	Book value (CHF million)	Built	Project description	Project Status	Realisation period <sup>2)</sup>
<b>Development properties held for sale</b>							
VS	Crans-Montana	Rue du Prado 19 <sup>1)</sup>	1.8	2015	2 condominiums	for sale	-
BE	Saanen	Gstaadstrasse 6/8	21.3	2019/2020	16 condominiums, 5 shops	for sale	-
VD	St.-Sulpice	Chemin des Chantres 8	8.7	2019/2020	4 condominiums	under construction	2020
VS	Lens	Route de Crans 89	3.1	2019	10 condominiums	under construction	2020
<b>Total</b>			<b>34.8</b>				
<b>Investment properties under construction</b>							
VS	Sion	L'Ile Grély	8.6	-	Commercial	under construction	2020
VS	Lens	Route des Mélèzes	0.2	-	Commercial	in planning	2021-2022
<b>Total</b>			<b>8.8</b>				

1) The Group owns 50% of the subsidiary and has applied JV accounting. Sqm information relates to 100% of the property.

2) Future dates indicate planned completion of the development project.

3) S = Sole ownership / C = Condominium

4) Lettable area sqm numbers relate to 100% of the properties

Ownership type <sup>3)</sup>	Ownership %	Site area (sqm)	Total (sqm) <sup>4)</sup>	Total lettable area (% sqm)			
				Residential	Commercial	Retail	Other
C (189/1000)	50%	1,317	341	100%	-	-	-
C (885/1000)	100%	2,347	2,357	80%	-	20%	-
C (1000/1000)	100%	3,118	812	100%	-	-	-
C ( 543/1000)	100%	3,959	1,370	100%	-	-	-
S	100%	16,655	12,578	-	-	-	100%
S	100%	2,683	6,100	-	-	-	100%

## REPORT OF THE INDEPENDENT VALUATION EXPERT CBRE



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Geneva, 17<sup>th</sup> February 2020

### Independent valuer's report

Market value of the Investis portfolio as at 31.12.2019

### COMMISSION

Investis has commissioned CBRE (Geneva) SA to perform the valuation, for accounting purposes, of 170 properties included in their portfolio as at December 31, 2019. The individual properties were valued at market value. They are mainly residential properties located in the French part of Switzerland.

### VALUATION STANDARDS

CBRE carried out the valuations in accordance with the valuation principles set out by the Swiss GAAP FER 18 and by the Royal Institution of Chartered Surveyors (RICS) Valuation – Global Standards 2017 which incorporate the International Standards and the relevant RICS national or jurisdictional supplement ("the Red Book"). We confirm that, based on our extensive expertise of the local and national real estate markets and our professional knowledge and ethical skills, we can provide a comprehensive and independent valuation of the portfolio, in accordance with Swiss GAAP FER 18 and the RICS Valuation Standards.

### DEFINITION OF MARKET VALUE

The properties were valued in accordance with VS 3.2 of the Valuation Standards (9th Edition - Red Book), which is defined as follows:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

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#### VALUATION METHOD:

Most assets of the portfolio are held as investment properties. Certain properties are held for sale.

##### A. Investment properties

Investment properties are estimated at market value using the discounted cashflow method (DCF). The tool used to perform the valuation work is the software "Immopac".

Under DCF method, all incomes and costs associated with one property are reviewed and estimated in order to calculate the net cash flow for each year of the period under review (10 years). Various parameters are considered for the period under review, amongst which fluctuations in rent due to contractual agreements and to evolution of market rents, expenses for ongoing maintenance, repairs and other renovations, vacancy periods, etc.

At the end of the 10 years, the cash-flows are modelled on a static basis, whereby the property is valued using the income capitalization method. This is based on stabilized rental income and an appropriate return on investment.

The resulting cashflows for the period under review are discounted to the valuation date using an estimated discount rate derived from the capital market. This present value is the market value of the property.

In accordance with Swiss practice and for comparison purpose, transfer costs (i.e. broker, notary, land register costs, etc.) are not considered.

##### B. Development properties

Development properties were valued using the residual method. It should be noted that the residual methodology is very sensitive to changes in the assumptions considered. Changes in variables such as sales/rental volumes or construction costs will have a material effect on the residual value. As a result, the residual value is likely to vary considerably depending on the market conditions. For Development properties, we based our assumptions on the budgeted costs of the outstanding work and on the estimated delivery date provided by Investis.

An impairment test has been made by Investis to compare the market value at valuation date calculated with the DCF method and the value at cost at valuation date of each development. For the developments and investment properties under construction, the market value at valuation date calculated with the DCF method is higher than the value at cost at valuation date. That is why, the values at cost at valuation date for each development have then been taken into account in the total market value.

