

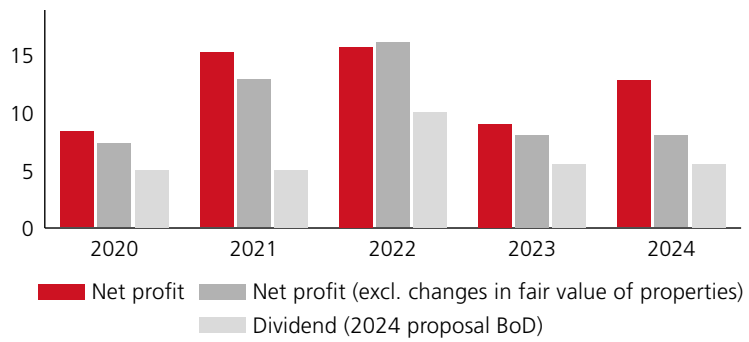
Annual Report 2024



"Métiers Vernier", commercial property, year of construction 2024, photo: Swen Sack

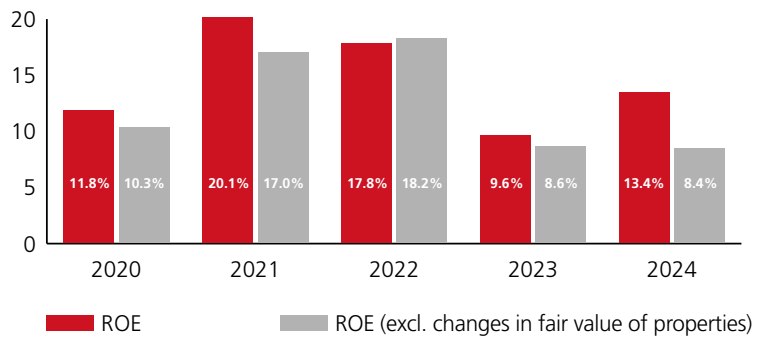
Earnings per share

(in CHF)



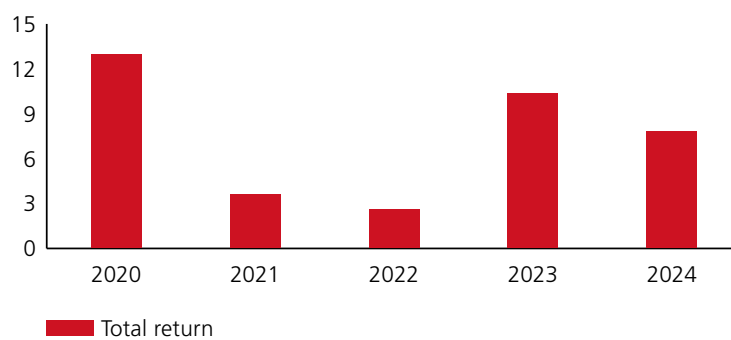
Return on equity

(in per cent)

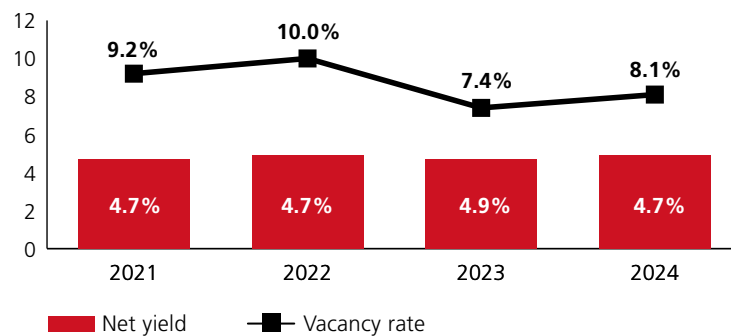


Total return of the share

(in per cent)



Net yield and vacancy rate of investment property portfolio



Intershop Group key figures

		2024	2023	
Financials	Net rental income	million CHF	73.2	71.8
	Net gains from property disposals ³⁾	million CHF	23.5	31.6
	Changes in fair value of properties	million CHF	59.7	12.0
	Operating result (EBIT)	million CHF	146.2	105.2
	Earnings before tax (EBT)	million CHF	136.4	99.2
	Net income	million CHF	117.5	82.5
	Net cash from operations	million CHF	30.7	81.2
	Investments in real estate	million CHF	208.9	77.1
	Total assets	million CHF	1,627.1	1,400.0
	Total value of property portfolio	million CHF	1,591.7	1,375.3
Financial liabilities	million CHF	522.0	381.3	
Shareholders' equity	million CHF	935.0	867.3	
Return on equity ¹⁾		13.4 %	9.6 %	
Return on equity excl. changes in fair value of properties ¹⁾		8.4 %	8.6 %	
Portfolio	Number of investment properties		28	27
	Number of development properties ³⁾		17	16
	Lettable area	in m ²	561,468	502,181
	Gross yield ^{2) 4)}		5.5 %	5.6 %
	Net yield ^{2) 5)}		4.7 %	4.9 %
	Vacancy rate investment property portfolio		8.1 %	7.4 %
	Vacancy rate development property portfolio		20.3 %	18.4 %
Vacancy rate total portfolio		11.9 %	10.7 %	
Personnel	Number of employees		67	70
Share	Earnings per share ^{6) 10)}	CHF	12.74	8.95
	Net profit per share excl. change in fair value of properties ^{7) 10)}	CHF	7.99	8.00
	Net asset value per share (NAV) ^{8) 10)}	CHF	101.43	94.09
	Share price at balance sheet date ¹⁰⁾	CHF	127.00	123.00
	Dividend per share ^{9) 10)}	CHF	5.50	5.50

1) Based on the average shareholders' equity during the period, see "Alternative performance measures", p 122

2) Figures relate to investment property portfolio as at the balance sheet date

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", p 122

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", p 122

6) See "Earnings per share", p 86

7) After deducting changes in fair value of properties and associated deferred tax, see "Earnings per share", p 86

8) See "Net asset value per share", p 80

9) 2024: Proposal of the Board of Directors; 2023: Payment of an ordinary dividend of CHF 5.50 per share

10) Adjusted for share split

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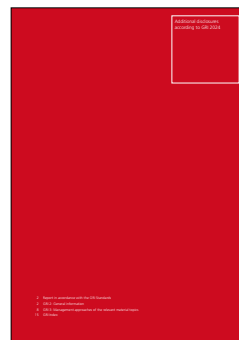
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Letter to the shareholders

Overview

Dear Shareholders, Ladies and Gentlemen

The Intershop Group's business developed as follows in 2024 (previous year's figures in brackets and adjusted for share split):

Operational:

- Net property income: CHF 73.2 million (CHF 71.8 million)
- Net yield on investment properties: 4.7 % (4.9 %)
- Vacancy rate for investment properties: 8.1 % (7.4 %)
- Changes in valuation: CHF 59.7 million (CHF 12.0 million)
- Net profit: CHF 117.5 million, CHF 12.74 per share (CHF 82.5 million, CHF 8.95 per share)
- Equity: CHF 935.0 million, CHF 101.43 per share (CHF 867.3 million, CHF 94.09 per share)
- Return on equity: 13.4 % (9.6 %)

Transactions:

- Acquisition of seven properties with a total volume of CHF 152.5 million and the notarisation of a purchase in Kempththal, the completion of which took place in February 2025
- Disposal of six properties with a total volume of CHF 77.1 million

Sustainability:

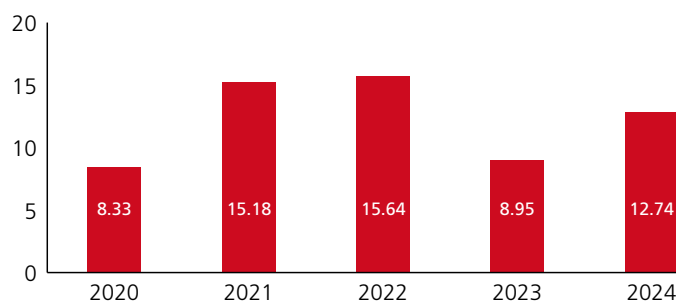
- Reduction in CO₂ emissions portfolio ("like for like" /Scope 1+2): 9.7 kg CO₂e/m² (10.1 kg CO₂e/m²)

Further information:

- Reduced tax expense of CHF 18.9 million (CHF 16.7 million) due to an adjustment to the calculation of deferred tax provisions and one-off effects
- Reduction in average interest costs to 1.40 % (1.67 %)

The Board of Directors proposes a stable ordinary dividend of CHF 5.50 per share to the Annual General Meeting.

Earnings per share in CHF (adjusted for share split)



The total return on Intershop shares in the year under review was 7.83 %. Over a 5-year period, the total return is 44.01 % and that of the benchmark index SXI Real Estate Shares Broad 11.97 %.

Business performance

Pleasing development in operating result and continued strong balance sheet

In the 2024 financial year, property income increased to CHF 82.2 million for the third year in a row (increase of 2.2%). This positive development was driven by rent increases and the reduction in vacancies on a comparable basis thanks to letting successes achieved in the reporting period (see section "Property portfolio"). Net property income increased by 2.0% to CHF 73.2 million. The higher rental income compared with 4.5% lower operating costs of CHF 13.9 million. The operating result of CHF 146.2 million is significantly higher than the previous year's figure at 39.0% thanks to net positive revaluation gains totalling CHF 59.7 million.

With an equity ratio of 57.5% and a loan-to-value (LTV) ratio of 32.8%, the Intershop Group's business activities continue to be based on a strong balance sheet. In the 2024 financial year, the average interest costs were reduced from 1.67% to 1.40%. As part of the financing strategy adjusted in 2024, the Intershop Group issued a further green bond of CHF 100 million and also committed to solid financing with strict limits for debt and the equity ratio.

Transaction-rich year 2024

The Intershop Group looks back on a transaction-rich financial year 2024. In the reporting period, a total of seven properties totalling CHF 152.5 million were acquired and six properties with total gross proceeds of CHF 77.1 million were sold. In December 2024, Intershop also notarised the acquisition of a fully let commercial property with a target rental income of CHF 1.0 million in the industrial zone of Kempthal. The closing of the transaction took place at the beginning of February 2025.

The acquisitions made contribute to stable total rental income. In addition, the development pipeline was expanded.

Gains from the disposal of properties rose by 70.3% year-on-year from CHF 13.6 million to CHF 23.2 million.

One-off effects have a positive impact on tax expenses

External and independent valuations are available for all properties that have been held for 20 years or longer. Intershop has used these market valuations, together with an individually estimated residual holding period based on the property strategy, to calculate the provisions for deferred taxes in specific cantons. As a result, provisions for deferred taxes were reduced by CHF 8.7 million. In addition, tax accruals totalling CHF 4.5 million were reversed as a result of final assessments for a subsidiary covering several periods.

Development projects make progress

Significant progress has been made in the development projects. With the "Métiers Vernier" project, the basic construction of which was completed in March 2024, and the new "Lehenmatt Ensemble" shopping centre in Basel, which was completed in the 4th quarter of 2024, two important projects were completed on schedule. Both properties were reclassified as investment properties at the end of the year. The occupancy rate at the end of January 2025 was 54.1% and 85.9% respectively.

Work on the major renovation of "Bloom" in Lausanne is progressing according to plan; the handover of the second stage has taken place and completion of the overall project is expected in autumn 2025. The occupancy rate at the end of January 2025 was 53.2%. The test planning to determine the densification potential of the "Mediacampus" site in Zurich

was carried out and finalised. The next steps are currently being evaluated. In May 2024, the special utilisation plan for the project on Oststrasse in St. Gallen was submitted to the planning department of the city of St. Gallen for a preliminary review. Intershop received the preliminary review report in February 2025. The special utilisation plan is currently being revised and will then be re-submitted to the city for public planning approval.

Contribution to sustainability

The existing sustainability strategy was further developed and a new sustainability guideline was introduced in the 2024 financial year. An ESG roadmap with clear objectives and metrics was drawn up on the basis of a double materiality analysis. After participating in the GRESB¹ for the first time in 2023 (test phase), Intershop has subsequently been able to improve its rating by 33 points to 68 points and has consequently achieved the Green Star rating and earned two stars. CO₂ emissions were reduced by 4.5 % from 10.1 kg CO₂e/m² to 9.7 kg CO₂e/m² in the reporting year. The reduction was achieved in particular by replacing fossil-fuelled heating systems with renewable heating energy sources.

Organisation and shareholders

Stable shareholder base

As at the balance sheet date, Intershop had 1,205 registered shareholders. During the reporting period, Credit Suisse Funds AG and UBS Fund Management (Switzerland) AG made several disclosure notifications, most recently in May 2024 with a disclosure by UBS Fund Management (Switzerland) AG of 6.075 % in connection with the merger of Credit Suisse Funds AG and UBS Fund Management (Switzerland) AG. In December 2024, there were also three disclosure notifications by BlackRock, Inc., the last of which fell below the reporting threshold of 3 %. The proportion of shareholders who did not register in the share register was 20.4 % at the end of 2024. 99.8 % of the shares registered with voting rights are held by shareholders domiciled in Switzerland.

Board of Directors

Gregor Bucher will not be standing for re-election at the 62nd Annual General Meeting. The Board of Directors would like to thank him for his commitment. The Board of Directors proposes Gabriela Theus as his successor. Gabriela Theus graduated the University of St. Gallen with a degree in Business Administration in 1999. Since then, she has undergone further training, held leading positions in the real estate sector of various companies and has been Managing Director of Immofonds Asset Management AG, Zurich, since 2017. Due to her professional activities, Gabriela Theus has in-depth knowledge of the Swiss property market and is characterised by her comprehensive expertise.

Executive Board renewal completed

The renewal of the Intershop Group's Executive Board was completed in 2024. On 1 January 2024, Yannick Hartmann took over as Head of Real Estate and Mireille Lehmann as Head of Construction and Development. Florian Balschun took over the position of Chief Financial Officer from Thomas Kaul on 1 April 2024.

¹ Global Real Estate Sustainability Benchmark

Gradual revision of the strategy and investment policy

While the Intershop Group's business model remains unchanged, the Board of Directors sharpened its strategy and investment policy at its meeting on 26 February 2025. The flexibility for investments was increased, for example by slightly raising the relative upper limit for residential properties. By removing potential foreign investments, the Intershop Group is also making a clear commitment to its focus on the Swiss market.

Outlook

The Swiss economy proved robust in 2024, interest rates fell continuously over the course of the year and the valuations of listed indirect real estate investments increased significantly again. This has already led to a sharp rise in capital increases in 2024 and Intershop expects a strong inflow of capital for vehicles that indirectly provide access to the real estate market in 2025. As a result of the additional capital available, Intershop expects the transaction market to pick up noticeably, with core properties likely to be the first to benefit. Intershop plans to continue its activity in the transaction market and consistently seize opportunities in order to further strengthen the development pipeline and rental income.

Due to acquisitions made during the 2024 financial year, the initial lettings of the two completed projects in Vernier and Basel, and an anticipated reduction in vacancies on a comparable basis, Intershop expects net rental income to increase by at least 8 % in the 2025 financial year, excluding new transactions.

Further selective strengthening of the organisation is planned for the 2025 financial year. In addition, temporarily higher operating costs are expected due to the expenses for planned process improvements. Intershop assumes that operating expenses will return to the level of the 2024 financial year from the 2028 financial year onwards.

Intershop will continue to consistently implement the financing strategy adjusted in the 2024 financial year in the current year and is expected to issue one to two bonds, depending on the market environment. The tax rate is expected to normalise.

Overall, the Intershop Group is confident about the 2025 financial year and expects a result, which will enable it to maintain its attractive dividend policy.

Thank-you

We would like to thank all our shareholders, customers and business partners for their loyalty and trust. We would also like to thank our employees in particular. Your commitment and dedication make the difference – and for that we say thank you!



Ernst Schaufelberger
Chairman of the Board of Directors



Simon Haus
Chief Executive Officer

Zurich, 26 February 2025

Property portfolio

The reporting period was characterised by high transaction activity and a focus on active asset management. In addition to a large number of acquisitions and disposals, a number of important letting successes were achieved.

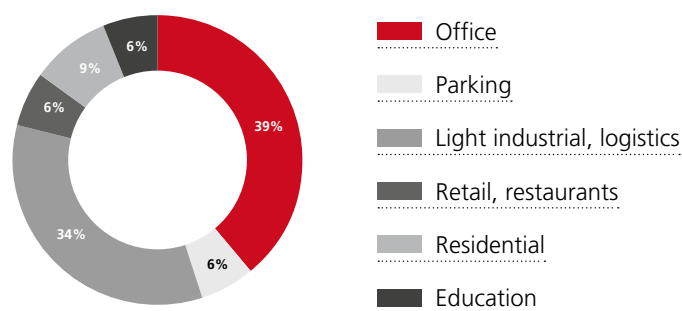
In the 2024 financial year, Intershop sold a total of six properties with a consolidated target rental income of CHF 4.3 million for gross sales proceeds of CHF 77.1 million. An overview of the properties sold can be found in section "Detailed information on the acquisitions and disposals of property". Some of the properties were sold because their development potential had been fully utilised.

In the same period, Intershop acquired seven properties totalling CHF 152.5 million with a target rent of around CHF 9.3 million. The properties in question are as follows (in chronological order; target rent at the time of acquisition):

- Office and commercial building "Bento Baden" at Brown Boveri Platz 3, 3a, 3b in Baden with a target rent of CHF 1.2 million with the aim to reposition.
- Office and commercial building at Sihlbruggstrasse 105a in Baar with a target rent of CHF 0.8 million, with the aim to optimise the EBIT margin and lease agreements.
- Development property at Seeburgstrasse 18 in Lucerne with a target rent of CHF 0.2 million in a mixed-use zone with potential for conversion/development.
- Logistics and retail building at Riedmoosstrasse 10 in Niederwangen with a target rent of CHF 2.4 million and a neighbouring plot of land (5,671 m²) that offers significant development potential.
- Promotional property at Schaubhausweg 4 in Eich, with planning for the construction of residential property.
- Commercial building "Scintilla-Areal", Allmendweg 3, 5/Luterbachstrasse 10 in Zuchwil with a target rent of CHF 4.0 million with the aim of successive repositioning.
- Development property at Hohenbühlstrasse 1, 3, 5 in Opfikon with a target rent of CHF 0.6 million; intended for interim residential use with the aim to replace it in the medium term with a new residential development.

The composition of the portfolio by type of use remained largely stable in the 2024 financial year:

Portfolio by type of use (based on rental income in the reporting period)



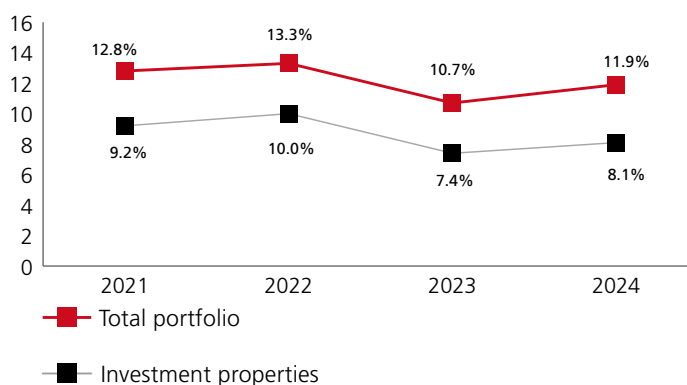
As at the balance sheet date, the Intershop Group's portfolio comprised 45 properties with a market value of CHF 1,591.7 million. In addition to the aforementioned transactions, investment of CHF 57.6 million and net revaluation gains of CHF 59.7 million contributed to the portfolio growth of CHF 216.4 million.

Property income increased by 2.2 % to CHF 82.2 million in the 2024 financial year. This was the third increase in a row, although the transactions carried out in the past resulted in a net loss of around CHF 0.6 million in income. The increase in target rent totalling CHF 2.1 million and the reduction in vacancies totalling CHF 1.3 million contributed significantly to the positive development. As the increase in property expenses was somewhat higher at 4.1 % to CHF 9.0 million, net property income increased somewhat less significantly by 2.0 % to CHF 73.2 million. The higher expenses are due on the one hand to a reversal of provisions totalling CHF 0.5 million in the previous year, and on the other hand to higher incidental costs of CHF 0.1 million. Measured against property income, property expenses remain at a low level of 11.0 % (10.8 %).

The gross and net yields of the portfolio have fallen by 0.4 percentage points to 5.4 % and 0.3 percentage points to 4.7 %, respectively.

Although the portfolio's vacancy rate rose from 10.7 % to 11.9 % year-on-year, it fell by 1.8 percentage points on a "like for like" basis. A significant part of the increase was due to the newly acquired properties in Baden and Opfikon as well as the completion of the "Métiers Vernier" commercial property. In contrast, significant letting successes were achieved in the existing portfolio, of which selected transactions are listed below. Around 26.9 % of the vacancies are due to the major refurbishment of "Bloom" in Lausanne and are therefore deliberate.

Development of the vacancy rate in %



The weighted average unexpired lease terms of the contractually fixed commercial rent contracts (WAULT) at the end of the reporting period increased significantly from 4.0 to 4.4 years in the reporting year. At the end of the financial year, around 90.4 % of the rental agreements were index-linked.

Investment properties

As at the balance sheet date, the portfolio of investment properties comprised 28 properties with a market value of CHF 1,105.3 million. In the financial year, two properties were acquired, three were sold and two were reclassified from development properties. In addition to the transactions totalling CHF 21.3 million net, investments of CHF 7.9 million, net revaluation gains of CHF 9.9 million and the reclassification of development properties to investment properties of CHF 49.5 million contributed to the increase of CHF 88.6 million.

Rental income from investment properties increased by 2.7 % to CHF 57.3 million. On a "like for like" basis, growth amounted to 4.4 %. At 5.5 %, the gross yield was slightly lower than in the previous year at 5.6 %. Despite property expenses increasing by 4.3 %, net property income rose slightly by 3.5 %. The net yield on the investment properties was 4.7 % (4.9 %).

The vacancy rate for investment properties increased by 0.7 percentage points to 8.1 %, primarily due to the "Métiers Vernier" property, which was completed in the reporting year and reclassified at the end of the year. On a "like for like" basis, there was a decline of 1.9 percentage points. The most important letting successes include:

- Early extension of the rental agreement for 10 years with the main tenant of the property in Regensdorf.
- Early extension of an important rental agreement until 2030 for the property at Sulzerallee 46 in Winterthur.
- Signing of a large rental agreement for 3,320 m² for the "Métiers Vernier" property with a term starting in mid-2025 and running 25 years.
- Early extension with the previous single tenant of the property in Höri for 10 years and signing of direct rental agreements with the previous subtenants.
- New letting of a previously vacant space in the "Patio" property in Zurich, resulting in almost full occupancy.

The weighted average unexpired lease term (WAULT) of the contractually fixed commercial rental agreements for the investment properties was 4.8 years at the end of the reporting year.

Development and promotional properties

The market value of the 17 development and promotional properties totalled CHF 486.4 million at the end of 2024. The following factors contributed to the year-on-year growth:

- Transactions: CHF 77.7 million
- Investments: CHF 49.7 million, the major part of related to the major refurbishment of "Bloom" in Lausanne
- Reclassification of the completed "Métiers Vernier" and "Lehenmatt Ensemble", Basel, projects to investment properties as at the year end: CHF –49.5 million
- Net revaluation gains: CHF 49.9 million

Both property income and net property income from development properties fell by 8.1 % to CHF 21.6 million and by 9.8 % to CHF 18.9 million respectively in the reporting year. The gross and net yields were 5.4 % and 4.7 % respectively.

The vacancy rate for development and promotional properties increased by 1.9 percentage points to 20.3 %. On a "like for like" basis, the vacancy rate, however, decreased by 0.9 percentage points. Around 50.3 % of the vacancies in the development and promotional properties are due to the refurbishment of "Bloom" in Lausanne and are intentional.

One of the most important letting successes was the signing of the first major rental agreement for the "Bento Baden" property with a term beginning on 1 August 2024, where the optimal use of a former freight forwarding hall was found and an area of around 2,800 m² has been let. For the "Bloom" project in Lausanne, a 25-year rental agreement was concluded with an existing tenant for 1,200 m² of space (early break after 10 years). The lease will start after completion of the refurbishment.

