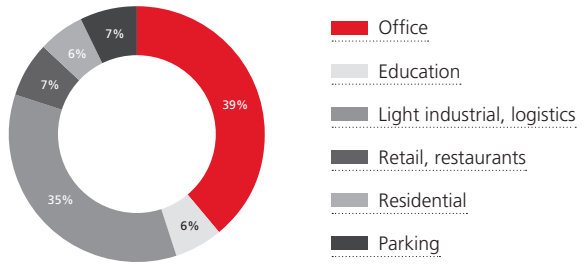


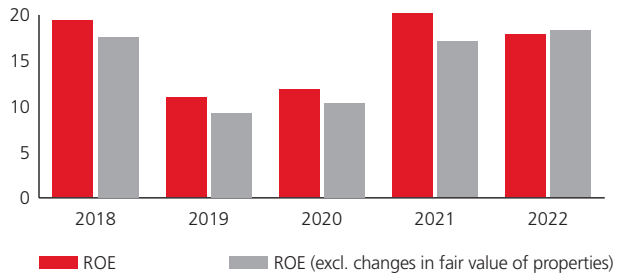
# Summary 2022



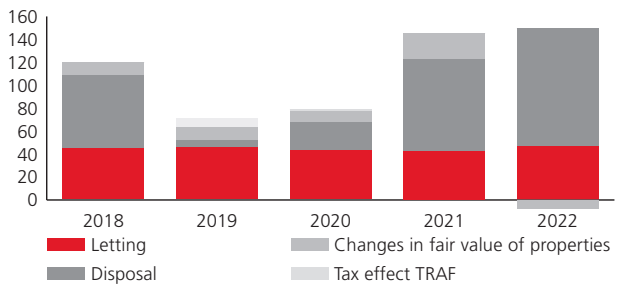
## Portfolio by use



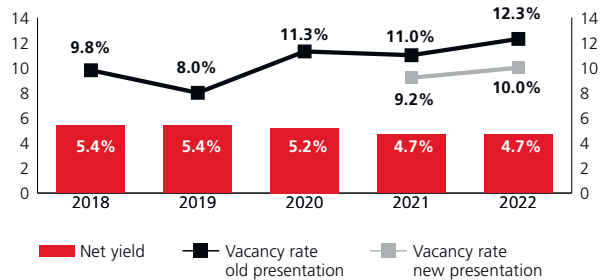
## Return on equity (in percent)



## Net income (in CHF m)



## Net yield and vacancy rate of the investment property portfolio (in percent, as of 2021 new presentation)



## Key figures Intershop Group

		2022	2021
<b>Financials</b>			
Net rental income	m CHF	68.3	66.8
Net gains from property disposal	m CHF	133.2	106.1
Changes in fair value of properties	m CHF	-1.6	32.3
Operating result (EBIT)	m CHF	191.6	195.1
Earnings before taxes (EBT)	m CHF	185.6	187.3
Net income	m CHF	145.5	144.2
<hr/>			
Cash flow from operations	m CHF	4.9	33.3
Investments in properties	m CHF	83.6	84.1
<hr/>			
Total assets	m CHF	1,456.3	1,426.7
Total properties	m CHF	1,393.5	1,387.3
Financial liabilities	m CHF	394.9	428.9
Shareholders' equity	m CHF	878.8	809.7
Return on equity <sup>1)</sup>		17.8%	20.1%
Return on equity excluding changes in fair value of properties <sup>1)</sup>		18.2%	17.0%
<hr/>			
<b>Portfolio</b>			
Number of investment properties		29	39
Number of development properties <sup>3)</sup>		20	12
Lettable area	in m <sup>2</sup>	517,468	513,253
Gross yield <sup>2) 4)</sup>		5.4%	5.4%
Net yield <sup>2) 5)</sup>		4.7%	4.7%
Vacancy rate investment property portfolio <sup>2)</sup>		10.0%	9.2%
Vacancy rate development property portfolio <sup>2)</sup>		20.2%	19.8%
Vacancy rate total portfolio		13.3%	12.8%
<hr/>			
<b>Personnel</b>			
Number of employees		65	74
<hr/>			
<b>Share</b>			
Earnings per share <sup>6)</sup>	CHF	78.18	75.92
Earnings per share excluding changes in fair value of properties <sup>7)</sup>	CHF	80.19	64.22
Net asset value per share (NAV) <sup>8)</sup>	CHF	476.70	426.40
Share price at balance sheet date	CHF	603.00	612.00
Dividend per share <sup>9)</sup>	CHF	50.00	25.00