##### C. Properties held for sale

Valuation of the properties held for sale are valued based on estimates of prices per sqm derived from comparable properties sales and properties on sale within the last twelve months.

## BASIS OF VALUATION

As CBRE started valuing Investis portfolio in 2019, a schedule to visit all the premises has been set out. One third of the portfolio was visited in 2019 and the remaining visits will be carried out between 2020 and 2021 (one third each year).

For premises not inspected by CBRE directly, valuation will be based on descriptions and pictures obtained from Wüest Partner's report dated 31.12.2018.

All the documentation provided was examined thoroughly and in-depth analysis of each asset was performed, including SWOT analysis and a review of the quality of the estate (construction type and condition) and its location (micro and macro location). Vacant premises have been estimated taking into consideration reasonable marketing period and costs.

CBRE visited 1/3 of the Investis portfolio during the year 2019. Please see below the list:

List of properties visited in 2019	
Ardon	Avenue Neuve 22
Carouge	Place d'Armes 8
Cheseaux-sur-Lausanne	Chemin de la Chapelle 2
Crans-Montana	Route des Briesses 4
Crans-Montana	Route de Grinchon 1
Crans-Montana	Rue du Prado 19
Cugy	Chemin des Petits-Esserts 1
Geneva	Rue Charles Cusin 10
Geneva	Rue du Vieux-Billard 12
Geneva	Boulevard Carl-Vogt 6
Geneva	Rue du Village-Suisse 4
Geneva	Rue du Nant 30
Geneva	Rue du Valais 7/9/11
Gland	Rue du Jura 15
Lausanne	Route Aloys Fauquez 122/124
Lausanne	Route Aloys Fauquez 60
Lausanne	Place de la Navigation 4/6
Lausanne	Place du Vallon 1
Le Grand-Saconnex	Route de Ferney 208a/b
Lens	Route de Crans 87
Lens	Route de Crans 81
Lens	Grand Place 12/14
Les Avanchets	Avenue Louis-Casari 43
Meyrin	Chemin du Vieux-Bureau 98
Monthey	Avenue de la Gare 18 – Avenue du Théâtre 18
Morges	Rue de Lausanne 35
Perly	Route de Saint-Julien 253/255
Petit-Lancy	Route de Chancy 40
Petit-Lancy	Chemin des Olliquettes 10
Randogne	Chemin de Praty 4
Renens	Avenue de Florissant 30/32
Sion	Chemin de Grély 21
St.-Sulpice	Chemin des Chantres 8
Vernier	Route de Peney 4
Versoix	Avenue Théodore-Vernes 20/22
Versoix	Grand-Montfleury 38
Yverdon-les-Bains	Avenue Kiener 1/3

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## RESULTS

The market value of the Investis' portfolio, on the assumption of unrestricted ownership, is:

CHF 1'429'008'320 as at December 31, 2019.

This value is based on our current knowledge of the premises and of the real estate market and assuming that there will be no unforeseen events affecting the value of the portfolio.

See below for further details.

Type of property	Number of properties	Market value as at 31/12/2019 CHF
Investment properties	170	1'394'173'834
Developments	4	34'834'486
<b>Total</b>	<b>174</b>	<b>1'429'008'320</b>

Within this independent valuer's report, Investis' definition of "property" is calculated on the basis of one entrance door equals one property.

For the following properties, CBRE discloses market values according to the previously mentioned valuation methods. As such, the above total takes into consideration the book value and not the CBRE higher estimated market value.

City	Street
Lens	Route de Crans 87
Randogne	Route de Vermala 43/45
Ardon	Avenue Neuve 22
Saanen	Gstaadstrasse 6/8
Crans-Montana	Rue du Prado 19
St-Sulpice	Chemin des Chantres 8
Lens	Route de Crans 89

*Changes during reporting period*

The following changes occurred between January 1, 2019 and December 31, 2019:

Acquired properties:

List of acquired properties in 2019	
Geneva	Rue de Bâle 28/30
Geneva	Avenue Wendt 27
Geneva	Rue Henri-Frédéric-Amiel 8
Thônex	Chemin des Deux-Communes 13
Perly	Route de Certoux 11/15B/15D
Perly	Route de Certoux 17/17A/19/21
Monthey	Avenue de la Gare 18 – Avenue du Théâtre 18
Lausanne	Avenue d'Ouchy 72/74
Lausanne	Place de la Navigation 4/6
Ardon	Avenue Neuve 22

Sold Properties:

