



Annual Report 2022

Note:

Ina Invest primarily publishes and communicates digitally. Read our [Annual Report 2022](#) online.



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The year 2022

Overview of key figures

Financial figures

Profit/loss from leased property in CHF thousands	11,304
Profit/loss from sale of promotional property in CHF thousands	4,908
Profit/loss from change in fair value of investment property in CHF thousands	12,837
Operating profit (EBIT) in CHF thousands	16,141
Earnings in CHF thousands	19,084
Total assets in CHF thousands	860,282
Equity in CHF thousands	410,756
Equity ratio %	47.75%
Return on equity % 1)	4.65%

Figures - Shares

Earnings per share (EPS) CHF	0.98
Equity per share (NAV) CHF	23.28
Equity per share (NAV) before deducting deferred tax CHF	27.53
Share price on reporting date CHF	19.70
Market capitalisation on reporting date in CHF thousands	192,138

Investment property Portfolio property

No. of commercial properties	6
Market value of investment property in CHF thousands	418,877
Leasable space m ²	152,016
Return on leased investment property in CHF thousands	11,304
Vacancy rate for investment property %	13.1%
Direct expenses for leased investment property in CHF thousands	1908
Gross return on investment property %	2.9%



Investment property under construction

No. of investment properties	3
Market value of investment property in CHF thousands	148,129
Planned leasable space m ²	29,986
Estimated investment volume of investment property in CHF thousands	157,681

Investment property under development

No. of investment properties under development	10
Market value of investment property under development in CHF thousands	219,398
Planned leasable space (approx.) m ²	116,900

Promotional property

Carrying amount of promotional property in CHF thousands	20,014
Carrying amount of promotional property under construction in CHF thousands	1,215

Key:

(1) earnings/equity on balance sheet date



Letter to the shareholders

Ina Invest exceeds financial targets and significantly expands its real estate portfolio

Dear Shareholders

We are delighted to present our 2022 annual report. Ina Invest can look back on 2022 as a strategically and operationally successful financial year. We have achieved and exceeded our targets. Even in a challenging environment Ina Invest has enjoyed strong growth and further developed its portfolio in a way that is best for its business.

Operating profit (EBIT) increased to CHF 16.1 million, 12% up on the previous year, despite the noticeable rise in building costs. Net profit rose significantly, by 59% to CHF 19.1 million. This means that Ina Invest exceeded the targets set for 2022. The primary contributors to this were higher profit from rental income of CHF 11.3 million and positive revaluations of investment property of CHF 12.8 million. The latter were the result of operating performance and a positive financial income from the sale of an interest rate swap. The NAV per share increased to CHF 23.28 in the financial year (2021: CHF 22.70).

Real estate portfolio significantly expanded

Ina Invest increased the value of its real estate portfolio by 94% to CHF 842 million during the reporting period. The acquisition of CERES Group, and with it the strategic Bredella development site in Pratteln, took place in January; the integration is now complete. The development of the Bredella site, which covers an area of 82,600 m², is proceeding according to plan; an ancillary property has now been sold at a profit. The Grand-Pré development property in Geneva was also purchased and integrated in 2022, representing another key acquisition by Ina Invest. The Ina Invest portfolio now comprises a total of 40 buildings in prime, urban locations – double the number held at the end of 2021.

Portfolio development on track

The projects that are at the execution stage are going to plan. The new “Elefant” complex in Lokstadt, Winterthur, is let out in its entirety to a health insurance company. It was handed over to the tenants in December 2022 to carry out the tenant fit-out. The Holiday Inn Express & Suites hotel on the Baselink site in Allschwil has also been completed, and opened in January 2023. In addition, the Pratteln Municipal Parliament has unanimously agreed to put the Bredella West design plan out for consultation, with approval expected in the first quarter of 2024. Planning permission has been received for the “Schaffhauserstrasse” project in Zurich and building permit applications have been submitted for the Lokstadt-Hallen project in Winterthur and the “Birsark” commercial park in Aesch.



Ambitious sustainability goals set

In 2022, for the second time Ina Invest put itself under scrutiny in the GRESB¹ Real Estate Development Benchmark Assessment in its peer group in Western Europe. Scoring 93 out of a possible 100, we even exceeded the excellent result obtained the previous year (92 points). We are sticking to our aspiration of holding and continuously developing the most sustainable real estate portfolio in Switzerland. In light of this, during 2022 we set ourselves ambitious decarbonisation targets: all new buildings are to achieve “net zero” operational emissions by 2030, and “net zero” embodied emissions by 2040. Ultimately, we also want to achieve climate neutrality in relation to the operational emissions from existing buildings by 2050.

Amendments to the Articles of Association and introduction of a capital band

On 1 January 2023, the new provisions of the revised law on public limited companies came into force. Among other things, this improves the protection of minority shareholders and modernises the requirements for holding an Annual General Meeting. Based on these new provisions, the Board of Directors will propose a revision of the Articles of Association to the Annual General Meeting on 29 March 2023 that both implements the requirements imposed by the reform of the law on public limited companies and takes into account current best practices in corporate governance. The Board of Directors will also propose introducing a capital band in place of the authorised capital valid until June 2022. This would mean that the subscription rights of existing shareholders would be fully preserved by the capital band in the event of capital increases. The capital band would give the Board of Directors the necessary flexibility to realise the investments in our real estate portfolio planned in accordance with Ina Invest’s strategy.

Confident outlook

In 2023 we will be focusing on transferring completed buildings to our existing portfolio, starting the construction phase of other projects in Zurich and Winterthur as well as focusing on our development pipeline throughout Switzerland.

The Board of Directors and Management Board of Ina Invest are looking ahead to the current year and further into the future with confidence. Although the economy has cooled down somewhat over the last year and interest rates have climbed from a record low, Switzerland remains an attractive location for property. There is still demand for owner-occupied or rented residential property in good locations. And Ina Invest also expects its commercial projects, designed to the latest standards, to be highly sought after. Ina Invest is pressing ahead resolutely with the implementation of its strategy and, underpinned by its balanced usage profile, is able to react flexibly to opportunities and challenges.

Against this backdrop, Ina Invest is reaffirming its medium-term goals of a portfolio valued at over CHF 2 billion and a return on equity of over 6%.

¹ GRESB is the leading assessment system for measuring the sustainability performance of property companies and property funds. Seven different aspects are weighted to produce the GRESB Score, which contributes significantly to the transparency of the real estate industry when it comes to sustainability issues.



Thank you

We would like to thank you, our shareholders, for your trust in us, our employees for their great commitment and our partners for their targeted cooperation. We look forward to continuing to develop the most sustainable real estate portfolio in Switzerland together.

28 February 2023

Stefan Mächler

Chairman of the Board of Directors

Marc Pointet

Chief Executive Officer



Corporate Governance

In accordance with SIX Swiss Exchange Ltd's Directive on Information relating to Corporate Governance of 18 June 2021, in force since 1 October 2021 (Directive on Corporate Governance, "DCG"), this chapter describes the main structural and organisational principles of Ina Invest Holding Ltd (**Ina Invest**). Unless specified otherwise, the information is provided as of the balance sheet date (31 December 2022).

Ina Invest Holding Ltd is convinced that proper, responsible corporate governance has a long-term positive impact on its performance. In accordance with the requirements of the Swiss Code of Best Practice and the SIX Corporate Governance guidelines, the structures, rules and processes are designed to enable proper management by setting out the powers and responsibilities of the corporate bodies and employees. The structure and numbering of the chapter correspond to those of the Annex to the Corporate Governance Guideline. The information about compensation, shareholdings and loans is summarised in the Compensation Report. The principles and rules of Ina Invest's corporate governance are expressed in its various corporate-law documents, especially in the Articles of Association and Organisational Regulations.

The Code of Conduct establishes the guidelines for the applicable business practices and proper conduct, which are binding on all Ina Invest Group employees. The Board of Directors conducts regular reviews of Ina Invest's corporate governance based on best-practice standards and ensures compliance with the corporate governance requirements.

The [Articles of Association](#) of 19 January 2022 applicable as of the balance sheet date of the reporting year (hereinafter "Articles of Association"), and the [Organisational Regulations](#) of 14 June 2022 applicable as of the balance sheet date of the reporting year (hereinafter "Ina Invest OR"), as well as the [Code of Conduct](#), are available on Ina Invest's website.

1 Group structure and shareholders

1.1 Group structure

Ina Invest is a Swiss real estate firm covering the entire value-creation chain for properties, from procurement and acquisition to project development and implementation and on to real estate rental and administration. Ina Invest originated as a spin-off of Implenla Ltd and has been independent ever since its IPO on 12 June 2020. The Group's Board of Directors has five members and the Executive Management has two members, the CEO and the CFO.



1.1.1 Consolidated listed entities

The Ina Invest Group comprises only one listed company, Ina Invest Holding AG, with its registered office in Opfikon, Canton of Zurich. It has been listed on SIX Swiss Exchange AG since 12 June 2020 (valor number: 52 402 695, ISIN: CH0524026959CHF4, valor symbol: INA). It holds no shares in listed companies. As of 31 December 2022, the market capitalisation of Ina Invest Holding Ltd amounted to CHF 192.1 million.

1.1.2 Consolidated unlisted entities

The consolidated group includes among others the Ina Invest Ltd, with registered office in Zurich and share capital of CHF 202,000.00. As of 31 December 2022, Ina Invest Holding Ltd held a 57.5% stake in Ina Invest Ltd. The minority shareholder of Ina Invest Ltd is Implenia Ltd, with a 42.5% stake. The list of other companies included in the scope of consolidation, indicating the company name, registered office and share capital as well as the Group's shareholding, can be found in section 1.2 of the notes to the consolidated annual report of Ina Invest.

1.2 Significant shareholders

Shareholders of an entity listed in Switzerland who, based on their interest in the share capital, reach, exceed or fall below certain threshold values of voting rights, have reporting and disclosure obligations according to the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FMIA). According to the disclosure reports of SIX Swiss Exchange Ltd and the share register, the shareholders listed below held a stake of more than 3% of the share capital and voting rights of Ina Invest Holding Ltd as of 31 December 2022.

Significant shareholder		
Name des Aktionärs		Shareholdings
Max Rössler / Parmino Holding AG		16.56%
Swiss Life Holding AG		13.72%
Norbert Ketterer		12.52%
CACEIS (Switzerland) SA		10.1%
Hermann Alexander Beyeler		9.09%
Rudolf Maag		4.92%

All reports concerning the disclosure of shareholdings under Art. 120 FMIA, which were published in the reporting year and since 1 January 2023, are available on the website of the [Disclosure Office of SIX Swiss Exchange Ltd.](#)

1.3 Cross-shareholdings

There are no cross-shareholdings.



2 Capital structure

2.1 Capital

The share capital of Ina Invest Holding Ltd as of 31 December 2022 amounted to CHF 292,596.48, divided into 9,753,216 fully paid-up registered shares with a nominal value of CHF 0.03 each. In addition, as of the balance sheet date, Ina Invest Holding Ltd held conditional capital of CHF 13,299.84. Relying on the conditional capital, the share capital can be increased by a total of CHF 66,499.20 under the conditions established in Art. 3b of the Articles of Association.

2.2 Conditional and authorised capital in particular

Conditional capital (Art. 3b of the Articles of Association)

The conditional capital may amount to a maximum of CHF 13,299.84, accounting for 5% of the existing share capital. The increase out of conditional capital would be based on issuing up to 443,328 registered shares with a nominal value of CHF 0.03 each, to be fully paid up, accompanied by the exercise of option rights granted to the employees or board members of Ina Invest Holding Ltd or of group companies. The subscription right of the shareholders is excluded. The holders of the option rights at the time of issue are entitled to subscribe to the new shares. The terms and conditions of options shall be determined by the Board of Directors (Art. 3b (1) of the Articles of Association).

No increase out of conditional capital was performed in the reporting year. For further information about option rights and the associated terms and conditions, see Art. 3b of the [Articles of Association](#).

Authorised capital (Art. 3a of the Articles of Association)

Pursuant to Art. 3a para. 1 of the Articles of Association, and after the implementation of the capital increase from authorized capital of 19 January 2022 (see Section 2.3), the Board of Directors was authorized until 2 June 2022 to increase the share capital from authorized capital by a maximum amount of CHF 26,599.68 by issuing a maximum of 886,656 registered shares with a par value of CHF 0.03 each, to be fully paid up. The Board of Directors has not made use of this authorization.

2.3 Changes in share capital during the last three reporting years

The share capital was increased in the context of the acquisition of CERES Group Holding on the occasion of the capital increase from authorized capital on 19 January 2022 in the amount of CHF 26,599.68 by issuing 886,656 fully paid registered shares with a nominal value of CHF 0.03 each. Otherwise, the share capital has remained unchanged in the years 2020 to 2022. The equity of Ina Invest Holding AG developed as follows during this period:



Changes in equity capital during the last three years

In CHF thousands	31.12.2022	31.12.2021	31.12.2020
Share capital	293	266	266
Statutory capital reserves			
- Reserves from capital contributions	139,615	120,330	120,330
- Other statutory capital reserves	6,561	6,366	6,366
Treasury shares	(185)	(185)	(165)
Profit- / Loss carried forward	(7,163)	(7,266)	-
Annual profit	11,747	103	(7,266)
Total equity	150,868	119,614	119,531

For further information on changes in capital in the reporting years 2020 and 2021, see the respective annual reports.

2.4 Shares and participation certificates

The share capital as of 31 December 2022 is divided into 9,753,216 fully paid-up registered shares with a nominal value of CHF 0.03 each. Subject to Art. 5 of the Articles of Association, each share shall carry the right to one vote. There are no voting right shares or other shares with preferential rights. All registered shares are entitled to dividends, except for the treasury shares held by Ina Invest Holding Ltd

Ina Invest Holding Ltd has not issued any participation certificates.

2.5 Dividend-rights certificates

Ina Invest Holding Ltd has not issued any dividend-rights certificates.

2.6 Restrictions on transferability and nominee registrations

2.6.1 Restrictions on transferability

There is no percentage clause under the Articles of Association that would enable any limitations on transferability of shares of Ina Invest Holding Ltd within the meaning of Art. 685d (1) of the Swiss Code of Obligations. According to Art. 5 (4)(a) and (b) of the Articles of Association, the Board of Directors can refuse to register a holder of registered shares as a shareholder with voting rights if (i) he fails to prove, at the request of Ina Invest Holding Ltd, that he acquired and held the shares in his own name and for his own account (Art. 5 (4)(a) of the Articles of Association), or (ii) his recognition as a shareholder prevents or could prevent Ina Invest Holding Ltd and/or its subsidiaries, according to the information available to Ina Invest Holding Ltd, from supplying legally required proof of the composition of the set of shareholders and/or of the beneficial owners of the shares (Art. 5 (4)(b) of the Articles of Association). Since Ina Invest Holding Ltd is in the real estate business, Ina Invest Holding Ltd must refuse to register persons abroad as defined by the Swiss Federal Act on the Acquisition of Real Estate by persons Abroad (Koller Act) if doing so might jeopardise the ability to prove that the Company and/or its subsidiaries are under Swiss control.



The implementing provisions for Art. 5 (4)(b) of the Articles of Association are found in the [Regulations on Registration of Registered Shares and Keeping of the Share Register of Ina Invest Holding Ltd](#) of 11 June 2020 (hereinafter "Registration Regulations").

According to section 5 of the Registration Regulations, the Board of Directors shall register a foreign shareholder in the Share Register as a shareholder with voting rights if:

- i. the foreign shareholder meets the requirements applicable to all shareholders (sections 2 to 4 of the Registration Regulations);
- ii. the total number of the registered voting shares of foreign shareholders (including the shares of the foreign shareholder in question), does not exceed the threshold of 20% of the total number of registered voting shares of all shareholders; and
- iii. the number of registered voting shares held by the foreign shareholder in question does not exceed the threshold of 10% of the total number of registered voting shares of all shareholders.

Whenever the above thresholds are exceeded, foreign shareholders shall not be registered unless the authorising authority for the location of Ina Invest Holding Ltd's registered office issues a certificate confirming that Ina Invest Holding Ltd and its subsidiaries will not be considered to be under foreign control even after the additional foreign shareholder is registered in the share register. A "foreign shareholder" means any shareholder who is a person abroad within the meaning of Art. 5d in conjunction with Art. 6 of the Koller Act. Foreign shareholders within the meaning of that provision also include nominees (trustees) who have not disclosed the shareholders they represent.

2.6.2 Granting of exceptions

No exceptions were granted in the reporting year.

2.6.3 Admissibility of nominee registrations

According to section 4 of the Registration Regulations, any persons who do not expressly declare in their registration application that they hold the shares for their own account are considered to be nominees (trustees). According to Art. 5 (4)(a) of the Articles of Association, a nominee is entered in the Share Register as a shareholder with voting rights if the nominee declares in writing that he is willing to disclose the names, addresses and shareholdings of the persons for whom he holds the shares and/or will promptly disclose that information in writing on first demand. The exact wording of that rule can be found in the [Articles of Association](#).

According to section 4 of the Registration Regulations, the Board of Directors shall register a nominee as a shareholder with voting rights, recognising a stake of up to 1% of the registered share capital entered in the Commercial Register, if the nominee declares in writing that he is willing to disclose the names, addresses and shareholdings of the persons for whom he holds the shares and/or will promptly disclose that information in writing on first demand. Nominees are required to have entered into an agreement with the Board of Directors regarding their status. Above the limit of 1%, the Board of Directors shall enter the registered voting shares of a nominee on condition that the nominee discloses the names, addresses, place



of residence or registered office and the shareholdings of those persons for whose account he holds 0.25% or more of the registered share capital entered in the Commercial Register.

For further information, see the [Registration Regulations](#).

In order to be registered as a nominee, the nominee must submit an application in due form in accordance with the annex "[Application for Registration as Nominee](#)". The form in question can be found on Ina Invest's website.

2.6.4 Procedures and prerequisites for suspension of preferential rights or restrictions on transferability under the Articles of Association

There are no preferential rights under the Articles of Association. A suspension of restrictions on transferability requires a General Meeting resolution passed by at least two thirds of the voting shares represented and the absolute majority of the nominal value of the shares represented (Art. 16 (1)(c) of the Articles of Association).

2.7 Convertible bonds and options

Ina Invest Holding Ltd has not issued any convertible bonds or options.

3 Board of Directors

3.1 Members of the Board of Directors

The Board of Directors consists of five members according to Art. 18 (1) of the Articles of Association. No member performs any operational management duties for Ina Invest Holding Ltd or for any of its Group companies. For that reason, the members are "non-executive" and mostly independent. The Board of Directors is composed of the following members as of 31 December 2022:

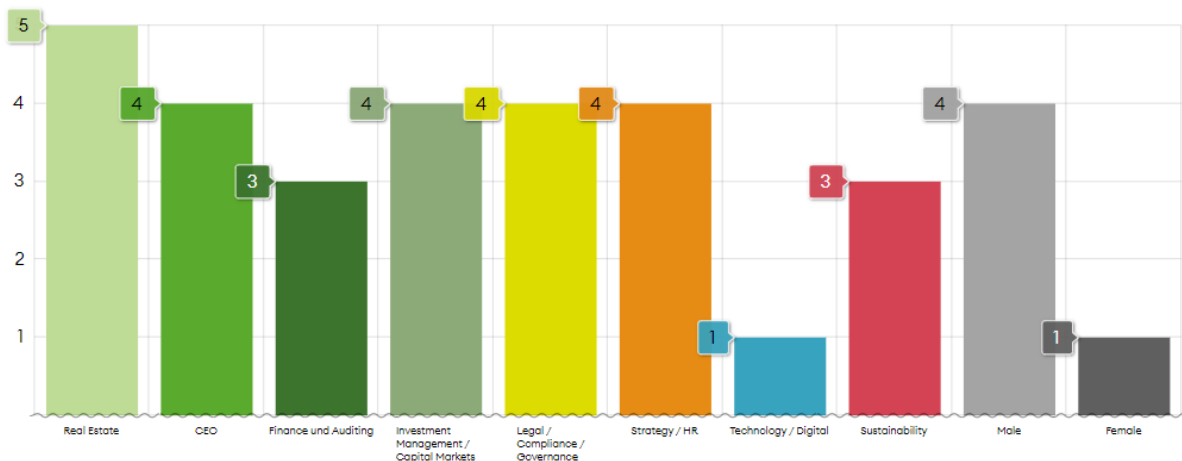
Name	Nationality	Position	In office since ¹
Stefan Mächler	Switzerland	Chairman	2020
Christoph Caviezel	Switzerland	Vice-Chairman	2020
Marie-Noëlle Zen-Ruffinen	Switzerland	Member	2020
Hans Ulrich Meister	Switzerland	Member	2020
André Wyss	Switzerland	Member	2020

¹ General Meeting in the designated year



Each year, the Nomination and Compensation Committee conducts an assessment of the composition, the organisation, the culture and working procedures as well as the performance of the Board of Directors. The results of the assessment and possible improvements are discussed in the full Board of Directors. The succession plan of the BoD and Management Board are likewise a constant agenda item of the annual meeting of the Nomination and Compensation Committee, followed by reporting and discussion in the plenary BoD meeting.

The current composition of the Board of Directors covers a number of areas of competence. As part of the annual assessment, the Board of Directors came to the conclusion that the size of the Board of Directors is appropriate to the size, complexity and development phase of the Company. An increase in the number of members is therefore not appropriate. In addition, stability within the Board of Directors is also important to the Board of Directors for a young company (IPO about 2 ½ years ago), which is why no adjustments are planned for this reason either. Regarding gender diversity, the company is with 20% as of 31 December 2022 below the minimum quota targeted in Switzerland as of the end of 2026. As soon as the company enters into a normal succession plan rhythm, one of the topics will also be gender diversity. The members have many years of professional experience in a variety of industries. The figure shows the diversity of the Board of Directors.



3.2 Education, activities and vested interests

The summary on the next pages provides essential information about the education and career path of each member of the Board of Directors. It also discloses the mandates held by each member of the Board of Directors outside the Group as well as any further significant activities and permanent positions in significant interest groups.



