



MOBIMO

Annual Report 2020

Selected key figures 2020

Mobimo can look back on a challenging but still successful financial year. The total portfolio value as at the end of 2020 was just under CHF 3.4 billion. The stagnation in the rental business was attributable to the support provided to commercial tenants affected by the coronavirus crisis. The fall in revaluation income compared with the previous year was also largely due to Covid-19.

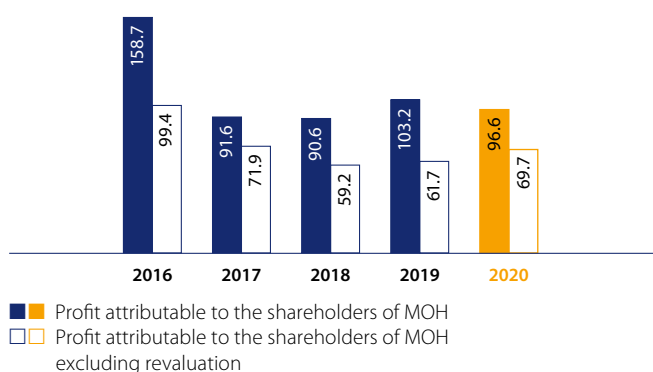
Profit

CHF million
2019: 103.1

96.6

Profit attributable to the shareholders of MOH including and excluding revaluation

CHF million



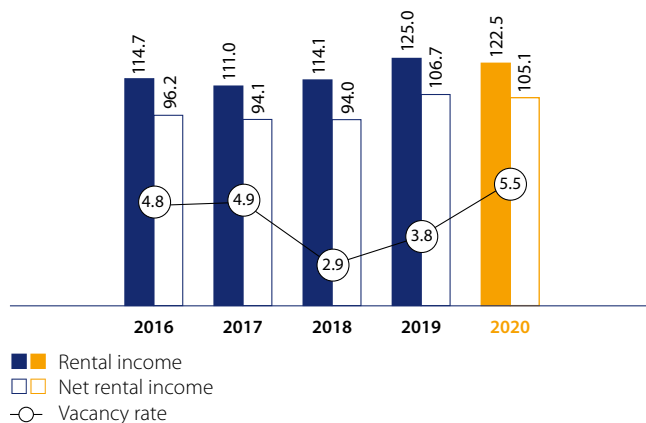
Total value of real estate portfolio

CHF million



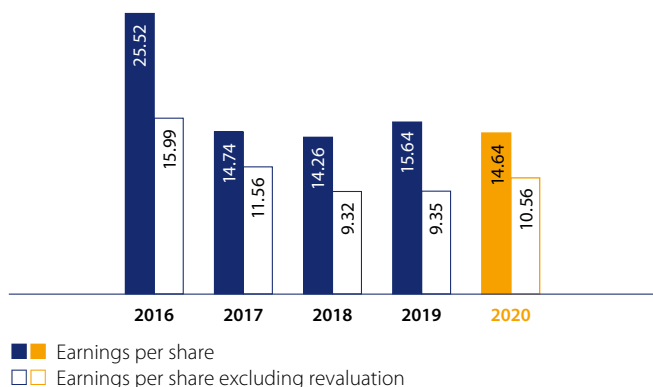
Rental and net rental income and vacancy rate

CHF million/%



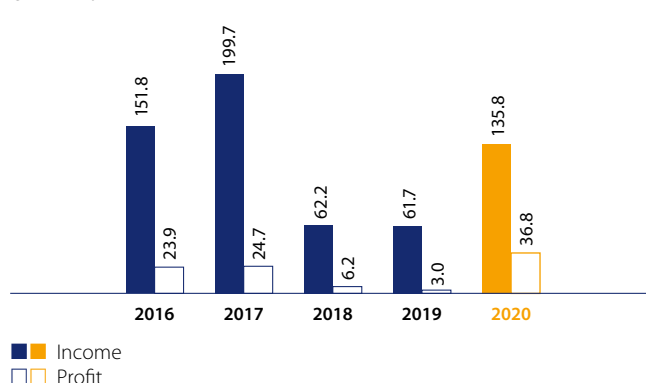
Earnings per share including and excluding revaluation

CHF



Income and profit on development projects and sale of trading properties

CHF million



As a result of rounding, the sums and totals of individual positions may be larger or smaller than the sums and totals arrived at by adding the positions together, or larger or smaller than 100%.

The "Definition of Alternative Performance Measures" document, available at www.mobimo.ch > Investors > Investor services > Glossary, includes definitions of performance measures that are not defined under IFRS, EPRA, SIA (Swiss Society of Engineers and Architects) standard D 0213, Corporate Governance Best Practice Recommendations or other standards.

Non-financial indicators

Mobimo also incorporates non-financial indicators into its assessment of its performance. Ratings such as GRESB and CDP show the investment portfolio performing well once again. The election of a second woman to the Board of Directors improved that body's gender balance.

Energy intensity

kWh/m²
2019: 152

108

Emissions intensity

kg CO₂eq/m²
2019: 25

16

Share renewable energy electricity

% (reference value kWh)

93

Investments in renovations

CHF million
Ø 2018 – 2020

~40

Total women in workforce (excluding Board of Directors)

%
2019: 52

54

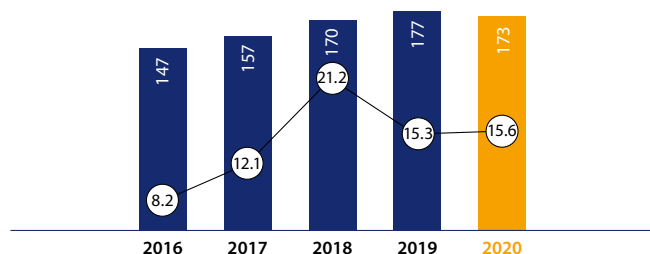
Women in Board of Directors

%
2019: 14

33

Employees and turnover

headcount/%



Duration of customer relationships with five biggest tenants

Ø in years

11.4

- Further information on our sustainability performance from page 20 onwards.
- More information on data for energy and emissions on page 21.

Standards and ratings



GRESB: Green Star

Based on 2020 results and scoring 71 points, the Mobimo portfolio has once again been awarded Green Star certification in the best quadrant (2019: 78 points). Due to an adjustment of the valuation method, the previous year's comparison is not meaningful.



CDP: Score B, Sector Leader

With a score of B+ (on a scale from A to F), Mobimo achieved a top result within the real estate industry in the Germany/Austria/Switzerland region – the same result as in the previous year.



EPRA sBPR: Gold Award

Mobimo's EPRA Sustainability Best Practice Recommendations Report was once again awarded the EPRA sBPR Gold Award, the highest award of its kind.



DGNB: Gold Certificate

With the Aeschbachquartier in Aarau, Mobimo is developing the first district in Switzerland to be awarded German Sustainable Building Council (DGNB) certification.



2000-Watt site: AGGLOlac

AGGLOlac is set to be the first 2000-Watt site in the Biel/Bienne region. This certificate demonstrates that the planned urban expansion meets the criteria set out by the 2000-Watt Society for the sustainable use of energy resources.



Employers We Trust

This label is awarded to companies that set themselves apart through the high appreciation that they demonstrate for their employees.

Result	Unit	2020	2019	Change in %
Net rental income	CHF million	105.1	106.7	-1.5
Profit on development projects and sale of trading properties	CHF million	36.8	3.0	1,117.4
Profit on disposal of investment properties	CHF million	1.6	6.4	-74.7
Net income from revaluation	CHF million	34.3	51.5	-33.5
Operating result (EBIT)	CHF million	145.8	134.0	8.8
Operating result (EBIT) excluding revaluation	CHF million	111.5	82.5	35.2
Profit	CHF million	96.6	103.1	-6.3
Profit attributable to the shareholders of MOH	CHF million	96.6	103.2	-6.3
Profit attributable to the shareholders of MOH excluding revaluation	CHF million	69.7	61.7	13.0
Balance sheet				
Assets	CHF million	3,619.9	3,463.3	4.5
Equity	CHF million	1,564.8	1,532.3	2.1
Equity ratio	%	43.2	44.2	-2.3
Return on equity	%	6.4	7.1	-9.9
Return on equity excluding revaluation	%	4.6	4.2	9.5
Interest-bearing liabilities	CHF million	1,724.9	1,594.4	8.2
Ø Rate of interest on financial liabilities (for the period)	%	1.56	1.82	-14.3
Ø Residual maturity of financial liabilities	years	5.0	5.3	-5.7
Net gearing	%	101.3	101.1	0.2
Portfolio				
Overall portfolio ¹	CHF million	3,353.2	3,297.7	1.7
Investment properties ¹	CHF million	2,844.6	2,600.1	9.4
Development properties ²	CHF million	508.6	697.6	-27.1
Gross yield from investment properties	%	4.5	4.5	0.0
Net yield from investment properties excluding Covid-19 effect ³	%	3.5	3.7	-5.4
Investment property vacancy rate	%	5.5	3.8	44.7
Ø Discount rate for revaluation (nominal)	%	3.7	3.8	-2.6
Ø Capitalisation rate (real)	%	3.2	3.3	-3.0
EPRA				
EPRA profit	CHF million	49.0	60.2	-18.6
EPRA NAV per share ⁴	CHF	276.52	272.30	1.5
EPRA rental growth like for like	%	-0.0	-0.1	nmf
EPRA vacancy rate	%	5.5	3.8	44.7
Headcount				
Headcount (full-time basis)	Number	159.6	161.5	-1.2
Of which headcount Mobimo FM Service AG (full-time basis)	Number	40.6	39.1	3.8
Environment				
Energy intensity	kWh/m ²	108	152	-28.9
Emissions intensity	kg CO ₂ eq/m ²	16	25	-36.0
Share				
Shares outstanding ⁵	Number	6,594,117	6,597,165	0.0
Nominal value per share ⁶	CHF	13.40	23.40	-42.7
NAV per share (diluted)	CHF	237.31	232.26	2.2
Earnings per share	CHF	14.64	15.64	-6.4
Earnings per share excluding revaluation	CHF	10.56	9.35	12.9
Distribution per share ⁶	CHF	10.00	10.00	0.0
Share price as at 31.12.	CHF	286.00	288.50	-0.9

¹ Including owner-occupied properties, excluding owner-occupied tenant improvements and excluding right-of-use assets.

² Excluding right-of-use assets.

³ Covid-19 rent waivers are eliminated from net yield excluding Covid-19 effect (see page 67). Taking into account the Covid-19 rent waivers, the net yield including Covid-19 effect was 3.3%.

⁴ According to EPRA BPR, new NAV figures must be published from the 2020 financial year (see EPRA performance figures from page 146 onwards). To ensure comparability, the NAV figures EPRA NAV and EPRA NNNNAV are again shown in 2020, but will no longer need to be disclosed from 2021.

⁵ No. of shares issued 6,601,547 less treasury shares 7,430 = no. of outstanding shares 6,594,117.

⁶ Distribution for the 2020 financial year of CHF 10.00 per share by means of a capital value repayment in accordance with the proposal to the Annual General Meeting of 30 March 2021.

Details on the long-term trends in Mobimo's key figures can be found on page 153 (Five-year overview).

Our profile

With a broadly diversified real estate portfolio that has a total value of nearly CHF 3.4 billion, Mobimo Holding AG is one of the leading real estate companies in Switzerland. Its portfolio comprises residential and commercial properties, along with development properties both for the company's own portfolio and for third parties. The properties are in first-class locations in German-speaking and French-speaking Switzerland.

The buildings are characterised by balanced diversification and diligent management. Mobimo uses its development projects to strengthen its income base and boost the intrinsic value of its portfolio. The company also creates investment opportunities for third parties through its development services.

Mobimo has around 170 employees.

Contents

Management report

Letter to shareholders	6
Strategy and business model	8
Mobimo on the capital market	10
Overview of the portfolio	12
Group business performance	17
Sustainability	20

Corporate governance

Corporate governance report	25
Compensation report	46
Report of the statutory auditor on the remuneration report	52

Financial report

Consolidated annual financial statements	54
Property details	114
Report of the statutory auditor on the consolidated annual financial statements	127
Report of the independent valuation experts	132
Annual financial statements of Mobimo Holding AG	137
Report of the statutory auditor on the financial statements	144
EPRA key performance measures	146

Five-year overview	153
---------------------------	------------

Webguide

Online annual report

Management structure

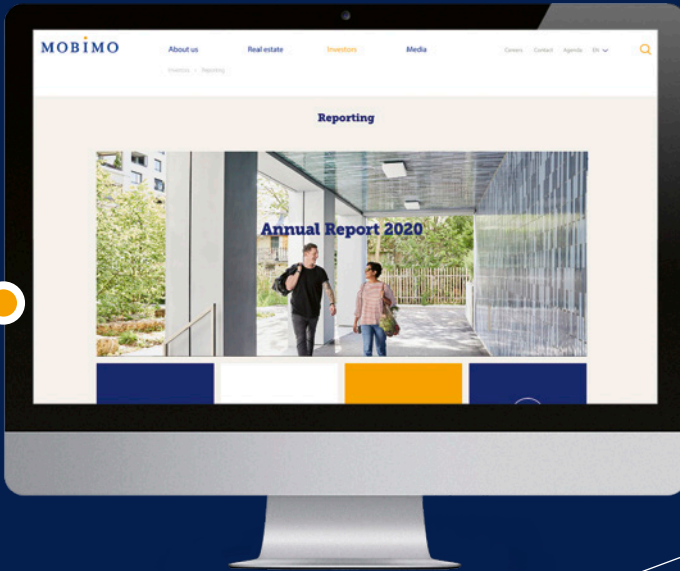
Portfolio

Risk report

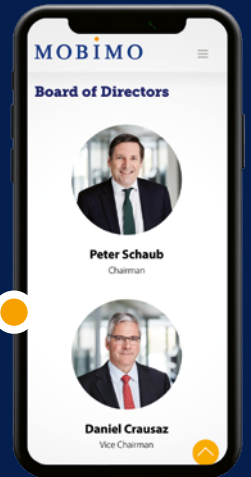


SHERPANY

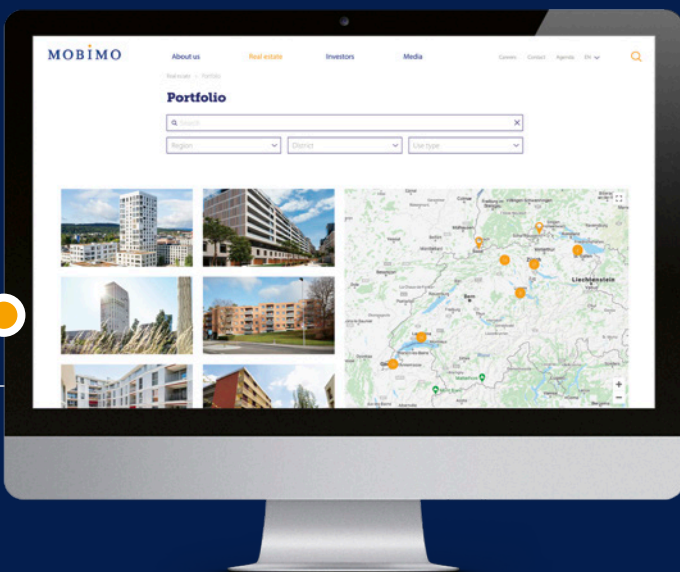
Register now on the Sherpany shareholder platform and vote online at the Annual General Meeting. www.sherpany.com



www.mobimo.ch > Investors > Reporting



www.mobimo.ch > About us > BOD/EB



www.mobimo.ch > Real estate > Portfolio



www.mobimo.ch > Investors > Corporate governance > Risk report

Letter to shareholders



Peter Schaub, Chairman of the Board of Directors,
and Daniel Ducrey, CEO.

Rental income

CHF million
2019: 125.0

122.5

Profit attributable to shareholders

CHF million
2019: 103.2

96.6

Earnings per share

CHF
2019: 15.64

14.64

Dear shareholders

Mobimo can look back on a challenging but largely successful 2020. Like everyone else, our year was dominated by the coronavirus pandemic, and we devoted a great deal of attention to protecting the health of our employees, supporting commercial tenants affected by government measures and adapting to the new ways of cooperating and interacting. Thanks to its high level of digitalisation, diversified real estate portfolio and agile business model, Mobimo's annual results are pleasing on many levels despite the impact of the coronavirus crisis.

The total value of the real estate portfolio grew once again thanks to the progress made with investment properties under construction, targeted acquisitions and positive revaluation effects, reaching just under CHF 3.4 billion (prior year: CHF 3.3 billion) as at the end of 2020. The profit attributable to the shareholders of Mobimo Holding AG was CHF 96.6 million including revaluation and CHF 69.7 million excluding revaluation (prior year: CHF 103.2 million and CHF 61.7 million respectively). Earnings per share excluding revaluation were CHF 10.56. The Board of Directors will once again propose a distribution of CHF 10.00 per share by means of a capital value repayment to the Annual General Meeting on 30 March 2021.

Value added by Mobimo's own development projects

Mobimo's investment portfolio was able to easily absorb the mostly coronavirus-related market corrections, particularly those affecting hotel properties, due to its diversification and the large residential component. Net income from revaluation was CHF 34.3 million (prior year: CHF 51.5 million). The net income from revaluation largely stems from operating activities and thus reflects the value added by Mobimo's own development projects. The progress of the residential property project in the Zurich-Manegg development area made a particularly substantial contribution to this figure. The development, which comprises 157 apartments and will be ready for occupation in the first half of 2023, will further strengthen Mobimo's rental income base.

Profit on development projects and sale of trading properties, which rose to CHF 36.8 million in 2020 from CHF 3.0 million in the previous year, also provided a clear demonstration of the potential gains offered by the company's own development projects. The sale of projects with building permission to institutional investors and the positive response to the condominium development in Meggen in the canton of Lucerne contributed to this good performance, with half of the 30 new apartments and the entire commercial space already notarised.

Rental business stagnates due to coronavirus

Rental income for the Mattenhof in Kriens was received for the full period for the first time in 2020, but net rental income was slightly lower year on year at CHF 105.1 million (prior year: CHF 106.7 million). The slight fall was attributable to the support measures for tenants in the hotel/catering and retail sectors. Rent reductions as a result of the coronavirus crisis totalled CHF 6.5 million.

The vacancy rate in the investment portfolio as at the end of 2020 was 5.5% (prior year: 3.8%). While letting of residential properties remained dynamic first-time letting of commercial space is currently a real challenge.

Sustainability embodied

Mobimo continued to focus on the sustainability of its activities in 2020, and non-financial indicators feature in this annual report for the first time (see page 1). One of the key indicators of environmental sustainability performance – the emissions intensity of investment properties – was significantly reduced last year, prompting the Global Real Estate Sustainability Benchmark (GRESB) to once again award Mobimo's investment portfolio Green Star certification. Mobimo will also be defining a CO₂ reduction roadmap in the near future. Mobimo embodies sustainability in every respect, and the varied elements of this approach include customer relationships that are based on trust. With this in mind, we provided proactive support for a large number of tenants, something that was particularly relevant last year.

Pipeline on track

Mobimo's construction and development projects are on track. With the exception of the Agglolac project, the coronavirus crisis did not result in any notable delays. The parliamentary debate and the referendums in the cities of Biel/Bienne and Nidau were put back a year and will take place during 2021.

As at the end of the year, developments for the company's own portfolio comprised investment properties under construction with a value of CHF 90 million and investment properties in planning with a value of CHF 490 million. We are seeing ongoing high demand for mid-priced condominiums and have further strengthened our pipeline through the purchase of two plots of land in Lausanne and one in Uster in the canton of Zurich. Mobimo is well-positioned in the dynamic transaction market and open to new opportunities.

Recent and forthcoming management changes

Mobimo has strengthened its Executive Board as it enters the new year. Stefan Hilber took over as CFO in November 2020, while Gerhard Demmelmair assumed responsibility for the Portfolio and Transactions business area in December 2020. The changes in the Board of Directors are as follows: Dr. Martha Scheiber joined the board as a new member at the Annual General Meeting of 31 March 2020. Sabrina Contratto, a recognised expert in architecture, urban planning and design, will also be proposed to the shareholders for election at the forthcoming Annual General Meeting on 30 March 2021. Executive Board members Manuel Itten (CFO) and Marc Pointet (Head of Mobimo Suisse romande) and members of the Board of Directors Wilhelm Hansen and Dr. Christoph Caviezel left Mobimo in 2020 after many years of successful service. As previously announced, our long-standing fellow Board member Bernard Guillelmon will not be standing for re-election to the Board of Directors at the forthcoming Annual General Meeting. We will be sure to make the most of our last few weeks working together. The Board of Directors would like to thank all the former members of the Board of Directors and Executive Board for their huge contribution and wish them all the very best for the future.

Outlook and thank you

Although there are still severe restrictions on social and business life in Switzerland at the time of publication of this annual report, we are cautiously optimistic about the future course of the pandemic and the subsequent economic recovery. We are very confident that our tenants will be able to regain their customary entrepreneurial strength.

Mobimo is also set to make good progress with its projects in 2021 – a belief reinforced by the successes we achieved last year despite all the challenges thrown at us. Going forward, Mobimo will continue its agile approach to the market, seize opportunities for growth and exercise a high degree of strategic, operational and financial flexibility. The company is well-positioned and equipped to deal with whatever challenges lie ahead.

Thank you for the trust you have placed in Mobimo.



Peter Schaub
Chairman of the Board of Directors



Daniel Ducrey
CEO

Strategy and business model

Mobimo's long-term strategy is geared towards qualitative growth based on a balanced portfolio mix and active portfolio management. The company ensures that its activities are solidly financed and sustainable.

Mobimo buys, plans, builds, maintains and sells valuable and high-yield real estate. The investment portfolio comprises commercial, industrial and residential properties with broad-based rental income and correspondingly steady returns. Through its development properties, Mobimo generates considerable upside potential and capital gains. This area of activity includes the sale of condominiums. Development for Third Parties offers planning and implementation services for institutional and private investors. This covers all areas of planning, including the handover of turn-key properties.

Mobimo is solidly financed. In addition to long-term guaranteed financing, the expansion of the company is based on Mobimo's core competences: buying/selling, development/realisation, portfolio management and property management.

The company uses the Mobimo brand in its communication with investors, the media, analysts and tenants. The Group brand is sometimes linked with targeted sponsorship and marketing measures. Communication and marketing at project level are generally tied to an image developed by Mobimo and are given project names that correspond to the objective, location and target audience.

Long-term strategy

Qualitative growth

Mobimo strives to gradually grow its real estate portfolio. This growth takes place primarily through the construction of investment properties for the company's own portfolio as well as through the acquisition of individual properties and portfolios. Growth may also be achieved via company takeovers.

The decision to grow is taken when the elements of price, location and future prospects come together in such a way as to create value for shareholders. Mobimo invests in promising locations in Switzerland. It sees these primarily as the economic areas of Zurich and Lausanne/Geneva, together with those of Basel, Berne, Lucerne/Zug, Aarau and St. Gallen. Investments are only made in sustainably good locations.

Balanced portfolio mix

Generally, the strategic investment portfolio comprises approximately one-third residential usage, one-third office usage and one-third other commercial usage.

Active portfolio management

The real estate portfolio is optimised on an ongoing basis. Value is rigorously maintained and increased by cultivating relationships with tenants, ensuring a high level of occupancy, optimising costs and implementing effective marketing strategies.

Added value through development

Real estate development focuses on the following areas:

- › development and construction of new investment properties for the company's own portfolio,
- › site development,
- › the continued development and optimisation of the company's own real estate holdings,
- › development for third parties,
- › development, construction and sale of owner-occupied properties.

Sustainability

For Mobimo, sustainability means striking a balance between generating profits today and preserving and enhancing value over the long term. Quality of life is reflected in the design of its living, leisure and working spaces. In addition to economic considerations, Mobimo also incorporates environmental and socio-cultural factors into its activities. It is also a responsible and attractive employer, creating added value for shareholders, business partners, the users of Mobimo properties and the company's employees.

Solid financing

Mobimo can borrow on both a short and long-term basis. Equity should represent at least 40% of total assets.

Profitable investment

Mobimo shares are characterised by steady value growth and regular, attractive payouts.

Business model

Mobimo pursues its long-term objectives based on a clear strategy and an established, stable business model.



Value creation

Profit from development projects and sale of trading properties CHF 36.8m		Net rental income CHF 105.1m	
		Net income from revaluation CHF 34.3m	
Development for Third Parties	8% Trading	7% Own portfolio	Real estate portfolio
		15% Development properties	

Profit
CHF 96.6m

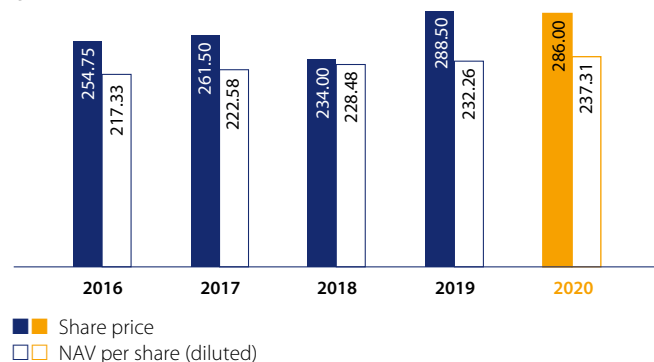
Mobimo on the capital market

The Mobimo share price closed the year at CHF 286.00. Mobimo remains Switzerland's fourth-largest listed real estate company in terms of its portfolio size and market capitalisation.

The registered shares of Mobimo Holding AG are traded on the SIX Swiss Exchange in Zurich and are listed in accordance with the Standard for Real Estate Companies.

Ticker symbol	MOBN
Swiss security no.	1110887
ISIN code	CH0011108872
Bloomberg	MOBN:SW
Reuters	MOBN.S

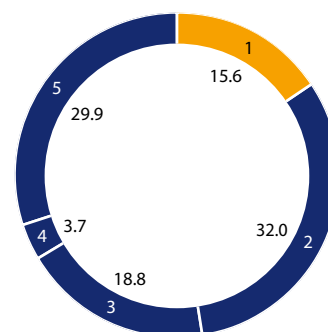
Share price compared with NAV per share



- › Net asset value (NAV) per share stood at CHF 237.31 as at 31 December 2020 (prior year: CHF 232.26). There were no dilutive effects in the year under review or in the previous year. The difference compared with the previous year was 2.2%.
- › The share price as at 31 December 2020 of CHF 286.00 was 20.5% above the diluted NAV of CHF 237.31.
- › An average of 12,098 shares were traded daily (prior year: 11,256 shares). Average daily turnover was around CHF 3.3 million (prior year: CHF 2.9 million).
- › Turnover in 2020 was CHF 835.2 million (prior year: CHF 722.7 million).

Composition of shareholders

- %
- 1 Individuals
 - 2 Pension funds, insurers, banks
 - 3 Foundations, funds
 - 4 Other companies
 - 5 Shares pending registration



As at 31 December 2020, the following shareholders held 3% or more of the share capital:

- › Credit Suisse Funds AG, 5.50%,
- › BlackRock, Inc., 3.92%,
- › UBS Fund Management (Switzerland) AG, 3.00%,
- › Dimensional Holdings Inc., 3.00%.

According to the SIX Swiss Exchange definition, the free float stood at 100% as at 31 December 2020.

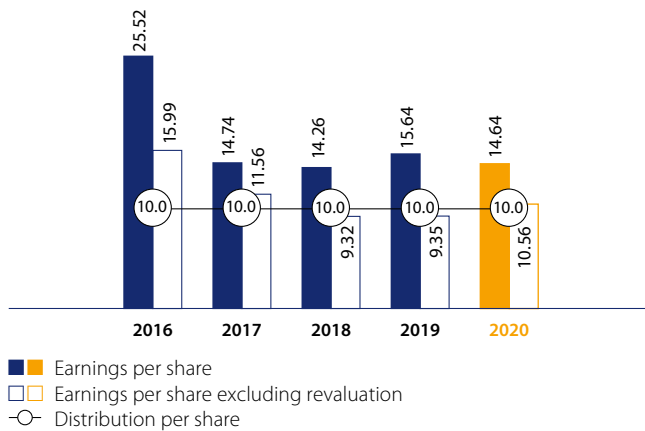
Market capitalisation in a sector comparison

- › Fourth-largest Swiss real estate company measured in terms of its portfolio size and market capitalisation as at 31 December 2020.
- › Market capitalisation increased from CHF 490 million to CHF 1,888.0 million during the period from December 2005 to December 2020.
- › Market capitalisation stood at CHF 1,888.0 million at year-end (prior year: CHF 1,904.5 million).

The "Definition of Alternative Performance Measures" document, available at www.mobimo.ch > Investors > Investor services > Glossary, includes definitions of performance measures that are not defined under IFRS, EPRA, SIA (Swiss Society of Engineers and Architects) standard D 0213, Corporate Governance Best Practice Recommendations or other standards.

Earnings per share and distribution per share

CHF



- › Earnings per share of CHF 14.64 (prior year: CHF 15.64). Earnings per share excluding revaluation of CHF 10.56 (prior year: CHF 9.35).
- › The distribution per share for the 2020 financial year should be CHF 10.00 (prior year: CHF 10.00), subject to the approval of the Annual General Meeting.
- › Based on the 2020 year-end price, the distribution yield stands at 3.5% (prior year: 3.5%).
- › Average annual distribution yield of around 3.8%, calculated on the basis of the respective year-end share price over the last five years.
- › Continued long-term and shareholder-friendly distribution policy. Attractive distribution per share in the form of a withholding tax-exempt and tax-free nominal value repayment or capital repayment for private individuals since the Group was listed in 2005.

Mobimo share data

	Unit	2016	2017	2018	2019	2020
Share data as at 31.12.						
Share capital	CHF million	180.3	180.3	154.5	154.5	88.5
Registered shares issued	Number	6,218,170	6,218,170	6,601,547	6,601,547	6,601,547
Of which treasury shares	Number	2,044	501	4,933	4,382	7,430
Registered shares outstanding	Number	6,216,126	6,217,669	6,596,614	6,597,165	6,594,117
Nominal value per registered share	CHF	29.00	29.00	23.40	23.40	13.40
Ratios as at 31.12.						
Earnings per share	CHF	25.52	14.74	14.26	15.64	14.64
Earnings per share excluding revaluation	CHF	15.99	11.56	9.32	9.35	10.56
NAV per share (diluted)	CHF	217.33	222.58	228.48	232.26	237.31
Distribution per share ¹	CHF	10.00	10.00	10.00	10.00	10.00
Distribution yield	%	3.9	3.8	4.3	3.5	3.5
Payout ratio	%	39.2	67.8	70.1	63.9	68.3
Share price						
Share price – High	CHF	254.75	279.25	268.00	291.50	319.00
Share price – Low	CHF	206.10	250.25	217.00	234.00	234.50
Share price as at 31.12.	CHF	254.75	261.50	234.00	288.50	286.00
Average no. of shares traded per day	Number	10,035	7,516	7,439	11,256	12,098
Market capitalisation as at 31.12.	CHF million	1,584.1	1,626.1	1,544.8	1,904.5	1,888.0

¹ Distribution for the 2020 financial year of CHF 10.00 per share by means of a nominal value repayment in accordance with the proposal to the Annual General Meeting of 30 March 2021.

- › Average annual performance (total return) of 6.0% since the initial public offering in June 2005.
- › The share price fell by 0.9% from CHF 288.50 at the start of the year to CHF 286.00 at the end of the year.
- › The total return per share (including price changes) was 2.6% in 2020.

You can find the key Mobimo bond data on page 86.

Overview of the portfolio

Mobimo's real estate portfolio had a total value of just under CHF 3.4 billion as at the end of 2020. The most important addition to the investment portfolio is the Mattenhof, one of Mobimo's own development projects. Mobimo's activities are concentrated in Switzerland's major economic areas and are aimed at maintaining a balanced usage mix.

As at 31 December 2020, Mobimo's real estate portfolio (including trading properties) comprised 135 properties. It can be broken down into investment properties with a value of CHF 2,845 million and development properties with a value of CHF 509 million.

Total real estate portfolio value

CHF million
2019: 3,298

3,353

Properties (including trading properties)

Number
2019: 139

135

Proportion of investment properties in real estate portfolio

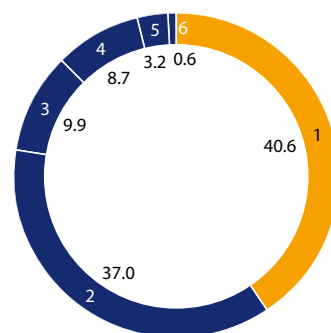
%
2019: 79

85

Breakdown of portfolio by economic area¹

%

- 1 Zurich
- 2 French-speaking Switzerland
- 3 Central Switzerland
- 4 North-western Switzerland
- 5 Eastern Switzerland
- 6 Berne



¹ Breakdown of fair values/ carrying amounts of properties by economic area (overall portfolio).

Real estate portfolio figures

CHF million	2020	%	2019	%
Total portfolio value	3,353	100	3,298	100
Investment properties	2,845	85	2,600	79
Commercial investment properties ¹	1,625	49	1,377 ²	42
Residential investment properties	1,220	36	1,223	37
Development properties	509	15	698	21
Commercial properties (investment) ²	149	4	367	11
Residential properties (investment)	110	3	72	2
Commercial properties (trading)	36	1	31	1
Residential properties (trading)	214	7	228	7

¹ Including owner-occupied properties and excluding tenant improvements.

² Excluding right-of-use assets.

The "Definition of Alternative Performance Measures" document, available at www.mobimo.ch > Investors > Investor services > Glossary, includes definitions of performance measures that are not defined under IFRS, EPRA, SIA (Swiss Society of Engineers and Architects) standard D 0213, Corporate Governance Best Practice Recommendations or other standards.

Stable rental income base for investment properties

85% of the real estate portfolio comprises investment properties. These are broadly diversified in terms of both their location in Switzerland's major economic areas and type of use. The annual potential rental income of the investment properties (excluding development properties and properties in current assets) generated by the rentable area of approximately 529,000 m² as at 31 December 2020 was CHF 130.0 million, producing stable and predictable income.

In-house portfolio management

Mobimo manages the portfolio through its own in-house management team and with its own facility management unit, which gives it proximity to the market and to its tenants. Mobimo ensures a high level of occupancy, imposes lean cost management and implements appropriate marketing strategies. The portfolio management team helps preserve and enhance value through the portfolio strategy.

Details of the investment properties

	31.12.2020
Zurich area	
Fair value TCHF ¹	1,116,080
Target rental income TCHF	46,115
Vacancy rate in %	2.4
Rentable area in m ²	181,019
French-speaking Switzerland	
Fair value TCHF ¹	1,082,788
Target rental income TCHF	48,489
Vacancy rate in %	4.3
Rentable area in m ²	174,422
North-western Switzerland	
Fair value TCHF	282,230
Target rental income TCHF	13,749
Vacancy rate in %	8.6
Rentable area in m ²	81,973
Central Switzerland	
Fair value TCHF	256,020
Target rental income TCHF	14,392
Vacancy rate in %	17.6
Rentable area in m ²	58,208
Eastern Switzerland	
Fair value TCHF	107,470
Target rental income TCHF	7,009
Vacancy rate in %	2.0
Rentable area in m ²	33,362
Total	
Fair value TCHF	2,844,588
Target rental income TCHF	129,753
Vacancy rate in %	5.5
Rentable area in m ²	528,983

¹ For included owner-occupied properties, the carrying amount is used.