Significant progress was made with the development and promotional properties in the reporting period:

Completed projects

Two projects were completed on schedule in the financial year and the properties were reclassified as investment properties at the end of the year. The basic fit-out for the flexible and sustainable commercial building "Métiers Vernier" was handed over in March 2024. Intershop has since received the definitive Minergie certificate. The current focus is on marketing and tenant fit-outs. As at the end of January 2025, the occupancy rate was 54.1 %. The energy-efficient "Lehenmatt Ensemble" in Basel was completed in the 4th quarter of 2024 and the spaces were handed over to major tenants on schedule. The occupancy rate here was 85.9 % at the end of January 2025.

Ongoing conversions and repositioning

Lausanne, "Bloom"

The property has been undergoing extensive refurbishment for a good two years since mid-2023. The revitalisation of the individual buildings will be staggered by temporarily relocating the affected tenants to one of the other buildings. In view of the impending disruption for the tenants, the vacant areas will not be re-let for the duration of the refurbishment. Work is progressing according to plan. The provisional Minergie and SNBS Gold certificates are available. The handover of the second stage (buildings B and C) and the start of construction of the third stage (buildings A and F) have taken place. Completion is still expected in autumn 2025.

Repurposing and repositioning in planning

Zurich, "Mediacampus", Baslerstrasse 30/Freihofstrasse 9

The site of around 28,000 m², which is currently used mainly for commercial purposes, is located in a five-storey residential zone. The location next to the abattoir and with entries in the municipal structure plan, lead to various mutual dependencies with the city of Zurich. With the involvement of the City of Zurich, Intershop has developed various scenarios that best reflect the interests of both the public sector and Intershop. In 2024, a test planning was carried out and completed to determine the densification potential of the site. The next steps are currently being evaluated.

St. Gallen, Oststrasse 23, 25, 29 and 31

Intershop has owned two mixed-use properties on Oststrasse for several years, which were expanded in 2019 by purchasing a neighbouring property. Much of the building fabric dates from the 1960s or earlier, which is why a redevelopment of the approximately 6,500 m² site for residential use is being examined. As the basis for a special utilisation plan for the site, a variance procedure was carried out with the participation of seven architectural firms and with the involvement of the City of St. Gallen. The winning project was converted into an indicative project during further processing and has served as the basis for the special utilisation plan, which was submitted to the City of St. Gallen's urban planning department for a preliminary review in May 2024. Based on current knowledge, the special utilisation plan will not come into force until the end of 2025 at the earliest and construction will not start before 2027.

Eich, Schaubhausweg 4

The construction of around 25 commonhold apartments is expected to be completed by 2028 on the 4,186 m² plot of land in an outstanding location with a view of Lake Sempach.

Opfikon, Hohenbühlstrasse 1, 3, 5

The property close to Zurich Airport, with a plot of 9,534 m², was partially being used as a staff building with an adjoining empty hotel. Both buildings have since been let on an interim basis and it is planned to replace them with a new residential development in the medium term. Development and realisation are planned to take place as soon as possible. Both the target product and the timetable are to be finalised in the 2025 financial year.

Flurlingen, "Arova Hallen", Winterthurerstrasse 702

The site, which covers more than 50,000 m², has around a dozen buildings with a very heterogeneous building fabric. Some buildings have already been extensively renovated, others are architecturally valuable, while others only have a limited lifespan. In 2022, Intershop launched a participatory process to draw up a new utilisation and development concept, which was completed in 2023. The aim of the process was to develop a comprehensive concept with the involvement of tenants, neighbours, the municipality, the region and other interested parties. The utilisation and development concept, which combines mixed residential and commercial use, will serve as the basis for further planning steps and any adjustments to any overlapping planning instruments. Letting continues to be promoted and the Group was able to record pleasing new contract closings in the reporting year.

Winterthur, Oberwinterthur-Neuhegi Industrial Park

Intershop is the owner of an industrial plot of more than 100,000 m² in Neuhegi (Oberwinterthur). Of the original 136,000 m², Intershop sold a 16,325 m² plot of land to a data centre in 2019 and built an assembly hall on a further 13,000 m² plot in the following years as part of a long-term rental agreement. In the reporting year, Intershop also sold a plot of 11,515 m² to expand the data centre, thereby completing the first development stage of the site. Along Sulzerallee, on an area totalling around 54,000 m², there are primarily long-term leased production buildings together with an office building. Preparations are currently underway to study the potential for developing the 34,000 m² eastern part of the site on Else-Züblin-Strasse, whereby at least two buildings are to be retained in the long term. One of these was repositioned as a laboratory building and sustainably renovated in the reporting year.

Zuchwil, Allemendweg 3, 5/Luterbachstrasse 10

The "Scintilla site" between Zuchwil and the town of Solothurn has excellent transport connections. To the west, it borders a mixed-use neighbourhood undergoing transformation and will benefit from local and regional development in the medium to long term. The industrial and commercial site with buildings from different years of construction and a usable area of around 40,000 m² is to be gradually repositioned, which will be made possible by the departure of a major tenant scheduled for the end of March 2025. At the same time, the income-related optimisation of the site will be carried out while continuing the existing rental agreements.

Yverdon-les-Bains, Avenue des Sports 32

Together with the city, the framework of conditions for a neighbourhood plan are being created for the more than 20,000 m² plot of land in the immediate vicinity of the Centre St-Roch, Yverdon. The aim is to enable around 70% residential use on the current plot of land. Due to the lengthy preparatory work, Intershop expects it to take several years before a legally valid neighbourhood plan is available.

Financials

Income statement

Rental income increased by 2.2 % to CHF 82.2 million in the reporting year. The following drivers had a significant impact on the result: CHF 0.6 million decrease due to transactions carried out, CHF 2.1 million increase due to an increase in target rent, CHF 1.3 million increase due to the reduction of vacancies and CHF 0.8 million decrease due to higher discounts. The gross yield on the portfolio fell slightly by 0.4 percentage points to 5.4 % compared to the previous year, partly due to the revaluations.

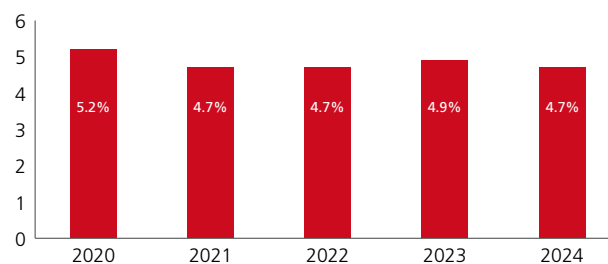
Net gains from the property disposals increased by 70.3 % to CHF 23.2 million. Six properties with a gross volume of CHF 77.1 million were sold in the reporting period. As no promotional projects were completed in the reporting year, there was no income from the sale of promotional properties, in contrast to the previous year (CHF 73.6 million).

Other income fell in line with expectations by 16.3 % to CHF 3.7 million. A provision of CHF 0.5 million was reversed in the prior year.

As the higher rental income and net gains from the disposals of properties could not fully compensate for the loss of income from the sale of promotional properties, operating income fell by 36.6 % to CHF 109.1 million.

Property expense increased by 4.1 % to CHF 9.0 million. The increase compared to the previous year is primarily due to the following two factors: In the 2023 financial year, a provision of just under CHF 0.5 million was reversed; and in the reporting year, non-recoverable service charges increased by CHF 0.1 million. Measured against rental income, property expense remain at a low 11.0 % (10.8 %). The net yield on the portfolio fell by 0.3 percentage points to 4.7 %.

Net yield on investment properties in %



Personnel expenses fell by 9.7 % to CHF 10.4 million. The lower management remuneration in particular had a positive effect. In addition, a provision totalling CHF 0.3 million was reversed in the reporting period. Administrative expenses increased by 15.3 % to CHF 3.5 million, primarily due to the numerous projects, including IT modernisation and expansion, as well as the one-off expenses in connection with the last comprehensive revision of the Articles of Association, including the share split. Overall, operating costs fell by 4.5 % to CHF 13.9 million.

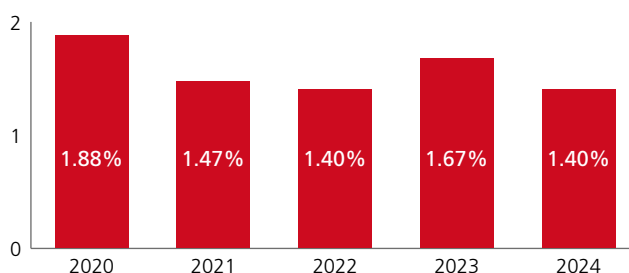
In the absence of completed promotional projects in 2024, the expenses from the sale of promotional properties of CHF 55.6 million in the previous year were also completely eliminated. Operating expenses therefore fell significantly by 71.3 % to CHF 22.6 million.

The market value of the properties at the end of the year was again determined by KPMG Real Estate and increased by a net CHF 59.7 million or 3.9 % of the portfolio value. The increase in value resulted, in particular, from the revaluation of a development property in Zurich and the investment property on Redingstrasse in Basel. The capital-weighted average nominal discount rate was 4.63 % (31.12.2023: 4.64 %) for investment properties and 4.93 % (5.13 %) for development properties. The discount rates for investment properties remained unchanged in the reporting period with one exception and the reclassifications, whilst those for development properties were reduced slightly overall. At 3.5 % to 6.7 %, the range of nominal discount rates remained unchanged compared to the assessment as at the end of 2023 (3.5 % to 6.1 % for investment properties and 3.75 % to 6.7 % for development properties).

As a result of the aforementioned changes in the income statement, the operating result (EBIT) increased by 39.0 % from CHF 105.2 million to CHF 146.2 million.

Net financial expenses (financial result) increased by 65.1 % to CHF 9.8 million in the reporting period. This was above all driven by the higher average financial debt. The financial result was also burdened by one-off expenses of CHF 2.9 million in connection with the unwinding of interest rate swaps (including the reversal of the valuation differences previously recognised in equity). Due to the lower average interest costs in the future, Intershop expects a positive net contribution from this transaction over the original remaining term of the interest rate swaps, although the actual result will depend on interest rate development.

Average interest rate of financial liabilities as at 31 December of the corresponding year in %



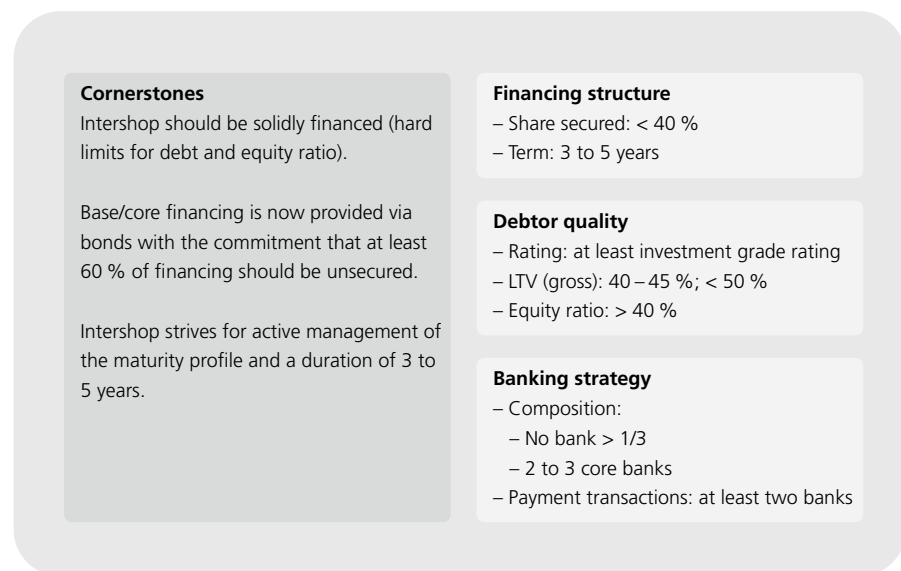
The provision for deferred taxes was reduced by CHF 8.7 million due to the reassessment of the provision for deferred taxes based on the market values from 20 years ago and an individually estimated residual holding period adjusted on the basis of the property strategy. In addition, tax accruals totalling CHF 4.5 million were reversed in connection with the definitive assessment of a subsidiary for several previous years (CHF 0.8 million of which was in the second half of the year). These two effects resulted in a one-off reduction in tax expenses to CHF 18.9 million in the 2024 financial year.

As a result, net profit increased by 42.4 % to CHF 117.5 million, which corresponds to earnings per share of CHF 12.74 (CHF 8.95). The return on equity was 13.4 % (9.6 %).

Balance sheet

The portfolio grew by 15.7 % to CHF 1,591.7 million in the reporting period. The growth is broken down as follows: CHF 99.1 million net from transactions, CHF 57.6 million investment and CHF 59.7 million from valuation changes. As a result of the transactions and investments, financial debt also increased by 36.9 % to CHF 522.0 million. In the future, Intershop will base its debt management on the financing strategy that was adjusted in the 2024 financial year and is summarised below:

Customised financing strategy



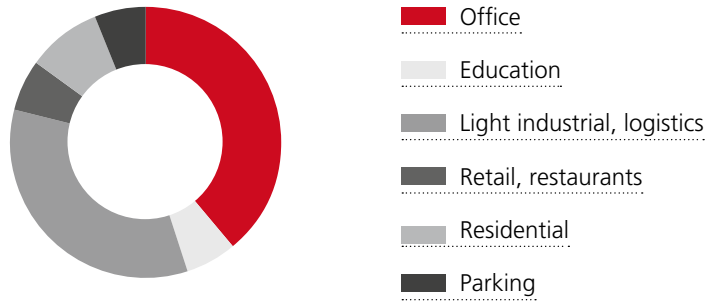
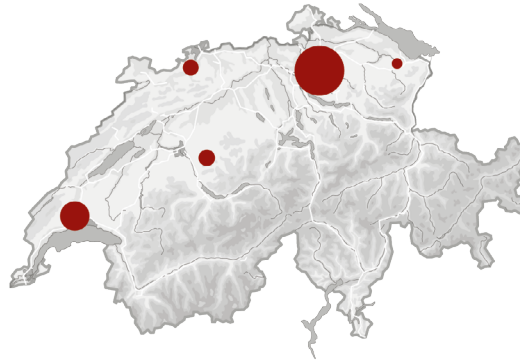
The average cost of debt was reduced by 0.27 percentage points to 1.40 % at the end of 2024, while the average duration was reduced to 3.1 years (4.3 years at the end of 2023).

Equity increased by 7.8 % to CHF 935.0 million due to retained earnings. The net asset value per share (NAV) increased in parallel to CHF 101.43.

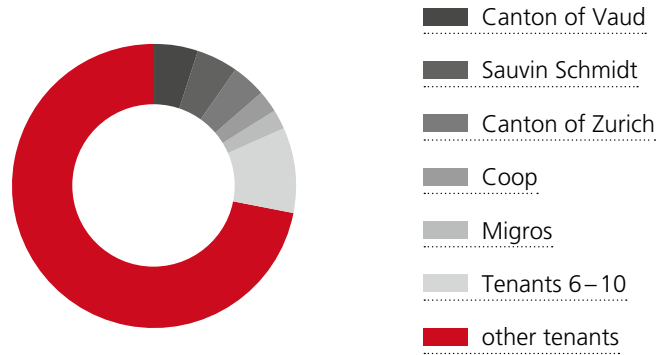
2024 at a glance

Portfolio

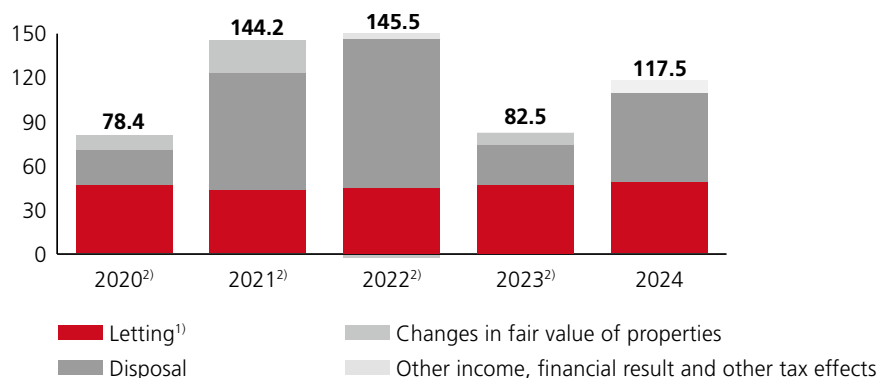
CHF 1.6 bn



Tenants



Net income (in CHF million)



1) Net property income minus operating expenses minus normalised taxes of 18.7%

2) previous years adjusted

	2024	2023	
Portfolio value	CHF 1,592 million	CHF 1,375 million	Net growth through transactions, investments and revaluations
Net property income	CHF 73.2 million	CHF 71.8 million	Primarily rent adjustments and reduction of vacancies
Properties	45	43	Seven purchases and six sales (one of which was only a partial sale)
Vacancy rate for investment properties	8.1 %	7.4 %	Increase due to transactions and reclassification of development properties
Net yield on investment properties	4.7 %	4.9 %	Continued high returns despite reclassification of second property
Return on equity	13.4 %	9.6 %	Return on equity again significantly above the target value of 8 % on a multi-year average
Equity ratio	57.5 %	62.0 %	Decrease due to increase in debt
NAV per share	CHF 101.43	CHF 94.09	Increase due to retention of profits
Net earnings per share	CHF 12.74	CHF 8.95	Higher revaluation gains and one-off tax effects
Net earnings per share excluding valuation changes	CHF 7.99	CHF 8.00	One-off tax effects offset lower income from sales
Dividend per share	CHF 5.50	CHF 5.50	Stable dividend
Total return per share	7.8 %	10.3 %	Total return based on the dividend and the capital gain; clear outperformance compared to the benchmark over 5 years

Sustainability

Intershop is publishing its sixth comprehensive sustainability report for the financial year in accordance with the GRI¹ standards. This comprehensive report is published in a separate report on the Intershop website.

Key topics at Intershop

In the 2024 financial year, Intershop further integrated the environmental, social and governance (ESG) dimensions into its business processes. The sustainability strategy was thus further developed and the existing sustainability guidelines were updated. Based on a double materiality analysis, a roadmap with clear objectives and metrics was drawn up.

Results of the double materiality analysis carried out in 2024



Progress in the reporting year

In the reporting year, progress was made in the three areas of environment, social issues and corporate governance.

Reduction of CO₂ emissions: Intershop was able to reduce CO₂ emissions in the portfolio ("like for like" / Scope 1+2) to 9.7 kg CO₂e/m² in 2024. Compared to the previous year's figure of 10.1 kg CO₂e/m², this corresponds to a reduction of over 4.5 %. The halving target for 2032 according to the published CO₂ reduction path is currently 7.2 kg CO₂e/m². This target is expected to be achieved with an expected value of 5.4 kg CO₂e/m² in 2032.

Expansion of photovoltaic systems: Intershop successfully commissioned the following PV systems in the reporting year:

- Winterthur, Else-Züblin-Strasse, Building 730: 190 kWp
- Vernier, "Métiers Vernier", Chemin de l'Emeraude 10, 22: 400 kWp
- Lausanne, "Bloom", Avenue Gratta-Paille 1–2: 50 kWp
- Basel, Lehenmattstrasse 260: 100 kWp

These projects increased the total output of photovoltaic systems by over 26 % to around 3,561 kWp (previous year: 2,821 kWp).

¹Global Reporting Initiative

Improvement in the GRESB² rating: Thanks to various measures, Intershop was able to significantly improve its GRESB "Standing Investment" rating. Compared to the 2023 test phase, the result increased by 33 points to 68 in the reporting year. Intershop thus achieved the Green Star rating and earned two stars.

Implementation of the certification strategy: In terms of the environment, Intershop pursues a certification strategy for both investment and development properties. For development projects, Intershop relies primarily on the Swiss Sustainable Building Council (SNBS) and Minergie certifications. Depending on the amount of work involved, certification is examined for each renovation project. The following certifications were realised in the reporting year:

Minergie certifications within the scope of construction projects:

- Chemin de l'Emeraude 10, 22, 24 in Vernier with a lettable area of around 12,500m²
- Building 730, Else-Züblin-Strasse in Winterthur with a lettable area of around 6,600m²

BREEAM³ portfolio certifications (certified areas: 110,300m² (previous year: 41,800m²)):

- Staffelstrasse 8, 10, 12 in Zurich with lettable area of around 12,600m²
- Centre St Roch in Yverdon-les-Bains with a lettable area of around 43,100m²
- Riedmoosstrasse 10 in Niederwangen with a lettable area of around 12,800m²

Introduction of the Swiss Sustainable Real Estate Index (SSREI) certificate: With its introduction of the SSREI portfolio certificate, Intershop has collected, systematically recorded and evaluated the data-bases of all its properties. This enables the evaluation of key areas of action at both property and portfolio level. The SSREI will be finally verified in the first quarter of 2025.

Tenant survey carried out: In the year under review, Intershop conducted a survey of over a third of its tenants for the first time. Intershop achieved a very good score, particularly in the areas of property management and facility management services.

Employee survey conducted: The annual "Great Place to Work" survey again resulted in a positive overall rating in 2024. Intershop was once again recognised as a "Great Place to Work". 81 % of employees took part in the survey. As in the previous year, the group of participating employees came from all Group companies.

Training conducted on sustainability at Intershop: Two sustainability training sessions were organised for the entire workforce in 2024. In cooperation with an external partner, the basics of climate change and key terminology were taught. The second part of the training course was used to demonstrate the principles and values (Code of Conduct) according to which Intershop operates as a company and the objectives it pursues.

²Global Real Estate Sustainability Benchmark

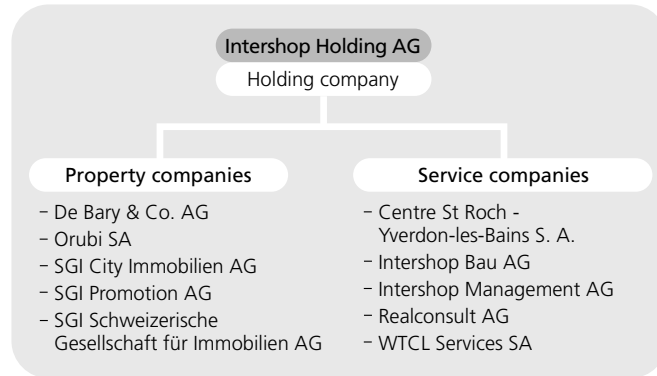
³Building Research Establishment Environmental Assessment Method

Creation of high-quality working, meeting and living spaces: The "Métiers Vernier" project not only strengthens the local economy by creating new jobs, but also promotes the attractiveness of the location for companies that benefit from the excellent connections. The "Lehenmatt Ensemble" in Basel's residential neighbourhood offers comprehensive local amenities thanks to its newly created space, making it a central meeting point for the local community.

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Group structure

Intershop Holding AG is the parent company of the Intershop Group, which specialises in the purchase, development, management and sale of real estate in Switzerland. The Group's operational structure is shown in the following chart:



Intershop Management AG is responsible for the operational management of all Intershop Group companies. At the end of 2024, it employed 41 employees, the majority of the 67 employees including Group Management. All Group companies are direct wholly-owned subsidiaries of Intershop Holding AG. Details of the individual Group companies and the shareholdings are presented on pages 118 and 119. With the exception of Intershop Holding AG, none of the Group companies are listed.

Intershop Holding AG is headquartered in Zurich, Switzerland. The company's shares are listed on the SIX Swiss Exchange (security number: 133898730; ISIN: CH1338987303). The market capitalisation as at 31 December 2024 was CHF 1,206.5 million.

