

2024

Half-Year Report



Selected key figures

Income statement		H1 2024	H1 2023	
Property income	TCHF	33 820	32 799	3.1%
Operating income ¹	TCHF	43 395	42 901	1.2%
Operating expenses	TCHF	15 831	15 739	0.6%
Operating result before depreciation and revaluation	TCHF	27 564	27 162	1.5%
Revaluation of investment properties (net)	TCHF	11 463	-18 271	162.7%
Operating result (EBIT)	TCHF	37 018	7 152	417.6%
Net income	TCHF	28 152	1 922	1 364.7%
Net income excluding revaluation and special effects ²	TCHF	18 065	18 000	0.4%
Balance Sheet		30.06.2024	31.12.2023	
Total assets	TCHF	1 817 691	1 806 813	0.6%
Interest-bearing debt	TCHF	672 681	674 240	-0.2%
– Interest-bearing debt in % of total assets		37.0%	37.3%	
– Average rate of interest of the interest-bearing debt (period)		1.5%	1.5%	
– Average maturity of the interest-bearing debt	Years	3.0	3.5	
Equity	TCHF	998 249	992 537	0.6%
– Equity ratio		54.9%	54.9%	
Employees		30.06.2024	31.12.2023	
Headcount	FTE	132.6	134.4	-1.3%
Share		H1 2024	H1 2023	
Closing price	CHF	1 725	1 595	8.2%
Market capitalisation ³	TCHF	879 750	813 450	8.2%
Earnings per series B registered share ⁴	CHF	55.2	3.8	1 364.7%
Earnings per series B registered share excl. revaluation and special effects ^{2,4}	CHF	35.4	35.3	0.4%
NAV at market value per series B registered share ^{3,5}	CHF	2 055.2	2 027.8	1.4%
Portfolio		30.06.2024	31.12.2023	
Investment properties	TCHF	1 736 823	1 725 597	0.7%
Investment properties under construction	TCHF	24 492	18 235	34.3%
Undeveloped plots	TCHF	0	2 524	-100.0%
Total real estate portfolio	TCHF	1 761 315	1 746 356	0.9%
Operating properties (market value) ⁶	TCHF	81 320	81 320	0.0%
Total portfolio	TCHF	1 842 635	1 827 676	0.8%
Vacancy rate investment properties ⁷		0.7%	3.9%	
Gross return investment properties ⁸		4.0%	3.9%	
Weighted average unexpired lease term of rental contracts in portfolio (WAULT)	Years	6.1	6.5	
Average discount rate (real)		2.9%	2.9%	

¹ Excluding income from revaluation of investment properties and gains on the sale of investment properties.

² Corresponds to net income excluding income from revaluation of investment properties (net), excluding income from the sale of investment properties and corresponding deferred taxes as well as the effect of adjustments made to deferred tax rates (see page 16).

³ In relation to number of shares outstanding (series A registered shares converted).

⁴ In relation to average number of shares outstanding (series A registered shares converted).

⁵ NAV at market value includes properties used for operational purposes at market value and corresponding deferred taxes.

⁶ Operating properties are revalued once a year at year-end.

⁷ As at the balance sheet date, as a percentage of projected rental income.

⁸ Projected rental income (annualised) as a percentage of the market value on the balance sheet date.

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Letter to shareholders

Pleasing results for first half of 2024 thanks to almost fully let portfolio

**CHF
18.1 million**

Net income excluding revaluation and special effects

Dear shareholders, Ladies and gentlemen,

Zug Estates recorded a pleasing increase in net income in the first half of 2024. Demand for attractive, well-connected rental space remains intact given Zug's dynamic growth as a place to live and work, coupled with limited supply. Together with the large number of rental successes seen in the previous year, this led to a significantly lower vacancy rate and an increase in property income.

The changed interest rate situation following the two cuts in key interest rates by the Swiss National Bank had a favourable impact on the financing environment in the first half of 2024; this led to a better-than-expected financial result and had a positive effect on real estate values.

Net income increased by a substantial CHF 26.3 million year on year, from CHF 1.9 million to CHF 28.2 million; this was attributable to a positive revaluation result compared with the first half of 2023. After adjustment for revaluation and special effects, net income showed a slight increase of CHF 0.1 million or 0.4%, from CHF 18.0 million to CHF 18.1 million.

Higher property income, but subdued demand for hotel rooms

Property income rose by CHF 1.0 million or 3.1%, from CHF 32.8 million to CHF 33.8 million. This was attributable to a distinctly lower vacancy rate, which in the previous year had been affected by refurbishment work on retail space at the Metalli shopping mall in Zug. On a like-for-like basis, property income was up CHF 0.7 million or 2.1% year on year.

+3.1%

Increase in property income in first half of 2024

In the hotel & catering segment, on the other hand, larger companies are currently taking a cautious approach to the booking of business travel and events. This led to a reduction in hotel & catering income of CHF 0.4 million or 5.5%, from CHF 8.1 million to CHF 7.7 million. Gross operating profit (GOP) fell from 42.3% to 37.8% following the expansion of the catering offering – which is characterised by lower margins than the hotel business – in 2023.

In total, operating income rose by CHF 0.5 million or 1.2%, from CHF 42.9 million to CHF 43.4 million. Operating expenses increased only slightly by CHF 0.1 million or 0.6% from CHF 15.7 million to CHF 15.8 million.

6.1 years

Weighted average unexpired lease term (WAULT)

0.7%

Vacancy rate

Higher portfolio value

Due mainly to revaluation effects, the market value of the overall portfolio increased by CHF 14.9 million or 0.8%, from CHF 1827.7 million as at 31 December 2023 to CHF 1842.6 million as at 30 June 2024. The revaluation gain of CHF 11.5 million (previous year: revaluation loss of CHF 18.3 million) or around 0.7% of the portfolio value of all investment properties, is due to the pleasing rental situation and the rise in rental income. At 2.90% as at 30 June 2024, the average real discount rate was practically unchanged compared with the previous year (2.91% as at the end of 2023).