<p>Stefan Mächler</p> <p>Chairman of the Board of Directors and Member of the Audit Committee</p> <p>1960, Swiss citizen</p> <p>Non-executive / independent</p>	<p>Additional memberships on board of directors</p> <p>None</p>
<p>Education</p> <p>Lic.iur., University of St. Gallen (HSG)</p>	<p>Additional functions and offices</p> <ul style="list-style-type: none">• Member of the Board of Foundation of Stiftung Technopark Zürich
<p>Professional Experience</p> <ul style="list-style-type: none">• Since 2014: Group Chief Investment Officer and Member of the Group Executive Board - Swiss Life Group• 2009-2014: Chief Investment Officer and member of the Group Executive Management - die Mobiliar• earlier: Various roles within Credit Suisse and Deutsche Bank	



<p>Christoph Caviezel</p> <p>Vice-Chairman of the Board of Directors, Chairman of the Investment Committee and Member of the Audit Committee and the Nomination and Compensation Committee</p> <p>1957, Swiss citizen</p> <p>Non-executive / independent</p>	<p>Additional memberships on board of directors</p> <ul style="list-style-type: none">• Graubündner Kantonalbank (vice-chairman) – listed• Cham Group AG (member)• BZ Bank AG (member)• Ledermann Gruppe (chairman)
<p>Education</p> <ul style="list-style-type: none">• Dr. iur, University of Fribourg• Attorney-at-law	<p>Additional functions and offices</p> <p>None</p>
<p>Professional Experience</p> <ul style="list-style-type: none">• since 2022: Delegate of Ledermann Immobilien AG• since 2018: Owner of Bluereal AG• 2008– 2019: CEO of Mobimo Guppe• 2001-2008: CEO of Intershop Holding AG• 1995-2001: Various roles within Intershop Holding AG• earlier: Attorney-at-law	



<p>Marie-Noëlle Zen-Ruffinen Member of the Board of Directors, Chairman of the Nomination and Compensation Committee and Member of the Investment Committee 1975, Swiss citizen</p> <p>Non-executive / independent</p>	<p>Additional memberships on board of directors</p> <ul style="list-style-type: none">• Baloise Holding AG (member) – listed• Banco Santander International SA (vice-chair)
<p>Education</p> <ul style="list-style-type: none">• Dr. iur. University of Fribourg• Lic.iur. University of Fribourg• Lic. phil. University of Fribourg• Attorney-at-law• Finance for Senior Executive Program, Harvard Business School	<p>Additional functions and offices</p> <ul style="list-style-type: none">• Vice-chair of the Swiss Board Institute Foundation• Member of the Swiss Institute of Directors Association
<p>Professional Experience</p> <ul style="list-style-type: none">• since 2012: Of Counsel at Tavernier Tschanz (as of 1.1.2023 Niederer Kraft Frey)• since 2012: Professor for Economics and Management at the University of Geneva• 2007– 2012: Partner at Tavernier Tschanz	



<p>Hans Ulrich Meister</p> <p>Member of the Board of Directors and Chairman of the Audit Committee</p> <p>1959, Swiss citizen</p> <p>Non-executive</p>	<p>Additional memberships on boards of directors</p> <ul style="list-style-type: none">• Implenia AG (chairman) – listed
<p>Education</p> <ul style="list-style-type: none">• Advanced Management Program, Harvard Business School• Advanced Management Program, Wharton School• Business degree, Zurich University of Applied Sciences	<p>Additional functions and offices</p> <p>None</p>
<p>Professional Experience</p> <ul style="list-style-type: none">• 2008 – 2015: Member of the Executive Board of Credit Suisse Group AG und der Credit Suisse AG• 2012 – 2015: Head of the Private Banking & Wealth Division, responsible for the Private Banking business in EMEA and Asia Pacific• 2011 – 2012: CEO of the Private Banking Division• 2008 – 2015: CEO of Credit Suisse Switzerland Region• 2005 – 2007: Head of Private and Corporate Customers Switzerland at UBS• 2004 – 2007: Member of the Group Managing Boards of UBS Group• 2003 – 2004: Head of Large Corporates & Multinationals at UBS• 2002: Wealth Management at UBS, New York	



<p>André Wyss</p> <p>Member of the Board of Directors, Member of the Nomination and Compensation Committee and Member of the Investment Committee</p> <p>1967, Swiss citizen</p> <p>Non-executive</p>	<p>Additional memberships on board of directors</p> <p>None</p>
<p>Education</p> <ul style="list-style-type: none">• Various Executive Education Modules in Leadership Development at Harvard Business School• Study of economics at the University of Applied Sciences in Business Administration Zurich (HWW)• Apprenticeship as chemical worker at Sandoz (today Novartis)	<p>Additional functions and offices</p> <p>None</p>
<p>Professional Experience</p> <ul style="list-style-type: none">• since 2018: CEO Implenia Group• 2016-2018: President of Novartis Operations (global, responsible for, among other things, the entire production process central group services such as real estate and infrastructure, IT, procurement, personnel, and accounting, as well as corporate affairs) and Country President of Novartis Switzerland (• 2014-2018: Member of the Executive Committee of Novartis• previously: Various positions at Novartis, including President Novartis USA, Executive for other Country and Regional Companies (Asia Pacific, Middle East & Africa, Group Emerging Markets, Greece), and Executive of Novartis Business Services, Head of Pharmaceutical Production in Europe, CFO for Research & Development	



3.3 Rules of the Articles of Association regarding the number of permissible activities according to Art. 12 (1)(1) of the Swiss Ordinance against Excessive Compensation at Stock Exchange Listed Companies (“OaEC”)

According to Art. 28 of the Articles of Association, each Board Member may hold no more than 10 mandates as a director or officer of legal entities outside the Ina Invest Group (no more than four of which may be held in exchange-listed companies), which are to be registered in the Swiss Commercial Register or a similar foreign register. If mandates are held in different legal entities of one and the same corporate group or are held on behalf of a corporate group or a legal entity, then these will be counted in their entirety as one mandate in each case. According to the above-cited provision of the Articles of Association, it is permissible to exceed the foregoing limits for short periods.

The [Articles of Association](#) with the exact wording of the above-cited provision can be viewed on Ina Invest's website.

Moreover, the NCC conducts an annual review of the external mandates held by individual members of both the Board of Directors and Management Board. Similarly, any new external mandates require prior approval from the Chairs of the Board of Directors and of the Nomination and Compensation Committee. The objective in both cases is to avoid overloading the BoD and Management Board members and prevent potential conflicts of interest.

3.4 Election and term of office

The Company's Board of Directors consists of five members (see Art. 3.1.1 of the Organisation Rules). The BoD members shall have a 1-year term of office, commencing with their election and expiring at the end of the following annual general meeting, without prejudice to the right of prior resignation or prior removal from office (Art.18 (3) of the Articles of Association). The BoD members may be re-elected at any time (Art.18 (4) of the Articles of Association) providing they are not yet 70 years old (Art.18 (5) of the Articles of Association). Retirement shall commence at the end of the annual general meeting following the member's 70th birthday (Art.18 (5) of the Articles of Association). In general, the total term of office of a BoD member should not exceed 12 years (Art. 3.1.2 of the Organisational Rules). As required by the Swiss Ordinance against Excessive Compensation at Stock Exchange Listed Companies (“OaEC”) respectively as of 1 January 2023 the Swiss Code of Obligations (CO), the members and chair of the BoD and members of the Nomination and Compensation Committee shall be elected individually by the general meeting (Art. 18 (2) and 22 (1) of the Articles of Association). Likewise as required by the OaEC respectively as of 1 January 2023 the CO, the independent proxy is elected by the general meeting (Art. 13 of the Articles of Association). Moreover, the Board of Directors generally chooses its own members and, in particular, appoints its Vice-Chairman and secretary of the Board of Directors.

If the office of the Chairman of the Board of Directors becomes vacant or the Nomination and Compensation Committee is not completely filled or the Company lacks an independent proxy, the Articles of Association have no rules to eliminate such organisational problems that deviate from OaEC Art. 4 (4), 7 (4) and 8 (6).



3.5 Internal Organisation

3.5.1 *Division of responsibilities on the Board of Directors*

The Board of Directors is responsible for the strategic and financial management of Ina Invest and the supervision of its management. It adopts resolutions as the highest corporate body, except in matters for which the General Meeting is competent by law. The Chairman of the Board of Directors shall call the Board of Directors' meetings. If the Chairman is unable to call the meeting, the meeting shall be called by the Vice-Chairman or, if need be, by a member of the Board of Directors designated to that purpose by the Board of Directors. The CEO shall attend the Board of Directors meetings on a regular basis. The Chairman shall determine the agenda and prepare and direct the meetings. The Chairman shall also decide on a case-by-case basis whether to involve others in the deliberations of the Board of Directors. Board of Directors' meetings may be called by any board member by specifying the agenda item and giving a short justification for the call.

The duties, responsibilities and working procedures of the Board of Directors as well as its conduct in case of conflicts of interest are regulated by the Ina Invest OR and Table of Responsibilities of 11 June 2020 (hereinafter "Table of Responsibilities"). The [Ina Invest OR](#) (without the Table of Responsibilities) can be found on Ina Invest's website.

3.5.2 *Committees of the Board of Directors*

In the reporting year, the Board of Directors had the following three committees: the Audit Committee (AC), the Nomination and Compensation Committee (NCC) and, at the level of Ina Invest Ltd, the Investment Committee (IC). The Board of Directors shall elect one Chairperson per committee. The AC and NCC shall analyse the areas assigned to them by the Board of Directors and submit reports to the Board of Directors to assist with the preparation of its resolutions or the performance of its supervisory duties. The Chairperson of the individual committees inform the Board of Directors of all the essential points and make recommendations on decisions to be made by the plenary Board of Directors.

The Committees' duties and responsibilities are defined in the Ina Invest OR, the Table of Responsibilities annexed hereto and the regulations issued by the Board of Directors. The committees generally organise themselves. The Board of Directors shall enact appropriate regulations at request of the Committees. The committees shall generally have an advisory function, with decision-making authority reserved for the plenary Board of Directors. The committees shall have decision-making authority only where so determined in the Table of Responsibilities or in a Committee's Regulation or by a special Board of Directors resolution. The Committees are authorised to conduct or have investigations conducted on all matters within their area of responsibility. They may call upon the services of independent experts. The Board of Directors may appoint ad hoc committees for certain tasks and assign preparatory, supervisory and/or decision-making authority to such committees (sections 5.1.1 and 5.1.6 of the Ina Invest OR). None ad-hoc-committee was formed in the reporting year.



The table below shows the committees existing in the reporting year and their members

	Audit Committee	Nomination and Compensation Committee	Investment Committee (at the level of Ina Invest Ltd)
Stefan Mächler, Chairman	✓	(permanent guest)	(permanent guest)
Christoph Caviezel, Vice-Chairman	✓	✓	✓ (Chairperson)
Marie-Noëlle Zen-Ruffinen, Member		✓ (Chairperson)	✓
Hans Ulrich Meister, Member	✓ (Chairperson)		
André Wyss, Member		✓	✓

Audit Committee

The AC is independent and consists of at least three BoD members appointed by the Board of Directors. The AC is chaired by an expert in finance. The Audit Committee shall perform all of the Board of Directors' duties relating to accounting oversight and organisation, financial controlling (including the internal control system), financial planning and risk management. Risk management shall include reporting on (current or impending) legal actions. In addition, the Audit Committee shall monitor and report on the Compliance Management System to the Board of Directors. The Audit Committee shall coordinate and define the internal and external auditing tasks, ensure regular communications with the external auditors, and formulate the internal and external audit engagements. The Audit Committee is entitled to order special audits (section 5.1.1 of the Ina Invest OR). For more information about the Audit Committee's tasks, also see the [Ina Invest OR](#).

Nomination and Compensation Committee

The NCC is independent and consists of three BoD members who are elected individually by the general meeting. The general principles of the NCC's duties and responsibilities related to compensation have been established by the General Meeting in Art. 22 of the Articles of Association and will be described in greater detail in the Compensation Report. The NCC is chaired by an expert in corporate governance and compensation issues. For more information about the NCC's tasks, also see the Ina Invest OR.

Investment Committee

The Investment Committee at the level of Ina Invest Ltd consists of three members, two of whom are BoD members who are not related parties of Implenia Ltd and are appointed by Ina Invest Holding Ltd and one of whom is a BoD member appointed by Implenia Ltd. The IC is chaired by an expert in real estate. The Committee shall decide upon or propose promotional and development projects.



3.5.3 Working procedure of the Board of Directors and its committees

The Board of Directors and its committees shall meet as often as required by business, at least five times (BoD) and three times respectively two times (Audit Committee and Nomination and Compensation Committee). The meetings shall be held at the invitation of the Chairperson of the relevant committee and accompanied by an agenda and meeting documents each time. Moreover, each member can call a meeting and request the inclusion of additional agenda items. The meetings of the Board of Directors and of the committees shall be presided over by their respective Chairpersons. The presence of the majority of the members shall constitute a quorum. Members who participate in the meeting via telephone or videoconference shall be deemed present, too.

The resolutions and votes of the Board of Directors and its committees shall be carried by a majority of the voting members present. Abstentions are not permitted. In case of a tie vote, the Chairperson shall have the casting vote. The results of the negotiations and resolutions shall be recorded in the minutes. The Chairman of the Board of Directors respectively the Chairs shall decide whether or not the CEO or other members of the Executive Management will participate (see section 3.3.6 of the Ina Invest OR). If necessary, others will be invited to the meetings.

The Chairman of the Board of Directors shall participate in the meetings of the Nomination and Compensation Committee as a permanent guest. As a general rule, the CEO and CFO will also participate in the Audit Committee meetings and, if necessary, one or more representatives of the external auditor and other persons designated by the Chairperson. As a general rule, the CEO will also participate in the Nomination and Compensation Committee meetings, and if necessary other persons designated by the Chairperson. Guests of the meetings of the Board of Directors and of the committees generally have no right to vote. Moreover, the CEO cannot attend Nomination and Compensation Committee or Board meetings whenever his own performance is being evaluated or his compensation is being discussed. The tables below give an overview of the number of meetings and teleconferences of the Board of Directors and of the Audit Committee, Nomination and Compensation Committee and Investment Committee at the level of Ina Invest Ltd in 2022:

	Board of Directors	Nomination and Compensation Committee	Audit Committee	Investment Committee
Number of meetings (incl. video- and telephone conferences)	8	3	3	3
Number of members	5	3	3	3
Presence rate	100%	100%	88.9%	100%

Stefan Mächler	8 of 8	Permanent guest	3 of 3	Permanent guest
Christoph Caviezel	8 of 8	3 of 3	2 of 3	3 of 3
Marie-Noëlle Zen-Ruffinen	8 of 8	3 of 3	-	3 of 3
Hans Ulrich Meister	8 of 8	-	3 of 3	-
André Wyss	8 of 8	3 of 3	-	3 of 3



3.6 Division of responsibilities

The overall management and supervision of the Group is assigned by law to the Board of Directors. In addition to the responsibilities reserved to the Board under Art. 716a of the Swiss Code of Obligations, the Board of Directors shall rule on the following major transactions in accordance with the Table of Responsibilities:

- the purchase and/or sale of investments;
- the determination of the principles of the financial policy (debt-to-equity ratio and financial indicators);
- determination of the financing plan;
- procurement of outside capital of CHF 50 million or more (credit lines, bonds, private investments and other capital market transactions, finance leasing, hire-purchase activities, etc.);
- Fundamental issues and guidelines relating to the investment of financial resources;
- the granting of any kind of loan of CHF 1 million or more to third parties;
- the granting of group guarantees and sureties, other guarantees, bid, performance and payment bonds etc., other security interests and entering into contingent liabilities outside of the ordinary course of business of CHF 1 million or more; and
- the use of financial derivatives when not used strictly for hedging purposes.

Moreover, the Board of Directors is in charge of determining the sustainability strategy.

The Board of Directors shall delegate the management of the Ina Invest Group to the CEO, unless required otherwise by law, by the Articles of Association or by the Ina Invest OR and insofar as such powers have not been delegated to the Executive Management or to individual members of the Executive Management. The CEO shall take care of the management and representation of the Ina Invest Group, unless delegated to other governing bodies by law, by the Articles of Association or by the Ina Invest OR. The CEO is responsible for the conduct of business and representation of the Group, in particular, for leadership of its operations and the implementation of corporate strategy. Insofar as such powers have not been reserved to the Board of Directors, the CEO is authorised to organise, perform and/or delegate to qualified subordinates the duties and powers assigned to him according to the Ina Invest OR, subject to providing such subordinates with proper instructions and supervision.

The CEO shall be assisted with the conduct of business by members of the Executive Management. They report directly to him. The CEO is responsible for reporting to the Chairman of the Board of Directors and/or to the Board of Directors (section 6.2.2 of the Ina Invest OR). For the details of the division of responsibilities between the Board of Directors and CEO, see the [Ina Invest OR](#) and the Table of Responsibilities

3.7 Information and control instruments with respect to the Executive Management

In order to monitor how the CEO and the other members of the Executive Management perform their assigned responsibilities, the following information and control instruments are available to the Board of Directors, among others:



Information and control instruments								
		annual		six-monthly		quarterly		monthly
Financial report (balance sheet, income statement and cash flow statement)						•		
Budget		•						
3-year plan		•						
Group Risk Assessment		•						

Swiss GAAP FER financial reporting is submitted to the Board of Directors on a quarterly basis. The half-year reporting is approved by the Board of Directors and released for publication.

As part of the budget planning for the following year, the key figures are determined on the basis of the expected economic development and set with the corporate goals. Based on these, the balance sheet, income statement, cash flow statement and liquidity planning are budgeted. The annual planning for the coming three calendar years (three-year plan) is carried out in the same way as the budget planning.

The risk situation of the Ina Invest Group is assessed once a year in a detailed risk assessment. The risk catalogue resulting from the risk assessment contains the main group risks as well as measures and persons responsible for their implementation. The risk catalogue is then discussed and approved by the Board of Directors. The implementation of the defined measures is continuously monitored by the Executive Management.

The Internal Control System shall be audited by the external auditor as required by law, and the resulting report shall be given to the Board of Directors (Art. 728a (1)(3) and 728b (1) of the Swiss Code of Obligations). The reports on the individual information instruments shall be prepared and consolidated by the CFO. They shall then be forwarded to the Board of Directors. At the AC meetings, the reports shall be presented and commented on by the CFO.

The CEO and CFO shall give a detailed report and comment on the course of business and answer the questions of the members of the Board of Directors.



3.8 Environmental, Social and Governance (ESG)

Environmental, Social and Governance conduct is an integral part of Ina Invest's core values and is continually monitored by the Board of Directors. The sustainability strategy is subject to approval by the Board of Directors. Given the size of the Board of Directors and the strategic importance of the topic, sustainability shall be discussed by the plenary Board of Directors. That is also why no separate Board of Directors committee has been formed. Ina Invest's second sustainability report 2022 is also published together with its annual financial report.

4 Executive Management

4.1 Members of the Executive Management

The Executive Management was expanded by one member, the CFO, as of 1 January 2022, and consists of two members as of 31 December 2022. The following table shows the composition of the Executive Management as of 31 December 2022:

Name	Nationality	Position	Member since
Marc Pointet	Switzerland	CEO	2020
Daniel Baumann	Switzerland	CFO	2022

4.2 Education, activities and vested interests

The following description shows the main information about the career path and education of each member of the Executive Management. It also discloses any mandates outside the Group that may be held by each member as well as any further significant activities and permanent positions in significant interest groups.

Marc Pointet CEO 1974, Swiss citizen	Memberships on boards of directors None
Education <ul style="list-style-type: none">Architect, ETH ZurichExecutive MBA, University of St. Gallen (HSG)	Additional functions and offices None



<p>Professional Experience</p> <ul style="list-style-type: none"> • since June 2020: CEO Ina Invest Group • 2013 – 2020: Head of Western Switzerland and Member of the Executive Board of Mobimo Group • 2006 – 2015: Head Project Management / Project Manager Development at Mobimo • 2003 – 2006: Head of Branch Office St. Moritz of Karl Steiner Ltd. 	
<p>Daniel Baumann</p> <p>CFO</p> <p>1979, Swiss citizen</p>	<p>Memberships on boards of directors</p> <p>None</p>
<p>Education</p> <ul style="list-style-type: none"> • Business Economist FH, University of Applied Sciences Northwestern Switzerland • Swiss certified public accountant and audit expert 	<p>Additional functions and offices</p> <p>None</p>
<p>Professional Experience</p> <ul style="list-style-type: none"> • since January 2022: CFO Ina Invest Group • 2020 – 2021: Business Partner Finance Ina Invest • 2018 – 2021: Global Business Partner Finance of Division Real Estate at Implenia Switzerland Ltd • 2013 – 2018: various senior functions at Implenia Switzerland AG • 2005 – 2013: various positions within PricewaterhouseCoopers, most recently Senior Manager Audit 	



4.3 Rules of the Articles of Association regarding the number of permissible activities according to Art. 12 (1)(1) of the Swiss Ordinance against Excessive Compensation at Stock Exchange Listed Companies (“OaEC”)

According to Art. 28 of the Articles of Association, each member of the Executive Management may hold no more than five mandates as a director or officer of legal entities outside the Ina Invest Group, only one of which may be held in an exchange-listed company. Such mandates are subject to approval by the NCC on a case-by-case basis and must be registered in the Swiss Commercial Register or a similar foreign register. If mandates are held in different legal entities of one and the same corporate group or are held on behalf of a corporate group or a legal entity, then these will be counted in their entirety as one mandate in each case. It is permissible to exceed the foregoing limits for short periods. The [Articles of Association](#) with the exact wording of the above-cited provision can be viewed as follows on Ina Invest's website.

4.4 Management contracts

There are no management contracts with third parties.

5 Compensation, shareholdings and loans

5.1 Content and procedure to determine compensation and the shareholding programmes

Please see Chapter 2 of the separate Compensation Report for further information about the content and procedure to determine compensation and the grant of shareholdings and loans to members of the Board of Directors and of the Executive Management

5.2 Rules under the Articles of Association

5.2.1 Rules under the Articles of Association concerning the principles of compensation

For information about the principles of compensation under the Articles of Association, please see Art. 15, 25 and 26 of the [Articles of Association](#) and Chapter 2 of the separate Compensation Report.

5.2.2 Rules under the Articles of Association concerning loans, credit and pension benefits

For information about the rules governing loans, credit and pension benefits under the Articles of Association, please see Art. 25 and 26 of the [Articles of Association](#) and Chapters 4.2 and 4.4 of the separate Compensation Report.



5.2.3 *Rules under the Articles of Association concerning the vote by the Annual General Meeting on compensation*

For information about the rules under the Articles of Association governing votes by the General Meeting concerning compensation, please see Art. 15 of the [Articles of Association](#) and Chapter 2 of the separate Compensation Report.

6 Shareholders' participation rights

6.1 Limitation of voting rights and proxy voting

All shareholders who are registered in the Share Register as shareholders with voting rights by the relevant cut-off date are entitled to participate and vote in the annual General Meeting. The Articles of Association do not impose any limitation on shareholders' voting rights, without prejudice to the restrictions on the transferability of shares (see section 2.5.1 of this report). Each share carries one vote. Moreover, as mentioned above, the Board of Directors is authorised to enter into agreements with the nominees on their reporting obligations (see section 2.5 of this report and the [Registration Regulations](#)).

No exceptions were granted in the reporting year. The restrictions on registration and voting rights under section 2.5.1 above may be suspended by amending the Articles of Association. Such suspension requires a General Meeting resolution passed by at least two thirds of the voting shares represented and the absolute majority of the nominal value of the shares represented (Art. 16 (1)(c) of the Articles of Association).

The shareholders' rights to participate in the General Meeting are governed by the relevant statutory provisions and the Articles of Association. Each shareholder can vote by participating personally in the General Meeting or have himself represented by an independent proxy or by another shareholder with voting rights with a written proxy form issued by the shareholder. Representation by a governing officer or custodian under Art. 689c and 689d, respectively, of the Swiss Code of Obligations, is not permitted. The general policy that both motions disclosed in the letter of invitation and motions not so disclosed should be put to vote as motions of the Board of Directors is held to be the applicable voting policy.

In addition, partnerships and legal persons can have themselves represented by authorised signatories or other authorised representatives, minors or wards by their legal representatives, and married persons by their spouse, even if the representatives are not shareholders. The Chairperson of the General Meeting decides on the admissibility of a form of representation (Art. 11 (5) of the Articles of Association).

The shareholders may grant the independent proxy instructions and powers of attorney electronically, as well, in which case the Board of Directors shall determine the requirements for such powers of attorney and instructions (Art. 11 (1) of the Articles of Association).

The Articles of Association have no further rules on issuing instructions to the independent proxy or on electronic participation in the General Meeting. The applicable rules are described in the relevant letter of



invitation.

6.2 Quorums under the Articles of Association

The General Meeting shall adopt resolutions by the majorities prescribed by law. The Articles of Association do not provide for any different majorities, except for resolutions to suspend or ease the limitations of transferability requiring a majority vote of two thirds of the voting shares represented and an absolute majority of the nominal value of the shares represented (Art. 16 (1) of the Articles of Association). Resolutions on mergers, de-mergers and conversion are subject to the rules set out in the Swiss Merger Act.

6.3 Convening the General Meeting

General meetings shall be convened by the Board of Directors; the invitation, indicating the agenda items and motions, shall be published in the Swiss Official Gazette of Commerce at least 20 days before the meeting. In addition, registered shareholders may be informed in writing (Art. 8 (1) and 9 (1) of the Articles of Association). The decision to determine the location of the General Meeting shall be made by the Board of Directors. The minutes of the General Meetings shall be published on Ina Invest's website.

6.4 Adding items to the agenda

The Board of Directors shall be responsible for adding items to the agenda. Any shareholders representing at least 1% of the issued share capital can move to add an item to the agenda (Art. 9 (2) of the Articles of Association). Such a request, specifying the agenda item and motions, shall be submitted in writing to the Board of Directors at least 45 days before the General Meeting.

6.5 Registrations in the Share Register

The invitation to the General Meeting shall be sent to the shareholders registered as shareholders with voting rights in the Share Register as of the cut-off date. The cut-off date for eligibility to vote in the General Meeting shall be set by the Board of Directors each year based on Art. 11 (2) of the Articles of Association. The data concerned shall be mentioned in the relevant invitation.

The [Articles of Association](#) with the exact wording of the above-cited provision can be viewed as follows on Ina Invest's website.



7 Change of control and defensive measures

7.1 Duty to make an offer

The Articles of Association contain an opting up clause. Any shareholder who holds more than 40% of the voting rights has a duty to submit an offer for all of the company's listed equity securities within the meaning of Art. 135 of the Financial Market Infrastructure Act (see Art. 34 of the Articles of Association).

7.2 Change-of-control clause

There are no agreements concerning change of control with members of the Board of Directors or other members of management.