Significant shareholders

The following shareholders have reported a shareholding of at least 3% and a corresponding disclosure in accordance with FMIA:

(in %)	31.12.2024	31.12.2023
Patinex AG, Wilen (Martin and Rosmarie Ebner)	≥ 33 ¹ / ₃ % < 50 %	≥ 33 ¹ / ₃ % < 50 %
UBS Fund Management (Switzerland) AG, Basel	≥ 5 % < 10 %	n/a
Hansjörg Graf, Wollerau via Grapal Holding AG, Zug	≥ 3 % < 5 %	≥ 3 % < 5 %
Relag Holding AG, Hergiswil	≥ 3 % < 5 %	≥ 3 % < 5 %
BlackRock Inc., New York, USA	n/a	≥ 3 % < 5 %

The following disclosure notifications were published in the reporting period:

- 17.01.2024 Credit Suisse Funds AG 3.003 %
- 27.01.2024 Credit Suisse Funds AG < 3 %
- 02.03.2024 Credit Suisse Funds AG 3.002 %
- 07.05.2024 UBS Fund Management (Switzerland) AG 3.012 %
- 08.05.2024 UBS Fund Management (Switzerland) AG 6.075 %
- 14.12.2024 BlackRock, Inc. < 3 %
- 14.12.2024 BlackRock, Inc. 3.008 %
- 17.12.2024 BlackRock, Inc. < 3 %

All disclosures are available on the corresponding website of the Disclosure Office:

<https://www.ser-ag.com/de/resources/notifications-market-participants/significant-shareholders.html#/>

Shareholder structure

The structure of the shareholders entered in the share register as at 31 December 2024 was as follows:

Number of registered shares	Number of shareholders	Number of shares	in %
1 to 100	365	19,577	0.2
101 to 1,000	603	224,729	2.4
1,001 to 10,000	180	585,411	6.2
10,001 to 100,000	49	1,329,989	14.0
over 100,000	8	5,406,117	56.8
Total registered	1,205	7,565,823	79.6
Not registered		1,934,177	20.4
Total shares		9,500,000	100.0

Region	Number of shareholders	Registered shares	Voting shares	in %
Switzerland	1,145	7,437,785	7,146,890	99.8
Europe (excluding Switzerland)	52	94,679	14,829	0.2
Rest of the world	8	33,359	50	0.0
Total registered or authorised to vote	1,205	7,565,823	7,161,769	100.0
Not registered or not authorised to vote		1,934,177	2,338,231	
Total shares		9,500,000	9,500,000	

Capital structure

At the end of 2024, the share capital totalled CHF 19.0 million and consisted of 9,500,000 registered shares with a nominal value of CHF 2.00 each, which are fully entitled to dividends. As at 31 December 2024, Intershop Holding AG held 282,500 treasury shares.

The company has a capital band of between CHF 15.2 million (lower limit) and CHF 22.8 million (upper limit). Within the scope of the capital band, the Board of Directors is authorised to increase or reduce the company's share capital once or several times and in any amount at any time until 27 March 2029 or until this capital band expires earlier. Further details on the capital band can be found in Art. 5 of the Articles of Association dated 27 March 2024.

There is no conditional capital.

Changes in capital

In April 2024, the registered shares were split at a ratio of 1 to 5. Otherwise, there have been no changes in capital in the last three financial years.

Restrictions on transferability and nominee registrations

The transferability of the registered shares is not restricted. Nominees are entered in the share register without voting rights. There are no agreements with nominees regarding registration requirements.

Conversion and option rights

No convertible bonds or option rights issued by the Intershop Group were outstanding on the balance sheet date.

Board of Directors

At the Annual General Meeting on 27 March 2024, Ernst Schaufelberger and Christoph Nater were re-elected as members of the Board of Directors and Ernst Schaufelberger as Chairman of the Board of Directors. Gregor Bucher was also elected as a new member of the Board of Directors.

At the same time, all members of the Board of Directors were elected to the Remuneration Committee. Ernst Schaufelberger was appointed Chairman of the Remuneration Committee at the subsequent meeting of the Board of Directors convened after the Annual General Meeting.

Due to the size of the company and the Board of Directors, no further division of responsibilities within the Board of Directors is envisaged.

When selecting the members of the Board of Directors, the focus is on experience in leadership and management functions as well as listed companies, property development and property asset management, finance and risk management as well as knowledge of the Swiss property market and sustainability aspects.

The composition of the Board of Directors and information on their education, professional experience and competences can be found on pages 34 to 36. All three members of the Board of Directors are independent. Vested interests such as mandates outside the Intershop Group and other significant activities are also listed.

During the current term of office, the Board of Directors has undergone a self-evaluation based on the publicly available template of the National Audit Office (UK) and discussed the results within the Board. Among other things, the objectives and strategy, performance measurement, relationships with stakeholders, risk management, auditing and corporate reporting and the work of the Board were assessed.

In addition to the constituent meeting, the Board of Directors held a total of 15 meetings in the reporting year. Three half-day strategy workshops were also held. All meetings were attended by all members of the Board of Directors for the entire duration of the meeting.

In addition, a total of four circular resolutions were passed by the full Board of Directors.

The total of 15 meetings of the Board of Directors includes four regular quarterly meetings, at which recurring fixed agenda items were dealt with, focusing on finance and accounting matters, including the preparation of annual reports, budget approvals and liquidity planning. At the beginning of each of these four meetings, there was an exchange of views among the Board of Directors without the CEO. Three of the meetings were scheduled for half a day; the meeting scheduled before the Annual General Meeting lasted around two hours.

The other 11 meetings were convened as required, in particular to make transaction decisions or bring about resolutions on specific individual applications, and lasted between half an hour and two hours.

With the exception of the part of the meeting reserved for the Board of Directors and CEO, the Executive Board generally attended all meetings of the Board of Directors and strategy workshops. The Board of Directors called on Intershop Group executives to exchange information on individual agenda items.

The Remuneration Committee met three times with the full attendance of the committee and with the partial participation of the CEO.

All decisions of the Board of Directors are taken jointly by all members, whereby Art. 22 of the Articles of Association requires a majority vote of the members present. In the event of a tie, the President or the Chairman has the casting vote; and in the case of elections the decision is made by drawing lots. No such presidential decision was necessary in the reporting year. Potential conflicts of interest are communicated to the full Board of Directors by the members of the Board of Directors. In the event of a conflict of interest, the member of the Board of Directors concerned does not participate in the discussion of the item in question and the passing of resolutions. There were no conflicts of interest in the reporting year.

Intershop obtains legal advice from several law firms, including MME Legal AG, where Christoph Nater is a partner. In the 2024 financial year, fees of CHF 165,938.20 were invoiced by MME Legal AG, whereby the services were provided independently of Christoph Nater.

In accordance with Art. 26 of the Articles of Association, members of the Board of Directors may not hold more than two additional mandates in listed companies and no more than twelve mandates in other legal entities outside the Intershop Group that are required to be entered in the commercial register. Compliance with this obligation has been confirmed by the Board of Directors.

All members of the Board of Directors are elected individually each year for a term of one year. There are no term limits.

Regulation of competences

With the exception of the tasks listed below, the Board of Directors has delegated all competences to the Executive Board:

- All non-transferable duties pursuant to Art. 716a para. 1 CO;
- Determination and modification of the company's strategy and investment policy;
- Investment decisions in new business areas;
- Strategic investments and partnership agreements (joint ventures);
- Sales, purchases, investments and recurring obligations above a defined value;
- Investment and financial policy (in particular capital market transactions);
- Principles of financing;
- Acceptance of the budget;
- Approval of the PR concept;
- Personnel decisions and compensation at management level.

Information and control instruments

The Board of Directors receives annotated consolidated financial statements on a quarterly basis. As part of this reporting, it is also informed about important operational changes. The Management Information System (MIS) is an information tool that shows the development of each individual property and is sent to the Board of Directors every six months. Selected properties, any operational and financial risks and important business transactions are discussed at each ordinary meeting of the Board of Directors. The progress of development projects and financing and liquidity planning are also discussed in detail on a regular basis. As a key part of integrated risk management, the Board of Directors receives a risk inventory that presents the most important risks and quantifies and assesses their potential impact and probability of occurrence. The 21 risk factors also include compliance, legal, IT and cyber risks as well as climate-related risks. The Board of Directors discusses and assesses the risk inventory and decides on any measures to be taken. It also receives a summary of the findings resulting from the audit of the internal control system (ICS). As a rule, the Executive Board is present in full at all meetings of the Board of Directors relating to these instruments.

Due to the size of the company, there is no internal audit function. Third parties or the auditors are therefore mandated for any necessary clarifications or audits, although this was not necessary in the reporting year.

Executive Board

The Executive Board consists of four members. Detailed information on the members of the Executive Board, including vested interests such as mandates outside the Intershop Group and other significant activities, can be found on pages 37 and 38.

Yannick Hartmann, as Head of Real Estate, and Mireille Lehmann, as Head of Construction and Development, took over their activities as planned and already outlined in the 2023 Annual Report on 1 January 2024.

Thomas Kaul, CFO for many years, ended his work for the Intershop Group as of the 2024 Annual General Meeting. In his place, Florian Balschun, who had already taken up his position on 1 January 2024, was appointed as the new Chief Financial Officer and member of the Executive Board with effect from 1 April 2024.

There are no contracts with third parties regarding management tasks.

In accordance with Art. 34 of the Articles of Association, members of the Executive Board may not hold any mandates in listed companies or more than four mandates in other legal entities outside the Intershop Group that are required to be entered in the commercial register. Compliance with this obligation has been confirmed by the members of the Executive Board.

Compensation, shareholdings and loans

Information on compensation, shareholdings and loans can be found in the remuneration report from page 41.

Participation rights of shareholders

Restriction and representation of voting rights

Each share whose owner or usufructuary is entered in the share register as a shareholder with voting rights has one vote. There are no restrictions on voting rights. Representation at the Annual General Meeting is possible with written authorisation in accordance with Art. 15 of the Articles of Association. Proxy voting by the independent proxy, which is also possible by issuing instructions electronically, is regulated in Art. 16 of the Articles of Association.

Statutory quorums

There are no regulations that deviate from the law.

Convening of the Annual General Meeting

There are no regulations that deviate from the law.

Agenda

There are no regulations that deviate from the law.

Entry in the share register

In accordance with Art. 8 of the Articles of Association, the Board of Directors may refuse to authorise registration as a shareholder with voting rights or usufructuary with voting rights in the following cases:

- a) in the case of foreign purchasers, if the registration could prevent the company from providing evidence of the composition of the group of shareholders as required by federal law;
- b) if, despite the company's request, the acquirer does not expressly declare that he or she has acquired and will hold the shares in his or her own name and for his or her own account.

The cut-off date for entries in the share register with regard to participation in the Annual General Meeting is determined by the Board of Directors in accordance with Art. 15 of the Articles of Association. This cut-off date will be announced to shareholders at the latest with the invitation to the Annual General Meeting.

Change of control and defence measures

Obligation to make an offer

According to Art. 6 of the Articles of Association, there is no obligation for shareholders to submit a takeover offer in accordance with FMIA if the threshold of 33¹/₃ % of the voting rights is reached (opting out).

Change of control clauses

There are no severance payments or contracts with unusually long terms within the meaning of Art. 7.2 Directive Corporate Governance of the SIX Swiss Exchange (DCG), which are intended to protect members of the Board of Directors or the Executive Board from unwanted takeovers.

Shares subscribed to by the Board of Directors or the Executive Board as part of their remuneration will be released if Intershop Holding AG is taken over (change of control), irrespective of the agreed vesting period.

Auditors

The auditors are PricewaterhouseCoopers AG. Its predecessor was entered in the commercial register as auditors on 21 July 1992.

Auditor in charge

Philipp Gnädinger has been the lead auditor since the 2022 financial year. The lead auditor may exercise the mandate for a maximum of seven years in accordance with Art. 730a CO.

Fees

In the 2024 financial year, the auditors invoiced auditing fees totalling CHF 188,500 and CHF 25,300 for additional auditing services, in particular in connection with the "Sustainability Report" and "Green Bond Report". No other advisory services were provided by the auditors.

Supervisory and control instruments of the auditors

In connection with the 2024 audit planning, the auditors prepared a comprehensive report for the attention of the Board of Directors, in which in particular the main business risks and audit areas were presented from the auditors' perspective. It also contains more detailed explanations on the scope of the audit, the requirements, expectations and the fee.

This report was discussed at a meeting between the company with the Chairman and the auditors present and submitted to the full Board of Directors at the following Board meeting.

Intershop assesses the cooperation with the auditors and their performance on an annual basis and monitors compliance with the statutory limits regarding the management of the mandate.

The full Board of Directors meets with the auditors once a year to discuss the annual financial statements and is informed about the audit procedures and findings, which are presented to it in advance in a comprehensive report. Emerging changes at legal or regulatory level and their impact on the Intershop Group are explained in detail. If necessary, the auditors may be called in for further meetings.

Information policy

The company provides information on the course of business every six months as part of its financial reporting. The consolidated financial statements are prepared in accordance with Swiss GAAP FER. Furthermore, facts relevant to the share price are published as ad hoc announcements and other information is published as media releases and can be viewed on the website (<https://www.intershop.ch/news>). Interested parties can register for the electronic delivery of ad hoc publications, media releases and annual reports at <https://intershop.ch/unternehmen/kontakt/kontakt/-/adresse>. Further information on the company and properties can be found at www.intershop.ch.

The contact person for Investor Relations is Florian Balschun, Intershop Holding AG, Giessereistrasse 18, CH-8031 Zurich, phone +41 44 544 10 00, info@intershop.ch

Closed periods

The Board of Directors, Executive Management and other employees who have access to sensitive information are subject to closed periods from the balance sheet date until the publication of the annual or semi-annual report and for special transactions.

**Members of the Board
of Directors**

None of the members of the Board of Directors had an operational function in the Intershop Group or had a significant business relationship with the Group in the three years preceding the financial year or in the 2024 financial year.

Ernst Schaufelberger, 1954, Swiss, Au (Wädenswil)

Education	<ul style="list-style-type: none"> – Notarial training and lectures at the Faculty of Law and Political Science at the University of Zurich – Holder of the certificate of eligibility as a notary public
Professional background	<ul style="list-style-type: none"> – Notary's office Zurich-Unterstrass, deputy notary, 1981–1984 – Trust company, mandate management in inheritance, property, corporate and tax law, 1985–1990 – Intrag AG, various functions within the property fund division, 1990–1999 – Swiss Life Real Estate Partners AG, CEO, creation and development of various focused real estate vehicles and associated management organisation, 2000–2003 – AXA Investment Managers Schweiz AG, Head of Real Assets Switzerland and, at times, the same function in Germany and Eastern Europe, member of the Board of Directors and Deputy Managing Director and member of various boards of foreign companies and management organisations in connection with AXA Group investments, 2005–2019
Current activities	<ul style="list-style-type: none"> – Chairman of the Board of Directors, Töpferdörfli AG, Zurich
Board of Directors Intershop	<ul style="list-style-type: none"> – Non-executive member since 2018 – Chairman since 2022 – Elected until the 2025 Annual General Meeting
Expertise	<ul style="list-style-type: none"> – Experience in the Swiss property market – Property development – Real estate asset management – Sustainability – Risk management – Mergers & acquisitions

Dr Christoph Nater, 1980, Swiss, Zollikon

Education	<ul style="list-style-type: none">– Law studies (lic. iur.), University of Zurich– Admitted to the bar of the Canton of Zurich– Dissertation on the topic of "Policy-forming in a limited liability company", University of Basel– Master of Law (LL.M.), Georgetown University Law Center, Washington, D.C., USA
Professional background	<ul style="list-style-type: none">– District Court Meilen, Auditor, 2005–2006– Niederer Kraft & Frey, Attorneys at Law, Zurich, 2009–2011
Current activities	<ul style="list-style-type: none">– Attorney at law with MME Legal AG, Zurich, since 2012 (partner since 2016)– Member of the Board of Directors, Balanx AG, Zurich– Member of the Board of Directors, Athlema AG, Cham– Member of the Board of Trustees of the Diakoniewerk Neumünster Foundation– Swiss Nursing School, Zollikon– Member of the Board of Trustees of the Davos Festival Foundation, Davos– Member of the Board of Trustees of the Right to Play Foundation, Zurich
Board of Directors Intershop	<ul style="list-style-type: none">– Non-executive member since 2022– Elected until the 2025 Annual General Meeting
Expertise	<ul style="list-style-type: none">– Construction and property law– Corporate management– Communication

Dr Gregor Bucher, 1959, Swiss, Herrliberg

Education	<ul style="list-style-type: none"> – Law studies (lic. iur.), University of Zurich – Admitted to the bar of the Canton of Zurich – Dissertation on "Data protection with Videotex", University of Zurich – English Proficiency Diploma, University of Cambridge – Master's programme in European Business Law, HSG St. Gallen – Management Programme, HSG St. Gallen – INSEAD Advanced Management Programme, Fontainebleau Paris
Professional background	<ul style="list-style-type: none"> – Uster District Court, Auditor and Secretary, 1985–1988 – Dr Urs Kammermann, law firm, Zurich, business lawyer and tax consultant, 1988–1989 – Price Waterhouse, lawyer and tax consultant, 1989–1994 – CREDIS, Director, Legal Counsel and Head of Product Development Fund Business, 1994–1997 – CREDIT SUISSE ASSET MANAGEMENT, Switzerland, 1997–2013 <ul style="list-style-type: none"> – Director, Tax and Legal Department, 1997–2000 – Director, Corporate Strategy Asset Management and Product Structuring, 2000–2003 – Executive Board Real Estate Asset Management; Director, Product Dev. and Tax and Legal Advice for Real Estate; Member of Executive Board and BoD of Fund Management Company and BoD of all international subsidiaries of Fund Management Company, 2004–2012 – Swiss Prime Site AG, 2013–2018 <ul style="list-style-type: none"> – CEO of Swiss Prime Investment Foundation (from 2015) and Director of Product Dev., representative to regulators and associations, 2013–2018 – Deputy CEO, General Counsel and Head Product Development Swiss Prime Site Solutions AG, 2017–2018 – SFP Investment Foundation, CEO and Senior Manager Corporate Finance and Structuring for Swiss Finance & Property AG, 2018–2024
Current activities	<ul style="list-style-type: none"> – Consultant mandate for SFP Group, Zurich, representation in property-related associations – Member of the Herrliberg Building Commission – AAndromeda AG, Herrliberg, Member of the Board of Directors – Member of the Board of Directors of Avobis Invest AG, Zurich – Member of the BoT of Utilita Anlagestiftung für gemeinnützige Immobilien, Berne¹⁾ – Member of the Advisory Board of TME Associates, Zurich
Board of Directors Intershop	<ul style="list-style-type: none"> – Non-executive member since 2024 – Elected until the 2025 Annual General Meeting
Expertise	<ul style="list-style-type: none"> – Experience in the Swiss property market – Real estate investment management – Sustainability – Capital market and stock exchange law – Technology and digitalisation

¹ from January 2025

Members of the Executive Board Simon Haus, 1978, Swiss, Uetikon am See

Education	<ul style="list-style-type: none">– Dip. Ing. FH/BA– Master of Advanced Studies (MAS) in Real Estate Management– Diploma Course (DAS) Business Law for Managers (WRM-HSG)– SKU Executive Management Programme 2024 (CAS)
Professional background	<ul style="list-style-type: none">– Worked as a structural draughtsman in various architecture and property companies, 1995–2000– Structural Draughtsman, KPMB Architects, Toronto, CAN, 2001–2003– Construction and project management, Verit Immobilien AG, Zurich, 2003–2004– AXA Investment Managers Schweiz AG, AXA Real Assets, Zurich, 2007–2023<ul style="list-style-type: none">– Project Manager Development & Construction, 2007–2012– Team Leader in Asset Management, 2012–2018– Head of Asset Management, 2018–2023
Current activities	<ul style="list-style-type: none">– Chief Executive Officer, since August 2023– Member of the Board of Trustees, Serata Foundation for the Elderly, Thalwil

Florian Balschun, 1986, Swiss, Zurich

Education	<ul style="list-style-type: none">– Master of Arts HSG in Accounting and Finance– Bachelor of Science FHO in Business Administration– Certificate of Advanced Studies UZH in Blockchain
Professional background	<ul style="list-style-type: none">– Zürcher Kantonalbank, Zurich, 2011–2022<ul style="list-style-type: none">– Client Advisor Capital Markets/Equity Capital Markets, 2011–2015– Head of Transaction Management, 2016–2018– Head of Capital Market Consulting, 2018–2022– Group CFO, Swiss Ventures Group AG, Zurich, 2022–2023
Current activities	<ul style="list-style-type: none">– Chief Financial Officer, since April 2024– No activities or vested interests outside the Intershop Group

Yannick Hartmann, 1987, Swiss, Ottenbach

Education	<ul style="list-style-type: none">– Master of Advanced Studies (MAS) in Corporate Finance & Corporate Banking– Bachelor of Science ZFH in Business Law
Professional background	<ul style="list-style-type: none">– Partner Assistant Homburger AG, Zurich, 2011–2015– Portfolio Management Intershop Management AG, Zurich, 2015–2022– Portfolio Management, Head of Transactions and Asset Management Western Switzerland Intershop Management AG, Zurich 2023
Current activities	<ul style="list-style-type: none">– Head of Real Estate, since January 2024– No activities or vested interests outside the Intershop Group

Mireille Lehmann, 1983, Swiss, Dällikon

Education	<ul style="list-style-type: none">– Master of Science in Architecture– Master of Advanced Studies (MAS) in Real Estate Management– Certificate of Advanced Studies (CAS) in General Management
Professional background	<ul style="list-style-type: none">– Architect, Deputy Project Manager, Team Leader Boltshauser Architekten AG, Zurich, 2012–2015– Self-employed Architect, 2015–2016– Project Manager, Client Representative and Overall Management– Ernst Basler & Partner AG, Zurich, 2016– Project Manager Construction and Development Intershop Management AG, Zurich, 2016–2023
Current activities	<ul style="list-style-type: none">– Head of Construction and Development, since January 2024– No activities or vested interests outside the Intershop Group

**Outgoing members of
the Executive Board****Thomas Kaul, 1970, Swiss, Uster¹**

Education	– lic. oec., business economist
Professional background	– Corporate Finance Advisor, UBS AG, Zurich, 1996–2000 – Dept. CFO, Züblin Immobilien Holding AG, Zurich, 2001–2004 – Chief Financial Officer, Züblin Immobilien Holding AG, Zurich, 2005–2006 – Real Estate Private Equity Investment Manager, Sal. Oppenheim jr. & Cie. Corporate Finance (Schweiz) AG, Zurich, 2007–2010 – Chief Financial Officer, Gutta International AG, Zug, 2010–2012 – Chief Financial Officer, Intershop Management AG, Zurich, 2012 to March 2024

**Other Intershop Group
executives****Intershop Management AG**

Philippe Burkhard, Member of the Management Board, Accounting
 Marc Essig, Member of the Management Board, Head of Accounting
 Elvira Hofmann, Member of the Management Board, Head of Management/Marketing
 Ian Keeble, Member of the Management Board, Head of Controlling
 Markus Lisibach, Member of the Management Board, Project Manager Construction and Development
 Alberto Acampora, Member of the Management Board, Project Manager Construction and Development²⁾
 Carole Fäh, Member of the Management Board, Treasury/Controlling
 Charothorn Ralph Kiatprasert, Member of the Management Board, Asset Management³⁾
 Roman Josef Lose, Member of the Management Board, Project Manager Construction and Development
 Jasmin Nold-Eugen, Member of the Management Board, Management
 Saied Rahmani, Member of the Management Board, Project Manager Construction and Development
 Bianca Schwarz, Member of the Management Board, Management

**Centre St Roch -
Yverdon-les-Bains S.A.**

Vivianne André, Head of Property Management Centre St Roch, Yverdon

Realconsult AG

Christian Strebel, Managing Director⁴

WTCL Services SA

Thibault Goinère, Managing Director

1) until March 2024

2) until January 2025

3) until February 2025

4) until June 2025

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This remuneration report sets out the remuneration policy for the Board of Directors and the Executive Board of the Intershop Group in accordance with the legal and regulatory provisions (Swiss Code of Obligations and SIX Exchange Regulation Listing Rules) and the Articles of Association. The effective remuneration for the reporting year and the number of shares held by each member are also disclosed.