A total of CHF 3.5 million was invested in the portfolio in the period under review. This compares with the previous year's figure of CHF 22.8 million, the bulk of which was attributable to the acquisition of additional co-ownership shares in Miteigentümerschaft (MEG) Metalli.

Solid equity ratio

The pleasing operating result and low level of investment in the portfolio led to a slight reduction in interest-bearing debt of CHF 1.5 million or 0.2%, despite payment of a CHF 22.4 million dividend. Interest-bearing debt fell to CHF 672.7 million as at 30 June 2024 from CHF 674.2 million as at 31 December 2023. As a percentage of total assets, interest-bearing debt decreased from 37.3% to 37.0% thanks to the additional increase in the value of the portfolio.

The already very solid equity ratio as at 30 June 2024 was unchanged at 54.9%.

As no major loans became due for extension, the average residual maturity of loans fell from 3.5 years as at 31 December 2023 to 3.0 years as at 30 June 2024. The average interest rate was unchanged at 1.5%.

Significant reduction in vacancy rate

Commercial leases for space totalling around 3 700 m², involving rental income of around CHF 1.5 million p.a., were extended or concluded in the first half of 2024. The agreements concluded related to both office space in Zug and Rotkreuz and retail space at the Metalli complex. The Suurstoffi 14 property, which was originally used exclusively by Novartis, is fully let again.

Together with the numerous rental agreements concluded in the previous year, the leases agreed in the reporting period led to a significant reduction in the vacancy rate. The vacancy rate fell from 3.9% as at 31 December 2023 to a very low 0.7% as at 30 June 2024. The weighted average unexpired lease term (WAULT) of 6.1 years (6.5 years as at 31 December 2023) remained at a very high level for the industry.

New retail and catering options at City Centre site

The refurbishment of the former Zara space at the Metalli shopping mall was completed, with the ground-level space having been subdivided into three shop units – one of which is now connected to the basement. Lidl (foods), doodah and PME Legend (both clothing) opened their new stores in April and May 2024.

In addition, the comprehensive refurbishment of the listed Bären property – which has been underway since April 2023 – is nearing completion. Within this classical building, Tibits AG is set to open its first venue in Zug at the end of August 2024.

Start of construction on final Suurstoffi plot at end 2024

Preparatory work for the start of construction work on the one remaining undeveloped plot at the Suurstoffi site is in full swing. Construction of the two buildings, S43/45, with a total of around 14400m² of office and education space as well as 1100m² of residential space for student living will come at an investment cost of around CHF 85 million and will take three to four years.

Building work is due to commence at the end of 2024, with leased spaces likely to be handed over to future tenants from mid-2027. The residential space for student living will be leased and operated by Lucerne University of Applied Sciences and Arts. Marketing has begun for the office and education space, and talks are underway with parties interested in the attractive, versatile rental space at the two buildings.

Metalli Living Space development

Clarification is under way regarding implementation of the “2000 homes for Zug’s middle classes” initiative approved by voters. The requirement that at least 40% of newly built residential space in all high-density areas be affordable has implications for the development plans for both the Metalli and Bergli sites. Zug Estates is therefore in close dialogue with the City of Zug and is examining its options in terms of implementation and optimisation of the project.

In view of the consequences of the initiative, Zug Estates has already decided against pursuing the Bergli development plan and will instead focus on the plan for Metalli. The basis of the project is currently being reviewed in consultation with the City of Zug, with changes being made to the development plan to ensure implementation of the initiative. The aim is to finalise this work by the end of 2024 so as to ensure that – in the event of a decision to continue with the project – the political process for implementation of the Metalli development plan can begin in the first half of 2025.

Suurstoffi site awarded DGNB Platinum Certificate

Zug Estates has pursued ambitious sustainability targets over many years and is focused on reducing greenhouse gas emissions within its operations as well as in connection with the construction of properties, together with the creation and continuous development of future-proof, diverse living spaces. Zug Estates’ major ambitions have now been recognised in the form of DGNB certification. In March 2024, the Swiss Sustainable Building Council awarded Suurstoffi – as the first site in Switzerland – the DGNB Platinum Certificate for the planning and construction of sustainable districts.

54.9%

Equity ratio

Positive outlook for 2024

Thanks to successful rental activity in the 2023 financial year and first half of 2024 as well as rent increases due to index and reference interest rate adjustments, we expect higher property income and an improvement in operating income for the real estate segment on a full-year basis too. The vacancy rate at the end of 2024 is likely to be significantly lower than a year earlier.

For the hotel & catering segment, we expect total income to be roughly on a par with the previous year's level despite a fall in demand on the part of larger companies. The GOP margin is likewise expected to be in line with the previous year's figure.

All in all, we continue to expect net income excluding revaluation and special effects for the 2024 financial year of over CHF 35 million.