List of sold properties in 2019	
Hérémece	Route de la Forêt Derrière
Rothrist	Helblingstrasse 9
Montpréveyres	Chemin de la Rochette 4
Nyon	Rue Juste-Olivier 13
Moudon	Avenue de Bussy 22/24
Bex	Chemin des Valentines 25
Fribourg	Grand-Places 14
Sion	Avenue du Grand-Champsec 21
Crans-Montana	Route de Vermala
Nyon	Allée de la petite Priarie
St. Gallen	Heiligkreuzstrasse

Completed developments:

List of completed developments in 2019	
Sion	Chemin de Grély 21
Morges	Rue de Lausanne 35
Lens	Route de Crans 81

#### DISCLAIMER

The market value is determined based on:

- information and documents provided by the Client or/and by Third Parties instructed by the Client,
- inspections of the premises under review performed by CBRE.

CBRE assumes, without further verifications, that the Client or/and Third Parties instructed by the Client have provided all the information and documents relevant for the preparation of the valuation report. If CBRE has not received all the necessary information and documents from the Client, the Client himself will be held accountable for the completeness of such information and documents. It is also assumed that the information and documents provided are correct and relevant at the time of the assessment.

CBRE has not carried out or commissioned any legal, structural or other specific investigations.

The addressee of this report is exclusively the Client. The contents of the expert opinion may only be used for the stated purpose. No responsibility whatsoever is assumed towards Third Parties for the entire content or extracts from the content.



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# 5-YEAR-REVIEW

## 5-YEAR REVIEW

Operating results		2019	2018	2017	2016	2015
<b>Properties</b>						
Revenue	CHF 1,000	56,980	54,983	47,492	41,852	40,760
EBITDA before revaluations/disposals <sup>1)</sup>	CHF 1,000	37,768	34,953	32,394	27,293	25,011
EBIT	CHF 1,000	102,549	71,864	58,039	76,679	56,906
<b>Real Estate Services</b>						
Revenue	CHF 1,000	135,967	147,832	147,637	136,094	131,256
Of which property management		51%	54%	53%	56%	55%
Of which facility services		48%	46%	46%	32%	31%
EBIT	CHF 1,000	11,489	7,701	7,839	3,892	6,201
EBIT margin		8.4%	5.2%	5.3%	2.9%	4.7%
<b>Investis Group</b>						
Revenue	CHF 1,000	187,509	197,491	189,987	161,916	157,371
EBITDA before revaluations/disposals <sup>1)</sup>	CHF 1,000	46,665	39,724	37,311	28,695	29,886
EBIT	CHF 1,000	127,159	74,575	60,871	76,369	60,208
EBIT margin		67.8%	37.8%	32.0%	47.2%	38.3%
Net profit	CHF 1,000	172,825	54,376	57,604	45,077	44,569
Net profit excluding revaluation effect <sup>1)</sup>	CHF 1,000	69,535	35,576	26,789	9,419	18,187
Funds from operations (FFO) <sup>1)</sup>	CHF 1,000	16,093	61,145	29,460	17,844	20,483
<b>Financial position</b>						
		31.12.2019	31.12.2018	31.12.2017	31.12.2016	31.12.2015
Cash and cash equivalents	CHF 1,000	65,830	33,245	50,539	52,940	47,983
Residential investment properties	CHF 1,000	1,260,330	1,146,271	940,629	841,961	745,866
Commercial investment properties	CHF 1,000	127,713	102,729	127,784	113,129	81,045
Investment properties under construction	CHF 1,000	8,765	25,073	14,826	64	3,507
Undeveloped plots of land	CHF 1,000	-	1,673	1,673	7,328	12,235
Properties held for sale	CHF 1,000	40,965	69,476	35,805	18,141	14,116
Total property portfolio	CHF 1,000	1,437,774	1,345,221	1,120,717	980,622	856,769
Total assets	CHF 1,000	1,565,564	1,423,653	1,238,222	1,099,750	984,451
Shareholders' equity	CHF 1,000	739,981	588,511	568,989	557,570	427,411
Equity ratio		47.3%	41.3%	46.0%	50.7%	43.4%
Mortgages and bonds	CHF 1,000	660,000	545,631	436,357	325,572	336,105
Gross LTV <sup>1)</sup>		46%	41%	39%	33%	39%
Deferred tax liabilities	CHF 1,000	127,197	177,639	154,977	145,579	132,539
Average discount rate		3.43%	3.49%	3.62%	3.71%	4.04%
Annualised full occupancy property rent	CHF million	61.2	57.7	51.5	46.9	41.2
Annualised property rent	CHF million	59.2	56.0	49.6	45.2	39.8
Vacancy rate		3.2%	2.9%	3.5%	3.7%	3.3%