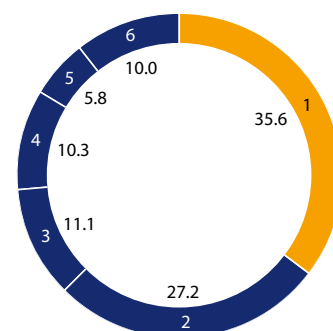
The information on the economic areas is based on the detailed information on commercial and residential properties set out in the financial report (see page 118 onwards).

Rental income by type of use¹

%

- 1 Residential
- 2 Office
- 3 Retail
- 4 Hotels/catering
- 5 Industry
- 6 Other use²

- ¹ Breakdown of target rental income by type of use (investment properties).
- ² Other use mainly comprises car parks and ancillary uses.

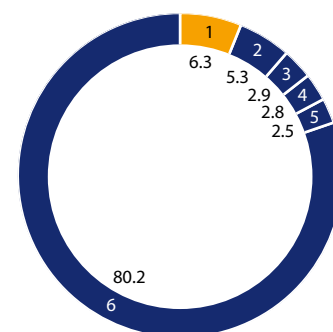


The five biggest tenants generate 19.8% of rental income. The existing fixed-term rental agreements primarily have a medium to long-term maturity profile. The average residual term is 7.3 years.

Shares of the five biggest tenants

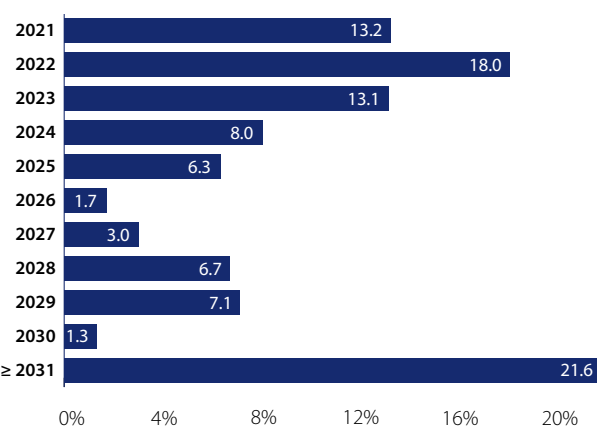
%

- 1 Swisscom Group
- 2 SV Group
- 3 Coop Group
- 4 Senevita AG Switzerland
- 5 Rockwell Automation Switzerland
- 6 Other tenants



Length of existing fixed rental agreements

As at each year-end



👁 Detailed information on commercial and residential properties (see page 118 onwards).

Value added through development

Mobimo is currently planning and realising properties with a total investment volume of around CHF 1,730 million, broken down into CHF 580 million for investment properties for its own portfolio, CHF 560 million for development properties for third parties and CHF 590 million for condominiums to be sold.

Own-portfolio development

Mobimo's growth is driven by its own real estate development activities. The transfer of completed projects to the company's investment portfolio generates added value in two different ways, strengthening Mobimo's income base over the long term and increasing the value of the real estate portfolio.

Every development for the investment portfolio is built in accordance with the criteria of an established Swiss sustainability certificate. Along with the renovation of existing properties, this approach is key to continuously improving the quality of the investment portfolio.

👁 **Detailed information on commercial and residential properties and investment properties under construction (see page 124 onwards).**

Details of the development pipeline (excluding development for Third Parties)

31.12.2020

French-speaking Switzerland

Own-portfolio development in %	32.3
Development of condominiums for sale in %	4.3
Planned investment volume (in million CHF)	428

Zurich area

Own-portfolio development in %	10.9
Development of condominiums for sale in %	14.5
Planned investment volume (in million CHF)	297

Central Switzerland

Own-portfolio development in %	0.0
Development of condominiums for sale in %	22.2
Planned investment volume (in million CHF)	260

North-western Switzerland

Own-portfolio development in %	6.4
Development of condominiums for sale in %	1.7
Planned investment volume (in million CHF)	95

Berne area

Own-portfolio development in %	0.0
Development of condominiums for sale in %	7.7
Planned investment volume (in million CHF)	90

Total

Own-portfolio development in %	49.6
Development of condominiums for sale in %	50.4
Planned investment volume (in million CHF)	1,170

Past projects and selected pipeline projects for Mobimo's own portfolio

Lausanne, Petit Mont-Riond



2015

Aarau, Aeschbachquartier



2019

Lausanne, Grand Mont-Riond

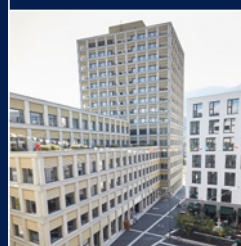


2020



Zurich, Labitzke

2018



Kriens, Mattenhof

Petit Mont-Riond	
Rue Voltaire 2 – 12, Lausanne	
Investment volume	56.7
CHF million	
Fair value	89.8
CHF million	
Target rental income	2.8
CHF million p.a.	

Labitzke	
Hohlstrasse 481 – 485b; Albulastrasse 34 – 40, Zurich	
Investment volume	98.5
CHF million	
Fair value	165.9
CHF million	
Target rental income	5.1
CHF million p.a.	

Aeschbachquartier	
Aeschbachweg 2, 6/8, 12; Buchserstrasse 9/11, 15, Aarau	
Investment volume	107.0
CHF million	
Fair value	110.5
CHF million	
Target rental income	4.8
CHF million p.a.	

Mattenhof	
Am Mattenhof 4, 4a, 6, 8, 12/14, 16/16a, Kriens	
Investment volume	167.0
CHF million	
Fair value	184.5
CHF million	
Target rental income	9.9
CHF million p.a.	

Grand Mont-Riond	
Avenue Edouard Dapples 9/13/15/15a, Lausanne	
Investment volume	37.1
CHF million	
Fair value	43.3
CHF million	
Target rental income	1.3
CHF million p.a.	

Jumeaux	
Rue de Genève 19/21, Lausanne	
Investment volume	36.4
CHF million	

Tiergarten	
Im Tiergarten 7, Zurich	
Investment volume	49.2
CHF million	
Target rental income	1.8
CHF million p.a.	

Manegg	
Allmendstrasse 90, 92, 94, 96, 98, 100, 102, 104, Zurich	
Investment volume	67.1
CHF million	
Target rental income	3.6
CHF million p.a.	

- Investment properties from Mobimo's own development activities
- Investment properties under construction and development properties for Mobimo's own portfolio

Lausanne, Jumeaux



Zurich, Manegg



2023

2022



Zurich, Tiergarten

Developments with a long-term horizon:

- > Aarau, Rockwell site
- > Lausanne, Rasude
Investment volume CHF 270 million
- > Biel/Bienne, Agglolac
Investment volume CHF 500 million
- > Zurich, RAD
Investment volume CHF 500 million

- Investment properties from Mobimo's own development activities
- Investment properties under construction and development properties for Mobimo's own portfolio

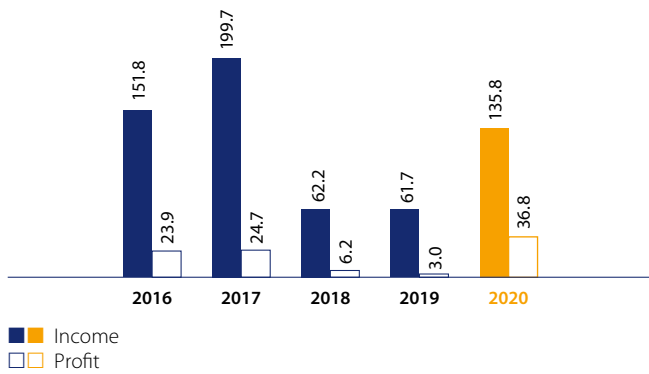
Condominiums and developments for third parties

In addition to developments for its own portfolio, condominium projects and developments for third parties are also attractive areas of activity for Mobimo. The company is particularly active in the development of mid-priced condominiums for sale to private individuals, a segment that is in high demand. The development services provided by Mobimo’s highly qualified real estate developers are particularly popular with institutional investors and range from area, site and project developments to turn-key real estate.

The investment volumes of condominiums under construction or planned are CHF 40 million and CHF 550 million respectively. The volume of investment properties under construction or planned for investors is CHF 560 million.

Income and profit on development projects and sale of trading properties

CHF million



Detailed information on trading properties (see page 114 onwards).

Track record and selected projects condominiums and development for third parties

2015



Regensdorf, Im Pfand (Sonnenhof)

Lucerne, Büttenenhalde (Am Meggerwald)



2016



Langenthal, Kühlhausstrasse (3M headquarters)



Kriens, Mattenhof (Matteo)

2020



Regensdorf, Althardstrasse

2021



Dübendorf, Zürichstrasse

2022



Meggen, Gottliebenrain (Grace)

2023



Zurich, Letzigraben (LETZ9)

2025

Oberägeri, Lutisbachweg

Developments for third parties

Development of condominiums

Group business performance

Mobimo's profit excluding revaluation was up 13.0% year on year in the 2020 financial year. Net rental income remained almost unchanged at CHF 105.1 million despite rent reductions as a result of the coronavirus crisis. The profit of CHF 36.8 million on development projects and sale of trading properties had a positive impact on the result (prior year: CHF 3.0 million).

Financial performance

- Net rental income of CHF 105.1 million was almost unchanged compared with the previous year (prior year: CHF 106.7 million) despite rent reductions totalling CHF 6.5 million as a result of the coronavirus crisis.
- The vacancy rate as at 31 December 2020 was 5.5% (prior year: 3.8%). The increase in this rate was largely attributable to the challenges associated with finding first-time tenants for commercial space, which were exacerbated by the pandemic.
- Profit on development projects and sale of trading properties was pleasingly high in the year under review at CHF 36.8 million, significantly exceeding the prior-year figure of CHF 3.0 million. The improved profit was primarily due to the sale of two projects in Regensdorf and Uster.
- Net income from revaluation was CHF 34.3 million in the year under review (prior year: CHF 51.5 million) and was driven primarily by Mobimo's own development activities. Depreciation, chiefly in relation to hotels, was offset by appreciation pressure in the residential segment.

The profit attributable to the shareholders of Mobimo in the 2020 financial year was CHF 96.6 million (prior year: CHF 103.2 million). Excluding revaluation, the profit attributable to the shareholders of Mobimo was CHF 69.7 million (prior year: CHF 61.7 million). The company recorded EBIT of CHF 145.8 million (prior year: CHF 134.0 million), or CHF 111.5 million excluding revaluation (prior year: CHF 82.5 million). This resulted in earnings per share of CHF 14.64 (prior year: CHF 15.64), or CHF 10.56 excluding revaluation (prior year: CHF 9.35).

Rental business and transaction market

Rental income fell by 2.0% from CHF 125.0 million in the previous year to CHF 122.5 million, largely due to the CHF 6.5 million support package provided to tenants affected by the measures imposed by the Swiss authorities to combat coronavirus. The direct cost/income ratio for rented properties was slightly lower year on year at 14.3% (prior year: 14.7%). Net rental income was therefore CHF 105.1 million, down 1.5% year on year (prior year: CHF 106.7 million). As expected, the vacancy rate as at 31 December 2020 was slightly higher at 5.5%

(prior year: 3.8%) due to the challenging market situation for first-time letting of commercial space in particular. The change in like-for-like rental income was 0.0% (prior year: -0.1%) in the 2020 financial year. Mobimo achieved a slightly lower net yield of 3.5% (excluding Covid-19 effect) with its investment properties as at 31 December 2020 (prior year: 3.7%). This was in line with market trends. Taking the Covid-19 effect into account, the net yield was 3.3%.

The following investment properties under construction were transferred to the investment portfolio during the financial year:

- Aarau, Bahnhofstrasse 102 (Relais 102),
- Kriens, Mattenhof,
- Lausanne, Rue de la Vigie 3.

The annualised target rental income from these additions is CHF 13.2 million (prior year: CHF 7.3 million).

Key financial performance figures

	Unit	2020	2019	Change in %
Net rental income	CHF million	105.1	106.7	-1.5
Profit on development projects and sale of trading properties	CHF million	36.8	3.0	1,117.4
Net income from revaluation	CHF million	34.3	51.5	-33.5
Profit on sale of investment properties	CHF million	1.6	6.4	-74.7
Operating result (EBIT)	CHF million	145.8	134.0	8.8
Operating result (EBIT) excluding revaluation	CHF million	111.5	82.5	35.2
Financial result	CHF million	-28.4	-28.4	0.0
Tax expense	CHF million	-21.6	-5.1	320.2
Profit	CHF million	96.6	103.1	-6.3
Profit attributable to the shareholders of MOH	CHF million	96.6	103.2	-6.3
Profit attributable to the shareholders of MOH excluding revaluation	CHF million	69.7	61.7	13.0

The "Definition of Alternative Performance Measures" document, available at www.mobimo.ch > Investors > Investor services > Glossary, includes definitions of performance measures that are not defined under IFRS, EPRA, SIA (Swiss Society of Engineers and Architects) standard D 0213, Corporate Governance Best Practice Recommendations or other standards.

The company's pipeline comprises further investment properties under construction for the company's own portfolio with a total investment volume of around CHF 90 million. The potential target rental income of these projects is CHF 4 million.

The Zurich, Seestrasse 356 commercial property was purchased in the reporting period (target rental income of CHF 1.2 million). Mobimo also purchased the Lausanne, Chemin Mornex 3, Rue du Petit-Chêne 36 property (target rental income of CHF 1.4 million) as part of a swap transaction, with Mobimo exchanging building parts A and B of the Lausanne, Rue Beau-Séjour 8 property (target rental income of CHF 1.7 million) plus the balance in cash. Mobimo also sold two commercial properties (combined target rental income of CHF 0.4 million) in the 2020 financial year. The sales resulted in a profit of CHF 1.6 million (prior year: CHF 6.4 million).

Revaluation

The revaluation of investment properties and of investment properties under construction resulted in net income from revaluation of CHF 34.3 million (prior year: CHF 51.5 million), of which CHF 31.0 million (prior year: CHF 16.0 million) is attributable to operating performance, i.e. progress in the realisation of investment properties under construction for the company's own portfolio. The value of the other investment properties increased by CHF 3.2 million (prior year: CHF 35.5 million). The average (nominal) discount rate applied by the independent property appraiser in the valuations was 3.7% (prior year: 3.8%). The average (real) capitalisation rate was 3.2% (prior year: 3.3%).

Development projects and sale of trading properties

Income of CHF 135.8 million (prior year: CHF 61.7 million) was generated from development projects and the sale of trading properties. This resulted in profit on development projects and sale of trading properties of CHF 36.8 million (prior year: CHF 3.0 million). The sale of projects with building permission to institutional investors and the positive response to the Grace condominium development in Meggen in the canton of Lucerne were major contributors to this good performance. All six commercial spaces and 15 of the 30 apartments had been notarised as at the reporting date.

As at 31 December 2020, the pipeline comprised one condominium project under construction with a total investment volume of CHF 40 million, planned condominium projects with a total investment volume of some CHF 550 million, and planned developments of investment properties for third parties with a total investment volume of around CHF 560 million.

Personnel, operating, administrative and tax expenses

The number of FTEs as at the reporting date fell slightly to 159.6 (prior year: 161.5), of which 40.6 were attributable to Mobimo FM Service AG (prior year: 39.1). Personnel expenses in the reporting period were CHF 30.0 million (prior year: CHF 28.9 million).

Operating and administrative expenses were reduced to CHF 11.6 million in 2020 (prior year: CHF 14.0 million).

The one-off effect of changes to the future tax rates that will be applicable in various cantons ceased to have an impact in the reporting period. As expected, tax expense was therefore higher than in the previous year, at CHF 21.6 million (prior year: CHF 5.1 million).

Financial position

- › As at 31 December 2020, total assets were CHF 3,619.9 million, above the prior-year figure of CHF 3,463.3 million.
- › The equity ratio was a solid 43.2% (prior year: 44.2%).

As at the end of the 2020 financial year, total assets had increased by a further 4.5% (prior year: 2.5%) to CHF 3,619.9 million. The real estate portfolio, the largest component of the balance sheet, grew by 1.7% year on year to CHF 3,353 million (prior year: CHF 3,298 million) due to investments and positive revaluation income.

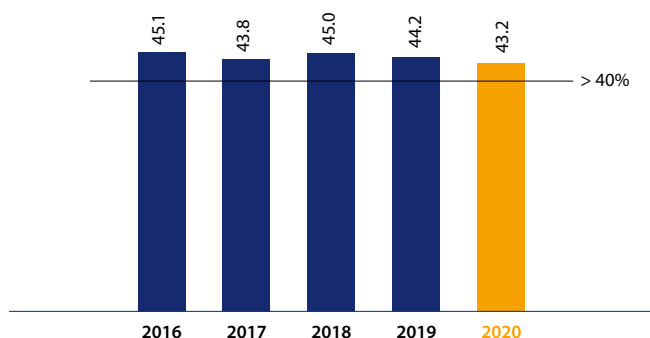
Key financial position figures

	Unit	2020	2019	Change in %
Assets	CHF million	3,619.9	3,463.3	4.5
Non-current assets	CHF million	3,150.1	3,093.8	1.8
Current assets	CHF million	469.8	369.5	27.1
Equity	CHF million	1,564.8	1,532.3	2.1
Return on equity	%	6.4	7.1	-9.9
Return on equity excluding revaluation	%	4.6	4.2	9.5
Liabilities	CHF million	2,055.1	1,931.1	6.4
› Current liabilities	CHF million	395.5	270.7	46.1
› Non-current liabilities	CHF million	1,659.5	1,660.4	-0.1
Equity ratio	%	43.2	44.2	-2.3

With an equity ratio of 43.2% as at 31 December 2020 (prior year: 44.2%), Mobimo continues to have a solid capital base. The company's corporate strategy specifies an equity ratio of at least 40%.

Equity ratio

%

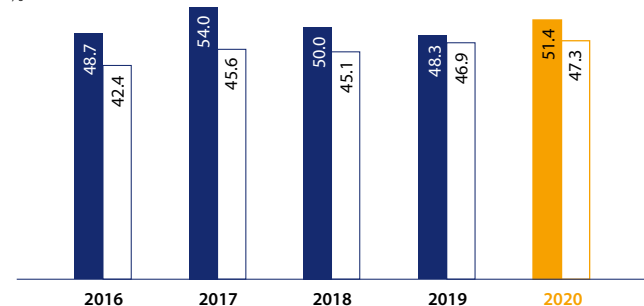


— Minimum target value

The gross loan to value ratio (LTV) as at 31 December 2020 was 51.4% (prior year: 48.3%), and the net LTV was 47.3% (prior year: 46.9%). At 3.9, the interest coverage ratio was well above the minimum target of 2.0. This means that Mobimo is readily able to finance its financial obligations from its operating activities. With regard to its capital structure, Mobimo aims to achieve long-term net gearing of a maximum of 150%. As at 31 December 2020, Mobimo had net gearing of 101.3% (prior year: 101.1%).

Gross and net loan to value ratio (LTV)

%



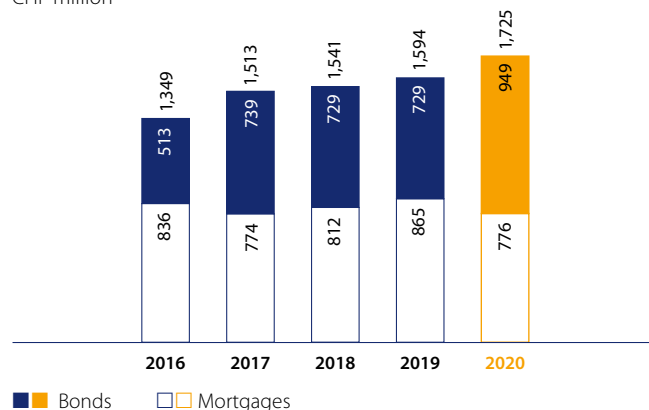
■ Gross LTV
□ Net LTV

Financial liabilities

The company's financial liabilities currently consist of listed bonds and mortgage-secured bank loans. The average interest rate for financial liabilities fell year on year in 2020 to 1.6% (prior year: 1.8%). As at the reporting date of 31 December 2020, the average interest rate had fallen slightly further to 1.5% (prior year: 1.7%). Mobimo will continue to use the attractive interest rate environment to keep interest rates low. The average residual maturity of financial liabilities as at the reporting date was still within the target range at 5.0 years (prior year: 5.3 years). The long-term financing and solid equity ratio are a strong basis for the company's further development.

Financial liabilities

CHF million



■ Bonds □ Mortgages

Investments

Investment activities at Mobimo focus on the realisation of the project pipeline. As at 31 December 2020, the pipeline contained projects for the company's own portfolio with a total investment volume (excluding building plots) of some CHF 580 million, which included:

- › investment properties for the company's own portfolio – under construction: CHF 90 million,
- › investment properties for the company's own portfolio – in planning: CHF 490 million.

The pipeline for Development for Third Parties and condominium projects, with a combined investment volume of around CHF 1,150 million, breaks down as follows:

- › trading properties: condominiums – under construction: CHF 40 million,
- › trading properties: condominiums – in planning: CHF 550 million,
- › development of investment properties for third parties – under construction and in planning: CHF 560 million.

There is further medium-term investment potential of around CHF 1,000 million from site developments.

Stefan Hilber, CFO

Sustainability

As a company with a long-term focus, Mobimo has incorporated sustainability criteria into its business activities for many years. Energy-efficiency renovations of investment properties are one of many measures taken in this regard. Fortunately, stakeholders have also become much more attuned to this topic over the years.

There are three dimensions to Mobimo’s sustainability strategy: the environment, society and governance. The topic of sustainability is promoted at a strategic level, particularly by the Real Estate Committee of the Board of Directors. The Sustainability team, which consists of representatives from all business areas and is overseen by the Head of Development, is responsible for operational implementation. Ernst & Young AG conducts the external audit of energy and emissions data (independent limited assurance). The annual sustainability report provides a comprehensive insight into the company’s sustainability performance.

- 👁 **Sustainability report in accordance with GRI standards at www.mobimo.ch under About us > Sustainability.**
- 👁 **Assessment in accordance with GRESB and CDP on page 1.**

Objectives	2020 measures
Reduce energy consumption and emissions and make careful use of natural resources	<ul style="list-style-type: none"> › Incorporating energy efficiency targets into the portfolio strategy › Implementing various renovation measures › Commissioning the energy network at the Mattenhof in Kriens
Promote renewable energy and innovation	<ul style="list-style-type: none"> › Devising a strategy for the operation of photovoltaic systems › Developing intelligent building management
Enhance Mobimo’s attractiveness as an employer	<ul style="list-style-type: none"> › Introducing annual working hours and expanding home working › Establishing a transparent assessment and feedback culture
Create added value for society	<ul style="list-style-type: none"> › Digitalising customer service › Conducting a participation process for further development of the Aeschbachquartier › Integrating art for the Zurich, Allmendstrasse (Manegg) property
Strengthen sustainable value creation in corporate governance	<ul style="list-style-type: none"> › Promoting diversity › Overhauling risk and compliance management

Renovations in the real estate portfolio

The property at Friesenbergstrasse 75 was constructed in 1976 and has recently undergone extensive renovation. The entire façade was renewed and upgraded with the addition of an automatic shading system and improved thermal insulation. The renovation also increased the energy efficiency of the building’s lighting. The first floor now contains a cafeteria featuring a pleasant break-out area and terrace. The building’s energy consumption is set to be reduced by 16%, and greenhouse gas emissions by 30%.



Comprehensive improvement of the property, which was built in 1976.

Environment

Mobimo considers the efficient use of resources in every aspect of its business activity. Improving energy efficiency, reducing polluting emissions and using renewable sources of energy are the most effective measures in the long term and thus the most important objectives of the company’s sustainability strategy. Mobimo invests an average of around CHF 40 million per year in renovations; other key sustainability pillars include certification, biodiversity and environmentally friendly mobility. All Mobimo developments meet the criteria for sustainable building and increase the quality of the real estate portfolio. Mobimo incorporates biodiversity in its real estate development projects by using native plant species in landscaping, creating animal habitats and renaturing streams. The Horizon building in the centre of Lausanne, for example, includes a biotope with native aquatic plants, while the roof of the Mattenhof district in Kriens also features native plants. The growing popularity of electric vehicles is also reflected in the planning of parking facilities, with 50% of parking spaces in residential or mixed-use properties prepared for the installation of charging stations. In the case of purely commercial or office buildings, the figure is 20%.

☑ Portfolio data for energy and emissions

	2011 (baseline year)	2016	Change in % ¹	2020 (actual)	2019	Change in % ²
Energy-consuming space (m ²) ³	401,392	597,732	48.9	624,113	449,847	38.7
Energy consumption for electricity and heating (MWh) ⁴	85,947	81,841	-4.8	67,344	68,328	-1.4
Energy intensity (kWh/m ²)	214	137	-36.0	108	152	-28.9
Emissions (t CO ₂ eq) ⁵	13,931	13,505	-3.1	9,744	11,251	-13.4
Emissions intensity (kg CO ₂ eq/m ²)	35	23	-34.3	16	25	-36.0

☑ Independent Limited Assurance Report, available at www.mobimo.ch > Investors > Reporting.

¹ Between 2011 (baseline year) and 2016 (end of the first five-year stage).

² Between 2019 and 2020 (actual).

³ The energy-consuming space is adjusted on an ongoing basis as information becomes available. The calculations use data as at the reporting date (30 June). Significant increase in the current period, mainly because of a change of calculation, but also because of an actual increase.

⁴ Corresponds to the quantity billed per property. This figure is extrapolated where no bills are available.

⁵ Calculated based on the heating system, type of fuel and consumption, including electricity.

Annual periods refer to the period from 1 July of the previous year to 30 June of the year in question. Mobimo uses the market-based approach for calculations where supplier-specific emissions factors are available.

Mobimo was able to continuously reduce its energy consumption and emissions between 2011 and 2020. 2019 was an exception to this, which was mainly linked to the purchase of Immobilien-gesellschaft Fadmatt AG (properties heated with natural gas). The energy-efficient properties newly added to the portfolio, particularly the Mattenhof in Kriens, the increase in energy-consuming space (see footnote 3) and the Covid-related decrease in electricity consumption by commercial properties were the main drivers behind the fall in energy intensity in 2020. The decrease in emissions intensity was in part a direct consequence of the lower energy intensity, and in part due to the continuous adjustment of energy sources and the updating of emissions factors: as of reporting year 2020, the electricity products per property are now recorded and, where available, product-specific emissions factors are used. This is the case for 51.4% of the electricity purchased directly by Mobimo. The emissions factors for these renewable electricity products are several times lower than the emissions factor that would otherwise have been applied (Swiss electricity mix).

Certifications

% (reference value energy-consuming space)

Development properties

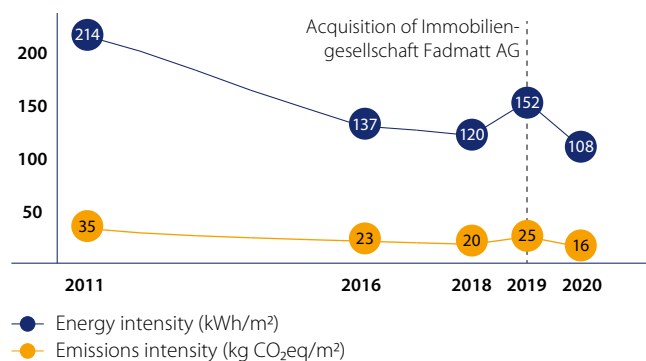
Certified or in accordance with a certification standard
2019: 100

Investment properties

Certified (at least Minergie standards)
2019: 25

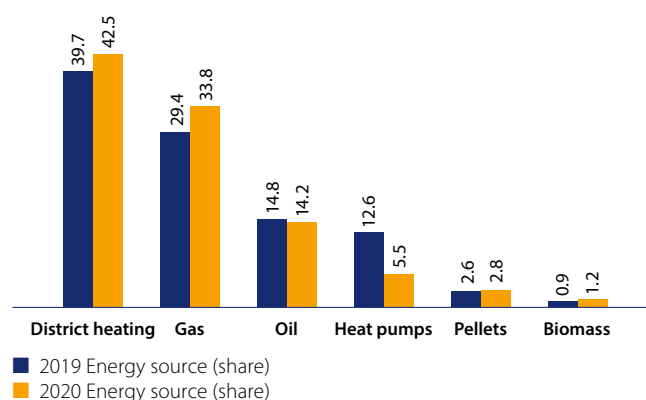
100
27

Energy and emissions intensity in the portfolio



Energy sources used in heating across the portfolio

% (reference value kWh)



Renewable energy in the portfolio

% (reference value kWh)



The share at the business locations is 100%.

Power supply thanks to photovoltaics

As part of the renovation of the Seehallen Horgen, a photovoltaic system was installed on the building's roof, which produces around 125,000 kWh of electricity per year. At the Seehallen Horgen, the general facilities are operated with electricity



from the in-house photovoltaic system. Under Mobimo's management, many tenants at the Seehallen Horgen have joined forces to form a "ZEV" (own consumption association), based on the Energy Act and Energy Ordinance.

Society

Mobimo is fully aware of its far-reaching social responsibility. The company is a reliable landlord and property seller, a professional business partner and an attractive employer. Its contribution to society includes realising high-quality residential, working and living spaces, promoting employee development and investing in the Mobimo&Art programme.

Customers

Mobimo regularly engages an independent external partner to monitor customer satisfaction. The surveys alternate between tenants of residential properties one year and tenants of commercial properties the next. The feedback received from survey participants is generally very positive, particularly in relation to the key criteria of cooperation, information flow and availability.

Customer survey commercial properties German-speaking Switzerland 2019¹



■ Fairly good to very good

¹ The last survey (commercial tenants) took place in 2019. A survey of residential tenants was not conducted in 2020 due to the coronavirus crisis.

Mobimo also views the duration of customer relationships as evidence of a generally high level of satisfaction and good product quality. Mobimo has long-term customer relationships (average: 11.4 years) with its five biggest tenants (19.8% of rental income).

Combining art and architecture

Art builds identity and adds an emotional layer to the functional relationship between real estate and its users. The latest works in Mobimo's art portfolio are "My elastic eye" (pictured), an installation by the artist Raphael Hefti, and "Rivière Suspendue" by Atelier Schlaepfer, a studio which has been in the Le Flon district since 1992.



Sustainability in the supply chain

As a principal, Mobimo requires its contracting partners, especially general contractors, to comply with all current and applicable laws, standards, regulations and requirements relating to safety and employment law and to adhere to the provisions of the Gender Equality Act and the Posted Workers Act. The relevant standards governing sustainable building must also be adhered to. Mobimo refers in particular to the latest recommendations issued by KBOB/IPB (the coordination conference of construction and property bodies of public principals and the interest group of private/professional principals), such as "Building construction materials" and "Conditions for planning services (building construction)" (within the meaning of SIA recommendation 112/1).

Site development and site management

As the owner of the Quartier du Flon, the Aeschbachquartier in Aarau, the Mattenhof in Kriens and the Seehallen Horgen, Mobimo has longstanding experience in developing and managing sites. In its site development projects, Mobimo draws on expert support and liaises closely with public authorities, district associations, neighbours and other stakeholders from the outset. This participation is crucial to creating an overall concept that is in keeping with the local conditions. The site management team has a presence on the ground and is responsible for ensuring a pleasant experience for all users.

Employees

Mobimo provides attractive employment conditions for its employees. The company pays market-based salaries that take criteria such as education, experience, function, rank and years of service into account along with individual performance and success. Employees receive five weeks of annual leave, a 13th month salary, a mobile phone with contract and a bonus based on individual and business performance. All employees are members of a defined contribution pension scheme and have private accident insurance. Mobimo offers more generous maternity leave than required by law:

- › Maternity package up to the fourth year of service: 112 days' maternity pay at full salary.
- › Maternity package from the fifth year of service: 180 days' maternity pay at full salary.

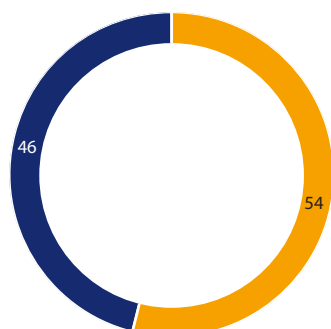
Since 2017, Mobimo has offered employees the opportunity to purchase leave. A maximum of ten additional days of leave can be purchased per calendar year. Mobimo operates a flexible working time model. Employees are able to work from home and/or part-time.

Mobimo encourages training for employees at all levels. This may take the form of financial support or allowing working time to be used for training. 11 employees (6.4%) undertook training in 2020 (previous year: 14, 7.9%). Mobimo employed three commercial apprentices working towards a federal proficiency certificate (EFZ) in 2020.

173 employees (headcount, -2.3% versus previous year)

%

- Total women (number)
 - Küsnacht 54
 - Lausanne 18
 - FM (various locations) 18
 - BSS&M Real Estate 4
- Total men (number)
 - Küsnacht 40
 - Lausanne 13
 - FM (various locations) 25
 - BSS&M Real Estate 1



Employee indicators

Number	2020	2019	Change in %
Full-time	127	124	2.4
Part-time	46	53	-13.2
Permanent	171	173	-1.2
Temporary	2	1	100.0
Apprentices	3	3	0.0
Departures	32	27	18.5
New hires	28	27	3.7
Number of employees in training and education	11	14	-21.4
Number of promotions to higher level	14	7	100.0
Occupational accidents (days)	240	0	nmf
Non-occupational accidents (days)	53	73	-27.4
Sickness (days)	1 250	1 062	17.7
Maternity (days)	314	386	-18.7

Mobimo decided in 2020 to start conducting regular employee pulse surveys to monitor its human resources management performance. These offer a number of advantages over conventional employee surveys, which are usually very extensive, as they enable management to obtain valuable feedback, particularly on topical issues, for significantly less cost and effort. 91 employees from the Lausanne and Küsnacht sites took part in the survey in autumn 2020 (response rate 74%). To monitor employee satisfaction over a period of years, the questions “How happy are you working at Mobimo?” and “How comfortable do you feel in your team?” are also asked on an annual basis.

Employee survey

%



- Very happy/very comfortable
- Happy/comfortable
- (Fairly) unhappy/(fairly) uncomfortable

Governance

Good corporate governance is a key element of Mobimo’s business management activities and is designed to ensure that the company maintains its reputation as a responsible and sustainable company. None of the members of Mobimo’s Board of Directors have any executive powers, and none have ever previously been members of the company’s Executive Board. As at the end of 2020, 33% of the members of the Board of Directors were female. This figure will be further increased subject to the election of Sabrina Contratto to the Board of Directors at the 2021 Annual General Meeting.

Regional origin, qualifications and age are also key diversity criteria for Mobimo. With this in mind, diversity is always an issue when making new appointments at all levels.

Diversity

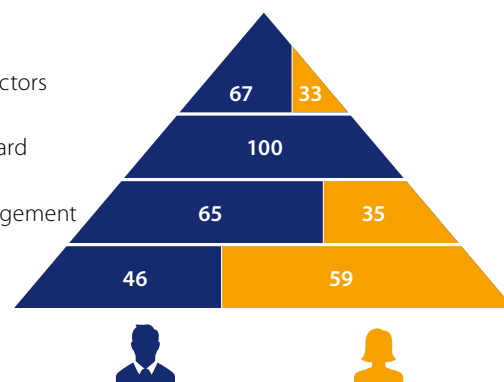
%

Board of Directors

Executive Board

Middle management

Employees



Mobimo has set out the basic principles of ethics, integrity and lawful behaviour in the code of conduct, the compliance regulations, the regulation on the prevention of corruption and bribery, and the directive on the protection of personal privacy and protection against sexual harassment in the workplace. These documents form an integral part of the employment contract. The Legal and HR departments are available for questions on statutory provisions, including any relating specifically to employment law.

Whistleblowing

Internal and external bodies are available for reporting incidents. These contact points are published on the intranet.