8 Auditors

8.1 Duration of the Head Auditor's mandate and term of office

The auditor has been PricewaterhouseCoopers Ltd (Zurich) since financial year 2020. The duration of each mandate assigned to PricewaterhouseCoopers Ltd is one financial year (Art. 24 of the Articles of Association). The current mandate commenced on 1 June 2020. The position of Head Auditor is held by Michael Abresch. According to Art. 730a of the Swiss Code of Obligations, the head auditor's mandate shall not generally exceed seven years.

8.2 Auditing fees

In the reporting year, the fee invoiced by the auditor amounted to a total of CHF 190,000 (2021: CHF 72,500). The higher audit fee compared to the previous year is particularly related to the transaction of the CERES Group as well as the integration of the CERES companies into the Ina Invest Group.

8.3 Additional fees

There were no additional fees in the reporting year.

8.4 Informational instruments of the External Audit

In particular, the AC is tasked with effective and regular monitoring of the auditor's reports in order to ensure their quality, integrity, independency, and transparency. The auditor's representatives participated in all three AC meetings during the financial year. The audit plan, including the fees, is presented to the members of the AC and discussed with them. In the meetings, the auditor reports the main findings to the AC together with the related recommendations.



9 Information policy

Ina Invest shall maintain open and transparent communication on a regular basis with the shareholders, investors and the public. The CEO shall be available as a discussion partner for shareholders, investors and analysts. The most important information is communicated periodically as follows:

- Annual results (February/March): Publication of the Annual Report, conferences for the press and analysts
- Half-year results (August / September): Publication of the Half-Year Report, conferences for the press and analysts
- General Meeting (March/April)

Over the course of the year, Ina Invest shall provide information about significant events in the business trend through press releases and letters to shareholders. As a company listed on SIX Swiss Exchange Ltd, Ina Invest has an ad hoc public disclosure obligation, i.e., the obligation to disclose information that may potentially affect share prices. In addition, Ina Invest shall maintain a dialogue with investors and media at special events and roadshows.

The website www.ina-invest.com shall be constantly available to shareholders, investors and the public as an up-to-date news platform. It contains the main facts and figures regarding Ina Invest, [financial publications](#), presentations on important developments and the dates of all the relevant [events](#) (General Meetings, press conferences, etc.). Interested parties can sign up for the free [e-mail news service](#).

All press statements are released simultaneously on the website and in the media. All the [notices](#) are available there, too.



10 Trading blackout periods

Ina Invest has clear rules related to trading blackout periods. Fixed recurring trading blackout periods apply to everyone entrusted with financial reporting in connection with the preparation and publication of regular financial reports (annual and semi-annual reports). The information is provided by letter or by e-mail. The fixed trading blackout periods shall begin when the relevant figures become available internally, or on the balance sheet date by the latest, with the proviso that 15 December is considered to be the latest possible date in the case of the annual financial report. Each fixed trading blackout period shall end no sooner than 24 hours after the relevant publication.

Moreover, variable trading blackout periods are applicable to specific substantial corporate projects (such as restructuring or M&A transactions), which shall be announced to everyone involved in the specific project by letter or by e-mail. The variable trading blackout periods shall be applicable from notice of the project until the publication or express revocation.



Compensation report

Letter from the Nomination and Compensation Committee Chair

Dear Shareholders,

We are happy to present you with the Compensation Report of Ina Invest Holding Ltd for the financial year 2022. The financial year 2022 was marked, among other things, by the completion of the CERES Group Holding AG transaction in January and the subsequent integration of the CERES companies into the Ina Invest Group. The company was then able to confirm the outstanding ranking in the GRESB Benchmark Analysis 2021. With the exception of the extension of the Executive Management by a new CFO to two new members (CEO and CFO), the organization remained unchanged.

In recent months, the Nomination and Compensation Committee and the Board of Directors have been discussing details of the implementation of a Long-Term Incentive Plan (LTIP) and have decided to implement an LTIP starting in the 2024 financial year. The introduction of the LTIP will also change the compensation structure of the members of the Executive Management. The target incentive of the Short-Term Incentive Plan (STIP) is now 20% of the annual base salary of the members of the Executive Management and will be paid exclusively in cash. A new target incentive of 30% of the annual base salary is planned for the LTIP once it has been launched. The LTIP will be granted in the form of contingent rights to shares of Ina Invest Holding Ltd (performance share units, PSUs) linked to the achievement of two performance targets (relative total shareholder return, earnings per share) and a further ESG target to be determined over a three-year performance period.

Both for the 2022 and 2023 financial years, it is important to the Board of Directors to set ambitious targets for the Executive Management, in particular with regard to strategy and sustainability, which are reflected in the STIP targets (as outlined in the Compensation Report). The sustainability targets account for more than a fifth of the STI targets for the CEO (21.5%) and about 15% for the CFO. The fact that sustainability accounts for a large proportion of the variable compensation reflects Ina Invest's commitment to sustainable real estate and creates incentives to hold and further develop one of the most sustainable real estate portfolios in Switzerland.

The compensation system for the Board of Directors will remain unchanged, still consisting of a lump-sum fee; a third of the annual fee will be paid out in shares with a 3-year vesting period. This also ensures a long-term alignment with shareholders' interests. Members of the Board of Directors neither receive any variable compensation nor any contributions to insurance or pension schemes.

As shareholders, you will vote annually at the general meeting on the compensation of the Board of Directors and Executive Management.



As already announced last year, due to the addition of a CFO to the Executive Management Board, part of the additional amount provided for in Article 15(5) of the Articles of Association had to be drawn down as intended. The 2021 AGM approved a maximum total compensation amount of CHF 1.1 million for the Executive Management. Total expenditure for 2022 was approx. CHF 1.3 million. The compensation of the members of the Board of Directors for the financial year 2021 and the compensation of the members of the Board of Directors for the period from the 2021 AGM to the 2023 AGM fall within the maximum total compensation approved by the AGM. For the financial year 2023, the AGM approved a maximum compensation for the Executive Management of CHF 1.6 million.

The planned implementation of an LTIP for the Executive Management will not affect the proposed maximum compensation of the Executive Management for the financial year 2024; as in the previous year, this shall amount to CHF 1.6 million. In contrast, the above-proposed maximal compensation of the members of the Board of Directors for the period from the 2023 AGM to the 2024 AGM shall also remain unchanged.

In addition to its duties in connection with compensation and other regular standard agenda items (such as succession planning, board evaluation and review of external mandates), the Nomination and Compensation Committee's particular focus in the financial year 2022 lay on the implementation of an LTIP starting from the financial year 2024 onwards.

Looking ahead, we will continue to regularly evaluate and review our compensation practices and develop them further on an ongoing basis. To this end, we engage regularly with our investors, including together with the Chair of the Board of Directors.

On behalf of the Nomination and Compensation Committee I thank you for your trust and support, dear shareholders.

Marie-Noëlle Zen-Ruffinen

Chair of the Nomination and Compensation Committee



The compensation report of Ina Invest Holding Ltd (Company) provides an overview of the Company's compensation philosophy and governance, as well as the related principles and components. This report will disclose the levels of compensation of the members of the Board of Directors (hereinafter "BoD members") and the Executive Board (hereinafter "Executive Board") for the financial year 2022 and indicate their shareholdings in the Company as of 31 December 2022 along with the prior-year figures for purposes of comparison.

The compensation report of Ina Invest Holding AG complies with the relevant provisions of the Ordinance against Excessive Compensation in Listed Stock Corporations (VegüV) and, as of 1 January 2023, the Swiss Code of Obligations (OR), the Directive on Information Relating to Corporate Governance issued by SIX Exchange Regulation AG (DCG) and the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse* (SCBP).

1 Philosophy of compensation

The compensation of the Board Members and CEO of Ina Invest Holding Ltd is designed to ensure the Company's long-term success. The Company's objective is to manage one of the most sustainable real estate portfolio in Switzerland.

The compensation of the BoD members therefore consists of a fixed fee, which is based partly (one third) on blocked shares in the Company in order to ensure long-term alignment with the shareholders' interests. A substantial part of the CEO's variable compensation (financial and personal targets) is coupled with achieving the Company's sustainability targets, too. Half of the variable compensation under the STIP is paid out in Restricted Share Units (**RSUs**) with a 3-year vesting period. The Board of Directors deliberately implemented a simple compensation system for the development phase, which is tailored to a small Executive Management (one member from the IPO until the end of 2021 and two members since the beginning of 2022). Despite the omission of an LTIP for the development phase, the compensation is linked with the share of RSUs with long-term targets. The Board of Directors has now decided to implement an LTIP from the financial year 2024 onwards, with the target incentive being 30% of the annual base salary. The LTIP will be granted in the form of contingent rights to shares of Ina Invest Holding Ltd (performance share units, PSUs) linked to the achievement of two performance targets (relative total shareholder return, earnings per share) and a further ESG target to be determined over a three-year performance period. At the same time as the LTIP is launched, the target incentive of the STIP will be reduced from 40% to 20% of the annual base salary.



2 Governance of compensation

2.1 Compensation provisions in the Articles of Association

The Company's Articles of Association¹ contain the following compensation provisions required by the OaEC:

- concerning approval by the general meeting of the maximum total amounts of compensation of the Board of Directors and of Executive Management (Art. 15);
- Concerning the principles of compensation payable to the members of the Board of directors and of Executive Management, as well as the allocation of equity securities to them (Art. 25 and 26);
- concerning the additional amount of compensation for Executive Management members who will take an Executive Management position or assume additional duties after the compensation has been approved by the general meeting (Art. 15 (5)).

2.2 Nomination and Compensation Committee (NCC)

The NCC shall, in particular, also assist the Board of Directors in determining the compensation of the directors and officers (Board of Directors and Executive Management), and with the audit of the Compensation Report. The NCC particularly has the following duties related to "compensation":

- recommendations on the general compensation policy of Ina Invest Holding Ltd Group;
- recommendations of all elements of the compensation of the members of the Board of Directors and the Executive Management;
- recommendation for the maximum total compensation amount of the Board of Directors and the Executive Management;
- recommendation on the financial targets under the Short-Term Incentive Plan (**STIP**) in accordance with the annual budget;
- recommendation on the individual compensation of the CEO;
- review and recommendation of the CEO's performance under the STIP, on proposal by the Chair of the Board of Directors;
- review and approval of the performance of the other members of the Executive Management under the STIP, on proposal by the CEO;
- decision on the individual compensation of the other members of the Executive Management;
- preparation and recommendation of the Compensation Report;
- regular review of the amount and components of the compensation of the Board of Directors and the Executive Management.

Unless expressly agreed otherwise, the Board of Directors shall retain the decision-making authority.

The NCC consists of three independent, non-executive BoD members who are elected annually and individually by the AGM. The NCC Chair is appointed by the Board of Directors (from among the elected NCC



members). As pointed out in the Corporate Governance Report, the NCC in the reporting period consisted of three members: Marie-Noëlle Zen-Ruffinen (NCC Chair), Christoph Caviezel and André Wyss.

The NCC meets as often as business requires but at least two times per year. During the financial year 2022, the NCC held three ordinary meetings. All meetings were attended by all members of the NCC as well as the Chairman of the Board of Directors. The NCC reports to the Board of Directors at the BoD meeting following an NCC meeting. This procedure ensures that the Board of Directors is informed promptly and appropriately of all essential matters within the NCC's area of responsibility. In addition, all NCC documents (e.g. agenda, minutes, presentations, etc.) are available to the Board of Directors.

As a rule, the Chair of the Board of Directors and the CEO attend the NCC meetings. The Chair of the NCC may invite other executives or external advisors as appropriate. The NCC regularly holds private sessions (i.e. without the presence of members of the Executive Management or third parties). Furthermore, executives (and the Chair of the Board of Directors) do not participate during the sections of the meetings where their own performance and/or compensation are discussed.

2.3 Compensation Governance and Shareholders' Involvement

The following table provide an overview of the division of responsibilities between the Annual General Meeting, the Board of Directors, the NCC, and the CEO:

Subject area/Responsibility	NCC	Board of Directors	Annual General Meeting
Compensation policy	proposes	approves	
Compensation report	proposes and reviews	approves	advisory vote
Maximum total compensation of the Board of Directors for the period until the next annual general meeting	recommends	reviews and proposes	approves
Maximum total compensation of the Executive Management for the next financial year	recommends	reviews and proposes	approves
Individual compensation of the BoD members within the limits of the total amount approved by the GM, of the Articles of Association and the law (including any portion in shares,	recommends	decides	



Subject area/Responsibility	NCC	Board of Directors	Annual General Meeting
the related terms and conditions, the allocation date, valuation and restriction period)			
Financial and individual targets of the STIP for the CEO	recommends	decides	
Financial and individual targets of the STIP for the other members of the Executive Management	reviews and decides (on proposal by the CEO)		
CEO's performance under the STIP	reviews and decides (on proposal by the Chairman of the Board of Directors)		
Performance of the other members of the Executive Management under the STIP	reviews and decides (on proposal by the CEO)		
Individual compensation of the CEO within the limits of the total amount approved by the GM, of the Articles of Association and the law (base salary and variable compensation under the STIP)	recommends (in cooperation with the Chairman of the Board of Directors)	decides	
Individual compensation of the other members of the Executive Management within the limits of the total amount approved by the GM, of the Articles of Association and the law (base salary and variable compensation under the STIP)	recommends (in cooperation with the CEO)	decides	

The NCC has appointed HCM International Ltd. (HCM), an external, independent consulting firm, as the advisor of the NCC and Board of Directors on specific compensation issues and particularly in the connection of the implementation of the LTIP. HCM holds no further mandates with Ina Invest Holding Ltd.



Each year, based on the recommendation of the NCC, the Board of Directors shall decide on the proposal made to the general meeting (i) concerning the maximum total compensation of the Board of Directors for the period until the next annual general meeting and (ii) concerning the maximum total compensation of the Executive Management for the next financial year.

The individual compensation of the Board Members and of the Executive Management shall be reviewed annually by the NCC.

The NCC Chair shall promptly report on significant proceedings, recommendations and resolutions of the NCC to the Chair of the Board of Directors, unless the Chair of the Board of Directors participated, and shall report on same at the next Board of Directors meeting. The minutes of the NCC meetings shall be forwarded to all Board Members.

3 Principles and components of compensation

3.1 Board of Directors

Board Members shall receive a fixed fee within the framework of the maximum amount approved by the general meeting. The Board of Directors shall set the amount of compensation at its own discretion, taking the members' workload and position into account. To that purpose, the Board of Directors has enacted Rules and Regulations on the Compensation of Members of the Board of Directors, which are regularly reviewed to determine whether any adjustments are required. The Board of Directors shall not receive any variable compensation. Extra compensation is paid for the positions of Chairman, Vice-Chairman, Audit Committee Chair and NCC Chair. Additional compensation is also paid for extraordinary efforts outside the normal activities of the Board of Directors, such as acting as Investment Committee Chair at Ina Invest Ltd. No extra compensation is paid, however, for sitting on the board of directors of subsidiaries.

The table below gives an overview of the compensation for individual duties on the Board of Directors

Position	Compensation per year in office in CHF	Thereof in blocked shares of Ina Invest Holding Ltd
Chairman of the Board of Directors	200,000	1/3
Vice-Chairman of the Board of Directors	80,000	1/3
Other members of the Board of Directors	70,000	1/3
Chair of a Board of Directors committee (Audit Committee and NCC)	20,000	1/3
Chair of the Investment Committee at the subsidiary Ina Invest Ltd	20,000	1/3



Two-thirds of the compensation of members of the Board of Directors is paid in cash. In order to take the shareholders' interests into account and to link the compensation of the members of the Board of Directors to the performance of the Ina Invest Holding shares, one third of their remuneration is paid in shares. The shares allocated to the Board Members will be blocked for a period of three years. The restriction shall continue to apply – excepting cases of invalidity, departure for reasons of age, or death – also in the event of a departure from the Board of Directors.

The number of shares to be allocated to the Board Members shall be calculated on the basis of the average shares price of Ina Invest Holding Ltd in December of the relevant year.

Any cash compensation shall be paid to the Board Members quarterly in arrears.

The shares shall be distributed in a single block each year on the first trading day in January of the relevant year of the term of office, i.e. immediately after the relevant month of December used to calculate the number of shares.

The Company pays the mandatory social security contributions (AHV and ALV) on the Board of Directors' compensation. No contributions are made to insurance or pension institutions.

Board Members are reimbursed for travel expenses incurred of over CHF 50 against presentation of receipts. Each Board Member shall assume all other business expenses that he or she incurs.

3.2 Executive Management

The Executive Management consists of two members, the CEO and the CFO. The compensation of the Executive Management is a fixed fee within the framework of the maximum amount approved by the AGM and consisting of a base salary in cash and a performance-based variable component under the STIP. For the development phase and also due to the size of the Executive Management, the Board of Directors deliberately refrained from implementing a long-term incentive plan in order to avoid overengineering in the form of a complex compensation structure for only one member of the Executive Management between 1 June 2020 and 31 December 2021 and two members from 1 January 2022. The STIP, on the other hand, contains a long-term element; half of the variable compensation is paid in the form of RSUs, which are restricted for three years. RSUs may lapse in whole or in part in certain cases (see below). In the current financial year, the Nomination and Compensation Committee discussed the introduction of an LTIP and the Board of Directors decided in February 2023 to introduce it from 1 January 2024. The introduction of the LTIP will remove the long-term element in the STI (RSUs) and the STI will be fully paid in cash from 2024 onwards.

Base salary

The amount of the base salary is determined by the Board of Directors at its discretion on recommendation by the NCC, taking into account the Company's financial results, the performance of the members of the Executive Management, the economic situation and the compensation in other similar companies.



In this context, the Board of Directors conducted a benchmarking exercise with real estate companies, such as Peach Property Group Ltd, Novavest Real Estate AG, Varia US Properties Ltd, Fundamenta Real Estate Inc., Warteck Invest Ltd, PLAZZA AG, HIAG Immobilien Holding AG and Investis Holding Ltd, regarding the compensation of the CEO in 2020 and regarding the compensation of the CFO in 2021.

The base salary is a recurrent monthly payment in cash in equal instalments. The CEO's base salary of CHF 430,000 remains unchanged compared to the previous year.

STI

The compensation under the STIP shall be due and payable if and to the extent that the individually defined performance targets of the members of the Executive Management and the Group's financial targets have been achieved over the whole calendar year. The Group's financial targets shall be set each year by the Board of Directors based on the NCC recommendations and underpin Ina Invest Holding Ltd's strategic priorities, with a performance target set for each financial metric at the start of the performance year. This corresponds to the expected performance, the achievement of which would lead to a payout factor of 100% of the respective financial metric. In addition, a 0% score (underperformance) and 200% score (out-performance) are set for each individual target. The definition of the individual targets for the CEO shall likewise be determined by the Board of Directors at the proposal of the Chair of the Board of Directors and on the recommendation of the NCC. The individual targets of the other members of the Executive Management shall be defined by the NCC on proposal from the CEO.

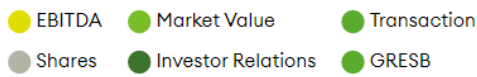
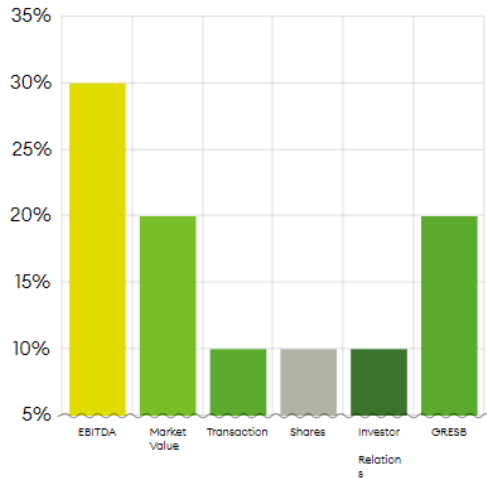
Setting targets

For 2022, the STIP compensation was determined by the following quantitative financial targets and qualitative personal targets.



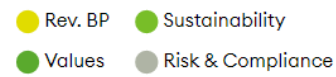
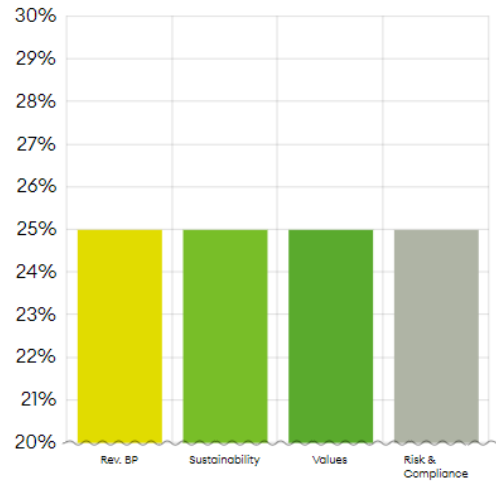
Financial goals CEO

(weighting 70%)



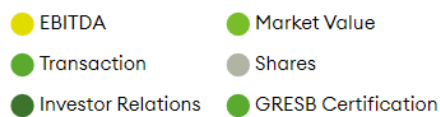
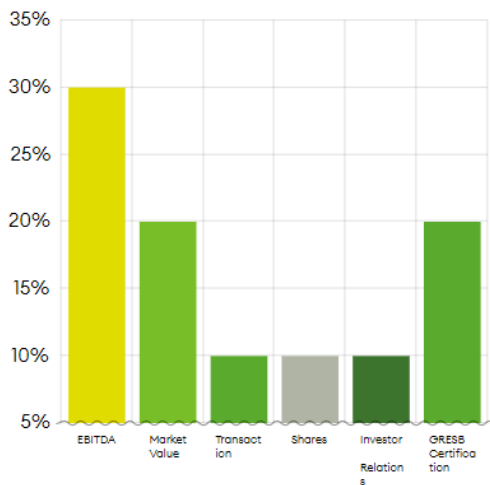
Personal goals CEO

(weighting 30%)



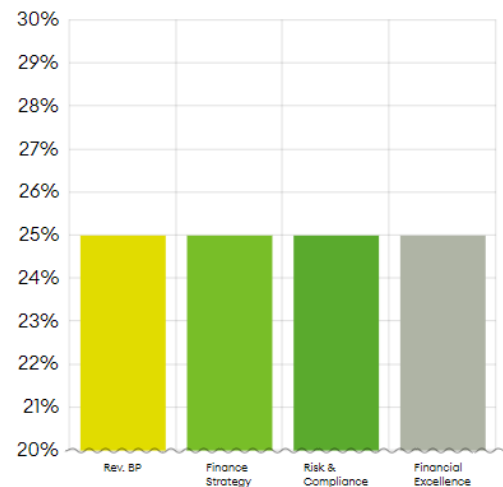
Financial goals CFO

(weighting 70%)



Personal goals CFO

(weighting 30%)





The quantitative financial targets were weighted at 70%, the qualitative personal targets at 30%. Within the financial targets, the EBITDA target was weighted at 3/10, the market value and sustainability targets at 2/10 each, and the transaction, share price and investor relations targets at 1/10 each. Sustainability was included in the STI 2022 for the CEO both as a quantitative financial target and as a qualitative personal target. The sustainability targets thus amount to around 21.5%, or around one fifth of the STI.

The Target Incentive of the STIP equals 40% of the annual base salary of the members of the Executive Management.

Performance evaluation

The actual amount of compensation under the STIP shall be determined by the Board of Directors based on the NCC recommendations, taking into account the degree of achievement of the financial and personal targets. The actual level of compensation can vary between 0% and 200% of the target incentive, and for each individual target a value between 0% (underperformance) and 200% (outperformance) is set (e.g. with regard to EBITDA: 0% for -15% of the target EBITDA and 200% for +30% of the target EBITDA; for the GRESB target, the target value corresponds to 92 points). Finally, the results of the individual targets and their weighting determine the actual amount of the STI. At year-end, the Chair of the Board of Directors makes a recommendation to the NCC regarding the individual targets for the CEO. This recommendation is discussed in the NCC and the NCC shall make the final decision regarding the achievement of targets. For the CEO, the STI target for 2022 was set of 139% (prior year: 171%). This achievement is due in particular to the fact that the EBITDA and acquisition targets as well as the sustainability targets were exceeded.

In terms of the individual targets of the other members of the Executive Management (CFO), the CEO will make a recommendation to the NCC at the end of the year; the latter will make the final decision regarding the achievement of the targets.

Payment of the STI

The compensation under the STIP shall be paid 50% in cash and 50% in Restricted Share Units (**RSUs**) with a vesting period of three years. After vesting, each RSU usually carries the right to subscribe for one registered share in Ina Invest Holding Ltd with a nominal value of CHF 0.03. The employment contracts of the members of the Executive Management stipulates that the Company can demand the return of all or part of the compensation under the STIP ("Clawback") in the event of a serious breach of the Code of Conduct or violation of statutory obligations and may also reduce future compensation under the STIP in whole or in part ("Malus").

