



# Half-year results 31.12.2024

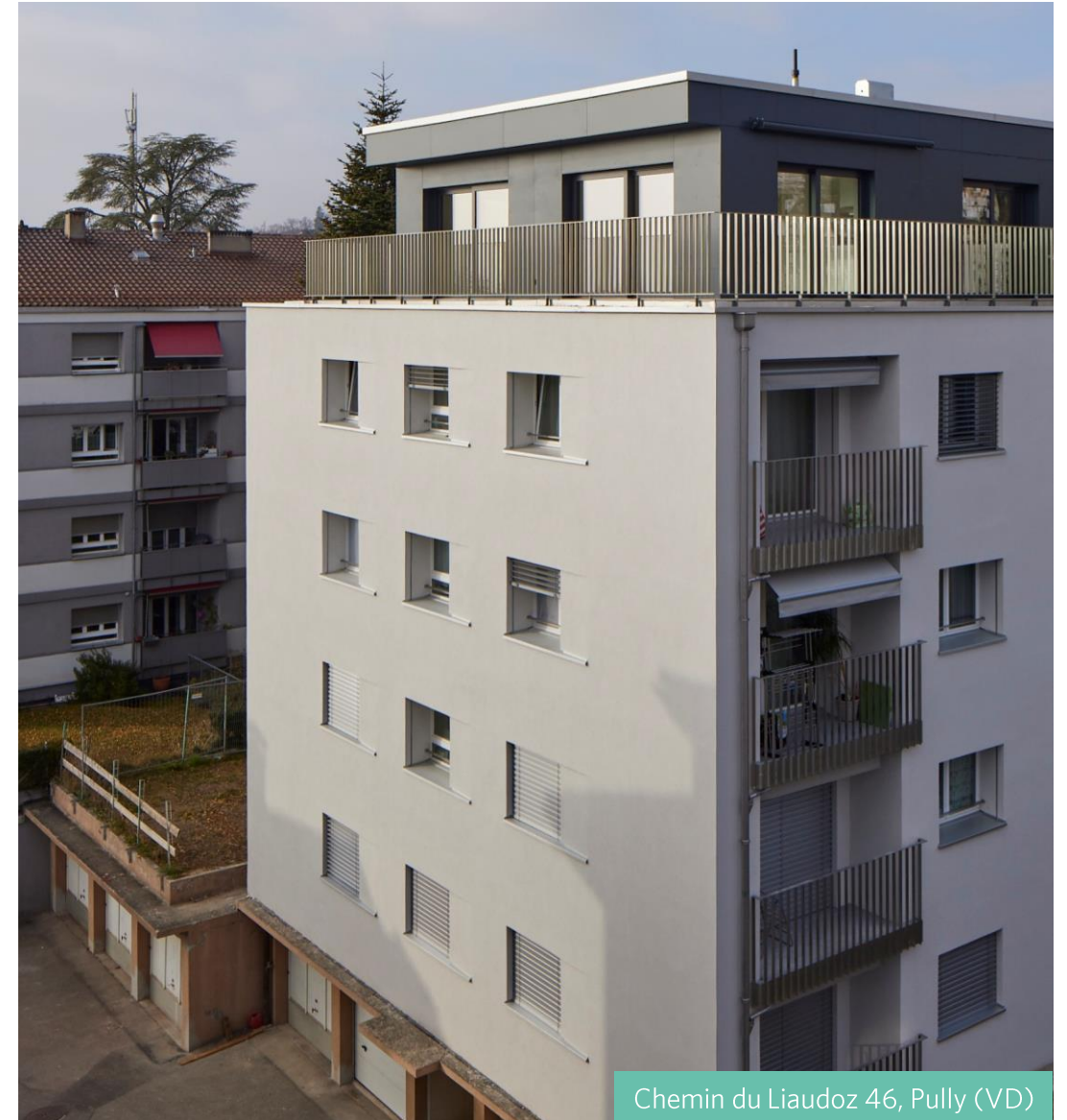


Avenue Sainte-Luce 9, Lausanne (VD)

# Agenda

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1. Strategy
2. Portfolio
3. Financial results
4. Outlook



Chemin du Liaudoz 46, Pully (VD)





Route du Bois 8, Ecublens (VD)

# 1. Strategy

## Solvalor 61's strategy: key pillars

- Focus on residential buildings: purest residential real estate fund
- Select buildings in central locations: high macro rating
- Focus on Western Switzerland (*Suisse romande*)
- Create value through apartment renovation and densification
- Renovate buildings to reduce CO<sub>2</sub> emissions and increase sustainability
- Low-risk profile with moderate debt ratio



Route de Malagnou 8,  
Genève (GE)



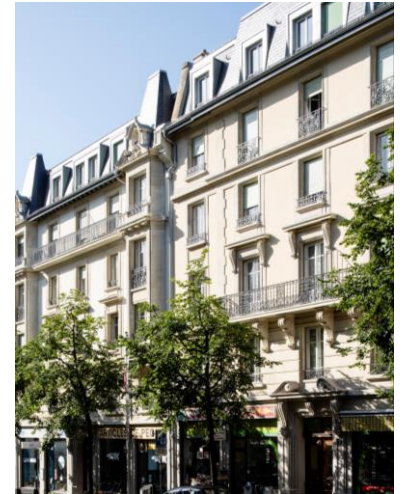
Chemin de la Chevillarde  
16-16a-16b, Genève (GE)



Avenue Peschier 20,  
Genève (GE)