Risk management

Risk management is a hugely important component of the processes that make up the integrated management system (see page 37 of the corporate governance report for more details). Sustainability aspects are also considered as part of risk management.

👁 Risk report at www.mobimo.ch under Investors > Corporate governance > Risk report.

👁 Corporate governance report from page 25 onwards.

CORPORATE GOVERNANCE

25 Corporate governance report

46 Compensation report

52 Report of the statutory auditor
on the remuneration report

Corporate governance report

For Mobimo, good corporate governance is a key element of business management. The company sees good corporate governance as being the responsible management and control of the company with a focus on sustainable value creation.

The corporate governance report contains the information required under the SIX Swiss Exchange Directive Corporate Governance (DCG) and is largely based on the structure of the Annex to this directive. Cross-references are made to other sections of the Annual Report in order to avoid repetitions. The assessment of the independence of the members of the Board of Directors is based on the principles of the Swiss Code of Best Practice for Corporate Governance (SCBP) issued by *economiesuisse*.

Group structure and shareholders

Group structure

Company	Mobimo Holding AG
Registered office	Lucerne
Place of listing	SIX Swiss Exchange
Market capitalisation as at 31.12.2020	CHF 1,888.0 million
Swiss security no.	1110887
ISIN code	CH0011108872

Mobimo Holding AG is the parent company of the Mobimo Group and is listed on the SIX Swiss Exchange. An overview of all Group companies and shareholdings can be found in Note 29 to the consolidated annual financial statements on page 112.

The subsidiaries controlled by Mobimo Holding AG are grouped together by joint management. The Board of Directors of Mobimo Holding AG is the most senior supervisory and management body. The Board of Directors has delegated the operational management of the Mobimo Group to the (Group) Executive Board. An overview of the members of the Executive Board can be found on pages 39 to 42. In order to ensure a consistent Group policy and optimal coordination within the Mobimo Group, the Board of Directors of each individual Group company delegates the management of that company to the Group Executive Board (subsequently referred to as the "Executive Board"), unless the Group company has its own Executive Board.

The Mobimo Group divides its activities into two business areas: Real Estate and Development.

The Real Estate business area comprises:

- › Portfolio and Transactions: responsible for portfolio management, purchase and sale of investment properties, initial and subsequent letting of investment properties, and sale of condominiums;
- › Property Management: includes the tasks and services of site management, property management and facility management.

The Development business area comprises:

- › Development: includes development of investment properties for our own portfolio, development of construction projects for third-party investors, development of condominiums, and acquisition of sites and building plots for development activities;
- › Realisation: responsible for construction projects commissioned by Mobimo, monitors construction activity and manages the quality assurance process during the construction phase.

The segment statement, including further information on the segments, can be found in Note 3 to the consolidated financial statements from page 63 onwards of this Annual Report.

Significant shareholders

An overview of significant shareholders and other shareholder details can be found in the section Mobimo on the capital market on pages 10 and 11 of this Annual Report.

The disclosure reports drawn up in the reporting year within the meaning of Article 120 of the Swiss Federal Act on Stock Exchanges and Securities Trading (SESTA) and the provisions of the Ordinance on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FMIO) can be found on the SIX Exchange Regulation website (www.six-exchange-regulation.com) under Fundamentals > Notices Market Participants > Significant Shareholders.

Cross-shareholdings

There are no cross-shareholdings.

Capital structure

Capital

Capital as at 31.12.2020	Total (TCHF)	Number of registered shares	In %	Nominal value per share (CHF)
Share capital	88,461	6,601,547	100	13.40

Details of authorised and conditional capital

The company had no authorised or conditional capital as at the reporting date.

Shares and participation certificates

Share capital stood at CHF 88,460,729.80 as at 31 December 2020 and comprised 6,601,547 fully paid-up registered shares with a nominal value of CHF 13.40. With the exception of the treasury shares held by Mobimo, every share entered with voting rights in the company's share register has one vote and every share (regardless of whether it is entered in the share register) is entitled to dividends. There are no preference shares or voting shares. Mobimo Holding AG has not issued any participation certificates.

Dividend-right certificates

Mobimo Holding AG has not issued any dividend-right certificates.

Restrictions on transferability and registration of nominees

Article 6 of the Articles of Association defines the restrictions on transferability. The exact wording of Article 6 of the Articles of Association can be found at www.mobimo.ch under Investors > Corporate governance > Articles of Association.

The Board of Directors may deny authorisation to transfer shares for the following reasons:

- › insofar as recognising a transferee as a full shareholder may, according to the information available to it, hinder the company from providing proof of Swiss control as stipulated by federal laws; specifically, in accordance with the Swiss Federal Act on the Acquisition of Immovable Property in Switzerland by Foreign Non-Residents (ANRA) of 16 December 1983, including the amendments of 30 April 1997, and the Federal Council decision on measures against improper use of federal double taxation agreements of 14 December 1962;
- › if, despite requests from the company, the transferee fails to expressly declare that they have acquired and intend to hold the shares in their own name and for their own account;
- › if, following the acquisition of the shares, the number of shares held by the transferee would exceed 5% of the total number of shares recorded in the Commercial Register. Legal entities and partnerships vested with legal capacity which are grouped together in terms of capital or voting rights, by joint management or in a similar way, as well as natural persons or legal entities and partnerships which act together in a coordinated manner with a view to circumventing the restrictions on

registration, shall be deemed to constitute together one single transferee;

- › as soon as and insofar as the acquisition of shares would take the total number of shares held by persons abroad as defined by the Swiss Federal Act on the Acquisition of Immovable Property in Switzerland by Foreign Non-Residents (ANRA) to over one-third of the shares recorded in the Commercial Register. This restriction shall apply subject to Article 653c paragraph 3 of the Swiss Code of Obligations, including in the case of registered shares acquired through the exercise of subscription, option or conversion rights.

The restriction on voting rights of Mobimo Holding AG pursuant to the Articles of Association for companies under joint management does not apply to investment funds under joint management within the meaning of Article 23 paragraph 3 of the Swiss Federal Act on Collective Investment Schemes (CISA).

In order to ensure compliance with the thresholds indicated, prior to being entered in the share register new shareholders are scrutinised as regards their status as Swiss citizens pursuant to ANRA. If they cannot be verified as Swiss citizens, then provided all other conditions are met they are entered in the category of restricted persons without voting rights, as long as the threshold of one-third of all shareholders is not exceeded and provided there is no other risk, such as tighter practices on the part of the licensing authority, that the entry of the non-Swiss shareholder will result in the company no longer being able to furnish evidence of Swiss control.

As at 31 December 2020, 18.9% (of which 16.1 percentage points have voting rights) of the registered shares were held by shareholders who are classified in the share register as persons abroad or restricted persons (entered but without voting rights) according to the above definition.

The Articles of Association do not contain any provisions pertaining to the registration of nominees. The Board of Directors has laid down the following nominee registration principles in the regulations governing the administration of the share register and the recognition and registration of shareholders of Mobimo Holding AG:

- › Where an agreement has been concluded between the company and the nominee setting out the latter's rights and obligations in detail, the nominee shall be entered in the share register as a shareholder with voting rights up to a maximum recognition threshold of 2% of the registered shares entered in the Commercial Register, with no requirement to disclose the name, head office/address and shareholding of those shareholders for whose account the nominee holds the shares.
- › Without disclosure of the name, head office/address and shareholding, the nominee may register no more than 0.25% of the share capital which is entered in the Commercial Register as shares with voting rights for one and the same purchaser.

- › Nominee registrations may in total not exceed 10% of the shares entered in the Commercial Register. Once this 10% threshold is reached, the company may not register any further nominees. The recognition thresholds set out above do not apply to the shareholdings of persons for whom the nominee discloses at least their name, address, place of residence/head office and shareholding. The general recognition requirements (5% clause and maximum proportion of non-Swiss shares without voting right restrictions) apply. As at the reporting date, nominee registrations accounted for 6.2% of registered shares (all with voting rights).

No registrations were rejected during the year under review. The funds of Credit Suisse Funds AG under joint management were entered with voting rights in the share register of Mobimo Holding AG during the reporting year, at its request and on the basis of Article 23 paragraph 3 CISA, as the individual funds do not hold more than 5% of the registered shares entered in the Commercial Register. The Articles of Association do not contain any provisions pertaining to the revocation of privileges under the Articles of Association (and none have been granted) or the revocation of restrictions on transferability. As a result, the provisions of the Swiss Code of Obligations apply.

Convertible bonds and options

As at 31 December 2020, Mobimo had no outstanding convertible bonds or options.

Changes in capital

Changes	Total (TCHF)	Number of registered shares	Nominal value per share (CHF)
Share capital as at 31.12.2016	180,327	6,218,170	29.00
Share capital as at 31.12.2017	180,327	6,218,170	29.00
Share capital as at 31.12.2018	154,476	6,601,547	23.40
Share capital as at 31.12.2019	154,476	6,601,547	23.40
Share capital as at 31.12.2020	88,461	6,601,547	13.40
Authorised capital as at 31.12.2016	34,800	1,200,000	29.00
Authorised capital as at 31.12.2017	34,800	1,200,000	29.00
Authorised capital as at 31.12.2018	19,109	816,623	23.40
Authorised capital as at 31.12.2019	19,109	816,623	23.40
Authorised capital as at 31.12.2020	0	0	0.00
Conditional capital as at 31.12.2016	941	32,446	29.00
Conditional capital as at 31.12.2017	941	32,446	29.00
Conditional capital as at 31.12.2018	759	32,446	23.40
Conditional capital as at 31.12.2019	759	32,446	23.40
Conditional capital as at 31.12.2020	0	0	0.00

In 2020, a distribution of CHF 10.00 per share was paid out in the form of a nominal value repayment. Further information on changes in capital can be found in Note 14 to the consolidated annual financial statements (see page 90).

Further information on Mobimo shares and the dividend policy can be found in the capital market section on page 10 and 11.

Board of Directors

Composition of the Board of Directors

The Board of Directors of Mobimo Holding AG takes the view that the ideal size for the Board of Directors is six to seven members. This allows for efficient consensus-building while also enabling an adequate division of responsibilities among the individual members, thus ensuring sufficient flexibility with regard to the composition of the committees. The skills that the governing bodies require are dictated by the company's purpose, strategic and operational areas of emphasis, geographical presence and stock exchange listing. The core competences of the members of the Board of Directors are detailed on the following pages. Sabrina Contratto, who is standing for election at the 2021 Annual General Meeting (see below), should strengthen the board's expertise in urban planning, real estate and architecture.

Members of the Board of Directors

The Board of Directors of Mobimo Holding AG consists of six members as at the reporting date. As mentioned above, the assessment of the independence of the members of the Board of Directors is based on the principles of the Swiss Code of Best Practice for Corporate Governance issued by economiesuisse (SCBP). As of December 31 2020 all members of the Board of Directors were independent. None of the members of the Board of Directors have any significant business relationships with Mobimo Holding AG or with a Mobimo Group company, nor do any of them belong to the Executive Board of Mobimo Holding AG or of a Mobimo Group company. As such, there is no cross-membership of boards of directors.



Peter Schaub (CH) Chairman

Attorney at law
Born in: 1960

Peter Schaub has been a member of the Board of Directors of Mobimo Holding AG since 8 May 2008 and Chairman since 2 April 2019. He is a member of the Real Estate Committee.

Professional background

Since 1994	Partner in the tax and law firm weber schaub & partner, Zurich
1990 – 1993	Tax commissioner, canton of Zurich
1987 – 1988	Legal advisor in law firm Schellenberg Wittmer, Zurich

Education

1990	Licence to practise law in the canton of Zurich
1987	Law degree (lic. iur.), University of Zurich

Other activities and interests

- › Chairman of the Board of Directors of CPH Chemie + Papier Holding AG, Perlen
- › Chairman of the Board of Directors of Scobag Privatbank AG, Basel
- › Chairman of the Foundation Board of the Swiss Foundation for the Deafblind (Schweizerische Stiftung für Taubblinde), Langnau am Albis
- › Chairman of the Board of Directors of Zindel Immo Holding AG, Chur
- › Vice Chairman of the Board of Directors of UBV Holding AG, Uetikon am See
- › Vice Chairman of the Board of Directors of Uetikon Industrieholding AG, Uetikon am See
- › Chairman of the CPH Group pension scheme
- › Member of the Board of Directors of Ruegg Cheminée Holding AG, Hinwil

Key competences

- › Tax and law, especially in relation to mergers and acquisitions
- › Management of boards of directors
- › Business management



Daniel Crausaz (CH)
Vice Chairman

Engineer EPFL, MBA
Born in: 1957

Daniel Crausaz has been a member of the Board of Directors of Mobimo Holding AG since 17 December 2009. He is Chairman of the Audit and Risk Committee.

Professional background

Since 2003 Independent consultant and since 2016 owner of daniel crausaz conseils Sàrl, Lausanne
1997 – 2003 Managing Director, Banque Cantonale Vaudoise (BCV), Lausanne
1990 – 1997 BCV, Lausanne
1985 – 1989 Engineer, Bonnard & Gardel Ingénieurs Conseils Lausanne SA, Lausanne
1983 – 1985 Engineer, Felix Constructions SA, Bussigny

Education

1990 MBA, Faculty of Business and Economics at the University of Lausanne (HEC)
1982 Engineer, Swiss Federal Institute of Technology Lausanne (EPFL)

Other activities and interests

- › Chairman of the Board of Directors of CIEL Electricité SA, Lausanne
- › Chairman of the Fondation de prévoyance de la CIEL, Lausanne
- › Member of the Board of Directors of Zimal SA, Sion
- › Member of the Board of Directors of Vertiqal AG, Zug
- › Member of the Board of Directors of BG Bonnard & Gardel Holding SA, Lausanne
- › Delegate of the Board of Directors of Agrifert SA, Lausanne

Key competences

- › Risk management
- › Finance
- › Asset management



Brian Fischer (CH)

Attorney at law, Swiss-certified tax expert
Born in: 1971

Brian Fischer has been a member of the Board of Directors of Mobimo Holding AG in an independent capacity since 8 May 2008. He is Chairman of the Real Estate Committee and member of the Nomination and Compensation Committee.

Professional background

Since 2001 Bank Vontobel AG, Zurich (Head of Platforms and Services since 2020, Head of External Asset Managers division from 2009 to 2019)
1997 – 2000 PricewaterhouseCoopers AG, Zurich

Education

2000 Swiss-certified tax expert, Zurich
1996 Licence to practise law in the canton of Berne

Other activities and interests

- › Member of the Board of Directors of companies within the Vontobel Group

Key competences

- › Financing
- › Valuation
- › Capital market and mergers and acquisitions



Bernard Guillelmon (CH/F)
(until 30 March 2021)

Engineer EPFL, Masters in Energy, MBA
Born in: 1966

Bernard Guillelmon has been a member of the Board of Directors of Mobimo Holding AG since 17 December 2009. He is Chairman of the Nomination and Compensation Committee.

Professional background

2008 – 2020 CEO, BLS AG, Berne
2001 – 2008 Key positions (Energy, Infrastructure, Business Management), SBB, Berne
1999 – 2000 Independent consultant, Les Giettes
1990 – 1998 Engineer, Department Head, BKW AG, Berne

Education

2021 Certificate in Company Direction, IoD London
1999 MBA, INSEAD, Fontainebleau
1992 Masters in Energy, Lausanne
1990 Engineer, Swiss Federal Institute of Technology Lausanne (EPFL)

Other activities and interests

- › Vice Chairman of the Board of Directors of JJM Holding, Lausanne
- › Member of the Supervisory Board of Ermewa Holding, Paris

Key competences

- › Employee development
- › Remuneration
- › Leadership



Bernadette Koch (CH)

Swiss-certified public accountant
Born in: 1968

Bernadette Koch has been a member of the Board of Directors of Mobimo Holding AG since 2 April 2019. She is a member of the Audit and Risk Committee and of the Nomination and Compensation Committee.

Professional background

1993 – 2018 Activity as auditor (from 2008 as partner), member of the Management Committee of Assurance Switzerland and Head of the Public Sector market area, Ernst & Young AG, Berne/Zurich

Education

1997 Swiss-certified public accountant
1993 Business administration degree (Business Economist HWV)

Other activities and interests

- › Member of the Board of Directors of Swiss Post AG, Berne
- › Member of the Board of Directors of PostFinance AG, Berne
- › Member of the Board of Directors of Geberit AG, Rapperswil-Jona
- › Member of the Board of Directors of Energie Oberkirch AG, Oberkirch
- › Member of the Professional Ethics Committee of EXPERTsuisse, Zurich

Key competences

- › Audit
- › Financial reporting
- › Talent management



Dr. Martha Scheiber (CH)
(since 31 March 2020)

PhD in economics, University of St. Gallen (Dr. oec. HSG), MSc in natural sciences, Swiss Federal Institute of Technology Zurich (dipl. Natw. ETH)
Born in: 1965

Martha Scheiber was elected to the Board of Directors of Mobimo Holding AG on 31 March 2020. She is a member of the Audit and Risk Committee and of the Real Estate Committee.

Professional background

2010 – 2019	Head of Asset Management (member of the Executive Board), Pax Versicherung, Basel (Chair of the Board of Directors and CEO, Pax Verwaltungen AG from 2015 to 2019 and Chair of the Board of Directors of Pax Anlage AG from 2015 until the sale of the majority interest)
2006 – 2009	Key Account Manager for institutional key clients, Credit Suisse AG, Zurich
2001 – 2006	Investment consultant for institutional clients and business consultant, UBS Group AG, Zurich
2000 – 2001	Portfolio manager, Bank Leu AG, Zurich
1998 – 2000	Research assistant in risk management, Swiss National Bank, Zurich
1994 – 1998	Teaching assistant in mathematics, University of St. Gallen (HSG)
1991 – 1992	Environmental physicist, Suselectra Ingenieurunternehmung AG, Basel

Education

1997	PhD in economics, University of St. Gallen (Dr. oec. HSG)
1995	MSc in economics, University of St. Gallen (dipl. oec. HSG)
1990	MSc in natural sciences, Swiss Federal Institute of Technology Zurich (dipl. natw. ETH)

Other activities and interests

- › Member of the Board of Directors of Luzerner Kantonalbank, Lucerne
- › Member of the Board of Directors of Schweizerische Gesellschaft für Hotelkredit SGH, Zurich
- › Member of the Foundation Board of Sympany Krankenversicherung and member of the Board of Directors of its subsidiaries, Basel
- › Member of the Foundation Board of the pension fund for the city of Lucerne, Lucerne
- › Member of the Investment Committee of the Decommissioning Fund for Nuclear Facilities and the Waste Disposal Fund for Nuclear Power Plants (STENFO), Berne

Key competences

- › Real estate
- › Risk management
- › Finance and asset management

Members departing in the year under review

Wilhelm Hansen did not put himself forward for re-election to the Board of Directors of Mobimo Holding AG at the Annual General Meeting of 31 March 2020. Dr. Christoph Caviezel stood down from the Board of Directors with effect from 21 April 2020 to take up a new directorship with another real estate company.



**Dr. Christoph Caviezel (CH) CEO
(until 21 April 2020)**

Doctor of law (Dr. iur.), attorney at law
Born in: 1957

Christoph Caviezel was a member of the Board of Directors of Mobimo Holding AG and a member of the Real Estate Committee from 2 April 2019 to 21 April 2020. He had previously served as CEO of Mobimo Holding AG from 1 October 2008 to 2 April 2019.

Professional background

2008 – 2019	CEO, Mobimo Holding AG, Küsnacht
2001 – 2008	CEO, Intershop Holding AG, Zurich (member of the Board of Directors from 2003)
1995 – 2001	Intershop Holding AG, Zurich (member of the Executive Board from 1999)
1986 – 1995	Head of Real Estate, SBB, Lucerne
1980 – 1986	Attorney at law

Education

1988	Doctor of law (Dr. iur.), University of Fribourg
1983	Licence to practise law in the canton of Grisons

Other activities and interests

- › Member of the Bank Council of Graubündner Kantonalbank, Chur
- › Member of the Board of Directors of Cham Group AG, Cham
- › Member of the Board of Directors of BZ Bank AG, Freienbach
- › Member of the Board of Directors of Kuoni Mueller und Partner Holding AG, Zurich

Key competences

- › Real estate and site development
- › Capital markets
- › Business management



**Wilhelm Hansen (CH)
(until 31 March 2020)**

Political sciences degree (lic. rer. pol.), management consultant
Born in: 1953

Wilhelm Hansen was a member of the Board of Directors of Mobimo Holding AG from 8 May 2008 to 31 March 2020. He was a member of the Audit and Risk Committee and of the Nomination and Compensation Committee.

Professional background

Since 2002	Independent management consultant for organisational and strategy development and corporate governance, Basel
1995 – 2002	Co-owner of private bank Baumann & Cie., Basel
1982 – 1994	Head of Securities and Group Life Insurance, Baloise Versicherungen, Basel
1977 – 1982	Investment advisor, SBG, Basel

Education

1977	Political sciences degree (lic. rer. pol.), University of St. Gallen (HSG)/University of Basel
------	--

Other activities and interests

- › Member of the Board of Directors of Psychiatrie Baselland, Liestal (until January 2020)
- › Member of the Investment Committee of the Transparenta multi-employer plan, Aesch (until January 2020)

Key competences

- › Strategy and organisational development
- › Corporate governance
- › Staff pension schemes

Upcoming changes on the Board of Directors

The Board of Directors will propose to the company's shareholders at the Annual General Meeting on 30 March 2021 that Sabrina Contratto be elected to the Board of Directors. Sabrina Contratto (born in 1973) studied architecture at the Swiss Federal Institute of Technology Zurich (ETH) and trained in urban management. She was for 17 years part-owner and head of the international architectural firm Baumschlager Eberle, Zurich. She founded CONT-S GmbH in 2018. Since 2019, Sabrina Contratto has also lectured in architecture at the Eastern Switzerland University of Applied Sciences in St. Gallen and has also held various directorships at private companies. She also regularly sits on evaluation boards for study contracts. With this proposed addition, the Board of Directors will strengthen its expertise in urban planning and design, and architecture. If appointed, the intention is that Sabrina Contratto will join the Real Estate Committee.

Bernard Guillelmon is not standing for re-election after 12 successful years working with Mobimo. The composition of the committees – subject to the election of the existing members of the Board of Directors and the candidates, and the appointment of the members of the Nomination and Compensation Committee by the Annual General Meeting – can be found on page 34.

Honorary Chairmen

Dr. Alfred Meili is the Honorary Chairman of Mobimo Holding AG. He was the driving force behind the creation of the Mobimo Group and was Chairman of the Board of Directors until 2008. Laurent Rivier is the Honorary Chairman of LO Holding Lausanne-Ouchy SA, having previously served as Chairman of the Board of Directors from 2000 to 2009.

Dr. Alfred Meili and Laurent Rivier were appointed Honorary Chairmen in recognition of their services to their respective companies. This office confers neither the right to sit on the Board of Directors, nor any other rights and obligations of a member of the Board of Directors, nor any entitlement to directors' compensation or other compensation.

Other activities and interests

Mobimo Holding AG has concluded an agreement with each member of the Board of Directors and Executive Board in order to avoid conflicts of interest (Agreement on the avoidance of potential conflicts of interest and anti-corruption measures). In these agreements, the members of the Board of Directors and Executive Board undertake:

- › not to take up any office with any other company without the approval of the Board of Directors of Mobimo Holding AG. In making its decision, the Board of Directors will primarily consider conflicts of interest with Mobimo, reputational risks for Mobimo and the time commitment of the relevant member of the Board of Directors.
- › to keep the company informed about any offers to acquire land or properties and to grant the company a prior claim, provided such offers do not relate to properties with a combined value of

less than CHF 10 million and were not made to the member of the Board of Directors explicitly in their capacity as an office-holder of another mandate approved by the Mobimo Board of Directors.

- › not to accept any additional compensation such as arrangement commissions.
- › not to acquire any participation rights in any real estate companies where the value of such a participation exceeds CHF 5 million or the real estate company owns properties in Switzerland. Exchange-traded shares are excluded from this rule.

Number of authorised activities in accordance with Article 12 paragraph 1 item 1 OaEC

The members of the Board of Directors may exercise the following additional activities in senior executive or administrative bodies of legal entities that are required to be entered in the Commercial Register or a corresponding foreign register and are neither controlled by the company nor in control of the company:

- › up to three mandates for companies (in Switzerland or abroad) that meet the conditions for a public limited company in accordance with Article 727 paragraph 1 item 1 of the Swiss Code of Obligations, and
- › up to 15 mandates for companies that are not considered public limited companies in accordance with Article 727 paragraph 1 item 1 of the Swiss Code of Obligations.

There are no restrictions on mandates for legal entities that are not required to be entered in the Commercial Register or a corresponding foreign register, or on honorary directorships at organisations recognised for tax purposes as not-for-profit.

Besides those listed above, the members of the Board of Directors of Mobimo Holding AG do not occupy any further positions in the management and supervisory bodies of major Swiss and foreign entities or in institutions and foundations under public or private law, and also do not carry out any further long-term management or advisory functions for key Swiss or foreign interest groups. They also do not perform any other official functions or hold any other political offices. No member of the Board of Directors exceeds the number of authorised external mandates.

Election and term of office

The Board of Directors of Mobimo Holding AG consists of at least three members and is elected for a period of one year at the General Meeting. The term of office of the members ends at the end of the next Annual General Meeting. The members of the Board of Directors may be immediately re-elected upon expiry of their term of office. The General Meeting elects the Chairman of the Board of Directors. Re-election is permitted. The term of office of the Chairman ends at the end of the next Annual General Meeting. If the office of Chairman becomes vacant, the Board of Directors appoints a Chairman for the remaining term of office.

As required by the organisation regulations, the members of the Board of Directors retire, at the latest, at the Annual General

Meeting held in the year in which they turn 70. Given the long-term focus of the industry, particularly in the case of development projects, it is valuable for the company if members serve on the Board of Directors for several years.

Internal organisation

In 2020, the Annual General Meeting re-elected Peter Schaub as Chairman of the Board of Directors. The Board of Directors again appointed Daniel Crausaz as Vice Chairman of the Board of Directors.

The Board of Directors is quorate if the majority of its members are present and passes resolutions by a majority of the votes cast. Both face-to-face meetings and telephone/video conferences are recognised.

In general, three meetings of the Board of Directors are held in the first quarter of each year, two in the third quarter, and three in the fourth quarter. These meetings usually last half a day. The CEO, CFO and the other members of the Executive Board occasionally take part in the meetings of the Board of Directors, although the Board of Directors always meets first without these persons present. The Chairman decides whether employees or external advisors are to be included in the meeting in order to deal with specific issues.

In addition to a one-and-a-half-day strategy conference, 14 meetings took place during the reporting period. Because of the coronavirus crisis, most meetings of the Board of Directors (9) took place by means of video or conference call. All members were present at 11 of the meetings and at the strategy conference. Peter Schaub was missing from one of the meetings; Bernard Guillelmon was missing from two. The total meeting time during 2020 was 8.5 days.

In addition to its regular duties, the focus of the Board of Directors' activities in 2020 was on reviewing the strategic direction and refining the Mobimo Group's five-year strategy. The Board also concentrated in particular on monitoring the social, economic and operational impacts of the coronavirus crisis.

Chairman and Vice Chairman

The Chairman of the Board of Directors has responsibilities as required by law and also by the organisation regulations. These include convening, organising and chairing the Annual General Meeting and Board meetings, preparing and monitoring the resolutions of the Board of Directors, coordinating and disseminating information within the Board of Directors, and representative duties. The office of Chairman of the Board of Directors of Mobimo Holding AG is a part-time role.

In particular, the Chairman of the Board is the direct superior of the CEO. To fulfil these responsibilities, he takes part in regular meetings and frequent telephone conversations.

The Board of Directors appoints one of its members to serve as Vice Chairman for a term of one year. The duties of the Vice Chairman of the Board of Directors are defined in the organisation regulations

and include in particular performing the duties of the Chairman of the Board of Directors if he is incapacitated or recuses himself. The office of Vice Chairman of the Board of Directors of Mobimo Holding AG is a part-time role.

Self-evaluation by the Board of Directors

The Board of Directors regularly conducts a self-evaluation exercise, most recently in 2020. This process considers criteria such as the composition of the Board, the expertise that its members possess and any that should be added, the effectiveness of its collaboration and the discussion culture.

Committees

In accordance with the Articles of Association and the organisation regulations, the Board of Directors has three committees: the Real Estate Committee (IC), the Audit and Risk Committee (AC) and the Nomination and Compensation Committee (NCC). The committees of the Board of Directors comprise one chair and at least two further members. The members of the Real Estate Committee and the Audit and Risk Committee are appointed by the Board of Directors, while the members of the Nomination and Compensation Committee are appointed by the Annual General Meeting.

As at 31.12.2020, the committees were structured as follows:



¹ The intention is that, if elected, Sabrina Contratto will join the Real Estate Committee.
² Martha Scheiber is then to take over the Chair of the Audit and Risk Committee from Daniel Crausaz and to leave the Real Estate Committee.
³ The intention is that Bernadette Koch will replace Bernard Guillelmon as Chair of the Nomination and Compensation Committee and that Daniel Crausaz will be proposed to shareholders as a new member of this committee.

Other members of the Board of Directors, the CEO and/or other members of the Executive Board, and other individuals may participate in meetings alongside the elected committee members upon invitation by the committee chair.

The committees generally update the Board of Directors on their activities during the regular meetings of the Board of Directors. A report of each committee meeting is produced, and a copy is made available to all members of the Board of Directors.

Real Estate Committee

The "Real Estate Committee regulations of Mobimo Holding AG", which form an integral part of the organisation regulations, govern the composition, organisation, duties and powers of this committee. The Real Estate Committee supports the Board of Directors in its ultimate supervisory and management role by carrying out the necessary preparatory work, audits and clarification in the following five areas:

- › purchase and divestment,
- › development and trading properties,
- › investment portfolio (management and marketing),
- › evaluation of the external appraiser's annual real estate valuations,
- › sustainability strategy.

With the Real Estate Committee, the Board of Directors ensures that the strategic investment and divestment targets it sets each year are implemented successfully. The Real Estate Committee aims to provide the Board of Directors with real estate expertise that is as comprehensive as possible.

The Real Estate Committee fulfils five particular functions:

- › deciding on property purchases and divestments for property transactions between CHF 10 million and CHF 30 million,
- › submitting requests to the Board of Directors for property transactions which have a volume of over CHF 30 million and therefore lie within its competence,
- › supervising investment and development business and the property appraisals to be carried out periodically by external experts,
- › monitoring the portfolio strategy and portfolio management,
- › reviewing the sustainability strategy and its implementation.

The competences of the Board of Directors, Real Estate Committee and Executive Board with respect to the purchase and sale of properties are summarised in the competence regulation on page 37.

The Real Estate Committee meets when convened by the Chair, as often as business requires, but generally every six weeks. The Executive Board normally participates in these meetings upon invitation, and its members inform the members of the Real Estate Committee about their respective business areas. Twice a year, the Real Estate Committee discusses with the Executive Board the information prepared by the Board on the development, trading and investment portfolio, assesses whether the strategy is being complied with, and reviews progress in the relevant area.

A total of eight meetings were held in 2020. The meetings lasted an average of three hours. There were also numerous inspections throughout Switzerland. With one exception – Peter Schaub missed one meeting – all members of the Real Estate Committee were in attendance at all meetings.

In addition to its regular duties, during 2020 the Real Estate Committee focused in particular on the effects of the coronavirus crisis on its tenants. In view of high momentum and market opportunities, condominiums were also higher up the agenda than in recent years.

Audit and Risk Committee

The "Audit and Risk Committee regulations of Mobimo Holding AG", which form an integral part of the organisation regulations, govern the composition, organisation, duties and powers of this committee. The Audit and Risk Committee supports the Board of Directors in its ultimate supervisory and management role by carrying out the necessary preparatory work, audits and clarification in the following five areas:

- › budgeting, financial management, preparation of financial statements, external audit and valuation of properties by the independent valuation experts,
- › risk management and internal control system (ICS), including adherence to legislation, directives and internal guidelines (compliance),
- › financing/liquidity management,
- › taxes,
- › acquisition of companies.

The Audit and Risk Committee supports the Board of Directors by preparing and monitoring its decisions in these areas, and by assessing the effectiveness of the external audit and cooperation with the external property appraiser.

The Audit Committee fulfils the following particular functions:

- › assessing financial and accounting structures and processes,
- › assessing the annual audit plan and the scope of the audit, and the performance, remuneration and independence of the auditor (information on the auditor can be found on page 44 of this report),
- › assessing the design and operational implementation of risk management, including the internal control system (ICS),
- › assessing and reviewing liquidity management and the financing strategy,
- › assessing and reviewing the tax strategy,
- › assessing due diligence documentation and transaction agreements in the acquisition of companies that fall within the remit of the Board of Directors.

The Audit and Risk Committee meets when convened by the Chair, as often as business requires, but at least for two ordinary meetings each year in connection with the half-year results and the annual results. The CEO and CFO generally attend the meetings of the Audit and Risk Committee in an advisory capacity upon invitation by the Chair.

A total of eight meetings were held in 2020. The meetings lasted an average of around three hours. All members of the Audit and Risk Committee were in attendance at all meetings. Representatives of the auditor attend when discussions of the annual and half-year results are on the agenda.

In addition to its regular duties, the focus of the Audit and Risk Committee's activities in 2020 was on monitoring the effects of the coronavirus crisis, reviewing and refining risk management, and restructuring compliance management.

Nomination and Compensation Committee

The "Nomination and Compensation Committee regulations of Mobimo Holding AG", which form an integral part of the organisation regulations, govern the composition, organisation, duties and powers of this committee. The Nomination and Compensation Committee supports the Board of Directors in its ultimate supervisory and management role in the areas of compensation, HR policy (including succession planning), and training and development for the Board of Directors and Executive Board. With the Nomination and Compensation Committee, the Board of Directors aims to:

- › ensure the optimal composition of the Board of Directors and Executive Board,
- › ensure the compensation of the Board of Directors and Executive Board is in line with the market and appropriate,
- › ensure the members of the Board of Directors and Executive Board receive useful training and development,
- › comply with the requirements of the Ordinance Against Excessive Compensation in Listed Companies.

The Nomination and Compensation Committee is a preparatory committee for the Board of Directors and has no decision-making powers.

The Nomination and Compensation Committee fulfils the following particular functions:

- › reviewing the compatibility of the HR policy and strategic development of the Mobimo Group, including compliance with the Ordinance Against Excessive Compensation in Listed Companies,
- › appraising the CEO, in cooperation with the Chairman of the Board of Directors,
- › submitting a proposal to the Board of Directors for the variable compensation paid to members of the Executive Board,
- › preparing/reviewing the annual compensation report,
- › planning replacement/succession in the Board of Directors and Executive Board in good time, and drafting proposals for submission to the Board of Directors,
- › submitting proposals to the Board of Directors for the awarding of mandates by the company or its subsidiaries to members of the Board of Directors or the Executive Board, other employees of the Group companies, and related legal entities and natural persons,
- › reviewing the recommendation on the annual wage policy and social insurance contributions drawn up by the Executive Board and submitting a recommendation to the Board of Directors.

The Nomination and Compensation Committee meets when convened by the Chair, as often as business requires, but at least for two ordinary meetings each year. These meetings usually take place in the first and last quarters of the year.

A total of 11 meetings were held in 2020. The meetings lasted an average of two hours. The former member Wilhelm Hansen was unable to attend one meeting; otherwise all members of the committee were in attendance at all meetings.

The focus of the Nomination and Compensation Committee's activities in 2020 was on recruiting a new member of the Board of Directors and two new members of the Executive Board, revising the company's HR policy and introducing a focused feedback process for members of the Executive Board to the committee.