The number of RSUs to be allocated shall be determined by the Board of Directors by dividing the relevant amount of compensation for the financial year in question by the reference price of the RSUs and then rounding up to the next whole number of RSUs. The reference price of the RSUs equals the average closing price of the Ina Invest Holding Ltd share in the calendar month immediately before the allocation of the RSUs. The RSUs vest on the third anniversary of the grant date, provided that the respective member of the Executive Management is in a non-terminated employment relationship with the Company or a subsidiary on that date. The NCC may provide for different vesting periods.



The cash component of the compensation under the STIP will be paid and the RSUs will be allocated during the month of March following the financial year under review.

Expenses, pension and benefits

Finally, the CEO and the other members of the Executive Management (CFO) will be paid fixed expenses for representation and out-of-pocket expenses. In addition, the CEO will receive a mobility allowance. The members of the Executive Management participate in the regular pension fund for all employees. The costs of employee pensions and social security benefits are funded by the required employer contributions as well as the pension fund contributions.

4 Compensation for 2022

4.1 Board of Directors compensation

Financial Year 2022

In CHF thousands	Total compensation ¹	Cash compensation	Number of shares ^{2,3}	Value of the allocated shares ⁴	Social insurance contributions	Total for 2021
Stefan Mächler (Chairman)	189	133	3,461	56	18	207
Christoph Caviezel (Vice-Chairman and Chair of the IC)	95	67 ⁵	1,730	28	4	99
Hans Ulrich Meister (Member and Chair of the AC)	85	60	1,557	25	9	94
Marie-Noëlle Zen-Ruffinen (Member and Chair of the AC)	85	60	1,557	25	9	94
André Wyss (Member)	67	47	1,212	20	7	74
Total	521	367	9,768	158	47	568

¹ First, the total compensation is stated and then divided into cash compensation and shares.

² Registered shares of Ina Invest Holding Ltd, ISIN CH0524026959, at a nominal value of CHF 0.03 each.

³ The calculation is based on the average share price in December 2022. The shares were allocated on 3 January 2023.

⁴ The value of the shares is calculated as follows: average share price in December 2022 less 16.038% tax discount due to the 3-year blocking period.

⁵ The cash remuneration was invoiced by and paid each time to Blureal AG, a public limited company wholly owned by Christoph Caviezel



Financial Year 2021

In CHF thousands	Total compensation ¹	Cash compensation	Number of shares ^{2,3}	Value of the allocated shares ⁴	Social insurance contributions	Total for 2021
Stefan Mächler (Chairman)	189	133	3,558	56	19	208
Christoph Caviezel (Vice-Chairman and Chair of the IC)	94	67 ⁵	1,691	27	4	98
Hans Ulrich Meister (Member and Chair of the AC)	84	60	1,521	24	8	92
Marie-Noëlle Zen-Ruffinen (Member and Chair of the AC)	84	60	1,521	24	8	92
André Wyss (Member)	66	47	1,245	20	7	74
Total	517	367	9,536	151	46	564

¹ First, the total compensation is stated and then divided into cash compensation and shares.

² Registered shares of Ina Invest Holding Ltd, ISIN CH0524026959, at a nominal value of CHF 0.03 each.

³ The calculation is based on the average share price in December 2021. The shares were allocated on 3 January 2022.

⁴ The value of the shares is calculated as follows: average share price in December 2021 less 16.038% tax discount due to the 3-year blocking period.

⁵ The cash remuneration was invoiced by and paid each time to Blureal AG, a public limited company wholly owned by Christoph Caviezel

The general meeting of 30 March 2022 approved the Board of Directors' maximum total compensation of CHF 650,000 for the period from that date until the next annual general meeting of 2023.

The compensation increased by CHF 4,000 relative to the prior year. The change is due to rounding as well as higher social security contributions. Compensation otherwise remained unchanged.



Reconciliation between the reported Board compensation and the amount approved by the shareholders at the AGM

AGM 2022 – AGM 2023	Compensation in the financial year 2022 (A)	Minus the compensation from January to AGM 2022 (B)	Plus the compensation from January to the AGM 2023 (C)	Compensation in the period from AGM 2022 to AGM 2023 (A)-(B)+(C)	The maximum compensation approved at the AGM 2022 for the period from the listing date until the AGM 2023	Ratio of paid compensation to approved compensation
	31.3.2022–31.12.2022	1.1.2022–31.3.2022	1.1.2023–31.3.2023	1.4.2022–30.3.2023		
Total in CHF thousands	568	141	142	569	650	87.5%

AGM 2021 – AGM 2022	Compensation in the financial year 2021 (A)	Minus the compensation from January to AGM 2021 (B)	Plus the compensation from January to the AGM 2022 (C)	Compensation in the period from AGM 2021 to AGM 2022 (A)-(B)+(C)	The maximum compensation approved at the AGM 2021 for the period from the listing date until the AGM 2022	Ratio of paid compensation to approved compensation
	31.3.2021–31.12.2021	1.1.2021–31.3.2021	1.1.2022–31.3.2022	1.4.2021–30.3.2022		
Total in CHF thousands	564	146	141	559	650	86.0%

4.2 Additional information about the Board of Directors' compensation

Ina Invest Holding Ltd does not grant any loans or credit to past or present Board Members or their related parties.

In the financial year 2022, no compensation was paid to former Board Members or to persons who are related parties of past or present Board Members



4.3 CEO's compensation

Financial Year 2022

In CHF thousands	Base salary (cash)	Total under STIP ³	Cash component under STIP ⁴	Number of RSUs under STIP ^{5, 6}	Attributable value of RSUs ⁷	Further compensation ⁸	Social security contributions ⁹	Total for 2022
Marc Pointet (CEO) ¹	430	239	119.5	6,048	119.5	29	144	842
Other members of the Executive Management ²	275	146	73	3,701	73	-	83	504
Total	705	385	192.5	9,749	192.5	29	227	1,346

¹ This is the highest compensation of a member of the Executive Management.

² Daniel Baumann, CFO, was part of the Executive Management throughout the financial year.

³ First the total variable compensation under the STIP is stated and then divided into cash compensation and RSU. In 2022, 139% of the STI target was achieved by the CEO (previous year: 171%) and 133% by the CFO.

⁴ The cash component for the 2022 performance year will be disbursed in the following year.

⁵ An RSU is a conditional entitlement to acquire a registered share in Ina Invest Holding Ltd, ISIN CH0524026959, at a nominal value of CHF 0.03.

⁶ The calculation is based on the average share price (closing price) in January 2023. The RSUs will be granted in March 2023.

⁷ The value of the RSUs corresponds to the average share price in January 2023, since the share price at grant is not known until after the publication of the Compensation Report.

⁸ Further compensation means perks such as mobility allowance and child benefits.

⁹ The social security expenses include the mandatory employer's contributions as well as the pension fund contributions according to the governmental requirements and market practices.

Financial Year 2021

Marc Pointet (CEO)	Base salary (cash)	Total under STIP ¹	Cash component under STIP ²	Number of RSUs under STIP ^{3, 4}	Attributable value of RSUs ⁵	Further compensation ⁶	Social security contributions ⁷	Total for 2021
Total	430	294	147	7,835	147	29	148	901

¹ First the total variable compensation under the STIP is stated and then divided into cash compensation and RSU. In 2021, 171% of the STI target was achieved (previous year: 120%).

² The cash component for the 2021 performance year will be disbursed in the following year.

³ An RSU is a conditional entitlement to acquire a registered share in Ina Invest Holding Ltd, ISIN CH0524026959, at a nominal value of CHF 0.03.

⁴ The calculation is based on the average share price (closing price) in January 2022. The RSUs will be granted in March 2022.

⁵ The value of the RSUs corresponds to the average share price in January 2022, since the share price at grant is not known until after the publication of the Compensation Report.

⁶ Further compensation means perks such as mobility allowance and child benefits.

⁷ The social security expenses include the mandatory employer's contributions as well as the pension fund contributions according to the governmental requirements and market practices.

The general meeting of 31 March 2021 approved the CEO's maximum total compensation of CHF 1,100,000 for the financial year 2022. As already announced last year, due to the addition of a CFO to the Executive Management, part of the additional amount provided for in Article 15(5) of the Articles of Association had to be drawn down as intended. The total compensation paid to the Executive Management in the financial year 2022 is approximately 22.4% above the approved maximum amount.



The CEO's variable compensation in the financial year 2022 amounted to 139% of the fixed compensation; that of the other members of the Executive Management (CFO) amounted to 133%.

The compensation increased by about CHF 445,000 compared to the previous year. The change is due to the fact that the Executive Management has comprised two members since 1 January 2022. The CEO's monthly base salary remains unchanged compared to the previous year.

4.4 Additional information on the compensation of the Executive Management

Ina Invest Holding Ltd does not grant any loans or credit to past or present Executive Management members or their related parties.

For the financial year 2022, no compensation was paid to former Executive Management members or to persons who are related parties of past or present Executive Management members.

The employment contracts of the members of the Executive Management are for an indefinite period and may be terminated on 6 months' notice.

5 Shareholdings as of 31 December 2022

5.1 Board of Directors

The table below shows the number of Ina Invest Holding Ltd shares held by the individual Board Members and their related parties as of 31 December 2022 (including numbers from the previous year).

	Number of shares as of 31.12.2021 ^{1, 2}	Number of shares as of 31.12.2020 ^{1, 3}	Shares blocked until		
			2023	2024	2025 ⁵
Stefan Mächler (Chairman)	15,508 (18,933)	11,939 (15,508)	-	2,939	3,569 (3,425)
Christoph Caviezel (Vice-Chairman)	7,255 (8,967)	3,950 (5,735)	-	1,470	1,785 (1,712))
Hans Ulrich Meister (Member)	39,870 (41,411)	38,264 (39,870)	717	1,323	1,606 (1,541)



André Wyss ⁴ (Member)	59,231 ⁴ (60,430)	47,797 (49,046)	-	1,029	1,249 (1,199)
Marie-Noëlle Zen-Ruffinen (Member)	2,929 (4,470)	1,323 (2,929)	-	1,323	1,606 (1,541)
Total	124,793 (134,211)	103,273 (113,088)	717	8,084	9,815 (9,418)

¹ Registered shares of Ina Invest Holding Ltd, ISIN CH0524026959, at a nominal value of CHF 0.03 each.

² The shares allocated for the year of office 2022/23 were transferred on 3 January 2023 (in brackets, including the shares allocated on 3 January).

³ The shares allocated for the year of office 2021/22 were transferred on 3 January 2022 (in brackets, including the shares allocated on 3 January).

⁴ The 10 185 restricted share units allocated to André Wyss under his 2019 Long Term Incentive Plan at Implenla vested on 6.4.2022 and were converted into 10 185 registered shares

⁵ The shares allocated on 3 January 2023 are shown in brackets. The shares are blocked until 3 January 2026.

5.2 Executive Management

The following table shows the number of shares and RSUs held by the members of the Executive Management and their related parties as at 31 December 2022.

	Number of shares		Number of RSU		RSU blocked until		
	31.12.2022	31.12.2021	31.12.2022	31.12.2021	2023	2024	2025
Marc Pointet (CEO)	-	-	10,886	3,182	-	3,182	7,704
Daniel Baumann CFO)	266	NA	-	-	-	-	-

Ina Invest Holding AG

Glattpark (Opfikon)

Report of the statutory auditor
to the General Meeting

on the remuneration report 2022

Report of the statutory auditor

to the General Meeting of Ina Invest Holding AG

Glattpark (Opfikon)

Report on the audit of the remuneration report

Opinion

We have audited the remuneration report of Ina Invest Holding AG (the Company) for the year ended 31 December 2022. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14 to 16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Ordinance) in the tables on pages 47 to 52 of the remuneration report.

In our opinion, the information on remuneration, loans and advances in the remuneration report (pages 47 to 52) complies with Swiss law and article 14 to 16 of the Ordinance.

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 in the remuneration report, the consolidated annual financial 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. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to article 14 to 16 of the Ordinance is free from material misstatement, whether due to fraud or error, and to

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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.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment 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



Dr. Michael Abresch
Licensed audit expert
Auditor in charge



Philipp Gnädinger
Licensed audit expert

Zürich, 27 February 2023



Ina Invest Holding Ltd

Consolidated financial statements of Ina Invest Group as at 31 December 2022



Consolidated income statement

in CHF thousands	Note	01.01. - 31.12.2022	01.01. - 31.12.2021
Rental income from properties	2.8	11,304	2,772
Income from the sale of promotional properties	2.1	4,908	17,298
Other direct operating income	2.7	1,973	610
Operating income		18,185	20,680
Gains from change in fair value of investment properties	2.2	23,793	19,788
Losses from change in fair value of investment properties	2.2	(10,956)	(3,500)
Result from change in fair value of investment properties		12,837	16,288
Result from disposal of investment properties		727	-
Direct rental expenses	2.8	(1,908)	(385)
Direct expenses from the sale of promotional properties	2.1	(3,645)	(15,449)
Other direct operating expenses		(2,747)	(1,508)
Direct operating expenses		(8,300)	(17,342)
Personnel expenses	4.2	(3,145)	(1,452)
Other operating expenses	2.9	(4,163)	(3,805)
Other operating expenses		(7,308)	(5,257)
Operating result (EBIT)		16,141	14,369
Financial income	3.2	8,509	-
Financial expenses	3.2	(3,313)	(195)
Earnings before income taxes		21,337	14,174
Income taxes	4.1	(2,253)	(2,195)
Profit		19,084	11,979
- attributable to the shareholders of Ina Invest Holding Ltd		9,551	6,924
- attributable to minorities		9,533	5,055
Earnings per share (EPS) (in CHF)	3.6	0.98	0.78
Diluted earnings per share (in CHF)	3.6	0.98	0.78



Consolidated balance sheet

in CHF thousands	Note	31.12.2022	31.12.2021
Assets			
Cash and cash equivalents		12,597	11,129
Trade accounts receivable		807	-
Other current receivables	2.4	8,856	1,065
Promotional properties	2.1	21,229	58,949
Inventories		121	-
Accrued income and prepaid expenses	2.5	5,655	9,967
Total current assets		49,265	81,110
Investment properties	2.2	786,404	328,738
Tangible fixed assets		75	-
Intangible assets	2.3	21,691	21,451
Other non-current assets	1.3	-	17,700
Other non-current receivables	2.6	2,847	859
Total non-current assets		811,017	368,748
Total assets		860,282	449,858
Liabilities and equity			
Current financial liabilities	3.1	307,283	-
Trade accounts payable		2,478	3,952
Advance payments for promotional properties		-	120
Other current liabilities	2.4	3,448	118
Accrued expenses and deferred income	2.5	5,964	4,191
Total current liabilities		319,173	8,381
Non-current financial liabilities	3.1	35,821	43,000
Deferred tax liabilities	4.1	85,850	41,552
Other non-current liabilities	2.6	8,682	7,260
Total non-current liabilities		130,353	91,812
Total liabilities		449,526	100,193
Share capital	3.5	293	266
Capital reserves	3.5	208,953	192,658
Treasury shares	3.5	(185)	(185)
Retained earnings	3.5	17,734	8,318
Equity attributable to shareholders of Ina Invest Holding Ltd		226,795	201,057
Minority interests	3.5	183,961	148,608
Total equity		410,756	349,665
Total liabilities and equity		860,282	449,858



Consolidated cash flow statement

in CHF thousands	Note	01.01. - 31.12.2022	01.01. - 31.12.2021
Profit		19,084	11,979
Result from change in fair value of investment properties	2.2	(12,837)	(16,288)
Other non-cash income and expenses		(413)	478
Income taxes	4.1	2,253	2,195
Financial result	3.2	(5,196)	195
Changes in			
– Trade accounts receivable		(424)	453
– Promotional properties	2.1	2,228	13,189
– Inventories		(121)	-
– Other current receivables and accrued income and prepaid expenses		5,032	(3,658)
– Trade accounts payable		(3,816)	486
– Advance payments for promotional properties		(120)	(340)
– Other current liabilities and accrued expenses and deferred income		748	1,276
– Provisions		-	(610)
Income taxes paid		(311)	-
Cash flow from operating activities		6,107	9,355
Investments in investment properties	2.2	(108,661)	(36,560)
Proceeds from disposals of investment properties	2.2	3,237	-
Investments in intangible assets	2.3	(240)	(155)
Investments in other non-current assets		-	(17,700)
Acquisition of subsidiaries, net of cash acquired	1.3	(78,429)	-
Cash flow from investing activities		(184,093)	(54,415)
Proceeds from capital increase	3.5	35,500	-
Payments for capital increase cost	3.5	(1,368)	-
Acquisition of treasury shares	3.5	(185)	(159)
Disposals of treasury shares	3.5	3	-
Interest paid		(2,818)	(84)
Payments for other financial expenses		(559)	(686)
Payments for unwinding of interest rate swaps	3.2	(4,057)	-
Proceeds from current financial liabilities	3.1	255,934	-
Proceeds from non-current financial liabilities	3.1	-	43,000
Repayment of current financial liabilities	3.1	(1,250)	-
Repayment of non-current financial liabilities	3.1	(101,746)	-
Cash flow from financing activities		179,454	42,071
Net change in cash and cash equivalents		1,468	(2,989)
Cash and cash equivalents as at the beginning of the period		11,129	14,118
Cash and cash equivalents as at the end of the period		12,597	11,129



Consolidated statement of changes in equity

in CHF thousands	Note	Share capital	Capital reserves	Treasury shares	Retained earnings	Shareholders' equity	Minority interests	Total equity
Balance as at 31.12.2020		266	192,541	(165)	1,394	194,036	143,553	337,589
Profit		-	-	-	6,924	6,924	5,055	11,979
Share-based payments	4.2	-	256	-	-	256	-	256
Transfer of vested shares	3.5	-	(139)	139	-	-	-	-
Purchase of treasury shares	3.5	-	-	(159)	-	(159)	-	(159)
Balance as at 31.12.2021		266	192,658	(185)	8,318	201,057	148,608	349,665
Profit		-	-	-	9,551	9,551	9,533	19,084
Capital increase	3.5	27	16,447	-	-	16,474	-	16,474
Capital increase subsidiary	3.5	-	(280)	-	-	(280)	34,607	34,327
Offset of goodwill	1.3	-	-	-	(135)	(135)	(202)	(337)
Share-based payments	4.2	-	311	-	-	311	-	311
Transfer of vested shares	3.5	-	(183)	183	-	-	-	-
Purchase / sale of treasury shares	3.5	-	-	(183)	-	(183)	-	(183)
Dividend payments	4.3	-	-	-	-	-	(8,585)	(8,585)
Balance as at 31.12.2022		293	208,953	(185)	17,734	226,795	183,961	410,756

Notes to the consolidated annual financial statements

1 General information and principles

1.1 General information

Ina Invest Holding Ltd (the Company) is a Swiss company domiciled at Thurgauerstrasse 101A, Glattpark (Opfikon), Switzerland. The Company's consolidated financial statements cover the Company and its subsidiaries (referred to collectively as "the Group" or "Ina Invest"). The individual companies are to be considered group companies.

The Group's business activities comprise developing and building of real estate and construction projects of all kinds, planning and completion of new buildings and conversions of real estate held by Ina Invest, as well as holding, managing, renting and brokering of real estate.

The consolidated financial statements were prepared in accordance with the full Accounting and Reporting Recommendations (Swiss GAAP FER), including Swiss GAAP FER 31 "Complementary recommendations for listed companies" and provides a true and fair view of the Group's assets, financial situation and earnings. The consolidated financial statements comply with the provisions of Swiss law. The Group discloses the additional information for real estate companies as required by the Swiss stock exchange (SIX Swiss Exchange) (Article 17 of the Directive on Financial Reporting of SIX Swiss Exchange).

The consolidated financial statements have been prepared under the assumption of going concern for the Group's business. Valuations in the consolidated financial statements are based on historical acquisition or



production costs, unless a standard prescribes another valuation basis for an item in the financial statements, or another value was used based on an accounting policy choice. This is the case for the investment properties presented in note 2.2, which were valued at fair value.

The consolidated financial statements are presented in Swiss francs (CHF), the Company's functional currency. Unless otherwise stated, all financial information is presented in Swiss francs, rounded to the nearest thousand.

1.2 Consolidation principles

The consolidated financial statements are based on the stand-alone financial statements prepared in accordance with consistent principles as at 31 December 2022 by all group companies in which the Company directly or indirectly holds more than 50% of voting rights or which it controls in another way.

In addition to the Company, the subsidiaries included in the scope of consolidation are:

Name of the company	Domicile	Share capital in CHF thousands		Votes and capital share		Directly controlled by	Inclusion in consolidated financial statements
		31.12.2022	31.12.2021	31.12.2022	31.12.2021		
Ina Invest Ltd	Opfikon	202	202	57.5%	57.5%	Ina Invest Holding Ltd	FC
Ina Invest Development Ltd	Opfikon	200	110	69.1%	100.0%	Ina Invest Ltd	FC
CERES Group Holding Ltd ¹	Pratteln	250	-	100.0%	-	Ina Invest Development Ltd	FC
Buss Immobilien und Service Ltd ¹	Pratteln	5,000	-	100.0%	-	CERES Group Holding Ltd	FC
Bredella Ltd ¹	Pratteln	500	-	100.0%	-	Buss Immobilien und Services Ltd	FC

FC = Full consolidation

¹ Subsidiaries were acquired as of 21 January 2022. For more information refer to 1.3.

All companies in the scope of consolidation operate in the real estate sector.

Implenia Ltd holds the remaining voting rights and shares in Ina Invest Ltd (42.5%; 31 December 2021: 42.5%). The minority interests in Ina Invest Development Ltd are distributed among various third-party investors, of whom none can exercise any significant influence.

Subsidiaries are included in the consolidated financial statements from the date on which control is assumed and excluded from the date on which control is relinquished. These dates do not necessarily coincide with the contractually agreed acquisition or disposal date respectively. Capital consolidation is performed according to the purchase method. This involves the group companies' equity being offset against the carrying amount of the parent company's investment at the time when it is purchased or, if appropriate, at the date of incorporation. Assets and liabilities of the group company are measured at fair value as at this date in accordance with principles that are consistent throughout the Group. The difference between the acquisition cost and the remeasured net assets is reported as goodwill or negative goodwill ("badwill"), which is offset against equity. Transaction costs are recognised as part of the acquisition cost.

Using the full consolidation method, the assets and liabilities of the consolidated companies were recognised in full in the consolidated annual financial statements. Intragroup assets and liabilities are eliminated, as are intragroup income and expenses. Minority interests in group companies are disclosed within equity,



however, separately from equity that is attributable to the shareholders of Ina Invest Holding Ltd. Minority interests in profit or loss are disclosed as part of consolidated income statement.

1.3 Changes in the scope of consolidation

As of 21 January 2022, 100% of the shares in CERES Group Holding Ltd were acquired by the indirectly controlled group company Ina Invest Development AG. The core of the CERES Group Holding Ltd real estate portfolio is the Buss site at Pratteln railway station with the development project "Bredella". With a surface area of 82,600 m² and a viable floor space of 172,500 m², the site is to be transformed into a lively central district with 70% residential space (more than 1,000 apartments) and 30% commercial space in the next 20 years.

Prior to the acquisition, Ina Invest Development Ltd performed a capital increase, in which external investors were involved in addition to Ina Invest Ltd. Part of the purchase price was settled with shares of the Company. For this purpose, an authorized capital increase was performed. For further information please refer to note 3.5.

The acquired net assets of CERES Group Holding Ltd and its subsidiaries Buss Immobilien und Services Ltd and Bredella Ltd (hereinafter referred to as "CERES Group"), measured at fair value, comprise of:

TCHF	21.01.2022
Cash and cash equivalents	374
Current receivables	495
Investment properties	313,048
Tangible fixed assets	122
Current liabilities	(8,586)
Derivative financial instruments (interest rate swaps)	(12,562)
Non-current liabilities	(112,009)
Deferred tax liabilities	(42,553)
Net assets acquired	138,329
Goodwill	337
Total purchase price	138,666
<i>thereof advance payment made in the prior period</i>	<i>17,700</i>
<i>thereof cash payment made as of acquisition date</i>	<i>77,387</i>
<i>thereof deferred purchase price payment</i>	<i>25,494</i>
<i>thereof issued shares of Ina Invest Holding AG</i>	<i>16,669</i>
<i>thereof transaction cost</i>	<i>1,416</i>



The advance payment made was recognised in other non-current assets as of 31 December 2021. The deferred purchase price payment is reported in non-current financial liabilities. The goodwill of CHF 337 thousand resulting from the acquisition was offset pro rata against the equity of the Company's shareholders and the equity share of the minorities at the date of acquisition.