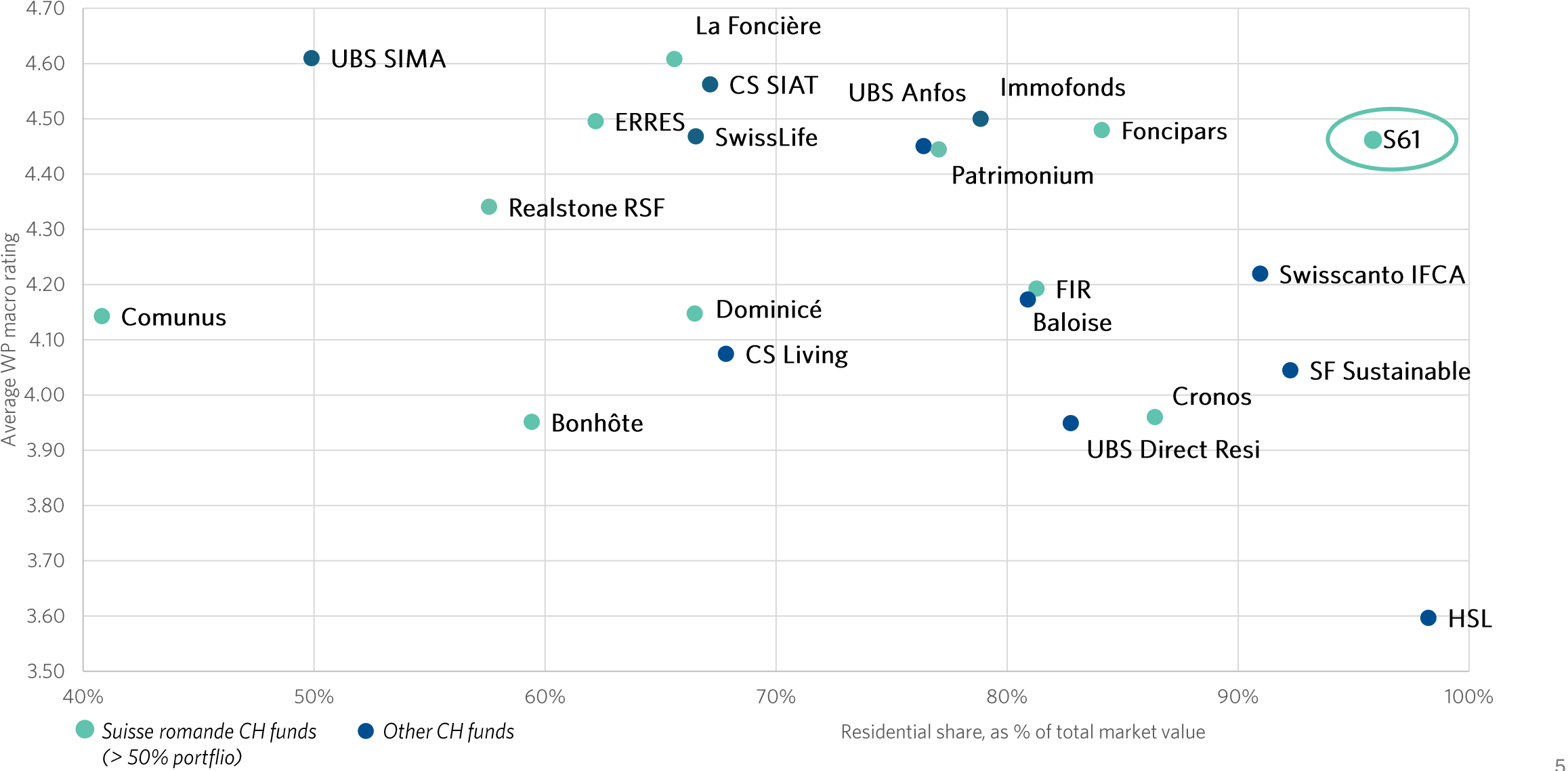


Avenue de Béthusy 26,  
Lausanne (VD)



Avenue Ruchonnet 7-9,  
Lausanne (VD)

# Outcome of fund's strategy: unique positioning among Swiss real estate funds





# Solvalor 61's long-term value-creation model

1

Select the best residential buildings in central locations



- Target central locations with value-appreciation potential
- Target residential buildings, where demand is the highest
- Target buildings with rental reserve: 18% average rental reserve

2

Active asset management strategy to realize buildings' full potential



- 50-60 apartment renovations per year, average ROI: 10%
- Very low vacancy rates due to portfolio quality and active asset management
- Increase EBIT margin through cost optimization

3

Add value through renovation and densification



- Expertise in construction and renovation: dedicated team of 12 FTE
- 9 buildings renovated since 2017 and 33 buildings with ongoing renovation works / permits
- Average ROI of ongoing densification projects of 5%
- Strong commitment to sustainability, target CO2 emissions of 20 kg/sqm by 2031



3.0% avg. annual increase in share price since 2008, 2.0% avg. increase in NAV / share



## 2. Portfolio

Avenue Floréal 12/Rue Voltaire 7, Lausanne (VD)

# Highlights – Portfolio

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## Portfolio key metrics

**Very high residential share at 97%, enhanced by new acquisitions and project deliveries**

- Organic growth of market values: +1.55% vs. 31.12.2024
- Average real discount rate of 2.89%, down by 0.01% since 30.06.2024
- 16% of the portfolio has been revalued, next full reevaluation scheduled in June 2025
- 1.44% vacancy, 1.08% as of December 2024

## Transactions

**Acquisition of one residential building in Lausanne (VD), Avenue Maria-Belgia 4-6**

- 90% residential / CHF 12 mio acquisition price
- RB: 3.82% / 38.5% rental reserve
- Sale of one commercial surface used by a church in Lausanne (VD), Avenue Ste-Luce 9, generating a loss of 0.5m CHF (price agreed at the start of the construction project)

## Construction & Renovation

**3 deliveries in the past semester**

- July / Oct. 2024: Renovation + top-up at Av. Victor Ruffy 12-14 in Lausanne (VD)
- Nov. 2024: Renovation of Av. Fontenay 11 in Yverdon-les-Bains (VD)
- Dec. 2024 / Feb. 2025: Renovation + top-up at Rue des Asters 18-20 in Geneva (GE)

## Sustainability

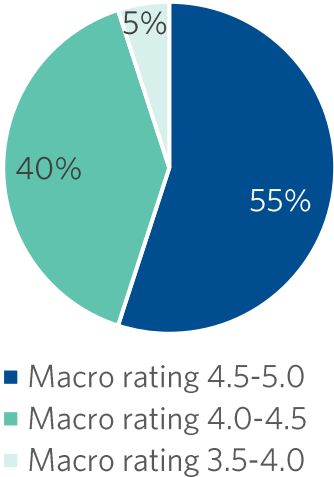
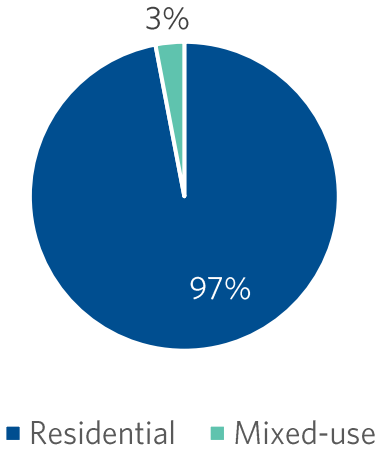
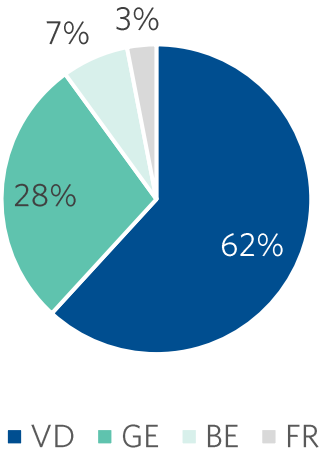
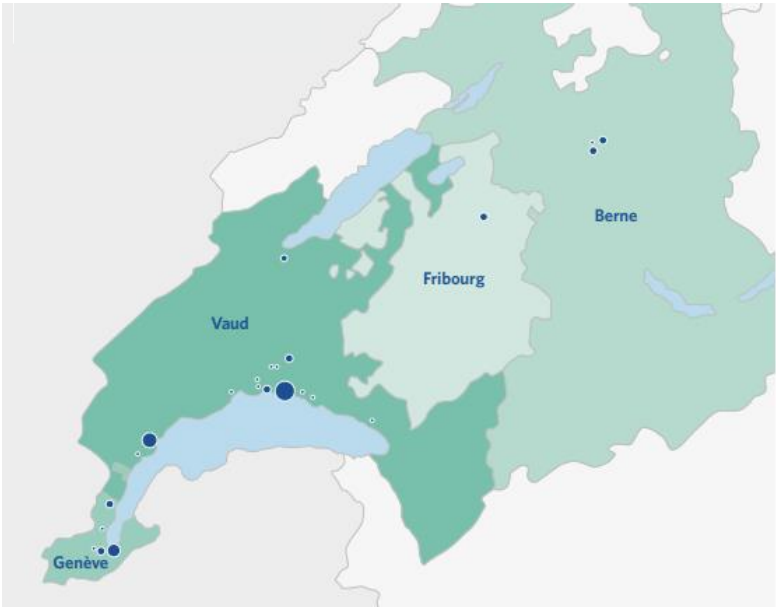
**Progress of fund's sustainability goals in 2024**