Number of employees		2019	2018	2017	2016	2015
Headcount (as at period end)		1,229	1,391	1,420	1,146	1,082
FTE (full-time equivalent, average over the period)		1,081	1,169	1,143	902	855

Data per share		31.12.2019	31.12.2018	31.12.2017	31.12.2016	31.12.2015 <sup>2)</sup>
<b>Share data</b>						
Share capital	CHF 1,000	1,280	1,280	1,280	1,280	1,000
Number of registered shares issued		12,800,000	12,800,000	12,800,000	12,800,000	10,000,000
Nominal value per share	CHF	0.10	0.10	0.10	0.10	0.10
NAV per share <sup>1)</sup>	CHF	57.74	45.89	44.38	43.48	39.69
NAV per share excluding deferred taxes with regard to properties <sup>1)</sup>	CHF	67.61	59.59	55.91	54.85	52.93
Earnings per share (basic/diluted)	CHF	13.59	4.27	4.49	3.88	4.16
Gross dividend <sup>3)</sup>	CHF	2.35	2.35	2.35	2.35	
Dividend yield <sup>1, 3)</sup>		2.9%	3.8%	3.8%	4.1%	
Payout ratio <sup>1, 3)</sup>		17.4%	55.4%	52.4%	68.0%	

		2019	2018	2017	2016	2015
<b>Share price</b>						
Share price – high	CHF	81.60	67.80	64.95	61.95	
Share price – low	CHF	60.20	56.60	55.40	53.00	
Share price at end of period	CHF	81.20	61.80	62.65	57.00	
Average number of shares traded per day		4,497	1,762	5,562	9,094	
Market capitalisation at end of period	CHF 1,000	1,039,360	791,040	801,920	729,600	

- 1) The section "Alternative Performance Measures" includes definitions of performance measures that are not defined under Swiss GAAP FER.
- 2) In order to enhance comparability, the number of shares as of 31.12.2015 reflects the number of shares of Investis Holding SA when it was incorporated on 7 June 2016. The number of shares of Investis Investments SA (formerly Investis Holding SA) amounted to 1,000,000 shares.
- 3) Intended distribution per share 2019 in accordance with the proposal to the Annual General Meeting of 28 April 2020.

# ALTERNATIVE PERFORMANCE MEASURES

## ALTERNATIVE PERFORMANCE MEASURES

According to SIX Swiss Exchange's Directive on Financial Reporting regulations, this section includes definitions of performance measures that are not defined under Swiss GAAP FER.

### EBITDA BEFORE REVALUATIONS/DISPOSALS

The EBITDA before revaluations/disposals is a subtotal in the income statement and represents the operating profit before revaluations, disposal of properties, disposal of subsidiaries, depreciation and amortisation.

### NET PROFIT EXCLUDING REVALUATION EFFECTS

In CHF 1,000	2019	2018
Net profit	172,825	54,376
Income from revaluation	-56,577	-24,157
Deferred income taxes from revaluation	-46,713	5,357
<b>Net profit excluding revaluation effect</b>	<b>69,535</b>	<b>35,576</b>

### FUNDS FROM OPERATIONS (FFO)

In CHF 1,000	2019	2018
Cash flow from operating activities	23,858	47,666
Cash flow from changes in properties held for sale	-4,890	16,394
Interest received	379	56
Interest paid	-3,255	-2,972
<b>Funds from operations (FFO)</b>	<b>16,093</b>	<b>61,145</b>

### GROSS LOAN-TO-VALUE (GROSS LTV)

Interest-bearing financial liabilities in relation to total property portfolio value

In CHF 1,000	31.12.2019	31.12.2018
Current financial liabilities	100,000	163,480
Non-current financial liabilities	560,000	386,153
<b>Total financial liabilities</b>	<b>660,000</b>	<b>549,633</b>
Less non-interest-bearing financial liabilities	-	-4,001
<b>Total interest-bearing financial liabilities</b>	<b>660,000</b>	<b>545,631</b>
Properties held for sale	40,965	69,476
Investment properties	1,396,808	1,275,746
<b>Total property portfolio</b>	<b>1,437,774</b>	<b>1,345,221</b>
<b>Gross LTV</b>	<b>46%</b>	<b>41%</b>

### NET ASSET VALUE (NAV) PER SHARE

		31.12.2019	31.12.2018
Equity attributable to the shareholders of Investis Holding SA	in CHF 1,000	739,063	587,348
Number of shares		12,800,000	12,800,000
NAV per share (basic/diluted)	in CHF	57.74	45.89