1.4 Management assumptions and estimates

In order to prepare the consolidated financial statements in accordance with Swiss GAAP FER, management has to make estimates, assessments and assumptions that impact the application of the accounting and valuation methods as well as the presentation and reported amounts of assets, liabilities, income and expenses. The estimates and assumptions are based on experience and various other factors that are considered relevant in the prevailing circumstances. The actual results may deviate from these estimates.

Estimates and assumptions are reviewed regularly. Changes in estimates may be necessary if the circumstances on which the estimated values are based have changed or if there is new information or additional insights. Such changes are recognised in the reporting period in which the estimate is adjusted.

Management estimates and assumptions applied in Swiss GAAP FER that may have a significant impact on the consolidated financial statements or involve a high risk of adjustment in the following year are explained in the subsequent notes:

Item	Additional information
Investment properties	Note 2.2.
Deferred taxes	Note 4.1.



2 Operating activities

The following section presents additional information on the operating result and the current and non-current assets relevant to the Group's operating activities. The notes on assets primarily concern the promotional and investment properties.

2.1 Promotional properties

Promotional properties include projects involving condominium apartments intended for sale at a later date.

in CHF thousands	31.12.2022	31.12.2021
Projects under development	20,014	53,854
Projects under construction	1,215	5,095
Projects in sale	-	-
Total promotional properties	21,229	58,949

In particular, the change in the carrying amount of the projects under development was affected by the transfer of the project Lokstadt Rocket in Winterthur in the amount of CHF 34,917 thousand to the balance sheet item investment properties. For further information please refer to note 2.2. The decrease in the carrying amount of the projects under construction is mainly attributable to the sale of 8 condominium apartments of the project Ernst-Jung-Gasse 18 (Lokstadt Tender) in Winterthur.

The plots of land on which the projects are being built are completely owned by Ina Invest at the beginning of a project. Ina Invest develops the plots of land until it receives a building permit for them and then makes them ready to be built on. Construction begins as soon as most of the condominium apartments have been reserved. The projects, Ernst-Jung-Gasse 18 (Lokstadt Tender) in Winterthur and Auf der Höhe 12-18 (Am Schwinbach) in Arlesheim have Implenia Group acting as general contractor. In terms of risks and rewards, a distinction is made between sold and unsold projects under construction as well as completed projects being sold:

- **Projects under construction:** During the construction phase, Ina Invest, as the owner of the plots of land, bears the material risks and rewards from the development and implementation until the units are sold to an end customer. Accordingly, acquisition cost for the plot of land and part of development costs attributable to the unsold units are recognised in promotional properties. When units are sold, Ina Invest transfers the relevant portion of the fully developed land to the buyer, who concludes or has already concluded an agreement with a general contractor to build the unit. Ina Invest no longer bears any risks or rewards for these units after their sale, which is why the acquisition cost for the plot of land and development cost for this unit is de-recognised at the time of the transaction and no further development costs are recognised. Investment commitments towards the general contractor for the realisation of yet unsold units are disclosed in note 3.3.



- Projects in sale:** For unsold units, the cost of work performed by the general contractor is transferred to Ina Invest after construction is completed. Ina Invest is obliged to accept the work provided during the construction phase. Ina Invest sells units not yet sold by the end of the construction as turnkey units to the end customers. Ina Invest bears the material risks and rewards concerning the condominium apartments between the end of construction until the sale, therefore acting as seller of the portion of the plot of land and the respective development cost share.

The following table shows the change in the number of the projects' condominium apartments included in the promotional properties.

In units	Projects under development	Projects under construction	Projects in sale	Total
Balance as at 31.12.2020	201	37	-	238
<i>Of which reserved</i>	-	23	-	23
Additions	3	-	-	3
Disposals from notarised sales	-	(27)	-	(27)
Balance as at 31.12.2021	204	10	-	214
<i>Of which reserved</i>	-	6	-	6
Disposals from notarised sales	-	(8)	-	(8)
Transfer between categories ¹	(83)	-	-	(83)
Balance as at 31.12.2022	121	2	-	123
<i>Of which reserved</i>	-	-	-	-

¹ In the reporting period, it was decided to develop the project Lokstadt Rocket in Winterthur entirely as an investment property. Therefore, acquisition costs were reclassified to the balance sheet item investment properties. For further information please refer to note 2.2.

In 2021, the additions of projects under development result from the change in use of the project Avenue des Grandes-Communes (Les Tattes) at Onex.

Result from the sale of promotional properties

Income from the sale of promotional properties is attributable to 8 condominium units in the project Lokstadt Tender at Ernst-Jung-Gasse 18 in Winterthur, which were sold during the reporting period (2021: 27 condominium units).



in CHF thousands	01.01. - 31.12.2022	01.01. - 31.12.2021
Income from the sale of promotional properties	4,908	17,298
Direct expenses from the sale of promotional properties	(3,645)	(15,449)
Result from the sale of promotional properties	1,263	1,849

Accounting policies

In promotional properties, each unit is measured at the lower of acquisition cost and fair value less cost to sell. Any impairment to the lower fair value less cost to sell is recognised in the relevant category of the item promotional properties. Any value adjustments to the lower fair value less cost to sell as well as value recoveries on promotional properties are recognised in the result for the period.

The **Projects under development** category includes plots of land already owned by Ina Invest or down payments on notarised land purchases as well as any directly attributable accrued development costs if construction has not yet been started.

The capitalised acquisition costs for projects are reclassified to the **Projects under construction** category when construction starts. This category contains plots of land or parts thereof that have not yet been sold and that contain properties whose construction has not yet been completed.

The capitalised acquisition costs of condominium apartments not yet sold include the plot of land on which they stand, the directly attributable development costs and the accrued costs assumed under the contract for the construction work and services performed up to that point.

Unsold condominium apartments whose construction has been completed are reported under **Projects in sale**. Ina Invest is obliged to take over the work that the general contractor has performed under its contract for work and services. The capitalised costs comprise the plot of land, the directly attributable development costs and the costs assumed under the contract for work and services. Ina Invest sells these as turnkey units to end customers, assuming the price and sales risk for unsold units but also receiving the economic benefit from their sale.

Income from the sale of promotional properties usually is the selling price. Units sold from projects under construction generally correspond to the price attributable to the portion of the plot of land, while income from the sale of turnkey units is recognised as the selling price for the unit's land and development cost. Proceeds resulting from the sale of plots of land or subplots as well as completed condominium apartments generally are recognised once the risks and rewards have been transferred to the buyer. This date is defined in the sales agreement (generally this is the date of transfer of ownership).

Transfers from the balance sheet item promotional properties to investment properties are recognised at acquisition cost at the date of transfer. The date of transfer is the date on which the Investment Committee formally decided to change the long-term strategy of the property.



2.2 Investment properties

Investment properties comprise plots of land and properties that are expected to be held and managed over a longer period of time. This item includes properties under development, properties under construction and portfolio properties held for rent.

in CHF thousands	Properties under development	Properties under construction	Portfolio properties	Properties down payments	Total
Cumulative acquisition costs					
Balance as at 31.12.2020	144,470	62,767	52,374	-	259,611
Additions	1,917	32,469	1,009	3,982	39,377
Performance-based development fee	2,110	2,213	(178)	-	4,145
Balance as at 31.12.2021	148,497	97,449	53,205	3,982	303,133
Additions	8,710	24,052	60,331	-	93,093
Additions through changes in the consolidation scope	11,410	-	301,638	-	313,048
Performance-based development fee	2,633	1,490	18	-	4,141
Additions / Amortisation of lease incentives	-	2,051	-	-	2,051
Disposals	-	-	(2,420)	-	(2,420)
Transfer between balance sheet items	34,917	-	-	-	34,917
Transfer between categories	(4,798)	4,798	3,982	(3,982)	-
Balance as at 31.12.2022	201,369	129,840	416,754	-	747,963
Cumulative changes in fair value					
Balance as at 31.12.2020	2,263	4,158	2,896	-	9,317
Gains from change in fair value	10,517	8,852	419	-	19,788
Losses from change in fair value	(2,369)	-	(1,131)	-	(3,500)
Balance as at 31.12.2021	10,411	13,010	2,184	-	25,605
Gains from change in fair value	16,944	4,608	2,240	-	23,792
Losses from change in fair value	(8,655)	-	(2,301)	-	(10,956)
Transfer between categories	(671)	671	-	-	-
Balance as at 31.12.2022	18,029	18,289	2,123	-	38,441
Carrying amounts of investment properties					
Balance as at 31.12.2020	146,733	66,925	55,270	-	268,928
Balance as at 31.12.2021	158,908	110,459	55,389	3,982	328,738
Balance as at 31.12.2022	219,398	148,130	418,876	-	786,404

The additions through changes in the consolidation scope result from the acquisition of CERES Group. For further information please refer to note 1.3.

The contractual agreements with Implenia Group as a partner for the development of investment properties include a performance-based development fee for the services rendered (see note 4.3). This



contractual arrangement applies to all investment properties in the portfolio as at the balance sheet date. The performance-based development fee corresponds to 20% of the project result between the market values and the investment acquisition costs before settlement of the performance-based development fee. For Ina Invest, this contractual mechanism can lead to an increase or also a reduction of the development costs recognised on the basis of other contractual elements. Generally, the performance-based development fee is settled after completion of the development project. Thereafter, the development partner Implenia Group has no further share of a potential increase or reduction in the value of the investment property. The performance-based development fee recognised as at balance sheet date resulted in non-current receivables from and non-current liabilities to the developer (see note 2.6). Without the contractually agreed performance-based development fee, the gains from change in fair value would amount to CHF 30,703 thousand (31 December 2021: CHF 24,885 thousand) and the losses from change in fair value to CHF 13,726 thousand (31 December 2021: CHF 4,452 thousand). The net result from change in fair value would be CHF 4,140 thousand higher than presented in the income statement as at the balance sheet date (31 December 2021: CHF 4,145 thousand higher).

In the reporting period, investments in investment properties resulted in a cash outflow of CHF 108,661 thousand (31 December 2021: CHF 36,560 thousand). The cash outflows from ordinary additions amounted to CHF 97,885 thousand (31 December 2021: CHF 36,560 thousand). The remainder of CHF 10,776 thousand are cash outflows from payments of the performance-based development fee, payments of capitalized lease incentives as well as payments of liabilities for development services assumed as part of the CERES acquisition.

The category properties under construction includes the Lokstadt Bestandeshallen property on Zürcherstrasse in Winterthur, which has a negative market value of CHF 12,370 thousand as at 31 December 2022 due to cross-site uses (e.g. kindergarten) (31 December 2021: negative market value of CHF 21,440 thousand). These cross-site use increases the attractiveness of the surrounding properties. Therefore, as part of the spin-off transaction in April 2020, Implenia Group has contractually agreed to assume an obligation of 40% of the cost of the work supplied by the general contractor up to a maximum of nominal CHF 27,000 thousand plus VAT. This assumption of costs is subject to conditions regarding timing and specific use and requires a contract for work and services. The current carrying amount of the investment property – when considering Implenia Group's future cost contributions – amounts to CHF 6,791 thousand as of 31 December 2022 (31 December 2021: CHF 3,756 thousand).

Valuation methods

Property valuations are carried out by Wüest Partner Ltd, Zurich, an external, independent and qualified valuation expert. The properties are valued in accordance with the discounted cash flow method (DCF method), whereby the fair value of a property is determined by the sum of the entire estimated future net income discounted to the present value. The net income (EBITDA) for each property is discounted individually taking into account property-specific risks and rewards, as well as market conditions and risks. For properties under development or under construction, the value of the project is determined in three steps:

- Valuation of the property at the time of its completion, taking into account the current occupancy rate, market and cost estimates as at the cut-off date;



- Determination of the market value as at balance sheet date, in light of the forecasted future investments;
- Estimation of the risk, taking into account the separate cash flow of a cost item.

The discount rates, market rents and vacancy rates have been identified as material non-observable input factors. The values used are summarised below.

Non-observable input factors used as at 31 December 2022

	Information in	Properties under development	Properties under construction	Portfolio properties
Discount rate				
Discount rate, range	%	2.25%-3.40%	2.60%-3.60%	2.45%-3.30%
Achievable market rents				
Office space	CHF per m ²	205-280	261	104-400
Residential space	CHF per m ²	228-429	NA	488-588
Hotel space	CHF per m ²	260	242-293	NA
Parking space inside	CHF per unit	1,452-2,030	1,800-2,008	1,325-2,841
Commercial/industrial space	CHF per m ²	169-300	200-255	55-380
Others	CHF per m ²	80-240	38-279	76-170
Vacancies				
Bandwidth vacancy rate	%	1.50%- 7.50%	4.90%-5.50%	2.80%-10.00%

The average discount rate of the Ina Portfolio was 2.73% while the average discount rate of the CERES Portfolio was 2.72% (31 December 2021: 2.79% for the Ina Portfolio). As at acquisition date (21 January 2022) the average discount rate of the CERES Portfolio was 2.73%.

Compared to the previous period, there was a significant change in the bandwidth of expected achievable market rents for portfolio properties. This change is mainly caused by the acquisition of the CERES Portfolio which includes old buildings and portfolio properties in areas with lower market rents than those of the Ina Portfolio.



Non-observable input factors used as at 31 December 2021

	Information in	Properties under development	Properties under construction	Portfolio properties
Discount rate				
Discount rate, bandwidth	%	2.40%-3.45%	2.60%-3.60%	2.50%-3.20%
Achievable market rents				
Office space	CHF per m ²	205-280	261	324-410
Residential space	CHF per m ²	210-397	NA	585
Hotel space	CHF per m ²	253-293	242	NA
Parking space inside	CHF per unit	1,452-2,160	2'100	2'400
Commercial/industrial space	CHF per m ²	200-300	400	NA
Others	CHF per m ²	90-280	50-120	120-380
Vacancies				
Bandwidth vacancy rate	%	1.50%- 6.00%	4.90%-5.00%	5.00%-6.90%

Beyond that, uncertainties regarding future investments remain. Details on the valuation methods and assumptions are stated in the report by the valuation expert.



Additions/ transfers/ sales in the reporting period

The following additions from acquisitions, changes in use as well as transfers between categories took place during the reporting period:

Property	Description	From	To
Rue du Grand-Pré 54, 1202 Geneva	In March 2022, Ina Invest completed the acquisition of the existing property on Rue du Grand-Pré in Geneva. The purchase price and the capitalised transaction costs related to the acquisition of the property amounted to CHF 62,482 thousand, of which CHF 3,982 thousand was paid as a down payment in 2021.	-	Investment properties; category «Portfolio properties»
Dialogplatz 1 (Lokstadt Rocket), 8400 Winterthur	<p>In June 2022, the management of Ina Invest decided to fully develop the project Lokstadt Rocket as an investment property. This decision reflects a strategic realignment on the Lokstadt site, on which Ina Invest intends to be represented with the lighthouse project Rocket after its completion. Accordingly, the acquisition costs of the promotional property of CHF 34,917 thousand were included in the balance sheet item "Investment properties"; category "Properties under development". Additionally, the projects Lokstadt Rocket and Lokstadt Tigerli were merged into the project Lokstadt Rocket/Tigerli.</p> <p>The revaluation gain from the reclassification of the project Lokstadt Rocket from promotional properties to investment properties is estimated at approximately CHF 2,300 thousand. In addition to the restructuring of the project into an investment property, there were further adjustments to the detailed project design as part of the strategic reorientation, such as an increase in the future viable floor space, which also contributed to an increase in the market value.</p>	Promotional properties; «Projects under development»	Investment properties; category «Properties under development»



Zürcherstrasse (Lokstadt Bestandeshallen), 8400 Winterthur	In June 2022, construction work began on part of the project Lokstadt Bestandeshallen. The acquisition costs and the accumulated changes in fair value were transferred to the category "Properties und construction".	Investment properties; category «Properties under development»	Investment properties; category «Property under construction»
Kentucky Saloon, Gallenweg 22, 4133 Pratteln	In November 2022 the sale of the portfolio property Kentucky Saloon was notarised. At the same time, the investment property was derecognized from the balance sheet. The sales price amounting to CHF 3,237 thousand was fully paid in the reporting period.	Investment properties; category «Portfolio properties»	-

Encumbered investment properties

As at 31 December 2022, 11 collaterals for mortgage notes on investment property used for project financing were issued (31 December 2021: 5 collaterals). The recognised fair value of these properties amounts to CHF 732,647 thousand as at 31 December 2022 (31 December 2021: CHF 196,190 thousand). For further information refer to note 3.1.

Significant Management assumptions and estimates

The investment properties have been valued at fair value, which correspond to the expected income, respectively cash flow discounted by applying a risk-adjusted discount rate. The valuations are based on different significant estimates and assumptions, such as the achievable market rents, the expected vacancy rates and the discount rate. Projects under development also require estimates and assumptions regarding future investments, permits and project timelines. Changes in these estimates and assumptions may cause material changes in the values recognised in the balance sheet.



Accounting policies

The initial recognition is at acquisition cost including directly attributable costs. Acquisition costs include an estimate of the recognised part of the performance-based development fee to which the developer is contractually entitled or for which he has a contractual refund obligation. The property valuations prepared by the independent valuation expert form the basis of the estimate. Borrowing costs that are directly attributable to the investment properties under construction are recognised in financial expenses. Investments for replacements and expansions are capitalised if they are likely to generate future economic benefits for Ina Invest. This is generally the case if the market value or the value in use increases substantially or if the useful life is significantly extended.

Investment properties are subsequently measured at fair value, provided the value can be determined reliably. As a rule, this will be the case as soon as a specific project exists. If the fair value of a property cannot be determined reliably, it is recognised in the balance sheet at acquisition cost less any impairment. Changes in the fair value are recognised through profit or loss. The net result from changes in fair value of the investment properties is attributable to changes in their market values.

Properties under development comprise undeveloped plots of land and properties where comprehensive work is planned. Construction, renovation or repurposing plans are prepared for these properties. The **Properties under construction** category consists of properties where a building permit has been granted and construction has already begun. Properties are reclassified to this category once construction starts. When a building is (partially) opened, it is transferred to the "Portfolio properties" category. **Portfolio properties** consists of properties which are held rented over a longer period of time or which development is planned for the long-term.



2.3 Intangible assets

in CHF thousands	Purchase rights and purchase commitments	Total
Cumulative acquisition costs		
Balance as at 31.12.2020	21,176	21,176
Additions	275	275
Balance as at 31.12.2021	21,451	21,451
Additions	240	240
Balance as at 31.12.2022	21,691	21,691
Cumulative impairments		
Balance as at 31.12.2020	-	-
Balance as at 31.12.2021	-	-
Balance as at 31.12.2022	-	-
Carrying amount of intangible assets		
Balance as at 31.12.2020	21,176	21,176
Balance as at 31.12.2021	21,451	21,451
Balance as at 31.12.2022	21,691	21,691

The additions to intangible assets in the amount of CHF 240 thousand (31 December 2021: CHF 275 thousand) led to a cash outflow of CHF 240 thousand as at 31 December 2022 (31 December 2021: CHF 155 thousand).

As at 31 December 2022 and 31 December 2021, intangible assets included the purchase rights for plots of land located at Rue du Château in Prévèrenge (plot size: 2,763 m²). The execution of the purchase right shall take place when the neighbourhood plan becomes legally effective, but no later than 28 February 2025.

Purchase rights disclosed as intangible assets correspond to acquisition costs for purchase rights or purchase commitments. The nominal amount of non-recognisable commitments arising from purchase commitments amounts to a total of CHF 5,007 thousand (31 December 2021: CHF 5,007 thousand).



Accounting policies

Intangible assets are identifiable, non-monetary assets without physical existence. Intangible assets are recognised in the balance sheet at acquisition or production costs less accumulated amortisation and impairment.

The purchase rights reported in the reporting periods presented were transferred to Ina Invest on 1 April 2020 in the course of the asset transfer. These purchase rights entitle Ina Invest to acquire property items. They were recognised at fair value at the time of the asset transfer, which represented the acquisition costs at that time. They are not amortised subsequently as the purchase rights are not used during the useful life and as the underlying land parcels are not subject to wear and tear.

Intangible assets are subject to an impairment test at each sheet date. If there is an indication that intangible assets could be impaired, the recoverable amount is determined. The recoverable amount is the higher of the net selling price and the value in use. Should the carrying value of the asset exceed the recoverable amount, an impairment is recorded in the result for the period. Reversal of past impairment losses are recognised in the result for the period.

2.4 Other current receivables and liabilities

TCHF	31.12.2022	31.12.2021
Receivables from development contracts for properties	6,932	-
Income tax receivables	729	566
Receivables from value added taxes	508	459
Other current receivables	687	40
Total other current receivables	8,856	1,065

TCHF	31.12.2022	31.12.2021
Payables from performance-based development fee	2,399	-
Advance payments from tenants	467	-
Other current liabilities	582	118
Total other current liabilities	3,448	118

Accounting policies

Other current receivables and liabilities are recognised and measured at nominal value.



2.5 Accruals, prepayments and deferrals

in CHF thousands	31.12.2022	31.12.2021
Accrued income from the sale of promotional properties	4,604	9,370
Prepaid expenses from costs directly attributable to financial liabilities	756	575
Other accrued income and prepaid expenses	295	22
Accrued income and prepaid expenses	5,655	9,967

The prepaid expenses from costs directly attributable to financial liabilities include a portion in the amount of CHF 573 thousand (31 December 2021: CHF 352 thousand) which will be realised in more than 12 months from balance sheet date. These prepaid expenses are considered as current items since they are realisable within the operating life cycle of Ina Invest.

in CHF thousands	31.12.2022	31.12.2021
Accrued expenses for development fees	2,018	1,856
Accrued expenses for taxes	1,881	900
Accrued expenses for asset and portfolio management	483	-
Accrued ancillary cost tenants	368	-
Accrued expenses for accounting, audit and consulting fees	361	1,117
Accrued expenses for bonus payments	237	129
Other accrued expenses and deferred income	616	189
Accrued expenses and deferred income	5,964	4,191

Accounting policies

Accrued income and prepaid expenses as well as accrued expenses and deferred income are recognised and measured at nominal value.

2.6 Other non-current receivables and liabilities

in CHF thousands	31.12.2022	31.12.2021
Receivables from performance-based development fee	2,847	859
Total other non-current receivables	2,847	859

in CHF thousands	31.12.2022	31.12.2021
Payables from performance-based development fee	8,682	7,260
Total other non-current liabilities	8,682	7,260



Receivables and payables from the performance-based development fee have resulted from the contractually agreed variable development fee of Implenia Group depending on project results (positive or negative). For further information, please refer to notes 2.2 and 4.3.

Accounting policies

Receivables and payables from the performance-based development fee are measured at the estimated fair value. Other non-current receivables and liabilities are recognised and measured at nominal value.

2.7 Segment reporting

The two real estate portfolios, for which the Board of Directors and the Executive Board are provided separate reports for the purposes of corporate management, are regarded as segments of the Group.

Ina Portfolio

This segment comprises of the real estate portfolio of the group company Ina Invest Ltd, including promotional and investment properties in the areas of Zürich/Winterthur, central, north-western, and western Switzerland.

CERES Portfolio

This segment comprises of the real estate portfolio and service business of CERES Group, which was acquired by the group company Ina Invest Development Ltd in the current reporting period. The real estate portfolio essentially consists of the Buss site at Pratteln train station with the "Bredella" development project. For further information on the acquisition of CERES Group refer to note 1.3.

Group functions

The segment includes income and expenses that cannot be allocated to any segment. This segment essentially relates to the activities of the group management.

Until the acquisition of CERES Group, the Group's real estate portfolio was managed as a single segment by the Board of Directors and the Executive Board. In accordance with Swiss GAAP FER 31, the Group thus had a single segment until the acquisition of CERES Group on 21 January 2022. For this reason, no segment information is disclosed for comparative period.



in CHF thousands	Ina Portfolio	CERES Portfolio	Group functions	Eliminations	Total
Segment income statement					
01.01.-31.12.2022					
Rental income from properties	3,589	7,715	-	-	11,304
Income from the sale of promotional properties	4,908	-	-	-	4,908
Other direct operating income	182	1,791	3,612	(3,612)	1,973
Operating income	8,679	9,506	3,612	(3,612)	18,185
Result from change in fair value of investment properties	11,467	1,370	-	-	12,837
Result from sale of investment property	-	727	-	-	727
Operating expenses	(9,007)	(6,774)	(3,439)	3,612	(15,608)
Operating result (EBIT)	11,139	4,829	173	-	16,141
Financial result					5,196
Earnings before taxes					21,337
Income taxes					(2,253)
Profit					19,084
Promotional and investment properties per segment					
31.12.2022					
Promotional properties	21,229	-	-	-	21,229
Investment properties	473,767	312,637	-	-	786,404
Total	494,996	312,637	-	-	807,633

Other direct operating income

In the reporting period, other direct operating income from third parties mainly consists of services provided by the BUSS industrial park. The entire portion of other direct operating income in the comparative period resulted from the release of a provision in connection with the investment property Lokstadt Bestandeshallen in Wintherthur.