- 127 kW installed photovoltaic power (+12.6% vs. 30.06.2024)
- 2 building permits obtained for renovation projects in Chavannes près Renens (VD)
- 3 heating systems changed in 2024: Fins 13 in Geneva (GE) to district heating, Ruttet in Gland (VD) to district heating, and Chandieu 22 in Lausanne (VD) to heat pump



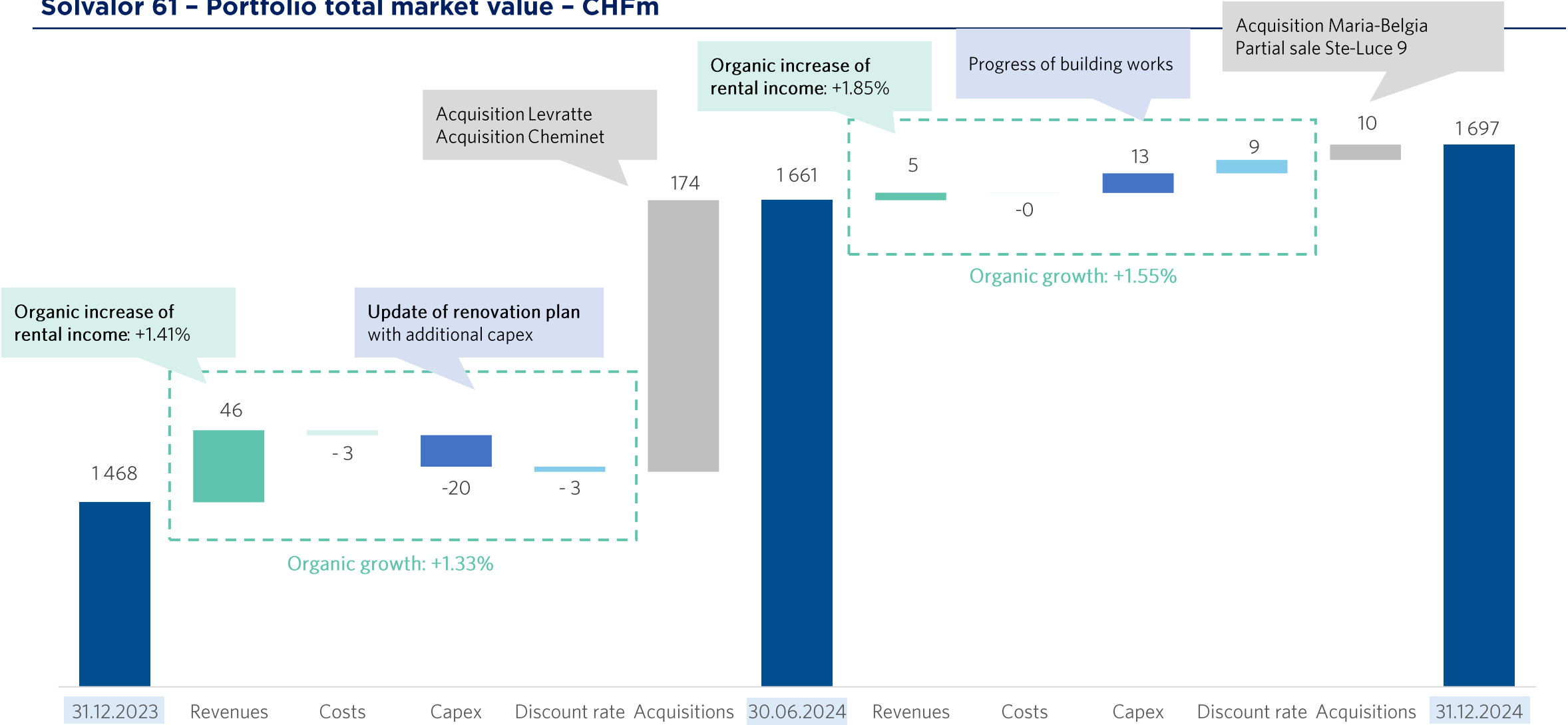
# Portfolio key metrics

Financial metrics	30 June 24	31 Dec 24	Evolution vs. 30 June 24
Portfolio market value	1 661	1 697	+2.14%
Portfolio value at cost	1 298	1 320	+1.70%
Margin MV / PR	28%	29%	+0.55%
Nb. of properties	115	116	+0.87%
Nb. of apartments	3 347	3 385	+1.14%
Total rentable surface (sqm.)	267 929	270 346	+0.90%
Gross yield on MV (end-period)	4.47%	4.47%	+0.00%
Vacancy rate	1.13%	1.44%	+0.31%
Average discount rate (real)	2.90%	2.89%	-0.01%



# Portfolio key metrics – Evolution of portfolio’s market value

## Solvalor 61 – Portfolio total market value – CHFm



- Partial update: 18 buildings out of 116 (16%) with updated values -

# Acquisitions – Avenue Maria-Belgia 4-6, Lausanne (VD)

Avenue Maria-Belgia 4-6, Lausanne (VD)	
Building	
Type	Residential
# of housing units	24
Residential rentable area	1 665
Commercial rentable area	145
WP macro rating	4.7
Financials	
Purchase price – CHF	12 150 000
Annual rent – CHF	463 552
Gross yield %	3.82%
ROE % <sup>1</sup>	1.62%
Rental reserve	38.5%
Sustainability	
Heating method	Gas
CECB / GEAK	F/C



<sup>1</sup> ROE based on 18% LTV



## Construction – Top-up and renovation – Av. Victor Ruffy 12-14, Lausanne (VD)

Avenue Victor Ruffy 12-14, Lausanne (VD)	
Building	
Construction date	1955
Number of apartments	45
Value at cost	CHF 16 mio
Rental income	CHF 0.91 mio
Project	
Beginning of works	Jul. 2023
Delivery	July / Oct. 2024
Number of flats created	6
Rental surface created	237 sqm
Top-up CAPEX	CHF 2.1 M
Renovation CAPEX	CHF 2.9 M
Impacts	
Additional rent	CHF 102k
Additional rent / sqm.	CHF 431 / sqm
ROI top-up	4.9%
CO2 emissions before / sqm.	42.5 kg / sqm.
CO2 emissions after / sqm.	22.3 kg / sqm. (proj.)