Zug, August 2024



Dr Beat Schwab
Chairman of the Board of Directors



Patrik Stillhart
CEO

Consolidated balance sheet

Assets

in CHF thousands	Note	30.06.2024	31.12.2023
Cash and cash equivalents		13 759	20 117
Accounts receivable		1 208	489
Other receivables		5 546	2 971
Inventories		154	132
Prepaid expenses		4 333	3 310
Total current assets		25 000	27 019
Investment properties	1	1 736 823	1 725 597
Investment properties under construction	1	24 492	18 235
Undeveloped plots	1	0	2 524
Operating properties		24 591	25 664
Other tangible assets		5 773	6 606
Deferred tax assets		98	92
Financial assets		156	169
Intangible assets		758	907
Total non-current assets		1 792 691	1 779 794
Total assets		1 817 691	1 806 813

Liabilities and equity

in CHF thousands	Note	30.06.2024	31.12.2023
Current financial liabilities	2	117 365	119 780
Accounts payable		948	480
Other current liabilities		6 349	3 871
Accrued expenses and deferred income	3	14 718	13 866
Current provisions		35	34
Total current liabilities		139 415	138 031
Long-term financial liabilities	2	555 316	554 460
Long-term provisions		310	328
Deferred tax liabilities		124 401	121 457
Total long-term liabilities		680 027	676 245
Total liabilities		819 442	814 276
Share capital	4	12 750	12 750
Capital reserves		509 491	509 491
Retained earnings		476 008	470 296
Total equity		998 249	992 537
Total liabilities and equity		1 817 691	1 806 813

Consolidated income statement

in CHF thousands	Note	01.01.2024– 30.06.2024	01.01.2023– 30.06.2023
Property income	5	33 820	32 799
Hotel & catering income	6	7 658	8 100
Additional income from ordinary business operations		1 783	1 891
Net sales from goods and services		43 261	42 790
Other operating income		134	111
Total operating income		43 395	42 901
Property expenses		– 3 675	– 3 459
Cost of goods purchased for hotel & catering		– 595	– 554
Personnel expenses		– 7 344	– 7 549
Other operating expenses		– 4 217	– 4 177
Total operating expenses		– 15 831	– 15 739
Operating result before depreciation and revaluation		27 564	27 162
Revaluation of investment properties (net)	1	11 463	– 18 271
Operating result before depreciation and amortisation (EBITDA)		39 027	8 891
Depreciation and amortisation		– 2 009	– 1 739
Operating result (EBIT)		37 018	7 152
Financial result		– 5 043	– 4 783
Income before taxes (EBT)		31 975	2 369
Tax expenditure		– 3 823	– 447
Net income		28 152	1 922
Earnings per share			
in CHF			
Earnings per series A registered share, undiluted ¹	4	5.52	0.38
Earnings per series B registered share, undiluted ¹	4	55.20	3.77

¹ There are no potential dilutive effects to report. The diluted earnings per share correspond to the undiluted earnings per share.

Consolidated statement of cash flows (abridged)

in CHF thousands	01.01.2024– 30.06.2024	01.01.2023– 30.06.2023
– Cash flow before change in working capital	21 675	21 594
– Change in working capital	954	–1 319
Cash flow from operating activities	22 629	20 275
Cash flow from investing activities	–4 932	–22 786
Cash flow from financing activities	–24 055	2 080
Change in cash and cash equivalents	–6 358	–431
Composition of net cash and cash equivalents		
Net cash and cash equivalents at the beginning of reporting period	20 117	17 319
Net cash and cash equivalents at the end of reporting period	13 759	16 888
Change in cash and cash equivalents	–6 358	–431

The release of the accrued expense for investment in the amount of TCHF 1 495 was taken into account in the first half of 2024 (first half of 2023: TCHF 1 095).

Consolidated statement of changes in equity

in CHF thousands	Share capital	Capital reserves	Retained earnings	Total equity
Balance as at 01.01.2023	12 750	509 491	467 012	989 253
Distribution from retained earnings carried forward (dividends)	0	0	–20 910	–20 910
Net income	0	0	1 922	1 922
Balance as at 30.06.2023	12 750	509 491	448 024	970 265
Balance as at 01.01.2024	12 750	509 491	470 296	992 537
Distribution from retained earnings carried forward (dividends)	0	0	–22 440	–22 440
Net income	0	0	28 152	28 152
Balance as at 30.06.2024	12 750	509 491	476 008	998 249

Notes to the consolidated financial statements

General information

Zug Estates Holding Ltd is an incorporated company headquartered in Zug, Switzerland, whose shares are listed on SIX Swiss Exchange.

Principles

These unaudited consolidated financial statements (interim report) were prepared in accordance with the Swiss GAAP FER 31 Accounting and Reporting Recommendations, which permit an abridged form compared to the annual financial statements, as well as the special provisions for real estate companies (Article 17 of the Directive on Financial Reporting) of SIX Swiss Exchange, and present a true and fair view of the financial position, the results of operations and the cash flows.

The same consolidation and valuation principles are used in these financial statements as in the financial statements for the period ended 31 December 2023.

Method and technique used for property valuation

The valuation of investment properties is based on market value assessments (valuation updates) performed by a recognised, independent real estate expert (Wüest Partner AG) as at 30 June 2024, using the DCF method. No changes were made to the valuation method and technique applied when preparing the 2024 half-year financial statements.

Scope of consolidation

Zubar A Immobilien AG was merged with Renggli Immobilien AG with retroactive effect as at 1 January 2024.

No further changes were made to the scope of consolidation compared to 31 December 2023.

List of investments

Company	Domicile	Business	Share capital in CHF	Share of capital 30.06.2024	Share of capital 31.12.2023	Share of votes 30.06.2024	Share of votes 31.12.2023
Garden Park Zug AG	Zug, ZG	Hotel & catering operator	1 000 000	100%	100%	100%	100%
Zug Estates AG	Zug, ZG	Real estate company	1 500 000	100%	100%	100%	100%
Miteigentümer-gemeinschaft Metalli ¹	Zug, ZG	Real estate company	0	78.75%	78.75%	10.00%	11.11%
Renggli Immobilien AG	Zug, ZG	Real estate company	200 000	100%	100%	100%	100%
Zubar A Immobilien AG ²	Zug, ZG	Real estate company	n/a	n/a	100%	n/a	100%

¹ The transfer of a co-ownership share in Miteigentümergeinschaft Metalli belonging to a third party to an additional co-owner resulted in a reduction in the share of votes from 11.11% to 10.00%.