2.8 Rental income from properties

During the reporting period, Ina Invest generated rental income from investment properties amounting to CHF 11,304 thousand (31 December 2021: CHF 2,772 thousand). This rental income is mainly attributable to the three investment properties Bredella Mid and East in Pratteln, Chemin des Olliquettes 10 in Petit-Lancy and Rue du Grand-Pré 54 in Geneva (31 December 2021: Chemin des Olliquettes 10 in Petit-Lancy, Rue du Valais 7 in Geneva, Schaffhauserstrasse 220-224 in Zurich).



in CHF thousands	01.01. - 31.12.2022	01.01. - 31.12.2021
Rental income from properties	11,304	2,772
Direct rental expenses	(1,908)	(385)
Result from rental of properties	9,396	2,387

Maturity of long-term rental agreements

This maturity schedule shows the terms of commercial rental agreements (e.g., for hotels, commercial and industrial uses). Rental income from residential properties is not included as these agreements may be terminated on a short-term notice.

in CHF thousands	31.12.2022	31.12.2021
Rental income within 1 year	8,930	709
Rental income within 2 to 5 years	41,685	26,028
Rental income after 5 years	108,185	115,478
Total future rental income from non-cancellable leases (without residential properties)	158,800	142,215

Most important tenants

The rental income of the following five most important tenants accounts for 37.4% of the entire target rental income during the reporting period (31 December 2021: 75.6%).

In %	01.01.- 31.12.2022	01.01.- 31.12.2021
Ringele AG	13.8%	NA
SA Régie du Rhône	9.4%	47.9%
Buss AG	6.8%	NA
Mission Permanente de l'Inde	3.8%	16.6%
Buss-SMS-Canzler GmbH	3.6%	NA
JUWO-Jugendwohnnetz	NA	4.8%
Guinée - Mission Permanente	NA	3.4%
Délégation permanente de la Ligue des États Arabes	NA	2.9%
Total	37.4%	75.6%



Rental losses due to vacancies

Rental losses due to vacancies in portfolio properties amounted to CHF 1,710 thousand during the reporting period (31 December 2021: CHF 149 thousand), which corresponds to a vacancy rate (comparing vacancies to target rental income) of 13.4% (31 December 2021: 5.1%). The increase in rental losses due to vacancies compared to the comparative period was mainly due to the acquisition of CERES portfolio. Vacancies are partly due to the current development status of certain projects where vacancies were deliberately accepted (e.g. planned termination of leases in portfolio properties).

Accounting policies

Rental income from the letting of properties represents net rental income, i.e., target rental income less rental losses and vacancy losses.

Rental agreements are operating leases. Rental income is recognised in the income statement on an accrual basis over the lease term. If tenants are granted significant rent incentives (e.g., rent-free periods), the equivalent value of the incentive is recognised on a straight-line basis over the entire term of the lease as an adjustment to income from rentals.

2.9 Other operating expenses

in CHF thousands	01.01. - 31.12.2022	01.01.- 31.12.2021
Accounting expenses	(943)	(589)
Administrative expenses	(782)	(999)
Marketing	(814)	(498)
Consulting expenses	(667)	(331)
Capital taxes	(382)	(442)
Acquisition expenses	(191)	(821)
Other operating expenses	(384)	(125)
Total other operating expenses	(4,163)	(3,805)



3 Financing

This section contains information on the financing of the Group through debt and equity.

3.1 Financial liabilities

As at 31 December 2022 Ina Invest has nine framework credit agreements (31 December 2021: six) at the following terms and conditions:

	Investment properties	
	31.12.2022	31.12.2021
Amounts of credit line in CHF thousands	386,190	177,190
Property liens in CHF thousands	394,150	180,950
Credit sum drawn down as at balance sheet date in CHF thousands	309,025	43,000
Maturity period	perpetual ¹	perpetual ¹
Interest rate	variable	variable

¹ In principle, the framework loan agreements are agreed for an indefinite term. However, two fixed-term agreements with a credit line of CHF 57,000 thousand, of which CHF 42,000 had been utilised as of 31 December 2022 (31 December 2021: one loan agreement with a fully utilised credit line of CHF 18,000 thousand) were concluded with an expected maturity date in 2023.

For further information on property liens, please refer to note 2.2.

The following table presents the terms of the utilised loans and other financial liabilities as of the balance sheet date.

in CHF thousands	Currency	31.12.2022			31.12.2021		
		Interest rate	Maturity	Amount	Interest rate	Maturity	Amount
Loans secured by mortgages	CHF	0.65%-1.73%	2023-2024	309,025	0.55%-0.60%	2023	43,000
Deferred purchase price payment	CHF	NA	NA	25,494	NA	NA	-
Dividends payable to related parties ¹	CHF	NA	2023	8,585	NA	NA	-
Total financial liabilities				343,104			43,000
<i>Of which current</i>				307,283			-
<i>Of which non-current</i>				35,821			43,000

¹ For more information on financial liabilities towards related parties refer to note 4.3 and 4.5.

Financial liabilities presented as current as of 31 December 2022 are mainly variable-interest mortgage-backed fixed advances with a term of less than 12 months from the balance sheet date, which were concluded based on the Group's framework loan agreements which are secured by mortgages. The Group generally strives for ongoing refinancing, which is why, as a rule, no repayments of the tranches utilised are expected at the end of the contractually guaranteed term.



In the first half of 2022, the Group renegotiated the financing of the group companies acquired in the reporting period, which led to repayment of long-term financial liabilities amounting to CHF 101,746 thousand as well as repayment of short-term financial liabilities in the amount of CHF 1,010 thousand that were acquired through acquisition of subsidiaries. For further information on net assets acquired refer to note 1.3.

The deferred purchase price payment for the acquisition of CERES Group is due after the final approval of the district plan «Bredella West», but no later than 31 December 2027. 38 Shares of CERES Group Holding Ltd were pledged to secure deferred purchase price payment.

Accounting policies

Financial liabilities are recognised at nominal value. Directly attributable transaction costs are recognised as accrued expenses and released to profit or loss over the term of the underlying credit agreement.

Financial liabilities due within 12 months of the balance sheet date or those for which the counterparty can claim settlement within 12 months of the balance sheet date in accordance with the contractual agreement respectively, are classified as current financial liabilities.

3.2 Financial result

in CHF thousands	01.01. - 31.12.2022	01.01. - 31.12.2021
Income from unwinding of interest rate swaps	8,504	-
Other financial income	5	-
Total financial income	8,509	-

in CHF thousands	01.01. - 31.12.2022	01.01. - 31.12.2021
Interest expense	(2,921)	(84)
Other financial expenses	(392)	(111)
Total financial expenses	(3,313)	(195)

As part of the acquisition of CERES Group, interest rate swaps with negative replacement value in the amount of CHF 12,562 thousand were recognised. The income from unwinding of interest rate swaps in the reporting period in the amount of CHF 8,505 thousand resulted solely from the positive effect of market



interest rate movements on the replacement values recognised as liabilities. All swaps were terminated in the reporting period, resulting in a cash outflow of CHF 4,057 thousand.

3.3 Non-recognisable commitments

As at 31 December 2022, the Group has off-balance sheet commitments arising from agreements concluded with Implenla Group in relation to future developments and construction investments amounting to CHF 9,917 thousand (31 December 2021: CHF 36,337 thousand).

in CHF thousands	31.12.2022	31.12.2021
Promotional properties	1,373	5,758
Investment properties	8,544	30,580
Total non-recognisable commitments from future development and construction investments	9,917	36,337

Furthermore, Ina Invest has non-recognisable commitments for leases amounting to CHF 6,226 thousand as at 31 December 2022 (31 December 2021: CHF 6,358 thousand) arising from building leases with a residual term to maturity of around 44 years (31 December 2021: 45 years). CHF 5,542 thousand (31 December 2021: 5,684 thousand) of which are due in more than five years. Additional building lease contracts exist for which the future cash outflows cannot be determined because they are dependent on the development plans and building permits for the respective building areas.

Accounting policies

In the case of an agreement to use the plots for which building leases interest is paid, the entity assesses whether the agreements are classified as operating lease or finance lease. Payments made for an operating lease are recognised in the income statement for the duration of the lease or the leasehold.

3.4 Contingent liabilities

Each financial year, Implenla Group may sell up to 5% of its investment in Ina Invest Ltd to Ina Invest Holding Ltd (put option). In doing so, the Company may decide whether it prefers cash or Ina Invest Holding shares in consideration. If Implenla Group exercises the put option, the sales price will equal the implicit market value of Ina Invest Ltd. The implicit market value will be determined based on the share price of Ina Invest Holding Ltd. The value of the associated contingent liability is estimated at CHF 141,628 thousand as at 31 December 2022 (31 December 2021: CHF 122,416 thousand).



Accounting policies

Payment commitments to minority shareholders arising from their put options for the corresponding minority interests are equivalent to contingent liabilities and are therefore not recognised in the balance sheet.

3.5 Equity

Share capital

The share capital of the parent Company, Ina Invest Holding Ltd, amounts to CHF 292,596 as at 31 December 2022 (31 December 2021: CHF 265,997) and consists of 9,753,216 registered shares with a nominal value of CHF 0.03 each (31 December 2021: 8,866,560 registered shares with a nominal value of CHF 0.03 each). A capital increase from authorised capital was carried out on 19 January 2022, in course of which 886,656 shares with a nominal value of CHF 0.03 each were issued.

Shareholders are entitled to receive the fixed dividends as well as one vote per share at the Company's Annual General Meeting.

Conditional share capital

In accordance with the Company's Articles of Association, the conditional share capital can be increased by a maximum of CHF 13,299.84 by issuing up to 443,328 registered shares with a nominal value of CHF 0.03 each, which are to be fully paid up. Such an increase is to be carried out by exercising option rights granted to employees or members of the Board of Directors of the Company or group companies.

Capital reserves and minority interests in equity

The capital reserves correspond to the difference between, on the one hand, the monetary contributions and contributions in kind made by shareholders as valued in accordance with the provisions of Swiss GAAP FER and, on the other hand, the nominal values of the shares received associated with the respective stages of contribution. Moreover, in accordance Swiss GAAP FER, share-based compensations (see note 4.2), transaction costs from equity transactions as well as impacts from transactions with treasury shares are recognised in capital reserves. Due to valuation differences the capital reserves reported in the consolidated balance sheet are not identical to the capital reserves in accordance with the Company's separate statutory financial statements.

The effect of the capital increase of 19 January 2022 on the Company's equity is presented below:



2022						
in CHF thousands	Share capital	Capital reserves	Retained earnings	Share-holders' equity	Minority interests	Total equity
Issue of shares for the acquisition of CERES Group Holding AG	27	16,642	-	16,669	-	16,669
Capital increase costs	-	(195)	-	(195)	-	(195)
Capital increase	27	16,447	-	16,474	-	16,474

For information on the acquisition of CERES Group Holding Ltd, please refer to note 1.3.

On 21 January 2022, a capital increase was executed by Ina Invest Development Ltd, in which external investors participated as minority shareholders. As part of the capital increase, Ina Invest Ltd's voting and capital share in Ina Invest Development Ltd was reduced from 100% to 69.1%. The effect of the transaction on the Group's equity is presented below:

2022						
in CHF thousands	Share capital	Capital reserves	Retained earnings	Share-holders' equity	Minority interests	Total equity
Proceeds from capital increase	-	-	-	-	35,500	35,500
Capital increase expenses	-	(466)	-	(466)	(707)	(1,173)
Re-allocation	-	186	-	186	(186)	-
Capital increase subsidiaries	-	(280)	-	(280)	34,607	34,327

The capital contributions did not fully match the new shareholding ratios, which resulted in a re-allocation.



Treasury shares

	Number of registered shares	Portfolio in CHF thousands
Balance as at 31.12.2020	9,500	165
Acquisition of treasury shares	8,542	159
Transfer of vested shares	(8,084)	(139)
Balance as at 31.12.2021	9,958	185
Acquisition of treasury shares	9,500	185
Sale of treasury shares	(143)	(3)
Transfer of vested shares	(9,815)	(183)
Balance as at 31.12.2022	9,500	185

The purchase and sale prices of treasury shares always corresponded to market prices. In the reporting period, the average purchase price per share was CHF 19.45 (31 December 2021: CHF 18.66). The average transaction price on the sale of treasury shares was CHF 18.38 per share. The transfer of vested shares was recognised at historical costs, which amounted to CHF 18.62 per share (31 December 2021: CHF 17.25).

Effects of the theoretical capitalization of goodwill

Goodwill from the acquisition of CERES Group amounting to CHF 377 thousand (refer to note 1.3) was offset with retained earnings at acquisition date and proportionally allocated to the shareholders of the Company and minority shareholders. Goodwill theoretically capitalised at the acquisition date would have been charged to the income statement of the period immediately after the acquisition through a one-off impairment and would therefore be fully written-off as at 31 December 2022. The theoretically capitalised goodwill would not be recoverable, as the material cash flows of the cash-generating unit were already fully taken into account in the market valuation of the acquired portfolio and thus accounted for. The equity as at 31 December 2022 would therefore be identical to the amount reported on this balance sheet date in case of a theoretical goodwill capitalisation, while the profit for the reporting period would be CHF 377 thousand lower.

Non-distributable, statutory or legal reserves

As at 31 December 2022 reserves of Ina Invest Group comprise of a non-distributable amount (legal reserves) of CHF 3,000 thousand (31 December 2021: CHF 154 thousand).



Accounting policies

Directly attributable transaction costs from equity transactions such as capital increases are recognised in equity as a reduction in capital reserves after deducting the associated income tax.

Treasury shares are recognised at acquisition cost at the date of acquisition. The allocation as well as the resale are each valued at cost using the FIFO method. Gain or loss from resale is directly attributed to the capital reserves.

3.6 Net Asset Value (NAV) / earnings per share

NAV is calculated as follows:

in CHF thousands	31.12.2022	31.12.2021
Promotional properties	21,229	58,949
Investment properties	786,404	328,738
Intangible assets (purchase rights)	21,691	21,451
Total value of property portfolio	829,324	409,138
Other assets and liabilities	(418,568)	(59,473)
NAV (equity including minorities)	410,756	349,665
NAV (equity excluding minorities)	226,795	201,057
NAV (shareholders' equity excluding minorities) per share (in CHF)	23.28	22.70

Earnings per share are calculated as follows:

In CHF thousands, as indicated	01.01. - 31.12.2022	01.01. - 31.12.2021
Profit attributable to shareholders of Ina Invest Holding AG	9,551	6,924
Weighted average number of shares outstanding	9,718,577	8,868,948
Earnings per share (in CHF)	0.98	0.78
Profit attributable to shareholders of Ina Invest Holding AG	9,551	6,924
Weighted average number of shares outstanding ¹	9,726,254	8,873,555
Diluted earnings per share (in CHF)	0.98	0.78

¹The potential shares (restricted share units and similar) that could lead to a dilution in the number of shares are taken into account in determining the weighted average number of shares outstanding in the calculation of diluted earnings per share.



In the current reporting period, the Company's share capital has been increased. For information on the capital increase, please refer to note 3.5.

4 Other disclosures

This section contains information that has not already been disclosed elsewhere in the consolidated annual financial statements.

4.1 Income taxes

Income tax expenses

Income tax expenses are composed of the following:

in CHF thousands	01.01. - 31.12.2022	01.01. - 31.12.2021
Current year income taxes	508	139
Deferred income taxes	1,745	2,056
Total income taxes	2,253	2,195

Based on the applicable tax rate of Ina Invest Holding Ltd the reasons for the deviation from the effective tax burden are as follows:

in CHF thousands	01.01. - 31.12.2022	01.01. - 31.12.2021
Earnings before income taxes	21,337	14,174
Expected income tax rate	18.4%	18.4%
Expected income taxes	3,923	2,612
Taxes at other rates (incl. property gains taxes)	(1,033)	444
Effects from changes in tax rates	-	(334)
Effects from non-capitalised tax losses carried forward	438	3
Effects from utilisation of non-capitalised tax losses carried forward	(24)	(19)
Other effects	(1,051)	(511)
Effective income taxes	2,253	2,195
Effective income tax rate	10.6%	15.5%

A major part of the effect taxes at other rates results from gains from change in fair value of investment properties which are mostly subject to property gains tax.

The average applicable tax rate based on the ordinary result is 18.3% (31 December 2021: 18.4%). The reduction results from changes in the scope of consolidation.



Deferred tax liabilities and deferred tax assets

in CHF thousands	Total
Deferred tax liabilities as at 31.12.2020	39,496
Increase from revaluations and depreciation	3,937
Changes in tax rates	(334)
Utilisation of capitalised tax losses carried forward	1,133
Changes in deferred tax liabilities due to the sale of promotional properties	(2,629)
Other effects	(51)
Deferred tax liabilities as at 31.12.2021	41,552
Increase from changes in the scope of consolidation	42,553
Increase from revaluations and depreciation	3,138
Capitalised tax losses carried forward	(714)
Changes in deferred tax liabilities due to the sale of promotional and investment properties	(474)
Other effects	(205)
Deferred tax liabilities as at 31.12.2022	85,850

If a revaluation in the consolidated balance sheet in comparison to the tax values involved recoverable write-offs, the taxes were segregated for each property after deducting any property gains tax and considered separately. For this, income tax rates ranged between 6.5% and 20% (31 December 2021: 11% to 20%).

Two different taxation systems are used if revaluations exceed the recoverable write-offs. In cantons that do not foresee any special taxation, the taxes are also calculated with the tax rates mentioned above. Other cantons levy separate property gains tax ranging from 20% to 40% depending on the duration of ownership plus direct federal taxes of 7.83% (31 December 2021: 20% to 40% plus direct federal taxes of 7.83%).

Ina Invest generally expects the duration of ownership to be at least 20 years, which is why no speculation surcharges have been considered. In the case of promotional property, the actual holding period up to the date of sale is considered.

During the reporting period, no deferred tax assets were reversed as tax losses carried forward from the previous period were used (31 December 2021: CHF 1,133 thousand). For tax losses carried forward amounting to CHF 3,634 thousand (31 December 2021: CHF 0), deferred taxes assets were recognised. For the remaining tax losses carried forward amounting to CHF 3,274 thousand (31 December 2021: CHF 7,177 thousand) no deferred tax assets were recognised as it is not considered likely that they can be charged against future taxable profits. Existing tax losses carried forward in the amount of CHF 6,009 thousand will expire within 7 years and CHF 889 thousand will expire within 4 to 6 years (31 December 2021: CHF 7,117 thousand within 6 years).



Significant Management assumptions and estimates

In certain cantons, the taxation of profits from the sale of a property is subject to a special property gains tax. The level of the relevant tax rate depends on the property's holding period and may vary significantly. Should the actual holding period for the properties differ from the expected holding period, this will result in a tax burden that diverges from the accrued deferred tax liabilities once the sale has been completed.

Accounting policies

Income taxes include all current and deferred income taxes. Current year income taxes are determined based on the taxable results. Deferred income taxes are calculated based on the temporary differences between Swiss GAAP FER balance sheet items and the values indicated in the tax balance sheet, i.e., the view depends on the balance sheet. Deferred taxes are calculated using the expected tax rates applicable and the property gains tax on properties sold.

Deferred tax credits for temporary differences which may be deducted, and tax losses carried forward are only recognised to the extent that it is probable that future taxable profit will make such a claim possible. Deferred tax assets are reviewed on every balance sheet date and reduced to the point where it is no longer probable that the relevant tax benefit can be realised.

Current year and deferred income tax liabilities and assets are netted if they are levied by the same tax authorities and pertain to the same taxable entity.

4.2 Personnel

Personnel expenses and pension schemes

in CHF thousands	01.01. - 31.12.2022	01.01. - 31.12.2021
Wages and salaries	(2,291)	(961)
Share-based payments	(311)	(256)
Pension expenses	(246)	(105)
Social security expenses	(227)	(85)
Other personnel expenses	(70)	(45)
Total personnel expenses	(3,145)	(1,452)

For Group's employees, there are pension plans with Implenia Vorsorge and Helvetia Sammelstiftung für Personalvorsorge, which are legally independent of Ina Invest. The pension plans provide benefits in the



event of retirement, death and disability. They are financed through contributions from the employer and the employee. These contributions are calculated as a percentage of the insured salary.

- The most current available funded status of the pension fund, Implenla Vorsorge, amounted to 135.1% as at 31 December 2021 (31 December 2020: 121.9%). As at this cut-off date, the pension plan was overfunded. As at the balance sheet date, Ina Invest has not recognised an economic benefit or an economic obligation (31 December 2021: No economic benefit and no economic obligation).
- Helvetia Sammelstiftung für Personalvorsorge has fully reinsured the risks arising from the regulatory benefits with Helvetia Lebensversicherungsgesellschaft Ltd. Therefore, in principle, neither an economic benefit nor an economic obligation can arise from this pension plan.

The pension expenses shown in the table above concerning the reporting as well as the comparative period fully comprise contributions made by the employer that were accrued in the respective period. In 2022, pension expenses amounting to CHF 136 thousand were recognised for Implenla Vorsorge and CHF 91 thousand for Helvetia Sammelstiftung für Personalvorsorge (2021: CHF 85 thousand for Implenla Vorsorge).

Share-based payments

The members of the Company's Board of Directors receive an annual lump-sum compensation for their services, depending on their function. The Board of Directors' remuneration is paid to two-thirds in cash and to one-third in restricted shares of Ina Invest Holding Ltd. The shares allocated to Board members remain restricted for three years after they have been allocated. However, they are endowed with voting rights and the right to receive dividends. In order to calculate the number of shares to be allocated to each Board member, the Company takes the average Ina Invest Holding Ltd. share price in the month of December of the relevant year in office. The allocation of a total of 9,500 shares took place on 3 January 2023 (prior year: allocation of a total of 9,815 shares on 3 January 2022).

The remuneration of Management (CEO and CFO) consists of a base salary in cash and a performance-related variable component from the Short-Term Incentive Plan (STIP). 50% of the STIP payment is paid in cash and 50% in Restricted Share Units (RSU). These are usually allocated in February of the calendar year after the reporting period. For each RSU the holder is granted one registered share in Ina Invest Holding Ltd on the third anniversary of the granting. A CEO/CFO leaving the Company between the grant date and the third anniversary is entitled to receive a pro rata number of RSU. In order to calculate the number of allocated RSU as at the balance sheet date, the prevailing average Ina Invest Holding Ltd share price is taken for the month of December prior to the balance sheet date. The assumed allocation of 6,185 RSU for the CEO and 3,956 RSU for the CFO (31 December 2021: CEO: 6,903 RSU) is an estimate of the remuneration for the purpose of the accounting based on the relevant average share price as at 31 December 2022.

The lump-sum payment of the Board of Directors in shares and the STIP portion for the CEO and the CFO which is paid in RSUs are equity-settled share-based payments. Expenses related to the share-based payments are recognised over the vesting period. In the case of a Board member, this is one year of service.



Expenses related to STIP of the CEO and the CFO are recognised over a period beginning with the start of the business year when the services were rendered and ending on the third anniversary after the RSUs have been granted.

Accounting policies

Personnel expenses are recognised in the period, in which the services were rendered.

Whether a pension scheme has an over- or underfunding is determined from its annual financial statements prepared in accordance with Swiss GAAP FER 26. An economic obligation is recognised as a liability if the conditions of provision accounting are fulfilled. An economic benefit is capitalised if Ina Invest can use it for future pension plan contributions. Personnel expenses comprise the employer contributions accrued for the period as well as any effects due to changes in any economic benefits or economic obligations.

Share-based payments paid with equity instruments are valued at their fair value prevailing on the day of the grant and recognised as personnel expenses and in equity over the vesting period. The grant date fair value is determined using valuation models based on the stock exchange prices of the Company's registered shares at the grant date.

4.3 Related party transactions

Besides the Company's Board of Directors and Management, Implenla Ltd and organisations controlled by it (jointly known as "Implenla Group") are deemed to be related parties.

Ina Invest maintains a strategic partnership with Implenla Group and has concluded several long-term agreements with Implenla Group ending on 31 December 2030. These agreements refer to the investment of the Ina Invest Group, financing, the development portfolio as well as the development and construction projects of Ina Invest.