# Construction – Renovation – Av. Fontenay 11, Yverdon-les-Bains (VD)

Av. Fontenay 11, Yverdon-les-Bains (VD)	
Building	
Construction date	1937
Number of apartments	22
Value at cost	CHF 6 mio
Rental income	CHF 0.15 mio
Project	
Beginning of works	Apr. 2024
Delivery	Nov. 2024
Renovation CAPEX	CHF 1.9 M
Impacts	
CO2 emissions before / sqm.	50.1 kg / sqm.
CO2 emissions after / sqm.	14.9 kg / sqm. (proj.)





## Construction – Top-up & renovation – Rue des Asters 18-20, Geneva (GE)

Rue des Asters 18-20, Geneva (GE)	
Building	
Construction date	1958
Number of apartments	88
Value at cost	CHF 27 mio
Rental income	CHF 0.54 mio
Project	
Beginning of works	Sept. 2022
Delivery	Dec. 2024 / Feb. 2025
Number of flats created	16
Rental surface created	1'051 sqm
Top-up CAPEX	CHF 9.8 M
Renovation CAPEX	CHF 4.2 M
Impacts	
Additional rent	CHF 381k LDTR / CHF 422k free
Additional rent / sqm.	CHF 402 / sqm free
ROI top-up	4.3% (free)
CO2 emissions before / sqm.	42.5 kg / sqm.
CO2 emissions after / sqm.	22.3 kg / sqm. (proj.)





# Construction – Ongoing and future projects

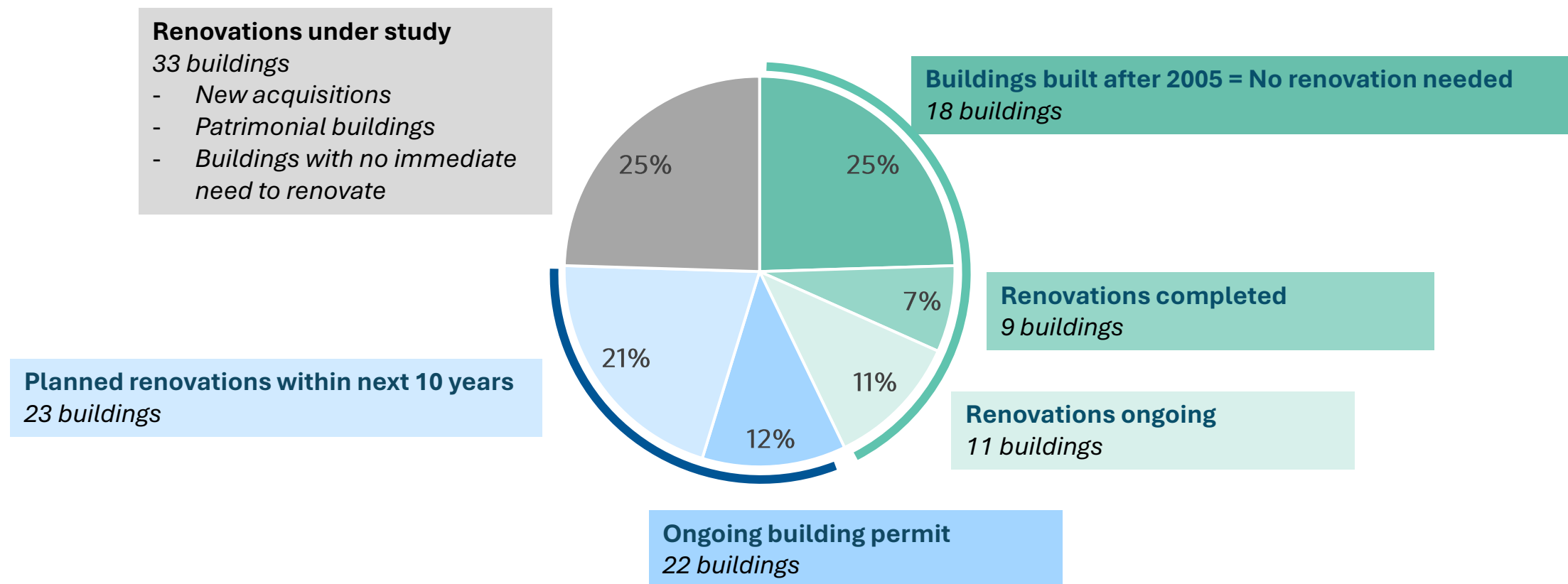
## Project pipeline with in-force building permits

Capex Add. rental income

Projects (data in CHF mio)		Delivery	ROI	2024-2025 H2	2025-2026	2026-2027
Asters 18-20	Renovation / top-up	Dec.24	4.3%	1.4 0.16	0.38	0.38
Gilbert Trolliet	Renovation / top-up	Mar.25	6.0%	1.1 0.07	0.29	0.29
Voisins 5	Renovation / top-up	Mar.25	5.2%	2.3 0.06	0.23	0.23
Chandieu 22	Renovation / top-up	June.25	5.6%	0.8	0.14	0.14
Ochettaz 27-29	Renovation / top-up	Aug.25	4.9%	2.9 1.0	0.09	0.11
Fau-Blanc 3-5	Renovation / top-up	Nov.25	4.8%	1.6 1.4	0.02	0.04
Coudraie 7-9-11	Renovation / top-up	Mar.26	6.2%	1.0 3.3	0.02	0.09
Bois 8	Reno / top-up / dvlp.	May.26	4.9%	4.1 7.7	0.05	0.62
Blancherie	Renovation	Jul.26	n.a.	1.0 5.7	0.5	
Préfaully 25b-c	Renovation	Jul.26	n.a.	0.7 3.1	0.3	
Bac/Petit Lancy	Renovation / top-up	Oct.27	5.4%		5.3	10.7
Total - Capex				17.0	27.4	11.4
Total - Additional rental income				0.29	1.24	1.91

# Sustainability – Status of portfolio renovation plan

## Portfolio breakdown - % of Solvalor 61's market value according to renovation status (Dec-2024)



As of today, **43%** of the buildings are new, renovated or with a renovation ongoing (as % of market value)

