ZugEstates

Ad hoc announcement pursuant to Art. 53 LR
Zug, 20 August 2026

Pleasing operating result in first half of 2026

- *Net income excluding revaluation and special effects increased by 6.6% to CHF 21.2 million.*
- *The revaluation gain amounted to CHF 24.6 million, compared with CHF 50.1 million in the same period last year.*
- *At CHF 42.9 million, net income was lower than in the previous year (CHF 63.9 million) due to the lower revaluation gain.*
- *Compared to the same period last year, property income remained on a similar level at CHF 35.8 million.*
- *The vacancy rate as at 30 June 2026 remained at a very low level of 1.2%.*
- *The portfolio value increased by CHF 46.3 million to CHF 1.98 billion.*
- *The equity ratio was very solid at 56.6% (57.1% as at 31 December 2025).*
- *Following the positive result of the vote for the Metalli living space, no objections were raised during the second public consultation. Approval of the development plan is expected by the end of 2026.*

Zug Estates can look back on a successful first half of 2026. Property income remained at the previous year’s level, although two reference interest rate cuts in 2025 were passed on to all residential tenants. Revenues in the hotel & catering segment also increased, while profitability improved further.

The demand from institutional investors for properties in central, economically attractive locations remained high in the first half of 2026. This led to a positive revaluation result in the real estate portfolio, though not as pronounced as in the prior-year period.

Net income amounted to CHF 42.9 million, around CHF 21.0 million (32.9%) below the previous year’s figure of CHF 63.9 million. This decrease is attributable to the lower revaluation gain. Adjusted for revaluation and special effects, however, net income rose by CHF 1.3 million (6.6%) from CHF 19.9 million to CHF 21.2 million.

Steady property income and higher revenues from hotel & catering
At CHF 35.8 million, property income remained virtually stable compared with the previous year’s figure of CHF 35.9 million, declining by just CHF 0.1 million (0.1%). Reducing effects from the two reference interest rate cuts in 2025 were offset by index-linked adjustments for commercial leases and a compensation payment for the early termination of a lease. The affected space was re-let with no vacancies. Since there were no changes to the real estate portfolio compared with the previous year, property income also decreased on a like-for-like basis by CHF 0.1 million (0.1%).

Hotel & catering income rose from CHF 7.8 million to CHF 8.0 million, representing a year-on-year increase of CHF 0.2 million (2.5%). This development is primarily attributable to higher occupancy rates in the accommodation business and continued strong demand in the catering business. Profitability also improved. The gross operating profit margin (GOP margin) increased from 41.2% to 42.3%.

Including a one-off effect of CHF 0.4 million in connection with the final settlement of an insurance claim, operating income increased by CHF 0.4 million (0.9%) overall, from CHF 45.3 million to CHF 45.7 million.

Construction activity and revaluations increase portfolio value
Due to investments and revaluation effects, the market value of the entire real estate portfolio increased by CHF 46.3 million (2.4%) from CHF 1 935.5 million as at 31 December 2025 to CHF 1 981.8 million as at 30 June 2026. The revaluation gain amounted to CHF 24.6 million in the first half of 2026, compared with CHF 50.1 million in the same period last year.

Based on all investment properties, the gain corresponded to 1.3% of the portfolio value. The average real discount rate as at 30 June 2026 was 2.72%, compared with 2.76% as at 31 December 2025.

A total of CHF 21.7 million was invested in the portfolio during the reporting period, compared with CHF 11.9 million in the same period last year. At CHF 18.4 million, the vast majority of investments related to the development of the S43/45 project in Rotkreuz (previous year: CHF 7.3 million).

Solid equity ratio and extension of average residual maturity of loans
The completed investments resulted in interest-bearing debt increasing by CHF 21.1 million (3.2%) from CHF 660.3 million as at 31 December 2025 to CHF 681.4 million as at 30 June 2026. The proportion of interest-bearing debt in total assets increased slightly from 34.6% to 34.8%.

The equity ratio fell slightly from 57.1% as at 31 December 2025 to 56.6% as at 30 June 2026 and remains at a very solid level.