Intershop pursues a transparent, success- and performance-related remuneration policy for both the Board of Directors and the Executive Board that is geared towards the long-term success of the company, which was re-modelled in 2024 and will be applied from the 2025 financial year. The previously applicable remuneration model for the Executive Board was cancelled and no longer applied for the reporting year. Individual contractual agreements have been concluded for the 2024 reporting year with both the outgoing and acting members of the Executive Board.

Responsibilities and authorisations in remuneration matters and determination procedures

The shareholders prospectively approve the maximum remuneration for the Board of Directors and the Executive Board in a binding vote during the Annual General Meeting. The Board of Directors also submits the remuneration report to the Annual General Meeting for a consultative vote. The combination of a prospective vote on the maximum amounts of remuneration and the past-related consultative vote on the remuneration report strengthens the shareholders' right to have a say.

Authorisation processes in remuneration matters

	CEO	RC	BoD	AGM
Maximum total amount of remuneration for the Board of Directors and Executive Board		Proposal	Examination	Authorisation
Remuneration model for the Board of Directors		Determination Proposal	Authorisation/ implementation	
Individual remuneration of the members of the Board of Directors		Proposal	Authorisation	
Bonus plan (variable remuneration and share participation) for the Executive Board		Determination Proposal	Authorisation- implementation	
Defining and assessing the CEO's performance targets		Proposal	Authorisation	
Defining and assessing the performance targets of the members of the Executive Board (excluding the CEO)	Proposal	Examination	Authorisation	
Individual remuneration of the CEO		Proposal	Authorisation	
Individual remuneration of members of the Executive Board (excluding CEO)	Proposal	Examination	Authorisation	

The Remuneration Committee reviews the remuneration of the Board of Directors and the Executive Board at least once a year. The involvement of external consultants is waived.

Remuneration of the Board of Directors

The Board of Directors consists of the minimum number of three members required by the Articles of Association. In accordance with the Articles of Association, the members of the Board of Directors are entitled to remuneration commensurate with their activities. With the exception of the Remuneration Committee, to which all members of the Board of Directors were elected by the Annual General Meeting, there are no committees.

New remuneration model for the Board of Directors

In a new remuneration model for the Board of Directors established from 1 January 2025, the remuneration entitlement and modalities set out in the Articles of Association will be firmly defined.

Basics

The members of the Board of Directors receive a fixed remuneration ("fee") per financial year. No additional variable remuneration is planned. The fee also compensates for participation in the Remuneration Committee. Any necessary extraordinary services can be remunerated separately. Expenses (out-of-pocket expenses) incurred in connection with the exercise of the Board of Directors mandate are not included in the fee.

Modalities

70 % of the fee is paid in cash and 30 % in the form of shares. The fee paid in shares is determined on the basis of the market value on the allocation date (closing price). The shares are paid out or allocated by the end of April of the following financial year at the latest. If a member joins, resigns, is elected or voted out during the year, the fee is reduced on a pro rata temporis basis.

The allocated shares are subject to a five-year vesting period from the date of allocation, during which any disposal of the shares is prohibited. From the date of allocation, the member of the Board of Directors has voting rights, is entitled to dividends and can freely dispose of any subscription rights in the event of capital increases. The voting out or resignation of a member of the Board of Directors during the vesting period does not constitute an obligation to return on the part of the Board member. However, the vesting period continues to run despite the termination of the Board of Directors mandate (except in the event of termination due to death or disability or if the member of the Board of Directors loses his mandate due to a merger, absorption or change of corporate control of the company).

Retention clause

Intershop is authorised to use the shares allocated to the member of the Board of Directors during the vesting period as a liability substrate for any claims against the member of the Board of Directors.

Annual fee 2024

For the term of office from the 2024 Annual General Meeting to the 2025 Annual General Meeting, a total amount of CHF 0.4 million approved by the 2024 Annual General Meeting is available to the Board of Directors as maximum remuneration. The fee also compensates for participation in the Remuneration Committee.

At the proposal of the Remuneration Committee, the Board of Directors decided to grant the Chairman a fixed fee of CHF 150,000 due to the greater time commitment and the ordinary

members of the Board of Directors a fee of CHF 75,000 each and to pay 70 % in cash and 30 % in shares.

The Board of Directors receives the following remuneration for the reporting year:

In CHF 1,000	Fee in cash	Fee in the form of shares	Other remuneration ¹⁾	Total 2024	Total 2023
Ernst Schaufelberger, Chairman	105.0	45.0	7.7	157.7	157
Christoph Nater, Member	52.5	22.5	5.1	80.1	80
Gregor Bucher, Member	52.5	22.5	3.3	78.3	n/a
Kurt Ritz (until the 2024 Annual General Meeting)	n/a	n/a	n/a	n/a	80
Total Board of Directors²⁾	210.0	90.0	16.1	316.1	317

¹⁾ Employer contribution to social and staff insurance (AHV, ALV, etc.)

²⁾ A maximum of CHF 0.4 million was authorised by the Annual General Meeting (previous year 0.4 million)

Remuneration of the Executive Board

In accordance with the Articles of Association, the members of the Executive Board are entitled to remuneration for their activities and to join an occupational pension scheme.

The remuneration paid to members of the Executive Board consists of a fixed and a variable component. The fixed remuneration comprises the basic salary (base salary). The variable component is based on the achievement of certain performance targets. These are defined by the Board of Directors.

For the reporting year, the remuneration of the Executive Board was determined by the Board of Directors at the proposal of the Remuneration Committee, taking into account the contractual agreements and the maximum total remuneration of CHF 3.7 million prospectively approved by the Annual General Meeting.

Acting Executive Board

In the 2024 financial year, the acting members of the Executive Board will receive a basic salary and, as a transitional solution until the new bonus model is applied, an individual performance-related remuneration fixed at a maximum contractual amount. A remuneration component dependent on the company's performance is not planned for the current reporting year. All remuneration components are paid out in cash. It is not possible to subscribe for shares.

The awarding of performance-related remuneration depends on the achievement of the individually agreed targets for each member of the Executive Board in the reporting year. Target achievement is assessed by the Remuneration Committee according to objective criteria. The remuneration will be paid out in spring 2025. The CEO submitted a proposal for the qualitative assessment of the target achievement of each member of the Executive Board. The Remuneration Committee discussed this proposal, made its own assessment and measured the respective performance-related remuneration against it. To this end, the CEO applied for the performance-related remuneration and any remuneration adjustments for the other members of the Executive Board and took part in the relevant discussion of the Remuneration Committee as a guest without voting rights. The CEO was not present for the assessment of his own performance and remuneration.

Outgoing members of the Executive Board

The remuneration of the Executive Board member who left in the 2024 financial year due to termination was stipulated in an individual termination agreement. Thomas Kaul received a basic salary in cash until the date of his departure. In addition, he is entitled to a variable remuneration component in the form of a remuneration component dependent on the return on equity (ROE) 2024 and a performance-related remuneration pro rata temporis until the date of release or resignation. The variable remuneration component is to be paid out in cash in spring 2025.

The members of the Executive Board who were dismissed at the end of 2023 and released from their duties as of 1 January 2024 received a fixed monthly salary in the reporting year until the end of their employment contract (date of departure). They are also entitled to a variable, pro rata temporis remuneration component dependent on the return on equity (ROE) 2024 until the date of departure. The variable remuneration component is to be paid out in cash in spring 2025.

In all cases, it is not possible to subscribe for shares.

The following remuneration was paid to the Executive Board for the reporting year:

In CHF 1,000	Base salary	Performance-related remuneration	Other Remuneration ¹⁾	Total 2024	Total 2023
Simon Haus, CEO	360	200	111	671	n/a
Total acting members of the Executive Board	960	380	254	1,594	n/a
Cyryll Schneuwly, former CEO	n/a	n/a	n/a	n/a	1,107
Total number of outgoing members of the Executive Board	296	168	101	565	n/a
Total Executive Board²⁾	1,256	548	355	2,159	3,265

¹⁾ Employer contribution to pension fund, social and staff insurance (AHV, ALV, UVG, KKT, etc.) and benefits in kind

²⁾ A maximum of CHF 3.7 million was authorised by the Annual General Meeting (previous year CHF 3.7 million)

Reimbursement of expenses

The lump-sum expenses authorised by the tax office are not included in the reported remuneration, as these represent a reimbursement of expenses. In the reporting year, they totalled between CHF 14,400 and CHF 21,600 per annum per member of the Executive Board.

Term of employment contracts and severance payments

The employment contracts with the members of the Executive Board are open-ended and can be terminated at the end of a month with six months' notice. No severance payments were agreed.

Pay ratio

The Group's salary ratio was 5.1 to 1 in the reporting year and has fallen significantly from the previous year's level of 8.2 to 1. The salary ratio represents the annual total remuneration of the highest-paid person in the Group in relation to the median annual total remuneration for all employees as at the balance sheet date, excluding the highest-paid person, temporary employees and apprentices. The salaries of part-time employees are extrapolated to 100 %.

New bonus plan (variable remuneration and share participation) for the members of the Intershop Group's Executive Board

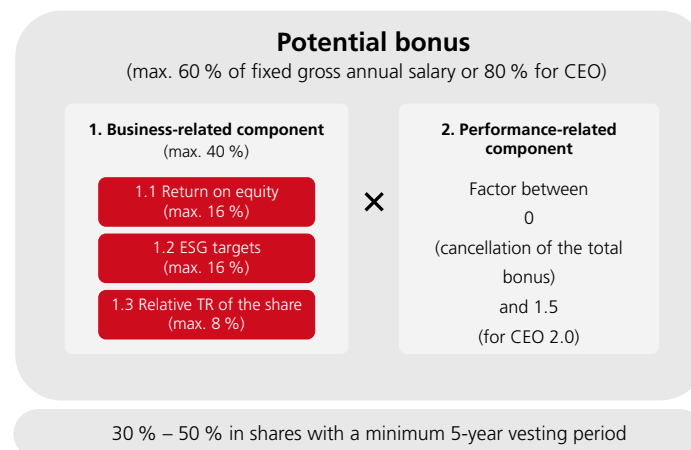
Basics

A new bonus plan for the Executive Board will come into force on 1 January 2025. Participants are all members of the Executive Board, unless an individual employment contract or the Board of Directors stipulates otherwise. All participants can be awarded a maximum bonus of 60 %, whereby the bonus for the CEO can rise to a maximum of 80 %.

The prerequisite in all cases is the achievement of the targets set.

Any bonus is calculated by multiplying the business-related component by the factor resulting from the performance-related component. The individual components are determined as follows:

Overview of new bonus model with malus:

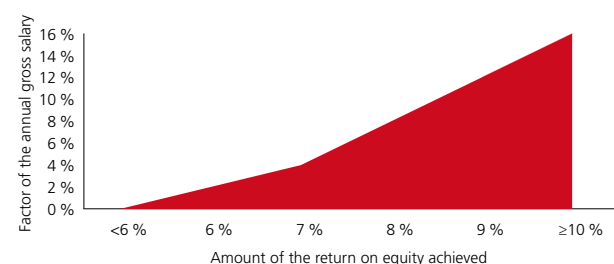


1. Business-related component

The calculation is based on three key performance indicators ("KPIs"), namely return on equity, achievement of ESG targets and competitiveness (relative TR of the share).

The Board of Directors decides at its own discretion the extent to which a KPI has been met and determines a factor for each of the individual KPIs, which are then added together to produce the profit-related component, which can amount to a maximum of 40 % of the participants' gross salary.

1.1 Return on equity



1.2 ESG goals

Achievement of ESG targets for the specific calendar year	Factor of the annual gross salary
100 %	16 %
90 %	8 %
less than 90 %	0

The ESG targets relevant for the bonus model are divided into the following focus topics and weightings:

- CO₂ reduction target (50 % weight)
- Foster long-term employee satisfaction (25 % weight)
- Credibility of the management system (25 % weight)

1.3 Relative Total Return (TR) of the share

This factor is determined on the basis of the total return of the Intershop share (ISN) compared with the SXI Real Estate All Shares Total Return (RESAL)

Relative overall performance ISN	Factor of the annual gross salary
> 40 % above RESAL	8 %
min. 33 % up to max. 40 % via RESAL	4 %
less than 33 % via RESAL	0

2. Performance-related component

The determination is made by the Board of Directors, taking into account and assessing the achievement of the previously defined targets, and ranges from 0 (targets not achieved) to 1.5 (targets far exceeded). A range between 0 (targets not achieved) and 2 (targets far exceeded) has been defined for the CEO. If the performance-related component is 1, the targets have been met.

The assessment of the Board of Directors is based on the following relevant criteria:

- Leadership quality (including role model function and the participant's ability to work in a team)
- Personal commitment to the Intershop Group
- Contribution to the business success of the Intershop Group
- Achieving a high level of employee satisfaction (including low staff turnover and staff development)

The Board of Directors can also set additional divisional, project and personal targets for each calendar year.

With the defined calculation method by multiplying the factor of the profit-related component by that of the performance-related component, participants whose individual performance is assessed as unsatisfactory (factor 0) cannot receive a bonus.

Modalities for granting bonuses

In order to receive a bonus, participants must generally be in an unterminated employment relationship at the time of payment or share allocation.

70 % of the bonus is granted in cash and 30 % in the form of shares. The CEO is granted 60 % of the bonus in cash and 40 % in the form of shares. Participants can increase the subscription of shares to 40 % or 50 % (CEO). The bonus paid in shares is determined on the basis of the market value on the allocation date (closing price). The shares are paid out or allocated by the end of April of the following financial year at the latest.

The allocated shares are subject to a five-year vesting period from the date of allocation, during which any disposal of the shares is prohibited. Participants have voting rights from the allocation date, are entitled to dividends and can freely dispose of any subscription rights in the event of capital increases. The termination of the employment relationship does not constitute an obligation to return on the part of the participant during the vesting period. However, the vesting period continues to run despite the termination of the employment relationship (except in the event of termination due to retirement, death or disability or if the participant is terminated due to a merger, absorption or change of corporate control of the company).

Retention clause

After expiry of the five-year vesting period, Intershop is authorised to further block the shares allocated to the participants up to the value corresponding to one gross annual salary (CEO: two gross annual salaries) and to use them as a liability substrate for any claims against the participants.

Share ownership

Members of the Board of Directors and members of the Executive Board held the following number of shares in Intershop Holding AG as at the balance sheet date:

(number of shares, previous year adjusted to share split)	31.12.2024	31.12.2023
Ernst Schaufelberger, Chairman	2,250	2,250
Christoph Nater, Member	200	200
Gregor Bucher, Member	0	n/a
Kurt Ritz, Former Member	n/a	1,000
Simon Haus, CEO	412	0
Florian Balschun, CFO	0	n/a
Yannick Hartmann, Head of Real Estate	25	n/a
Mireille Lehmann, Head of Construction and Development	0	n/a
Christian Baldinger, Former Member	n/a	13,670
Thomas Kaul, Former Member	n/a	15,500
Andreas Wirz, Former Member	n/a	20,020
Total	2,887	52,640

Executive body loans

There are no loans, securities nor security services in favour of current or former Board members nor related parties.

Non-market remuneration

In the 2024 financial year, no non-market remuneration was paid to persons related to current or former members of governing bodies, nor was any compensation paid in connection with non-competition agreements.

Standard market compensation was paid to MME Legal AG, Zurich, in connection with legal advice.

Participation rights and options on such rights

Neither the members of the Board of Directors nor the Executive Board nor persons closely related to the current members were granted participation rights or options to such rights.

Activities of members of the Board of Directors and the Executive Board

Ernst Schaufelberger

Chairman of the Board of Directors

– Chairman of the Board of Directors, Töpferdörfli AG, Zurich

Christoph Nater

Board of Directors

– Attorney at law with MME Legal AG, Zurich, since 2012
 – Member of the Board of Directors, Balanx AG, Zurich
 – Member of the Board of Directors, Athlema AG, Cham
 – Member of the Board of Trustees of the Stiftung Diakoniewerk Neumünster - Swiss Nursing School, Zollikon
 – Member of the Board of Trustees of the Davos Festival Foundation, Davos
 – Member of the Board of Trustees of the Right to Play Foundation, Zurich

Gregor Bucher

Board of Directors since March 2024

– Member of the Board of Directors of AAndromeda AG, Herrliberg
 – Member of the Board of Directors of Avobis Invest AG, Zurich
 – Member of the Board of Trustees of Utilita Anlagestiftung für gemeinnützige Immobilien, Berne¹
 – Member of the Advisory Board of TME Associates, Zurich
 – Consultant mandate for SFP Group, Zurich, representation in property-related associations
 – Member of the Herrliberg Building Commission

Kurt Ritz

Board of Directors until March 2024

– Chairman of the Board of Directors, Imufin AG, Volketswil
 – Member of the Board of Directors, Warteck Invest AG, Basel
 – Member of the Board of Directors, Seewarte Holding AG, Zug
 – Member of the Board of Trustees, Swiss Collective Pension Foundation, Zurich
 – Consultant mandate for the Investment Committee of BVK, Zurich

Simon Haus

CEO

– Member of the Board of Trustees, Serata Foundation for the Elderly, Thalwil

Florian Balschun

CFO since April 2024

– No activities or vested interests outside the Intershop Group

Yannick Hartmann

Head of Real Estate

– No activities or vested interests outside the Intershop Group

Mireille Lehmann

Head of Construction and Development

– No activities or vested interests outside the Intershop Group

Thomas Kaul

CFO until March 2024

– No activities or vested interests outside the Intershop Group

¹ from January 2025

Gender representation on the Board of Directors and Executive Board

The requirement of at least 30 % female members on the Board of Directors was not met, as the 2024 Annual General Meeting elected an all-male Board. As already stated in the management report, the Board of Directors will propose the election of a female member to the Board of Directors at the 2025 Annual General Meeting. If accepted, the requirement will be met.

The requirement of at least 20 % female members of the Executive Board has been met.



Report of the statutory auditor to the General Meeting of Intershop Holding AG, Zurich

Opinion

We have audited the remuneration report of Intershop Holding AG (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the tables "Remuneration of the Board of Directors", "Remuneration of the Executive Board", "Shareholding", "Loans and credit to members of the Board of Directors and the Executive Board", "Remuneration not in line with the market", "Participation rights and options on such rights", "Activities of members of the Board of Directors and the Executive Board" of the remuneration report.

In our opinion, the information pursuant to article 734a-734f CO in the remuneration report (pages 42 to 51) complies with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the remuneration report' section of our report. We are independent of the Company 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.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the remuneration report, the financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report 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 a remuneration report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is 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 SA-CH 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 this remuneration report.

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As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

Philipp Gnädinger
Licensed audit expert
Auditor in charge

Marco Amrein
Licensed audit expert

Winterthur, 26 February 2025

The Board of Directors revised the strategy and investment policy on 26 February 2025. The current version can be found below.

Strategy and investment policy

Intershop buys, develops, manages and sells real estate in Switzerland.

The investment policy of Intershop Holding AG aims to generate sustainable added value on investments and to realise this in the medium term through sales, whereby the focus lies on real estate with sufficient development potential. This is the case if the flow of income from the investment can be sustainably increased through refurbishment, development or active asset management. The company utilises changes in market and regulatory conditions to identify and secure added value.

Long-term investments will be considered if a corresponding yield can be achieved.

Direct ownership is preferred, although investments in leasehold property, commonhold property as well as indirect participation in companies or joint ventures cannot be excluded.

The company concentrates on properties with a minimum volume of at least five million Swiss francs. The portfolio must consist of at least 20 properties, whereby the maximum single property value cannot exceed one third of the total market value of the portfolio. In addition, the share of residential property may not exceed the limit that would lead to a restriction within the framework of "Lex Koller" and is, in any event, limited to a maximum of 20 % of the total market value of the portfolio. Temporarily exceeding or falling below the limit values is permitted if a business plan sets out how the limit values will be reached again.

To ensure sufficient diversification of usage, the company focuses on office, commercial and retail space. Revenue from office space may not exceed two thirds, and that of retail and commercial areas, 50 % of total rental income.

In the interest of long term value creation, Intershop takes the needs of all stakeholders into account. In addition to financial performance, the value created for customers, employees, the environment, and society is also a key component of Intershop's business model. Intershop's understanding of sustainability includes economic, ecological, and social impacts on stakeholders.

Whilst the company focuses on urban centres and the main transport axes of Switzerland; the decisive factor for any investment decision in a particular location lies in its suitable usage options. Consequently, Intershop detracts from investing in exposed locations and situations that are detrimentally affected by fluctuations in rental price and value caused by the accumulation of luxury and enthusiast projects.

Rental income should be sustainable and inflation-protected.

In order to optimize the return on equity, Intershop aims to finance the investments adequately with debt. Financial instruments for interest rate or currency hedging are only used in the normal course of business.

A portion of the profits from operating activities is distributed to shareholders in the form of dividends.

The strategy and investment policy of Intershop Holding AG is determined by the Company's Board of Directors, is reviewed annually and can only be modified by the Board of Directors.

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Consolidated balance sheet as at 31 December

(in CHF 1,000)

	Notes	31.12.2024	31.12.2023
Assets			
Current assets			
Cash	4	20,476	17,301
Trade receivables	5	826	811
Other receivables	5	11,872	4,730
Promotional properties	6	17,401	3,070
Accrued income and prepaid expenses		1,386	1,470
Total current assets		51,961	27,382
Non-current assets			
Investment properties	7	1,105,259	1,016,667
Development properties	8	469,047	355,552
Other equipment		264	147
Intangible assets		257	0
Deferred tax assets	12	272	239
Total non-current assets		1,575,099	1,372,605
Total assets		1,627,060	1,399,987
Shareholders' equity and liabilities			
Current liabilities			
Short term financial liabilities	11	115,320	86,400
Trade payables	9	5,836	4,539
Tax liabilities		20,815	5,758
Short term provisions	10	469	704
Accrued expenses and deferred income	9	11,884	13,355
Total current liabilities		154,324	110,756
Non-current liabilities			
Long term financial liabilities	11	406,692	294,911
Derivative financial instruments	11	0	1,081
Deferred tax liabilities	12	129,700	124,391
Long term provisions	10	1,390	1,534
Total non-current liabilities		537,782	421,917
Total liabilities		692,106	532,673
Shareholders' equity			
Share capital	13	19,000	19,000
Capital reserves		7,759	7,759
Treasury shares	13	-35,767	-35,767
Retained earnings		943,962	876,322
Total shareholders' equity		934,954	867,314
Total shareholders' equity and liabilities		1,627,060	1,399,987

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

Consolidated income statement

(in CHF 1,000)

	Notes	2024	2023
Rental income	17	82,248	80,465
Income from sale of promotional properties	18	0	73,612
Net gains from property disposal	19	23,168	13,605
Other income	20	3,657	4,370
Total operating income		109,073	172,052
Property expense	21	9,047	8,695
Expense from sale of promotional properties	18	-360	55,601
Personnel expense	22	10,436	11,552
Administrative expense	23	3,490	3,028
Total operating expense		22,613	78,876
Changes in fair value of properties	25	59,735	11,997
Operating result (EBIT)		146,195	105,173
Financial income	26	200	224
Financial expense	26	-10,019	-6,169
Profit before taxes		136,376	99,228
Tax expense	27	-18,909	-16,724
Net income		117,467	82,504

There are no minority interests.