In 10 years, **75%** of the buildings will be new or renovated

# Sustainability – Progress of sustainability action plan

ENVIRONMENTAL ACTIONS	PERFORMANCE INDICATORS	GOAL	SITUATION 31/12/24	1-YEAR PROGRESS
Fine-tuning of heating systems	% of ERA <sup>1</sup> with energy optimization contract	100%	73% <sup>2</sup>	+2%
Supply efficient electrical equipment	% of ERA <sup>1</sup> of visited buildings	100%	84% <sup>2</sup>	+5%
Replace fossil fuel-fired heating systems	% of ERA <sup>1</sup> heated by non-fossil fuels	60%	29% <sup>2</sup>	+1%
Decrease Co2 emissions	Co2 emissions (kg/sqm/an) (scope 1+2)	20.00 kg/sqm/yr.	21.46 kg/sqm/yr. <sup>2</sup>	-17%
Install photovoltaic power plants	Installed power kWp	3000 kW	1136 kW	+15%
SOCIAL ACTIONS	PERFORMANCE INDICATORS	GOAL	SITUATION 31/12/24	1-YEAR PROGRESS
Increase quality of services provided	Average tenants' grade	7.00 / 10.00	6.95 / 10.00	+0.00
Raise tenants' awareness of eco-actions	% of ERA <sup>1</sup> of visited buildings	100%	84% <sup>2</sup>	+5%
Participate to an eco-friendlier mobility	% parking lots with electric charging points	40%	8%	+216%
GOVERNANCE ACTIONS	PERFORMANCE INDICATORS	GOAL	SITUATION 31/12/24	1-YEAR PROGRESS
Review SDGs annually	Publication in our annual sustainability report	Track progress annually	Report published	N/A
Increase governance actions in all portfolio	GRESB score	80 / 100 std. invt. 95 / 100 dvlp.	83 / 100 90 / 100	+11 points -1 points
Standardize reporting in our sustainability report	Adaptation to SDG framework	Increase transparency	Adapted	N/A

## Notes:

<sup>1</sup> ERA = Energy Reference Area

<sup>2</sup> Situation as of 31 December 2023 – updated numbers available in May 2025





Rue Guye 1-7, Genève (GE)

## 3. Financial results

# Highlights – Financial results

## Income

### Strong increase in rental income (+17%) vs. 1<sup>st</sup> semester 2023-2024

- Increase in rental income mostly due to new acquisitions (+13%) and project deliveries (+3%), organic growth represents +1.85% due to rent increases
- Strongest organic growth in years (FY 2023-2024: +1.6%, average of past years: +0.8%)

## Costs

### CHF 5.59 annualized net income per share (FY 2024: CHF 5.36)

- Building operational costs decreased from 6.3% to 5.9% of rental income
- Average cost of debt down to 1.45% in December 2024
- EBIT margin down to 67.5%, decrease explained by less revenue from construction periodic interests (notably following the delivery of Sainte-Luce 9)

## Balance sheet

### Debt maintained at low levels and positive building reevaluations

- Debt level increased at 17.80% as of December 2024, still low compared to average of Swiss real estate funds (~29%)
- Non-realized income of CHF 12 million reflecting investment in value-creating construction projects and positive building reevaluations (16% portfolio revalued)

## Share price performance

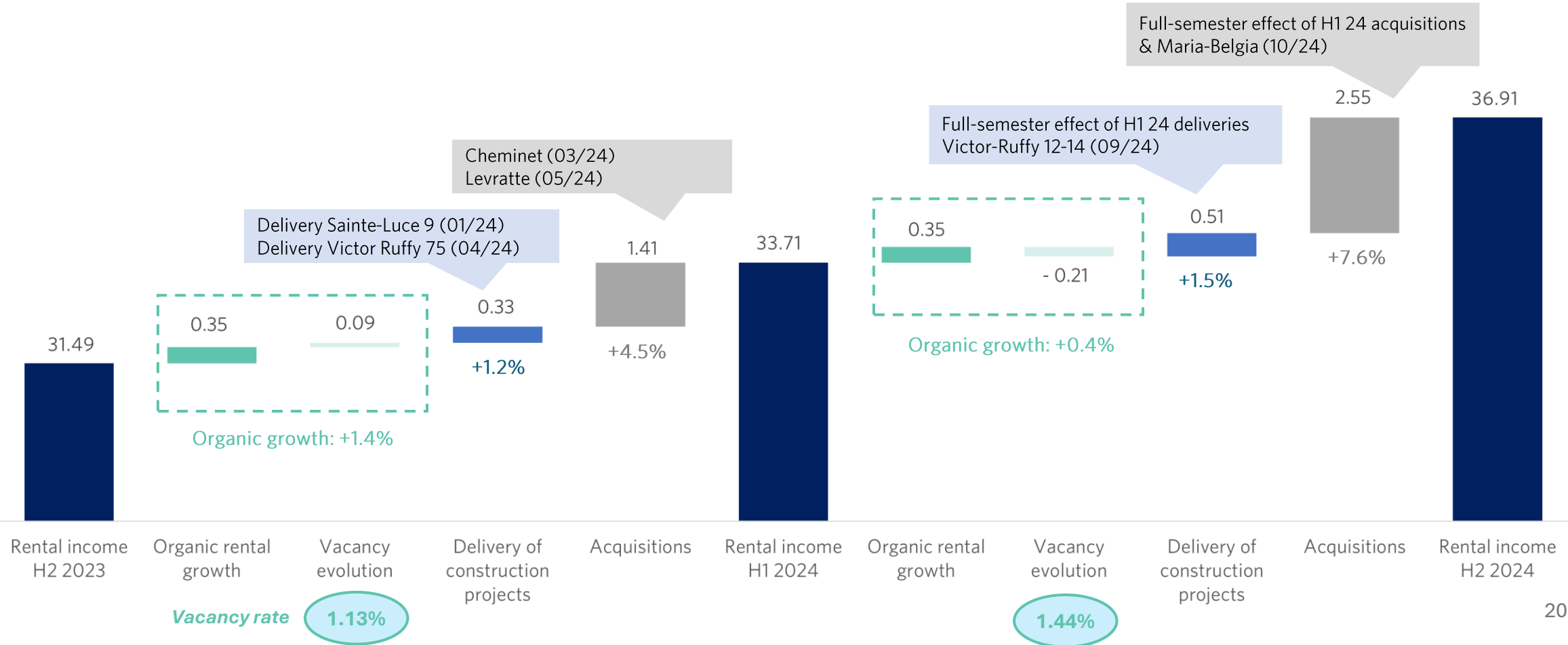
### Very good share price performance in 2024 with +17% increase (dividends reinvested)

- Best result since 2020
- Strong performance at the end of the year and in the beginning of 2025

# Rental income – Strong increase due to acquisitions and organic performance

- Strong organic growth of +1.85% since 31.12.2023, mostly in H1 2024 due to the increases in rental reference interest rate, dynamic slowed down in H2
- Despite slight increase in vacancy rate (1.13% to 1.44%), it is still maintained at very low levels and end-December vacancy is at 1.08%
- Strong contribution of acquisitions in the past 12 months (+13% rental income)