Competence regulation

The Board of Directors is responsible for managing the company and the Mobimo Group and for supervising the Executive Board. The Board of Directors has the right of initiative, supervision and final decision-making in respect of the Group companies, to the extent permitted by law. The Board of Directors represents the company and the Mobimo Group externally and makes decisions on all matters that do not fall within the remit of another body within the company by law or pursuant to the Articles of Association or other regulations.

The management of conflicts of interest is defined in an agreement that aims to govern potential conflicts of interest between Mobimo and a member of the Board of Directors in such a way that Mobimo's interests are fully upheld and any negative consequences can be avoided.

In addition to its non-transferable duties in accordance with Article 716a of the Swiss Code of Obligations, the Board of Directors has the following particular duties and competences within the scope of managing the Mobimo Group:

- › establishing the strategy/Group policy and the principles of its implementation and, following on from this, establishing the business policy of the Group companies,
- › making fundamental decisions with regard to appointing and dismissing members of the Board of Directors and the Executive Board of companies in the Mobimo Group, the auditors of Group companies, individuals authorised to represent the company, and the external property appraiser,
- › defining the accounting principles, including the consolidation of all financial statements,
- › defining and monitoring the financial and investment budgets of the Mobimo Group and the Group companies,
- › passing resolutions on founding, acquiring and disposing of Group and affiliated companies,
- › defining the corporate identity,
- › approving participation and option plans,
- › defining and implementing the sustainability strategy,
- › overseeing the measures that need to be undertaken with regard to the stock exchange listing.

In accordance with the delegation norm of Article 20 of the Articles of Association and to the extent permitted by law and the Articles of Association, the Board of Directors has transferred the entire

operational management of the company and the Group companies to the Executive Board under the direction of the CEO for the purposes of joint management. The Executive Board implements the Group and business policies in line with the guidelines set by the Board of Directors.

The Executive Board has the following main duties and competences:

- › assuming operational management of the company, the Mobimo Group and the Group companies in accordance with corporate policy and strategy, medium-term planning and annual budgets, and executing the resolutions of the Board of Directors,
- › preparing the annual budget,
- › defining and making decisions on all regulations and specifications necessary for management of the business, provided these do not fall within the remit of the Board of Directors.

The competences of the Board of Directors, Real Estate Committee and Executive Board for the purchase and sale of properties by the company or a Group company are defined as follows at Mobimo Holding AG:

- › The Board of Directors has delegated operational decisions on property transactions up to an investment volume of CHF 10 million to the Executive Board.
- › The Real Estate Committee is responsible for decisions on real estate transactions with a value of between CHF 10 million and CHF 30 million.
- › The Board of Directors is responsible for real estate transactions with a total value of over CHF 30 million.

Information and control instruments with regard to the Executive Board

The Chairman of the Board of Directors holds regular coordination and information meetings with the CEO. Further details on cooperation with the committees can be found in the "Internal organisation" section on page 34 of this report.

The Board of Directors and its committees have the following information and control instruments:

- › The Board of Directors receives a monthly report containing the current income statement with analysis of deviations from the budget, the budget, the forecast and selected key figures from the operating areas.
- › In addition, the Board of Directors receives quarterly commentaries on individual projects and the segment statement without balance sheet figures.
- › The Audit and Risk Committee is informed about the current position and effectiveness of the internal control system and of risk management and risk assessment on an annual basis. The Audit and Risk Committee then updates the Board of Directors.
- › In preparation for the budgeting process, the annually revised multi-year plan is presented and discussed in the Audit and Risk Committee and in the Board of Directors.
- › In addition, the individual operating areas present their progress report several times a year to the Real Estate Committee or the Board of Directors.

Risk management

The Board of Directors bears overall responsibility for risk management. The Executive Board is responsible for implementing risk management, including awareness-raising among employees, monitoring risks in each area of responsibility and reporting to the Risk Committee, which is made up of the Executive Board and the Head of Controlling. During the first half of the year, the Risk Committee collates the risks that are relevant for the Mobimo Group and evaluates these in light of the risk management measures. The risks are then studied again in the second half of the year, in the risk review. The Risk Committee reports the findings to the Audit and Risk Committee, which in turn communicates them to the Board of Directors. An institutionalised internal audit is not appropriate, due to the size of the company. Mandates are placed externally where necessary. The auditor discusses the audit findings with the Audit and Risk Committee and the CFO, but for reasons of independence establishes these findings itself.

Executive Board

Members of the Executive Board

The Executive Board comprises the CEO, the CFO and the heads of the Development, Realisation, Property Management and Portfolio and Transactions business areas. In the first half of 2020, CFO Manuel Itten and Marc Pointet, Head of Mobimo Suisse romande, left Mobimo to take on new professional challenges. Stefan Hilber took over as CFO with effect from 1 November 2020. Since the departure of Marc Pointet, the activities in French-speaking Switzerland have been organised in the same way as in German-speaking Switzerland and are overseen by a member of the Executive Board. Gerhard Demmelmair took charge of the Portfolio and Transactions business area in December 2020. This area was formerly led by CEO Daniel Ducrey. The new appointments have enabled key areas of expertise to be added and/or strengthened at Executive Board level.

Executive Board as at 31 December 2020

CEO Daniel Ducrey				
CFO Stefan Hilber	Head of Development Marco Tondel	Head of Realisation Vinzenz Manser	Head of Property Management Christoph Egli	Head of Portfolio and Transactions Gerhard Demmelmair



Daniel Ducrey (CH)
CEO

Architect FH
Born in: 1964

Daniel Ducrey has been CEO of the Mobimo Group since 3 April 2019. As well as serving as CEO, he directly heads up the Corporate Center and until end-November 2020 also managed the Portfolio and Transactions business area.

Chairman of Boards of Directors within the Mobimo Group

Mobimo AG, Mobimo Management AG, O4Real SA, Petit Mont-Riond SA, LO Holding Lausanne-Ouchy SA, LO Immeubles SA, Promisa SA, CC Management SA, Mobimo Zürich Nord AG, Immobiliengesellschaft Fadmatt AG, BSS&M Real Estate AG, Mobimo FM Service AG, Indigo Suisse SA, Flonplex SA

Professional background

Since 2019	CEO, Mobimo, Küsnacht
2015 – 2018	CEO, Steiner Group, Zurich
2012 – 2015	CEO, Steiner India Ltd., Mumbai
2009 – 2012	Business Unit Head, Steiner Group, Western Switzerland region, Lausanne (member of the Executive Board from 2009)
1999 – 2009	Head Refurbishment and Renovation, Losinger Construction AG, Berne (member of the Executive Board from 2008)
1992 – 1999	Architect and construction manager, SAPCO AG, Givisiez
1987 – 1988	Draughtsman, Grobéty, Andrey, Sottas architectural practice Fribourg
1986 – 1987	Draughtsman, Claude Biemann architectural practice, Marly

Education

2004	Postgraduate studies in business administration and management, Bern University of Applied Sciences
1992	Certified architect, Bern University of Applied Sciences, Biel/Bienne
1983	Training as a structural draughtsman, Fribourg



Stefan Hilber (CH)
CFO

Economics and business administration degree (lic. oec. publ.), University of Zurich, Swiss-certified public accountant
Born in: 1981

Stefan Hilber joined Mobimo on 1 November 2020. He is the Group's CFO.

Member of Boards of Directors within the Mobimo Group

Mobimo AG, Mobimo Management AG, LO Holding Lausanne-Ouchy SA, LO Immeubles SA, O4Real SA, Promisa SA, CC Management SA, Mobimo Zürich Nord AG, Petit Mont-Riond SA, Immobiliengesellschaft Fadmatt AG, BSS&M Real Estate AG, Mobimo FM Service AG

Professional background

Since 2020	CFO, Mobimo, Küsnacht
2015 – 2020	CFO and member of the Executive Board, Warteck Invest AG, Basel
2013 – 2015	Head of Finance and HR Administration, Warteck Invest AG, Basel
2010 – 2013	Senior financial advisor for investment management, Peach Property Group AG, Zurich
2005 – 2010	Various positions in financial services audit, KPMG AG, Zurich

Education

2009	Swiss-certified public accountant
2006	Economics degree (lic. oec. publ.), University of Zurich



Gerhard Demmelair (CH)
Head of Portfolio and Transactions

Master of science/civil engineering degree (dipl. Bau-Ing), ETH
Born in: 1971

Gerhard Demmelair joined Mobimo on 1 December 2020. He is responsible for the Portfolio and Transactions business area, and therefore oversees active portfolio management, transactions, property marketing and strategic facility management.

Professional background

Since 2020 Head of Portfolio and Transactions, Mobimo, Küsnacht
2010 – 2020 Member of Real Estate Switzerland divisional management, Executive Director, Head of Real Estate Portfolio Management, Swiss Life Asset Management AG, Zurich
2003 – 2010 Head of Real Estate Portfolio Management, member of Executive Management, Schweizerische National-Versicherungs-Gesellschaft AG (Nationale Suisse), Basel
1998 – 2002 Consultant, project manager, pom+ Consulting AG, Zurich

Education

1998 Master of science/civil engineering degree (dipl. Bau-Ing), ETH



Christoph Egli (CH)
Head of Property Management

Swiss-certified real estate trustee
Born in: 1973

Christoph Egli joined Mobimo on 1 November 2007. Since 1 August 2019, he has been a member of the Executive Board with responsibility for managing the company's real estate portfolio, site management and the activities of Mobimo FM Service AG.

Member of Boards of Directors within the Mobimo Group

Mobimo Management AG, Mobimo AG, Immobiliengesellschaft Fadmatt AG, Promisa SA, LO Holding Lausanne-Ouchy SA, LO immeubles SA, O4Real SA, Petit Mont-Riond SA, CC Management SA, Mobimo FM Service AG

Professional background

Since 2019 Head of Property Management (as a member of the Executive Board), Mobimo, Küsnacht
2010 – 2019 Head of Controlling, Mobimo, Küsnacht
2007 – 2010 Head of Property Management team/property manager, Mobimo, Küsnacht
2005 – 2007 Property manager with management role, homeowners' association, Winterthur and surrounding area
1997 – 2005 Property manager, various positions, Winterthur Insurance/Wincasa, Winterthur and Zurich
1990 – 1997 Notary's secretary, notary services, land registry and bankruptcy office, Andelfingen

Education

2018 Swiss-certified organisational management expert
2017 Swiss-certified business organisation specialist
2010 Swiss-certified real estate trustee
2007 Swiss-certified real estate agent
2000 Swiss-certified real estate manager
1993 Commercial apprenticeship



Vinzenz Manser (CH)
Head of Realisation

Certified architect HTL; MAS in Real Estate Management HWZ
Born in: 1967

Vinzenz Manser joined Mobimo on 1 March 2002 and has been Head of Realisation since 1 June 2008. He has been a member of the Executive Board since 1 January 2018.

Professional background

Since 2018	Head of Realisation (as a member of the Executive Board), Mobimo, Küsnacht
2008 – 2017	Head of Project Management resp. Realisation, Mobimo, Küsnacht
2002 – 2008	Project manager, Mobimo, Küsnacht
1999 – 2002	Overall project head, Mobag AG, Zurich
1994 – 1999	Construction manager, project lead, overall project head, Caretta und Weidmann AG, Zurich
1993 – 1994	Planning manager and construction manager, Conarenco AG, Zurich
1990 – 1992	Construction manager and construction cost controller, Emch und Berger Zürich AG, Zurich

Education

2008	Master of Advanced Studies in Real Estate Management HWZ, Zurich
1997	Certified architect HTL, Zurich
1990	Training as a civil engineering draughtsman, St. Gallen
1987	Training as a bricklayer, St. Gallen



Marco Tondel (CH)
Head of Development

Certified architect ETH, Executive MBA ZHAW
Born in: 1974

Marco Tondel joined Mobimo on 1 January 2012 and began working as Head of Development for Third Parties on 1 July 2014. He has been a member of the Executive Board since 1 January 2018 and heads up Mobimo's development activities.

Member of Boards of Directors within the Mobimo Group
BSS&M Real Estate AG, Mobimo Zürich Nord AG

Professional background

Since 2018	Head of Development (as a member of the Executive Board), Mobimo, Küsnacht
2014 – 2017	Head of Development for Third Parties, Mobimo, Küsnacht
2012 – 2014	Project manager, Development for Third Parties, Mobimo, Küsnacht
2005 – 2011	Vice Director for Project Development for the Allreal portfolio and for third parties
2002 – 2005	Project manager, Project Development and Design, BSS Architekten, Schwyz/Zurich
2000 – 2002	Project manager, Design and Implementation, Alioth Langlotz Stalder Buol architectural practice, Zurich

Education

2008	Degree in Real Estate Investment Banking, European Business School, Wiesbaden
2005	Executive MBA, Zurich University of Applied Sciences, Winterthur
2000	Certified architect, Swiss Federal Institute of Technology Zurich (ETH)

Members departing from the Executive Board in the year under review



Manuel Itten (CH)
CFO (until 31 July 2020)

Business Administration FH
Born in: 1965

Manuel Itten worked for Mobimo from 12 December 2004 to 31 July 2020, serving as Head of Controlling until February 2009 and CFO from 1 March 2009.

Professional background

2009 – 2020 CFO, Mobimo, Küsnacht
2004 – 2009 Head of Controlling, Mobimo, Küsnacht
2000 – 2004 Head of Controlling, Livit AG, Zurich
1999 – 2000 Auditor and consultant, Zurich
1988 – 1996 Various management positions in sales promotion (marketing)

Education

1999 Business administration degree, FH Winterthur
1988 Completion of basic commercial and design studies



Marc Pointet (CH)
Head of Suisse romande (until 30 April 2020)

Certified architect ETH, Executive MBA HSG
Born in: 1974

Marc Pointet joined Mobimo on 1 November 2006 and was Head of Mobimo Suisse romande from 1 March 2013. He was a member of the Executive Board from 1 April 2015 until his departure on 30 April 2020.

Professional background

2015 – 2020 Head of Mobimo Suisse romande (as a member of the Executive Board), Mobimo, Küsnacht
2013 – 2015 Head of Mobimo Suisse romande, Mobimo, Küsnacht
2006 – 2013 Head of Project Management team, Mobimo, Küsnacht
2004 – 2006 Branch Head, Karl Steiner AG, St. Moritz
2003 – 2004 Assistant to the CEO, Karl Steiner AG, Zurich
2002 – 2003 Project team member, Credit Suisse, Zurich

Education

2012 Executive MBA, University of St. Gallen (HSG)
2001 Certified architect, Swiss Federal Institute of Technology Zurich (ETH)

Other activities and interests

The members of the Executive Board perform no long-term management or advisory functions for key Swiss or foreign interest groups, nor do they perform any official functions or hold any political offices.

In accordance with Article 12 paragraph 1 item 1 OaEC, the members of the Executive Board may exercise the following additional activities in senior executive or administrative bodies of legal entities that are required to be entered in the Commercial Register or a corresponding foreign register and are neither controlled by the company nor in control of the company:

- › up to one mandate for companies (in Switzerland or abroad) that meet the conditions for a public limited company in accordance with Article 727 paragraph 1 item 1 of the Swiss Code of Obligations; and
- › up to five mandates for companies that are not considered public limited companies in accordance with Article 727 paragraph 1 item 1 of the Swiss Code of Obligations.

There are no restrictions on mandates for legal entities that are not required to be entered in the Commercial Register or a corresponding foreign register, or on honorary directorships at organisations recognised for tax purposes as not-for-profit. However, the prior approval of the Board of Directors is required for such mandates and appointments. No member of the Executive Board exceeds the authorised number of mandates.

Management agreements

No management agreements have been concluded with third parties. There are service agreements between the Group companies and Mobimo Management AG and between the Group companies and Mobimo FM Service AG.

Compensation and profit-sharing

All information on the compensation of Mobimo's Board of Directors and Executive Board is provided in the separate compensation report from page 46 of this Annual Report.

Shareholders' rights of participation

The information below relates to the relevant provisions of Mobimo Holding AG's Articles of Association concerning shareholders' rights of participation.

Restrictions on voting rights and proxies

Only those persons entered in the share register are entitled to exercise their voting rights at General Meetings.

The Board of Directors may refuse to approve the transfer of registered shares, insofar as recognising a transferee as a shareholder may, according to the information available to it, hinder the company from providing proof of Swiss control as stipulated under federal law (in particular the Swiss Federal Act on the Acquisition of Immovable Property in Switzerland by Foreign Non-Residents, ANRA).

The Board of Directors did not reject any entries in the share register in the year under review where shareholders provided the information required for entry (see page 26).

In accordance with Article 12 of the Articles of Association, any shareholder may be represented at the General Meeting by their legal representative, by a third party who has been granted written authorisation (who is not required to be a shareholder), or by the independent proxy. The Board of Directors specifies the process and conditions for issuing authorisations and instructions to the independent proxy. Shareholders may issue general instructions both for proposals relating to agenda items set out in the invitation to the General Meeting and for undisclosed or new proposals. In particular, general instructions to vote in favour of the Board of Directors on proposals that are set out in the invitation or have not yet been disclosed are considered to be valid instructions on the exercise of voting rights. As an alternative to letterpost, shareholders have the option to receive their documents for the General Meeting or issue proxies and instructions to the independent proxy electronically via the Sherpany online shareholder platform.

The independent proxy is elected by the General Meeting. Natural persons and legal entities or partnerships are eligible for election. The term of office of the independent proxy ends at the end of the next Annual General Meeting. Re-election is permitted. If Mobimo does not have an independent proxy or if the independent proxy is withdrawn due to a lack of independence or for any other reason, an independent proxy is appointed by the Board of Directors for the next or current General Meeting. Authorisations and instructions that have already been issued will remain valid for the new independent proxy, unless shareholders explicitly issue other authorisations or instructions.

Quorum prescribed by the Articles of Association

There is no quorum prescribed by the Articles of Association that goes beyond the statutory provisions on passing resolutions (Articles 703 and 704 of the Swiss Code of Obligations).

Convocation of General Meetings

The convocation of General Meetings, the form of convocation and the right of shareholders to convene a General Meeting are governed by Articles 9 and 10 of the Articles of Association.

The Annual General Meeting is convened by the Board of Directors or, if necessary, by the external auditor and is held once a year within six months of the end of the financial year. The Board of Directors may convene Extraordinary General Meetings at any time. Extraordinary General Meetings are to be convened by the Board of Directors on the basis of a resolution of the General Meeting, at the request of the auditor or if one or more shareholders who together represent at least 5% of the share capital request one in writing and submit the items for the agenda.

The liquidators also have the right to convene a General Meeting. The invitation to the General Meeting is issued at least 20 days prior to the date of the meeting via publication of a single notice in the Swiss Official Gazette of Commerce. Personal invitations are also sent to the shareholders entered in the share register giving the same notice. The invitation must set out all the items on the agenda together with the proposals of the Board of Directors and any shareholders who have requested that a General Meeting be convened. The annual report and auditor's report must be made available for inspection by shareholders at the company's registered office no later than 20 days prior to the Annual General Meeting. The availability of these reports and the right of shareholders to request that copies be sent to them must be indicated in the notice of convocation of the Annual General Meeting.

Agenda

The shareholders' right to add items to the agenda is governed by Article 9 of the Articles of Association. Shareholders representing at least 0.5% of the share capital may request that an item be included on the agenda. Requests to add items to the agenda must be submitted in writing at least 45 days prior to the General Meeting.

Entries in the share register

Under Article 6 of the Articles of Association, anyone entered in the share register is recognised as a shareholder or usufructuary. Entry is conditional on the provision of evidence that the transfer meets the formal requirements and is subject to the approval of the Board of Directors. The Board of Directors has transferred this approval authority to the Audit and Risk Committee. The Audit and Risk Committee has subsequently delegated all decisions that have no impact on stock exchange reporting thresholds or that concern members of the Board of Directors or Executive Board to the CFO. The share register can be closed during a period ranging from a maximum of 20 days before the General Meeting up to the day after the General Meeting. Prior to the Annual General Meeting held in Lucerne on 30 March 2021, the share register will be closed for entries from 24 March 2021 until 31 March 2021.

Compensation report

The Board of Directors has decided to provide the shareholders with a compensation report each year and hold an annual consultative vote on it irrespective of whether or not there have been significant changes compared with the previous year. The compensation report can be found on pages 46 to 51 of this Annual Report.

Change of control and defensive measures

Obligation to make an offer

In view of the Swiss Federal Act on the Acquisition of Immovable Property in Switzerland by Foreign Non-Residents (ANRA), the company has chosen not to make use of the opportunity to include an opting-out or opting-up clause in its Articles of Association. The legal provisions under Article 135 of the Swiss Federal Act on Stock Exchanges and Securities Trading (SESTA) governing the obligation to make a purchase offer therefore apply. Anyone who acquires shares directly, indirectly or by mutual agreement with third parties, with the result that their total holding, including the securities they already own, exceeds the threshold of 33% of the voting rights of a listed company, whether exercisable or not, must make an offer to acquire all listed shares of said company.

Change of control clauses

There are no change of control clauses.

Auditor

Duration of mandate and term of office of lead auditor

The statutory auditor is appointed annually by the Annual General Meeting. The General Meeting of 31 March 2020 approved the proposal of the Board of Directors and appointed Ernst & Young AG, Lucerne, as the new statutory auditor of Mobimo Holding AG for the first time. This proposal was made in the interests of good governance: KPMG AG had been the company's statutory auditor ever since it was founded some 20 years ago. The switch to Ernst & Young AG also creates a separation between the tax and audit mandates. The new lead auditor as of 2020 is Rico Fehr. This position was previously held by Kurt Stocker at KPMG. The maximum term of office of the lead auditor is seven years. The frequency of rotation is in line with statutory rules.

Audit fee and additional fees

The fees charged by Ernst & Young AG for auditing the 2020 financial year were CHF 0.4 million (prior year: KPMG AG CHF 0.4 million). This figure includes the fees for auditing the consolidated financial statements, the statutory individual financial statements of all subsidiaries and the compensation report, and for reviewing the half-year results.

In the year under review, Ernst & Young AG invoiced additional fees of CHF 0.04 million (prior year: KPMG AG CHF 0.2 million). The additional fees relate to the assurance of energy and emissions data and audit-related services.

The fee paid to the independent property valuer Jones Lang LaSalle AG for the 2020 financial year was CHF 0.4 million (prior year: CHF 0.5 million). The fee is not performance-related and is based on a fixed-price system. Prices may vary depending on the property segment and the specific circumstances (e.g. with or without inspection). There may also be additional non-performance-related fees for estimates in connection with transactions or projects.

Information instruments of the external auditor

The Audit and Risk Committee usually holds two meetings with the auditor every year, at the time of the semi-annual results and the annual results. The Chairman of the Board of Directors, the Chairman of the Audit and Risk Committee and representatives of the auditor meet once a year. The Audit and Risk Committee receives the results of the audit in a comprehensive report.

Information policy

Mobimo Holding AG provides its shareholders and the capital market with information that is up to date and transparent.

The publication used by the company to make official announcements is the Swiss Official Gazette of Commerce (SOGC).

Financial reporting takes the form of semi-annual and annual reports. The consolidated annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the consolidated interim financial statements in accordance with International Accounting Standard 34 (IAS 34) on interim financial reporting. They comply with both Swiss law and the provisions of the listing rules and additional rules for the listing of real estate companies issued by SIX Swiss Exchange.

The company is also subject to the obligation in respect of ad hoc publicity pursuant to Article 53 f. of the listing rules. Ad hoc news is available at www.mobimo.ch under Investors > Ad hoc news, and the form to sign up for the newsletter and ad hoc news can be found at www.mobimo.ch under Investors > Investor services.

Further information about the company can be found on its website at www.mobimo.ch.

Contact

Mobimo Holding AG
Rütligasse 1
CH-6000 Lucerne 7

Investor Relations

Tel. +41 44 397 11 97
ir@mobimo.ch

Compensation report

Mobimo's compensation plans are designed to ensure that the company can recruit, motivate and retain suitably qualified managers.

The compensation report is drawn up in line with the Ordinance Against Excessive Compensation in Listed Companies (OaEC) of 20 November 2013, the SIX Swiss Exchange Directive Corporate Governance (DCG) and the principles of the Swiss Code of Best Practice for Corporate Governance issued by economiesuisse.

This compensation report sets out the mechanisms used to determine the compensation and profit-sharing plans of the Board of Directors and Executive Board, along with the key provisions of the Articles of Association. The Articles of Association are available at www.mobimo.ch under Investors > Corporate governance > Articles of Association. It also provides a comparison of the compensation approved by the General Meeting and the compensation actually paid.

Compensation of the Board of Directors

Principles

Article 22 of the Articles of Association governs the compensation of the Board of Directors.

The members of the Board of Directors are entitled to compensation commensurate with their activities and to reimbursement of their expenses incurred in performing their duties in the interest of the company. All members of the Board of Directors are compensated on the basis of the same principles. The compensation model for members of the Board of Directors is modular in structure and

takes account of the activities actually undertaken and functions occupied by each member. Compensation is paid to the members of the Board of Directors plus the employer's share of social insurance contributions. The members of the Board of Directors do not receive any performance-related compensation based on short-term performance. Instead, they share in the company's long-term success by receiving a fixed percentage of their compensation in the form of shares. The shares received as part of compensation are subject to a vesting period.

Approval by the General Meeting

The maximum total amount of compensation payable to the Board of Directors must be approved annually in advance by the General Meeting for the period until the end of the next Ordinary General Meeting.

If the total amount of compensation payable to the Board of Directors is not approved, the Board of Directors may either submit a new proposal to the same General Meeting or convene an Extraordinary General Meeting at which it will submit a new proposal for the total amount.

Modular fixed compensation of the Board of Directors

The compensation of members of the Board of Directors consists of various modules depending on the relevant member's activities. It comprises a fixed basic compensation amount, plus fixed supplements for additional activities carried out and functions occupied. The basic compensation is CHF 70,000 per year for each member of the Board of Directors. With effect from the 2019 Annual General Meeting, the Board of Directors significantly reduced the fixed supplements for additional activities.

Compensation of the Board of Directors, effective from AGM 2019

Member of the Board: TCHF 70		
Chair of the Board: + TCHF 130		
Real Estate Committee	Audit and Risk Committee	Nomination and Compensation Committee
Member: + TCHF 55	Member: + TCHF 35	Member: + TCHF 15
Chair: + TCHF 20	Chair: + TCHF 20	Chair: + TCHF 20

The supplements for additional activities are as follows:

For activities exercised on a Board Committee:

- › as a member of the Real Estate Committee (IC) CHF 55,000,
- › as a member of the Audit Committee (AC) CHF 35,000,
- › as a member of the Nomination and Compensation Committee (NCC) CHF 15,000.

For serving as chair:

- › Chairing the Board of Directors CHF 130,000,
- › Chairing a Board Committee CHF 20,000.

This ensures that the compensation paid to the Board of Directors is in line with the time required for their activities and the level of responsibility involved.

Payment of fixed compensation

With effect from the 2019 Annual General Meeting, the Board of Directors decided that 25% of compensation will be paid in the form of shares. As soon as the level of share-based compensation can be quantified, the CFO, in consultation with the CEO, appoints an external financial institution to purchase the required number of Mobimo shares. The financial institution is to acquire these on a staggered basis on the SIX Swiss Exchange and book them to Mobimo Holding AG's custody account. The value of the shares and thus the number of shares to be allocated is determined based on the share price applicable on the date of allocation. All shares are allocated once a year on 31 March. From the date of allocation, the shares have both voting and dividend rights. They are subject to a vesting period of three years. During the vesting period, the shares must be held in safe custody with the share register. The departure of a member of the Board of Directors from the Board has no impact on the vesting period or on the ownership of the shares. The cash portion of compensation is transferred to the members of the Board of Directors in three equal instalments, each at the end of a quarter. The fourth instalment is paid in vested shares. In the event that a member of the Board of Directors joins or departs during a year, compensation is pro-rated.

Compensation of the Executive Board

Principles

Articles 28 and 29 of the Articles of Association govern the compensation of the Executive Board.

The compensation system must ensure the members of the Executive Board receive compensation in line with their success in implementing the strategy and their contribution to corporate performance.

The compensation system is based on the three following principles.

Performance-related

- › Performance-related compensation is calculated using qualitative (35%) and quantitative (65%) criteria
- › The compensation system is linked to the implementation of the corporate strategy

Competitive, in line with the market and transparent

- › Attracts and retains highly qualified management
- › Compensation is fair and reasonable in both an internal and external comparison with major listed Swiss real estate companies

Aligned with the interests of the shareholders

- › Promotes outstanding performance and the generation of added value in the interests of the shareholders
- › Performance-related compensation of which 50% is in the form of vested shares

The total compensation payable to each member of the Executive Board consists of a basic salary (including expenses allowance), any other non-performance-related elements and a performance-related element, plus social insurance contributions, ancillary pay and pension contributions. Total compensation takes into account the level of responsibility, area of responsibility, expertise and function of the Executive Board member in question, their achievement of objectives and market conditions.

It is set by the entire Board of Directors at the request of the Nomination and Compensation Committee in line with market conditions, with a particular focus on salary levels in the Swiss real estate market, and is reviewed annually. Salaries are compared against the major Swiss real estate companies listed on the SIX Swiss Exchange: Swiss Prime Site AG, PSP Swiss Property AG, Allreal Holding AG, Intershop Holding AG, Zug Estates Holding AG and Warteck Invest AG. This competitive compensation system should enable Mobimo to recruit the senior managers it wants from the relatively small pool of suitable executives and retain them for the company for the long term.

Approval by the General Meeting

The maximum total amount of performance-related compensation payable to the Executive Board must be approved annually by the General Meeting for the financial year in which the General Meeting in question takes place. No performance-related compensation may be paid for the period in question before approval is given.

The maximum total amount of non-performance-related compensation payable to the Executive Board must be approved annually by the General Meeting for the financial year following the General Meeting in question.

If the total amount of compensation payable to the Executive Board is not approved, the Board of Directors may either submit a new proposal to the same General Meeting or convene an Extraordinary General Meeting at which it will submit a new proposal for the total amount of non-performance-related/performance-related compensation.

Fixed compensation

Like total compensation, the fixed salary is geared to the actual area of responsibility, professional requirements and expertise of each member of the Executive Board and the amount of work involved, and is paid in monthly instalments.

Performance-related compensation

The performance-related compensation payable to members of the Executive Board is based on the quantitative and qualitative objectives and parameters set by the Board of Directors. The details of performance-related compensation is regulated in the compensation regulations. In accordance with currently applicable employment contracts and the compensation regulations, the maximum performance-related compensation payable to each individual member of the Executive Board is limited to 100% of their non-performance-related gross salary, despite the Articles of Association allowing an upper limit of 150%. 50% of the performance-related compensation is paid in shares in the company. The shares issued are subject to a vesting period of five years.

Profit-sharing model

In accordance with the compensation regulations in force since 1 January 2020, the payment of the performance-related element of Executive Board members' compensation is conditional on certain quantitative targets being met by the company (65%) and on individual performance targets (qualitative targets) being met (35%). Under the compensation regulations, performance-related compensation is capped at 100% of the fixed gross salary.

Based on the corporate strategy, the Board of Directors has defined the key performance figure for calculating the extent to which quantitative targets have been met as the return on equity before net income from revaluation. However, entitlement to compensation as a result of quantitative targets being met is conditional on the company achieving a minimum return on equity before net income from revaluation of 4.5%. From 2020, this threshold will be reduced to 4.0% in light of the significantly lower real estate market returns. Profit or loss from the sale of investment properties will now no longer be included in the relevant calculation of return on equity. Net income from the revaluation of development properties for Mobimo's own portfolio and operational net income from the revaluation of investment properties will be used. The reason for this change is to incentivise value creation through Mobimo's development activities, as opposed to gains in value resulting purely from market trends.

Once this minimum return on equity has been achieved, the entitlement of the Executive Board members rises on a straight-line basis within a range defined by the Board of Directors. The Board of Directors may deviate from the agreed values if a dividend/nominal value reduction/capital contribution repayment at least in line with that of the previous year cannot be paid out to shareholders.

Qualitative targets comprise individual performance targets such as company, segment or function-specific targets or personal targets, as well as economic and/or market-relevant key figures. Every year, the Nomination and Compensation Committee sets objectives based on Mobimo's corporate strategy, which are then used to determine individual performance targets. The CEO then submits a concrete proposal for individual performance targets to the Nomination and Compensation Committee. These are then approved by the Board of Directors.

The extent to which qualitative targets have been met is assessed once a year, after the end of the financial year. The assessment is carried out in a first phase by the CEO for his fellow members of the Executive Board and by the Chairman of the Board of Directors for the CEO. The Nomination and Compensation Committee then carries out a second assessment. The extent to which each member of the Executive Board meets their targets determines their individual entitlement to the portion of performance-related contribution based on the qualitative objectives.

Payment of performance-related compensation

Performance-related compensation is always paid in the following year, at the latest prior to the date of the General Meeting. 50% of the performance-related compensation is paid in shares in the company. As soon as the level of share-based compensation can be quantified, the CFO, in consultation with the CEO, appoints an external financial institution to purchase the required number of Mobimo shares. The financial institution is to acquire these on a staggered basis on the SIX Swiss Exchange and book them to Mobimo Holding AG's custody account. At the request of the Nomination and Compensation Committee, the Board of Directors determines the dates of allocation and transfer of ownership, as well as the vesting periods for the shares. The value of the shares corresponds to the share price on the date of allocation. From the date of allocation, the shares have both voting and dividend rights. The shares are subject to a vesting period of five years. Once set, a vesting period for the shares in question cannot be altered. The vesting period continues to apply even after a member's employment has ceased. Members of the Executive Board who are released from their contracts generally still receive a pro rata portion of the contractually agreed compensation until the end of their employment contract unless the employer terminated the employment relationship for good cause attributable to the employee. Performance-related compensation is generally also paid unless the member in question provided good cause for termination. In each individual case, the Board of Directors decides on the basis of the employment contract and the specific circumstances whether or not the compensation is to be paid.

The company is entitled to the repayment of all performance-related compensation paid out on the basis of annual financial statements that do not reflect the company's actual results due to criminal activity or other forms of manipulation. The amount of the repayment entitlement corresponds to the extent of the falsification.

Additional amount for compensation payable to members appointed after the General Meeting

Article 29 of the Articles of Association governs the additional amount for compensation payable to members appointed after the General Meeting.

For each member of the Executive Board appointed after the General Meeting that voted on the total amount of compensation, there is an additional amount of 30% of the total compensation for the Executive Board already approved in advance for the relevant periods. This amount also covers the period between the member in question's appointment and the start of the already approved period. The additional amount that is actually used does not need to be approved by the General Meeting.

Within the limits of the total amount or additional amount already approved, the company may pay a new member of the Executive Board a joining bonus to offset any losses incurred due to the change of position.

Comparison of compensation actually paid and compensation approved by the General Meeting

The table below shows the approved compensation elements payable to the Board of Directors and Executive Board and compares the figures with the actual amounts recorded in 2020. In accordance with the Articles of Association, the compensation payable to the Board of Directors is approved in advance for the period until the next Annual General Meeting. As a result, the approved compensation amount is reduced to the nine-month figure on a straight-line basis and compared with the payments recognised in the income statement for the period from April to December 2020.