Earnings per share (CHF) ¹⁾	28	12.74	8.95
Earnings per share (diluted) (CHF) ¹⁾	28	12.74	8.95

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

1) Previous year adjusted for share split

Consolidated statement of changes in equity

(in CHF 1,000)

	Notes	Share capital	Capital reserves	Treasury shares	Retained earnings		Total capital
					Other retained earnings	Hedging reserve	
Balance as at 1.1.2023		19,000	7,781	-35,789	886,862	951	878,805
Purchase of treasury shares	13			-626			-626
Share-based payments (participation plan)	13		-22	648			626
Dividend payment					-92,175		-92,175
Change of derivative financial instruments ¹⁾	11					-1,820	-1,820
Net income 2023					82,504		82,504
Balance as at 31.12.2023		19,000	7,759	-35,767	877,191	-869	867,314
Dividend payment					-50,696		-50,696
Change of derivative financial instruments ¹⁾	11					869	869
Net income 2024					117,467		117,467
Balance as at 31.12.2024		19,000	7,759	-35,767	943,962	0	934,954

¹⁾ after tax effects

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

Consolidated cash flow statement

(in CHF 1,000)

	Notes	2024	2023
Net income		117,467	82,504
Taxes	27	18,908	16,724
Changes in fair value of properties	24	-59,735	-11,997
Depreciation		104	127
Interest income	25	-198	-213
Other financial income	25	-1	-8
Interest received		199	221
Interest expense	25	10,018	6,166
Interest paid		-9,546	-7,018
Taxes paid		-1,381	-19,555
Net gains from property disposal	18	-23,528	-31,616
Net gains from sale of equipment		-44	-9
Receipts from sale of promotional properties		348	56,622
Payments for investments in promotional properties		-15,316	-11,342
Non-cash change in provisions	10	-379	-650
Change in trade receivables		-15	998
Change in accrued expenses and deferred income		-1,736	333
Other current receivables		-4,343	39
Other non-cash income and expense		-94	-159
Net cash from operating activities		30,728	81,167
Payments for investments in investment properties		-62,874	-17,279
Receipts from disposals of investment properties		46,428	20,842
Payments for investments in development properties		-130,758	-48,525
Receipts from disposals of development properties		30,122	34,780
Payments for purchases of other equipment and intangible assets		-477	-21
Payments for purchase of participations		44	9
Net cash from investing activities		-117,515	-10,194
Proceeds from financial liabilities	11	188,558	86,400
Repayment of financial liabilities	11	-47,900	-100,000
Dividend payment		-50,696	-92,175
Purchase of treasury shares	13	0	-626
Net cash used for financing activities		89,962	-106,401
Change in cash		3,175	-35,428
Cash at beginning of reporting period		17,301	52,729
Cash at end of reporting period		20,476	17,301

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

Notes to the consolidated financial statements

Accounting principles

Basis of consolidation

The consolidated financial statements 2024 of the Intershop Group have been prepared in accordance with all existing guidelines of Swiss GAAP FER (accounting and reporting regulations, including FER 31) and the regulations for real estate companies set out by SIX Swiss Exchange and provide a true and fair view of the financial position of the Intershop Group and of its earnings and cash flows.

Consolidation principles

Scope of consolidation

The consolidated financial statements of the Intershop Group include the financial statements of Intershop Holding AG and all the subsidiaries it controls either directly or indirectly by majority of votes or other means (hereinafter referred to as "Intershop", "Intershop Group" or "Group"). These investments are fully consolidated. Investments in associated companies where the share of investment is between 20 % and 50 % of the voting rights, are accounted for using the equity method. Investments with a share of less than 20 % are recognised at acquisition cost less any provision for impairment. The consolidated financial statements are based on the individual financial statements from the group companies prepared in accordance with standard guidelines. The reporting date is 31 December. Prior year figures are shown in brackets. If no other information is provided, the disclosure is in CHF 1,000.

Intercompany transactions and relationships

All intercompany assets and liabilities as well as intercompany services have been eliminated within the framework of the consolidation.

Capital consolidation

Capital consolidation is carried out using the purchase method. On initial recognition, share capital of the subsidiary company is set off against the investment in the parent company. For newly-formed subsidiaries, this occurs at the time of its foundation. The difference between the purchase price of an acquired company and the fair value of the resulting net assets acquired is set off against shareholders' equity. Upon subsequent disposal of an investment in group companies, the difference between the sales proceeds and pro rata book value including historical goodwill is disclosed as profit or loss in the consolidated income statement. Subsidiaries disposed of during the course of the year will be eliminated from the consolidation from the date of sale. The share of equity and profit attributable to minority shareholders will be separately disclosed in the consolidated accounts. At the balance sheet date, no outstanding minority interests existed.

Foreign currency conversion

All amounts contained in the consolidated financial statements are shown in Swiss francs (CHF). The individual subsidiaries prepare their financial statements in local currency. Exchange gains and losses from transactions in foreign currencies and from adjustments to foreign currency positions as at the balance sheet date are recognised in the consolidated income statement.

Segment reporting

The companies of the Intershop Group are currently operating exclusively in the Swiss property market and do not perform any significant activities for third parties. The real estate portfolio, consisting of investment, development and promotional properties, is managed as a single business unit. For this reason, no segment reporting has been prepared. However, to assess the separate

categories of property, certain additional data has been published.

Valuation principles

The consolidated financial statements have been prepared in accordance with the historical cost principle, with the exception of investment and development property, securities and fixed deposits and derivative financial instruments, which are measured at fair value.

Cash and cash equivalents

Cash comprises cash in hand, post and bank deposits as well as fixed-term deposits with a term of up to 90 days and are recognised at nominal value.

Trade receivables

This position includes receivables from ordinary activities, primarily rent receivables, which are recognised at nominal value less any necessary business impairment. As a rule, rent receivables that are older than two months are considered at risk and are suitably provided for. Changes in the value of these provisions are disclosed as part of rental income.

Other receivables and accruals

Other receivables are recognised at nominal value less any necessary impairment.

Promotional properties

Promotional properties are properties under construction, which are intended to be disposed of immediately after completion. They are disclosed as inventories and recorded at amortised cost less any impairment and shown as part of current assets. Income and expenses from the sale of promotional properties are recognised in the income statement as "Income from the sale of promotional properties" and "Expenses from the sale of promotional properties".

Investment properties

Investment properties are properties held for long-term purposes and are measured at fair value. The valuation is determined by an independent property valuer using the discounted cash flow method (DCF). Changes in fair value, together with the associated deferred tax are charged or credited to the result for the period. Investment properties are not depreciated. Investment properties whose disposal within twelve months of the balance sheet date is very probable, are disclosed under "Investment properties for disposal" and shown as part of current assets. As a rule, these are properties that are already under contract for sale at the balance sheet date. Such properties are recorded at the lower of fair value and expected selling price less selling costs. The investment properties are divided into categories according to the predominant type of use.

Development properties

Development properties are either properties under construction that will be reclassified as investment properties once construction work has been completed, or properties for which substantial development is envisaged, and for which a sustainable re-usage is envisaged.

Properties under construction will be measured at fair value as soon as a fair value can be reliably determined. This valuation is determined by an independent property valuer using the discounted cash flow method (DCF). The prerequisites for a reliable fair value are the existence of a specific construction project in which the costs and revenues can be reliably determined and the existence of a legally binding building permission. If these conditions are not met, then the development properties are recorded at amortised cost.

Properties for which a substantial development programme is envisaged, will be transferred from investment to development properties. Such properties will continue to be valued assuming a continuation of current use by the independent property valuer using the discounted cashflow

method (DCF), until a specific construction project is determined. The reclassification from development to investment properties occurs, once construction work has been completed. Changes in fair value on the development properties measured at fair value, together with the associated deferred tax, are charged or credited to the result for the period.

Other tangible assets

Other tangible assets are recognised at acquisition cost less depreciation. The depreciation is calculated on a straight-line basis over the expected useful life of between three and five years.

Intangible assets

Acquired intangible assets are recognised when they bring a measurable benefit over several years. It comprises of software and is recognised at acquisition cost less amortisation. The amortisation is calculated on a straight-line basis over the expected useful life of four years.

Employee pensions

The Group has several pension plans for its employees that are organised in independent foundations or insurance companies and are in accordance with the legal requirements in Switzerland. They provide benefits in the event of retirement, death or invalidity. The plans are financed by employer and employee contributions and are calculated as a percentage of the insured salaries. The consolidated income statement includes accrued payments due to the foundations and insurance companies as well as the ongoing expenses for the fulfilment of the remaining pension plans. The valuation and disclosure of the swiss pension obligations is in accordance with Swiss GAAP FER 16. Actual economic effects on the Group of the pension plans are considered at the balance sheet date. An economic benefit is disclosed as an asset if it can be used to reduce future pension expenses of the Group. An economic obligation is disclosed as a liability if the prerequisites for a future pension provision of the Group exist. Freely available employer contribution reserves are separately recorded as assets. The change in the employer contribution reserve is recorded in the consolidated income statement as a personnel expense or financial income.

Financial liabilities

Loans, mortgages, private placements and bonds which are generally concluded on a longterm basis are recognised as long-term financial liabilities in the consolidated balance sheet. The tranches due within twelve months of the balance sheet date are disclosed as short term financial liabilities.

Derivative financial instruments

In the Intershop Group, derivative financial instruments are usually used for interest rate hedges and sometimes in currency hedging. They are recognised in the consolidated balance sheet at the acquisition date at original value and subsequently at fair value. The changes in fair value resulting from cash-flow-hedges (unrealised gains and losses) are recognised directly in equity. Changes in the fair value of derivatives without hedging components are booked in the consolidated income statement. Contracts due within twelve months of the balance sheet date are disclosed as current assets or short term financial liabilities.

Trade payables

Trade payables and other liabilities are recognised at nominal value.

Provisions

Provisions are obligations arising from past events whose amounts and/or due dates are uncertain but can be estimated. Provisions are recognised based on the probable expected cash outflows and are re-assessed at each balance sheet date. They are disclosed in the consolidated balance sheet in accordance with the expected due dates as either short or long-term liabilities.

Deferred tax assets and liabilities

Deferred tax liabilities are accounted for in accordance with the balance sheet liability method. They are recognised on temporary differences between the consolidated balance sheet and the local tax balance sheet value of assets and liabilities and calculated using the current tax rates applicable for the respective locations and expensed through the consolidated income statement and disclosed as non-current liabilities in the consolidated balance sheet. They include deferred taxes on the revaluation of investment and development property. In determining any property gains tax, the rate will be calculated using the individual tax system governing at the location of the property and include a holding period based on the asset strategy for each property. For newly-acquired properties, a minimum holding period of three years will be used to reduce the effects of any existing speculation surcharges. Changes to local tax rates will be included in the calculation of deferred tax. The temporary differences are netted against any eligible taxable losses at individual company level. In addition, deferred tax assets from tax loss carry-forwards are only capitalised if it is reasonably certain that they are recoverable through future taxable income.

As external and independent estimates have been available for all properties with a corresponding holding period of 20 years, Intershop now uses the market value from 20 years ago when calculating the provisions for deferred taxes in the relevant cantons.

Leasing

Contracts for the use of land for which ground rent is paid are assessed to determine whether they are to be classified as operating leases or finance leases. Payments under operating leases are recognised in the income statement over the term of the lease or building lease and are disclosed in the notes.

Income taxes

The current income taxes are calculated using the appropriate local current tax rates and are in accordance with the current fiscal regulations. They are also based on the expected tax results for the period and are disclosed as tax liabilities on the consolidated balance sheet.

Income recognition

The "rental income" is income from the rental of properties and includes net rental income, i.e. target rental income less rents lost due to vacancies. Income is recorded on an accruals basis in the consolidated income statement and is based on the contractual agreements.

The "net gains from property disposal" consists of the difference between the net sales proceeds on the disposal of investment and development property (i.e. after deduction of all costs relating to the sales but excluding taxes) and its fair value as reported in the previous year's consolidated balance sheet plus any capitalised investment made during the course of the year under review. Income and expenses from the sale of promotional properties are recognised in the income statement as "Income from the sale of promotional properties" and "Expenses from the sale of promotional properties". It is recognised at the time the respective units are transferred. The "other income" primarily includes services that are charged to third parties (usually tenants). The income is recorded on an accruals basis.

The "property expense" consists of maintenance and repair work and general operating expenses (property management expenses, insurance costs, property taxes and fees and land rents). In addition, non-refundable service charges are also recorded under this position.

The investment and development properties are valued by an independent property valuer. The "changes in fair value of properties" are disclosed in the consolidated income statement.

Estimates and assumptions

In preparing the consolidated financial statements in accordance with Swiss GAAP FER, management is required to make estimates and assumptions that can influence reported income, expense, assets and liabilities at the time the statements are drawn up. The estimates and assumptions used are based on past experience as well as on other factors which appear plausible at that specific point in time. The estimates and assumptions are reviewed on an ongoing basis. The effective values can nevertheless deviate from the original estimates. The most important items that are based on estimates and assumptions are listed below.

Fair value of investment and development properties

The fair value of the investment and development portfolio is determined by an independent, qualified property valuer. Incorrect assumptions or unexpected developments can significantly affect the fair value of the properties in the future.

Provisions

The Group has created provisions for legal disputes and warranty commitments based on current risk assessments. The effective values can nevertheless deviate from the original estimates and, as such, can have a significant effect on future periods.

Deferred tax liabilities

The calculation of deferred tax liabilities is based on the current and expected future tax rates known at the balance sheet date and the property gains tax based on an estimated holding period. Changes to the tax rates and to the estimated holding periods used for calculating the property gains tax can have a significant impact on the tax expense in future periods.

Risk management

Principle

At the Intershop Group, a high level of importance is attributed to risk management and it is regularly addressed in the Executive Board and Board of Directors meetings. The following risks can greatly influence the future income of the Group and consequently the value of the company.

Market risk

The general economic development strongly influences the demand for rental space, the level of rental prices as well as the reduction in vacancies. As regional and industry-specific economic developments are heterogenous, Intershop tries to counteract this risk by means of well-diversified real estate portfolios, in both terms of geography and utilisation. Market rents considered in the market value (fair value) assessments are taken from the databases used by the independent property valuers. Reductions to any existing vacancies will be determined by the independent property valuer based on actual market developments.

An increase or decrease of 5 % in the estimated rental market prices of all properties would result in an increase in the investment and development property portfolio as at the balance sheet date amounting to CHF 56 million or 3.5 % (CHF 50 million or 3.7 %) or a decrease amounting to CHF 55 million or 3.7 % (CHF 50 million or 3.7 %) respectively.

In accordance with the Group's investment strategy, the real estate portfolio must consist of at least 20 properties, whereby the maximum single property value cannot exceed one third of the total market value of the portfolio. To ensure sufficient diversification of usage, the company focuses on office, commercial and retail space. Revenue from office space may not exceed two thirds, and that of retail and commercial areas, not more than 50 % of total rental income. Intershop also invests primarily in real estate in good locations with average rental price level, which usually react less strongly to changes in economic development.

Credit risk

The general economic development can also impact on the solvency of the tenants and can lead to loss of rent. Intershop therefore try where possible to avoid dependency on one major tenant, unless the latter has an above-average credit rating. The risk of unpaid rent receivables is counteracted by active debt management. Rent that is overdue for longer than two months is considered at risk and are provided for, unless the claim can be considered not to be at risk due to the specific facts (e.g. if there are no doubts about the creditworthiness of the Lessee). Receivables from tenants who are known to be in financial difficulties are immediately provided for. Liquid funds are invested in companies with high credit ratings. For financial assets with inherent credit risks, the balance sheet value equates to the maximum default risk.

Interest and refinancing risk

Intershop is cautious when managing its external debt. According to the investment policy, real estate can be adequately financed with debt. Accordingly, there is a dependency on the development of interest rates. Since the sale of developed properties is an integral part of the Intershop strategy, generally only part of the financing will be with fixed interest debt in order to prevent any penalty arising from early settlement. For this reason, the average interest rate period is generally only between two and three years. In the case of a favourable market situation (e.g. low long-term interest rates), the average interest rate period can also be extended. In the case of fixed mortgages, Intershop strives for a balanced maturity profile. Interest hedging transactions can also be used to hedge mortgages with short-term interest rates.

Based on interest rates as at the balance sheet date, a reduction in the short-term interest rate of half a percentage point (50 base points) would reduce the annual interest costs of the financial liabilities by CHF 1.2 million (CHF 0.5 million decrease) whereas an increase in short-term rates would give rise to an increase of CHF 0.5 million (CHF 0.4 million increase).

Rising interest rates can also have a negative impact on the market value (fair value) of the properties, since the discount and capitalisation interest rates have a certain correlation with the interest rates for long-term, risk-free investments. As the largest part of the rental contracts of the Intershop Group are indexed or are reliant on sales (turnover rents), the effects of inflation and the effects on the value of property (despite increasing discount rates) should remain aligned long term. A reduction in the average weighted discount rate of 0.1 percentage point would increase the value of the investment property portfolio by CHF 40 million or 2.5 % respectively (CHF 35 million or 2.6 %), whereas a corresponding increase in the discount rate would reduce it by CHF 37 million or 2.4 % respectively (CHF 35 million or 2.6 %).

Liquidity risk

The aim of liquidity management of Intershop is to ensure sufficient liquid reserves at all times. This includes the ability to finance smaller and medium-sized acquisitions out of the Group's own resources. In purchase negotiations, this often means an additional advantage. A key indicator is the liquidity reserve calculated as follows:

Cash
+ short-term securities
+ additional committed financing potential for properties
= liquidity reserve

The liquidity reserve should generally be at least CHF 20 million. As at the balance sheet date, it amounted to CHF 175 million (CHF 245 million). The group had no unsecured overdraft limits as at the balance sheet date.

Development risk

In the case of acquisitions, there is a risk that properties being acquired are contaminated. Consequently, Intershop will initiate a comprehensive contamination examination if there is any suspicion of contamination. Should this be the case, the risk will be quantified by experts and either deducted from the purchase price or, if the counterparty is deemed to have the necessary solvency, guaranteed by the latter. The estimated costs for the overhaul of the contaminated areas are classified as future investment in the event that they are not guaranteed by a third party and are included in the valuations carried out by the independent property valuers.

Contamination risk

In the case of acquisitions, there is a risk that the properties to be acquired contain contaminated sites or polluted material. Intershop therefore arranges for a comprehensive investigation of contaminated sites if there are any grounds for suspicion. If this results in a risk, this is quantified by experts and either deducted from the purchase price or, if the counterparty has the necessary solvency, must be guaranteed by the counterparty. Unless guaranteed by a third party, the estimated costs for the remediation of contaminated sites are classified as a future investment and thus included in the valuations of the independent property valuers.

Currency risk

Intershop currently has no directly held properties abroad and there are no significant balance sheet items in foreign currencies.

Capital risk

The economic equity corresponds to the capital reported in the balance sheet. In the multi-year average, Intershop aims to achieve a return on equity of at least 8%. In order to achieve this target, external financing is also used, provided, that the Group's good credit rating is not affected. For this reason, the properties are generally financed up to a maximum of two thirds of their market value. Financial indicators such as interest cover factors and minimal equity capital equipment are stipulated in some financing contracts. These covenants are in part defined as quota and in part in absolute terms. The strictest specifications include a minimum equity ratio of 30% and/or a minimum equity of CHF 350 million. As at the balance sheet date, the equity ratio was 57.5% (62.0%), and equity amounted to CHF 935.0 million (CHF 867.3 million). A part of the profits generated will be distributed in the form of dividends to the shareholders. The proposals of the Board of Directors do, however, take the current market conditions into consideration. This means that if the market conditions do not allow adequate reinvestment of the profit, the unused funds can be returned to shareholders by way of a higher dividend or in another form.

Details on the consolidated financial statements

1 Business activity

The Intershop Group is a real estate company that focuses on the purchase, management, development and sale of real estate primarily in Switzerland.

Intershop Holding AG, headquartered in Zurich, Switzerland, is listed on the SIX Swiss Exchange and controls all companies in the Intershop Group.

2 Scope of consolidation

There were no changes to the scope of consolidation in the reporting year.

As at the balance sheet date, the scope of consolidation of Intershop Holding AG comprised the following subsidiaries, all of which are wholly owned:

- Centre St Roch – Yverdon-les-Bains S.A., Yverdon-les-Bains; Switzerland
- De Bary & Co. AG, Basel; Switzerland
- Intershop Bau AG, Basel; Switzerland
- Intershop Management AG, Zurich; Switzerland
- Orubi SA, Geneva; Switzerland
- Realconsult AG, Zurich; Switzerland
- SGI City Immobilien AG, Zurich; Switzerland
- SGI Promotion AG, Zurich; Switzerland
- SGI Schweizerische Gesellschaft für Immobilien AG, Zurich; Switzerland
- WTCL Services SA, Lausanne; Switzerland.

A detailed overview of all Intershop Group companies can be found on pages 118 and 119.

3 Investment policy

The maximum percentage of residential properties of 15 % of the total market value of all investments in accordance with the strategy and investment policy was exceeded and stood at 15.2 % as at 31 December 2024. Due to the small excess and the fact that this was caused by investments in and revaluations of existing residential properties, the Board of Directors has classified the deviation as not material and, in accordance with the SIX Swiss Exchange Listing Rules, no action is required.

On 26 February 2025, the Board of Directors revised the strategy and investment policy and, among other things, increased the relevant threshold to 20 %.

4 Cash and cash equivalents

(in CHF 1,000)	31.12.2024	31.12.2023
Bank and cash balances	20,476	17,301
Total	20,476	17,301

Cash and cash equivalents were allocated as follows on the balance sheet date:

(in CHF 1,000)	31.12.2024	31.12.2023
Rating AAA	700	692
Rating AA	1,539	1,297
Rating A	17,738	14,738
Rating BBB	0	0
No rating available	499	574
Total	20,476	17,301

The classification is based on the official long-term ratings of either Standard and Poor's (S&P) or Moody's. If no such rating is available, then the ratings published by Swiss banks are used. In accordance with a settlement agreement that existed at the balance sheet date, an amount of CHF 17.4 million (CHF 14.5 million) disclosed under Rating A can be fully offset against significantly higher financial liabilities should the bank in question become insolvent.

5 Short-term receivables

(in CHF 1,000)	31.12.2024	31.12.2023
Net trade receivables	826	811
Other receivables	11,872	4,730
Total receivables	12,698	5,541
Accrued income and prepaid expenses	1,386	1,470
Total	14,084	7,011

Other short-term receivables mainly include tax receivables.

The allowance for doubtful debts is determined on an individual basis (tenant credit rating) and based on experience. The historical default rate is less than one percent of rental income. As a rule, rent receivables that are older than two months are considered at risk and are suitably provided for. In the case of significant outstanding amounts, existing securities (e.g. rent deposits or guarantees) are taken into account.

(in CHF 1,000)	31.12.2024	31.12.2023
Gross trade receivables	1,729	1,546
Allowance for doubtful debts	-903	-735
Net trade receivables	826	811

The book value of receivables corresponds to their fair value. Changes in the allowance for doubtful debts are included in the income statement under rental income or other income and are shown as follows:

(in CHF 1,000)	2024	2023
Balance as at 1.1.	735	894
Increase	380	157
Allowance used	-99	-102
Decrease	-113	-214
Balance as at 31.12.	903	735

6 **Promotional properties**

(in CHF 1,000)	2024	2023
Balance as at 1.1.	3,070	50,426
Acquisitions	14,250	0
Investments ¹⁾	68	8,246
Disposals	13	-55,602
Balance as at 31.12.	17,401	3,070

1) Investments include non-cash transactions from the accrual of construction costs and from trade payables

During the reporting period, a plot of land was acquired at Schaubhausweg 4 in Eich, on which the construction of residential property is planned. In the previous year, 60 commonhold apartments in the "Römerstrasse" project in Baden were sold generating disposal proceeds of CHF 73.6 million. Details of the promotional properties can be found on pages 92 and 93.

Current status of promotional properties**Eich, Schaubhausweg 4**

Project description

The construction of around 25 commonhold apartments is planned by 2028 on the 4,186 m² plot of land in an outstanding location with a view of Lake Sempach.

Project status

In February 2025, a competitive study was launched, which is scheduled for completion in June 2025. The aim of the process is to evaluate the best possible project, which will serve as the basis for the subsequent development.

Further projects

In November 2024, the Administrative Court dismissed all appeals in connection with the ongoing local planning revision of the city of Solothurn, which also includes the "Wildbach" area, and thus confirmed the decision of the lower court. Four complainants then filed an appeal with the Federal Supreme Court. The further course of events remains to be seen. Intershop is still in dialogue with the city of Solothurn.