### NET ASSET VALUE (NAV) PER SHARE EXCLUDING DEFERRED TAXES WITH REGARD TO PROPERTIES

		31.12.2019	31.12.2018
Equity attributable to the shareholders of Investis Holding SA	in CHF 1,000	739,063	587,348
Deferred tax liabilities with regard to properties		126,309	175,447
<b>Net asset value excluding deferred taxes with regard to properties</b>		<b>865,372</b>	<b>762,795</b>
Number of shares		12,800,000	12,800,000
NAV per share excluding deferred taxes with regard to properties (basic/diluted)	in CHF	67.61	59.59

### DIVIDEND YIELD

		31.12.2019	31.12.2018
Gross dividend <sup>1)</sup>	CHF	2.35	2.35
Share price at end of period	CHF	81.20	61.80
Dividend yield <sup>1)</sup>		2.9%	3.8%

### PAYOUT RATIO

		31.12.2019	31.12.2018
Number of registered shares issued		12,800,000	12,800,000
Gross dividend <sup>1)</sup>	CHF	2.35	2.35
<b>Total intended distribution</b>	<b>CHF 1,000</b>	<b>30,080</b>	<b>30,080</b>
Net profit attributable to Investis Holding SA shareholders	CHF 1,000	172,726	54,331
Payout ratio <sup>1)</sup>		17.4%	55.4%

1) Intended distribution per share 2019 in accordance with the proposal to the Annual General Meeting of 28 April 2020.

### LIKE-FOR-LIKE RENTAL GROWTH

In CHF 1,000	2019	2018	2017
Rental income (Segment Properties – Revenue)	56,980	54,983	47,492
Increase	1,997	7,491	
<b>Rental growth</b>	<b>3.6%</b>	<b>15.8%</b>	
of which due to acquisitions	6.9%	17.2%	
of which due to disposals	-3.6%	-3.1%	
<b>of which like-for-like rental growth</b>	<b>0.4%</b>	<b>1.7%</b>	

# FINANCIAL STATEMENTS

## INVESTIS HOLDING SA

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## BALANCE SHEET

In CHF 1,000	Note	31.12.2019	31.12.2018
Cash and cash equivalents		6,971	73
Account receivables from Group companies		591	41
Current loans to Group companies	2.1	26,810	32,421
Prepaid expenses and accrued income		152	36
<b>Total current assets</b>		<b>34,524</b>	<b>32,571</b>
Non-current loans to Group companies	2.1	707,000	603,757
Investments in subsidiaries	2.2	200,000	200,000
<b>Total non-current assets</b>		<b>907,000</b>	<b>803,757</b>
<b>Total assets</b>		<b>941,524</b>	<b>836,328</b>
Current bond	2.3	100,000	140,000
Account payables to third parties		21	-
Account payables to Group companies		209	814
Accrued expenses		2,049	1,752
<b>Total current liabilities</b>		<b>102,279</b>	<b>142,566</b>
Bonds	2.3	560,000	380,000
<b>Total non-current liabilities</b>		<b>560,000</b>	<b>380,000</b>
<b>Total liabilities</b>		<b>662,279</b>	<b>522,566</b>
Share capital		1,280	1,280
Statutory capital reserves			
– Capital contribution reserve		52,578	82,459
– Other capital reserves		199,200	199,214
Statutory retained earnings			
– Reserve for treasury shares (for shares held by subsidiaries)		-	6,018
Voluntary retained earnings			
– Profit carried forward		30,810	23,358
– Profit for the year		621	1,433
Treasury shares		-5,244	-
<b>Total equity</b>	2.4	<b>279,245</b>	<b>313,762</b>
<b>Total shareholders' equity and liabilities</b>		<b>941,524</b>	<b>836,328</b>

## INCOME STATEMENT

In CHF 1,000	Note	2019	2018
Interest on loans to Group companies		5,746	5,090
<b>Total income</b>		<b>5,746</b>	<b>5,090</b>
Personnel expenses	2.5	-363	-414
Administrative expenses		-334	-301
Financial expenses		-4,384	-2,821
<b>Total operating expenses</b>		<b>-5,081</b>	<b>-3,536</b>
<b>Profit before taxes</b>		<b>666</b>	<b>1,555</b>
Income taxes		-45	-122
<b>Profit for the year</b>		<b>621</b>	<b>1,433</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING PRINCIPLES

#### 1.1 GENERAL ASPECTS

These financial statements were prepared in accordance with the provisions of the Swiss Law on Accounting and Financial Reporting (32<sup>nd</sup> title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

As Investis Holding SA has prepared its consolidated financial statements in accordance with a recognised accounting standard (Swiss GAAP FER), it has decided, as the law allows, not to present additional information on interest-bearing liabilities and audit fees in the notes, and not to present a cash flow statement.