² Merged with Renggli Immobilien AG as at 1 January 2024.

1 Investment properties, investment properties under construction and undeveloped plots

in CHF thousands	Zug City Center, Zug, Investment properties	Suurstoffi site, Risch Rotkreuz Investment properties	Other investment properties	Total investment properties	Total investment properties under construction ¹	Undeveloped plots	Total
Balance as at 01.01.2023	750 385	852 800	110 260	1 713 445	11 758	2 524	1 727 727
Investments ²	929	1 736	0	2 665	814	0	3 479
Acquisitions ³	19 370	0	0	19 370	0	0	19 370
Reclassification to properties for sale ⁴	0	0	- 4 500	- 4 500	0	0	- 4 500
Revaluation (net)	- 1 155	- 11 326	- 5 790	- 18 271	0	0	- 18 271
Balance as at 30.06.2023	769 529	843 210	99 970	1 712 709	12 572	2 524	1 727 805
Accumulated acquisition values as at 01.01.2023	373 336	719 122	115 501	1 207 959	11 758	2 524	1 222 241
Accumulated acquisition values as at 30.06.2023	393 635	720 858	110 092	1 224 585	12 572	2 524	1 239 681
Difference market values / acquisition values as at 01.01.2023	377 049	133 678	- 5 241	505 486	0	0	505 486
Difference market values / acquisition values as at 30.06.2023	375 894	122 352	- 10 122	488 124	0	0	488 124
Balance as at 01.01.2024	788 287	839 210	98 100	1 725 597	18 235	2 524	1 746 356
Investments ²	599	- 296	0	303	3 193	0	3 496
Reclassification of undeveloped plots to investment properties under construction ⁵	0	0	0	0	2 524	- 2 524	0
Revaluation (net)	7 677	5 246	- 2 000	10 923	540	0	11 463
Balance as at 30.06.2024	796 563	844 160	96 100	1 736 823	24 492	0	1 761 315
Accumulated acquisition values as at 01.01.2024	405 145	720 567	110 092	1 235 804	18 348	2 524	1 256 676
Accumulated acquisition values as at 30.06.2024	405 744	720 271	110 092	1 236 107	24 065	0	1 260 172
Difference market values / acquisition values as at 01.01.2024	383 142	118 643	- 11 992	489 793	- 113	0	489 680
Difference market values / acquisition values as at 30.06.2024	390 819	123 889	- 13 992	500 716	427	0	501 143

¹ Comprises the new-build project Suurstoffi 43/45, Risch Rotkreuz, planning costs related to development of Metalli Living Space, Zug, and refurbishment of the Baarerstrasse 30 property in Zug. A building permit has been obtained for the Suurstoffi 43/45 construction project, which is now under way. The property will be valued at market prices for the first time as at 30 June 2024 (previously at cost of acquisition). Construction of the two buildings, with 14 400 m² of office and education space as well as 1 100 m² of residential space for student living, will come at an investment cost of around CHF 85 million. Building work is due to commence at the end of 2024, with leased spaces likely to be handed over to future tenants from mid-2027. As for development of the Metalli Living Space, the impacts of the "2000 homes for Zug's middle classes" initiative, which was approved by voters, are currently being examined. In view of the consequences of the initiative, a decision has already been taken against revising the Bergli development plan and to instead focus on the plan for Metalli. The refurbishment of Baarerstrasse 30, Zug, will be completed in the third quarter of 2024.

² Additions from investments include non-cash transactions from the accrual of building costs as well as from accounts payable.

³ Additions from the purchase of an additional 3.5% stake in Miteigentümergeinschaft Metalli, Zug.

⁴ Reclassification of the property at Duggelstrasse 28, Cham, to properties held for sale.

⁵ Comprised the undeveloped part of the Suurstoffi site in Risch Rotkreuz. The Suurstoffi 43/45 plot was reclassified from undeveloped plots to investment properties under construction and assessed at fair value for the first time.

The discount rates applied for the valuation of the investment properties and the investment properties under construction as at the balance sheet date were within a range of 2.4% to 3.4% in real terms (31 December 2023: 2.4% to 3.5% in real terms).

The average weighted discount rate was 2.90% in real terms and 4.19% in nominal terms (31 December 2023: 2.91% in real terms and 4.19% in nominal terms).

Additional information per property can be found on pages 22 to 23 of this report.

2 Financial liabilities

Financial liabilities comprise bonds and mortgage loans with financial institutions. They are structured as follows by maturity:

Residual term to maturity in CHF thousands	30.06.2024	31.12.2023
Due in the 1st year	117 365	119 780
Due in the 2nd year	173 664	150 688
Due in the 3rd year	31 274	24 544
Due in the 4th year	60 000	92 074
Due in the 5th year	199 773	100 800
Due in the 6th year	90 605	100 549
Due in the 7th year	0	85 805
Total financial liabilities	672 681	674 240
Of which current	117 365	119 780
Of which long-term	555 316	554 460

The average residual term to maturity of the interest-bearing debt was 3.0 years (31 December 2023: 3.5 years). The average capital-weighted interest rate on all interest-bearing financial liabilities was 1.5% (31 December 2023: 1.5%).

As was the case in the previous year, no borrowing costs were capitalised in the reporting period.