7 **Investment properties**

(in CHF 1,000)	Office properties	Commercial properties	Residential properties	Total properties
Balance as at 1.1.2023	651,367	122,656	217,095	991,118
Purchases	640	0	0	640
Investments ¹⁾	4,140	657	11,205	16,002
Disposals	-13,571	-2,316	0	-15,887
Changes in fair value 2023	-4,111	638	10,168	6,695
Transfer from development properties	0	18,099	0	18,099
Balance as at 31.12.2023	638,465	139,734	238,468	1,016,667
Purchases	11,500	43,000	0	54,500
Investments ¹⁾	5,850	1,446	595	7,891
Disposals	-14,353	-3,658	-15,141	-33,152
Changes in fair value 2024	-7,699	12	17,549	9,862
Transfer from development properties	6,911	42,580	0	49,491
Balance as at 31.12.2024	640,674	223,114	241,471	1,105,259

1) Investments include non-cash transactions from trade payables

During the reporting period, Intershop sold the properties at Hofweg 5/Dammweg 27 in Berne, Honeywell-Platz 1 in Dielsdorf and Untere Bönigstrasse in Interlaken and acquired Sihlbruggstrasse 105a in Baar and Riedmoosstrasse 10 in Niederwangen. Due to the completion of both projects, the properties "Métiers Vernier" in Vernier and "Lehenmatt Ensemble" in Basel were reclassified from development properties to investment properties as at the end of the year.

In the previous year, Intershop sold the properties at Kirchstrasse 1 in Grenchen, Bibersteinerstrasse 4 in Rombach and Südstrasse 17 in Lyss and acquired a share in the property at Sihlquai 253–259 in Zurich. The property at Nordstrasse 1 in Wohlen was transferred from development properties to investment properties following the completion of the revitalisation.

Details of the acquisitions and disposals are listed on pages 92 and 93. In the reporting year, no significant disposal was made within the meaning of the SIX Swiss Exchange Directive on Financial Reporting (i.e. > 5 % of the total portfolio).

Acquisition costs and market value per region

(in CHF 1,000)	Acquisition costs ¹⁾		Market value ²⁾	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Investment properties				
Office properties				
Zurich area	354,592	358,050	471,658	474,348
Lake Geneva area	96,173	93,301	114,687	112,237
Basle/Berne/Midlands	50,692	42,848	51,181	48,600
Other areas	3,674	3,674	3,148	3,280
Total office properties	505,131	497,873	640,674	638,465
Commercial properties				
Zurich area	60,422	60,320	54,417	54,659
Lake Geneva area	84,984	46,240	97,329	54,599
Basle/Berne/Midlands	60,677	20,084	62,891	21,758
Other areas	11,998	11,782	8,477	8,718
Total commercial properties	218,081	138,426	223,114	139,734
Residential properties				
Lake Geneva area	39,919	39,705	70,086	70,051
Basle/Berne/Midlands	131,180	141,553	171,385	168,417
Total residential properties	171,099	181,258	241,471	238,468
Total investment properties	894,311	817,557	1,105,259	1,016,667

1) The acquisition costs include all costs associated with the purchase as well as value-enhancing investments.

2) Market value according to external valuer (see pages 94 to 98)

Details of the investment properties can be found on pages 88 to 91.

8 Development properties

(in CHF 1,000)	2024	2023
Balance as at 1.1.	355,552	352,004
Purchases	83,700	0
Investments ¹⁾	49,642	46,275
Disposals	–20,228	–29,929
Changes in fair value	49,872	5,301
Transfer to development properties	–49,491	–18,099
Balance as at 31.12.	469,047	355,552

1) Investments include non-cash transactions from the accrual of construction costs and from trade payables

In the year under review, Intershop sold the properties Rue de l'Industrie 21 in Fribourg and Industriering 43 in Lyss as well as a plot of land at Fabrikstrasse 4–8 in Winterthur and acquired "Bento Baden" in Baden, Seeburgstrasse 18 in Lucerne, Hohenbühlstrasse 1, 3, 5 in Opfikon and "Scintilla-Areal" in Zuchwil. Due to the completion of both projects, the properties "Métiers Vernier" in Vernier and "Lehenmatt Ensemble" in Basel were reclassified from development properties to investment properties as at the year end.

In the previous year, the property at Waldhöhweg 1 in Berne and the remaining part of the land parcel of the property at Seestrasse 295 in Au-Wädenswil were sold. The property at Nordstrasse 1 in Wohlen was transferred from development properties to investment properties following the completion of the revitalisation.

Acquisition costs and market value per region

(in CHF 1,000)	Acquisition costs ¹⁾		Market value ²⁾	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Development properties				
Zurich area	189,302	155,778	268,054	186,148
Lake Geneva area	157,460	161,240	122,622	131,850
Basle/Berne/Midlands	58,694	16,885	59,581	18,571
Other areas	21,370	21,164	18,790	18,983
Total development properties	426,826	355,067	469,047	355,552

1) The acquisition costs include all costs associated with the purchase as well as value-enhancing investments.

2) Market value according to external valuer (see pages 94 to 98)

As at 31 December 2024 and 31 December 2023, no development properties were carried at cost. Details of the development properties can be found on pages 92 and 93.

9 Liabilities

(in CHF 1,000)	31.12.2024	31.12.2023
Trade payables	5,836	4,539
Accrued expenses and deferred income	11,884	13,355
Total	17,720	17,894

Trade payables include rental deposits as well as sales deposits for promotional properties. Accrued expenses include prepaid rent, heating and service charges, interest, performance-related compensation and unpaid investments.

10 Provisions

(in CHF 1,000)	31.12.2024	31.12.2023
Warranties	1,789	2,022
Other	70	216
Total	1,859	2,238
thereof short term	469	704
thereof long term	1,390	1,534

Additional information:

(in CHF 1,000)	Warranties ¹⁾	Other ²⁾	Total
Balance as at 1.1.2023	6,285	216	6,501
Provisions used	0	-50	-50
Increase	847	50	897
Decrease	-5,110	0	-5,110
Balance as at 31.12.2023	2,022	216	2,238
Provisions used	0	0	0
Increase	0	0	0
Decrease	-233	-146	-379
Balance as at 31.12.2024	1,789	70	1,859

1) In the reporting period, provisions for warranties were released in connection with previous property disposals. In connection with the property disposal for the "Römerstrasse" project, provisions for warranties were accrued in the 2023 financial year.

2) Other provisions include property-related provisions, primarily from disputes with tenants and buyers of properties. Other provisions were released in the reporting period.

11 Financial liabilities

(in CHF 1,000)	31.12.2024	31.12.2023
Mortgages, loans and private placements	115,320	86,400
Total current financial liabilities	115,320	86,400
Mortgages and loans	207,000	195,000
Bonds	199,692	99,911
Total long-term financial liabilities	406,692	294,911
Total financial liabilities	522,012	381,311

Current financial liabilities are mortgages, loans and private placements whose contractual term ends within 12 months of the balance sheet date.

Maturities of interest-bearing current and non-current financial liabilities and fixed interest rates as of 31 December 2024:

(in CHF 1,000)	Maturities	Fixed interest term
2025	115,320	177,320
2026	99,946	99,946
2027	80,000	80,000
2028	62,000	0
2029	99,746	99,746
thereafter	65,000	65,000
Total	522,012	522,012

The total book value of the pledged assets amounted to CHF 762 million (CHF 554 million). Financial liabilities totalling CHF 297 million (CHF 266 million) are secured by mortgages.

Financial liabilities are reported at nominal value. Their fair value lies CHF 6.3 million lower (CHF 4.8 million lower) than the balance sheet value. The reason for this is that the interest rates for some of the fixed mortgages and the bond were fixed at a time when interest rates were higher than at the balance sheet date.

The average interest rate on financial liabilities is 1.40 % (1.67 %) with an average fixed interest period of 38 months (51 months), taking into account current interest rate hedging transactions. At the balance sheet date, 66 % (77 %) were fixed-rate mortgages, interest rate hedged rollover loans or fixed-rate bonds and 34 % (23 %) rollover loans without interest rate hedging.

Different financial covenants were agreed with various banks, all of which were complied with in the reporting period. The most important financial covenants are the consolidated equity ratio (at least 30 %) and the absolute amount of equity (at least CHF 350 million). In some loan agreements, financial key figures relating to the interest cover factor (≥ 2.0) or the maximum loan-to-value ratio are also contractually fixed. The latter vary greatly according to use, occupancy rate and credit institution. A breach of covenants would allow the bank to demand immediate repayment of the loan regardless of the contractually agreed term.

In the liabilities from long-term and short-term financing, the outstanding bonds are reported as follows:

(in CHF 1,000)	2024	2023
Balance as at 1.1.	99,911	199,887
Issuance	99,740	0
Repayment	0	-100,000
Amortisation issue premium and issue costs	41	24
Balance as at 31.12.	199,692	99,911

The outstanding bonds were issued under the following conditions:

0.3 % Green Bond 2021–2026	
Volume	CHF 100 million
Term	5 years (29.06.2021–29.06.2026)
Coupon	0.30 %, payable annually on 29.06.
Effective interest rate	0.35 %
Listing	SIX Swiss Exchange
Security number	111,139,299

1.5 % Green Bond 2024–2029	
Volumen	CHF 100 million
Term	5 years (08.11.2024–08.11.2029)
Coupon	1.50 %, payable annually on 08.11.
Effective interest rate	1.49 %
Listing	SIX Swiss Exchange
Security number	138,091,037

The terms and conditions of the bonds include obligations that limit the collateralisation of certain liabilities and limit the amount of consolidated financial liabilities to 70 % of the market value of the properties. The proceeds from the green bonds are used for the financing of sustainable investments on the basis of the Green Bond Framework. These conditions were met during the year under review.

The cash flow interest rate hedges (interest rate swaps) with a contract volume of CHF 62 million at the end of the previous year were unwinded in the reporting period. The details for the previous year are shown in the table below:

31.12.2023 (in CHF 1,000)

Maturity	Interest rate	Contract value	Contract value	
			positive	negative
2028	1.46 %	24,000	0	388
2028	1.47 %	38,000	0	693
Total		62,000	0	1,081

Changes in the fair value of interest rate hedges of CHF –2.3 million were recognized directly in equity after taking into account the corresponding taxes of CHF 0.4 million (CHF –1.5 million). All reported interest rate swaps are valued externally using quoted prices for similar financial instruments.

12 **Deferred tax assets
and liabilities**

The following table shows the deferred taxes per balance sheet item, which result from the difference between the balance sheet according to Group guidelines and the tax balance sheet of the consolidated company:

(in CHF 1,000)	31.12.2024		31.12.2023	
	Assets	Liabilities	Assets	Liabilities
Properties	0	129,700	0	124,391
Other balance sheet items	19	0	78	0
Losses	253	0	161	0
Total	272	129,700	239	124,391

There are no tax losses carried forward whose realisation is not probable and therefore not included in the calculation of deferred tax assets.

Temporary differences relating to subsidiaries of Intershop Holding AG, on which no deferred tax liabilities are recognized, amounted to CHF 654 million (CHF 599 million) at the balance sheet date.

13 **Share capital**

	Shares at nominal CHF 10 (number)	Shares at nominal CHF 2 (number)	Total nominal value (in CHF 1,000)
Issued share capital as at 31.12.2023	1,900,000		19,000
Issued share capital as at 31.12.2024		9,500,000	19,000

Treasury shares:

	(Number)	(in CHF 1,000)
Balance as at 1.1.2023	56,500	35,789
Purchase of treasury shares	1,023	626
Share-based payments (participation plan)	-1,023	-626
Price difference	-	-22
Balance as at 31.12.2023	56,500	35,767
Addition through share split	226,000	0
Balance as at 31.12.2024	282,500	35,767

14 **Net asset value (NAV)
per share**

Net asset value (NAV) is shown as follows (previous year adjusted for share split):

	31.12.2024	31.12.2023
Shareholders' equity ¹⁾	934,954	867,314
Number of shares outstanding ²⁾	9,217,500	9,217,500
Shareholders, equity per share (Net asset value, NAV)³⁾	101.43	94.09

1) In CHF 1,000

2) Issued shares less treasury shares at balance sheet date

3) In CHF

15 **Significant shareholders**

The following shareholders have reported a shareholding of at least 3 % and a corresponding disclosure in accordance with FMIA:

(in %)	31.12.2024	31.12.2023
Patinex AG, Wilen (Martin und Rosmarie Ebner)	≥ 33⅓ % < 50 %	≥ 33⅓ % < 50 %
UBS Fund Management (Switzerland) AG, Basel	≥ 5 % < 10 %	n/a
Hansjörg Graf, Wollerau via Grapal Holding AG, Zug	≥ 3 % < 5 %	≥ 3 % < 5 %
Relag Holding AG, Hergiswil	≥ 3 % < 5 %	≥ 3 % < 5 %
BlackRock Inc., New York, USA	n/a	≥ 3 % < 5 %

16 **Related parties**

In addition to the members of the Board of Directors, the members of the Executive Board and companies controlled by them, Patinex AG is also considered a related party due to its shareholding. In the reporting year, the remuneration paid to non-executive members of the Board of Directors totalled CHF 0.3 million (CHF 0.3 million), of which 30 % is paid out in the form of share-based remuneration (previous year: 0 %). Compensation for the Executive Board totalled CHF 2.2 million (CHF 3.3 million). This includes CHF 0.2 million (CHF 0.3 million) payments to the pension fund. There was no share-based remuneration for the Executive Board in the reporting year or the previous year. Disclosure in accordance with the Swiss Code of Obligations Art. 734 to 734f can be found in the remuneration report on pages 41 to 54 and in the separate financial statements of Intershop Holding AG (note 11) on page 110 of this annual report. Intershop obtains legal advice from several law firms, including MME Legal AG, where Christoph Nater is a partner. In the 2024 financial year, fees of CHF 0.2 million (CHF 0.1 million) were invoiced. There were no other transactions with related parties. No guarantees or other financial commitments were issued in favour of a related party.

17 **Rental income**

(in CHF 1,000)	2024	2023
Investment properties		
Office properties	36,939	37,028
Commercial properties	11,958	10,650
Residential properties	8,401	8,115
Development properties	21,632	23,546
Disposals	3,318	1,126
Total	82,248	80,465

The income from the properties "Métiers Vernier" in Vernier and "Lehenmatt Ensemble" in Basel, which were reclassified from development properties to investment properties as at 31 December 2024, is still reported under development properties in 2024. The income from the property in Wohlen, which was reclassified from development properties to investment properties as at 31 December 2023, is still reported under development properties in 2023.

Rental income increased due to the completion of projects and successful lettings despite the property sales in the previous year.

As at the balance sheet date, the maturities of the rental agreements were as follows:

(in % of rental income)	31.12.2024	31.12.2023
Residential	9.5	9.5
Parking without fixed maturity	3.7	3.8
Without fixed maturity	12.8	13.0
< 1 year	10.9	5.4
1 to 2 years	12.1	18.9
2 to 3 years	9.3	12.0
3 to 4 years	9.2	9.5
4 to 5 years	9.9	8.7
> 5 years	22.6	19.2
Total	100.0	100.0

Lease agreements for residential properties are generally not concluded for a fixed term, but can be terminated, taking into account the legal conditions. Lease agreements without a fixed term are those that have been extended beyond their original term and do no longer have a fixed termination date.

The five largest tenants as at the balance sheet date are listed below:

(in % of rental income)	31.12.2024	31.12.2023
Canton of Vaud	5.2	5.5
Sauvin Schmidt SA	4.6	4.9
Canton of Zurich	3.9	4.3
Coop	2.6	n/a
Migros	2.3	2.6
Total	18.6	17.3

The share of the public sector, which includes all lease agreements with the Confederation, cantons, councils or related legal entities and organisations, amounted to 11.0% (12.2%) as at the balance sheet date.

¹⁸ **Net gain from sale of promotional properties**

(in CHF 1,000)	2024	2023
Income from sale of promotional properties	0	73,612
Adjustments of provisions and accruals for warranties	360	447
Fair value at the beginning of the year	0	-47,342
Investments current year	0	-7,525
Disposal costs	0	-1,181
Expense from sale of promotional properties	360	-55,601
Net gain from sale of promotional properties	360	18,011

In the reporting year, provisions for warranties from previous sales were released. Intershop transferred 60 commonhold apartments of the "Römerstrasse" project in Baden during the reporting period. In addition, provisions for warranties from previous disposals were released.

19 **Net gains from property disposals**

(in CHF 1,000)	2024	2023
Sales proceeds investment properties	46,750	21,245
Reversal of provision for warranties	0	0
Fair value at the beginning of the year	-32,997	-15,837
Investments current year	-168	-50
Gross gains from property disposals	13,585	5,358
Disposal costs	-407	-106
Net gains investment properties	13,178	5,252
Sales proceeds development properties	30,359	34,800
Change in provision for warranties	98	5,286
Fair value at the beginning of the year	-19,552	-30,281
Investments current year	-677	-1,134
Gross gains from property disposals	10,228	8,671
Disposal costs	-238	-318
Net gains development properties	9,990	8,353
Total	23,168	13,605

During the reporting period, Intershop sold the investment properties Hofweg 5/Dammweg 27 in Berne, Honeywell-Platz 1 in Dielsdorf and Untere Bönigstrasse in Interlaken as well as the development properties Rue de l'Industrie 21 in Fribourg and Industriering 43 in Lyss and a plot of land at Fabrikstrasse 4-8 in Winterthur. In the prior-year period, the investment properties Kirchstrasse 1 in Grenchen, Bibersteinerstrasse 4 in Rombach and Südstrasse 17 in Lyss as well as the development property Waldhöhweg 1 in Berne and the remaining part of the land parcel of the property Seestrasse 295 in Au-Wädenswil were sold. Detailed information on sales can be found on pages 92 and 93.

20 **Other income**

(in CHF 1,000)	2024	2023
Service income Realconsult (Facility Management)	2,452	2,604
Service income WTCL Services	583	673
Service income Intershop Management	478	451
Other revenues	144	642
Total	3,657	4,370

Other income includes income from services provided by Group companies to third parties as well as other revenues. In the previous year, other revenues included one-off reversals of provisions.

21 **Property expense**

(in CHF 1,000)	2024	2023
Investment properties		
Office properties	3,774	4,090
Commercial properties	1,152	1,071
Residential properties	782	801
Development properties	2,733	2,587
Disposals	606	146
Total	9,047	8,695

The expenses for the properties "Métiers Vernier" in Vernier and "Lehenmatt Ensemble" in Basel, which were reclassified from development properties to investment properties as

at 31 December 2024, are still reported under development properties in 2024. The expenses for the property in Wohlen, which was reclassified from development properties to investment properties as at 31 December 2023, are still reported under development properties in 2023.

Property expense comprised of the following:

(in CHF 1,000)	2024	2023
Maintenance and repair	2,894	2,750
Third-party rent	30	29
Insurance expense	1,025	1,057
Taxes and duties	804	721
Ground rent	1,068	1,009
Property management fees	508	508
Non-recoverable service charges	1,817	1,701
Other expenses	901	920
Total	9,047	8,695

22 Personnel expense

(in CHF 1,000)	2024	2023
Wages and salaries	7,696	7,656
Performance-related compensation	880	1,942
Social security	828	821
Pension contributions	741	793
Other personnel expenses	291	340
Total	10,436	11,552

23 Administrative expense

(in CHF 1,000)	2024	2023
Administrative and general expense	2,962	2,492
Capital tax	424	409
Depreciation	104	127
Total	3,490	3,028

24 Employee pensions

Intershop has various pension plans, all of which are defined contribution plans under Swiss law. The contributions are based on the insured annual salary of the employees. There is also a management insurance plan.

The excess cover in the corresponding pension plans is not intended for economic utilisation by the Group.

Economic benefit, economic obligation and pension expense

	Excess cover/ shortfall	Economic benefit of the organisation		Change compared to 2023 or recog- nised in profit or loss in 2024	Contributions accrued for the period	Pension expenses in personnel expenses	
(in CHF 1,000)	31.12.2024	31.12.2024	31.12.2023			2024	2023
Pension plans without excess cover/shortfall	–	–	–	–	258	258	296
Pension plans with excess cover	–	–	–	–	483	483	497
Total	–	–	–	–	741	741	793

25 **Changes in fair value
of properties**

(in CHF 1,000)	2024	2023
Increase in value of investment properties	19,652	13,386
Decrease in value of investment properties	-10,240	-6,690
First time valuation of newly acquired properties	1,439	0
Increase in value of development properties	58,177	14,157
Decrease in value of development properties	-9,293	-8,856
Total	59,735	11,997

The report of the independent property valuer KPMG AG can be found on pages 94 to 98 of this annual report.

The increase in value resulted in particular from the revaluation of the investment property on Redingstrasse in Basel due to the letting successes following the completion of the extension and substantial renovation, as well as the "Mediacampus" development property in Zurich. Excluding these two changes, a slight devaluation of 0.8 % would have resulted.

The higher valuation of the investment properties is made up of CHF 1.4 million (CHF 1.5 million) for office properties, CHF 0.6 million (CHF 1.7 million) for commercial properties and CHF 17.7 million (CHF 10.2 million) for residential properties. Of the reduction in value of the investment properties, CHF 9.1 million (CHF 5.6 million) relates to office properties, CHF 0.9 million (CHF 1.1 million) to commercial properties and CHF 0.2 million (CHF 0.0 million) to residential properties.

26 **Financial result**

(in CHF 1,000)	2024	2023
Interest income	198	213
Other financial income	2	11
Total financial income	200	224
Interest expense	-10,018	-6,166
Other financial expense	-1	-3
Total financial expense	-10,019	-6,169

Interest income includes interest on cash and cash equivalents, securities and fixed deposits. Interest expense includes interest on mortgages, loans and bonds. Other financial income and expenses include valuation results from the management of liquid assets.

27 **Income taxes**

(in CHF 1,000)	2024	2023
Ordinary income tax	13,632	15,758
Deferred taxes	5,277	966
Total	18,909	16,724

The following table shows the effects that caused the tax expense to differ from the average rate:

(in CHF 1,000)	2024	2023
Profit before taxes	136,376	99,229
Average tax rate	18.70 %	18.70 %
Income tax at average rate	25,502	18,555
Taxes at other rates ¹⁾	-2,334	-810
Tax rate reductions	393	-271
Adjustments in respect of prior years	-4,652	-750
Total	18,909	16,724

1) Includes the effects of property gains taxes

28 **Earnings per share**

Earnings per share developed as follows (previous year adjusted for share split):

	2024	2023
Net income ¹⁾	117,467	82,504
Average number of shares outstanding ²⁾	9,217,500	9,217,065
Number of shares outstanding for the calculation of diluted earnings ³⁾	9,217,500	9,217,065
Earnings per share⁵⁾	12.74	8.95
Diluted earnings per share⁵⁾	12.74	8.95
Net income ¹⁾	117,467	82,504
Changes in fair value of properties ¹⁾	59,735	11,997
Deferred tax on changes in fair value of properties ^{1) 4)}	15,927	3,216
Net income excluding changes in fair value of properties ¹⁾	73,660	73,723
Average number of shares outstanding ²⁾	9,217,500	9,217,065
Earnings per share excl. changes in fair value of properties⁵⁾	7.99	8.00

1) In CHF 1,000

2) Issued shares less treasury shares calculated on a daily basis

3) Taking into account any additional shares created through conversion or option rights

4) Calculated using the deferred tax rate per property.

5) In CHF

29 **Contingent liabilities**

As at 31 December 2024, there were contingent liabilities or guarantees of CHF 25 million (CHF 0.0 million).

30 **Operating leases**

As at 31 December 2024, there were future obligations of CHF 58.4 million for operating lease agreements not recognised in the balance sheet, in particular ground rent (CHF 52.1 million). Of these, CHF 52.0 million (CHF 46.4 million) is due in more than five years. The ground rents have remaining terms of between 34 to 61 years (35 to 62 years) and a weighted average remaining term of 45 years (46 years).