List of the most important agreements with related parties

Agreement	Description	Most important terms and conditions
Shareholders' agreement	On 26 May 2020, Ina Invest Holding Ltd, Implenaria Ltd and Ina Invest Ltd concluded a shareholders' agreement regarding the shares of Ina Invest Ltd. The shareholders' agreement may be terminated by any party with a notice period of 6 months as at the end of every calendar year, with the first possible termination being 31 December 2030.	The most important aspects of the shareholders' agreement are: <ul style="list-style-type: none">• Exclusive investment (regulating investments outside of Ina Invest Ltd)• Veto rights (for matters requiring the approval of minority representatives)• Governance (regulating the composition of the Board of Directors)• Prohibition and limitation to transferring shares• Put option for shares of Ina Invest Ltd (see note 3.4)
Portfolio management service agreement	On 26 May 2020, Ina Invest concluded a service level agreement with Implenaria Real Estate Services Ltd. The agreement may be terminated by any party with a notice period of a year, with the first possible termination being 31 December 2030.	The agreement addresses the scope of services, which Implenaria Real Estate Services Ltd is to render. <ul style="list-style-type: none">• Portfolio management: fee of 0.20% per annum on the average market value of the managed property portfolio• Investment management: fee of 0.30% per annum on the average market value of the properties managed• Representation during the project: fee of 1.00% to represent the builder (this may be subject to an additional fee of 2.00% of building costs incurred by contractually agreed external service providers)• Corporate services: annually agreed monthly flat fee (2022: CHF 20 thousand; 2021: CHF 50 thousand); services that go beyond what was agreed upon are charged separately

However, the authority to select and decide on the scope of services remains with Ina Invest.



Master agreement for development cooperations and realisations

On 26 May 2020, Ina Invest concluded a master agreement with Implenien Immobilien Ltd and Implenien Schweiz Ltd that began retroactively from 1 May 2020.

The master agreement addresses general terms and conditions of the parties' collaboration when developing real estate; Ina Invest applies these in full to contracts or realisation agreement with Implenien Schweiz Ltd.

The master agreement may be terminated by any party with a notice period of one year, with the first possible termination being 31 December 2030.

The conditions applicable to the collaboration on the development of real estate essentially include:

- Acquisitions: transaction fee depending on the sales price of the relevant property or the purchase rights. The fee ranges from 0.80% (if the sales price is CHF 150 million or higher) to 1.50% (if the sales price is lower than CHF 50 million).
- Individual development agreements: the fee depends on the type of project (processing based on planning law/selection procedure: between 0.10% and 0.25% of the budgeted value of the project; preliminary projects/construction projects: 0.45% of the budgeted project value)
- Marketing and Sales: transaction fee of a maximum of 2.50% of the sales price of promotional properties. The fee ranges from 0.80% (if the sales price is CHF 150 million or more) to 1.50% (if the sales price is less than CHF 50 million).

In addition to the fees mentioned above, Implenien Immobilien Ltd receives a performance-based development fee of 20% of the project results (positive and negative contribution).

As is regulated by the master agreement mentioned above, Implenien Group generally has the right to "first call" the general contractor service contracts with the respective group company at defined target costs. Target costs are determined by an independent third-party expert, taking into consideration the targeted yield defined by the group company. By signing a general contractor agreement, Implenien Group grants the group company the right to total transparency of its construction cost accounts. Should Implenien Group waive its right to conclude a general contractor agreement at the price stipulated or if the group company's Board of Directors can credibly demonstrate legitimate corporate interest that another company should do it, the construction agreement is tendered.

Transactions with related parties

At the extraordinary General Assembly of Ina Invest Ltd on 12 December 2022, the distribution of an extraordinary dividend from capital reserves amounting to CHF 20,200 thousand was resolved. The due date



of the extraordinary dividend was set at 3 January 2023. The interest of minority shareholder Implenla Ltd. amounting to CHF 8,585 thousand was recognised as current financial liability towards related parties as at 31 December 2022 (refer to note 3.1). For further information on events after the balance sheet date in connection with the dividend claim of Implenla Ltd., please refer to note 4.5.

The following list shows the amounts included in balance sheet held towards related parties. The balances resulted from services under the portfolio management service agreement, the master agreement for development cooperation and realisation and project specific agreements.

in CHF thousands	31.12.2022	31.12.2021
Other current receivables	6,932	-
Accrued income and prepaid expenses	4,604	9,370
Other non-current receivables	2,847	859
Trade accounts payable	(2,240)	(3,578)
Current financial liabilities	(8,585)	-
Accrued expenses and deferred income	(2,621)	(1,856)
Other current liabilities	(2,413)	-
Other non-current liabilities	(8,682)	(7,260)

Promotional properties, investment properties and intangible assets arising from the development cooperation were capitalised. The amounts disclosed below correspond with the amounts capitalised in the reporting periods presented. The amounts disclosed for promotional properties in the following table were reduced by the de-recognised acquisition costs that arose in connection with sales of promotional properties. Transfers between balance sheet items represent the entire capitalised amount of the balance sheet item in which the property is disclosed as at the balance sheet date.

in CHF thousands	01.01. - 31.12.2022	01.01. - 31.12.2021
Promotional properties ¹	(140)	(2,681)
Investment properties	38,392	32,995
Intangible assets	226	259

¹Capitalised amounts less the derecognised development expense charged to the related party.

The following list shows the expenses included in the income statement resulting from transactions with related parties. They resulted from services under the portfolio management service agreement.

in CHF thousands	01.01. - 31.12.2022	01.01. - 31.12.2021
Direct expenses from the sale of promotional properties	(199)	(937)
Other direct operating expenses	(2,623)	(1,331)
Other operating expenses	(550)	(624)



Accounting policies

Related parties are deemed to be those who could have a significant influence on financial and/or operating decisions of Ina Invest. This is true for board members, members of management, significant shareholders with voting rights above 20% as well as pension plan schemes. Transactions executed at conditions that are not at arms' length are disclosed separately in the consolidated financial statements. This could include transactions without a price, such as making available know-how or transferring results of research and development.

4.4 Other accounting policies

Cash and cash equivalents

Cash and cash equivalents include bank balances with a residual term of a maximum of 90 days. These are measured and recognised at nominal value.

Trade account receivables and other non-current assets

Trade accounts receivables and other non-current assets are recognised in the balance sheet at nominal value less impairments. Material receivables are valued individually. An impairment is made for the remaining receivables based on historic data.

Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes all direct and indirect costs of bringing the inventories to their present location and condition (full cost).

Tangible fixed assets

Tangible fixed assets are recognised at acquisition or production cost. Subsequently, tangible assets held for use are measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated using the straight-line method over the useful life of the asset.

Trade accounts payable and advance payments for promotional properties

Trade accounts payable and advance payments for promotional properties are recognised and measured at nominal value.



4.5 Events after the balance sheet date

The Board of Directors approved the consolidated financial statements on 27 February 2023, subject to the approval of the general assembly on 29 March 2023.

Loan granted by Implenia Ltd

The minority shareholder Implenia Ltd, which holds a 42.5% stake in Ina Invest Ltd, granted a long-term loan amounting to CHF 14,418 thousand to Ina Invest Ltd on 3 January 2023. Part of the loan amount was offset against the financial liability from the extraordinary dividend distribution of CHF 8,585 thousand (refer to note 4.3). The remaining amount of CHF 5,833 thousand was paid by Implenia Ltd on 3 January 2023. The loan bears interest of 0.25% p.a. and matures on 31 December 2025 at the latest. The loan is subject to a subordination agreement.

Ina Invest is not aware of any other events after the balance sheet date that have a material impact on the consolidated financial statements.

Additional information on the properties

	Segment	Balance sheet item	Category	Market value in CHF thousands	Net property rent in CHF thousands	Vacancy in %	Year of construction / Estimated completion	Year of renovation Ownership	Total land (sqm)	Useable area (sqm)	Office space in % of useable area	Residential space in % of useable area	Hotel in % of useable area	Trade/Industry in % of useable area	Other in % of useable area	Parking units (in addition to useable area)
Nordstrasse 1B (Unterfeld Süd), 6340 Baar	I	IP	DE	49,730	-	-	2027	- SO	5,115	8,604	-	93%	-	7%	-	86
Ernst-Jung-Gasse 18 (Lokstadt Tender), 8400 Winterthur	I	PP	CO	1,682	-	-	2023	- CO	608	4,087	-	96%	-	4%	-	30
Auf der Höhe 12-18 (Am Schwinbach), 4144 Arlesheim	I	PP	DE	22,610	-	-	2028	CO	8,119	5,588	-	97%	-	-	3%	69
Schaffhauserstrasse 220, 222, 224, 8057 Zürich	I	IP	DE	28,920	239	-	1931	2025 SO	1,798	3,264	-	100%	-	-	-	13
Rue de Tivoli (Baufeld 4), 2000 Neuchatel	I	IP	DE	544	-	-	2026	- SO	1,422	1,536	-	100%	-	-	-	32
Avenue des Grandes- Communes (Les Tattes), 1213 Onex	I	PP	DE	1,234	-	-	2030	- BR	4,133	5,223	-	100%	-	-	-	69
Chemin de l'Echo 9, 1213 Onex	I	IP	DE	12,130	-	-	2027	- BR	4,161	9,470	-	100%	-	-	-	121
Total residential properties				116,850	239				25,356	37,772						420
Nordstrasse 3 (Unterfeld Süd), 6340 Baar	I	IP	DE	21,780	-	-	2026	- SO	4,761	13,760	92%	-	-	-	8%	100
Zürcherstrasse 31 (Lokstadt Elefant), 8400 Winterthur	I	IP	CO	105,500	-	-	2022	- SO	3,050	12,966	96%	-	-	-	4%	62
Zürcherstrasse (Lokstadt Bestandeshallen), 8400 Winterthur	I	IP	CO	6,791	-	-	2025	- SO	7,682	8,459	-	-	47%	44%	9%	36
Solarstrasse 11-21 (KIM, Häuser Bodmer und Brown), 8404 Winterthur	I	IP	DE	8,555	-	-	2027	- SO	5,913	18,611	98%	-	-	-	2%	102
Rue du Valais 7, 1202 Genève	I	IP	PO	32,240	958	16%	1961	2027 SO	1,032	4,429	32%	56%	-	4%	8%	-
Chemin des Olliquettes 10, 1213 Petit-Lancy	I	IP	PO	21,090	1,200	-	2010	- SO	707	2,595	83%	-	-	3%	14%	24
Hegenheimermattweg 179 (BaseLink Allschwil), 4123 Allschwil	I	IP	CO	35,840	-	-	2022	- BR	2,949	8,561	-	-	95%	2%	3%	79
Aesch, Dornacherstrasse 110, Basel	C	IP	DE	10,340	-	-	1962-2006	2025 SO	13,443	15,458	30%	-	-	66%	4%	59
Garage in Grüssen, 4133 Pratteln	C	IP	PO	9,350	445	-	1950	1996 SO	4,309	4,854	4%	-	-	30%	66%	-
Total commercial properties				251,486	2,603				43,846	89,693						462
Ernst-Jung-Platz (Lokstadt Rocket / Tigerli), 8400 Winterthur	I	IP	DE	81,350	-	-	2026	- SO	2,325	28,500	3%	74%	15%	4%	4%	170
Rue de Tivoli (Baufeld 2), 2000 Neuchatel	I	IP	DE	1,967	-	-	2026	- SO	3,889	5,180	25%	75%	-	-	-	88
Avenue des Grandes-Communes (Les Tattes), 1213 Onex	I	IP	DE	4,080	-	-	2030	- BR	9,087	12,517	4%	92%	-	4%	-	145
Rue du Grand-Pré, 1202 Genève	I	IP	PO	63,250	1,193	22%	1973	2027 SO	2,861	8,387	42%	47%	-	-	11%	33
Bredella West, 4133 Pratteln	C	IP	PO	100,964	576	3%	2028	SO	28,471	53,057	23%	62%	-	12%	3%	700
Bredella Mitte und Ost, 4133 Pratteln	C	IP	PO	191,983	6,664	9%	1996	2029 SO	47,134	78,694	9%	69%	5%	17%	-	835
Total properties with mixed usage				443,594	8,433				93,767	186,335						1,971
thereof market value promotional properties ¹				25,526												
thereof market value investment properties				786,404												
Cost participation Implenla Group Lokstadt Bestandeshallen ²				-19,161												
Market value purchase rights (not included in table above)				28,562												
Total market value according to valuation report of independent valuation expert				821,331												

Legend

Segment: I – Ina Portfolio; C – CERES Portfolio

Balance sheet item: PP - promotional properties; IP - investment properties

Category: DE - Development; CO - Construction; PO - Portfolio

Ownerships: SO – Sole ownership; CO – Condominium ownership; BR– Building rights

¹ The current value of promotional properties diverges from the carrying amounts disclosed in the consolidated financial statements because promotional properties are carried at cost.

² Refer to consolidated financial statements note 2.2.



Project descriptions

Nordstrasse construction area 1B (Unterfeld Süd), 6340 Baar

Balance sheet item	Investment properties under development
Project description	The Unterfeld site is one of the last major continuous building-land reserves in the canton of Zug. It is located directly on the border between Baar and Zug. A mixed residential/commercial neighbourhood with open spaces of varied design and three high-rise structures will be created in the immediate vicinity of the "Lindenpark" suburban railway station. The site will accommodate around 1,000 residents and also create 2,000 jobs. The development will include a residential tower block (50 metres) in Construction Area 1B that will be surrounded by a spacious green area and include attractive rental flats offering a view of Lake Zug and the Alps. The ground floor is designed as a space for public use and will face the adjacent central square.
Project status	Competition process completed and the jury has reached a decision. Indicative project currently being developed.
Expected date of completion	Q4/2027

Dialogplatz 1 (Lokstadt Rocket/ Tigerli), 8400 Winterthur

Balance sheet item	Investment properties under development
Project description	"Rocket" in Winterthur is the tallest residential building made of wood in the world that is currently in the planning stage. The innovative construction was developed by Implenia, ETH Zurich and the civil engineering firm WaltGalmarini. The winning project is by Schmidt Hammer Lassen Architects from Copenhagen and Cometti Truffer Hodel Architects from Lucerne. The building complex includes attractive rental flats, hotel rooms, as well as office and commercial space on the ground floor. The three Tigerli buildings complete the urban ensemble and will also contain rental flats.
Project status	Jury decided on the study in January 2022. Review will be completed in Q2 2023.
Expected date of completion	Q2/2026



Ernst-Jung-Gasse 18 (Lokstadt Tender), 8400 Winterthur

Balance sheet item Promotional properties under construction

Project description The Tender building – a striking structure that immediately captures one’s attention – will be located on the Lokstadt Site. Among other things, the building’s claim to sustainability is reflected in the use of long-lasting materials and energy-efficient building service systems. The ten-storey Tender building will have 39 condominiums and a commercial unit on the ground floor. Along with their private balconies, residents will be able to enjoy a spacious outdoor roof terrace offering a view of the city of Winterthur. The apartments are designed to make a big impression with their well thought out floor plans, bright rooms that can be used flexibly, and high-quality furnishings and facilities. The building will also feature an attractive entrance lobby – with the entire complex embedded in the cultural legacy of Lokstadt, whose factory halls bear witness to the historical importance of the former locomotive manufacturing site. In this sense, the Tender blends in with its surroundings with great self-assurance. Out of 40 units, 38 have already been sold.

Project status Shell completed, interior in progress.

Expected date of completion Q2/2023



Auf der Höhe 12-18 (Am Schwinbach), 4144 Arlesheim

Balance sheet item Promotional properties under development

Project description The Schwinbach project in Arlesheim involves the construction of new residential buildings. Four buildings with 52 high-quality residential units will be built here, whereby the project stands out through its special timber architectural structure, impressive design and atmosphere, sustainable construction approach and close proximity to natural surroundings. The residential complex's hillside location ensures panoramic views from the upper floors of the buildings. The complex will be located in the immediate vicinity of the famous Goetheanum in the middle of an exclusive residential area in sought-after Arlesheim. The goal of this development project is to create a healthy residential space in Schwinbach in an area close to attractive natural surroundings, and to do this in a manner that ensures an organic design of the extensive outdoor spaces.

Project status Building permit application submitted.

Expected date of completion Q1/2028

Schaffhauserstrasse 220, 222, 224, 8057 Zurich

Balance sheet item Investment properties under development

Project description The existing building is to be replaced by a modern property in timber-hybrid construction with high-quality rental flats. The mixture of flats will be aligned with the specialised demand for small urban apartments. In order to meet the extensive requirements for the site, planning is being conducted in line with the IPD (integrated project delivery) model. The building permit was obtained in December 2022.

Project status Validation phase largely complete and construction application submitted.

Expected date of completion Q2/2025



Rue de Tivoli (construction area 4), 2000 Neuchâtel

Balance sheet item	Investment properties under development
Project description	Serrières, a district in the western part of Neuchâtel, brings to mind the history of the Swiss chocolate maker Suchard, which operated a chocolate factory in the district for 170 years. This former industrial site, which is marked by creativity and innovation, will serve as the location for the creation of a vibrant urban neighbourhood designed with sustainability in mind and featuring five new buildings with total floor space of approximately 18,000m ² . A social mix is to be established here through the construction of complementary residential and working spaces for both young and old. The preservation of the site's cultural character will be ensured by the establishment of artists' studios, restaurants and food shops, and the staging of temporary exhibitions. The site offers very good public transport and road connections, and the lake is within walking distance. The property also offers a beautiful view of Lake Neuchâtel. The building on plot 4 occupies around 1,422m ² of the total plot area and, with around 20 rental flats, offers space for different types of housing.
Project status	Study contract concluded, pre-project in progress.
Expected date of completion	Q1/2026

Avenue des Grandes-Communes (Les Tattes), 1213 Onex

Balance sheet item	Promotional properties under development Investment properties under development
Project description	This planned complex is situated in an ideal suburban location outside Geneva, but not too far from the city centre. Green surroundings offering a view of the Rhône are the backdrop for the site owned by the municipality of Onex, which has development rights for the property. Here, three buildings with total floor space of 17,740m ² are to be constructed in a public park. These buildings will house 125 rental apartments, 69 condominium apartments and also offer 1,036m ² for office space and a grocery shop on the ground floors. Public transport connections are located close by. Residential use in a so-called development zone in the canton of Geneva partly meets the population's high demand for affordable housing.
Project status	Zoning plan approved by authorities, plan underway.
Expected date of completion	Q3/2030



Chemin de l’Echo 9, 1213 Onex

Balance sheet item Investment properties under development

Project description The planned residential building is ideally located in the suburbs of Geneva, close to the city centre. In a green environment with a view of the Rhône, a building of 9,470m² floor space with approx. 114 rental flats is being constructed on a plot of land owned by a foundation under building rights. These are located in a public park with nearby allotments and a large primary school with sports facilities. Public transport is in the immediate vicinity. The residential use in a so-called development zone in the canton of Geneva partly covers the population's high demand for affordable housing.

Project status Zoning plan approved by authorities, plan underway.

Expected date of completion Q2/2027

Nordstrasse 3 (construction area Süd), 6340 Baar

Balance sheet item Investment properties under development

Project description The Unterfeld site is one of the last major continuous building-land reserves in the canton of Zug. It is located directly on the border between Baar and Zug. A mixed residential/commercial neighbourhood with open spaces of varied design and three high-rise structures will be created in the immediate vicinity of the Lindenpark suburban railway station. The site will accommodate around 1,000 residents and also create 2,000 jobs. A timber hybrid building is planned to meet the demand for modern and sustainable office workplaces.

Project status Study contract with jury decision completed, pre-project in progress.

Expected date of completion Q1/2026



Zürcherstrasse 31 (Lokstadt Elefant), 8400 Winterthur

Balance sheet item Investment properties under construction

Project description An innovative office building that unites a modern timber structure with historic industrial architecture is being built in the centre of Winterthur. The building is part of the new sustainable, multifaceted and vibrant Lokstadt urban district. The numerous benefits the building offers as a company location through its visibility, flexibility, efficiency, productivity and modern appearance impressed SWICA to such an extent that it decided to occupy it as the sole tenant. In particular, the two double-storey halls that are stacked on top of one another offer unique modern office and meeting spaces flooded with light. The project has been developed in close cooperation with SWICA since the planning process began. The building was handed over to the tenant to carry out the tenant improvement from January 2023.

Project status Basic fit-out completed. Handover to the tenants to carry out the tenant improvement from January 2023.

Expected date of completion Q4/2022



Solarstrasse 11-21 (KIM, Häuser Bodmer und Brown), 8404 Winterthur

Balance sheet item Investment properties under development

Project description With KIM Winterthur, a new vibrant and multifaceted neighbourhood with office and residential buildings of different sizes is being created in Neuhegi at a central location near the railway station. The total floor area to be built upon amounts to approximately 70,000m². Tenants moved into the first two residential buildings at the beginning of and in the middle of 2022. The complex is being built in phases, whereby the second ground-breaking ceremony took place in the middle of 2022. The two commercial buildings – “Haus Bodmer” and “Haus Brown” – emanate a feeling of cosmopolitanism, openness, and sophistication. Their inviting character makes for an ideal location for a company’s headquarters or offices, whereby their flexible design enables other commercial use options as well. A total rentable floor space of approximately 18,600m² will be available in the buildings.

Project status Building application together with the residential part, construction of which has been completed in the meantime. Building permit for “Haus Brown” and “Haus Bodmer” is legally binding until around Q2 2025. Concepts have been prepared for the usage requests to appeal to the widest possible segment of potential users.

Expected date of completion Q4/2027



Hegenheimermattweg 179 (BaseLink Allschwil), 4123 Allschwil

Balance sheet item Investment properties under construction

Project description In the prosperous border region of France-Germany-Switzerland, a new workplace area of around 75,000m² is being created in Allschwil with around 10,000 new jobs in the future. The new development area is called "BaseLink". Construction activities are in full swing on various building sites. The first users will move into their new premises in 2021. Further job-intensive uses from the areas of research and development, production as well as offices and services will settle here. Combined with an attractive green space concept for the internal access and common areas, future-oriented and sustainable workplaces will be created in an appealing environment. The new business hotel, with a total of 220 rooms in the 3-star plus range - with different room sizes from just under 19m² to around 28m² - will serve as a central location for short or longer stays for business travellers at the "BaseLink" innovation park. The hotel is about to open.

Project status The tenancy of the hotel operator begins on 1.1.2023.

Expected date of completion Q4/2022

Zürcherstrasse (Lokstadt Bestandeshallen), 8400 Winterthur

Balance sheet item Investment properties under construction

Project description In the centre of Winterthur, the historic production halls with their diverse range of uses will form the future gateway to the new inspiring district of Lokstadt and at the same time the lively heart of the sustainable area. The leases for a kindergarten run by the city of Winterthur and for a modern casino have been signed.

Project status Building application submitted end of December 2022, lease agreements concluded with Swiss Casinos and the city, project planning started, kindergarten under construction.

Expected date of completion Q2/2025



Rue de Tivoli (construction area 2), 2000 Neuchâtel

Balance sheet item Investment properties under development

Project description Serrières, a district in the western part of Neuchâtel, brings to mind the history of the Swiss chocolate maker Suchard, which operated a chocolate factory in the district for 170 years. This former industrial site, which is marked by creativity and innovation, will serve as the location for the creation of a vibrant urban neighbourhood designed with sustainability in mind and featuring five new buildings with total floor space of approximately 18,000m². A social mix is to be established here through the construction of complementary residential and working spaces for both young and old. The preservation of the site's cultural character will be ensured by the establishment of artists' studios, restaurants and food shops, and the staging of temporary exhibitions. The site offers very good public transport and road connections, and the lake is within walking distance. The property also offers a beautiful view of Lake Neuchâtel. The building in Construction Area 2 will occupy around 4,000m² of the entire plot and contain 50 rental flats and an additional area of 1,300m² for office spaces and practices.

Project status Study contract concluded, pre-project in progress.

Expected date of completion Q1/2026

Dornacherstrasse 110, 4147 Aesch

Balance sheet item Investment properties under development

Project description A commercial park will be built in Aesch, which will offer tenants of the Bredella West site that is to be transformed a suitable substitute for the space they are currently renting and also provide additional space for local and out-of-town businesses in the Basel economic region. An LOI (letter of intention) was concluded with the main tenant of the Bredella site, meaning that the move will not delay the further development plans for the Bredella site.

Project status Building application submitted by the end of November 2022. Dismantling started in February 2023.