Board of Directors

TCHF	Approved 31.3.2020 – 30.3.2021	Approved 31.3.2020 – 31.12.2020 (9 months/pro rata)	Paid 31.3.2020 – 31.12.2020	Approved 2.4.2019 – 31.3.2020	Paid 2.4.2019 – 31.3.2020
Fixed compensation including shares	1,100	825	728	1,100	1,035

Executive Board

TCHF	Approved 1.1.2020 – 31.12.2020	Paid 1.1.2020 – 31.12.2020	Approved 1.1.2019 – 31.12.2019	Paid 1.1.2019 – 31.12.2019
Fixed compensation	3,000	2,163	3,100	3,069
Performance-related compensation	3,000	1,858	3,000	768

Compensation report for the 2020 financial year in accordance with the OaEC

Compensation payable to the Board of Directors and Executive Board and related parties

In the year under review, the members of the Board of Directors, related parties and the Executive Board received compensation as set out below.

Compensation paid to the Board of Directors

Name, function (TCHF)	Fees, salary	Shares	Social security contributions	2020 Total	Fees, salary	Shares	Social security contributions	2019 Total
Peter Schaub, Chairman BoD (from April 2019)	197	62	4	263	230	0	0	230
Brian Fischer, BoD	124	32	11	167	151	0	11	162
Wilhelm Hansen, BoD (until April 2020)	3	27	1	31	125	0	6	131
Daniel Crausaz, BoD	97	28	2	127	124	0	0	124
Bernard Guillelmon, BoD	82	23	7	112	109	0	8	117
Bernadette Koch, BoD (from April 2019)	94	26	8	128	90	0	6	96
Christoph Caviezel, BoD (from April 2019 until April 2020)	11	28	2	40	94	0	0	94
Georges Theiler, Chairman BoD (until April 2019)	n/a	n/a	n/a	n/a	85	0	5	90
Peter Barandun, BoD (until April 2019)	n/a	n/a	n/a	n/a	35	0	3	38
Martha Scheiber, BoD (from April 2020)	117	0	9	126	n/a	n/a	n/a	n/a
Total	725	225	45	995	1,043	0	39	1,082

Additional compensation payable to members of the Board of Directors and related parties or companies

No request was submitted to the 2020 Annual General Meeting for a sum for additional compensation of members of the Board of Directors and related parties or companies.

Compensation paid to the Executive Board

TCHF	2020 Total	2019 Total	2020 Daniel Ducrey, CEO	2019 Daniel Ducrey, CEO (from 1 March 2019)
Fees, salary	1,788	2,352	553	474
Profit-sharing in cash	861	427 ¹	265	76
Profit-sharing in shares	861	342	265	77
Other contributions ²	511	716	168	140
Total	4,021	3,837	1,251	767

¹ In 2019, the profit contribution was paid out as a cash lump sum in the case of a departing member of the Executive Board.

² Other contributions include pension contributions, any service anniversary gifts, private use of vehicles and employer's social insurance contributions.

Amounts for the 2020 financial year reflect the expense reported in the consolidated financial statements for the year under review (accrual accounting).

50% of the variable compensation took the form of shares in Mobimo Holding AG, in accordance with the compensation regulations (prior year: 50%). The overview of the shareholdings of members of the Executive Board and the Board of Directors, including related parties, can be found in the financial report, on page 142.

The General Meeting of 31 March 2020 approved fixed compensation of CHF 2.9 million for the Executive Board for the 2021 financial year.

Loans and credit facilities granted to the Board of Directors, Executive Board and related parties

No loans or credit facilities were granted to members of the Board of Directors, Executive Board or related parties in the 2020 financial year, and there were no such receivables outstanding as at 31 December 2020.

Compensation amounts to be approved at the 2021 Annual General Meeting

At the Annual General Meeting of 30 March 2021, the Board of Directors will request that the maximum total amount of fixed compensation for the Board of Directors for the period from 30 March 2021 to the Annual General Meeting in 2022 be set at CHF 1.1 million.

The Board of Directors will propose that the maximum total amount of non-performance-related compensation for the Executive Board for the 2022 financial year be set at CHF 2.9 million. It will also propose performance-related compensation of CHF 2.9 million for the Executive Board for the 2021 financial year.



Ernst & Young Ltd
Alpenquai 28b
P.O. Box
CH-6002 Lucerne

Phone: +41 58 286 77 11
Fax: +41 58 286 77 05
www.ey.com/ch

To the General Meeting of
Mobimo Holding AG, Lucerne

Lucerne, 29 January 2021

Report of the statutory auditor on the remuneration report

We have audited the remuneration report of Mobimo Holding AG for the year ended 31 December 2020. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the tables on pages 46 to 51 of the remuneration report.



Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.



Auditor's responsibility

Our responsibility is to express an opinion on the remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Opinion

In our opinion, the remuneration report for the year ended 31 December 2020 of Mobimo Holding AG complies with Swiss law and articles 14–16 of the Ordinance.

Other matter

The remuneration report of Mobimo Holding AG for the year ended 31 December 2019 was audited by another statutory auditor who expressed an unmodified opinion on that remuneration report on 6 February 2020.

Ernst & Young Ltd

Rico Fehr
Licensed audit expert
(Auditor in charge)

Katharina Gautschi
Licensed audit expert

FINANCIAL REPORT

54 Consolidated annual
financial statements

114 Property details

127 Report of the statutory auditor on the
consolidated annual financial statements

132 Report of the independent
valuation experts

137 Annual financial statements of
Mobimo Holding AG

144 Report of the statutory auditor
on the financial statements

146 EPRA key performance measures

Consolidated income statement

TCHF	Note	2020	2019
Income from rental of properties	4	122,549	125,013
Income from development projects and sale of trading properties	7	135,796	61,674
Other income		6,181	5,900
Revenue		264,527	192,586
Gains from revaluation of investment properties	5	79,508	70,370
Losses on revaluation of investment properties	5	-45,254	-18,823
Net income from revaluation		34,255	51,547
Profit on disposal of investment properties	6	1,612	6,376
Direct expenses for rented properties	4	-17,493	-18,344
Direct expenses from development projects and sale of trading properties	7	-99,019	-58,653
Direct operating expenses		-116,512	-76,997
Capitalised own-account services		7,677	7,058
Personnel expenses	16	-29,997	-28,928
Operating expenses	20	-9,258	-11,172
Administrative expenses		-2,312	-2,800
Earnings before interest, tax, depreciation and amortisation (EBITDA)		149,992	137,670
Depreciation on property, plant and equipment	22	-2,222	-2,311
Amortisation of intangible assets	23	-2,002	-1,326
Earnings before interest and tax (EBIT)		145,768	134,033
Share of profit of equity-accounted investees		817	2,540
Financial income		1,987	2,553
Financial expense		-30,400	-30,910
Financial result	10	-28,413	-28,357
Earnings before tax (EBT)		118,172	108,216
Tax expense	19	-21,560	-5,131
Profit		96,612	103,086
Of which attributable to the shareholders of Mobimo Holding AG		96,612	103,161
Of which attributable to non-controlling interests		0	-75
Earnings per share in CHF	28	14.64	15.64
Diluted earnings per share in CHF	28	14.64	15.64

Consolidated statement of comprehensive income

TCHF	Note	2020	2019
Profit		96,612	103,086
Items that may be reclassified subsequently to income statement		-1,737	-6,111
Loss on financial instruments for hedge accounting	11	-1,953	-7,421
Reclassification adjustments for amounts recognised in income statement	11	132	134
Tax effects	11	84	1,177
Items that will not be reclassified subsequently to income statement		3,972	-3,074
Remeasurement in staff pension schemes	17	4,823	-3,652
Tax effects	19	-850	578
Total other comprehensive income		2,236	-9,185
Of which attributable to the shareholders of Mobimo Holding AG		2,236	-9,185
Total comprehensive income		98,848	93,900
Of which attributable to the shareholders of Mobimo Holding AG		98,848	93,975
Of which attributable to non-controlling interests		0	-75

Consolidated balance sheet

TCHF	Note	31.12.2020	31.12.2019
Assets			
Current assets			
Cash	13	99,518	45,823
Trade receivables	21	3,109	2,975
Financial assets	25	40,000	124
Current tax assets		20,715	17,147
Other receivables		212	2,869
Contract assets	8	32,304	15,854
Trading properties	9	249,793	259,332
Accrued income and prepaid expenses		24,157	25,398
Total current assets		469,808	369,523
Non-current assets			
Investment properties			
› Commercial properties	5	1,613,720	1,366,910
› Residential properties	5	1,219,960	1,222,690
› Development properties	5	95,588	95,280
› Investment properties under construction	5	163,730	343,360
Property, plant and equipment			
› Owner-occupied properties	22	12,990	14,734
› Other property, plant and equipment	22	5,494	5,990
Intangible assets	23	6,842	8,096
Investments in associates and joint ventures	24	28,263	29,527
Financial assets	25	2,482	4,922
Deferred tax assets	19	1,043	2,302
Total non-current assets		3,150,113	3,093,811
Total assets		3,619,921	3,463,334

TCHF	Note	31.12.2020	31.12.2019
Equity and liabilities			
Liabilities			
Current liabilities			
Current financial liabilities	11	314,726	182,020
Current lease liabilities	11	268	297
Trade payables		14,012	15,327
Current tax liabilities		6,817	5,697
Derivative financial instruments	11/15	707	105
Other payables		1,565	4,625
Contract liabilities	8	2,378	5,297
Advance payments from buyers		108	90
Accrued expenses and deferred income	26	54,966	57,244
Total current liabilities		395,546	270,703
Non-current liabilities			
Non-current financial liabilities	11	1,410,222	1,412,368
Non-current lease liabilities	11	1,752	3,895
Employee benefit obligation	17	8,995	12,623
Derivative financial instruments	11/15	32,385	32,541
Deferred tax liabilities	19	206,177	198,948
Total non-current liabilities		1,659,531	1,660,375
Total liabilities		2,055,078	1,931,078
Equity			
Share capital	14	88,461	154,476
Treasury shares		-1,994	-1,110
Capital reserves		136,723	136,604
Retained earnings		1,341,653	1,242,286
Total equity		1,564,843	1,532,256
Total equity and liabilities		3,619,921	3,463,334

Consolidated cash flow statement

TCHF	Note	2020	2019
Earnings before tax		118,172	108,216
Net gains from revaluation of investment properties	5	-34,255	-51,547
Share-based payments	18	1,088	304
Effect of rental income recognition on a straight-line basis		-2,811	-1,183
Depreciation on property, plant and equipment and amortisation of lease incentives	22	4,818	3,931
Amortisation of intangible assets	23	2,002	1,326
Profit on disposal of investment properties	6	-1,612	-6,376
Share of profit of associates and joint ventures		-817	-2,540
Financial result	10	28,413	28,357
Changes			
› Trade receivables		4,511	31,809
› Contract assets		-22,512	-8,541
› Trading properties		24,745	-89,798
› Other receivables and accrued income and prepaid expenses		3,858	14,417
› Employee benefit obligation		1,194	494
› Trade payables		-141	342
› Contract liabilities		-2,457	171
› Advance payments from buyers		1,435	-325
› Other liabilities and accrued expenses and deferred income		6,307	-8,712
Income tax paid		-16,815	-9,066
Net cash from operating activities		115,123	11,281
Capitalised own-account services		-3,262	-4,192
Investments in financial assets	25	-150,000	-3,234
Acquisition of investment properties	5	-66,711	-80,815
Acquisition of property, plant and equipment	22	-500	-958
Acquisition of intangible assets	23	-748	-1,673
Disposal of financial assets	25	110,000	0
Disposal of property, plant and equipment		0	53
Disposal of investment properties less selling costs	6	13,572	22,526
Dividends received		2,299	2,396
Interest received		196	199
Net cash used in investing activities		-95,154	-65,698
Proceeds from financial liabilities	11	257,797	155,800
Repayment of financial liabilities	11	-126,776	-101,747
Repayment of lease liabilities	11	-286	-276
Nominal value repayment	14	-65,991	0
Distribution of capital contribution reserves	14	0	-65,982
Acquisition of non-controlling interests	29	0	-9,175
Purchase of treasury shares	14	-1,357	-300
Interest paid		-29,660	-31,638
Net cash used in financing activities		33,726	-53,317
Change in cash		53,695	-107,733
Cash at beginning of reporting period		45,823	153,556
Cash at end of reporting period		99,518	45,823

Consolidated statement of changes in equity

TCHF	Note	Share capital	Treasury shares	Capital reserves	Hedging reserve	Other retained earnings	Total retained earnings	Equity attributable to the shareholders of Mobimo Holding AG	Non-controlling interests	Total equity
At 1 January 2019		154,476	-1,216	202,611	-19,461	1,170,776	1,151,315	1,507,185	6,324	1,513,509
Profit						103,161	103,161	103,161	-75	103,086
Cash flow hedges:	11									
› Change in fair value					-7,421		-7,421	-7,421		-7,421
› Transfer to income statement					134		134	134		134
› Tax effects					1,177		1,177	1,177		1,177
Staff pension schemes:	17									
› Remeasurement						-3,652	-3,652	-3,652		-3,652
› Tax effects						578	578	578		578
Other comprehensive income		0	0	0	-6,111	-3,074	-9,185	-9,185	0	-9,185
Total comprehensive income		0	0	0	-6,111	100,087	93,975	93,975	-75	93,900
Distribution of capital contribution reserves	14			-65,982				-65,982		-65,982
Share-based payments:	14/18									
› Board of Directors and management	18		406	-24		-78	-78	304		304
Purchase of treasury shares			-300					-300		-300
Acquisition of non-controlling interests	29					-2,926	-2,926	-2,926	-6,249	-9,175
At 31 December 2019/ 1 January 2020		154,476	-1,110	136,604	-25,572	1,267,858	1,242,286	1,532,256	0	1,532,256
Profit						96,612	96,612	96,612	0	96,612
Cash flow hedges:	11									
› Change in fair value					-1,953		-1,953	-1,953		-1,953
› Transfer to income statement					132		132	132		132
› Tax effects					84		84	84		84
Staff pension schemes:	17									
› Remeasurement						4,823	4,823	4,823		4,823
› Tax effects						-850	-850	-850		-850
Other comprehensive income		0	0	0	-1,737	3,972	2,236	2,236	0	2,236
Total comprehensive income		0	0	0	-1,737	100,585	98,848	98,848	0	98,848
Nominal value repayment	14	-66,015	0	24				-65,991		-65,991
Share-based payments:	14/18									
› Board of Directors and management	18		474	95		520	520	1,088		1,088
Purchase of treasury shares			-1,357					-1,357		-1,357
At 31 December 2020		88,461	-1,994	136,723	-27,309	1,368,962	1,341,653	1,564,843	0	1,564,843

Notes to the consolidated annual financial statements

General information

1. Business activities

Mobimo Holding AG is the parent company of the Mobimo Group, which operates exclusively in Switzerland. Its business activities consist of the long-term holding and management of commercial and residential properties, the construction and selling of owner-occupied residential properties, and the development of commercial and residential properties for its own portfolio and third-party investors.

Mobimo Holding AG is a public limited company under Swiss law, headquartered in Lucerne and listed on the SIX Swiss Exchange.

2. Group accounting policies

General information

The consolidated annual financial statements of Mobimo Holding AG are prepared in accordance with International Financial Reporting Standards (IFRS) and comply with legislation in Switzerland as well as with Article 17 of the Directive on Financial Reporting issued by the SIX Swiss Exchange.

Consolidation takes place on the basis of the individual financial statements from the Group companies. These statements are audited and drawn up in accordance with standardised guidelines. The reporting date is 31 December.

All amounts contained in the consolidated annual financial statements are shown in thousands of Swiss francs (TCHF), unless stated otherwise. The sums and totals of the individual positions may be larger or smaller than 100% due to rounding.

The consolidated annual financial statements have been prepared in accordance with the cost principle, with the exception of investment properties including investment properties under construction, derivatives and financial assets in the category "measured at fair value through profit or loss", which are all recognised at fair value, and investments in associates and joint ventures, which are initially valued at cost and subsequently according to Mobimo's share of equity.

The notes to the consolidated annual financial statements are divided into what Mobimo considers relevant sections to facilitate an understanding of the company's earnings and financial position. Similarly, for ease of comprehension, the accounting principles applied and material uncertainties regarding estimates are set out at the start of each relevant note.

Change in accounting treatment

To date, Mobimo has offset the heating and operating costs for properties incurred as at the reporting date that could be passed on to tenants at time of preparation of the heating and ancillary cost statements against the advance payments made by tenants as at the reporting date to cover the heating and operating costs for each property, and has reported these under trade receivables or trade payables. As the corresponding statements had not yet been prepared as at the reporting date, the receivables recognised had also not yet been invoiced to the tenants and were therefore not due. Mobimo concludes that this situation can be better presented by reporting the incurred heating and operating costs gross under accrued income and prepaid expenses, and the advance payments made by tenants under accrued expenses and deferred income. Mobimo does not believe that the change in presentation has a material impact on the financial statements, but the prior-year figures have nevertheless been restated to improve comparability. The affected balance sheet items for the financial statements as at 31 December 2019 are shown in the table below.

TCHF	31.12.2019	Transition	31.12.2019 adjusted
Trade receivables	13,047	-10,071	2,975
Accrued income and prepaid expenses	2,768	22,630	25,398
Total current assets	356,964	12,559	369,523
Total assets	3,450,775	12,559	3,463,334
Trade payables	18,209	-2,881	15,327
Accrued expenses and deferred income	41,804	15,440	57,244
Total current liabilities	258,144	12,559	270,703
Total liabilities	1,918,519	12,559	1,931,078
Total equity and liabilities	3,450,775	12,559	3,463,334

The equity ratio as at 31 December 2019 is now 44.2%, compared with 44.4% before restatement.

Significant discretionary decisions and estimation uncertainties

In preparing the consolidated annual financial statements in accordance with IFRS, management is required to make estimates and assumptions as well as discretionary decisions. This can influence reported income, expenses, assets, liabilities, and contingent assets and liabilities at the time the statements are drawn up. The estimates and assumptions used are based on past experience as well as on other factors which appear plausible at that specific point in time. If actual results in the future differ from such estimates and assumptions, the initial estimates and assumptions will be adjusted accordingly in the applicable reporting period.

Significant discretionary decisions and estimation uncertainties are described in the following notes:

- › Fair value of investment properties, page 66,
- › Estimate of the proceeds of sale, project progress and project costs of development services and the proceeds of sale and total cost of trading properties, page 77,
- › Income taxes, page 101.

As a consequence of the economic impact of the coronavirus crisis the assumptions for rent waivers for deferred rents must be anticipated on a best-estimate basis (see Note 4). See Note 5 for the impact on valuations of investment properties.

New standards/interpretations applied

Mobimo started to apply the following newly applicable or amended standards and interpretations with effect from 1 January 2020:

- › Amendments to IFRS standards – Amendments to references to the conceptual framework in IFRS standards,
- › Amendments to IFRS 3 – Definition of a business,
- › Amendments to IAS 1 and IAS 8 – Definition of materiality,
- › Amendments to IFRS 9, IAS 39 and IFRS 7 – Reform of the reference interest rate (Phase 1).

The amendments had no material effect on the consolidated annual financial statements. The amendments to IFRS 3, IAS 1 and IAS 8 and to IFRS 9, IAS 39 and IFRS 7 are described in more detail below.

First-time application of IFRS 3

The amendments to IFRS 3 clarify that a business comprises a set of activities and assets that must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. By contrast, an acquisition is not classed as a business if almost the entire fair value of the gross assets acquired can be assigned to an individual identifiable asset or a group of similar assets. The amendments to IFRS 3 do not result in any material changes for Mobimo. The accounting principles applied by Mobimo at the time it acquires a company are shown in Note 29.

First-time application of IAS 1 and IAS 8

Mobimo has applied the new provisions of IAS 1 and IAS 8 – Definition of materiality since 1 January 2020. The new provisions require companies to assess whether financial information, either individually or in combination with other information, is material in the context of its financial statements. The new provisions clarify that obscuring material information with information which is immaterial or inappropriately aggregated may have a similar effect to omitting or misstating that information. They also specify that annual financial statements are prepared for users who have a reasonable knowledge of business and economic activities and are therefore classed as the primary users of financial statements. The new provisions also state that information is only material if it could reasonably be expected to influence decisions that the primary users of financial statements make. Mobimo has therefore decided that, in contrast to previous years, administrative expenses, other receivables and other payables will not be disclosed. Mobimo will also periodically review its disclosures going forward in order to make the material financial information available to the primary users of financial statements.

First-time application of IFRS 9, IAS 39 and IFRS 7

As part of the reform of interbank offered rates (IBOR), LIBOR is to be replaced by SARON in Switzerland by the end of 2021. There are major differences between the two reference interest rates, meaning that existing contracts and agreements with banks that are based on CHF LIBOR need to be converted to SARON. In connection with the current reform, the IASB has issued various amendments to the existing standards IFRS 9, IAS 39 and IFRS 7. These include in particular reliefs for the recognition of hedging relationships and the application of specific hedge accounting requirements in the period before implementation of the reform. The amendments apply to all hedging relationships that are directly affected by the IBOR reform.

Mobimo has applied these new provisions since 1 January 2020. Mobimo has hedged a portion of its variable-rate financing with interest rate swaps and designated the swaps as cash flow hedges against fluctuations in the cash flows of this variable-rate financing caused by changes in the three-month CHF LIBOR, the current reference interest rate. The hedging instruments used by Mobimo have a nominal value of CHF 117.6 million and are classified as cash flow hedges under IFRS 9. Mobimo is making use of the reliefs granted for these hedging transactions and has therefore made no changes to its hedge accounting.

At the time of reporting Mobimo had not yet amended any of its contracts. Discussions about the conversion process have already been started with the relevant banks. Please see Note 11 and 15 for more detailed information about Mobimo's hedging instruments.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
General information

Standards/interpretations published but not yet applied

The following new and amended standards and interpretations were approved, but will not take effect until a later date. They have not been adopted in advance in these consolidated annual financial statements.

<u>Standard/interpretation</u>	<u>Entry into force</u>	<u>Planned application by Mobimo (financial year)</u>
Amendments to IFRS 16 Covid-19-Related Rent Concessions	*	1.6.2020 2021 financial year
Amendments to IFRS 9, IAS 39 and IFRS 7, IFRS 4 and IFRS 16 (Phase 2) Interest Rate Benchmark Reform	**	1.1.2021 2021 financial year
Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract	*	1.1.2022 2022 financial year
Amendments to IFRSs 2018 – 2020 Annual Improvements to IFRS Standards 2018 – 2020	*	1.1.2022 2022 financial year
Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use	*	1.1.2022 2022 financial year
Amendments to IFRS 3 References to the Conceptual Framework	*	1.1.2022 2022 financial year
IFRS 17 (incl. Amendments) Insurance Contracts	*	1.1.2023 2023 financial year
Amendments to IAS 1 Classification of liabilities as current or non-current	**	1.1.2023 2023 financial year

* No impact or no significant impact on Mobimo's consolidated annual financial statements is expected.

** Mobimo has analysed their impact. See the below notes on the individual standards.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Phase 2)

The Phase 2 amendments include various reliefs in connection with the recognition of hedging relationships. Since Mobimo anticipates that contractual cash flows will be economically equivalent once the necessary amendments to contracts have been made, it is not expecting any material impact on the consolidated annual financial statements. Applying the reliefs means that the hedging relationships can be maintained.

Amendments to IAS 1

Mobimo is analysing whether the classification for financial liabilities needs to be adjusted and whether in future these financial liabilities should be reported under current financial liabilities or under non-current financial liabilities, respectively.

Segment reporting

3. Segment reporting

Internal reporting to Mobimo's key decision-makers continues to be based on the company's two business segments. However, the development properties in the investment portfolio will now be shown in the Real Estate segment. These are properties with construction shortcomings or substantial vacancy rates. Renovation or conversion plans are developed for these properties. On the basis of these plans, the properties are either reclassified as investment properties under construction or as trading properties or revert to commercial or residential properties. The income and expenses generated by these properties come from renting them out, which is why this reallocation better reflects the results of the segments. The assessment system and key for the allocation of administration costs were also revised in the reporting period. The corresponding figures for 2019 were restated with regard to the allocation of development properties and administration costs. As a result of this restatement, the Real Estate segment's income from rental of properties fell by CHF 4.8 million for 2019, while net income from revaluation fell by CHF 1.6 million. EBIT for the Real Estate segment was CHF 5.4 million lower overall. There were opposing effects in the Development segment.

The business activities of these two segments can be described as follows:

Real Estate

The Real Estate segment shows the profit from investment properties held on a long-term basis to generate rental income. This profit comprises the income and associated expenses relating to commercial and residential investment properties. The investment portfolio is constantly optimised by the company's portfolio management team. An individual strategy is determined for each investment property based on the corporate strategy. The usage and tenant mix is constantly reviewed. Mobimo aims for significant diversification to generate stable and sustainable returns. The company's management and marketing teams are responsible for tenant support, operation and maintenance of properties, and marketing of residential, commercial and retail space. The segment also includes facility management and related services provided for properties in the company's own portfolio and their tenants as well as for selected third-party customers.

Development

The Development segment shows the profit from investment properties under construction for the company's own portfolio, development for institutional and private investors (Development for Third Parties), and the construction and sale of condominium apartments. The services provided by the Development for Third Parties business area range from purely development services to turn-key real estate. The business area's activities include developing and realising construction projects on sites and building plots, monitoring construction activity during the construction phase, supporting buyers with condominium projects, and selling condominiums. Developments for sale (third parties and condominiums) are recognised under trading properties and under contract assets and liabilities (see Notes 8 and 9). Developments for the company's own portfolio are listed under Investment properties under construction (see Note 5).

The Board of Directors as the key decision-maker monitors the results of the individual segments on the basis of EBIT. These figures are determined using the same accounting principles as in the consolidated annual financial statements prepared in accordance with IFRS. Income tax and interest are not included in the segment results. The costs of central functions such as Finance and IT, Marketing and Communication, Legal Services and Central Services, along with the expenses for the Executive Board, are attributed to the segments on the basis of usage. Expenses in connection with the Board of Directors are not attributed to the segments, but are reported under Reconciliation.

Segment assets comprise trading properties, contract assets, investment properties, owner-occupied properties and investment properties under construction. No other assets are attributed to the segments. Segment assets are measured in the same way as in the consolidated annual financial statements prepared in accordance with IFRS.

With the exception of the transfer of segment assets, there were no transactions between the individual segments. It was therefore not necessary to eliminate intersegment transactions.

Since Mobimo operates exclusively in Switzerland, revenues and non-current assets do not need to be broken down on a geographical basis.

A further breakdown of income from rental of properties by property type (commercial, residential and trading properties) can be found in Note 4.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Segment reporting

Segment information 2020

TCHF	Real Estate	Development	Total segments	Reconciliation	Total
Segment income statement					
Income from rental of properties	115,568	6,982	122,549		122,549
Net income from revaluation	2,155	32,099	34,255		34,255
Income from development projects and sale of trading properties		135,796	135,796		135,796
Profit on disposal of investment properties	1,612		1,612		1,612
Other income	6,170	11	6,181		6,181
Total segment income	125,505	174,888	300,393		300,393
Segment result EBIT¹	81,382	65,435	146,816	-1,048	145,768
Share of profit of equity-accounted investees					817
Financial result					-28,413
Earnings before tax (EBT)					118,172
Tax					-21,560
Profit					96,612
Segment assets					
Trading properties		249,793	249,793		249,793
Contract assets ²		32,304	32,304		32,304
Investment properties	2,929,268		2,929,268		2,929,268
Owner-occupied properties	12,990		12,990		12,990
Investment properties under construction		163,730	163,730		163,730
Total segment assets	2,942,258	445,827	3,388,085		3,388,085
Non-attributed assets				231,836	231,836
Total assets					3,619,921
Depreciation and amortisation	-2,956	-1,268	-4,224		-4,224
Investments in non-current assets	83,215	16,628	99,843	1,248	101,091

¹ The reconciliation EBIT comprises expenses for the Board of Directors.

² Contract assets are offset by contract liabilities of TCHF 2,378.

Segment information 2019 (restated)

TCHF	Real Estate	Development	Total segments	Reconciliation	Total
Segment income statement					
Income from rental of properties	109,732	15,281	125,013		125,013
Net income from revaluation	44,111	7,436	51,547		51,547
Income from development projects and sale of trading properties	0	61,674	61,674		61,674
Profit on disposal of investment properties	6,376	0	6,376		6,376
Other income	5,900	0	5,900		5,900
Total segment income	166,118	84,391	250,509		250,509
Segment result EBIT¹	121,341	13,822	135,163	-1,129	134,034
Share of profit of investments in associates and joint ventures					2,540
Financial result					-28,357
Earnings before tax (EBT)					108,216
Tax					-5,131
Profit					103,086
Segment assets					
Trading properties	0	259,332	259,332		259,332
Contract assets ²	0	15,854	15,854		15,854
Investment properties	2,684,880		2,684,880		2,684,880
Owner-occupied properties	14,734		14,734		14,734
Investment properties under construction	0	343,360	343,360		343,360
Total segment assets	2,699,614	618,546	3,318,160		3,318,160
Non-attributed assets				145,174	145,174
Total assets					3,463,334
Depreciation and amortisation	-1,709	-1,928	-3,637		-3,637
Investments in non-current assets	21,601	70,353	91,954	2,631	94,585

¹ The reconciliation EBIT comprises expenses for the Board of Directors.

² Contract assets are offset by contract liabilities of TCHF 5,297.

Investment portfolio

Significant discretionary decisions and estimation uncertainties

The properties are measured at fair value, determined in accordance with the provisions of IFRS 13. The valuations are based on various estimates and assumptions, which are

explained in the Valuation details section of Note 5. A qualitative analysis of the sensitivity of the fair values of investment properties to a change in inputs and a quantitative analysis of the sensitivity of fair values to a change in the discount and capitalisation rates are also shown.

4. Net rental income

Accounting principles

Income from the rental of properties includes target rental income less rents lost due to vacancies. In the case of rental agreements classed as operating leases, rents are recognised on an accrual basis over the term of the lease. If the tenants are provided with significant incentives (e.g. tenant-specific finishings or rent-free periods), the cost of such incentives is recognised over the lease term on a straight-line basis as an adjustment of the rental income.

At present, Mobimo has no rental agreements classed as finance leases.

Rental income from commercial properties is defined as rental income from investment properties that are used mainly for commercial purposes, including any rental income from commercial properties under construction or from development properties falling into the commercial category.

Rental income from residential properties is defined as rental income from investment properties that are used mainly for residential purposes, including any rental income from residential properties under construction or from development properties falling into the residential category.

Rental income from trading properties is made up of income from development properties and from properties held for resale.

Direct expenses contains all costs relating to maintenance and administration (including building superintendent remuneration, marketing and property taxes) that cannot be passed on to tenants. Significant costs incurred in securing a rental agreement are capitalised and recognised as an expense over the term of the agreement.

Rental income can be broken down as follows:

TCHF	2020	2019
Commercial properties	75,225	77,305
Residential properties	44,457	43,818
Income from rental of investment properties	119,683	121,123
Trading properties	2,867	3,890
Total income from rental of properties	122,549	125,013
Commercial properties	-11,231	-11,745
Losses on receivables, commercial properties	-659	-131
Residential properties	-5,161	-5,741
Losses on receivables, commercial properties	-102	-106
Investment property expense	-17,152	-17,723
Rented trading properties	-355	-533
Losses on receivables, trading properties	14	-88
Total direct expenses for rented properties	-17,493	-18,344
Net rental income	105,057	106,669

In addition to actual rental income, rental income from investment properties includes other property-related income of CHF 1.0 million (prior year: CHF 1.2 million), consisting primarily of income from the short-term use of the car parks held in the investment portfolio. As such, this income is not based on any leases for the purposes of IFRS 16.

Rental income in 2020 was significantly influenced by the business closures and restrictions imposed to combat the coronavirus.

The business closures in the spring particularly affected shops – except for those selling food – along with restaurants, bars and entertainment and leisure establishments. These closures resulted in significantly lower turnover for tenants. Mobimo defined the following support for various tenant categories:

- › Net rent of less than CHF 5,000 and businesses that reopened on 27 April 2020: waived for the months of April and May.
- › Catering establishments in major districts: also a two-month rent waiver.
- › Restaurants and cafés with rent of less than CHF 5,000 in other properties: also a two-month rent waiver.

Agreements were concluded with each tenant in the above categories on the individual waiving of rent.

For all other tenants, agreements were concluded on an individual basis, taking tenants' specific circumstances, financial strength and future prospects into account.

In addition to rent waivers, contractual amendments such as staggered rents or extended payment terms were agreed with larger tenants. In the case of major changes, the effects will be recognised on a straight-line basis over the contract term. Receivables from larger tenants with which agreements have not yet been concluded but for which rent waivers can be expected are reported under Expected rent waivers. The renewed closure of hospitality and leisure operators in Lausanne and Geneva ordered from November onwards is also having a significant impact on Mobimo's tenants. Expected rent waivers for affected tenants were estimated on a best-estimate basis and booked under Expected rent waivers.

Taking into consideration the effects of the coronavirus crisis, rental income comprises the following as at 31 December 2020:

TCHF	2020	2019
Contractual rents commercial properties	81,473	77,305
Agreed rent waiver Covid-19	-3,912	0
Expected rent waiver Covid-19	-2,335	0
Rental income commercial properties	75,225	77,305
Contractual rents residential properties	44,721	43,818
Agreed rent waiver Covid-19	-246	0
Expected rent waiver Covid-19	-19	0
Rental income residential properties	44,457	43,818
Contractual rents trading properties	2,881	3,890
Agreed rent waiver Covid-19	-15	0
Expected rent waiver Covid-19	0	0
Rental income trading properties	2,867	3,890
Income from rental of investment properties	122,549	125,013

Rent waivers for rental agreements for which agreements have been signed as at the reporting date are recognised as Agreed rent waiver Covid-19.

Rent waivers for residential properties apply to business rents in properties that are predominantly used for residential purposes. The agreed and expected rent waivers have been recognised as a reduction of rental income.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Investment portfolio

Mobimo as landlord

The future rental income set out below will be generated from non-cancellable rental agreements for investment properties. The future rental income from residential properties will come from non-cancellable commercial rental agreements and residential rental agreements with minimum terms:

TCHF	Commercial properties	Residential properties	Investment properties under construction	2020 Total
within 1 st year	73,432	4,676	3,184	81,293
within 2 nd year	60,733	3,370	1,589	65,691
within 3 rd year	50,867	2,869	767	54,503
within 4 th year	43,285	2,383	88	45,756
within 5 th year	37,824	1,482	69	39,374
within 6 th year and longer	316,698	2,512	92	319,303
Total future rental income from non-cancellable rental agreements	582,840	17,292	5,788	605,920

TCHF	Commercial properties	Residential properties	Investment properties under construction	2019 Total
within 1 st year	66,042	4,594	10,610	81,246
within 2 nd year	57,813	3,184	9,444	70,440
within 3 rd year	45,644	3,007	8,580	57,231
within 4 th year	34,642	2,584	7,738	44,964
within 5 th year	27,698	2,180	6,679	36,557
within 6 th year and longer	250,553	3,968	50,703	305,224
Total future rental income from non-cancellable rental agreements	482,392	19,516	93,755	595,663

Rental agreements for commercial properties generally contain an index clause stating that rents may be increased on the basis of the consumer price index. Rent increases for residential properties are generally linked to factors including the mortgage interest rate (reference interest rate).

As at 31 December 2020, CHF 120.1 million or 98.9% (prior year: CHF 122.7 million or 98.9%) of rental income derived from rental agreements that have index clauses or are linked to the mortgage interest rate. Rental income of CHF 1.4 million (prior year: CHF 1.1 million) derived from variable-rate rental agreements.