Following settlement on 30 June 2026, the portfolio, which consists exclusively of green bonds, was expanded to include a fourth green bond with a volume of CHF 100 million, a coupon of 1.35% and a term of seven years. The average residual term to maturity of interest-bearing debt increased from 3.7 years as at 31 December 2025 to 4.1 years as at 30 June 2026. The average interest rate remained unchanged at 1.6%.

Vacancy rate remains very low despite slight increase
Commercial leases covering over 16'000 m^2 and generating annual rental income of more than CHF 7.0 million were renewed or newly concluded in the first half of 2026. The signed leases related to retail space at the Metalli in Zug, as well as office space in Zug and Rotkreuz. Due to the very low vacancy rate in the portfolio, the majority of these were extensions of existing leases. For example, a long-term lease extension was signed with the Migros Cooperative Lucerne for the retail space at the Metalli.

The vacancy rate remains at a very low level, despite a slight increase from 0.7% as at 31 December 2025 to 1.2% as at 30 June 2026. The weighted average unexpired lease term (WAULT) increased from 5.3 years as at 31 December 2025 to 5.9 years due to lease extensions.

Development of the new build project S43/45 progressing according to plan
The construction work for the two buildings S43 and S45 on the Suurstoffi site – comprising around 15'500 m^2 of office and education space and 1'100 m^2 of residential space for student living – is progressing according to plan. Completion of the shell construction work is planned for September 2026.

It will then be possible to start the façade and fit-out work on schedule. The handover of the spaces to the future tenants is planned for mid-2027.

Two tenants already based at the Suurstoffi site require additional space and have signed leases for a total of around 5’000 m² of office space in the building S43. By acquiring more space, they are reaffirming their commitment to the Suurstoffi site. The space they currently occupy, totalling around 2’400 m², will be re-let following the relocation in 2027.

Together with the lease already signed with XUND for the office and education space in the building S45 and the space let to the Lucerne University of Applied Sciences and Arts for student accommodation, this brings the occupancy rate to 70% for office and education space and 100% for student living.

Positive voting result for the Metalli living space

The Metalli living space project reached an important milestone in the first half of 2026: on 14 June, the electorate of the city of Zug approved the Metalli development plan with 57.8% of the vote. No objections were submitted during the subsequent second public consultation period. The approval for the development plan by the Canton of Zug is expected by the end of 2026.

The positive outcome of the vote, following a multi-year planning process involving an urban design competition and extensive public participation procedures, has laid the foundations for the project’s further development. The next step in the ongoing planning of the project is to hold an architectural competition for the high-rise building and the adjacent outdoor spaces.

Positive outlook for 2026

Due to the two reference interest rate cuts in March and September 2025, we continue to expect property income from the real estate segment to be slightly lower in 2026 than in the previous year. We also expect a reduction in property expenses, which will compensate for the decrease in property income.

In the hotel & catering segment, we anticipate stable revenues but expect a slightly lower GOP due to a marginally higher cost base.

For the 2026 financial year, we expect net income excluding revaluation and special effects to be slightly higher than in the previous year.

Reporting date: 20 August 2026

An audio webcast for analysts and the media will be held today at 2 p.m. (in German). CEO Patrik Stillhart and CFO Mirko Käppeli will present the 2026 half-year results and answer questions afterwards. Please register for the conference via the following link. We look forward to you joining us. https://zugestates.ch/en/conference-for-analysts-and-media

The detailed Half-Year Report and the presentation are available on our website:
https://zugestates.ch/en/downloads

Key dates:

02 September 2026	Sustainability forum
18 February 2027	Publication of the Annual Report and Sustainability Report 2026
13 April 2027	General Meeting of Shareholders

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About Zug Estates

The Zug Estates Group designs, develops, markets and manages properties in the Zug region, with a particular focus on centrally located sites that enable a variety of uses and support sustainable development. The property portfolio primarily comprises the two sites in Zug and Rotkreuz. The Group also operates a city resort in Zug consisting of the leading business hotels Park Hotel Zug and City Garden, plus a range of restaurants. The total value of the portfolio was CHF 1.98 billion as at 30 June 2026. Zug Estates Holding Ltd is listed on the SIX Swiss Exchange, Zurich (ticker symbol: ZUGN, securities number: 14 805 212).