The financing structure is composed as follows:

Financing structure in CHF thousands	30.06.2024	31.12.2023
Bonds	199 693	199 637
Mortgages	472 988	474 603
Total financial liabilities	672 681	674 240

The bonds comprise two current green bonds with the following conditions:

Key figures	0.10% green bond (2019–2025)	0.75% green bond (2022–2029)
Volume	CHF 100 million	CHF 100 million
Term	6.0 years (02.10.2019–02.10.2025)	7.2 years (17.02.2022–17.04.2029)
Coupon	0.10%	0.75%
Effective rate of interest	0.174%	0.809%
Listing	SIX Swiss Exchange AG	SIX Swiss Exchange AG
Security number	494 734 426	114 872 819

The transaction costs were deducted from the initial recognition of the issue proceeds. The difference between the carrying amount and the redemption amount is written up on a straight-line basis over the term and amounts to TCHF 307 as at 30 June 2024 (31 December 2023: TCHF 363).

in CHF thousands	0.10% green bond (2019-2025)	0.75% green bond (2022-2029)	Total
Issue proceeds	99 618	99 660	199 278
Accumulated amortisation of issue costs	270	89	359
Balance as at 01.01.2024	99 888	99 749	199 637
Amortisation of issue costs	32	24	56
Balance as at 30.06.2024	99 920	99 773	199 693

To secure the mortgages, properties with a carrying amount of TCHF 1162 643 (31 December 2023: TCHF 1156 788) have been pledged.

3 Accrued expenses and deferred income

in CHF thousands	30.06.2024	31.12.2023
Advance payments from tenants	8 174	4 931
Accruals for investments	3 022	3 841
Accruals for operating costs	1 423	1 279
Income tax accrual	1 073	1 955
Accruals for staff-related costs	781	1 281
Other accrued expenses and deferred income	245	579
Total accrued expenses and deferred income	14 718	13 866

Advance payments from tenants are now reported under accrued expenses and deferred income instead of under accounts payable. The previous year's figures have been revised accordingly.

4 Equity

Share capital

Shares issued	Security number	Nominal value (CHF)	Number	Votes	Capital (CHF)	Votes previous year	Capital previous year (CHF)
Series A registered shares	14 805 211	2.50	496 600	496 600	1 241 500	496 600	1 241 500
Series B registered shares	14 805 212	25.00	460 340	460 340	11 508 500	460 340	11 508 500
Total				956 940	12 750 000	956 940	12 750 000

As was the case last year, Zug Estates Holding Ltd did not sell any registered shares during the reporting period.

As was the case last year, Zug Estates Holding Ltd did not hold any registered treasury shares as at the balance sheet date.

Non-distributable statutory reserves as at 30 June 2024 amounted to TCHF 3 900 (31 December 2023: TCHF 3 975).

Equity per share

		30.06.2024	31.12.2023
Equity	TCHF	998 249	992 537
Deferred tax liabilities	TCHF	124 401	121 457
Equity before deferred taxes	TCHF	1 122 650	1 113 994
Outstanding series A registered shares ¹	Number	496 600	496 600
Outstanding series B registered shares	Number	460 340	460 340
Equity per outstanding series B registered share, before deferred taxes	CHF	2 201.27	2 184.30
Equity per outstanding series B registered share, after deferred taxes	CHF	1 957.35	1 946.15

¹ Series A registered shares are factored in at a ratio of 1 to 10 in accordance with their share of capital.

NAV at market value per share

		30.06.2024	31.12.2023
Equity	TCHF	998 249	992 537
Difference market value/acquisition value operating properties	TCHF	56 729	55 656
Deferred taxes on difference market value/acquisition value operating properties	TCHF	- 6 807	- 6 679
NAV at market value	TCHF	1 048 171	1 041 514
Outstanding series A registered shares ¹	Number	496 600	496 600
Outstanding series B registered shares	Number	460 340	460 340
NAV at market value per outstanding series B registered share	CHF	2 055.24	2 042.18

¹ Series A registered shares are factored in at a ratio of 1 to 10 in accordance with their share of capital.

NAV at market value per share includes properties used for operational purposes at market values. The market values of operating properties are determined once a year at year-end by an independent real estate valuation expert.

Net income excluding revaluation and special effects

in CHF thousands	01.01.2024– 30.06.2024	01.01.2023– 30.06.2023
Net income	28 152	1 922
Revaluation of investment properties (net)	- 11 463	18 271
Taxes attributable to the revaluation of investment properties (net)	1 376	- 2 193
Net income excluding revaluation and special effects	18 065	18 000

Earnings per share

Information on series A registered shares		01.01.2024– 30.06.2024	01.01.2023– 30.06.2023
Series A registered shares issued on 01.01.	Number	496 600	496 600
Series A registered shares issued on 30.06.	Number	496 600	496 600
Series A registered shares issued (weighted average)	Number	496 600	496 600
Average outstanding series A registered shares	Number	496 600	496 600
Share in net income attributable to series A registered shares	TCHF	2 741	187
Share in net income excluding revaluation and special effects, attributable to series A registered shares	TCHF	1 759	1 753
Applicable number of series A registered shares	Number	496 600	496 600
Earnings per series A registered share, undiluted¹	CHF	5.52	0.38
Earnings per series A registered share excluding revaluation and special effects, undiluted¹	CHF	3.54	3.53

Information on series B registered shares		01.01.2024– 30.06.2024	01.01.2023– 30.06.2023
Series B registered shares issued on 01.01.	Number	460 340	460 340
Series B registered shares issued on 30.06.	Number	460 340	460 340
Series B registered shares issued (weighted average)	Number	460 340	460 340
Average outstanding series B registered shares	Number	460 340	460 340
Share in net income attributable to series B registered shares	TCHF	25 411	1 735
Share in net income excluding revaluation and special effects, attributable to series B registered shares	TCHF	16 306	16 247
Applicable number of series B registered shares	Number	460 340	460 340
Earnings per series B registered share, undiluted¹	CHF	55.20	3.77
Earnings per series B registered share excluding revaluation and special effects, undiluted¹	CHF	35.42	35.28

¹ There are no potential dilutive effects to report. The diluted earnings per share correspond to the undiluted earnings per share.