Expected date of completion Q3/2025

Ina Invest AG
Glattpark (Opfikon)

Report of the Independent Valuer
Valuation as of December 31, 2022

Final Report

Zurich, December 31, 2022

Project no.	109131.2203
Client	Ina Invest AG Thurgauerstrasse 101a 8152 Glattpark (Opfikon)
Contact	Jürg Manser Head Asset Management Implenia Schweiz AG
Drafted by	Wüest Partner AG Alte Börse Bleicherweg 5 8001 Zürich Schweiz T +41 44 289 90 00 wuestpartner.com
Project manager	Stefan Meier Cornel Vogel
Period	October to December 2022

Wüest Partner is an independent, owner-managed consulting firm. As impartial experts, we have been delivering first-class decision-support tools for professional real estate players since 1985. We offer our clients – both in Switzerland and abroad – a wide range of services encompassing advice, valuations, data, applications, publications and education. Our knowledge creates transparency and helps to break new ground for the continued development of the real estate sector.

With its interdisciplinary team of approximately 380 consultants, the company has an impressive skill base and many years of experience to build on. Our employees cover the disciplines of economics, architecture, information technology and engineering as well as the social and natural sciences. An international network of partner companies and regional experts with a strong local anchoring complements the teams of consultants working in our Zurich, Geneva, Bern, Lugano, Frankfurt am Main, Berlin, Hamburg, Munich, Dusseldorf and Paris offices.

Wüest Partner AG is owned and managed by 28 partners, who vouch for the continuity, independence and sustainable performance of the company. They are: Andreas Ammann, Andreas Bleisch, Jan Bärthel, Patrick Schnorf, Mario Grubemann, Patrik Schmid, Gino Fiorentin, Stefan Meier, Ronny Haase, Pascal Marazzi-de Lima, Andreas Keller, Karsten Jungk, Ivan Anton, Fabio Guerra, Alain Chaney, Christine Eugster, Matthias Weber, Jörg Lamster, Julia Selberherr, Daniel Meister, Andreas Pörschke, Jacqueline Schweizer, Christoph Axmann, Rüdiger Hornung, Robert Weinert, Andreas Häni, Nico Müller und Vincent Clapasson.

Report of the valuation experts

The properties of the real estate company Ina Invest AG and its subsidiaries are valued half-yearly by the valuation experts Stefan Meier and Cornel Vogel at their current market value. The present valuation is valid as of December 31, 2022. The valuation encompasses development properties, properties under construction, properties for sale, properties in operation, independent and permanent rights (building rights).

Valuation Standards

Wüest Partner hereby confirms that the valuations were performed in accordance with national and international standards and guidelines in particular with the Swiss Valuation Standards (SVS).

The market values are determined for the properties according to the principle of a «fair value» in accordance with the customary standards (in particular the Swiss Valuation Standards SVS). The determined values of the properties correspond to the current value (market value) as defined in Swiss GAAP FER 18 paragraph 14. The market value is defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Transfer taxes, property gains taxes and value added taxes as well as other costs and provisions incurred in the event of a possible sale of the property are not included. Neither are any liabilities of Ina Invest AG with regard to possible taxes (with the exception of ordinary property taxes) and financing costs taken into account.

Basis of valuation

The valuation is always based on the latest information regarding the properties and the real estate market. The data and documents relating to the properties are provided by the owner. Their correctness is assumed. All property market data is taken from Wüest Partner's continuously updated databases (Immo-Monitoring 2023).

In order to guarantee the independence of the valuations and thus ensure the highest possible degree of objectivity, the business activities of the valuation experts of Wüest Partner exclude both trading and the associated commission business as well as the management of properties.

Wüest Partner is familiar with all the properties, having carried out inspections and examined the documentation provided. The properties have been analysed in detail in terms of their quality and risk profiles (attractiveness and rentability of rented premises, construction type and condition, micro and macro location etc.).

Valuation method

In valuing the real estate holdings of Ina Invest AG and its subsidiaries, Wüest Partner applied the discounted cash flow (DCF) method. This corresponds to international standards and is also used for company valuations. It is recognised as «best practice», even though there is a fundamental freedom of method in real estate valuation.

Using the DCF method the current market value of a property is determined as the total of all projected future (infinity) net earnings (before taxes, interest payments, depreciation and amortisation = EBITDA) discounted to the date of valuation. Net income is discounted separately for each property with due allowance for specific opportunities and threats, as well as adjustment in line with market conditions and risks.

In a detailed report per property, all expected cash flows are disclosed, thus creating the greatest possible transparency. Each report makes reference to the significant changes compared to the last valuation.

For properties under development or construction, the project value at the balance sheet date is derived in three steps:

- Valuation of the property at the time of completion - taking into account the current occupancy rate, market and cost estimates as of the balance sheet date;
- Determination of the market value as of the balance sheet date, taking into account the forecast investments still to be made;
- Assessment of the risk and consideration as a separate cash flow of a cost item.

Valuation results as of December 31, 2022

As of December 31, 2022, the market value of the portfolio of the real estate company Ina Invest AG and its subsidiaries is estimated at CHF 821,331,100, which corresponds to a change in value of +2.8% compared to the previous valuation as of June 30, 2022 (+CHF 22,360,500).

Of the 23 properties that were in the portfolio throughout the reporting period, 14 properties have gained in value and 9 properties have been devalued. Discounting has remained the same compared to the previous valuation (-0.00 percentage points)¹. The positive changes in value result primarily from investments due to project progress, increasing market rents and proceeds from the sale of condominiums and the temporal approach of the revenue streams. Negative value contributions result from the increase in construction costs and individual project delays.

Acquisitions

There were no acquisitions in the portfolio since the previous valuation as of June 30, 2022.

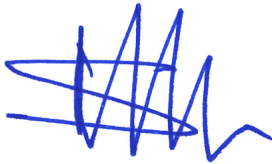
Sales

Since the previous valuation as of June 30, 2022, the property Gallenweg 22 in Pratteln has been sold.

¹ Average does not take into account properties with negative market values.

Zurich, December 31, 2022

The valuation experts



Stefan Meier



Cornel Vogel

Ina Invest Holding AG

Glattpark (Opfikon)

Report of the statutory auditor
to the General Meeting

on the consolidated annual financial report 2022

Report of the statutory auditor

to the General Meeting of Ina Invest Holding AG

Glattpark (Opfikon)

Report on the audit of the consolidated annual financial report

Opinion

We have audited the consolidated annual financial report of Ina Invest Holding AG and its subsidiaries (the Group), which comprise the consolidated income statement for the year ended 31 December 2022, the consolidated balance sheet as at 31 December 2022, the consolidated cash flow statement, and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated annual financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated annual financial report (pages 56 to 107) gives a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with art. 17 of the Directive on Financial Reporting (DFR) of the SIX Swiss Exchange 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 annual financial reports' 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 3'000'000

We concluded full scope audit work for three group companies. Our audit addresses the results, assets, and liabilities of the group.

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

Valuation of investment properties

Measurement of deferred tax liabilities

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated annual financial report is 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 annual financial report.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated annual financial report 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 annual financial report as a whole.

Overall Group materiality	CHF 3'000'000
Benchmark applied	Equity
Rationale for the materiality benchmark applied	We chose total equity as the benchmark because it is a generally accepted industry benchmark for materiality consideration relating to real-estate companies.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated annual financial report. 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 annual financial report as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

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

Valuation of investment properties

Key audit matter

The Group's non-current assets consist mainly of investment properties recorded in the amount of CHF 786,404 thousand at actual values as of 31 December 2022.

In accordance with SIX Swiss Exchange's requirements, the fair values are determined by an independent, qualified valuation expert, which prepares a valuation report. The valuation expert confirms that the fair values correspond to the 'actual values' according to Swiss GAAP FER 18 and were determined in accordance with customary Industry standards and guidelines, in particular the Swiss Valuation Standards (SVS).

We consider the valuation of the property portfolio a key audit matter because of its significance in relation to total assets (approx. 91%) and owing to the assumptions and scope for judgement involved in valuation models such as the discounted cash flow method (DCF). A DCF valuation in the real-estate industry requires, among others, input parameters that are not observable on a market (e.g., expected future vacancy rates, future investments and various components of the discount rate). Inappropriate assumptions or errors in the DCF valuations could lead to significant differences in valuation due to the long time-horizons of the assumptions used for valuation purposes.

Please see note 2.2 which describes the accounting principles and the underlying assumptions, and the report of the independent valuer (pages 108 to 112).

How our audit addressed the key audit matter

We performed the following audit procedures, among others:

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.

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 sample for mathematical accuracy by reperforming the basic steps in the calculation.

The appropriateness of the assumptions used in the DCF valuation for the individual properties in the property portfolio, including rental income, vacancies, capitalization, and planned investments were verified by means of additional audit procedures. Furthermore, we assessed changes to assumptions.

On the basis of our audit procedures, we obtained adequate comfort with regard to the valuation of the investment properties.

Measurement of deferred tax liabilities

Key audit matter

Deferred tax liabilities as of 31 December 2022 amount to around CHF 85,850 thousand. The deferred tax liabilities are based mainly on the differences in valuation between the tax base and the higher actual value recognized in the consolidated financial statements.

We consider the measurement of deferred tax liabilities a key audit matter for the following reasons. Deferred tax liabilities represent about 19% of the Group's liabilities and are therefore a significant item on the balance sheet. Additionally, calculating deferred tax liabilities is complex and involves assumptions, for example in relation to the expected holding period of the properties.

Please see note 4.1 which describes the accounting principles and the underlying assumptions.

How our audit addressed the key audit matter

We assessed the determination and measurement of the deferred tax liabilities and performed the following audit procedures, among others:

We assessed jointly with our internal tax specialists the tax rates used for the purposes of income taxes (at federal, cantonal and municipal levels) and any property gains taxes.

We reperformed how the differences in valuation between the values recognized in the consolidated financial statements and the tax base were derived and checked the mathematical accuracy.

On the basis of our audit procedures, we obtained adequate comfort with regard to the measurement of the deferred tax liabilities.

Other information

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

Our opinion on the consolidated annual financial 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 consolidated annual financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated annual financial 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 consolidated annual financial report

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

In preparing the consolidated annual financial report, 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 annual financial report

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial report as a whole 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 these consolidated annual financial report.

A further description of our responsibilities for the audit of the consolidated annual financial report is located on EXPERTSuisse's website: <http://www.expertsuisse.ch/en/audit-report>

Report on other legal and regulatory requirements

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

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

PricewaterhouseCoopers AG



Dr. Michael Abresch
Licensed audit expert
Auditor in charge



Philipp Gnädinger
Licensed audit expert

Zürich, 27 February 2023



Annual financial statements of Ina Invest Holding Ltd

Income statement

in CHF thousands	Note	01.01. - 31.12.2022	01.01. - 31.12.2021
Dividend income		11,615	-
Other income	2.1	3,612	2,534
Operating income		15,227	2,534
Personnel expenses	2.2	(2,035)	(1,444)
Other operating expenses	2.3	(1,557)	(959)
Operating expenses		(3,592)	(2,403)
Operating result		11,635	131
Financial income	2.4	187	18
Financial expenses		(33)	(26)
Earnings before income taxes		11,789	123
Direct taxes		(42)	(20)
Profit		11,747	103



Balance Sheet

in CHF thousands	Note	31.12.2022	31.12.2021
Assets			
Cash and cash equivalents		417	647
Trade accounts receivable		-	2
Other current receivables	2.5	11,624	84
Accrued income and prepaid expenses	2.6	3,634	1,278
Total current assets		15,675	2,011
Financial assets	2.7	19,506	-
Investment Ina Invest Ltd	2.8	119,842	119,842
Total non-current assets		139,348	119,842
Total assets		155,023	121,853
Liabilities and equity			
Other current interest-bearing financial liabilities	2.9	1,649	-
Other current liabilities	2.10	34	84
Accrued expenses and deferred income	2.11	933	616
Total current liabilities		2,616	700
Non-current interest-bearing financial liabilities	2.12	1,539	1,539
Total non-current liabilities		1,539	1,539
Total liabilities		4,155	2,239
Share capital	2.13	293	266
Statutory capital reserves	2.14	146,176	126,696
Treasury shares	2.15	(185)	(185)
Loss carried forward		(7,163)	(7,266)
Profit for the year		11,747	103
Total equity		150,868	119,614
Total liabilities and equity		155,023	121,853



Notes

1. Principles

1.1 General aspects

These financial statements were prepared according to the principles of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and measurement principles applied are described below. It should be noted that to ensure the company's going concern, the company may create and release hidden reserves.

In accordance with Article 961 (1) CO, no further disclosures are made in the notes, cash flow statement and directors' report because Ina Invest Holding Ltd prepares its consolidated financial statements in accordance with Swiss GAAP FER and is listed at the Swiss stock exchange SIX.

1.2 Cash and cash equivalents

This item includes bank deposits with a maximum residual term of 90 days. These are recognised and measured at nominal value.

1.3 Investment Ina Invest Ltd

The investment in Ina Invest Ltd is measured at the lower of acquisition cost or net market value. If there is an indication that the carrying amount may be overstated, it is reviewed and, if necessary, an impairment is recognised.

1.4 Treasury shares

Treasury shares are recognised at acquisition cost and deducted from equity at the time of acquisition. In case of a resale, the gain or loss is recognised through the income statement as financial income or financial expenses.

1.5 Share-based payments

Share-based payments paid with equity instruments are measured at their fair value prevailing on the day of the grant and recognised as personnel expenses over the vesting period. The grant date fair value is determined using valuation models that are based on the registered shares' market rates at grant date.

Any pro rata expenses accrued are deferred as of the balance sheet date. Should treasury shares be used for share-based payments made to Board members and employees, the difference between the acquisition costs and the market value at grant date is recognised as financial expenses or financial income.



2. Information on balance sheet and income statement items

2.1 Other income

in CHF thousands	2022	2021
Items charged to group companies	3,612	2,534
Total other income	3,612	2,534

This item includes personnel expenses and other operating expenses charged to group companies.

2.2 Personal expenses

in CHF thousands	2022	2021
Wages and salaries	(1,396)	(961)
Share-based payments	(311)	(257)
Pensions expenses	(136)	(85)
Social security expenses	(143)	(105)
Other personnel expenses	(49)	(36)
Total personnel expenses	(2,035)	(1,444)

2.3 Other operating expenses

in CHF thousand	2022	2021
Capital increase expenses	(211)	(32)
Expenses general assembly	(37)	(40)
Accounting and consulting expenses	(831)	(429)
Marketing	(431)	(392)
Administrative expenses	(47)	(66)
Total other operating expenses	(1,557)	(959)

2.4 Financial income

in CHF thousands	2022	2021
Interest income from group companies	185	-
Income from treasury shares	2	18
Total financial income	187	18



2.5 Other current receivables

in CHF thousands	31.12.2022	31.12.2021
VAT receivables	7	11
Receivables from third parties	2	2
Receivables from group companies in which the entity holds a direct or indirect investment	11,615	71
Total other current receivables	11,624	84

Current receivables from group companies in which the entity holds a direct or indirect investment comprise the dividend resolved on 12 December 2022 in the extraordinary general assembly of Ina Invest Ltd amounting to CHF 11,615 thousand (31 December 2021: 0).

2.6 Accrued income and prepaid expenses

in CHF thousands	31.12.2022	31.12.2021
Accrued income and prepaid expenses third parties	22	-
Accrued income and prepaid expenses group companies in which the entity holds a direct or indirect investment	3,612	1,278
Total accrued income and prepaid expenses	3,634	1,278

2.7 Financial assets

in CHF thousands	31.12.2022	31.12.2021
Loans towards group companies in which the entity holds a direct or indirect investment	19,506	-
Total financial assets	19,506	-

2.8 Direct and indirect investments

Company, domicile	Capital in CHF thousands 31.12.2022	Capital in CHF thousands 31.12.2021	Votes and capital share 31.12.2022	Votes and capital share 31.12.2021
Direct Investments				
Ina Invest Ltd, Opfikon	202	202	57.5%	57.5%
Indirect Investments				
Ina Invest Development Ltd, Opfikon	200	110	69.1%	100.0%
CERES Group Holding Ltd, Pratteln*	250	-	100.0%	-
Buss Immobilien und Service Ltd, Pratteln*	5,000	-	100.0%	-
Bredella Ltd, Pratteln*	500	-	100.0%	-

*Companies were acquired as of 21 January 2022.

All direct and indirect investments are included in the scope of consolidation.

Implenia Ltd is the minority shareholder that holds the remaining 42.5% of voting rights and shares (31 December 2021: 42.5%) of Ina Invest Ltd.



2.9 Other current interest-bearing financial liabilities

in CHF thousands	31.12.2022	31.12.2021
Liabilities due to group companies in which the entity holds a direct or indirect investment	1,649	-
Total other current interest-bearing financial liabilities	1,649	-

2.10 Other current liabilities

in CHF thousands	31.12.2022	31.12.2021
Liabilities due to third parties	34	84
Total other current liabilities	34	84

2.11 Accrued expenses and deferred income

in CHF thousands	31.12.2022	31.12.2021
Accrued expenses and deferred income third parties	711	478
Accrued expenses and deferred income governing bodies	139	138
Accrued tax expenses	83	-
Total accrued expenses and deferred income	933	616

2.12 Non-current interest-bearing financial liabilities

in CHF thousands	31.12.2022	31.12.2021
Liabilities to group companies in which the entity holds a direct or indirect investment	1,539	1,539
Total non-current interest-bearing financial liabilities	1,539	1,539

2.13 Share capital

in CHF thousands	31.12.2022	31.12.2021
9,753,216 registered shares at a nominal amount of CHF 0.03 (31 December 2021: 8,866,560 registered shares)	293	266
Total share capital	293	266

Authorised share capital

A capital increase from authorised capital was carried out on 19 January 2022, in course of which 886,656 shares with a nominal value of CHF 0.03 each were issued.

Conditional share capital

In accordance with the Company's Articles of Association, the conditional share capital can be increased by a maximum of CHF 13,299.84 by issuing up to 443,328 registered shares with a nominal value of CHF 0.03 each, which are to be fully paid up. Such an increase is to be carried out by exercising option rights granted to employees or members of the Board of Directors of the Company or group companies.



2.14 Statutory capital reserves

in CHF thousands	31.12.2022	31.12.2021
Reserves from capital contributions	139,615	120,330
Other capital reserves	6,561	6,366
Total statutory capital reserves	146,176	126,696

2.15 Treasury shares

Number of registered shares	2022	2021
Balance as at 01.01.	9,958	9,500
Acquisition of treasury shares	9,500	8,542
Sale of treasury shares	(143)	-
Transfer of vested shares	(9,815)	(8,084)
Balance as at 31.12.	9,500	9,958

The purchase and sale prices of treasury shares always corresponded to market prices. In the reporting period, the average purchase price per share was CHF 19.45 (31 December 2021: CHF 18.66). The average transaction price on the sale of treasury shares was CHF 18.38 per share. The transfer of vested shares was recognised at historical costs, which amounted to CHF 18.62 per share (31 December 2021: CHF 17.25). As at 31 December 2022, the carrying amount corresponded to CHF 185 thousand (31 December 2021: CHF 185 thousand).

3. Other information

3.1 Number of full-time employees

The annual average number of full-time equivalents was below 10 for the reporting year and the comparative period.

3.2 Significant shareholders(> 5.0% votes)

Shareholder	31.12.2022 Votes	31.12.2021 Votes
Max Rössler	16.56%	16.56%
Swiss Life Holding AG	13.72%	15.09%
Norbert Ketterer	12.52%	12.52%
CACEIS (Switzerland) SA	10.10%	5.06%
Hermann Alexander Beyeler	9.09%	-
Rudolf Maag	4.92%	5.41%



3.3 Shares held by the Board of Directors and Management, incl. affiliated persons

	31.12.2022 Number of shares	31.12.2021 Number of shares
Board of Directors		
Stefan Mächler, Chairman of the Board of Directors	15,508	11,939
Christoph Caviezel, Vice Chairman of the Board of Directors	7,255	3,950
Hans Ulrich Meister, member of the Board of Directors	39,870	38,264
André Wyss, member of the Board of Directors	59,231	47,797
Marie-Noëlle Zen-Ruffinen, member of the Board Directors	2,929	1,323
Management		
Marc Pointet, CEO	-	-
Daniel Baumann, CFO	266	NA

3.4 Shares or options on shares for members of the board and Management

The Board members as well as the CEO and CFO receive shares or options on shares, which are allocated in the framework of their share-based payments. Further explanations in this respect may be found in the notes to the consolidated annual report prepared in accordance with Swiss GAAP FER (note 4.2) as well as the Compensation Report.

The following are the details of the allocation:

	31.12.2022 Number of shares	31.12.2021 Number of shares	31.12.2022 Value in TCHF	31.12.2021 Value in TCHF
Allocated to members of the Board of Directors	9,815	8,084	183	157
Allocated to Management	-	-	-	-

The shares were allocated to the members of the Board of Directors on 4 January 2021 and 3 January 2022.

	31.12.2022 Number of options	31.12.2021 Number of options	31.12.2022 Value in TCHF	31.12.2021 Value in TCHF
Allocated to members of the Board of Directors	-	-	-	-
Allocated to Management	7,704	3,182	113	38

The shares (RSU) were allocated to the CEO and CFO on 15 March 2021 and 15 March 2022.

The expenses from CEO and CFO's share-based payments are recognised over the vesting period. As of the balance sheet date of 31 December 2022, a liability of CHF 88.8 thousand (31 December 2021: CHF 38 thousand) was recognised from this allocation.

3.5 Contingent liabilities

Each financial year, Implenia Group may sell up to 5% of its investment in Ina Invest Ltd to Invest Holding Ltd (put option). In doing so, the Company may decide whether it prefers cash or Ina Invest Holding shares in consideration. If Implenia Group exercises the put option, the sales price will equal the implicit market



value of Ina Invest Ltd. The implicit market value will be determined based on the share price of Ina Invest Holding Ltd. As at 31 December 2022, the value of the associated contingent liability is estimated at CHF 141,628 thousand (31 December 2021: CHF 122,416 thousand).

3.6 Significant events after the balance sheet date

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



Proposed appropriation of available earnings

in CHF thousands	31.12.2022	31.12.2021
At the disposal of the general meeting		
Loss carried forward	(7,163)	(7,266)
Profit for the year	11,747	103
Retained earnings/(loss carried forward)	4,584	(7,163)
Treasury shares	(185)	(185)
Total at the disposal of the general assembly	4,399	(7,348)
Proposed appropriation of available earnings by the Board of Directors		
./. Allocation to legal reserves	-	-
./. Allocation to statutory retained earnings	-	-
./. Dividend payments	-	-
Balance carryforward	4,584	(7,163)

Ina Invest Holding AG

Glattpark (Opfikon)

Report of the statutory auditor
to the General Meeting

on the financial statements 2022



Report of the statutory auditor

to the General Meeting of Ina Invest Holding AG

Glattpark (Opfikon)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ina Invest Holding AG (the Company), which comprise the income statement for the year ended 31 December 2022, balance sheet as at 31 December 2022, and notes to the annual financial statements for the year then ended, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 119 to 128) 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

Overview

Overall materiality: CHF 1'160'000



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.

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

Recoverability of investment in Ina Invest AG

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 1'160'000
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.

Key audit matters

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

Recoverability of investment in Ina Invest AG

Key audit matter	How our audit addressed the key audit matter
<p>The Company recorded as of 31 December 2022 a direct investment (57.5%) in Ina Invest AG, a real-estate company, with a carrying value of CHF 119,842 thousand.</p> <p>The investment is stated at acquisition cost in accordance with the commercial accounting and financial reporting provisions of the Swiss Code of Obligations. When necessary, an impairment is made in the event of a decrease in the value.</p> <p>We consider the impairment testing of the investment as a key audit matter owing to its significance on the balance sheet. Please refer to the accounting principles and note 1.3 (page 121 et seq.).</p>	<p>We performed the following audit procedures, among others:</p> <ul style="list-style-type: none">• We performed an evaluation of management's estimates in relation to potential indications of impairment of the investment.• We assessed whether the subsidiary's equity determined based on economic values exceeded the carrying amount of the investment.• We compared the carrying amount with the company's market capitalization as a plausibility check. <p>Based on our audit, we obtained adequate assurance regarding the impairment testing of the investment.</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 tables in the remuneration report, the consolidated annual financial report, the financial statements 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 the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the 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 paragraph 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

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

PricewaterhouseCoopers AG



Dr. Michael Abresch
Licensed audit expert
Auditor in charge



Philipp Gnädinger
Licensed audit expert

Zürich, 27 February 2023



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The annual report is a translation from the original German version. In case of any inconsistency the German version shall prevail.