#### 1.2 ASSETS

Assets are valued at no more than their acquisition cost. Exceptions are current assets with an observable market price, which are valued at the stock price or market value on the balance sheet date. All changes in value are recognised in the income statement. No value fluctuation reserves have been formed.

#### 1.3 LOANS AND INVESTMENTS

Loans to Group companies and investments in subsidiaries are carried at acquisition costs less any necessary depreciation.

#### 1.4 BONDS

Bonds are recognised in the balance sheet at nominal value. Issuance costs upon issue are offset against any applicable discounts and the surplus is charged to the income statement.

#### 1.5 TREASURY SHARES

Treasury shares directly held are recognised at acquisition cost and deducted from equity. For treasury shares held by a subsidiary, a reserve for treasury shares is created with a corresponding entry in the voluntary retained earnings. Gains and losses on the use/sale are recognised in statutory capital reserves.

## 2. INFORMATION ON BALANCE SHEET AND INCOME STATEMENT ITEMS

### 2.1 LOANS

In CHF 1,000	31.12.2019	31.12.2018
Loan to Investis Investments SA	158,810	122,421
Loan to Investis Properties SA	575,000	513,757
<b>Total loans to Group companies</b>	<b>733,810</b>	<b>636,178</b>
Of which current assets	26,810	32,421
Of which non-current assets	707,000	603,757

### 2.2 INVESTMENTS

The list of legal entities held directly or indirectly by the Company and consolidated at Investis Group level is published in [Note 25](#) of the consolidated financial statements in this report.

### 2.3 BONDS

In 2019, a CHF 140 million bond, maturing on 15 February 2021, with a coupon of 0.773% was issued on 14 February 2019. A further bond of 140 million, maturing on 9 October 2023, with a coupon of 0.05%, was issued on 9 October 2019.

In 2018, a CHF 100 million bond, maturing on 12 June 2020, with a coupon of 0.35% was issued on 12 June 2018.

Information on loan conditions is published in [Note 17](#) of the consolidated financial statements in this report.

## 2.4 EQUITY

The share capital amounted to CHF 1.28 million, composed of 12,800,000 registered shares with a nominal value of CHF 0.10 each. All outstanding shares are entitled to dividends and confer the right to one vote per share at the Company's general meetings.

Article 3a of the Company's Articles of Association sets out that the Company's share capital shall be increased by a maximum amount of CHF 30,000 through the issuance of no more than 300,000 fully paid-up registered shares with a nominal value of CHF 0.10 by way of the exercise of options or similar rights belonging to employees and members of the Board of Directors and the Executive Board in accordance with the applicable regulations and resolutions of the Board of Directors.

Article 3b of the Company's Articles of Association sets out that the share capital may be increased by the issuance of up to 1,280,000 fully paid-in registered shares with a nominal value of CHF 0.10 each, up to CHF 128,000, by means of the exercise of conversion rights and/or warrants granted in connection with newly or already issued bonds or similar debt instruments of the Company or its Group companies to Company creditors and/or investors.

In CHF 1,000	Share capital	Statutory capital reserves		Statutory retained earnings	Voluntary retained earnings	Treasury shares	Total equity
		Capital contribution reserve	Other capital reserves	Reserves for treasury shares			
Equity as at 1 January 2018	1,280	112,521	199,098	-	29,377	-1,135	341,141
Profit for the year					1,433		1,433
Distribution to shareholders		-30,062					-30,062
Use of treasury shares			34			703	736
Purchase of treasury shares						-5,504	-5,504
Sale of treasury shares to subsidiary			82	6,018	-6,018	5,936	6,018
Equity as at 31 December 2018	1,280	82,459	199,214	6,018	24,791	-	313,762
Equity as at 1 January 2019	1,280	82,459	199,214	6,018	24,791	-	313,762
Profit for the year					621		621
Distribution to shareholders		-29,881					-29,881
Purchase of treasury shares from subsidiary				-6,018	6,018	-6,018	-6,018
Use of treasury shares			-14			775	761
Equity as at 31 December 2019	1,280	52,578	199,200	-	31,430	-5,244	279,245

### 2.4.1 CAPITAL CONTRIBUTION RESERVE

The capital contribution reserve includes the premium from capital increase in 2016, minus the distributions decided to date.