31 **Participation plans**

The members of the Board of Directors receive 30 % of their remuneration in shares of Intershop Holding AG with a vesting period of five years. There was no management participation plan for members of the Executive Board in the reporting year. Details on compensation and shareholdings as well as the future management participation plan for members of the Executive Board are presented in the remuneration report from page 41 onwards.

32 **Events after the balance sheet date**

These consolidated financial statements were approved for publication by the Board of Directors on 26 February 2025. They are subject to approval by the General Meeting of Shareholders on 1 April 2025.

The following significant events have occurred since the balance sheet date:

- Placement of a CHF 100 million bond with a coupon of 1.21 % and a term of three years on 27 January 2025
- Intershop concluded the acquisition of a property, that was notarised before the year end, on 3 February 2025. The property is a fully let commercial property with a target rental income of CHF 1.0 million in the industrial zone of Kempththal.
- The Board of Directors revised the strategy and investment policy on 26 February 2025 (see Note 3 Investment policy).

Otherwise, no significant events occurred after the balance sheet date up to 26 February 2025.

Detailed information on the investment property portfolio

Balance as at 31 December 2024

Location	Address	Owner	Type of ownership	Percentage of ownership	Year of acquisition	Year of construction	Year of renovation	Certificate
Office properties								
Zurich area								
Baar	Silhbruggstrasse 105a	SGI	AE	100 %	2024	1995	2015	
Cham	Gewerbestrasse 11	SGIC	AE	100 %	2006	1988	–	
Dübendorf	Stettbachstrasse 7	SGI	AE	100 %	2008	1971	1994	
Pfäffikon SZ	Talstrasse 35 – 37	SGI	BR	100 %	2000	1987	2020–22	M
Zürich	Puls 5, Bürogebäude	SGIP	AE	100 %	2002	2001–04	–	B
Zürich	Puls 5, Giessereihalle	SGIP	SW	51.0 %	2002	2001–04	–	B
Zürich	Rautstrasse 33	SGIC	AE	100 %	2010	1984	2012/16	
Zürich	Sihlquai 253 – 259	SGI	SW/BR	47.9 %	02/06/22	1986	–	
Zürich	Staffelstrasse 8+10+12	SGI	AE	100 %	1998	1923–63	2002–04	B
Zürich	Uetlibergstrasse 124, 130, 132, 134	SGI	AE	100 %	1999	1893/1958	2002/08	B
Zurich area								
Lake Geneva area								
Pully	Avenue C.–F. Ramuz 43	SGI	AE	100 %	1999	1987	–	
Yverdon	Centre St-Roch, Rue des Pêcheurs 8	SGI	AE	100 %	1997	1956	since 1998	B
Lake Geneva area								
Basle / Berne / Midlands								
Basle	Lehenmattstrasse 260	DB	AE	100.00 %	2006	2022–24	–	
Belp	Hühnerhubelstrasse 58,60,62,64,66	SGI	SW	95.0 %	1997	1992	–	
Reinach/BL	Sternenhofstrasse 15/15A	SGI	SW	100 %	98/08	1989	–	
Basle / Berne / Midlands								
Other areas								
St. Gallen	Heiligkreuzstrasse 9+11	SGI	AE	100 %	1998	1960	2012–13	
Other areas								

Total office properties

- 1) as at the balance sheet date
- 2) during the reporting period
- 3) Promotional properties

Abbreviations are shown on page 92

Area (in m ²)	Office	Retail	Leasable area (in m ²)				Total	Number of parking spaces	Target rent (in TCHF)	Vacancy rate ¹⁾ (in %)	Rental income (in TCHF) ²⁾		
			Industrial/ storage	Residential	Other	Gross					Expense	Net	
4,336	1,828	0	3,531	0	128	5,487	81	831	11.8				
4,109	5,421	0	1,776	0	16	7,213	159	1,609	14.7				
9,434	3,724	0	4,055	0	0	7,779	95	1,405	0.9				
9,349	4,446	0	4,039	97	6	8,588	139	1,608	0.3				
4,658	10,753	1,424	579	0	0	12,756	42	4,632	8.8				
7,567	6,620	1,284	1,148	0	4,488	13,540	79	5,408	2.4				
1,428	2,718	427	912	0	0	4,057	84	1,051	24.4				
3,352	5,507	0	2,776	0	0	8,283	44	2,070	5.5				
4,009	8,174	0	4,289	0	135	12,598	96	3,182	3.7				
12,656	12,743	0	1,874	272	580	15,469	167	5,664	1.6				
60,898	61,934	3,135	24,979	369	5,353	95,770	986	27,360	5.4	24,706	2,331	22,375	
3,178	2,186	0	598	0	0	2,784	53	927	14.9				
36,319	29,569	1,691	10,813	560	508	43,141	377	7,710	1.7				
39,497	31,755	1,691	11,411	560	508	45,925	430	8,637	3.1	8,515	894	7,621	
1,842	0	878.0	918.0	0	115	1,911	0	422	14.1				
28,738	11,406	0.0	8,921.0	202	1,946	22,475	306	2,864	33.9				
4,389	3,805	1,259.0	2,488.0	0	935	8,487	141	1,596	0.6				
34,969	15,211	2,137	12,327	202	2,996	32,873	447	4,882	21.3	3,546	536	3,010	
866	810	0	507	0	0	1,317	18	255	22.5				
866	810	0	507	0	0	1,317	18	255	22.5	201	23	178	
136,230	109,710	6,963	49,224	1,131	8,857	175,885	1,881	41,134	6.9	36,968	3,784	33,184	

Detailed information on the investment property portfolio (continued)

Balance as at 31 December 2024

Location	Address	Owner	Type of ownership	Percentage of ownership	Year of acquisition	Year of construction	Year of renovation	Certificate
Commercial properties								
Zurich area								
Höri	Hofstrasse 1	SGI	AE	100 %	2000	1990	–	
Rüti	Im Neuhof	SGI	AE	100 %	1999	1993	–	
Winterthur	Fabrikstrasse 2	SGIC	AE	100 %	2012	2021	–	
Würenlos	Landstrasse 2	SGI	AE	100 %	2002	1984	–	
Zurich area								
Lake Geneva area								
Vernier	Chemin de Morglas 8	SGI	BR	100 %	2002	2000–02	–	
Vernier	Chemin de l'Emeraude 10,22,24	OR	BR	100 %	2021	2022–24	–	M
Yverdon	Rue des Uttins 27	SGI	AE	100 %	2007	1970	2007–08	
Lake Geneva area								
Basle / Berne / Midlands								
Niederwangen	Riedmoosstrasse 10, 10a, 12	SGI	AE	100 %	2024	1985	–	B
Wohlen	Nordstrasse 1	SGI	AE/BR	100 %	2018	1972–1987	2021–22	
Basle / Berne / Midlands								
Other areas								
St. Gallen	Spinnereistrasse 10+12+14	SGI	AE	100 %	1998	1968	1983	
Other areas								
Total commercial properties								
Residential properties								
Lake Geneva area								
Genf	Rue de Lausanne 42+44	SGI	AE	100 %	99/05	1961	2019–22	S
Lake Geneva area								
Basle / Berne / Midlands								
Basle	Redingstrasse 10/12/14+20/22/24 and Garage	DB	AE	100 %	2006	1969	2020–22	S ³⁾
Basle / Berne / Midlands								
Total residential properties								
Total investment properties								

1) as at the balance sheet date

2) during the reporting period

3) Promotional properties: Certification commitments for the annexes (building no. 14/24). Certification is expected to take place in the first semester of 2025.

Abbreviations are shown on page 92

Area (in m ²)	Office	Leasable area (in m ²)				Other	Total	Number of parking spaces	Target rent (in TCHF)	Vacancy rate ¹⁾ (in %)	Rental income (in TCHF) ²⁾		
		Retail	Industrial/ storage	Residential							Gross	Expense	Net
10,622	3,787	0	10,566	0	110	14,463	125	1,749	0.0				
6,949	733	0	3,882	0	0	4,615	80	651	19.3				
13,228	0	0	8,229	0	0	8,229	0	1,385	0.0				
5,877	518	0	5,914	370	292	7,094	64	750	0.0				
36,676	5,038	0	28,591	370	402	34,401	269	4,535	2.8	4,534	213	4,321	
30,725	0	0	41,496	0	0	41,496	0	4,351	0.0				
7,165	0	0	12,484	0	0	12,484	100	2,302	80.6				
3,101	1,801	0	382	0	0	2,183	40	422	29.7				
40,991	1,801	0	54,362	0	0	56,163	140	7,075	28.0	5,243	997	4,246	
18,311	1,171	4,279	6,177	62	1,168	12,857	191	2,429	0.0				
17,414	2,307	568	10,707	0	5	13,587	165	1,555	4.3				
35,725	3,478	4,847	16,884	62	1,173	26,444	356	3,984	1.7	1,387	118	1,269	
3,528	2,463	0	4,470	0	0	6,933	79	979	13.3				
3,528	2,463	0	4,470	0	0	6,933	79	979	13.3	848	88	760	
116,920	12,780	4,847	104,307	432	1,575	123,941	844	16,573	13.9	12,012	1,416	10,596	
948	1,878	610	97	3,935	0	6,520	0	2,374	0.0				
948	1,878	610	97	3,935	0	6,520	0	2,374	0.0	2,319	229	2,090	
11,966	0	0	66	24,281	0	24,347	289	6,631	3.8				
11,966	0	0	66	24,281	0	24,347	289	6,631	3.8	6,082	553	5,529	
12,914	1,878	610	163	28,216	0	30,867	289	9,005	2.8	8,401	782	7,619	
266,064	124,368	12,420	153,694	29,779	10,432	330,693	3,014	66,712	8.1	57,381	5,982	51,399	

Detailed information on the development and promotional property portfolio

Balance as at 31 December 2024

Location	Address	Owner	Type of ownership	Percentage of ownership	Year of acquisition	Year of construction	Year of renovation	Certificate
All regions								
Bad Ragaz	Elestastrasse 16, 16a+18	SGI	AE	100 %	1999	1960/87	1999–02	
Basel	Gellertstrasse 151, 157, 163 ³⁾	DB	SW	0.7 %	2006	2021	–	
Baden	Brown Boveri Platz 3	SGI	AE	100 %	2024	1912/1985	1985/2015	
Flurlingen	Arova-Hallen, Winterthurerstrasse 702	SGI	AE	100 %	2007	1875–1963	2018	
Lausanne	Avenue de Gratta-Paille 1–2	SGI	AE	100 %	2016	1991–92	–	
Luzern	Seeburgstrasse 18	SGI	AE	100 %	2024	1978	2013	
Opfikon	Hohenbühlstrasse 1/3/5	SGI	AE	100 %	2024	1970/75	2000/01	
Regensdorf	Althardstrasse 301	SGI	AE	100 %	2000	1965	1992	
St. Gallen	Oststrasse 23	SGI	AE	100 %	2019	1920–1970	–	
St. Gallen	Oststrasse 25/Schlösslistrasse 20	SGI	AE	100 %	1998	1962	–	
St. Gallen	Oststrasse 29+31	SGI	AE	100 %	1998	1968	2000	
Winterthur	Industriepark Oberwinterthur-Neuhegi	SGIC	AE	100 %	2012	1947–2005	–	
Yverdon	Avenue des Sports 32	SGI	BR	100 %	1997	1956	–	
Zuchwil	Luterbachstrasse/Allmendweg	SGI	AE	100 %	2024	1917–1982	–	
Zürich	Baslerstrasse 30/Freihofstrasse 9	SGI	AE	100 %	1999	1948–63	2002–04	
Plots of land								
Solothurn	Oberer Brühl (Am Wildbach) ³⁾	SGI	AE	100 %	1998	n/a	n/a	
Eich	Schaubhausweg 4	SGI	AE	100 %	2024	n/a	n/a	

Total promotional and development properties

Detailed information on the acquisitions and disposals of property

Balance as at 31 December 2024

Location	Address	Owner	Type of ownership	Percentage of ownership	Year of acquisition	Transfer Date
Additions						
Baar	Silhbruggstrasse 105a	SGI	AE	100 %	2024	01.08.24
Baden	Brown Boveri Platz 3	SGI	AE	100 %	2024	05.04.24
Eich	Schaubhausweg 4	SGI	AE	100 %	2024	25.11.24
Luzern	Seeburgstrasse 18	SGI	AE	100 %	2024	13.09.24
Niederwangen	Riedmoosstrasse 10, 10a, 12	SGI	AE	100 %	2024	20.12.24
Opfikon	Hohenbühlstrasse 1/3/5	SGI	AE	100 %	2024	19.12.24
Zuchwil	Luterbachstrasse/Allmendweg	SGI	AE	100 %	2024	15.11.24
Disposals						
Bern	Hofweg 5/Dammweg 27	SGI	AE	100 %	2005	01.10.24
Dielsdorf	Honeywellplatz 1	SGIC	AE	100 %	2009	15.12.24
Fribourg	Rue de l'Industrie 21	SGI	AE	100 %	1999	01.10.24
Interlaken	Untere Bönigstrasse 27	SGIC	AE	100 %	2012	01.09.24
Lyss	Industriering 43	SGI	AE	100 %	1999	01.01.25

1) as at the balance sheet date

2) during the reporting period

3) promotional properties

Abbreviations

Owner:	DB	= De Bary & Co. AG	Sustainability	S	= SNBS
	OR	= Orubi SA	certificates	M	= Minergie
	SGI	= SGI Schweizerische Gesellschaft für Immobilien AG		B	= BREEAM
	SGIC	= SGI City Immobilien AG			
	SGIP	= SGI Promotion AG			

Area (in m ²)	Office	Retail	Leasable area (in m ²)			Other	Total	Number of parking spaces	Target rent (in TCHF)	Vacancy rate ¹⁾ (in %)	Rental income (in TCHF) ²⁾		
			Industrial/storage	Residential							Gross	Expense	Net
16,540	2,703	0	9,701	0	133	12,537	152	1,230	2.7				
35	0	0	0	0	0	0	0	–	n/a				
5,013	3,019	0	4,758	0	0	7,777	58	1,201	69.0				
54,001	4,150	0	34,353	268	413	39,184	244	3,485	17.8				
14,651	15,747	69	1,721	0	1,058	18,595	660	6,052	51.5				
2,208	740	0	541	0	0	1,281	22	246	0.0				
9,534	0	0	0	4,700	0	4,700	63	600	77.2				
16,471	1,828	0	12,378	211	0	14,417	70	1,771	3.6				
1,038	0	0	632	306	0	938	1	47	0.0				
2,905	1,717	0	3,652	170	0	5,539	59	381	0.0				
2,307	88	0	2,075	1,107	0	3,270	12	203	1.0				
106,600	10,355	0	42,289	0	4,686	57,330	512	6,630	6.2				
21,526	0	144	284	302	208	938	265	257	0.2				
35,566	17,023	2,690	19,079	0	2,540	41,332	244	3,837	12.9				
28,381	9,982	0	11,561	273	1,121	22,937	164	4,575	3.5				
37,557	0	0	0	0	0	0	0	0	n/a				
4,186	0	0	0	0	0	0	0	0	n/a				
358,519	67,352	2,903	143,024	7,337	10,159	230,775	2,526	30,515	20.3	21,548	2,459	19,089	

Area (in m ²)	Office	Retail	Leasable area (in m ²)			Other	Total	Number of parking spaces
			Industrial/storage	Residential				
4,336	1,828	0	3,531	0	128	5,487	81	
5,013	3,019	0	4,758	0	0	7,777	58	
4,186	0	0	0	0	0	0	0	
2,208	740	0	541	0	0	1,281	22	
18,311	1,171	4,279	6,177	62	1,168	12,857	191	
9,534	0	0	0	4,700	0	4,700	63	
35,566	17,023	2,690	19,079	0	2,540	41,332	244	
1,875	0	0	0	0	0	0	0	
8,361	3,187	0	5,737	0	292	9,216	148	
787	0	0.0	0.0	0	0	0	0	
3,467	0	0	0	0	0	0	0	
44,908	3,141	0	13,044	0	50	16,235	430	

Type of ownership:

- AE = Freehold
- BR = Leasehold
- ME = Joint ownership
- SW = Joint ownership, the percentage shown represents the part owned by Intershop



Report of the independent property valuer

To the Executive Board of Intershop Holding AG, Zurich

Fair value measurement of Intershop Group's investment and development properties as of December 31, 2024

1. Assignment

KPMG AG Real Estate («KPMG») was commissioned by the respective property management companies to measure Intershop Group's real estate at fair value for accounting purposes as of December 31, 2024. This relates to a total of 27 investment properties and 19 development properties.

2. Valuation standard and fair values

KPMG confirms that the market values determined correspond to «current values» in accordance with Swiss GAAP FER 18 and were prepared in accordance with the usual standards and guidelines, in particular the International Valuation Standards (IVS) and the Swiss Valuation Standards (SVS). Market value is defined as «the estimated amount a property asset should be exchanged for on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after an appropriate marketing period, whereby each party acts knowledgeably, prudently and without compulsion».

3. Valuation method and bases of valuation

The fair value of Intershop Group's investment properties is determined using the discounted cash flow (DCF) method. Accordingly, the fair value is calculated as the sum of the future net cash flows discounted to the measurement date after deduction of all costs that cannot be allocated to the tenant. The discount rate used for this purpose is determined on a property-specific basis, taking into account the location, use and current market situation.

The market value of properties that are completely or partially vacant is determined on the assumption that their re-letting will take some time. Loss of rental income, rent-free periods and other incentives for new tenants that correspond to the usual market forms on the valuation date are taken into account accordingly in the valuation.

Borrowing costs, income taxes and value added taxes, as well as the (property) profit taxes and transaction costs due on a future sale are not taken into account in determining fair value.

All properties are known to KPMG on the basis of the inspections and the documents provided by the owners.

4. Valuation result

Taking into account the above, KPMG estimates the market value of the 46 valued investment and development properties as of 31 December 2024 at total (rounded):

CHF 1,574,306,000

(one billion five hundred seventy-four million three hundred six thousand Swiss francs)



5. Change in value

The fair value of Intershop Group's investment and development properties thus increases by CHF 202.1 million or 14.7% year-on-year. This net change is the result of an intrinsic increase in the value of the existing and development portfolio as well as six acquisitions and five sales.

6. Independence and confidentiality

Finally, we would like to point out that the present valuation is intended solely for the above-mentioned purpose and refer to the limitations of liability on which the valuation is based. We assure you that we have prepared the valuations impartially.

Zürich, 26. Februar 2025

KPMG AG

A handwritten signature in black ink, appearing to read 'U. Prien'.

Ulrich Prien
Partner

A handwritten signature in black ink, appearing to read 'K. Schwendimann'.

Kilian Schwendimann
Director



Annex: Valuation method and assumptions

Valuation method

The valuation of investment properties is based on the discounted cash flow method («DCF»). The valuation is based on the provisions, guidelines and standards of ISVC, RICS, TEGoVA. The market values determined correspond to «current values» according to Swiss GAAP FER 18.

The DCF model used is a two-phase model and determines the market value of the property on the basis of future cash flows. This includes a forecast of potential future income and expenses in connection with the letting or use of the property over an assumed detailed observation period of 10 years. Based on the achievable rents and rent increases, the annual target rental income is determined and reduced by the costs that cannot be transferred to the tenants. The resulting cash flows thus correspond to the forecast net cash flows after deduction of all costs that cannot be allocated to the tenants, but before financing and taxes. At the end of the detailed analysis period, the proceeds from an assumed sale of the property («exit value») are also included in the valuation. The exit value is calculated using a present value over the assumed remaining life of the property from the exit year. The market value is thus the sum of the future net cash flows discounted to the valuation date over the detailed observation period plus the discounted exit value.

Some of Intershop Group's development properties under valuation are properties that currently generate rental income but which are to be transformed and/or put to another use in the medium term by means of significant construction work. These properties are valued on the basis of a continuation scenario with the existing use without taking into account any long-term expansion and/or conversion potential.

Discount rate

The discount rate used for the valuation is based on the interest rate for long-term, risk-free investments, such as a 10-year Federal bond and a specific risk premium (general property risk). This risk surcharge takes into account the general property risk and the associated higher illiquidity of a property compared with a risk-free investment, as well as the property-specific risk due to the location, use and quality of the property.

The two-phase DCF calculation model used distinguishes between nominal and real cash flows in value derivation. Thus, nominal, indexed cash flows are depicted in the detailed observation period of the first ten years and a corresponding discount rate is selected. The exit value is calculated as the present value over the remaining life after the exit year (usually 90 years). The discount rate used here implies real, that is, inflation-adjusted cash flows and is therefore lower than the discount rate for the detailed analysis period.

The cash flows for years 1 to 10 are discounted at mid-year, while the exit value is estimated at the end of year 10 (in arrears). The nominal discount rates for years 1 to 10 range between 3.50% and 6.70% for Intershop Group's properties valued as of December 31, 2024. The capital-weighted average nominal discount rate is 4.61% for the investment properties and 4.98% for the development properties (without acquisitions and sales). At this point, however, we would like to point out that the comparison of discount rates of different real estate portfolios, especially in the case of different valuation companies, is per se not possible or not meaningful, but should only be carried out in conjunction with an in-depth analysis of all value-relevant valuation assumptions.

Indexation

The indexation of future rental income is one of the essential elements of the inflation protection of real estate and should therefore be considered in a dynamic view. Rents for office and commercial



premises are usually linked to the national consumer price index (LIK), while rental agreements for residential premises are linked to changes in the reference rate calculated by the National Bank on a quarterly basis, but also include an inflation component. Based on the forecasts of the relevant economic research institutes and organisations (SNB, KOF, BAK, SECO, OECD), the following assumptions are made for the future development of rents, which do not necessarily represent the exact change in LIK or mortgage interest rates:

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Growth rate	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

These growth rates represent the estimated rent increase with full indexation. For the individual valuations, the contractually agreed or tenancy law-related possible percentage indexation is taken into account for each individual rental unit. Further rent increases as a result of possible future changes in reference interest rates are not taken into account due to the expected inertia of the reference interest rate. The growth rates shown also apply to the future development of market rents that are currently considered sustainable.

Rental income

The valuations are based on the effective rental income as shown in Intershop Group's rental schedule as of December 31, 2024, with annual target rental income forecast on the basis of current contractual rents. This is done by indexing the contractual rents as agreed in the lease or as permitted by rental law and, in the case of expiring (business) leases, by applying market rents that are currently deemed sustainable. In the case of unlimited rental agreements, sustainable market rents are applied at the latest in the exit year. It is assumed that the provisions of the rental agreements are observed by the respective tenants.

Vacancy

The general vacancy risk of a property is taken into account by means of an individual structural vacancy rate for each property. In the case of expiring leases for sales, storage, commercial and office space, vacancies specific to the property and segment are also recognised in the form of an absorption period (vacancy in months after expiry of the contract). When residential leases expire, specific vacancies are also generally recognised, but these are usually lower than for commercial properties.

Operating and maintenance costs

Management costs consist of property taxes, insurance premiums, administrative and general operating costs that cannot be passed on to tenants as incidental costs. Where available, the historical values from the property accounts are used as comparative figures and to verify future expectations. These figures are checked for plausibility using our own benchmarks and, if necessary, adjusted during the period under review, taking into account contractual agreements and the condition of the property. The same procedure is followed for maintenance costs.

Future maintenance costs

In addition to rental income, future maintenance costs are of great importance. The investments considered during the period under review are based on Intershop Group's 10-year investment plans. These are checked for plausibility, adjusted where necessary, and taken into account accordingly in the valuations.

The necessary long-term maintenance measures («capex») to be taken into account in determining the exit value are calculated on a property-specific basis, assuming that, depending on the



construction method and use of the property, the individual parts of the building structure have a limited life and must therefore be renewed cyclically over the entire life of the property. The future maintenance costs determined in this way are converted into an imputed fund per exit year, which is deducted accordingly when calculating the sustainable cash flow in the exit year. Only the costs to be borne by the owner to maintain the substance of the property are included, which secure the contractual and market interest level on which the valuation is based in the long term.