The five biggest tenants generate the following shares of rental income:

%	31.12.2020	31.12.2019
Swisscom Group	6.3	6.5
SV Group	5.3	5.8
Coop Group	2.9	3.0
Senevita AG	2.8	2.9
Rockwell Automation Switzerland	2.5	2.7
Total	19.8	20.9

5. Investment properties

Accounting principles

The investment properties are classified as investment properties under IAS 40. Mobimo differentiates between the following categories of investment property:

Commercial investment properties

These are properties that have been either acquired or built by the company and that are held and managed over a substantial period of time and are not rented out by Mobimo to private individuals as living space. Rental agreements for commercial properties generally contain an index clause stating that rents may be increased on the basis of the consumer price index.

Residential investment properties

These are properties that have been either acquired or built by the company and that are held and managed over a substantial period of time and rented out to private individuals as living space. Rent increases for residential properties are generally linked to factors including the mortgage interest rate (reference interest rate).

In the case of mixed use, properties where more than 50% of rental income is generated from the rental of apartments are recognised as residential properties, and properties where more than 50% of rental income results from the rental of commercial premises are recognised as commercial properties.

Development properties

These include properties with construction shortcomings or substantial vacancy rates, where vacancy is unlikely to be brought back below 10% on a long-term basis without significant refurbishment measures. Renovation or conversion plans are developed for these properties. On the basis of these plans, the properties are either reclassified as investment properties under construction or as trading properties, or revert to commercial or residential properties. Land held for undetermined future use is likewise classified as development property.

Investment properties under construction

Properties are classified as investment properties under construction as soon as building permission has been granted and construction is to start in the near future. Following completion, they are reclassified as either residential or commercial properties.

Investment properties are initially valued at cost at the time of initial recognition including directly attributable transaction costs. After initial recognition, they are recognised at fair value and the changes in value are recognised in the income statement. To this end, an independent property expert conducts a valuation as at the reporting date. Fair value is determined on the basis of IFRS 13 (see Valuation details section).

Rights of use relating to land covered by building rights

Rights of use for land covered by building rights in the investment properties category are recognised at the start of the contract in the amount of the lease liability and adjusted for any lease payments already paid, initial direct costs and lease incentives. The rights of use are subsequently subject to revaluation.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Investment portfolio

Investment properties changed as follows:

TCHF	Commercial properties	Residential properties	Development properties	Investment properties under construction	2020 Total
Market value at 1 January	1,366,910	1,222,690	95,280	343,360	3,028,240
Cumulative acquisition costs					
Balance at 1 January	1,243,197	937,510	117,549	318,527	2,616,783
Increases from purchases ¹	68,655	0	0	0	68,655
Increases from investments ²	7,217	2,783	1,145	16,495	27,641
Capitalisation of borrowing costs	0	0	230	133	362
Capitalisation/amortisation of lease incentives	2,024	-36	0	0	1,988
Disposals ³	-6,390	-23,827	0	0	-30,218
Transfers from/to trading properties	-23,751	-4,674	0	14,713	-13,712
Transfers from/to property, plant and equipment	458	0	0	0	458
Transfers between categories	196,528	13,082	0	-209,609	0
Balance at 31 December	1,487,937	924,838	118,924	140,258	2,671,957
Cumulative revaluation					
Balance at 1 January	123,713	285,180	-22,269	24,833	411,457
Gains on valuations ⁴	13,260	33,720	429	32,099	79,508
Losses on valuations ⁴	-42,500	-1,258	-1,496	0	-45,254
Disposals ⁵	-1,713	-22,222	0	0	-23,936
Transfers from/to trading properties	1,221	-1,956	0	0	-735
Transfers between categories	31,802	1,658	0	-33,461	0
Cumulative revaluation at 31 December	125,783	295,122	-23,337	23,472	421,041
Market value at 31 December	1,613,720	1,219,960	95,588	163,730	3,092,998
thereof right-of-use assets	0	0	468	0	468
Market value excl. right-of-use assets at 31 December	1,613,720	1,219,960	95,120	163,730	3,092,530

¹ Increases from purchases include CHF 39.5 million from a property swap with no cash effect.

² Increases from investments include non-cash transactions from the accrual for construction costs and trade payables.

³ Disposals also include CHF 40 million of non-cash transactions from a property swap and the disposal of right-of-use assets of CHF 1.8 million.

⁴ Corresponds to the sum of "Gains from revaluation of investment properties" and "Losses on revaluation of investment properties" in the income statement and represents the unrealised gains on properties that were in the investment portfolio as at the end of the year under review.

⁵ Included as a realised gain in "Profit on disposal of investment properties" in the income statement.

TCHF	Commercial properties	Residential properties	Development properties	Investment properties under construction	2019 Total
Market value at 1 January	1,209,857	1,097,140	144,140	420,760	2,871,897
Cumulative acquisition costs					
Balance at 1 January	1,060,060	865,811	180,384	407,555	2,513,809
Increases from investments ¹	13,010	6,496	3,409	58,619	81,533
Capitalisation of borrowing costs	0	0	0	1,183	1,183
Capitalisation/amortisation of lease incentives	1,148	125	0	6,274	7,547
Disposals	-15,811	0	0	0	-15,811
Transfers from/to trading properties	39,081	0	-10,559	0	28,522
Transfers between categories	145,710	65,078	-55,684	-155,104	0
Balance at 31 December	1,243,197	937,510	117,549	318,527	2,616,783
Cumulative revaluation					
Balance at 1 January	149,797	231,329	-36,244	13,205	358,087
Gains on valuations ²	16,997	37,429	2,286	13,658	70,370
Losses on valuations ²	-7,906	-780	-3,843	-6,294	-18,823
Disposals ³	-455	0	0	0	-455
Transfers from/to trading properties	0	0	2,278	0	2,278
Transfers between categories	-34,720	17,202	13,254	4,264	0
Cumulative revaluation at 31 December	123,713	285,180	-22,269	24,833	411,457
Market value at 31 December	1,366,910	1,222,690	95,280	343,360	3,028,240
thereof right-of-use assets	1,720	0	420	0	2,140
Market value excl. right-of-use assets at 31 December	1,365,190	1,222,690	94,860	343,360	3,026,100

¹ Increases from investments include non-cash transactions from the accrual for construction costs and trade payables.

² Corresponds to the sum of "Gains from revaluation of investment properties" and "Losses on revaluation of investment properties" in the income statement and represents the unrealised gains on properties that were in the investment portfolio as at the end of the year under review.

³ Included as a realised gain in "Profit on disposal of investment properties" in the income statement.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Investment portfolio

Movements in the year under review

The Zurich, Seestrasse 356 and Lausanne, Chemin Mornex 3, Rue du Petit-Chêne 36 commercial properties were acquired in 2020. The Lausanne, Chemin Mornex 3, Rue du Petit-Chêne 36 property was added as part of a swap transaction. Mobimo exchanged building parts A and B of the Lausanne, Rue Beau-Séjour 8 property for the Lausanne property and a compensation payment.

Details of the properties sold can be found in Note 6.

The following properties are shown under transfers:

<u>from</u>	<u>to</u>
Dübendorf, Zürichstrasse 98	
Commercial properties	Trading properties
Zurich, Allmendstrasse 90 – 104, Manegg	
Trading properties	Investment properties under construction
Zurich, Katzenbach 239	
Residential properties	Trading properties
Lausanne, Rue des Côtes-de-Montbenon 16 (remaining basement space)	
Owner-occupied properties	Commercial properties
Aarau, Bahnhofstrasse 102	
Kriens, Am Mattenhof 4, 4a	
Kriens, Am Mattenhof 8	
Kriens, Am Mattenhof 12/14	
Kriens, Am Mattenhof 16, 16a	
Lausanne, Rue de la Vigie 3	
Investment properties under construction	Commercial properties
Kriens, Am Mattenhof 6	
Investment properties under construction	Residential properties

Valuation details

The valuation of investment properties is carried out in accordance with the provisions of IFRS 13, under which fair value is defined as the price that would be received when selling an asset or that would be paid when transferring a liability in an orderly transaction between market participants on the valuation date. For non-financial assets, management has to assume the "highest and best use" by a market participant, which may differ from its current use. Under IFRS 13, valuation techniques are categorised into three levels in a fair value hierarchy depending on the extent to which fair value is based on observable inputs.

Level 1: Valuations based on unadjusted, quoted prices.

Level 2: Valuations based on inputs other than quoted prices in active markets that are observable either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Valuations based on inputs not derived from observable market data.

As at 31 December 2020 and 2019, all commercial, residential and development properties and investment properties under construction were valued by the real estate appraiser Jones Lang LaSalle AG (JLL).

The valuation of investment properties (commercial, residential, development properties) and certain investment properties under construction is carried out using the discounted cash flow method (DCF), according to which a property's fair value is determined by calculating the net income (rental income less operating and maintenance costs), discounted to the reporting date, that is expected to be generated in the future. The residual value method may also be used to value investment properties under construction. As at 31 December 2020, no properties were valued based on the residual value method. Under this method, the total construction costs of the planned building are subtracted from the future market value after completion. After subtracting these costs from the market value after completion, taking into account the risk and time effect, a residual remains which represents the economically justifiable amount to acquire the project. The discount rates vary according to the macro and micro situation and property segment.

JLL's valuations are based on a two-phase DCF model. This replicates the payment flows over a detailed ten-year observation period and a capitalised exit cash flow. A nominal discount rate is applied to the detailed observation period that takes account of the effect of inflation on the cash flows during that period. Conversely, the exit cash flow in the two-phase model is capitalised using a real capitalisation rate.

As the non-observable inputs with a material impact on valuations – such as discount and capitalisation rates, market rents and structural vacancy rates – generally have to be derived from information from less active markets, the properties are valued according to a Level 3 model-based approach incorporating adjusted Level 2 input parameters.

The novel coronavirus (Covid-19), which the World Health Organisation declared a global pandemic on 11 March 2020, has led to reduced transaction activity and in some cases reduced liquidity on the real estate markets. According to JLL, seven valuations of properties in Mobimo's portfolio in the hotel and leisure facilities sectors were subject to greater valuation uncertainty as at the valuation date. JLL sees increased risks for these properties, as they are judged to be fairly illiquid and rapid changes in tenant credit quality are to be expected. These seven properties reported as being subject to greater uncertainty together account for only around 8.5% of the total portfolio value, and as a result JLL considers the valuation uncertainties to be immaterial in the context of the overall portfolio. Mobimo comes to the same conclusion and also considers the uncertainties identified by JLL to be immaterial in the context of the overall portfolio.

Further details of the valuation methodology and the impact of Covid-19 on valuations can be found in the Report of the independent valuation experts on pages 132 to 134.

Rental income and vacancy rate

The annual target rental income is estimated using the rental income at the measurement date, taking account of the indexation of rents deriving from contractual agreement or law. Rents for office and commercial space are normally linked to the national consumer price index, while residential leases are linked to the change in the reference interest rate calculated quarterly by the Swiss National Bank, but also include an inflation element.

Market rents that appear sustainable from the current standpoint are applied to expiring commercial leases. The time required to realise market rents is determined with reference to local laws and the risk of new tenants objecting to changes in rents, but without replicating these in detail. The corresponding market rents are based on the rental price databases and JLL's real estate research services. The lower of market rent and contract rent is generally used where tenants have the option to extend leases.

For expiring commercial leases, a property and segment-specific vacancy is applied. The absorption time (vacancy in months after contract-end) is determined individually for each property and is usually between three and nine months. However, longer or shorter absorption times may be applied in special cases. Residential leases are usually open-ended, so specific vacancies are not modelled. Normal tenant fluctuation is taken into account using structural vacancy rates, which are applied specifically to each property.

Operating, maintenance and repair costs

Historical property accounts and the appraiser's benchmarks are used to calculate the management costs built into valuations. The costs used consist of operating and upkeep costs that cannot be passed on to the tenant due to the contractual conditions or that must be borne by the owner due to vacancy.

The repair costs for the ten-year detailed observation period used in the valuations are based on detailed analysis of the building by the portfolio management team and the ensuing investment planning. These are plausibility-tested by JLL, adjusted if necessary and incorporated into the valuations. JLL also considers its own estimates of required investment during the ten-year period. The assumptions regarding the repair and renovation measures that will be required in the long term (capex), which are reflected in the exit value, are modelled specifically for each property by the appraiser under the assumption that certain elements of the substance of each individual building will need to be periodically renewed.

Development and construction costs

To determine future implementation costs, for each individual project Mobimo provides capital budgets, project status information (execution and letting progress, scheduled completion dates, etc.) and investment costs incurred by the valuation date, all as at the valuation date. The documents are plausibility-tested by the appraiser and taken into account in its valuations.

Discount and capitalisation rate

The nominal discount and real capitalisation rates are property-specific and vary according to the macro and micro situation and property segment. The rates are based on the interest rate on long-term, risk-free investments (e.g. a ten-year federal government bond), adjusted for a specific risk premium that takes into consideration the current situation in the transaction market in addition to the usage, location and size of the property. The risk premium thus reflects market risks and the higher illiquidity associated with properties compared with risk-free investments.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Investment portfolio

Non-observable input factors

Non-observable input factors with a material impact have been identified as market rents, vacancy rates and discount and capitalisation rates. The applied input values are summarised in the table below.

Asset class/level/ valuation method	Fair value in CHF million	Input factors	Ranges (weighted average) 2020	Ranges (weighted average) 2019
Commercial investment properties Level 3 DCF	2020: 1,614 2019: 1,365	Discount rates (nominal)	3.30% to 5.65% (4.14%)	3.70% to 6.20% (4.17%)
		Capitalisation rates (real)	2.80% to 5.15% (3.64%)	3.20% to 5.70% (3.67%)
		Achievable market rents	CHF 30 to CHF 442 (CHF 291)	CHF 30 to CHF 442 (CHF 297)
		Structural vacancy rates	0.00% to 19.95% (6.21%)	0.00% to 20.00% (5.87%)
Residential investment properties Level 3 DCF	2020: 1,220 2019: 1,223	Discount rates (nominal)	2.85% to 3.65% (3.18%)	3.00% to 3.60% (3.30%)
		Capitalisation rates (real)	2.35% to 3.15% (2.68%)	2.50% to 3.10% (2.80%)
		Achievable market rents	CHF 162 to CHF 387 (CHF 288)	CHF 174 to CHF 385 (CHF 296)
		Structural vacancy rates	1.00% to 6.39% (2.83%)	1.00% to 6.39% (2.52%)
Development properties Level 3 DCF	2020: 95 2019: 95	Discount rates (nominal)	3.35% to 5.50% (4.14%)	3.60% to 5.50% (4.23%)
		Capitalisation rates (real)	2.85% to 5.00% (3.64%)	3.10% to 5.00% (3.73%)
		Achievable market rents	CHF 106 to CHF 401 (CHF 255)	CHF 106 to CHF 401 (CHF 255)
		Structural vacancy rates	3.90% to 19.32% (5.57%)	3.24% to 19.39% (5.43%)
Investment properties under construction Level 3 DCF	2020: 164 2019: 343	Discount rates (nominal)	3.15% to 4.05% (3.61%)	3.40% to 4.60% (4.15%)
		Capitalisation rates (real)	2.65% to 3.55% (3.11%)	2.90% to 4.10% (3.65%)
		Achievable market rents	CHF 245 to CHF 285 (CHF 257)	CHF 176 to CHF 253 (CHF 238)
		Structural vacancy rates	1.45% to 10.10% (5.56%)	1.45% to 12.54% (7.41%)

An average capital-weighted nominal discount rate of 3.73% (prior year: 3.82%), within a range of 2.85% to 5.65% (prior year: 3.00% to 6.20%), was applied to all DCF valuations across all investment categories as at 31 December 2020. The average capital-weighted capitalisation rate as at 31 December 2020 was 3.23% (prior year: 3.32%), within a range of 2.35% to 5.15% (prior year: 2.50% to 5.70%).

As at the reporting date, no properties were valued on the basis of their being sold as condominiums in accordance with the assumption of the highest and best use.

Sensitivity of inputs

Fair value increases with lower discount rates and structural vacancy rates and with higher market rents and sale prices. The economic environment can be considered as exerting the greatest influence on inputs, with the factors outlined above influenced to varying degrees by market developments. If negative market sentiment results in higher vacancy rates, market rents tend to come under pressure. At the same time, however, such market circumstances are usually associated with low interest rates, which have a positive impact on discount rates. To an extent, therefore, changes in inputs offset each other.

Ongoing optimisation measures made to Mobimo's property portfolio (e.g. conclusion/extension of long-term rental agreements, investments to expand rental space, etc.) provide a cushion against such short-term market shocks, which impact mainly on market rents and vacancy rates. The individual risk-adjusted discount rate of each property is, as already mentioned, in line with the return expectations of the investors or market participants in question and can only be influenced by Mobimo to a limited extent. On the real estate market at present it can be observed that, owing to the current negative interest rate environment, institutional investors are in some cases buying properties in good locations offering very low yields, their hands forced by the dearth of other investment options. This unpredictable investor behaviour could result in some properties fetching higher selling prices than their most recent estimates of fair value.

As part of a sensitivity analysis, the impact of an increase or decrease in the discount and capitalisation rates used in the DCF valuation was tested. A general reduction of 0.25 percentage points in the discount and capitalisation rates would increase the current fair value of the investment properties as at 31 December 2020 by 9.1% or CHF 281 million. A general increase of 0.25 percentage points in the discount and capitalisation rates would reduce the current fair value of the investment properties as at 31 December 2020 by 7.7% or CHF 238 million. Further sensitivity analysis findings can be found in the table below:

Change in discount/ capitalisation rate in basis points	Change in fair value in % at 31.12.2020	Change in fair value in CHF million at 31.12.2020	Change in fair value in % at 31.12.2019	Change in fair value in CHF million at 31.12.2019
-0.40	15.4%	476	14.5%	438
-0.30	11.1%	344	10.5%	317
-0.25	9.1%	281	8.6%	260
-0.20	7.1%	221	6.7%	204
-0.10	3.5%	107	3.3%	99
+0.10	-3.2%	-100	-3.1%	-93
+0.20	-6.3%	-194	-5.9%	-180
+0.25	-7.7%	-238	-7.3%	-221
+0.30	-9.1%	-282	-8.7%	-262
+0.40	-11.8%	-365	-11.2%	-340

Capital commitments

As at 31 December 2020, capital commitments resulting from concluded contracts for future development and construction investments in investment properties totalled CHF 42.5 million (prior year: CHF 9.2 million). There are also notarised purchase agreements for investment properties representing a value of CHF 141.7 million (prior year: CHF 100.0 million).

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Investment portfolio

6. Profit on sale of investment properties

Accounting principles

Profit on disposal of investment properties corresponds to the difference between the net proceeds and the fair value recognised and attributable sales costs (e.g. notary and land registry fees). Disposals are recognised on the date when control is transferred, which usually corresponds to the date of entry in the land register.

The following properties were disposed of in the year under review:

<u>Investment property</u>	<u>Category of investment property</u>
Basel, Lyonstrasse 40	Commercial property
St. Gallen, St. Leonhardstrasse 22	Commercial property
Lausanne, Rue Beau-Séjour 8 (building section A and B)	Residential property

Profit on disposal can be broken down as follows:

<u>TCHF</u>	<u>2020</u>	<u>2019</u>
Sales proceeds investment properties	7,725	22,550
Carrying amount	-6,280	-16,266
Release of deferred costs from previous years' sales	320	116
Sales costs	-153	-24
Profit on disposal of investment properties	1,612	6,376

The disposal of Lausanne, Rue Beau-Séjour 8 A and B was a property swap (only recognised in the balance sheet); see Note 5.

The following property was sold in the year under review:

<u>Investment property</u>	<u>Category of investment property</u>
Zurich, Treichlerstr. 10/Dolderstr. 16	Commercial property

Development projects and trading properties

Significant discretionary decisions and estimation uncertainties

For projects where an enforceable contract has been concluded with a customer, there is a project cost estimate that takes into account total costs and sales proceeds. Sales proceeds are specified in or ascertainable from the enforceable contract, while the total costs are based on quotes or concluded contracts with suppliers, past experience, project specifications for the properties, benchmark values for construction costs and other relevant factors such as the planned construction period. Decisions are also made as to whether sales are recorded over time or at a specific point in time and how construction progress is to be measured. Assumptions and estimates must be made for values that are not contractually agreed or where multiple scenarios could materialise. In the event of differences between assumptions/estimates and actual values, future adjustments to the consolidated annual financial statements may be necessary. The projects are regularly reviewed with regard to considerations including construction progress, amendments to contracts, compliance with budgets, margin achievement, delays and legal risks. Changes to certain conditions are taken

into account in the corresponding balance sheet or income statement items (e.g. receivables, contract assets or contract liabilities in the balance sheet and revenues or expenses in the income statement).

Expected losses are recognised immediately in full.

For projects where an enforceable contract has not yet been concluded with a customer, the accrued costs are capitalised. The carrying amount of the capitalised costs is reviewed on a regular basis with the aid of capital budgets. Budgeted overall costs and planned sale prices are determined on the basis of various factors and assumptions. These include past experience, project specifications for the properties, benchmark values for construction costs and other relevant factors such as the planned construction period.

Capital budgets are reviewed on an ongoing basis and adjusted where necessary.

If actual construction costs and sales proceeds differ from the planned figures or if new findings during the construction period make an adjustment of the project cost estimate necessary, carrying amounts may need to be adjusted, i.e. by creating or adjusting valuation allowances for loss-making projects.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Development projects and trading properties

7. Profit on development projects and sale of trading properties

Accounting principles

Income from developments (properties)

Income from developments (properties) relates to the provision by Mobimo of services based on a third-party contract, ranging from pure development services to turn-key real estate. This corresponds to the revenue of the Development for Third Parties business area. Depending on the structure of the engagement, either Mobimo initially owns the plot to be built on then sells it to the client or the third party already owns the plot. The revenue of Development for Third Parties is recognised on the basis of contractually agreed services and conditions. For such engagements, the various service components need to be analysed and assessed to determine whether the individual components (e.g. land sale and building management/project implementation) each constitute an individual service for the buyer or need to be combined. If the service components are combined, revenue is usually recognised over time based on the percentage of completion (PoC). The percentage of completion is normally calculated on the basis of the construction progress. This in turn is based on an assessment by the project manager and the management, which is plausibility-tested and checked by comparing costs already incurred and yet to be incurred, taking into account accruals for services already received but not yet invoiced. If the service components are broken down into land sale and separate services, the revenue from the land sale is recognised at a point in time. Revenue from the separate

services is recognised over time based on the percentage of completion (PoC). Payments are made based on the contractual terms.

Income from sale of trading properties

Sales of residential property (primarily apartments, but also other facilities such as parking spaces) are reported under sale of trading properties (generally to individuals, rarely to legal entities). Sales of properties held as building plots and completed properties for resale are also shown under sale of trading properties. In the case of income from the sale of condominiums, the revenue for each unit is recognised from the time the condominium unit is notarised. Once the contract has been notarised, Mobimo is no longer able to make an alternative apartment available to the buyer without breaching the current contract. The notarised purchase contract also fulfils the criterion of an enforceable right to payment for work already performed to date. Revenue for condominiums under a notarised purchase contract must therefore be recognised based on the progress of construction if the company has reasonable knowledge that the contract is very likely to be fulfilled by both parties as part of the agreement with the buyer. 20% of the purchase price is generally due from the buyer upon notarisation. At the time when ownership is transferred, the progress of construction is usually 100% and the outstanding purchase price becomes due.

Profit on development projects and sale of trading properties is made up of the following:

TCHF	2020	2019
Income from development projects	107,888	32,466
Income from sale of trading properties	27,908	29,208
Total income from development projects and sale of trading properties	135,796	61,674
Direct expense development projects	-67,496	-30,081
Construction costs of trading properties sold	-26,523	-27,331
Changes in valuation allowances	-5,000	-1,241
Total direct expenses from development projects and sale of trading properties	-99,019	-58,653
Profit on development projects and sale of trading properties	36,777	3,021

Income from development projects comprises income from development projects for third-party investors (PoC) and from the sale of properties including the Regensdorf, Althardstrasse 30 and Uster, Berchtoldstrasse development projects.

Income from sale of trading properties includes the sale of the last four apartments in Salenstein and the last parking spaces in Aarau, Torfeld 4. 15 apartments and all six commercial spaces in the Meggen, Gottliebenrain 5/7 condominium project were notarised in the second half of 2020. Revenue for the notarised apartments was recognised for the first time in line with the progress made on the project. Income from sale of trading properties also includes the sale of the Weggis, Hertensteinstrasse 105 property, where the originally planned condominium project was not realised.

8. Contract assets and liabilities

Accounting principles

Entitlements resulting from the recognition of sales over time based on the percentage of completion (PoC) are recognised in the balance sheet in accordance with the net principle. For each project, the entitlements are offset against the advance payments already due (order balances). Positive net positions are included in the balance sheet item "Contract assets" and negative net positions in the balance sheet item "Contract liabilities".

The contract assets and liabilities changed as follows in the year under review:

	2020 Contract asset	2020 Contract liability
At 1 January	15,854	5,297
Revenue recognised that was included in the contract liability balance at the beginning of the period		-4,835
Revenue recognised that was not included in the contract liability balance at the beginning of the period	26,838	-26,289
Changes due to cash received	-4,326	28,666
Transfers to trade receivables	-4,645	
Other changes	-1,417	-462
At 31 December	32,304	2,378

The following changes were made in the previous year:

	2019 Contract asset	2019 Contract liability
At 1 January	17,450	5,126
Revenue recognised that was included in the contract liability balance at the beginning of the period		-4,585
Revenue recognised that was not included in the contract liability balance at the beginning of the period	16,505	-18,654
Changes due to cash received	-7,965	23,411
Transfers to trade receivables	-10,047	0
Other changes	-90	0
At 31 December	15,854	5,297

The following table shows the year in which sales are expected from contractual obligations that had not yet been fulfilled or had only been partially fulfilled as at the reporting date:

TCHF	Expected income from development projects	Expected income from sale of trading properties	2020 Total
Expected within 1 st year	22,258	6,597	22,258
Expected within 2 nd year	4,473	1,979	4,473
Total	26,731	8,576	26,731

TCHF	Expected income from development projects	Expected income from sale of trading properties	2019 Total
Expected within 1 st year	49,235	0	49,235
Expected within 2 nd year	5,850	0	5,850
Total	55,085	0	55,085

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Development projects and trading properties

9. Trading properties

Accounting principles

Trading properties are development properties and new builds where Mobimo assumes the realisation of residential property and subsequently sells it. Trading properties also include properties that Mobimo has acquired under projects for Development for Third Parties and that it intends to sell to third-party investors in the future and other properties acquired for resale. Trading properties are valued at the lower of cost or fair value. With loss-making properties, the final loss is recognised immediately.

Plots that are already owned by Mobimo and advance payments for notarised land purchases, as well as the development costs incurred, are classified as land/development projects if the project is expected to be realised but construction work has not yet begun.

Properties under construction are those for which construction has not yet been completed and for which no sales (notarisations) of condominiums have yet taken place.

Properties that are structurally complete or completed properties that have been acquired for immediate resale are classified as completed real estate. Condominiums for sale are classified as completed real estate at the latest upon their first transfer of ownership, with any costs still outstanding being recognised at this point in time. Development properties are properties that have been acquired with the intention of developing them and selling them on to third parties but that are still being let as at the reporting date. A property is reclassified if it is demolished or converted.

Rights of use for land covered by building rights in the trading properties category are recognised at the start of the contract in the amount of the lease liability and adjusted for any lease payments already paid, initial direct costs and lease incentives. The rights of use are subsequently subject to scheduled amortisation.

If rental income is still generated from the property, the resulting amortisation is recognised under direct expenses for rented properties. In the case of properties under construction that are not generating rental income, the amortisation is generally capitalised as production costs.

The portfolio of properties as recognised in the balance sheet comprises the following:

TCHF	31.12.2020	31.12.2019
Land/development projects	124,733	149,404
Properties under construction	12,567	17,494
Completed real estate and development properties	112,493	92,434
Total trading properties	249,793	259,332

The portfolio of building plots/development projects changed as follows in the year under review:

A parcel was acquired to realign the boundaries in the Maur, Dorfacherstrasse condominium project.

Purchase option contracts were concluded for the Lausanne, Avenue de Beaumont 76 and Lausanne, Chemin de Montétan 11 properties with a view to developing them as condominium projects. As both sites already have buildings on them, they are likely to be managed as development properties after the purchase options have been exercised. A purchase contract for the acquisition of the Uster, Brauerstrasse 7 property was notarised in the year under review. The property is a building plot for a condominium project. The acquisition was not completed until 13 January 2021. The design plan for the Zurich, Allmendstrasse 90 – 104 (Manegg) property that was originally acquired for the Development for Third Parties business area was approved. Mobimo has decided to transfer the property to the company's own portfolio, which is why the property has been reclassified to investment properties under construction. The Uster, Berchtoldstrasse development project was sold to an investor. The Weggis, Hertensteinstrasse 105 property was also sold.

The first purchase contracts with purchasers for the Meggen, Gottliebenrain 5/7 condominium project, which is currently under construction, were notarised in the second half of the year. A proportion of the proceeds for the notarised units was recognised in contract assets (see Note 7).

Within completed properties and development properties, four condominium apartments and the remaining parking spaces were sold in the year under review (see Note 7). The Regensdorf, Althardstrasse 30 property and associated development project were also sold to an investor. The commercial property in Dubendorf, Zürichstrasse 98 was reclassified from development properties to investment properties. A new-build project is being developed for this property. The design plan for this project was approved in the reporting period. Mobimo has decided that this project will be sold to a third-party investor. The Zurich, Katzenbachstrasse 239 residential property was also reclassified from investment properties to development properties. A project for condominium apartments is being developed here.

Valuation allowances for trading properties totalled CHF 5.1 million (prior year: CHF 0.8 million). The carrying amount of these properties/condominium units is CHF 15.6 million (prior year: CHF 7.2 million).

The Property details section on pages 114 to 117 provides a complete overview of the properties managed as trading properties.

The right-of-use assets from trading properties changed as follows in the previous year:

TCHF	Completed real estate and devel- opment properties	2019 Total
Net carrying amount of right-of-use assets at 1 January	476	476
Depreciation	-7	-7
Transfers to investment properties	-470	-470
Net carrying amount of right-of-use assets at 31 December	0	0

Financing and risk management

10. Financial result

Accounting principles

Interest on loans taken out to finance construction projects (trading properties and investment properties under construction) is capitalised over the construction period.

All other borrowing interest is recognised as an expense in the income statement using the effective interest method.

Current interest payments in relation to concluded interest rate swaps are recognised in interest expense. Changes in the fair value of interest rate swaps not classified as a cash flow hedge are reported in income from or cost of financial instruments (derivatives). Any ineffective portions of interest rate swaps classified as a cash flow hedge are reported under cost of financial instruments (derivatives).

In 2020, a total of CHF 1.1 million (prior year: CHF 1.3 million) in interest on building loans was capitalised under trading properties, development properties and investment properties under construction. The average rate of interest for the capitalised interest was 1.60% (prior year: 1.91%). Other financial expenses includes a valuation allowance for financial assets of CHF 1.8 million, corresponding to the default losses expected over the term (prior year: CHF 1.0 million).

The financial result in the year under review can be broken down as follows:

TCHF	31.12.2020	31.12.2019
Financial income		
Interest on bank and other deposits	115	90
Interest on loans and debt instruments	81	109
Dividend income from financial assets	177	147
Market value adjustment of financial assets	103	78
Income from financial instruments (derivatives)	1,507	2,129
Other income	3	0
Total financial income	1,987	2,553
Financial expense		
Interest expense on financial liabilities	-27,737	-29,232
Interest expense on lease liabilities	-166	-232
Cost of financial instruments (derivatives)	-178	-178
Other financial charges	-2,320	-1,269
Total financial expense	-30,400	-30,910
Total financial result	-28,413	-28,357

During the year under review, no ineffective portions were recorded under cost of financial instruments (derivatives), as was also the case in the previous year.

11. Financial and lease liabilities and derivative financial instruments

Accounting principles

Financial liabilities

Financial liabilities consist of outstanding bonds and mortgage-secured bank loans.

A long-term financial liability is one on which the agreed residual maturity is longer than 12 months. All other agreements are classified as short-term, including amortisation payments that are due within 12 months of the reporting date. At initial recognition, financial liabilities are recognised at fair value less transaction costs. Subsequently, financial liabilities are measured at amortised cost, with the difference between the amount to be repaid and the carrying amount being amortised over the term using the effective interest method.

Lease liabilities

At initial recognition, lease liabilities are recognised at the present value of future lease payments. Lease payments are subsequently broken down into an interest component and a repayment component. The interest component is recognised as interest expense over the term of the lease using the effective interest method, while the repayment component reduces the carrying amount of the lease liability.

Mobimo does not recognise leases in its balance sheet if they involve short-term contracts (term of less than 12 months) or relate to low-value assets.

Derivative financial instruments

Mobimo uses derivative financial instruments (e.g. interest rate swaps and forward rate agreements) to hedge the interest rate risks of financial liabilities.

Derivative financial instruments are measured at fair value at initial recognition and thereafter. Gains and losses from adjustments to fair values are treated as follows:

The hedging of interest rate risk on financial liabilities is classified as a cash flow hedge under certain circumstances.

The effective portion of the change in the fair values of derivatives is recognised in other comprehensive income (equity) and not recognised in profit or loss. The ineffective portion is immediately recognised in the income statement.

As soon as the hedged transactions (interest payments) take place, cumulative unrealised gains and losses are transferred to the income statement and recognised in the financial result.