1) Based on the average shareholders' equity during the period, see «Alternative Performance Measures», Annual report 2022, p 124

2) Figures relate to investment properties at the balance sheet date, figures as at 31.12.2021 adjusted for the new presentation of the portfolio from 01.01.2022 as described in the Annual Report 2022, p 11

3) Including promotional properties

4) Effective annual gross rental income in proportion to the market value of the properties at the balance sheet date, see «Alternative Performance Measures», Annual report 2022, p 124

5) Effective annual gross rental income less directly attributable property costs (excluding interest expense) in proportion to the market value of the properties at the balance sheet date, see «Alternative Performance Measures», Annual report 2022, p 124

6) See «Earnings per share», Annual report 2022, p 88

7) After deducting changes in fair value of properties and associated deferred tax, see «Earnings per share», Annual report 2022, p 88

8) See «Net asset value per share», Annual report 2022, p 83

9) 2022: Proposal of the Board of Directors to pay an ordinary dividend of CHF 25 as a one-off extraordinary dividend of CHF 25 per share

## Letter to shareholders

Dear shareholders, dear Ladies and Gentlemen

In a challenging environment, Intershop closed the financial year as follows:

- The Group's net profit amounted to CHF 145.5 million or CHF 78.18 per share, which corresponds to a return on equity of 17.8%. The result is slightly above that of the previous year.
- Equity increased to CHF 879 million or CHF 477 per share.
- The net yield on the investment property portfolio remained stable at an attractive 4.7%.
- The vacancy rate of the investment property portfolio amounted to 10.0%.
- The overall performance of the Intershop share reached 2.6%.
- The Board of Directors proposes to the Annual General Meeting an unchanged ordinary dividend of CHF 25 and a one-off extraordinary dividend of CHF 25 per share.

The result has been significantly influenced by the sale of the «AuPark» in Au-Wädenswil in August of the financial year, which successfully completed the project redevelopment and repositioning of the former industrial site that began more than ten years ago. The pre-tax profit from this transaction amounted to CHF 125 million.

### Business review

The status of the transaction market has changed due to rising inflation and increasing interest rates. Significant losses recorded on both shares and fixed-income investments have caused the real estate quota to rise among many institutional investors, which has led to an increased reluctance to make acquisitions. On the other hand, there is only limited evidence that transaction prices have perceptibly fallen. Many potential sellers are therefore not prepared to make any price reductions. In this environment, Intershop was unable to identify any significant acquisition opportunities with attractive added value potential. In addition to the «AuPark», the Group also disposed of a residential project in Biel, a commercial building in Oberentfelden and 18 commonhold apartments at the «Römerstrasse» promotional project in Baden.

Rental income showed some positive development and amounted to CHF 76.1 million, despite Intershop disposing of several properties with rental income of a good CHF 2 million in the previous year. The expiry of pandemic-related government support led to an increase in bankruptcies throughout Switzerland. Intershop was also affected by such cases and had to accept the termi-

nation of individual tenancy agreements. The resulting losses were compensated by rental income from Stadler's newly constructed assembly plant in Oberwintertur and by further letting successes. Excluding transactions (like-for-like), rental income from the investment property portfolio rose by 1.7%. The vacancy rates have decreased since the middle of the reporting year, but at 10.0% for the investment property portfolio and 13.3% for the entire portfolio, are still above the values at the end of 2021.

Real estate expenses reduced by 5.9% to CHF 7.8 million, primarily due to lower non-recoverable service charges. The gross and net yields of the investment property portfolio remained at the previous year's level of 5.4% and 4.7% respectively, whilst the development property portfolio increased to 7.1% and 6.0% respectively. The revaluation of the properties by KPMG resulted in a slight revaluation loss of 0.1% or CHF 1.6 million. This decrease in value was, amongst other things, the result of the inclusion of approximately CHF 80 million of additional planned investment in the sustainability of the real estate portfolio over the next 20 years in accordance with the published CO<sub>2</sub> reduction path. In the previous year, the portfolio recorded a net revaluation surplus of CHF 32.3 million or 2.6%, of which 90% of the revaluation related to the «AuPark» project.