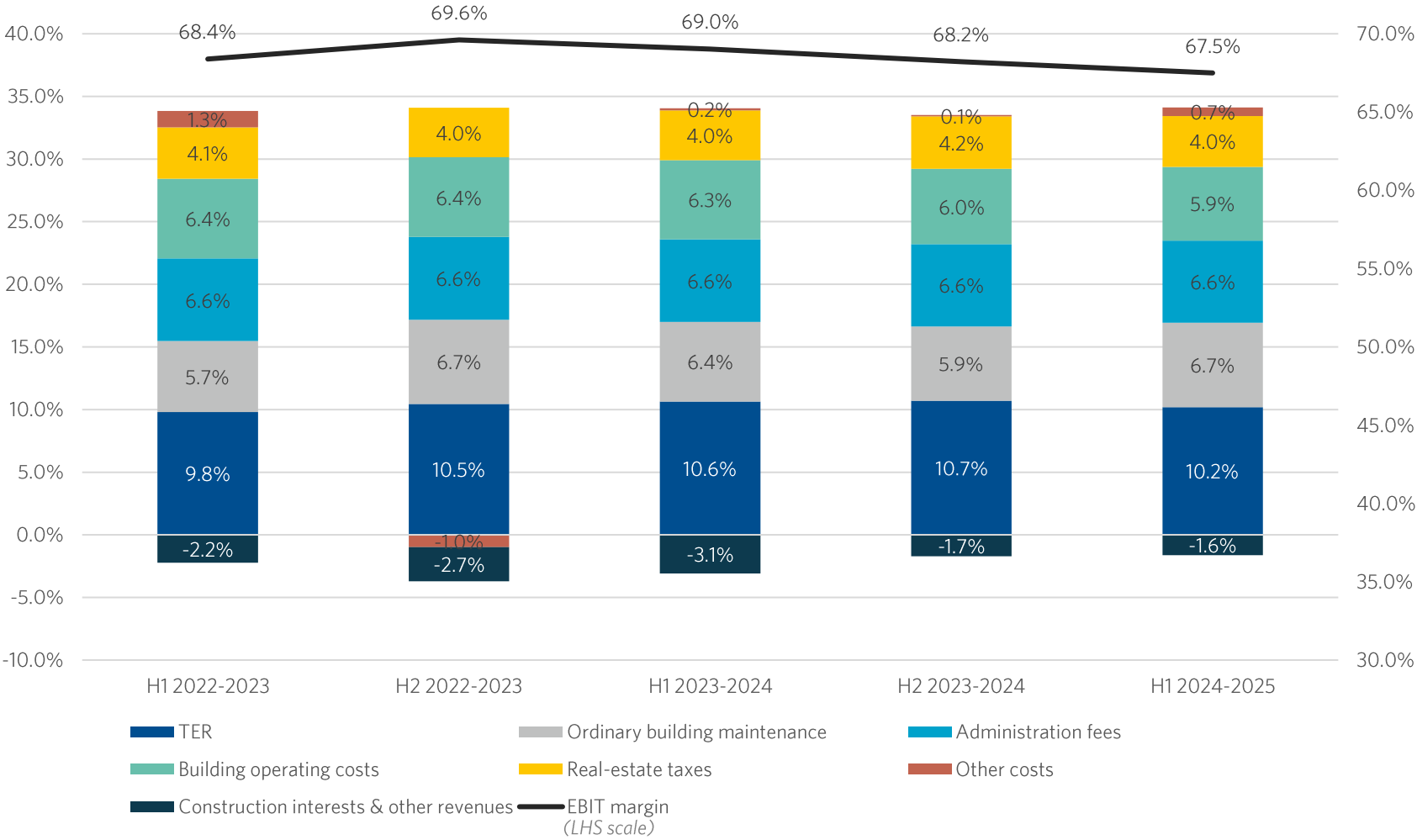
## Evolution of half-yearly rental income – CHFm





# Costs – Main cost contributors under control

Costs as % of rental income and EBIT margin evolution – %



- **Building operating costs** (water, electricity, cleaning, contracts) are steadily decreasing, reflect of continuous improvements in cost management and sustainability across the portfolio
- **EBIT margin decreased** mostly due to changes on the revenue side: less construction interests due to lower construction activity within the portfolio

# Income statement – Net income +8.3%, CHF 5.59 annualized per share

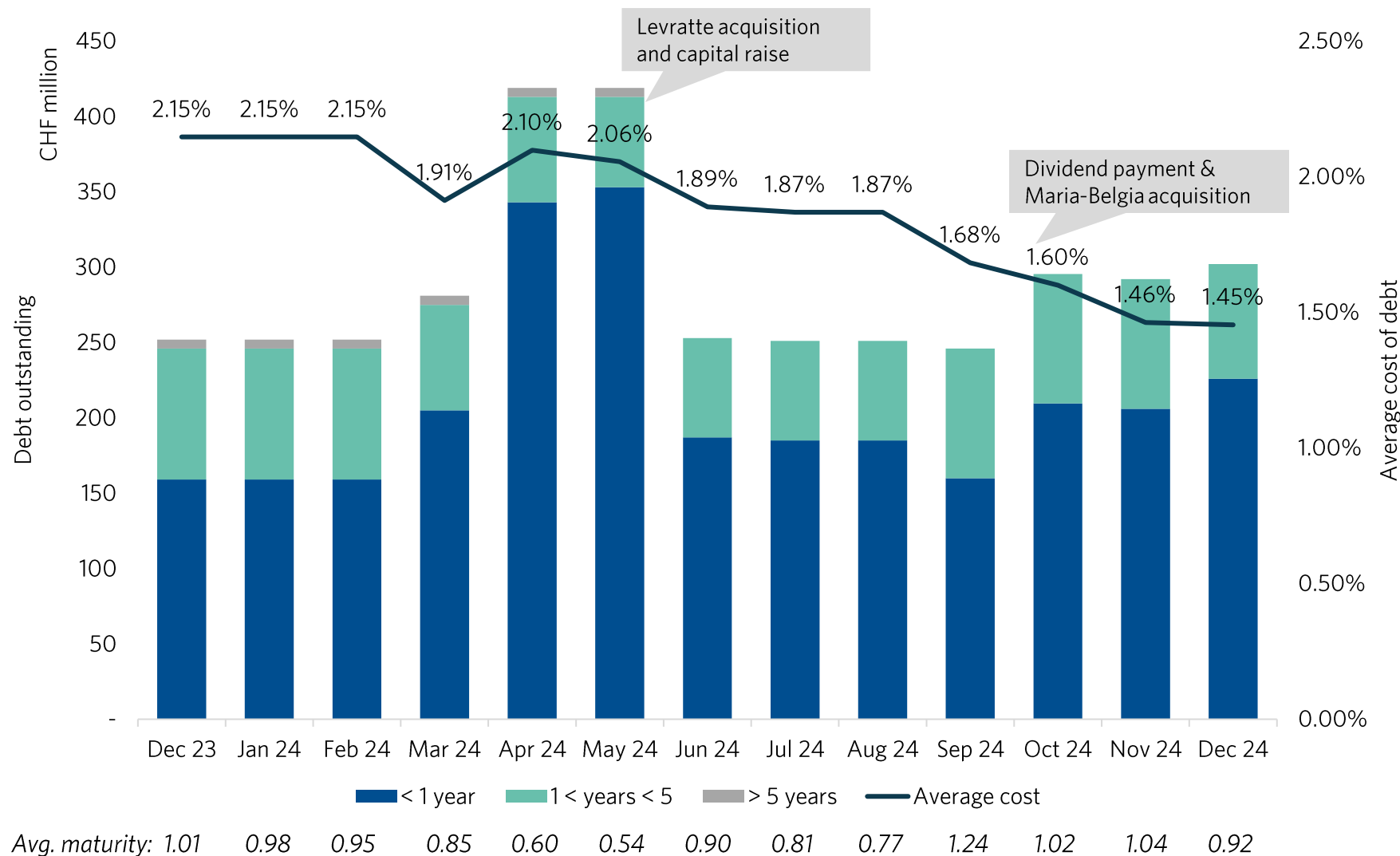
## Fund's half-year income statement – CHFm