Changes in the fair values of all other derivatives are recognised in profit or loss in the financial result.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Financing and risk management

Financial and lease liabilities and derivative financial instruments changed as follows in the year under review:

TCHF	1.1.2020	Changes with cash effect				Changes with no cash effect				31.12.2020
		Inflow	Re-payment	Inflow	Amorti-sation	Fair value adjust-ments	Reclassifi-cation	Disposals		
Fixed-rate mortgage amortisation, due within 12 months	3,644	450	-3,904	0	0	0	7,867	0	8,057	
Mortgages due for extension or repayment within 12 months	178,376	0	-122,872	0	-25	0	51,289	0	106,768	
Bond	0	0	0	0	202	0	199,699	0	199,901	
Total current financial liabilities	182,020	450	-126,776	0	177	0	258,855	0	314,726	
Mortgages	683,336	38,050	0	0	-976	0	-59,156	0	661,253	
Bonds	729,033	219,297	0	0	339	0	-199,699	0	748,969	
Total non-current financial liabilities	1,412,368	257,347	0	0	-638	0	-258,855	0	1,410,222	
Total financial liabilities	1,594,388	257,797	-126,776	0	-461	0	0	0	1,724,948	
Current lease liabilities	297	0	-286	0	0	0	299	-42	268	
Non-current lease liabilities	3,895	0	0	0	0	0	-299	-1,844	1,752	
Total lease liabilities	4,192	0	-286	0	0	0	0	-1,886	2,020	
Interest rate swaps through profit and loss	105	0	0	0	0	-1,157	1,759	0	707	
Total current derivative financial instruments	105	0	0	0	0	-1,157	1,759	0	707	
Interest rate swaps applying hedge accounting	30,432	0	0	0	0	1,953	0	0	32,385	
Interest rate swaps through profit and loss	2,109	0	0	0	0	-350	-1,759	0	0	
Total non-current derivative financial instruments	32,541	0	0	0	0	1,603	-1,759	0	32,385	
Total derivative financial instruments	32,646	0	0	0	0	446	0	0	33,092	

The following changes took place in the previous year:

TCHF	1.1.2019	Changes with cash effect			Changes with no cash effect				31.12.2019
		Inflow	Re-payment	Inflow	Amorti-sation	Fair value adjust-ments	Reclassifi-cation	Disposals	
Fixed-rate mortgage amortisation, due within 12 months	3,947	0	-3,947	0	0	0	3,644	0	3,644
Mortgages due for extension or repayment within 12 months	83,902	75,600	-97,800	0	-43	0	116,717	0	178,376
Total current financial liabilities	87,848	75,600	-101,747	0	-43	0	120,361	0	182,020
Mortgages	724,253	80,200	0	250	-1,006	0	-120,361	0	683,336
Bonds	728,586	0	0	0	446	0	0	0	729,033
Total non-current financial liabilities	1,452,840	80,200	0	250	-560	0	-120,361	0	1,412,368
Total financial liabilities	1,540,688	155,800	-101,747	250	-603	0	0	0	1,594,388
Current lease liabilities	262	0	-276	21	0	0	290	0	297
Non-current lease liabilities	4,139	0	0	46	0	0	-290	0	3,895
Total lease liabilities	4,400	0	-276	67	0	0	0	0	4,192
Interest rate swaps through profit and loss	162	0	0	0	0	-773	717	0	105
Total current derivative financial instruments	162	0	0	0	0	-773	717	0	105
Interest rate swaps applying hedge accounting	23,011	0	0	0	0	7,421	0	0	30,432
Interest rate swaps through profit and loss	4,181	0	0	0	0	-1,355	-717	0	2,109
Total non-current derivative financial instruments	27,192	0	0	0	0	6,066	-717	0	32,541
Total derivative financial instruments	27,353	0	0	0	0	5,293	0	0	32,646

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Financing and risk management

Financial liabilities

The following bonds are included under financial liabilities:

TCHF	1.625% bond (2014 – 2021)	0.875% bond (2018 – 2023)	1.875% bond (2014 – 2024)	0.75% bond (2017 – 2026)	0.25% bond (2020 – 2028)	Total
Net proceeds from issuance	197,967	154,474	149,452	225,119	0	727,012
Cumulative amortisations of issuance costs	1,632	133	279	-23	0	2,021
Carrying amount 1.1.2020	199,599	154,607	149,731	225,096	0	729,033
Net proceeds from issuance	0	0	0	0	219,297	219,297
Amortisations of issuance costs	302	111	63	-7	72	541
Carrying amount 31.12.2020	199,901	154,718	149,793	225,089	219,369	948,870

Features	1.625% bond (2014 – 2021)	0.875% bond (2018 – 2023)	1.875% bond (2014 – 2024)	0.75% bond (2017 – 2026)	0.25% bond (2020 – 2028)
Volume:	CHF 200 million	CHF 155 million	CHF 150 million	CHF 225 million	CHF 220 million
Term:	7 years (19 May 2014 – 19 May 2021)	5 years (2 October 2018 – 2 October 2023)	10 years (16 September 2014 – 16 September 2024)	9 years (20 March 2017 – 20 March 2026)	8 years (23 March 2020 – 23 March 2028)
Interest rate:	1.625% p.a., payable annually on 19 May, with the first payment on 19 May 2015	0.875% p.a., payable annually on 2 October, with the first payment on 2 October 2019	1.875% p.a., payable annually on 16 September, with the first payment on 16 September 2015	0.75% p.a., payable annually on 20 March, with the first payment on 20 March 2018	0.25% p.a., payable annually on 23 March, with the first payment on 23 March 2021
Effective rate of interest:	1.7921%	0.9562%	1.9264%	0.7550%	0.3015%
Listing:	SIX Swiss Exchange	SIX Swiss Exchange	SIX Swiss Exchange	SIX Swiss Exchange	SIX Swiss Exchange
Swiss security no.:	24298406	39863345	25237980	35483611	50607121

Taking into account interest rate hedging, i.e. the maturities of the designated swaps are used instead of the maturities of the fixed advances, financial liabilities as at the reporting date comprised the following maturities:

TCHF	31.12.2020	31.12.2019
Due within 1 st year	314,726	182,020
Due within 2 nd year	154,504	258,413
Due within 3 rd year	203,985	154,707
Due within 4 th year	170,044	203,685
Due within 5 th year	127,840	169,636
Due within 6 th year	264,779	91,407
Due within 7 th year	68,942	264,820
Due within 8 th year	219,634	68,942
Due within 9 th year	265	265
Due within 10 th year	265	265
Due within 11 th year and longer	199,965	200,230
Total financial liabilities	1,724,948	1,594,388

The average residual term of total financial liabilities is 5.0 years (prior year: 5.3 years).

Interest rate periods are as follows (composition until next interest rate adjustment/taking into account interest rate hedging):

TCHF	31.12.2020	31.12.2019
Up to 1 year	314,726	182,020
Up to 2 years	154,504	258,413
Up to 3 years	203,985	154,707
Up to 4 years	170,044	203,685
Up to 5 years	127,840	169,636
Over 5 years	753,850	625,928
Total financial liabilities	1,724,948	1,594,388

As at 31 December 2020, taking current interest rate swaps into account, CHF 1,669.5 million (prior year: CHF 1,532.5 million) was subject to fixed interest rates, with CHF 55.5 million (prior year: CHF 61.9 million) bearing variable rates. In addition to variable-rate mortgages and rollover mortgages, loans with a total maturity of less than one year (fixed advances) count as variable.

The average rate of interest for the period, taking interest rate swaps into account, was 1.56% (prior year: 1.82%).

Lease liabilities

Lease liabilities of CHF 1.9 million were derecognised in the year under review due to the sale of the Basel, Lyonstrasse 40 property (see Note 6) and the simultaneous transfer of the building rights.

The existing lease liabilities as at the reporting date therefore still relate primarily to building right interest for the St. Erhard and Längmatt properties and to the rent for office premises in Küsnacht. The remaining obligations relate to third-party leases for premises, car park facilities and the hire of photocopiers.

The lease liabilities are offset by the following right-of-use assets:

TCHF	31.12.2020	31.12.2019
Investment properties	468	2,140
Property, plant and equipment	1,480	1,851
Total net carrying amount right-of-use assets	1,948	3,991

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Financing and risk management

Derivative financial instruments

As at the reporting date, Mobimo held the following interest rate swaps to hedge interest rates:

TCHF	Nominal amount 2020	Carrying amount 2020	Market value adjustments 2020	Thereof recognised in OCI	Thereof recognised in profit or loss (financial income)
Interest rate swaps through profit and loss	34,000	707	1,402	0	1,402
Total current derivative financial instruments	34,000	707	1,402	0	1,402
Interest rate swaps applying hedge accounting	117,615	32,385	-1,953	-1,953	0
Total non-current derivative financial instruments	117,615	32,385	-1,953	-1,953	0
Total derivative financial instruments	151,615	33,092	-551	-1,953	1,402

An interest rate swap without the application of hedge accounting with a nominal value of CHF 20.8 million expired in the year under review. The fair value adjustment of CHF 0.1 million was recognised in the income statement.

TCHF	Nominal amount 2019	Carrying amount 2019	Market value adjustments 2019	Thereof recognised in OCI	Thereof recognised in profit or loss (financial income)
Interest rate swaps through profit and loss	20,800	105	612	0	612
Total current derivative financial instruments	20,800	105	612	0	612
Interest rate swaps applying hedge accounting	117,880	30,432	-7,421	-7,421	0
Interest rate swaps through profit and loss	34,000	2,109	1,355	0	1,355
Total non-current derivative financial instruments	151,880	32,541	-6,066	-7,421	1,355
Total derivative financial instruments	172,680	32,646	-5,454	-7,421	1,967

The cash flow hedge reserve changed as follows in the year under review:

TCHF	Hedging reserve 2020	Thereof cash flow hedge reserve from ongoing inter- est hedges	Thereof cash flow hedge reserve from interest hedges for which hedge accounting is no longer applied	Hedging reserve 2019	Thereof cash flow hedge reserve from ongoing inter- est hedges	Thereof cash flow hedge reserve from interest hedges for which hedge accounting is no longer applied
At 1 January	25,572	25,419	153	19,461	19,189	272
Loss/profit on financial instruments for hedge accounting	1,953	1,953		7,421	7,421	
Reclassification adjustments for amounts recognised in income statement	-132	0	-132	-134		-134
Tax effects	-84	-101	17	-1,177	-1,192	15
Total derivative financial instruments	27,309	27,271	38	25,572	25,419	153

The “cash flow hedge reserve from interest rate hedges for which hedge accounting is no longer applied” arose from hedging using a CHF 10 million interest rate swap on which hedge accounting was discontinued during 2016 due to it being highly ineffective. Accumulated changes in valuation that are recognised in other comprehensive income until hedge accounting is discontinued are rebooked to the income statement for the residual term of the interest rate swap. In the year under review, this effect was CHF –0.2 million (prior year: CHF –0.2 million). As at the reporting date, the cash flow reserve still contained CHF 0.1 million (prior year: CHF 0.2 million) of the originally recognised ineffective portions.

The interest rate swaps with hedge accounting comprised the following maturities as at the reporting date:

	Nominal amount in TCHF 2020	Average fixed interest rate in % 2020	Nominal amount in TCHF 2019	Average fixed interest rate in % 2019
Due within 1 – 5 years	1,325	1.8%	1,325	1.8%
Due within 6 – 10 years	17,566	1.8%	1,325	1.8%
Due within 11 – 15 years	61,224	1.8%	65,230	1.8%
Due within 16 – 20 years	37,500	1.8%	50,000	1.8%
Interest rate swaps applying hedge accounting	117,615	1.8%	117,880	1.8%

12. Pledged assets/assets not freely disposable

The carrying amount of pledged assets is as follows:

TCHF	2020	2019
Financial assets	40,000	0
Trading properties	7,082	8,638
Investment properties and investment properties under construction	2,248,280	2,412,530
Owner-occupied properties	11,108	12,669
Carrying amount of pledged assets	2,306,470	2,433,837

This is the carrying amount of those assets that are pledged either in full or in part for the purpose of securing bank mortgage loans and free limits. These assets were encumbered with mortgages totalling CHF 773.9 million (prior year: CHF 865.3 million) (see Note 11).

13. Cash and cash equivalents

Accounting principles

Cash comprises cash in hand, call deposits with banks, fixed-term deposits and short-term money market investments with a term of up to 90 days from the time of acquisition. These are recognised at nominal value. Cash is covered by the provisions for recognising valuation allowances under IFRS 9. Mobimo did not identify any material need for valuation allowances, and hence none were recognised.

Cash comprises cash holdings and current account deposits of CHF 89.5 million (prior year: CHF 35.8 million) and money market account deposits of CHF 10.0 million (prior year: CHF 10.0 million) held at Swiss banks. The maximum notice period for withdrawals from money market accounts is 35 days. The average rate of interest applicable to cash was 0.00% (prior year: 0.00%).

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Financing and risk management

14. Equity

Accounting principles

Share capital

Share capital is reported as equity, since there is no repayment obligation and no dividend guarantee. Transaction costs incurred during a capital increase that can be attributed directly to the issuing of new shares are deducted from the amount of the capital increase less associated income tax. Dividends are reported as liabilities as soon as they are approved by the General Meeting and are thus due.

Treasury shares

The costs of the acquisition (purchase price and directly attributable transaction costs) of treasury shares are offset against equity. Shares that have been bought back are classified as treasury shares and deducted from equity as a negative item.

Equity holding

Changes in the equity holding can be summarised as follows:

No. of shares	Shares issued	Treasury shares	Shares outstanding
At 1.1.2019	6,601,547	-4,933	6,596,614
Share-based payments to Board of Directors and management		1,601	1,601
Issue of shares from authorised capital for acquisition of Immobiliengesellschaft Fadmatt AG			
Acquisition of treasury shares		-1,050	-1,050
At 31.12.2019/1.1.2020	6,601,547	-4,382	6,597,165
Share-based payments to Board of Directors and management		1,952	1,952
Acquisition of treasury shares		-5,000	-5,000
At 31.12.2020	6,601,547	-7,430	6,594,117

Capital structure

Capital at 31 December 2020	TCHF	Number of registered shares	Nominal value per share (CHF)
Share capital	88,461	6,601,547	13.40
Capital at 31 December 2019	TCHF	Number of registered shares	Nominal value per share (CHF)
Share capital	154,476	6,601,547	23.40
Authorised capital (until 27 March 2020)	max. 19,109	816,623	23.40
Conditional capital	max. 759	32,446	23.40

The Annual General Meeting of 31 March 2020 approved a capital reduction of CHF 10.00 per share in the form of a nominal value reduction with the release of funds. The reduction in share capital was recorded in the Commercial Register on 2 July 2020 and paid out to shareholders on 15 July 2020. The share capital was reduced by CHF 66 million as a result. As at 31 December 2020, the share capital was therefore CHF 88.5 million and was composed of 6,601,547 registered shares with a nominal value of CHF 13.40 each.

The proposal to cancel the existing conditional capital and make the associated necessary amendment to the Articles of Association was also approved by the Annual General Meeting of 31 March 2020, while the authorised capital was not extended. As a result, there was neither authorised nor conditional capital available as at 31 December 2020.

Dividends/distribution

The Board of Directors plans to propose a capital reduction of CHF 10.00 per share in the form of a nominal value reduction at the upcoming Annual General Meeting of 30 March 2021. The distribution will be made once the capital reduction process has been completed (expected to be in the middle of July).

Over the past five years, the distribution yield (capital contribution or nominal value repayment), taking account of the planned distribution for the financial year, has averaged about 3.8% (prior year: 4.0%).

15. Financial risk management

Through its activities, Mobimo is exposed to various financial risks. These can be summarised as credit risks, liquidity risks and market risks. Of the various market risks, interest rate risk is particularly significant.

Risk management is assured by Internal Controlling. Internal Controlling follows the principles of Mobimo's risk management concept, which are monitored by the Audit and Risk Committee.

The risk management principles and the processes applied are subject to regular review in order to take account of changes in market conditions and in the activities of the Group. The aim is to use existing training and management guidelines and processes to maintain a disciplined and constructive control environment in which all employees can fulfil their function and exercise their duties. Risk management is part of the processes that make up the integrated management system.

The following paragraphs provide an overview of the exposure to each of the individual financial risks, together with information on the objectives, policies and processes for measuring, monitoring and hedging risks and on capital management within the Group. Further information on financial risks can be found elsewhere in the Notes.

Credit risk

Credit risk is the risk that Mobimo could suffer financial losses if a client or a counterparty to a financial instrument fails to fulfil their contractual obligations. Credit risk arises primarily in connection with trade receivables, contract assets, financial assets and cash.

In order to minimise credit risk in connection with cash, short-term bank deposits are held with first-rate institutions. Trade receivables are receivables from property sales, rental agreements and developments (properties). Property sales are exposed to only limited credit risk, since these sales are based on a publicly certified purchase agreement that is regularly secured via an irrevocable promise to pay. With rental agreements, credit risk is reduced via credit-worthiness checks and by monitoring the age structure of amounts outstanding. Deposits or bank or insurance guarantees of three to six times the monthly rent are also demanded. This collateral totalled CHF 46.5 million at the end of the year (prior year: CHF 44.1 million). Receivables from developments (properties) and contract assets are either covered by promises to pay or relate to institutional investors with good credit quality. The credit risk associated with receivables from developments (properties) and contract assets is therefore considered to be low. Given that losses are expected to be immaterial, Mobimo has not recognised a valuation allowance. For financial assets, the credit risk was assessed and a corresponding valuation allowance recognised (see Note 25).

The maximum credit risk exposure corresponds to the carrying amounts of the individual financial assets. There are no guarantees or similar obligations that could lead to an increase in risk in excess of the carrying amounts.

As at the reporting date, the maximum credit risk exposure was as follows:

TCHF	Carrying amounts 2020	Carrying amounts 2019
Cash (bank deposits)	99,518	45,823
Trade receivables	3,109	2,975
Other receivables ¹	81	2,553
Contract assets	32,304	15,854
Accrued income and prepaid expenses ²	1,395	1,630
Financial assets (term deposits and loans)	40,000	2,667
Total	176,407	71,503

¹ Not including tax receivables, receivables in connection with social security and advance payments.

² Not including costs paid in advance.

Liquidity risk

Liquidity risk is the risk that Mobimo will not be able to meet its financial obligations when they become due. Investment properties are refinanced where necessary via medium to long-term loans, and residential development properties via short-term loans. If required, Mobimo can also obtain financing by issuing bonds. Liquidity is managed via a liquidity planning tool, in combination with a mortgage database.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Financing and risk management

The table below sets out the contractual maturities (including interest) of the financial liabilities held by Mobimo. Future variable rates of interest have been estimated using the yield curve as at the reporting date.

TCHF	Carrying amount 2020	Contractual cash flows	1 month or less	1 – 3 months	3 – 12 months	1 – 5 years	Over 5 years
Non-derivative financial liabilities							
Trade payables ¹	4,618	4,618	4,618				
Other payables ²	773	773	173	600			
Accrued expenses and deferred income ³	28,643	28,643		28,643			
Financial liabilities	1,724,948	1,829,118	1,504	73,873	260,451	699,553	793,737
Lease liabilities							
Lease liabilities	2,020	3,054	31	61	275	732	1,955
Derivative financial liabilities							
Interest rate swaps	33,092	32,109	0	1,053	2,842	11,334	16,881
Total	1,794,094	1,898,315	6,325	104,230	263,567	711,619	812,573

¹ Not including rents and ancillary costs paid in advance.

² Not including tax payables and payables in connection with social security.

³ Not including deferred income and unused annual leave.

TCHF	Carrying amount 2019	Contractual cash flows	1 month or less	1 – 3 months	3 – 12 months	1 – 5 years	Over 5 years
Non-derivative financial liabilities							
Trade payables ¹	5,986	5,986	5,986				
Other payables ²	4,345	4,345	3,745	600			
Accrued expenses and deferred income ³	31,198	31,198		31,198			
Financial liabilities	1,594,388	1,715,286	2,652	62,919	139,840	839,903	669,973
Lease liabilities							
Lease liabilities	4,192	10,977	43	86	386	1,403	9,058
Derivative financial liabilities							
Interest rate swaps	32,646	32,253	0	1,189	3,570	11,498	15,996
Total	1,672,756	1,800,045	12,425	95,992	143,797	852,804	695,027

¹ Not including rents and ancillary costs paid in advance.

² Not including tax payables and payables in connection with social security.

³ Not including deferred income and unused annual leave.

Market risk

Market risk is the risk that changes in market prices such as exchange rates, interest rates and the price of financial instruments could have an impact on the profit from and fair value of financial instruments held by Mobimo.

The aim behind the management of market risk is to monitor and control it to ensure that it does not exceed certain levels.

Currency risk

The Group is only active in Switzerland, and almost all business is transacted in Swiss francs.

Interest rate risk

Interest rate risk can be broken down into the interest rate-related risk of a change in fair value, i.e. the risk that the fair value of a financial instrument will change as a result of fluctuations in market interest rates, and an interest rate-related cash flow risk, i.e. the risk that future interest payments will change as a result of fluctuations in market interest rates.

A description of the interest-bearing financial instruments and sensitivity analyses of the two components of interest rate risk are provided below. The Group's cash is used to reduce variable-rate mortgages or is invested on a short-term basis.

The interest on financial liabilities relates to bonds and to loans for the financing of investment properties and trading properties. With investment properties, interest rate risk is generally addressed via the conclusion of long-term fixed-rate mortgage agreements. Where necessary, derivative financial instruments are also used to hedge interest rates. When applying cash flow hedge accounting, Mobimo determines the existence of an economic relationship between the derivative financial instrument and the hedged item based on the underlying conditions (reference interest rate, term, maturity, interest rate adjustment dates and nominal value). Mobimo applies a hedging ratio of 1:1 in all cases.

As at the reporting date, there was no construction financing for investment properties (also none in the previous year).

Based on its market assessment, Mobimo has set itself the goal of maintaining the average residual term to maturity of financial liabilities as long-term, via long-dated bonds, mortgages with long terms or derivative financial instruments.

Further information on the interest rate profile of financial liabilities, bonds, forward rate agreements and interest rate swaps can be found in Note 11.

Fair value sensitivity analysis for fixed-rate financial instruments

Mobimo has no fixed-rate financial assets or liabilities that are classified at fair value through profit or loss. Fixed-rate financial instruments are measured at amortised cost. For these positions, therefore, a change in market interest rates would have no impact on the result for the year.

Mobimo may hold forward rate agreements and interest rate swaps measured at fair value. Changes in the fair value of interest rate swaps not held for hedge accounting purposes are recognised in the financial result and therefore have a direct impact on the result for the year. Changes in the fair value of financial instruments used for hedge accounting purposes are recognised directly in other comprehensive income.

An increase of 100 basis points in the interest rate would have increased earnings before tax by CHF 0.1 million (prior year: CHF 0.4 million) as a result of changes in the fair value of swaps not held for hedge accounting purposes. These changes in the fair value of swaps held for hedge accounting purposes would have increased other comprehensive income by CHF 16.4 million (prior year: CHF 17.4 million), not taking the associated tax effect into account. An equivalent reduction in the interest rate would have reduced earnings before tax and other comprehensive income by a similar amount. This analysis is based on the assumption that all other variables remain unchanged.

Cash flow sensitivity analysis for variable-rate financial instruments

Mobimo's variable-rate financial liabilities are exposed to interest rate-related cash flow risk. These liabilities generally bear interest at three-month Libor plus a margin. Of the variable-rate financial liabilities outstanding as at the reporting date, CHF 117.6 million (prior year: CHF 117.8 million) were hedged using interest rate swaps. A change in the interest rate therefore results in a change in the fair value of the interest rate swaps (see Note 11). For the remaining CHF 55.5 million (prior year: CHF 61.9 million) of variable-rate financial liabilities and for cash, an increase of 100 basis points in the interest rate would have only a minor impact on the Group result given the negative interest rate situation. This analysis is based on the assumption that all other variables remain unchanged.

Fair values

The carrying amounts in the annual financial statements for cash, trade receivables, other current receivables, current financial assets (time deposits) and current liabilities are very close to the fair values given the short terms involved.

Interest rate swaps are recognised at fair value in the balance sheet as at the reporting date. Fair value is the present value of the forward contract.

The table below shows financial instruments carried at fair value, by measurement method, as at the reporting date. For an explanation of the individual levels, see Note 5.

31 December 2019	Level 1	Level 2	Level 3
Financial assets (measured at fair value through profit or loss)	0	0	2,482
Derivative financial instruments	0	33,092	0
31 December 2018	Level 1	Level 2	Level 3
Financial assets (measured at fair value through profit or loss)	0	0	2,379
Derivative financial instruments	0	32,646	0

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Financing and risk management

Mobimo does not hold any financial instruments carried at fair value that would be classified as Level 1.

Level 2 fair values for derivative financial instruments are based on valuations by the counterparty (banks). The plausibility of these counterparty valuations is checked by comparing them with calculations in which the expected future cash flows are discounted using the market interest rate.

Level 3 fair values of financial assets (measured at fair value through profit or loss) are based on a DCF valuation.

For fixed-rate financial liabilities, fair value is the time value of the future cash flows, discounted to the reporting date using the market interest rate. Rates of interest for discounting future cash flows are based on money and capital market rates as at the time of measurement plus an adequate interest rate spread of between 88 and 130 basis points (prior year: between 71 and 110 basis points). The discount rates applied as at 31 December 2020 were between 0.42% and 1.25% (prior year: between 0.45% and 1.27%). The fair value of bonds is the closing price on the exchange as at the reporting date.

The following table shows a comparison between the carrying amounts and the fair values of the interest-bearing financial liabilities as at the reporting date.

TCHF	Carrying amount 31.12.2020	Fair value 31.12.2020	Carrying amount 31.12.2019	Fair value 31.12.2019
Mortgages (Level 2)	776,078	813,999	865,356	910,855
Bonds (Level 1)	948,870	970,170	729,033	761,808
Total	1,724,948	1,784,169	1,594,388	1,672,662

Categories of financial instruments

The table below shows the carrying amounts of all financial instruments by category:

TCHF	Carrying amount 2020	Carrying amount 2019
Financial asset measured at amortised cost		
Cash	99,518	45,823
Trade receivables	3,109	2,975
Other receivables ¹	81	2,553
Accrued income and prepaid expenses ²	1,395	1,630
Financial assets (term deposits and loans)	40,000	2,667
Total financial assets measured at amortised cost	144,103	55,648
Financial assets measured at fair value through profit or loss		
Financial assets (non-consolidated equity investments)	2,482	2,379
Total financial assets measured at fair value through profit or loss	2,482	2,379
Financial liabilities measured at amortised cost		
Trade payables ³	4,618	5,986
Other payables ⁴	773	4,345
Accrued expenses and deferred income ⁵	28,643	31,198
Financial liabilities	1,724,948	1,594,388
Lease liabilities	2,020	4,192
Total financial liabilities measured at amortised cost	1,761,002	1,640,110
Financial liabilities measured at fair value through profit or loss		
Derivative financial instruments	707	2,214
Financial liabilities held for hedging purposes		
Derivative financial instruments	32,385	30,432

¹ Not including tax receivables and receivables in connection with social security and advance payments.

² Not including costs paid in advance.

³ Not including rents and ancillary costs paid in advance.

⁴ Not including tax payables and payables in connection with social security.

⁵ Not including deferred income taxes and unused annual leave.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Financing and risk management

Capital management

The Board of Directors seeks to ensure a solid capital base. Under the investment guidelines, the equity ratio must be above 40%. With regard to its capital structure, Mobimo aims to achieve long-term net gearing (ratio of net debt to shareholders' equity) of a maximum of 150%.

Some of the contracts concluded with lenders contain clauses concerning minimum capitalisation (financial covenants). The key figures used are the equity ratio, net gearing and interest coverage factor. These were complied with without exception during the reporting period.

The key figures as at the reporting date are as follows:

TCHF	31.12.2020	31.12.2019
Equity	1,564,843	1,532,256
Equity and liabilities	3,619,921	3,463,334
Equity ratio	43.2%	44.2%
Current financial liabilities	314,726	182,020
Non-current financial liabilities	1,410,222	1,412,368
Cash	-99,518	-45,823
Current financial assets (time deposits)	-40,000	0
Net financial debt	1,585,430	1,548,566
Equity	1,564,843	1,532,256
Net gearing	101.3%	101.1%

Personnel

16. Personnel expenses

Personnel expenses can be broken down as follows:

TCHF	2020	2019
Salaries	-18,177	-19,615
Profit-sharing (management/employees)	-3,637	-1,405
Social security contributions	-2,088	-2,021
Defined contribution plans	0	-43
Defined benefit plans	-2,878	-2,306
Compensation for Board of Directors	-950	-1,048
External training and education costs	-161	-178
Other personnel expenses	-2,105	-2,311
Total personnel expenses	-29,997	-28,928
Headcount at 31 December (full-time basis)	159.6	161.5
Average headcount (full-time basis)	158.5	161.2

In the year under review, the Board of Directors and Executive Board were paid the following compensation, reported in personnel expenses:

TCHF	2020	2019
Members of the Board of Directors/Executive Board	-5,016	-4,880
Broken down as follows:		
› Salaries	-3,374	-3,821
› Share-based payments	-1,086	-342
› Social security contributions	-556	-717

Further details of the compensation paid to the Board of Directors and Executive Board can be found in Note 18.

17. Employee benefit obligation

Accounting principles

Liabilities from defined benefit plans are determined annually for each plan by setting the present value of the defined benefit obligation using the projected unit credit method. The discount rate used for the calculation is based on the interest rate of first-class industrial bonds with very similar maturities to the liabilities. The fair value of the plan assets is then deducted. Pension costs, which are recognised in the income statement, comprise current service cost, past service cost, gains and losses on settlement, and net interest expense. Gains and losses on plan curtailments are a component of past service cost. Net interest expense corresponds to the discount rate multiplied by the net benefit obligation as at the beginning of the financial year. Any revaluations, comprising actuarial gains and losses resulting from changes in assumptions and experience adjustments as well as investment income, less amounts that are included in net interest expense, are recognised in other comprehensive income.

All Mobimo employees work in Switzerland. Pension plans in Switzerland are regulated by the Swiss Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). For the purposes of mandatory (legal minimum) and non-mandatory employee benefit insurance, Mobimo is thus affiliated with group administration plans ("Sammelstiftungen") that are organised as independent legal entities in accordance with the BVG. Plan participants are insured against the economic consequences of old age, disability and death. The risks of death and disability under non-mandatory employee benefit insurance are fully reinsured. The various benefits are stipulated in regulations; the BVG lays down minimum benefits. Contributions to the pension plan are paid by the employer and employees. In the event of a deficit, various measures (such as adjusting pension benefits by changing the conversion rates or by raising the amount of current contributions) may be approved.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Personnel

The BVG governs how any deficit reduction measures are to be borne jointly by the employees and the employer. As Mobimo may consequently be obliged to finance deficit reduction measures, the employee benefit plans qualify as defined benefit plans under IAS 19.

The following table shows the change in net obligations in the year under review (liabilities are shown with a negative sign, contrary to the conventional presentation in the financial report):

TCHF	Plan assets at market values 2020	Present value of benefit obligations 2020	Net liability 2020	Plan assets at market values 2019	Present value of benefit obligations 2019	Net liability 2019
Balance at 1 January	39,565	-52,188	-12,623	37,307	-45,784	-8,477
› Employer's current service cost		-2,839	-2,839		-2,335	-2,335
Past service cost		0	0		116	116
Interest income/interest expense	122	-155	-33	337	-385	-48
Total net benefit expense in the income statement	122	-2,993	-2,872	337	-2,603	-2,266
Return on plan assets (excluding interest income)	-95		-95	649		649
Actuarial (gains) losses						
› Effect of changes in demographic assumptions		2,975	2,975		0	0
› Effect of changes in financial assumptions		-1,094	-1,094		-4,282	-4,282
› Effect of experience adjustments		3,037	3,037		-20	-20
Total remeasurements staff pension schemes included in other comprehensive income	-95	4,918	4,823	649	-4,302	-3,652
Employer contributions	1,677		1,677	1,773		1,773
Employee contributions	1,376	-1,376	0	1,350	-1,350	0
Amounts paid	-3,988	3,988	0	-1,851	1,851	0
Balance at 31 December	38,657	-47,652	-8,995	39,565	-52,188	-12,623

The effect of changes in demographic assumptions (increase of CHF 3.0 million) is mainly due to a change in the weighting of the probability of disability (now 80%, compared with 100% in the previous year) and a change in the assumption regarding the exercise of the capital option (now 25%, compared with 0% in the previous year).

The effect of changes in financial assumptions (increase of CHF 1.1 million) in the 2020 financial year was mainly attributable to the decrease in the discount rate from 0.30% to 0.10%. The increase of CHF 4.3 million in the previous year was mainly due to the reduction of the discount rate that year from 0.85% to 0.30%.

The expected employer contributions for the 2021 financial year are CHF 1.6 million (prior year: CHF 1.8 million).

Plan assets can be broken down into the following categories:

Asset classes	Plan assets 2020 in %	Market values 2020 in TCHF	Plan assets 2019 in %	Market values 2019 in TCHF
Cash and cash equivalents	1%	463	1%	469
Shares (listed)	24%	9,286	24%	9,583
Bonds and notes (listed)	51%	19,622	51%	19,984
Real estate	19%	7,332	19%	7,503
Alternative investments	5%	1,955	5%	2,026
Total	100%	38,657	100%	39,565

As at 31 December 2020, the plan assets did not include treasury shares or real estate in the companies' own use.

The following assumptions were applied to the expenses reported in the income statement and pension liabilities reported in the balance sheet:

	2020	2019
Assumptions for the expenses in the income statement:		
Discount rate	0.30%	0.85%
Expected future salary increases	1.25%	1.25%
Expected future pension benefit increases	0.00%	0.00%
Longevity at age 65 for current members aged 45		
> Males	24.6	24.5
> Females	26.6	26.5
Longevity at age 65		
> Males	22.8	22.7
> Females	24.9	24.8
Assumptions for the pension liability in the balance sheet		
Discount rate	0.10%	0.30%
Expected future salary increases	1.25%	1.25%
Expected future pension benefit increases	0.00%	0.00%

A change in the assumptions of +/- 25 basis points for the discount rate and salary increases and +/- 10 basis points for pension benefit increases would have the following percentage impact on the present value of the benefit obligations:

	2020	2020	2020
Impact on present value of benefit obligations due to the above-mentioned changes in basis points:			
	Discount rate	Salary increases	Pension increases
Increase	-3.3%	0.5%	0.9%
Decrease	3.5%	-0.5%	-0.9%
2019			
Impact on present value of benefit obligations due to the above-mentioned changes in basis points:			
	Discount rate	Salary increases	Pension increases
Increase	-3.9%	0.7%	1.2%
Decrease	4.2%	-0.7%	-1.2%

The following future benefit payments of the pension plan are expected for benefit obligations:

TCHF	2020	2019
Up to 1 year	1,947	554
Up to 5 years	7,127	3,025
Over 5 years	38,577	48,609
Total	47,652	52,188

Based on a DBO cash flow calculation, the duration of benefit obligations as at the reporting date was 21.1 years (prior year: 19.6 years).

18. Share-based payments to the Board of Directors and the Executive Board

Accounting principles

Share-based payments are transactions whereby the Mobimo Group receives goods or services in return for equity instruments such as shares or options. The Board of Directors and the Executive Board are currently subject to compensation rules under which compensation is paid partly in the form of shares. Both schemes are classified as share-based payments. The costs of share-based payments are recognised in the income statement in personnel expense, spread over the vesting period. The corresponding counter-posting takes place in equity. The vesting period is the period during which unlimited entitlement to the shares or options granted is earned. The valuation is based on the fair value of the equity instruments as at the grant date. The grant date is the date on which both parties agree to the plan for the share-based payment and reach a joint agreement on the terms and conditions of the plan.

Board of Directors

The Board of Directors receives fixed compensation, structured on a modular basis. The modules used reflect members' individual activities on the Board of Directors, thus ensuring that compensation is commensurate with the level of responsibility and time involved. The Board of Directors has decided, with effect from the 2019 Annual General Meeting, that approximately 25% of compensation will be paid in the form of shares. The value of the shares and thus the number of shares to be allocated is determined based on the share price applicable on the date of allocation. All shares are allocated once a year on 31 March. From the date of allocation, the shares have both voting and dividend rights. They are subject to a vesting period of three years. During the vesting period, the shares must be held in safe custody with the share register. The departure of a member of the Board of Directors from the Board has no impact on the vesting period or on the ownership of the shares. In total, compensation of CHF 0.7 million was paid in cash (prior year: CHF 1.0 million) and CHF 0.2 million (859 shares) in the form of shares (prior year: CHF 0) in 2020. As the first effective payment in shares for the Board of Directors was made on 31 March 2020, no payments in shares were included in the previous year.

Executive Board

In accordance with the compensation regulations in force since 1 January 2020, the payment of the performance-related element of Executive Board members' compensation is conditional on certain quantitative targets being met by the company (65%) and on individual performance targets (qualitative targets) being met (35%). Under the compensation regulations, performance-related compensation is capped at 100% of the fixed gross salary.

Based on the corporate strategy, the Board of Directors has defined the key performance figure for calculating the extent to which quantitative targets have been met as the return on equity before net income from revaluation. However, entitlement to compensation is conditional on the company achieving a minimum return on equity before net income from revaluation of 4.0% (prior year: 4.5%). Unlike in the previous year, profit on disposal of investment properties will now no longer be included in the relevant calculation of return on equity. Net income from the revaluation of development properties for Mobimo's own portfolio and operational net income from the revaluation of investment properties will now be used instead.

Once this minimum return on equity has been achieved, the entitlement of the Executive Board members rises on a straight-line basis within a range defined by the Board of Directors. The Board of Directors may deviate from the agreed values if a dividend/capital contribution repayment at least in line with that of the previous year cannot be paid out to shareholders.