Report of the statutory auditor to the General Meeting of Intershop Holding AG, Zurich

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Intershop Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement, the change in consolidated equity and the consolidated cash flow statement 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 60 to 93) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply the Article 17 of the Directive on Financial Reporting (DFR) of SIX Exchange Regulation and with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). 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 4,600 thousand

We concluded full scope audit work for two group companies and Audit FSLI's at four group companies. Our procedures addressed 97% of the assets of the group.

As key audit matters the following areas of focus have been identified:

Valuation of investment and development properties – assumptions/changes in valuation

Deferred tax liabilities arising from investment and development properties valuation differences

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.

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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.

Overall group materiality	CHF 4,600 thousand
Benchmark applied	Net assets (Equity)
Rationale for the materiality benchmark applied	We chose net assets as the benchmark because it is a generally accepted industry benchmark for materiality considerations relating to real-estate companies.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated 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 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 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.

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 Group is included 11 entities, which operate in Switzerland. The Group financial statements is structured in operating and central service entities. We act as group and component auditors for the significant subsidiaries and were responsible for all audit procedures.

Key audit matters

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 and development properties – assumptions/changes in valuation

Key audit matter	How our audit addressed the key audit matter
<p>The Group's non-current assets consist mainly of investment properties and development properties (property portfolio) valued at CHF 1,105 million and CHF 469 million, respectively, as at 31 December 2024.</p> <p>In accordance with SIX Exchange Regulation's requirements, market values are determined by an independent, qualified property appraiser, who prepares a valuation report. The expert confirms that the market values determined correspond to the 'actual values' according to Swiss GAAP FER 18 and were determined in accordance with common standards and guidelines, in particular International Valuation Standards (IVS) and Swiss Valuation Standards (SVS).</p> <p>We consider the valuation of the property portfolio a key audit matter owing to its significance in relation to total assets (approx. 97%) and owing to the assumptions and scope for judgement involved in valuation models such as the DCF method. A DCF valuation in the property industry requires, among others, input parameters that cannot readily be observed in a market (e.g. assumed future vacancy rates, future capital expenditure and various components of the discount factor). Inappropriate assumptions or errors in the DCF valuations could lead therefore to significant differences in valuation, due to the long time-horizons of the assumptions used for the valuations.</p> <p>Please refer to the accounting principles (page 64 et seq.), the note on valuation methods and assumptions (pages 96 et seq.), Note 7 and 8 'Investment and development properties' (pages 74 and 75) and the report of the independent property appraiser (pages 94 to 98).</p>	<p>We performed the following audit procedures, among others:</p> <p>With regard to the valuation of the property portfolio, we performed sample testing to check that the data supplied to the expert was complete and accurate, and that the valuation according to the valuation report is appropriate and evidence-based.</p> <p>For the examination of the valuation report, we involved our own real-estate subject matter experts. This included an assessment of the completeness and appropriateness of the report, a check of formal aspects (compliance with standards, professional competence, independence) and an appraisal of the appropriateness of the valuation method used and the valuation assumptions. Applying risk-based selection criteria, we tested a random sample for mathematical accuracy by reperforming the basic steps in the calculation. The accuracy of the basic data used in the DCF valuation for the individual properties in the property portfolio (e.g. rental income, vacancies, etc.) was verified on a sample basis, by means of additional audit procedures. Furthermore, the specific discount rates used for the DCF valuations as well as any change in those rates were assessed.</p> <p>On the basis of our audit procedures, we obtained adequate assurance with regard to the appropriateness of the valuation of the investment and development properties.</p>



Deferred tax liabilities arising from investment and development properties valuation differences

Key audit matter	How our audit addressed the key audit matter
<p>Deferred tax liabilities on property valuation differences amount to approximately CHF 129 million as at 31 December 2024. The deferred tax liabilities are based on the tax computed on the valuation difference between the tax base value and the higher current value recognised in the financial statements.</p> <p>We consider deferred tax liabilities on property valuation differences to be a key audit matter for the following two reasons.</p> <p>First, deferred tax liabilities on property valuation differences account for approximately 19% of the Group's liabilities and represent a significant balance sheet item. Second, the calculation of deferred tax liabilities is complex and involves significant scope for judgement by Management, for example in relation to the expected holding period of the properties.</p> <p>Errors and inappropriate assumptions can have a significant impact on the amount of the deferred tax liabilities, which is why Management's assumptions are critical to the assessment of deferred taxes.</p> <p>Please refer to the accounting principles (page 64 et seq.) and Note 12 'Deferred tax assets and liabilities' (page 80).</p>	<p>We have assessed and checked the determination of deferred tax liabilities on properties. We performed the following audit procedures, among others:</p> <ul style="list-style-type: none"> - We checked the plausibility of management's assumptions regarding the holding period on the basis of internal project documents and the minutes of meetings at which the properties were discussed. - We assessed jointly with internal tax specialists the tax rates used for the purposes of (federal, cantonal and municipal) income taxes and any property gains taxes. - In addition, we reperformed the calculations of the differences between the values disclosed in the consolidated financial statements and the tax basis values. <p>On the basis of our audit procedures, we obtained adequate assurance with regard to the determination and disclosure of deferred tax liabilities on properties by management.</p>

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with Swiss GAAP FER 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 SA-CH 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 on EXPERTsuisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

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

PricewaterhouseCoopers AG

Philipp Gnädinger
Licensed audit expert
Auditor in charge

Marco Amrein
Licensed audit expert

Winterthur, 26 February 2025

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Balance sheet as at 31 December

(in CHF 1,000)

Assets

	Notes	2024	2023
Current assets			
Cash		2,942	1,872
Other receivables			
from Group companies		10,228	2,532
from third parties		20	13
Accrued income and prepaid expenses			
from third parties		308	89
Total current assets		13,498	4,506
Non-current assets			
Loans			
to Group companies		275,000	191,000
Investments in subsidiaries	1	234,413	233,211
Total non-current assets		509,413	424,211
Total assets		522,911	428,717
Shareholders' equity and liabilities			
Current liabilities			
Short-term interest-bearing liabilities	2		
to Group companies		15,088	43,743
to third parties		25,000	15,000
Other short-term liabilities		47	12
Accrued expenses and deferred income			
to third parties		1,180	988
Total current liabilities		41,315	59,743
Non-current liabilities			
Bonds	2	200,000	100,000
Total Non-current liabilities		200,000	100,000
Total liabilities		241,315	159,743
Shareholders' equity			
Share capital	3	19,000	19,000
General legal reserve		3,800	3,800
Other general reserve		51,679	51,679
Treasury shares	4	-35,767	-35,767
Retained earnings brought forward		179,566	90,060
Profit for the year		63,318	140,202
Total shareholders' equity		281,596	268,974
Total shareholders' equity and liabilities		522,911	428,717

Income statement

(in CHF 1,000)

	Notes	2024	2023
Income from participations	5	63,700	140,505
Other expense	6	-1,792	-1,709
Operating result before interest and taxes		61,908	138,796
Financial income	7	3,298	2,937
Financial expenses	8	-1,650	-1,292
Profit before taxes		63,556	140,441
Tax expense		-238	-239
Profit		63,318	140,202

Notes to the financial statements

Accounting principles

Accounting law

These financial statements have been prepared in accordance with the provisions of Swiss accounting and financial reporting law in the Swiss Code of Obligations (Art. 957–963b CO).

Receivables and liabilities

Receivables and liabilities are stated at nominal value and, where applicable, divided in the balance sheet between "third parties" and "Group companies".

Bonds / private placements

Bonds and private placements are recognised in the balance sheet at nominal value. The issue premium and the issuing costs are recorded under accrued and deferred items and amortised over the term.

Treasury shares

Treasury shares held by Intershop Holding AG are carried at cost as a negative item in equity from the date of acquisition. If they are subsequently resold, the difference between the selling price and the acquisition cost is recognized directly in equity.

Waiver of additional disclosures

As Intershop Holding AG prepares consolidated financial statements in accordance with a recognised standard (Swiss GAAP FER), it has in accordance with Art. 961d CO dispensed with the additional disclosures in the notes, additional disclosures which include the cash flow statement and the management report.

1 Shareholdings

Disclosures on balance sheet and income statement items

In the year under review, the two investments in the subsidiaries Centre St Roch - Yverdon-les-Bains S.A. and WTCL Services SA, which were previously held indirectly via SGI Schweizerische Gesellschaft für Immobilien AG, were sold to Intershop Holding AG at book value. All Group companies are therefore held directly by Intershop Holding AG.

2 Third-party bonds and private placements

Detailed information on the investments can be found on pages 118 and 119.

In the 2024 financial year, a bond of CHF 100 million with a term of 5 years (8.11.2024–8.11.2029) was issued as a green bond, which is listed on the SIX Swiss Exchange. The coupon of 1.5 % is payable annually on 8 November. The premium and issue costs are recognised as deferred items and are amortised over the term of the bond.

As at 31 December 2023, a private placement of CHF 15 million with a term of 3 months (27.10.2023–29.01.2024) was outstanding, which was repaid on maturity. The coupon of 2.05 % was payable on maturity.

As at 31 December 2024, a private placement of CHF 25 million with a term of 3 months (19.11.2024–19.02.2025) was outstanding, which was repaid on maturity. The coupon of 1.14 % was payable on maturity.

Outstanding bonds and private placements:

(in CHF 1,000)	31.12.2024	31.12.2023
0.30 % Intershop Holding AG 2021–2026 Green Bond	100,000	100,000
1.50 % Intershop Holding AG 2024–2029 Green Bond	100,000	0
2.05 % private placement 2023–2024	0	15,000
1.14 % private placement 2024–2025	25,000	0
Total outstanding bonds and private placements	225,000	115,000

3 **Share capital**

Following a share split at a ratio of 1 to 5, the company now has 9,500,000 registered shares with a nominal value of CHF 2 (previous year: 1,900,000 registered shares with a nominal value of CHF 10).

Information on significant shareholders can be found in the consolidated financial statements under note 15 (page 81).

4 **Treasury shares**

	Share (Numbers)	Shares (in CHF 1,000)
Status as at 01.01.2023	56,500	35,789
Purchase of treasury shares	1,023	626
Issue of treasury shares for management participation plan	-1,023	-626
Price difference	0	-22
Status as at 31.12.2023	56,500	35,767
Addition through share split	226,000	0
Status as at 31.12.2024	282,500	35,767

The company held 282,500 treasury shares as at 31 December 2024 (previous year: 56,500).

5 **Investment income**

(in CHF 1,000)	31.12.2024	31.12.2023
Dividends Group companies	63,700	140,505
Total investment income	63,700	140,505

6 **Other operating expenses**

(in CHF 1,000)	2024	2023
Compensation of the Board of Directors	321	320
Other operating expenses Group companies	785	900
Other operating expenses third parties	686	489
Total other operating expenses	1,792	1,709

7 **Financial income**

(in CHF 1,000)	2024	2023
Interest income Group companies	3,296	2,920
Other financial income third parties	2	17
Total financial income	3,298	2,937

Other financial income includes income (primarily interest income) from the management of cash and cash equivalents.

8 **Financial expenses**

(in CHF 1,000)	2024	2023
Interest on bonds	1,123	730
Interest expense Group companies	506	544
Other financial expenses third parties	21	18
Total financial expenses	1,650	1,292

Other financial expenses include bank charges and exchange rate results.

Additional information

9 **Company name and registered office**

Intershop Holding AG is a public limited company with its registered office at Giessereistrasse 18, 8005 Zurich.

10 **Full-time positions**

As in the previous year, Intershop Holding AG has no employees.

11 **Participations of the Board of Directors and the Executive Board**

The members of the Board of Directors and the members of the Executive Board of the Intershop Group held the following shares in Intershop Holding AG as at the balance sheet date in accordance with Art. 959c of the Swiss Code of Obligations (previous year's figures adjusted for share split):

	31.12.2024		31.12.2023	
	Number of shares	Value of shares (in CHF 1,000)	Number of shares	Value of shares (in CHF 1,000)
Ernst Schaufelberger, Chairman of the Board of Directors	2,250	286	2,250	277
Christoph Nater, Board of Directors	200	25	200	25
Gregor Bucher, Board of Directors	0	0	n/a	n/a
Kurt Ritz, former Board of Directors	n/a	n/a	1,000	123
Simon Haus, CEO	412	52	0	0
Mireille Lehmann, Head of Construction and Development	0	0	n/a	n/a
Yannick Hartmann, Head of Real Estate	25	3	n/a	n/a
Florian Balschun, CFO	0	0	n/a	n/a
Christian Baldinger, former Head of Construction and Development	n/a	n/a	13,670	1,681
Andreas Wirz, former Head of Portfolio Management	n/a	n/a	20,020	2,462
Thomas Kaul, former CFO	n/a	n/a	15,500	1,907
Total	2,887	366	52,640	6,475

The Board of Directors and the Executive Board together hold 0.03% (0.55%) of the share capital. Information on the remuneration of the Board of Directors and the Executive Board is disclosed in the remuneration report (pages 41 to 54).

12 **Contingent liabilities**

As at 31 December 2024, the contingent liabilities of Intershop Holding AG in the form of letters of comfort and guarantees in favour of Group companies amounted to CHF 110.5 million. (previous year: CHF 116 million).

13 **Pledged assets**

As in the previous year, no assets were pledged as at 31 December 2024.

14 Events after the balance sheet date

On 27 January 2025, Intershop Holding AG launched a further bond with a coupon of 1.21 % and a term of three years. The payment date for the nominal amount of CHF 100 million was 11 February 2025. The net proceeds will be used to refinance liabilities and for general corporate purposes.

Otherwise, no significant events occurred after the balance sheet date up to 26 February 2025.

Proposal for the appropriation of net retained earnings for the 2024 financial year

The Board of Directors proposes the following appropriation of retained earnings for 2024 to the Annual General Meeting:

(in CHF)	2024	2023
Profit carried forward from previous year	179,566,166	90,060,366
Profit for the year	63,318,426	140,202,049
Total retained earnings	242,884,592	230,262,415
Ordinary dividend ¹⁾	-52,250,000	-50,696,249
Carried forward to new account	190,634,592	179,566,166

¹⁾ 2023: Resolution of the Annual General Meeting

With the acceptance of this proposal, each registered share of CHF 2 nominal value will receive the following dividend on 7 April 2025 (ex-date 3 April 2025):

Ordinary dividend	CHF	5.500
Less 35 % withholding tax	CHF	1.925
Net payout	CHF	3.575



Report of the statutory auditor to the General Meeting of Intershop Holding AG, Zurich

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Intershop Holding AG (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 106 to 111) 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 Standards on Auditing (SA-CH). 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 Company 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.

Overall materiality	CHF 2,600 thousand
Benchmark applied	Total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because, in our view, it is a common benchmark for holding companies.



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 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 Company, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

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

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of 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 Company'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 Company 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 SA-CH 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 on EXPERTsuisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Philipp Gnädinger
Licensed audit expert
Auditor in charge

Marco Amrein
Licensed audit expert

Winterthur, 26 February 2025

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Subsidiaries and participations

As at 31 Dezember 2024

(GRI 2-2)

Legal name, registered office		Intershop votes and capital (in %)
Centre St Roch - Yverdon-les-Bains S.A., Yverdon-les-Bains	▲	100.00
De Bary & Co. AG, Basle	■	100.00
Intershop Bau AG, Basle	▲	100.00
Intershop Management AG, Zurich	▲	100.00
Orubi SA, Geneva	■	100.00
Realconsult AG, Zurich	▲	100.00
SGL City Immobilien AG, Zurich	■	100.00
SGL Promotion AG, Zurich	■	100.00
SGL Schweizerische Gesellschaft für Immobilien AG, Zurich	■	100.00
WTCL Services SA, Lausanne	▲	100.00

■ = Property company

▲ = Service company

(GRI 2-2)

Parent company	Paid-in capital	Method of consolidation
Intershop Holding AG	100,000	full consolidation
Intershop Holding AG	1,500,000	full consolidation
Intershop Holding AG	100,000	full consolidation
Intershop Holding AG	250,000	full consolidation
Intershop Holding AG	600,000	full consolidation
Intershop Holding AG	100,000	full consolidation
Intershop Holding AG	25,000,000	full consolidation
Intershop Holding AG	12,000,000	full consolidation
Intershop Holding AG	150,000,000	full consolidation
Intershop Holding AG	602,000	full consolidation

Intershop Group**Multi-year overview**

		2024	2023	2022	2021	2020
Assets						
Current assets	million CHF	52	27	131	84	98
Tangible assets	million CHF	1,575	1,372	1,324	1,342	1,279
Financial assets	million CHF	1	1	1	1	1
Total assets	million CHF	1,627	1,400	1,456	1,427	1,378
Liabilities & equity						
Short term financial liabilities	million CHF	154	111	157	88	234
Long term financial liabilities	million CHF	538	422	420	529	433
Total shareholders' equity Intershop Group	million CHF	935	867	879	810	711
Profit & loss						
Net rental income	million CHF	73	72	68	67	70
Changes in fair value of properties	million CHF	60	12	-2	32	13
Net gains from property disposals	million CHF	24	32	133	106	33
Operating result (EBIT)	million CHF	146	105	192	195	108
Earnings before taxes	million CHF	136	99	186	187	99
Net income Intershop Group	million CHF	117	83	145	144	78
Cash flow from operations	million CHF	31	81	5	33	46
Return on equity Intershop Group						
based on the average shareholders' equity	%	13.4	9.6	17.8	20.1	11.8
Net income Intershop Group						
per outstanding share ²⁾	CHF	12.74	8.95	15.64	15.18	8.33
Net income Intershop Group excluding changes in fair value						
per outstanding share ²⁾	CHF	7.99	8.00	16.04	12.84	7.29
Payout ratio¹⁾	%	68.8	68.8	62.4	38.9	68.6
Investments in real estate	million CHF	209	77	84	84	62
Equity per share outstanding (NAV)²⁾	CHF	101.43	94.09	95.34	85.28	74.80
Number of employees		67	70	65	74	71

1) Based on the net income of the Intershop Group excluding changes in fair value of properties

2) Adjusted for share split

Intershop Holding AG

Multi-year overview

		2024	2023	2022	2021	2020
Share capital (nominal)						
Number of shares of CHF 2		9,500,000				
Number of shares of CHF 10			1,900,000	1,900,000	1,900,000	1,900,000
Nominal amount	million CHF	19.0	19.0	19.0	19.0	19.0
Share capital outstanding as at 31.12.						
Number of shares of CHF 2		9,217,500				
Number of shares of CHF 10			1,843,500	1,843,500	1,898,960	1,900,000
Nominal amount	million CHF	18.4	18.4	18.4	19.0	19.0
Share price (high / low)^{1) 4)}	CHF	129.60/ 114.40	133.20/ 117.40	135.40/ 116.20	127.40/ 113.60	137.20/ 95.10
Share price as at 31.12.⁴⁾	CHF	127.00	123.00	120.60	122.40	123.00
Market capitalisation as at 31.12.⁴⁾	million CHF	1,207	1,169	1,146	1,163	1,169
Net income Intershop Holding AG	million CHF	63	140.4	97.8	58.9	46.1
per outstanding share ⁴⁾	CHF	6.87	15.21	10.61	6.21	4.85
Dividend per share⁴⁾	CHF	5.50 ²⁾	5.50	10.00 ³⁾	5.00	5.00

1) Daily closing prices

2) Proposal of the Board of Directors

3) incl. one-off extraordinary dividend of CHF 5.00

4) Adjusted for share split

**Gross yield on
investment properties****Alternative performance indicators**

To calculate the gross yield, the effective annual property income (= property income) of the investment properties held at the end of the reporting period is set in relation to the market value of these investment properties at the end of the reporting period. The income from properties acquired or completed in the reporting period is extrapolated to 12 months.

(in CHF 1,000)	2024	2023
Property income from investment properties	57,297	55,793
Effect of newly constructed and reclassified properties	84	1,266
Effect of annualisation	2,876	0
Adjusted property income from investment properties ¹⁾	60,257	57,059
Market value of investment properties ¹⁾	1,105,259	1,016,667
Gross yield on investment properties	5.5 %	5.6 %

1) of all investment properties held as at the balance sheet date

**Net yield on investment
properties**

To calculate the net yield, the net property income from the investment properties held at the end of the reporting period is set in relation to the market value of these investment properties at the end of the reporting period. The net income from properties acquired or completed in the reporting period is extrapolated to 12 months.

(in CHF 1,000)	2024	2023
Adjusted property income from investment properties	60,257	57,059
Property expenses for investment properties	-5,709	-5,962
Effect of newly constructed and reclassified properties	-274	124
Intragroup management fees	-1,848	-1,724
Effect of annualisation	-270	0
Adjusted net property income from investment properties ¹⁾	52,156	49,497
Market value of investment properties ¹⁾	1,105,259	1,016,667
Net yield on investment properties	4.7 %	4.9 %

1) of all investment properties held as at the balance sheet date

Return on equity

The return on equity is the ratio of net income for the reporting period according to the income statement to the average equity for this period calculated on the basis of monthly figures.

(in CHF 1,000)	2024	2023
Net profit	117,467	82,504
Average equity ¹⁾	875,992	858,612
Return on equity	13.4 %	9.6 %
Net profit excl. valuation changes ²⁾	73,660	73,723
Return on equity excl. valuation changes	8.4 %	8.6 %

1) calculated on a monthly basis

2) see note 28, p. 86

Glossary of key terms

Changes in fair value of properties	The changes in fair value amount to the difference between the market value at the end of the reporting period and the market value at the beginning of the reporting period less any value-enhancing investments capitalised.
Equity ratio	The percentage of shareholder equity in relation to the balance sheet total.
First time valuation of newly acquired properties	The difference between the accumulated acquisition cost (including any subsequent value-enhancing investments) of a property and its first market valuation.
Development property	Properties or land plots for which substantial development is envisaged. The changes in their fair value are, as with the investment property portfolio, disclosed in the consolidated income statement.
Vacancy rate	The vacancy rate is the percentage of the market rent of all vacant areas according to the rent roll set in relation to the maximum gross rental income (target rent) as at the balance sheet date.
Property expense	Property expenses include all costs that can be directly attributed to the real estate. This does not include any income tax, financial expense nor any administration expense of the Group.
Rental income	Rental income is the gross accounting rent receivable of properties (excluding service charges) based on the contractual agreements. This corresponds to target rent less rents lost due to vacancies, defaults, tenants incentives and the like.
Market value	The market value (or fair value) of the investment and development property portfolio is assessed by external property valuers. It equates to the selling price that is achievable in a functioning real estate market between two independent parties and following an appropriate marketing period. Both parties have sufficient knowledge, care and attention and without constraint.
Net rental income	Equates to the rental income receivable in the period after deduction of direct property expenses (rental income minus property expense)
Promotional property	Development property that is being built or developed with the aim of immediate sale. Usually, these are developments in the area of commonhold apartments. Promotional properties are carried at cost. Any reclassifications from investment or development properties are made at market value.
Investment property	Property held for investment that is valued at market value and shown in the consolidated balance sheet. Changes to the market values are recorded under changes in fair values of properties in the consolidated income statement.
Target rent	Corresponds to the maximum achievable rent on the reporting date assuming full occupancy

Addresses

Holding

Registered office

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62nd Ordinary Annual General Meeting

Tuesday, 1 April 2025
Cigarettenfabrik Eventhalle 268
Sihlquai 268, 8005 Zurich

Reporting

Presentation of Annual Report	27 February 2025
Presentation of Half-Year Report 2024	26 August 2025

Listing

SIX Swiss Exchange

Investment products

	Security number	Ticker
Registered share	27'377'479	ISN
0.3 % green bond 2021–2026	111'139'299	ISH21
1.5 % green bond 2024–2029	138'091'037	ISH24

Swiss tax value as at 31.12.2024

Registered share	CHF 127.00
0.3 % green bond 2021–2026	98.82 %
1.5 % green bond 2024–2029	101.65 %

Investor Relations

Florian Balschun

Languages

German and English

This Annual Report 2024 is a translation of the Annual Report 2024 in German. Only the Annual Report in German, which is available on www.intershop.ch, is legally binding.