CHFm	31.12.2023	31.12.2024	Variation
Rental income	31.49	36.91	17%
Construction periodic interests	0.71	0.29	-59%
Other income	0.26	0.31	18%
<b>Total income</b>	<b>32.46</b>	<b>37.51</b>	<b>16%</b>
Debt interests	-2.60	-2.40	-7%
Maint. and repairs	-2.18	-2.97	36%
Building operating costs	-1.99	-2.17	9%
Land taxes	-1.25	-1.49	20%
Building administration fees	-2.08	-2.43	17%
Building amortization	-0.01	-0.02	227%
Fund taxes	-4.26	-5.48	29%
Management fees	-3.36	-3.85	14%
Other costs	-0.05	-0.23	395%
<b>Total expenses</b>	<b>-17.77</b>	<b>-21.04</b>	<b>18%</b>
Loss on sale	0.00	-0.55	n.a.
<b>Realized net income</b>	<b>14.69</b>	<b>15.92</b>	<b>8.3%</b>
Realized net income / unit - annualized	5.80	5.59	-3.6%
Vacancy and rent loss rate	1.31%	1.44%	0.13%
Debt ratio	17.17%	17.80%	0.63%
EBIT margin	69.03%	67.50%	-1.53%
TER GAV	0.74%	0.74%	0.00%
ROE	1.99%	2.09%	0.10%
ROIC	1.77%	1.82%	0.05%

- Total income up +16% vs. H1 2023-2024:
  - Strong increase in rental income (+17%)
  - Construction periodic interests down by -59%: lower construction activity and delivery of Ste-Luce 9 building
- Total costs up +18% vs. H1 2023-2024:
  - Increase in maintenance and repairs mostly due to exceptional costs
  - Land taxes, admin fees and management fees increasing in-line with acquisition of new buildings
  - Debt interests down -7% reflecting more favorable macroeconomic context
- Loss of CHF 0.55m due to the sale of a church in Sainte-Luce 9. This was a condition to the construction project agreed with the seller at the beginning and executed this semester following the delivery of the building in 2024

# Debt – Decreasing cost of debt, low debt ratio of 17.17%

## Debt outstanding, average cost of debt and maturity



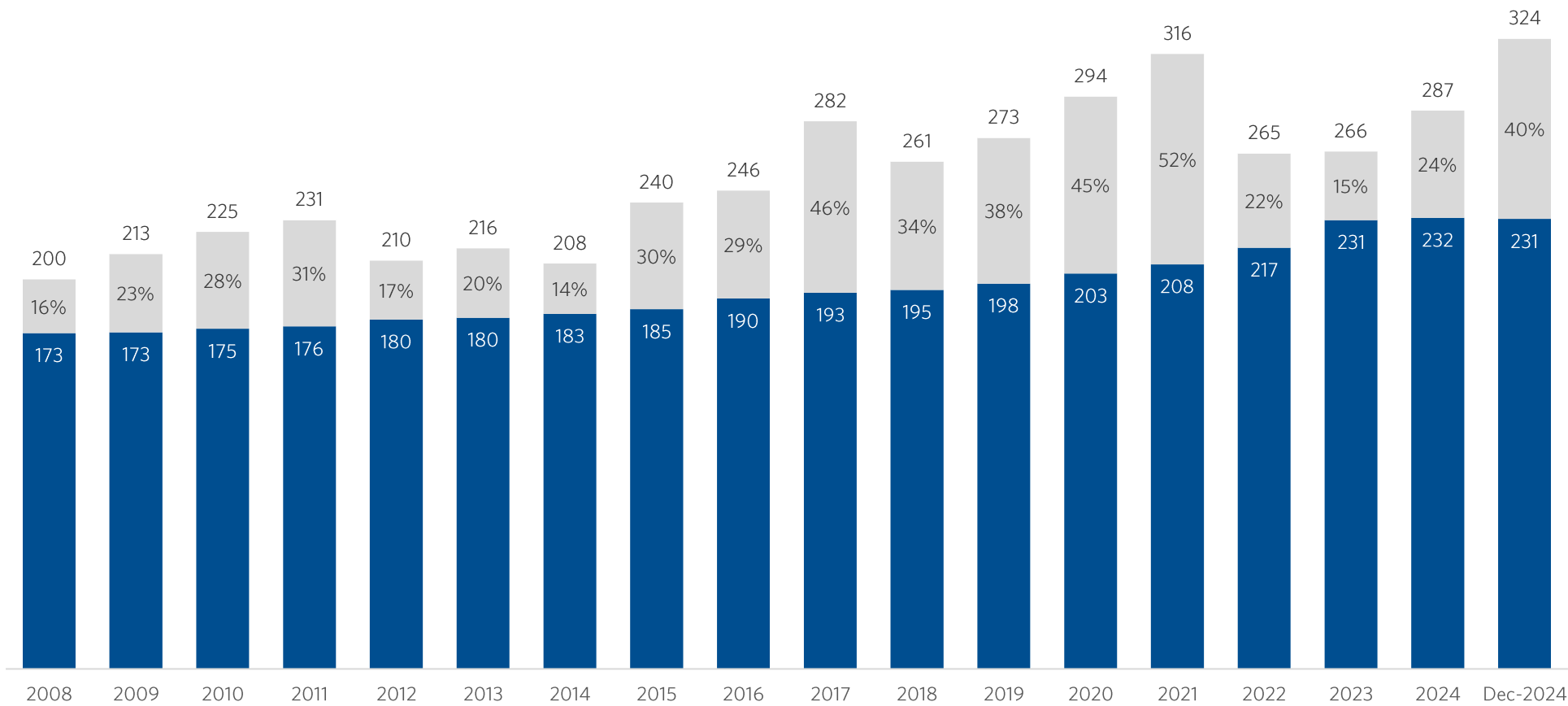
- **Debt ratio:** 17.80% as of 31.12.2024, vs. 15.23% as of 30.06.2024 and 17.17% as of 31.12.2023
- **Increase in debt** due to acquisition of Maria-Belgia building (CHF 12 mio), investment in construction and renovation (CHF 13 mio), and payment of 2023-2024 dividend
- **Solvalor 61** still displays one of the **lowest debt ratios** of the SXI Real Estate index
- **Decrease in average cost of debt** from 2.06% in May 2024 to 1.45% in December 2024
- **Strategy to increase average debt maturity** in more favorable financing conditions, goal of 2-year average maturity in 2025