The substantial sales proceeds allowed a significant reduction in debt. Interest expense amounted to CHF 6.1 million in the reporting year and was 23% below the previous year's value. The loan-to-value ratio (LTV) of the portfolio at the balance sheet date was a low 28%. The bottom line resulted in a pleasing net profit of CHF 145.5 million and a return on equity of 17.8%.

As at the balance sheet date, the Group equity amounted to CHF 879 million and was 8.5% higher than in the previous year. This corresponds to an equity ratio of 60%. The proportionate equity per share (NAV) amounted to CHF 477.

The result of the year under review in combination with the high equity base has prompted the Board of Directors to propose to the Annual General Meeting the distribution of a one-off extraordinary dividend of CHF 25 in addition to the ordinary dividend of CHF 25 per share.

## Sustainability

The fourth sustainability report according to the GRI-Standards (Global Reporting Initiative™) was further expanded and can be found in the annual report on pages 44 – 56. For the first time, it also includes a CO<sub>2</sub> reduction path for the Group. Intershop has set itself the goal of at least halving its CO<sub>2</sub> emissions (Scope 1-2) within 10 years and achieving net zero by 2050.

## Development projects making progress

The development projects are largely proceeding according to plan. In Basel, Redingstrasse, the 68 new flats in the two high-rise extensions were completed at the end of November. At the balance sheet date, 41 flats have already been let and rental contracts for a further 19 flats have been signed, which will be occupied in 2023. The refurbishment of the existing high-rise buildings has been largely completed. Of the 93 flats that were vacant due to renovation, 62 were already re-let at the end of 2022. At the «Römerstrasse» promotional project in Baden, 18 commonhold apartments were handed over in the reporting year. The transfer of ownership of the remaining 60 flats will take place in the first quarter of 2023. The renovation of the office building in Wohlen and the replacement of the oil heating system with a pellet heating system were completed. The occupancy rate improved substantially from 46% to 73%. In the second half of the reporting year, construction began on the «Orubi» commercial building in Vernier. The commercial space will be marketed under the brand name «Métiers Vernier». Completion of the sustainably designed building, among other things, regarding the energy supply with district heating from geothermal probes, with around 12,500 m<sup>2</sup> of flexible commercial space is scheduled for the first quarter of 2024.

## Board of Directors and organisation

At the 2022 Annual General Meeting, Ernst Schaufelberger was elected to succeed Dieter Marmet as Chairman, Kurt Ritz was confirmed as a member of the Board of Directors for another year and Dr Christoph Nater was elected as an additional member.

In December 2022, the long-standing CEO Cyrill Schneuwly informed that he will leave the Intershop Group in autumn 2023 after a good 25 years of service. The Board of Directors would like to thank Cyrill Schneuwly already now for the excellent work he has done for the Intershop Group. He has led the Group with great skill over the years and has contributed significantly to the Group's success. The evaluation of his successor is underway.

## Outlook

Due to the geopolitical situation and the uncertainty regarding further economic development, any outlook is difficult. In principle, Intershop views the outlook as positive, but considers different scenarios when making decisions. If Switzerland remains unaffected by a sharp economic downturn, Intershop can expect an increase in rental income in the low single-digit percentage range, excluding acquisitions and disposals (like-for-like). The operational focus on letting vacant space will remain, so that not only the vacancy rate of the investment property portfolio, but also the the entire portfolio should be reduced.

A profit contribution of slightly more than CHF 10 million is expected from the sale of the remaining commonhold apartments at the «Römerstrasse» project in Baden. The transaction market will continue to be closely monitored and attractive opportunities for the realisation of further added value as well as for the acquisition of interesting opportunities will be seized.

Financing costs should develop in a stable manner. Their development depends, in particular, upon the refinancing of the bond that matures in April 2023. The development of the property market values and their influence on the 2023 financial statements cannot be estimated at the present time. While further interest rate increases might lead to higher discount rates that may put pressure on the property values, increasing rental income due to indexation should have a stabilising effect. Intershop remains committed to its goal of achieving a return on equity of at least 8% on a multi-year average.

## Thanks

We would like to thank all our shareholders for the trust they have placed in us. We would also like to thank all our clients and, in particular, our employees, whose motivated efforts made this excellent result possible in the first place.