5 Property income

The reported property income of TCHF 33 820 (first half of 2023: TCHF 32 799) comprises actual rental income. This position contains rental income from all properties.

in CHF thousands	01.01.2024– 30.06.2024	01.01.2023– 30.06.2023
Rental income Zug City Center site	15 675	15 316
Rental income Suurstoffi site	16 850	16 174
Income from other properties	1 295	1 309
Total property income	33 820	32 799

The individual contractual relationships with external tenants had the following terms on the balance sheet date:

Term, share in %	30.06.2024	30.06.2023
Under 1 year, including unlimited rental contracts	43.5	42.2
Over 1 year	4.0	5.0
Over 2 years	2.8	3.3
Over 3 years	12.4	2.1
Over 4 years	11.2	12.7
Over 5 years	10.3	9.8
Over 6 years	0.7	9.7
Over 7 years	0.4	0.9
Over 8 years	0.5	2.5
Over 9 years	4.2	0.2
Over 10 years	10.0	11.6
Total	100.0	100.0

As at 30 June 2024, the five largest tenant groups together generated 22.6% of rental income (as at 31 December 2023: 23.2%). They can be broken down as follows:

Tenants, share in %	30.06.2024	Tenants, share in %	31.12.2023
Lucerne University of Applied Sciences and Arts	9.7	Lucerne University of Applied Sciences and Arts	10.0
Migros ¹	4.5	Migros ¹	4.6
UBS	3.3	UBS	3.3
Novartis	2.6	Novartis	2.7
Dosenbach-Ochsner AG	2.5	Dosenbach-Ochsner AG	2.6

¹ Various companies of the Migros Group.

6 Hotel & catering income

The hotel & catering segment comprises the following categories:

in CHF thousands	01.01.2024– 30.06.2024	01.01.2023– 30.06.2023
Accommodation	5 712	6 211
Catering	1 942	1 864
Ancillary services	17	24
Increase / decrease of allowance for doubtful debts	– 13	1
Total hotel & catering income	7 658	8 100

7 Segment report

The Group's business activities comprise the business units real estate and hotel & catering.

in CHF thousands	Real estate	Hotel & catering	Corporate & eliminations ¹	Total
01.01.2024–30.06.2024				
Operating income	38 653	7 952	– 3 210	43 395
Operating expenses	– 11 208	– 7 482	2 859	– 15 831
Revaluation of investment properties (net)	11 463	0	– 0	11 463
Operating result before depreciation and amortisation (EBITDA)	38 908	470	– 351	39 027
Operating result (EBIT)	37 472	– 19	– 435	37 018

in CHF thousands	Real estate	Hotel & catering	Corporate & eliminations ¹	Total
01.01.2023–30.06.2023				
Operating income	37 602	8 402	– 3 103	42 901
Operating expenses	– 11 101	– 7 443	2 805	– 15 739
Revaluation of investment properties (net)	– 18 271	0	0	– 18 271
Operating result before depreciation and amortisation (EBITDA)	8 230	959	– 298	8 891
Operating result (EBIT)	6 868	671	– 387	7 152

¹ Holding company expenses and intersegment revenues are eliminated in the "Corporate & eliminations" column.

All revenues were generated in the Canton of Zug.

Ownership of the entire portfolio – i.e. investment and operating properties – rests with the real estate business unit. Based on an integrated view of the hotel & catering business unit, i.e. factoring in all properties used by the unit as well as all associated expenses and credits arising from rent paid to the real estate business unit, the hotel & catering business unit generated an operating result (EBIT) of CHF 1.5 million (previous year: CHF 2.2 million) in the period under review.

8 Events after the balance sheet date

The financial statements were approved for publication by the board of directors on 20 August 2024.

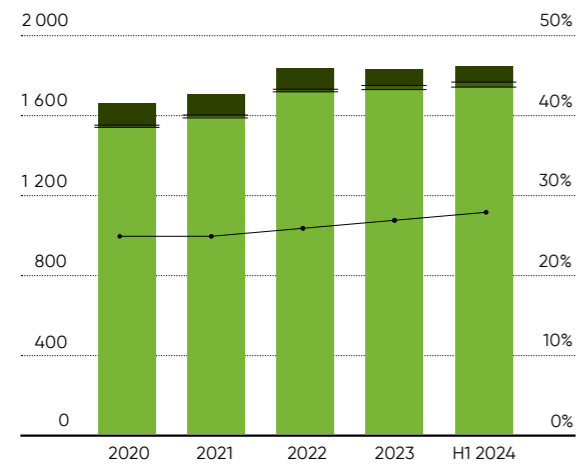
Between 30 June 2024 and the date of approval of these consolidated financial statements, no events occurred which would necessitate a restatement of the carrying amounts of the Group's assets and liabilities as at 30 June 2024 or would need to be disclosed here.

Real estate portfolio

Key data as at 30 June 2024

The real estate portfolio of Zug Estates is largely focused on two sites in Zug and Risch Rotkreuz that feature a varied, highly diverse range of uses. The portfolio offers above-average locational and property features coupled with low vacancy rates.

Development of portfolio value in CHF million



- Operating properties (market value)
- Investment properties under construction and undeveloped plots
- Investment properties
- ◆ Residential share (based on projected rental income, right-hand axis)

Total portfolio

Site area	187 328 m ²
Market value	CHF 1.84 billion
Book value ¹	CHF 1.79 billion
Vacancy rate of investment properties	0.7%
Projected rental revenue investment properties	CHF 71.5 million
Gross return investment properties	4.0%
Residents / workspaces (approx.)	2 370 / 4 300

¹ Operating properties are revalued once a year at year-end.