From a fiscal point of view, any distributions made from capital contribution reserves are treated the same as a repayment of share capital. In 2017, the Swiss Federal Tax Administration (SFTA) has confirmed that it will recognise CHF 142.6 million of the disclosed reserves from capital contributions as at 31 December 2016 as a capital contribution as per article 5 para. 1<sup>bis</sup> Withholding Tax Act.

**2.4.2 TREASURY SHARES**

	2019		2018	
	Quantity	Value in CHF 1,000	Quantity	Value in CHF 1,000
<b>Net carrying amount as at 1 January</b>	-	-	20,000	1,135
Purchase of treasury shares <sup>1)</sup>	97,384	6,018	89,766	5,504
Use of treasury shares <sup>2)</sup>	-12,533	-761	-12,382	-736
Sale of treasury shares to subsidiary <sup>3)</sup>	-	-	-97,384	-6,018
Losses on use/sale of treasury shares recognised in equity		-14		116
<b>Net carrying amount as at 31 December</b>	<b>84,851</b>	<b>5,244</b>	-	-

1) In 2019, Investis Holding SA acquired 97,384 registered treasury shares at an average price of CHF 61.80 from a subsidiary. In 2018, Investis Holding SA acquired 89,766 registered treasury shares at an average price of CHF 61.31.

2) In 2019, Investis Holding SA used 12,533 (2018: 12,382) registered treasury shares at an average price of CHF 60.71 (2018: CHF 59.45) for the share-based compensation to the Board of Directors and the Executive Board.

3) In 2018, Investis Holding SA sold 97,384 registered treasury shares at an average price of CHF 61.80 to a subsidiary.

**2.5 PERSONNEL EXPENSES**

Information on personnel expenses for the Board of Directors and the Executive Board is published in the compensation report in this annual report.

## 3. OTHER INFORMATION

### 3.1 FULL-TIME EQUIVALENT

Investis Holding SA has no employees.

### 3.2 SIGNIFICANT SHAREHOLDERS

As at 31 December 2019, the Board of Directors is aware of the following shareholders and groups of shareholders that hold at least 3% of the voting rights in the Company:

Stéphane Bonvin owned 9,888,561 shares or 77.3% (2018: 9,860,021 or 77.0%) of the outstanding share capital.

As of 21 January 2019, UBS Fund Management (Switzerland) AG notified that they own 386,998 shares or 3.02% of the outstanding share capital.

### 3.3 SHARE OWNERSHIP

#### Members of the Board of Directors

(non-executive)

As at 31 December 2019, the non-executive members of the Board of Directors (including their related parties) held the following Investis shares.

As at 31 December 2019	Function	Number of registered shares held	Voting rights in % (rounded)
Riccardo Boscardin	Chairman, Member of the Audit and Compensation Committee	5,831	<0.1
Albert Baehny	Vice-Chairman and Chairman of the Compensation Committee	20,782	0.2
Thomas Vettiger	Member and Chairman of the Audit Committee	3,415	<0.1
<b>Total</b>		<b>30,028</b>	<b>0.2</b>
As at 31 December 2018	Function	Number of registered shares held	Voting rights in % (rounded)
Riccardo Boscardin	Chairman, Member of the Audit and Compensation Committee	3,822	<0.1
Albert Baehny	Vice-Chairman and Chairman of the Compensation Committee	19,778	0.2
Thomas Vettiger	Member and Chairman of the Audit Committee	2,411	<0.1
<b>Total</b>		<b>26,011</b>	<b>0.2</b>

**Members of the Executive Board**

(including the executive member of the Board of Directors)

As at 31 December 2019, the executive member of the Board of Directors and the members of the Executive Board (including their related parties) held the following Investis shares.

As at 31 December 2019	Function	Number of registered shares held	Voting rights in % (rounded)
Stéphane Bonvin	Chief Executive Officer and member of the Board of Directors	9,888,561	77.3
René Häsler	Chief Financial Officer	16,595	0.1
Walter Eberle	Head Facility Services	13,634	0.1
Dieter Sommer <sup>1)</sup>	Head Property Management	2,997	<0.1
<b>Total</b>		<b>9,921,787</b>	<b>77.5</b>
As at 31 December 2018	Function	Number of registered shares held	Voting rights in % (rounded)
Stéphane Bonvin	Chief Executive Officer and member of the Board of Directors	9,860,021	77.0
René Häsler	Chief Financial Officer	13,310	0.1
Walter Eberle	Head Facility Services	10,512	0.1
Dieter Sommer	Head Property Management	1,315	<0.1
<b>Total</b>		<b>9,885,158</b>	<b>77.2</b>

1) Member of the Executive Board until 31 December 2019.