Ernst Schaufelberger  
Chairman of the  
Board of Directors



Cyrill Schneuwly  
Chief Executive Officer

Zurich, 22 February 2023

## Consolidated balance sheet

(in CHF 1'000)

<b>Assets</b>	<b>31.12.2022</b>	31.12.2021
<b>Current assets</b>		
Cash	52,729	31,701
Trade receivables	1,809	252
Other receivables	5,421	5,944
Development properties held for disposal	19,195	0
Promotional properties	50,426	45,068
Accrued income and prepaid expenses	1,192	966
<b>Total current assets</b>	<b>130,772</b>	<b>83,931</b>
<b>Non-current assets</b>		
Investment properties	991,118	1,153,767
Development properties	332,809	188,459
Other equipment	253	249
Intangible assets	1,184	0
Deferred tax assets	203	155
Employer contribution reserves	0	170
<b>Total non-current assets</b>	<b>1,325,567</b>	<b>1,342,800</b>
<b>Total assets</b>	<b>1,456,339</b>	<b>1,426,731</b>
<b>Shareholders' equity and liabilities</b>		
<b>Current liabilities</b>		
Short term financial liabilities	100,012	34,000
Trade payables	24,381	21,664
Tax liabilities	10,760	12,255
Short term provisions	4,504	1,335
Accrued expenses and deferred income	17,616	19,016
<b>Total current liabilities</b>	<b>157,273</b>	<b>88,270</b>
<b>Non-current liabilities</b>		
Long term financial liabilities	294,875	394,892
Derivative financial instruments	0	6,437
Deferred tax liabilities	123,389	124,655
Long term provisions	1,997	2,741
<b>Total non-current liabilities</b>	<b>420,261</b>	<b>528,725</b>
<b>Total liabilities</b>	<b>577,534</b>	<b>616,995</b>
<b>Shareholders' equity</b>		
Share capital	19,000	19,000
Capital reserves	7,781	7,757
Treasury shares	-35,789	-631
Retained earnings	887,813	783,610
<b>Total shareholders' equity</b>	<b>878,805</b>	<b>809,736</b>
<b>Total shareholders' equity and liabilities</b>	<b>1,456,339</b>	<b>1,426,731</b>

## Consolidated income statement

(in CHF 1'000)

	2022	2021
Rental income	76,069	75,128
Net gains from property disposals	133,166	106,082
Other income	5,469	4,250
<b>Total operating income</b>	<b>214,704</b>	185,460
Property expense	7,810	8,304
Personnel expense	11,303	11,746
Administrative expense	2,359	2,604
<b>Total operating expense</b>	<b>21,472</b>	22,654
Changes in fair value of properties	-1,600	32,273
<b>Operating result (EBIT)</b>	<b>191,632</b>	195,079
Financial income	96	177
Financial expense	-6,115	-7,966
<b>Profit before taxes</b>	<b>185,613</b>	187,290
Tax expense	-40,143	-43,053
<b>Net income</b>	<b>145,470</b>	144,237
<b>Earnings per share (CHF)</b>	<b>78.18</b>	75.92

**Contact**

Registered office:  
Intershop Holding AG  
Puls 5, Giessereistrasse 18  
CH-8005 Zurich

Mail address:  
P.O. Box  
CH-8031 Zurich

Phone +41 44 544 10 00  
Fax +41 44 544 10 01  
info@intershop.ch  
www.intershop.ch

**Annual General Meeting 2023**

Thursday, 30 March 2023  
Cigarettenfabrik Eventhalle 268  
Sihlquai 268, CH-8005 Zurich

**Reporting**

Presentation of Annual Report	28 February 2023
Presentation of Half-Year Report 2023	22 August 2023

**Investment products**

	<b>Security number</b>	<b>Ticker</b>	<b>Tax value</b>
Registered share	27'377'479	ISHN	CHF 603.00
1.125% bond 2015–2023	27'577'643	ISH15	99.74
0.3% green bond 2021–2026	111'139'299	ISH21	93.55

**Investor Relations**

Thomas Kaul

This Summary is a translation of the Summary of the Annual Report 2022 in German. Only the Annual Report 2022 in German which is available on [www.intershop.ch](http://www.intershop.ch) is legally binding.