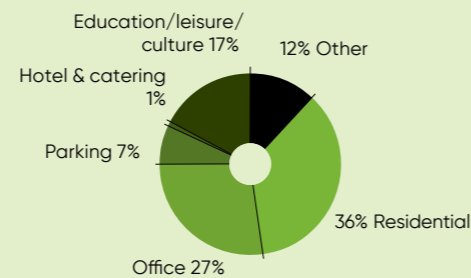
Suurstoffi site, Rotkreuz



The Suurstoffi site is located in an integrated, traffic-free neighbourhood with a combination of living, working and recreational facilities.

Use

Based on projected rental income as at 30 June 2024



Site area	105 342 m ²
Market value	CHF 860.4 million
Book value ¹	CHF 860.4 million
Vacancy rate of investment properties	0.2%
Projected rental revenue investment properties	CHF 36.3 million
Gross return investment properties	4.2%
Residents / workspaces (approx.)	1 500 / 2 100

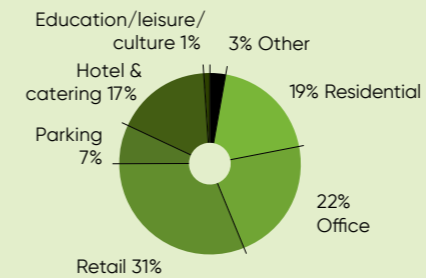
City Centre site/Metalli, Zug



Located adjacent to Zug train station and with excellent transport links, the site houses the Metalli Centre complex with around 60 shops on 16 000 m² of retail space, as well as offices and residential units, the two business hotels Park Hotel Zug and City Garden, as well as other residential and business properties.

Use

Based on projected rental income^{1,2} as at 30 June 2024



¹ Projected rental income for (co-owned) property at Baarerstrasse 20–22, Zug, included on pro-rata basis

² From perspective of real estate business unit

Site area	61 122 m ²
Market value	CHF 886.1 million
Book value ¹	CHF 829.4 million
Vacancy rate of investment properties	1.3%
Projected rental revenue investment properties	CHF 32.5 million
Gross return investment properties	3.9%
Residents / workspaces (approx.)	700 / 2 000

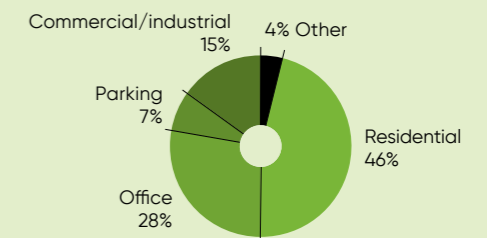
Other investment properties



Other investment properties include a business property in Zug as well as a 19 000 m² development site with residential and commercial properties in Rotkreuz (see picture) that is directly adjacent to the Suurstoffi site.

Use

Based on projected rental income as at 30 June 2024



Site area	20 864 m ²
Market value	CHF 96.1 million
Book value ¹	CHF 96.1 million
Vacancy rate of investment properties	1.2%
Projected rental revenue investment properties	CHF 2.7 million
Gross return investment properties	2.7%
Residents / workspaces (approx.)	170 / 200