# NAV – Long-term portfolio evolution

## NAV / share, share price and agio since 2008

Data as of 30 June, oth. mentioned



- Average NAV increase: +2.0% yearly
- Average share price increase: +3.0% yearly
- Average dividend / NAV since 2008: 2.8% yearly

# Share price performance – Strong performance in 2024 and in the start of 2025

## Solvalor 61 and SWIIT index performance since 2015



- Strong share price performance of 17.1% , best since 2020
- Slight underperformance vs. SWIIT index (+17.6%), mostly during May-June 2024 due to the capital increase
- Strong start of 2025 with +6.5% performance, outperforming benchmark (+1.5%)

S61 (reinvested div.)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025 (March)
Annual perf.	2.0%	12.3%	8.2%	-7.9%	22.5%	18.4%	1.8%	-16.1%	8.4%	17.1%	6.5%
Cumulative perf.	2.0%	14.5%	24.0%	14.1%	39.8%	65.5%	68.5%	41.4%	53.2%	79.4%	91.0%
Annualized perf. since 2015	2.0%	7.0%	7.4%	3.4%	6.9%	8.8%	7.7%	4.4%	4.9%	6.2%	6.6%
SWIIT	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD 2025 (March)
Annual perf.	4.2%	6.8%	6.6%	-5.3%	20.7%	10.8%	7.3%	-15.2%	5.0%	17.6%	1.3%
Cumulative perf.	4.2%	11.3%	18.7%	12.3%	35.6%	50.2%	61.2%	36.8%	43.6%	68.9%	71.1%
Annualized perf. since 2015	4.2%	5.5%	5.9%	3.0%	6.3%	7.0%	7.1%	4.0%	4.1%	5.5%	5.4%



## 4. Outlook

Avenue Maria-Belgia 4, Lausanne (VD)



# Outlook

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## Strategy

- Maintain unique positioning as the purest residential fund of the SXI Real Estate index, with central locations in Suisse romande
- Maintain debt ratio at low level (target: 18% - 20%)
- Acquisitions of new buildings will be considered if aligned with investment strategy

## Portfolio

- Ongoing works on five renovation and densification projects, two building permits recently obtained for renovation works in Chavannes-près-Renens (VD)
- Two renovation + top-up projects to be delivered before June 2025: Voisins 5 and Gilbert Trolliet 10-12 in Geneva (GE), additional full-year rental income of CHF 0.5 mio

## Income

- After two years of strong organic growth in rental income, a slowdown is expected due to decrease in inflation and interest rates, back to average of +0.7% to +1.0% / year
- Decrease in cost of debt with positive effect on 2024-2025 and 2025-2026 results, despite higher macroeconomic uncertainty
- Further increases in fund dividend are considered within the next years

## Sustainability

- Ongoing work on 22 building permits for renovation projects
- Acceleration of renovation plan with CHF 15 mio / year envisaged capex envelope, depending on obtained building permits
- Sustainability targets under review following application of REIDA standards, will result in lower emission goals

# Financial outlook

	Historicals		Projection			
<i>In CHF mio, end of year as of 30 June</i>	2024	S1 2025	2025	2026	2027	2028
<b>Income statement</b>						
Rental income	65.94	37.45	75.58	77.25	78.48	79.89
Growth % (yoy)			14.6%	2.2%	1.6%	1.8%
Vacancy	(0.75)	(0.54)	(1.00)	(1.01)	(0.99)	(1.00)
Net rental income	65.20	36.91	74.58	76.24	77.48	78.88
Construction periodic interests	1.00	0.29	0.64	0.42	0.47	0.21
Other revenues	4.37	0.31	0.50	0.50	0.50	0.50
Total income	70.57	37.51	75.72	77.16	78.46	79.59
Maintenance and repairs	(4.45)	(2.97)	(5.84)	(5.74)	(5.73)	(5.77)
Building operating costs	(4.02)	(2.17)	(4.75)	(4.71)	(4.67)	(4.71)
Property taxes	(2.66)	(1.49)	(2.98)	(3.05)	(3.06)	(3.11)
Property admin. fees (facility managers)	(4.29)	(2.43)	(4.92)	(5.03)	(5.11)	(5.21)
Total property expenses	(15.42)	(9.06)	(18.49)	(18.53)	(18.58)	(18.79)
EBITDA properties	55.15	28.45	57.22	58.63	59.87	60.80
Amortization	(0.06)	(0.02)	(0.09)	(0.10)	(0.09)	(0.09)
Management and other fees (TER)	(7.02)	(3.85)	(7.63)	(7.91)	(8.13)	(8.29)
Fund taxes	(11.43)	(5.48)	(11.09)	(11.28)	(11.28)	(11.42)
Other expenses	(0.03)	(0.23)	(0.10)	(0.10)	(0.10)	(0.10)
Debt interests	(5.60)	(2.40)	(4.44)	(4.65)	(4.89)	(5.12)
Net income	31.01	16.46	33.89	34.59	35.38	35.77
Growth % (yoy)			9.3%	2.1%	2.3%	1.1%
Gain / (loss) on sale	-	(0.55)	(0.55)	-	-	-
Realized net income	31.01	15.92	33.34	34.59	35.38	35.77
- Realized net income per unit (annualized)	5.36	5.59	5.76	5.89	5.94	5.97
<b>Financial ratios</b>						
Vacancy rate	1.39%	1.44%	1.33%	1.31%	1.27%	1.26%
EBIT margin	68.60%	67.50%	67.61%	67.52%	67.81%	67.59%
Realized ROE	2.33%	2.37%	2.48%	2.52%	2.53%	2.54%
TER GAV	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%
Debt ratio	15.23%	17.80%	17.47%	18.00%	18.50%	19.00%
Average cost of debt	2.34%	1.73%	1.60%	1.50%	1.50%	1.50%

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