**3.4 EVENTS AFTER THE BALANCE SHEET DATE**

There are no significant events after the balance sheet date which could impact the book value of the assets or liabilities or which should be disclosed here.

## PROPOSED APPROPRIATION OF AVAILABLE EARNINGS

The Board of Directors proposes to the Annual General Meeting a distribution of CHF 2.35 per registered share amounting to CHF 30,080,000, consisting of a dividend of CHF 1.18 per registered share and an appropriation from statutory capital contribution reserves to voluntary retained earnings and a payout of CHF 1.17 per registered share.

### PROPOSED APPROPRIATION OF AVAILABLE EARNINGS

In CHF 1,000	31.12.2019	31.12.2018
Profit carried forward from prior year	24,791	29,377
Reclass from reserves for treasury shares	6,018	-6,018
Profit for the year	621	1,433
<b>Retained earnings available for Annual General Meeting</b>	<b>31,430</b>	<b>24,791</b>
Proposed dividend payment	-15,104	-
<b>Balance to be carried forward</b>	<b>16,326</b>	<b>24,791</b>

### PROPOSED APPROPRIATION FROM STATUTORY CAPITAL CONTRIBUTION RESERVE

In CHF 1,000	2019	2018
Statutory capital contribution reserves before distribution	52,578	82,459
Proposed appropriation from statutory capital reserves to voluntary retained earnings	-14,976	-29,881
<b>Statutory capital contribution reserves after distribution</b>	<b>37,602</b>	<b>52,578</b>

## PROPOSED PAYOUT

In CHF 1,000	2019	2018
<b>Proposed dividend payment</b>		
Gross dividend per registered share: CHF 1.18 (2018: CHF -)		
on 12,715,149 shares entitled to distribution at 31 December 2019	15,004	-
on 84,851 treasury shares set aside for the employee share plan at 31 December 2019 <sup>1)</sup>	100	-
Less withholding tax	-5,286	-
<b>Proposed distribution from capital contribution reserve</b>		
Gross distribution per registered share: CHF 1.17 (2018: CHF 2.35)		
on 12,715,149 shares entitled to distribution at 31 December 2019	14,877	29,881
on 84,851 treasury shares set aside for the employee share plan at 31 December 2019 <sup>2)</sup>	99	-
Less withholding tax	-	-
<b>Total payout</b>	<b>24,794</b>	<b>29,881</b>

- 1) The Company will waive its entitlement to dividend for the treasury shares held on the distribution date which are reserved for use in its employee share plan. The amount due on these shares will be taken to the profit carried forward.
- 2) The Company will waive its entitlement to such payments from the statutory capital contribution reserves for the treasury shares held on the distribution date which are reserved for use in its employee share plan. The amount due on these shares will be taken to the statutory capital contribution reserves.

# Report of the statutory auditor

## to the General Meeting of Investis Holding SA

### Zurich

#### Report on the audit of the financial statements

##### Opinion

We have audited the financial statements of Investis Holding SA, which comprise the balance sheet as at 31 December 2019, income statement and notes for the year then ended, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 133 to 142) as at 31 December 2019 comply with Swiss law and the company's articles of incorporation.

##### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Our audit approach

##### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

<b>Overall materiality</b>	CHF 9'410'000
<b>How we determined it</b>	1% of total assets
<b>Rationale for the materiality benchmark applied</b>	We chose total assets as the benchmark because, in our view, it is the benchmark against which the performance of a holding company that does not engage in operating activities is most commonly measured.

##### Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in

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all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

#### Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

We have determined that there are no key audit matters to communicate in our report.

#### Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERT-suisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

#### Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Oliver Kuntze

Audit expert  
Auditor in charge



Marc Zurflüh

Audit expert

Bern, 23 March 2020

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## FINANCIAL CALENDAR AND SHARE DATA

28 April 2020	Ordinary Annual General Meeting 2020
27 August 2020	Half-year results 2020
ISIN	CH 0325094297
Swiss security no.	32,509,429
Ticker symbol	IREN
Bloomberg	IREN SE
Reuters	IREN.S
Type of security	Registered share
Trading currency	CHF
Listing	SIX Swiss Exchange
Index	SPI, SXI Real Estate Shares
No. of registered shares outstanding	12,800,000
Nominal value in CHF	0.10

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In the interest of readability, this report may sometimes use language that is not gender-neutral. Any gender-specific references should be understood to include masculine, feminine and neuter as the context permits.

The Investis Annual Report is published in English language only.

As a result of rounding, minor variances in calculated sums and percentages are possible in this Annual Report.

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