List of properties

Investment properties	Place	Form of ownership ¹	Ownership share in %	Year of construction	Year of refurbishment	Plot area m ²	Residential m ²	Office m ²	Retail m ²	Hotel/catering m ²	Leisure/education/culture m ²	Storage/other m ²	Total rentable space m ²	Total no. of parking spaces
Zug City Centre site														
Baarerstrasse 20–22 (Metalli I/II, Zug Estates share)	Zug	CO	78.75	1987/1991	–	16 419	8 086	11 574	16 183	923	2 261	5 385	44 412	521
Baarerstrasse 14a (Metalli III)	Zug	SO	100	1995	–	4 843	352	5 505	3 215	298	–	2 808	12 178	123
Industriestrasse 12	Zug	SO	100	1987	–	2 349	1 656	546	–	–	–	70	2 272	36
Industriestrasse 13a/c (Metalli IV)	Zug	SO	100	1995	–	2 155	1 965	1 370	381	461	264	759	5 200	93
Industriestrasse 16 (leasehold) ²	Zug	LHP	100	–	–	3 200	–	–	–	–	–	–	–	–
Industriestrasse 18	Zug	SO	100	1992	–	1 637	–	1 463	–	–	–	234	1 697	30
Haldenstrasse 12–16 (Haldenhof)	Zug	SO	100	2009	–	3 615	3 148	–	–	–	–	59	3 207	54
Metallstr. 13–19/Haldenstrasse 2/4	Zug	SO	100	1910–1915	1984–1989	4 960	2 249	–	–	–	–	–	2 249	2
Haldenstrasse 1/3/5/6/8, Bleichimattweg 2/4, Metallstrasse 21/23	Zug	SO	100	1910–1991	–	9 037	6 055	–	–	–	100	49	6 204	70
Total Zug City Centre site						48 215	23 511	20 458	19 779	1 682	2 625	9 364	77 419	929
Suurstoffi site														
Suurstoffi 1, 2, 4, 6	Risch-Rotkreuz	SO	100	2019/2020	–	21 378	–	3 869	–	–	19 192	2 256	25 317	184
Suurstoffi 5, 9, 13, 15, 17	Risch-Rotkreuz	SO	100	2011/2012	–	11 249	11 336	–	–	–	–	19	11 355	217
Suurstoffi 19–35	Risch-Rotkreuz	SO	100	2015	–	10 553	10 194	–	–	–	–	44	10 238	382
Suurstoffi 7,11 (Alte Suurstoffi)	Risch-Rotkreuz	SO	100	ca. 1926	2012	885	–	–	–	–	520	–	520	478
Suurstoffi 8, 10, 12	Risch-Rotkreuz	SO	100	2013	–	12 374	10 132	89	–	335	3 442	377	14 375	269
Suurstoffi 14	Risch-Rotkreuz	SO	100	2013	–	6 251	–	8 478	–	–	–	592	9 070	0
Suurstoffi 16, 18, 20	Risch-Rotkreuz	SO	100	2017/2018	–	15 094	13 308	7 829	493	–	–	1 142	22 772	185
Suurstoffi 22	Risch-Rotkreuz	SO	100	2018	–	8 113	–	10 360	60	547	–	534	11 501	97
Suurstoffi 37 (Aglaya)	Risch-Rotkreuz	C	100	2019	–	2 227	–	1 809	–	258	–	37	2 104	7
Suurstoffi 41	Risch-Rotkreuz	SO	100	2014	–	4 246	–	2 689	–	–	3 192	593	6 474	–
Total Suurstoffi site						92 370	44 970	35 123	553	1 140	26 346	5 594	113 726	1 819
Other investment properties														
Birkenstrasse 27, 29, 31, 33 & 35, Chamerstrasse 4	Risch-Rotkreuz	SO	100	1965, 1983, 2002	1983	9 124	5 196	500	–	–	–	179	5 875	88
Birkenstrasse 37/39	Risch-Rotkreuz	SO	100	1962, 1964, 1967	–	10 059	–	171	–	–	–	7 546	7 717	67
Baarerstrasse 75, 77 & 79	Zug	SO	100	1963	2011	1 681	525	2 616	32	–	–	300	3 473	59
Total other investment properties						20 864	5 721	3 287	32	0	0	8 025	17 065	214
Total investment properties (excl. investment properties under construction)						161 449	74 202	58 868	20 364	2 822	28 971	22 983	208 210	2 962
Investment properties under construction														
Baarerstrasse 30	Zug	SO	100	1880	1984, 2024	494	344	–	–	278	–	72	694	3
Suurstoffi 43, 45	Risch-Rotkreuz	SO	100	–	–	12 972	1 109	14 089	–	–	–	553	15 751	119
Total investment properties under construction						13 466	1 453	14 089	0	278	0	625	16 445	122
Total real estate portfolio						174 915	75 655	72 957	20 364	3 100	28 971	23 608	224 655	3 084
Operating properties ³	Zug	SO/C	100	–	–	12 413	–	171	–	12 700	–	27	12 898	152
Total portfolio						187 328	75 655	73 128	20 364	15 800	28 971	23 635	237 553	3 236

¹ SO: sole ownership; LHP: leasehold plot; CO: co-ownership; C: condominium.

² Zug Estates Ltd is the ground lessor.

³ The following properties located in Zug serve as operating properties: Industriestrasse 14 (Park Hotel Zug), Industriestrasse 16 (Résidence), Metallstrasse 20 (City Garden Hotel) and Haldenstrasse 9, 10, 11 (serviced city apartments).

Selected key portfolio figures

	2020	2021	2022	2023	30.06.2024
Value of portfolio in CHF thousands					
City Centre site, Zug	722 632	747 385	750 385	788 287	796 563
Suurstoffi site, Risch-Rotkreuz	811 800	836 600	852 800	839 210	844 160
Other investment properties	0	0	110 260	98 100	96 100
Investment properties	1 534 432	1 583 985	1 713 445	1 725 597	1 736 823
Investment properties under construction	9 794	11 274	11 758	18 235	24 492
Undeveloped plots	2 524	2 524	2 524	2 524	0
Total real estate portfolio	1 546 750	1 597 783	1 727 727	1 746 356	1 761 315
Operating properties ¹	108 110	103 230	102 890	81 320	81 320
Total portfolio	1 654 860	1 701 013	1 830 617	1 827 676	1 842 635
Performance in CHF thousands or %					
Projected rental revenue investment properties	62 163	63 024	66 128	69 675	71 496
Property income	57 782	60 024	62 221	65 655	33 820
Gross return on investment properties ²	4.1%	4.0%	3.9%	3.9%	4.0%
Vacancy rate of investment properties ³	5.0%	4.0%	1.6%	3.9%	0.7%
Average discount rate (real)	3.0%	2.8%	2.8%	2.9%	2.9%

¹ Properties used for operational purposes are stated at cost less write-downs in accordance with accounting standards but are shown in this list at market value.

² Projected rental income (annualised) as a percentage of the market value on the balance sheet date.

³ As at the balance sheet date, as a percentage of projected rental income.

Contact details and upcoming events

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Upcoming events

27.08.2024

Sustainability Forum

20.02.2025

**Publication of Annual Report and
Sustainability Report 2024**

10.04.2025

General Meeting of Shareholders

20.08.2025

Publication of Half-Year Report 2025



Online, download

This Half-Year Report is published in German and English. The German version shall prevail and is binding.

The electronic version of the report can be downloaded from www.zugestates.ch.

Notes on possible forward-looking statements:

The present Half-Year Report of the Zug Estates Group may contain forward-looking statements. Such statements can be identified by expressions such as "shall", "assume", "expect", "anticipate", "intend", "aim", "future" or similar terms, as well as by discussions of strategies, goals, plans or intentions, etc. They are subject to known or unknown risks and uncertainties that could cause actual results and occurrences to differ materially from the expectations contained or implied in the forward-looking statements.

Publishing information

Editor Zug Estates Holding Ltd **Project management** Philipp Hodel, Head of Communications

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