At least 50% of the performance-related compensation is paid in shares in the company. The value of the shares corresponds to the share price on the date of allocation. From the date of allocation, the shares have both voting and dividend rights. The shares are generally subject to a vesting period of five years. Further information regarding the profit-sharing model, which has been in force since 1 January 2020, can be found in the compensation report on page 46.

For the 2020 financial year, a total of 3,011 shares (prior year: 1,184) were granted to the Executive Board as a share of profits. The cost of the approved share allocation was recognised as CHF 0.9 million (prior year: CHF 0.3 million), measured at the share price on 31 December 2020 of CHF 286.00 per share (prior year: CHF 288.50). Share-based compensation for the Executive Board was based on the assumption that 50% would be taken in the form of shares (prior year: 50%).

Option plan

There are no outstanding options.

Income taxes

Significant discretionary decisions and estimation uncertainties

Gains on the disposal of properties are subject to a special property gains tax in various cantons where the taxation of these gains is not part of the ordinary tax on profits. The tax rates applied depend on the length of time the property is held and can vary significantly.

In the calculation of deferred taxes on investment properties, a residual holding period is estimated for each property that reflects Mobimo's strategy. The tax payable on these properties is calculated on the basis of a holding period of up to 20 years. Should the actual holding period for a property deviate from the estimated holding period, the amount of tax applicable at

the time the property is sold may vary considerably from the deferred tax estimated.

Applying the property gains tax rates that would be payable in the event of a theoretical sale of all properties on 1 January 2021, the deferred tax liabilities would be CHF 12.2 million higher (prior year: CHF 10.2 million higher) than the reported deferred tax liabilities.

Various property gains tax amounts due on property sales in the current and previous periods are not yet definitive as at the reporting date. If the definitive amounts involved are not the same as the initial calculations, this may have a material effect on the tax expense for future periods.

19. Income taxes

Accounting principles

Income taxes include current and deferred income taxes. They are recognised in the income statement, with the exception of income tax on transactions recognised in other income or directly in equity. In these cases, income tax is similarly charged to other comprehensive income or directly to equity.

Current income taxes include the expected taxes payable on the relevant taxable result, calculated using the tax rates enacted or substantially enacted at the reporting date, capital gains taxes on property sales effected and any adjustments to tax liabilities or assets from previous years. Deferred taxes are recognised for temporary differences between the respective tax bases in the tax balance sheet and the consolidated balance sheet, in accordance with the balance sheet liability method. The measurement of deferred taxes takes account of the point in time when, and the manner in which, the asset or liability is expected to be realised or settled. The tax rates used are those that are enacted or substantially enacted at the reporting date. Deferred tax assets can only be recognised to the extent that it is probable that future profits will be available against which the temporary differences can be offset.

Tax expense

Tax expense can be broken down as follows:

TCHF	2020	2019
Total current tax expense	-11,631	-3,460
Deferred tax		
Change in deferred tax	-10,326	-14,251
Changes in tax rates on deferred tax items recognised	398	12,580
Total deferred tax income/expense	-9,929	-1,671
Total income tax expense	-21,560	-5,131

As a result of the tax reform and AHV pension financing, the holding privilege was abolished as of 1 January 2020. However, the tax rates in various cantons have fallen.

As various cantons had already set new tax rates in previous years, deferred tax was reduced by CHF 12.5 million in 2019. In the year under review, deferred tax was reduced by CHF 0.4 million due to the tax rate cuts in the canton of Thurgau.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Income taxes

Current tax expense contains net expenses of CHF 1.4 million in tax on profits from prior periods. These mainly relate to the add-back of the negative replacement values of derivative financial instruments carried out by the tax authorities in the year under review following a recent Federal Court ruling and led to an increase of CHF 1.5 million overall in current tax provisions. The receipt of other definitive assessments and reassessments of existing tax provisions in the year under review also resulted in a reduction of CHF 0.2 million in current tax expenses for previous years.

Current tax for prior periods was reduced by CHF 2.1 million in the previous year, due mainly to adjustments and reassessments of tax provisions for outstanding property gains tax cases.

Property gains tax is also included in current tax and is incurred in those cantons that impose a tax on property gains.

Tax expense can be broken down as follows:

	Unit	2020	2019
Group profit before tax	TCHF	118,172	108,216
Applicable tax rate	%	19.5	19.5
Tax expense at applicable tax rate	TCHF	-23,044	-21,102
Non-deductible expenses/income	TCHF	459	423
Creation/reversal for prior-year tax	TCHF	17	2,090
Non-recognition of tax loss carryforwards	TCHF	-15	-11
Utilisation of previously unrecognised tax losses	TCHF	9	-25
Expense/income which is taxed at a lower/higher tax rate	TCHF	615	1,161
Impact of changes in tax rate on deferred tax items recognised	TCHF	398	12,580
Other effects	TCHF	0	-247
Total taxes	TCHF	-21,560	-5,131

The applicable tax rate in the year under review is a mixed rate. It takes account of the fact that gains subject to cantonal and municipal taxes are currently taxed at an average rate of 16% (including direct federal tax), while property gains subject to property gains tax are taxed at rates of up to 35%.

The effects that arise from the difference between the applicable tax rate and the tax rate that is actually valid for offsetting tax loss carryforwards during the offsetting of tax loss carryforwards for which there was a deferred tax asset at the end of the previous year are recognised under utilisation of previously unrecognised tax losses.

Deferred tax liabilities and assets

Deferred tax liabilities and assets are allocated to the following balance sheet items:

TCHF	Assets 2020	Liabilities 2020	Assets 2019	Liabilities 2019
Investment properties		206,720		196,425
Employee benefit obligation	1,586		2,226	
Other items	11,687	11,686	3,988	8,353
Deferred taxes on temporary differences	13,273	218,407	6,213	204,778
Tax benefit of offsettable loss carryforwards	0		1,919	
Total deferred taxes	13,273	218,407	8,132	204,778
Offset of deferred tax assets and liabilities	-12,230	-12,230	-5,830	-5,830
Deferred tax assets/liabilities	1,043	206,177	2,302	198,948

Deferred tax assets for loss carryforwards are recognised to the extent that it is probable that future taxable profits will be available against which the loss carryforwards can be utilised.

According to the practice of the Zurich Cantonal Tax Office applied up to the end of 2018, cantonal losses for the purposes of income tax could not be completely offset against gains in the same year. However, these losses are carried forward and may be offset against future gains. In the previous year, Mobimo recognised a tax benefit of CHF 1.6 million from cantonal losses of this nature. However, Mobimo made full use of this tax benefit due to the add-back of the negative replacement values of derivative financial instruments carried out by the tax authorities. Other loss carryforwards from the previous year (CHF 1.6 million), with a tax benefit of CHF 0.3 million, were used in the year under review, meaning that there were no longer any deferred tax assets for offsettable loss carryforwards for direct federal, cantonal and municipal taxes as at the reporting date (prior year: CHF 1.9 million).

There are loss carryforwards of CHF 0.2 million (prior year: CHF 0.1 million) for which deferred taxes of CHF 0.04 million (prior year: CHF 0.03 million) were not recognised because it is currently unclear whether these loss carryforwards can be offset against future profits within the legally prescribed period of seven years.

No deferred taxes were recognised for undistributed earnings of subsidiaries, since no taxes are expected if a distribution were to take place.

The net change in deferred tax liabilities of CHF 8.5 million (from CHF 196.6 million to CHF 205.1 million) resulted from the recognition of CHF 9.9 million as an expense and the recognition of CHF 0.7 million in other comprehensive income, which led to an increase. The reclassification of assets of CHF 2.2 million from current tax provisions to deferred tax assets due to the netting of the negative replacement values of derivative financial instruments had the opposite effect. At the same time, due to the add-back a reduction of CHF 3.0 million in deferred tax expense resulted for previous years.

The net change of CHF 1.1 million from CHF 195.5 million to CHF 196.6 million in the previous year resulted from the recognition of an increase of CHF 1.7 million in the income statement and the recognition of a decrease of CHF 0.6 million in other comprehensive income.

Other notes

20. Operating expenses

Accounting principles

Short-term leases with a term of less than 12 months and leases for which the underlying asset is of low value are not recognised on the balance sheet as lease liabilities or right-of-use assets. Mobimo recognises the lease payments for leases of this nature directly as operating expenses.

Operating expenses include the third-party services of Mobimo FM Service AG, expenditure on IT, communications and marketing, general office expenses and non-reclaimable input tax. Also included in operating expenses are capital and minimum taxes of CHF 0.4 million (prior year: CHF 0.7 million) and planning costs of CHF 1.4 million (prior year: CHF 1.1 million). Planning costs relate to expenditure on the development and compilation of feasibility studies for projects subject to external influences that Mobimo cannot influence and for which there is uncertainty over whether they can be realised at all. These costs are therefore charged to operating expenses until it is certain that these projects will proceed. Once this is the case, the costs will be capitalised.

21. Trade receivables

Trade receivables can be broken down as follows:

TCHF	2020	2019
Outstanding purchase prices real estate due from third parties	0	430
Outstanding rents and ancillary costs due from third parties	4,419	3,604
Outstanding rents and ancillary costs due from associates and joint ventures	66	70
Outstanding trade receivables from related parties	0	3
Less doubtful debt allowance for outstanding rent and ancillary costs	-1,375	-1,131
Total trade receivables	3,109	2,975

The age structure of trade receivables after valuation allowances is as follows:

TCHF	2020	2019
Up to 30 days	2,378	2,330
Up to 90 days	717	261
Over 90 days	15	384
Total	3,109	2,975

Doubtful debt allowances for outstanding rent and ancillary costs changed as follows in the year under review:

TCHF	2020	2019
Valuation allowances		
At 1 January	1,131	999
Change in valuation allowances	244	132
At 31 December	1,375	1,131

22. Property, plant and equipment

Accounting principles

Property, plant and equipment, including owner-occupied properties, is measured at cost less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment is depreciated using the straight-line method over its estimated useful life.

Useful life is as follows:

Buildings	50 years
Interior fixtures and fittings	15 years
Building services	15 years
Office furnishings	8 years
Office equipment	5 years
Telephone installations	5 years
Vehicles	5 years
Hardware	3 – 4 years

The carrying amount of property, plant and equipment is assessed at least once a year. If there are indications that an asset may be impaired, an impairment test is carried out.

Rights of use for property, plant and equipment are recognised at the start of the contract in the amount of the lease liability and adjusted for any lease payments already paid, initial direct costs and lease incentives. The rights of use are subsequently subject to scheduled amortisation.

Rights of use relating to rented office premises and car park facilities are reported under owner-occupied properties. By contrast, rights of use relating to rented photocopiers are reported under other property, plant and equipment.

TCHF	Owner-occupied properties	Other P, P & E in use	Other P, P & E under construction	2020 Total
Cumulative acquisition values				
Balance at 1 January	24,630	11,215	0	35,844
Additions	0	501	0	501
Disposals	-61	-200	0	-261
Transfers from/to investment properties	-661	0	0	-661
Balance at 31 December	23,908	11,516	0	35,424
Cumulative depreciation				
Balance at 1 January	-9,896	-5,224	0	-15,120
Depreciation	-1,225	-997	0	-2,222
Disposals	0	199	0	199
Transfers from/to investment properties	203	0	0	203
Balance at 31 December	-10,918	-6,021	0	-16,939
Net carrying amount at 31 December	12,990	5,494	0	18,484
thereof right-of-use assets	1,449	31	0	1,480
Net carrying amount excl. right-of-use assets at 31 December	11,541	5,463	0	17,004

Owner-occupied properties include the Küssnacht, Seestrasse 59 property and part of the Lausanne, Rue de Genève 7 property, which are used by Mobimo Management AG as its administrative premises. They also include tenant improvements for own use (net carrying amount CHF 0.6 million) in a rented property in Küssnacht. Computer hardware, movables and vehicles are reported under other property, plant and equipment.

The owner-occupied part of the Lausanne, Rue des Côtes-de-Montbenon 16 property (net carrying amount CHF 0.5 million) was transferred to the commercial properties portfolio in the year under review. The basement room was previously used for cultural events and was let to a third party in the year under review. Following the completion of the energy system in Kriens, which provides residents and third parties in the Mattenhof district in Kriens with heating and cooling, the system was transferred from other property, plant and equipment under construction to other property, plant and equipment in the previous year.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Other notes

TCHF	Owner-occupied properties	Other P, P & E in use	Other P, P & E under construction	2019 Total
Cumulative acquisition values				
Balance at 1 January	24,488	6,869	3,667	35,024
Additions	142	568	316	1,026
Disposals	0	-206	0	-206
Transfers between categories	0	3,983	-3,983	0
Balance at 31 December	24,630	11,215	0	35,844
Cumulative depreciation				
Balance at 1 January	-8,653	-4,309	0	-12,962
Depreciation	-1,243	-1,068	0	-2,311
Disposals	0	153	0	153
Transfers between categories	0	0	0	0
Balance at 31 December	-9,896	-5,224	0	-15,120
Net carrying amount at 31 December	14,734	5,990	0	20,724
thereof right-of-use assets	1,798	53	0	1,851
Net carrying amount excl. right-of-use assets at 31 December	12,936	5,938	0	18,873

23. Intangible assets

Accounting principles

Mobimo classifies the purchase rights/construction projects and software categories as intangible assets. Mobimo acquires purchase rights when it makes payments for the right to purchase a plot of land. Development services carried out for third parties and own work carried out on projects belonging to non-current assets where a contractual basis for the acquisition of land exists but the title to the land has not yet been transferred are reported under construction projects. The software category comprises software that has been purchased for operational purposes. Intangible assets are measured at cost. Software is amortised individually over an estimated useful life of generally three to five years.

The carrying amount of intangible assets is assessed at least once a year. If there are indications that an asset may be impaired, an impairment test is carried out.

Recoverable amounts are calculated annually for other intangible assets with an indefinite useful life and intangible assets not yet available for use, even if there are no indications of impairment.

TCHF	Purchase options/ construction projects	Software	2020 Total
Cumulative acquisition values			
Balance at 1 January	5,658	10,377	16,036
Additions	54	694	748
Disposals	0	-5	-5
Balance at 31 December	5,712	11,067	16,779
Cumulative amortisation and impairment losses			
Balance at 1 January	-2,665	-5,275	-7,940
Amortisation	0	-1,574	-1,574
Impairment losses	-428	0	-428
Disposals	0	5	5
Balance at 31 December	-3,093	-6,845	-9,938
Net carrying amount at 31 December	2,620	4,222	6,842

Purchase options/construction projects consists of capitalised development costs for a construction project in Zurich Oerlikon, where Mobimo is not yet the owner of the property in question but has concluded a purchase contract, and a notarised purchase option for a plot in Merlischachen in the canton of Schwyz. An impairment was recognised for the purchase option in the year under review and allocated to the Development segment.

TCHF	Purchase options/ construction projects	Software	2019 Total
Cumulative acquisition values			
Balance at 1 January	5,587	9,339	14,926
Additions	71	1,602	1,673
Disposals	0	-563	-563
Balance at 31 December	5,658	10,377	16,036
Cumulative amortisation and impairment losses			
Balance at 1 January	-2,665	-4,512	-7,177
Amortisation	0	-1,326	-1,326
Impairment losses	0	0	0
Disposals	0	563	563
Balance at 31 December	-2,665	-5,275	-7,940
Net carrying amount at 31 December	2,993	5,103	8,096

24. Investments in associates and joint ventures

Accounting principles

Ownership interests of between 20% and 50% in companies over which Mobimo exerts a significant influence but which it does not control, as well as shares in joint ventures, are accounted for using the equity method and recognised separately in the balance sheet. The fair value of the pro rata net assets is determined at the time of acquisition and recognised in the balance sheet together with any goodwill under investments in associates and joint ventures. In subsequent reporting periods, this figure will be adjusted to reflect Mobimo's share of the additional capital and the profits generated, as well as any dividends.

TCHF	2020	2019
Parking du Centre SA, Lausanne (50% stake)	19,717	20,008
Flonplex SA, Lausanne (40% stake)	8,547	9,520
Total	28,263	29,527

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Other notes

Investments in joint ventures

Indigo Suisse SA

Mobimo has a 50% investment in Indigo Suisse SA. Indigo Suisse SA is a car park operator in Lausanne held as a joint venture with Indigo Group S.A.S., a company active in the areas of urban mobility and parking solutions. The company is a public limited company under Swiss law, and Mobimo therefore has a claim on a share of its net assets. Mobimo accounts for its investment in Indigo Suisse SA using the equity method.

The following is a summary of the key financial data for the joint venture, adjusted to the principles of Mobimo's consolidated annual financial statements.

	Unit	2020	2019
Current assets	TCHF	1,623	1,474
Non-current assets	TCHF	49,125	50,108
Current liabilities	TCHF	1,779	1,785
Non-current liabilities	TCHF	9,537	9,781
The assets and liabilities above include the following details:			
Cash and cash equivalents	TCHF	901	1,071
Current financial liabilities (excluding trade and other payables and provisions)	TCHF	200	200
Financial liabilities	TCHF	6,100	6,300
Revenue	TCHF	5,998	7,751
Depreciation and amortisation	TCHF	-1,024	-1,008
Financial expense	TCHF	-139	-206
Tax expense	TCHF	-322	-470
Profit	TCHF	2,018	3,166
Net assets	TCHF	39,433	40,015
Proportion of the ownership interest	%	50	50
Carrying amount of the interest	TCHF	19,717	20,008
Dividends received from joint venture	TCHF	1,300	1,500

Investments in associates

Flonplex SA

Flonplex SA is a cinema operator in Lausanne whose majority shareholder is fellow cinema operator Pathé Schweiz AG; Mobimo holds an investment of 40%. The company is a public limited company under Swiss law, and Mobimo therefore has a claim on a share of its net assets. Mobimo accounts for its investment in Flonplex SA using the equity method. The following is a summary of the key financial data of Flonplex SA, adjusted to the principles of Mobimo's consolidated annual financial statements.

	Unit	2020	2019
Current assets	TCHF	2,283	5,099
Non-current assets	TCHF	22,276	22,921
Current liabilities	TCHF	1,398	2,499
Non-current liabilities	TCHF	1,794	1,722
Revenue	TCHF	3,388	10,854
Profit	TCHF	-480	2,393
Net assets	TCHF	21,367	23,799
Proportion of the ownership interest	%	40	40
Carrying amount of the interest	TCHF	8,547	9,520
Dividends received from the associate	TCHF	781	800

25. Financial assets

Accounting principles

Financial assets comprise time deposits, long-term loans to third parties and non-consolidated equity investments.

Non-consolidated equity investments are those investments that give Mobimo less than 20% of the voting rights. Time deposits and loans are recognised at amortised cost less any valuation allowance. The non-consolidated investments are classified as at fair value through profit or loss and are measured at fair value with fair value adjustments recognised in profit or loss.

Financial assets can be broken down as follows:

TCHF	31.12.2020	31.12.2019
Loans to third parties	0	124
Fixed-time deposits	40,000	0
Current financial assets	40,000	124
Loans to third parties	0	2,543
Non-consolidated equity investments	2,482	2,379
Non-current financial assets	2,482	4,922
Total	42,482	5,046

CHF 150 million of the cash inflows from the bond issued in the year under review was invested in short-term time deposits with staggered maturities. As at the reporting date, CHF 40 million was available.

Loans to third parties relate to loans to a tenant for tenant improvements. An impairment charge had to be made following the tenant's insolvency.

Non-consolidated equity investments primarily comprise the investment in Parking Saint-François SA.

Financial assets changed as follows in the year under review:

TCHF	2020	2019
Balance at 1 January	5,046	2,701
Additions	150,500	3,267
Disposals	-110,000	0
Market value adjustment	103	78
Impairment	-1,767	-1,000
Reclassification	-1,400	0
Balance at 31 December	42,482	5,046

26. Accrued expenses and deferred income

TCHF	31.12.2020	31.12.2019
Accruals for construction work	11,494	15,505
Accruals from property accounts	29,718	28,609
Accruals for interest	5,131	4,709
Accruals for services for related parties	861	339
Other items	7,762	8,082
Total accrued expenses and deferred income	54,966	57,244

Other financial information

27. Related parties

Accounting principles

Related parties include shareholders who could exert a significant influence over Mobimo, the Board of Directors and management, associates, companies controlled by members of the Board of Directors of the Mobimo Group, and the Mobimo pension plan.

Note 16 gives details of the compensation paid to the members of the Board of Directors and Executive Board for their activities.

In addition to the share of profit, Mobimo's income statement includes the following items with the joint venture Indigo Suisse SA (see Note 24):

TCHF	2020	2019
Income from rental of properties	405	532
Other income for services rendered	156	266
Property expenses	0	-14
Operating expenses (rental expense for parking spaces)	-37	-17
Total	524	767

The Mobimo income statement contains the following items with the associate Flonplex SA (see Note 24):

TCHF	2020	2019
Income from rental of properties	187	210
Other income for services rendered	22	22
Total	209	232

Transactions between Mobimo and the pension plans are listed in Note 17.

28. Earnings per share

Accounting principles

Earnings per share are calculated by dividing the Group result attributable to the shareholders of Mobimo Holding AG by the weighted average of the number of shares outstanding during the reporting period. Diluted earnings per share additionally take account of any shares arising from the exercise of option or conversion rights.

	2020	2019
Calculation of earnings per share		
Number of outstanding shares at 1 January	6,597,165	6,596,614
+ Effect of capital increase (average)	0	0
+ Effect of change in holdings of treasury shares	1,147	1,250
= Average number of outstanding shares	6,598,312	6,597,864
= Effective number of shares as basis for calculation of diluted earnings per share	6,598,312	6,597,864
Profit in TCHF (attributable to the shareholders of Mobimo Holding AG)	96,612	103,161
./. Net income from revaluation in TCHF (attributable to the shareholders of Mobimo Holding AG)	-34,255	-51,547
+ Attributable deferred tax in TCHF	7,310	10,052
= Profit not including revaluation (and attributable deferred tax) in TCHF	69,668	61,665
Profit in TCHF (attributable to the shareholders of Mobimo Holding AG)	96,612	103,161
EBITDA not including revaluation in TCHF	115,738	86,123
Operating result (EBIT) not including revaluation in TCHF	111,514	82,487
Earnings before tax (EBT) not including revaluation in TCHF	83,917	56,669
Profit not including revaluation in TCHF ¹	69,668	61,665
Earnings per share in CHF	14.64	15.64
Diluted earnings per share in CHF	14.64	15.64
Earnings per share not including revaluation (and attributable deferred tax) in CHF	10.56	9.35
Diluted earnings per share not including revaluation (and attributable deferred tax) in CHF	10.56	9.35
Calculation of net asset value (NAV) per share		
Number of outstanding shares at 31 December	6,594,117	6,597,165
= Number of shares as basis for calculation of diluted NAV	6,594,117	6,597,165
Equity at 31 December in TCHF (attributable to the shareholders of Mobimo Holding AG)	1,564,843	1,532,256
NAV per share in CHF	237.31	232.26
NAV per share, diluted, in CHF	237.31	232.26

¹ As a result of various one-off effects in tax expense (see Note 19), profit excluding revaluation was higher than earnings before tax (EBT) excluding revaluation in 2019.

Financial report

Consolidated annual financial statements: Notes to the consolidated annual financial statements
Other financial information

29. Scope of consolidation (Group companies)

Accounting principles

The consolidated annual financial statements encompass all companies over which Mobimo Holding AG has either direct or indirect control. Control is deemed to exist where Mobimo is exposed to fluctuating income as a result of its holdings in a company and has rights over such income. Mobimo must also have the ability to influence this income through its power of disposal over the company. Group companies acquired or divested during the course of a year are consolidated from the date on which control is acquired or deconsolidated from the date on which control ceases. For fully consolidated companies, assets, liabilities, expenses and income are taken over on a 100% basis using the full consolidation method.

All intragroup transactions and relationships and profits on intragroup transactions and balances are eliminated.

Ownership interests of between 20% and 50% in companies over which Mobimo exerts a significant influence, as well as shares in joint ventures, are accounted for using the equity method (see Note 24). Other interests are managed as financial assets (see Note 25).

Capital is consolidated at the time of acquisition using the purchase method. However, companies holding real estate often do not meet the definition of a business under IFRS 3. Upon such an acquisition, Mobimo allocates the costs of acquisition to the individually identifiable assets and liabilities at the time of acquisition on the basis of fair value. The acquisition of such a company does not result in goodwill. Non-controlling interests are shown separately from the Group's equity. Changes in the amount of proportionate interest that do not lead to loss of control are treated as transactions with equity owners. Any difference between the purchase price paid or the consideration received and the amount by which the non-controlling interests are being adjusted is recognised directly in equity.

The following companies fall under the scope of consolidation:

Company	Domicile	Share capital in TCHF	Ownership interest in %	Consolidation method
Mobimo Holding AG	Lucerne	86,467		F
BSS&M Real Estate AG	Küsnacht	500	100.00	F
CC Management SA	Geneva	4,700	100.00	F
Immobilien-gesellschaft Fad-matt AG	Küsnacht	3,260	100.00	F
LO Holding Lausanne-Ouchy SA	Lausanne	12,000	100.00	F
LO Immeubles SA	Lausanne	2,000	100.00	F
Mobimo AG	Küsnacht	72,000	100.00	F
Mobimo FM Service AG	Küsnacht	100	100.00	F
Mobimo Management AG	Küsnacht	100	100.00	F
Mobimo Zürich Nord AG	Küsnacht	100	100.00	F
O4Real AG	Lausanne	1,000	100.00	F
Petit Mont-Riond SA	Lausanne	50	100.00	F
Promisa SA	Lausanne	100	100.00	F
Flonplex SA	Lausanne	2,000	40.00	E
Indigo Suisse SA	Lausanne	6,000	50.00	E
Parking Saint-François SA	Lausanne	1,150	26.59 ¹	not cons.

F = fully consolidated.

E = equity valuation. For more information, see Note 24.

not cons. = not consolidated. For more information, see Note 25.

¹ The share of voting rights is 5%, which is why Parking Saint-François SA is reported under financial assets (non-consolidated equity investment).

Companies acquired and sold

No companies were acquired or sold in the year under review. Kumag AG was acquired in the previous year.

Kumag AG

Mobimo acquired 100% of the shares in Kumag AG on 25 July 2019. This was a real estate company which owned the Zurich, Letzigraben 114/116 property. The intention is to develop this property, currently used for commercial purposes, into condominium apartments for sale. As the acquired company did not meet the criteria of a business under IFRS 3, the acquisition was classed as a purchase of assets rather than a business combination. The acquisition costs were allocated to the items.

Changes in the scope of consolidation

As part of a restructuring of the companies within the scope of consolidation, Kumag AG, Küssnacht, was absorbed by Mobimo AG, Küssnacht, with retroactive effect from 1 January 2020.

Mobimo acquired the remaining 34% of the shares in BSS&M Real Estate AG, Küssnacht, for CHF 9.2 million on 27 June 2019. It therefore held 100% of the shares, meaning that there were no longer any non-controlling interests in equity as at 31 December 2019. Immobilien Invest Holding AG, Glarus, was also absorbed by LO Holding Lausanne-Ouchy SA, Lausanne, with effect from 17 May 2019 as part of a restructuring within the scope of consolidation.

30. Significant shareholders

As at the reporting date, the following shareholders held 3% or more of the shares and options in Mobimo Holding AG:

%	2020	2019
Credit Suisse Funds AG	5.50	5.50
BlackRock, Inc.	3.92	4.95
UBS Fund Management (Switzerland) AG	3.00	3.18
Dimensional Holding Inc.	3.00	3.08
Pensionskasse des Kantons Zug	n/a	3.00

31. Events after the reporting date

The Board of Directors approved the consolidated annual financial statements for publication on 29 January 2021. These statements are also subject to approval by the General Meeting of Mobimo Holding AG on 30 March 2021.

Mobimo acquired the Zurich, Badenerstrasse 694 and St. Gallen, Oberer Graben 16 commercial properties on 8 January 2021 and the Zug, Poststrasse 30 property on 14 January 2021 for a total of CHF 41.7 million as investment properties for its own portfolio.

Ownership of the Uster, Brauereistrasse 7 property, for which a notarised purchase agreements had been concluded as at the reporting date, was transferred on 13 January.

After restaurants, bars, cultural, entertainment and leisure establishments across Switzerland had closed on 22 December 2020 (earlier in certain cantons), shops selling non-essential goods were also ordered to close nationwide from 18 January 2021 until at least the end of February. Although some of the businesses affected are receiving financial support from the federal government and the cantons, these measures may have a negative impact on future rental income.

No events took place between 31 December 2020 and the approval date of these consolidated annual financial statements that would require adjustments to the carrying amounts of assets and liabilities of the Group as at 31 December 2020, nor did any other events take place that would require disclosure in this section.

Property details

Details of trading properties

Location, address	Economic area ¹	Description ²	Carrying amount in TCHF ³	Built
Arlesheim, Bruggweg 60	NW	open	7,971	1904
Brugg, Hauptstrasse	NW	open	2,120	
Châtel-St-Denis, Chemin de la Chaux	F	open	20,515	
Herrenschwanden, Mettlenwaldweg 19	BE	open	6,403	
Köniz, Hallmatt, Unders Juuch	BE	open	10,355	
Köniz, Niederwangen, Ried Ost ⁴	BE	open	674	
Langenthal, Kühlhausstrasse 8	BE	open	2,093	
Lausanne, Avenue de Beaumont 76 ⁵	F	open	893	1938
Lausanne, Chemin de Montétan 11; Avenue de France 66 ⁵	F	open	1,153	1902/1930
Maur, Dorfacherstrasse	ZH	open	12,214	1959
Merlischachen, Chappelmatt-Strasse (Burgmatt)	C	79 con	16,928	
Oberägeri, Lutisbachweg	C	open	43,392	1904/1917
Uster, Brauereistrasse ⁶	ZH	open	22	
13 land entities and development projects			124,733	
Meggen, Gottliebenrain 5/7	C	36 con	12,567	
1 property under construction			12,567	
Allaman, Chemin des Grangettes 2 ⁷	F	open	25,180	1991
Dübendorf, Birchenstrasse 20 – 26 ⁷	ZH	open	15,759	1951
Dübendorf, Zürichstrasse 98 ⁸	ZH	open	25,897	1965
Horgen, Allmendgütlistrasse 35/39 ⁷	ZH	open	16,855	1955
Zürich, Katzenbachstrasse 239 ⁷	ZH	open	7,082	1969
Zürich, Letzigraben 114/116 ⁷	ZH	open	18,632	1960
Zürich, Turbinenstrasse (Mobimo Tower)	ZH	53 con	3,087	
7 completed real estate and development properties			112,493	
21 trading properties⁹			249,793	

¹ BE: Berne; C: Central Switzerland; F: French-speaking Switzerland; NW: North-western Switzerland; ZH: Zurich area.

Economic area-related overviews are presented on pages 12 to 14.

² Con: condominiums.

³ Data as at 31.12.2020.

⁴ In the referendum held in May 2019, the voters of the municipality of Köniz approved the transfer of the land covered by building rights to Mobimo and a non-profit housing association. In April 2020, Mobimo and the municipality signed a preliminary contract for the transfer of the land covered by building rights. This preliminary contract provides for the signing of a building rights contract. Mobimo will therefore be able to realise this project, although the exact realisation period is not yet known.

⁵ In the canton of Vaud, the municipalities and the canton have a right of first refusal on properties for residential use. As these rights have not been exercised, the transfers of ownership are expected in the first quarter of 2021.

⁶ The transfer of ownership will take place in the first quarter of 2021.

⁷ Development properties.

⁸ Sale as project.

⁹ Allaman, Chemin des Grangettes 2 and Köniz, Hallmatt, Unders Juuch are classified as commercial properties (trading) as the main usage is expected to be commercial. The other trading properties are classified as residential properties (trading) (see overview of the portfolio on page 12). The planned usage of the trading properties can change during the planning phase and exemplifies the current expectation.

Realisation period	Project status ³	Sales volume in CHF	Sales status (certified purchase agreement) ³	Acquired	Site area in m ²	Register of polluted sites
open	in planning	open	open	May 2019	3,758	no
open	in planning	open	open	Jul 2016	4,228	no
open	in planning	open	open	Jul 2016	21,231	yes (insignificant)
open	in planning	open	open	Nov 2018	10,273	yes (insignificant)
open	in planning	open	open	Dec 2018	21,407	no
open	in planning	open	open	open	7,740	no
open	in planning	open	open	Sep 2015	13,080	yes (insignificant)
open	in planning	open	open	open	2,190	no
open	in planning	open	open	open	1,406	no
open	in planning	open	open	Dec 2019/June 2020	5,033	no
open	in planning	open	open	2014/2015	15,522	no
open	in planning	open	open	Oct 2019	24,167	no
open	in planning	open	open	open	5,335	no
					135,370	
2020/2022	under construction	49,850	21/36	Jul 2017	5,207	no
		49,850			5,207	
open	in planning	open	open	Sep 2015	23,213	no
open	in planning	open	open	Jan 2019	4,846	no
open	in planning	open	open	Jan 2000	9,809	yes (petrol station)
open	in planning	open	open	Feb 2018	5,526	no
open	in planning	open	open	Mar 2008	1,987	no
open	in planning	open	open	Jul 2019	2,330	no
2008/2011	for sale	166,083	52/53	May 2008	1,936	no
		166,083			49,647	
		215,933			190,224	

Project descriptions

Dübendorf, Zürichstrasse 98

Project description	The Cosmos project in Dübendorf involves the construction of four buildings (two purely residential, one for mixed residential and commercial use, and one purely commercial) on a site measuring around 9,000 m ² . The project is to be sold to an investor.
Project status/ estimated completion date	Building permission has been granted. The general contractor tender process is currently being conducted so that the project can be sold with a general contractor agreement that is ready to be signed.
Marketing	Mobimo has already started to look for an investor, and initial discussions have taken place.

Maur, Dorfacherstrasse

Project description	30 condominium units spread over five buildings are planned at a hillside location in Maur with views of the mountains and the Greifensee lake.
Project status/ estimated completion date	The application for building permission is due to be submitted at the beginning of 2021, with legally valid building permission expected to be granted in summer 2021. Completion is expected in 2023.
Marketing	Marketing will commence once legally valid building permission has been obtained.

Meggen, Gottliebenrain 5/7

Project description	The Grace project in Meggen involves the construction of three Minergie apartment buildings comprising 30 condominium units, six commercial units, 56 underground parking spaces and eight outdoor parking spaces on a gentle slope with views of Lake Lucerne.
Project status/ estimated completion date	The project covers a site area of 5,207 m ² (residential component 90%, commercial component 10%) and is being realised with a general planner. Completion is scheduled for the first half of 2022.
Marketing	One of the 36 condominium units had been reserved as at the reporting date, while 15 condominium units and the six commercial units had been notarised.

Merlischachen, Chappelmtatt-Strasse (Burgmatt)

Project description	79 condominium apartments are due to be constructed in Merlischachen.
Project status/ estimated completion date	An objection has been raised against the building permission, and a project variation request has been submitted. The project is expected to be completed in 2025.
Marketing	Marketing will commence once legally valid building permission has been granted.

Oberägeri, Lutisbachweg

Project description	90 condominium units spread over ten buildings are planned in Oberägeri on a premium hillside plot with views of the Ägerisee lake.
Project status/ estimated completion date	The application for building permission is due to be submitted at the beginning of 2021. Mobimo expects legally valid building permission to be granted during 2021. Construction is due to begin in 2022 and is expected to be completed by 2025.
Marketing	Marketing will commence once legally valid building permission has been obtained.

Zurich, Letzigraben 114/116

Project description	36 apartments are planned on the western side of Zurich. A decision has not yet been made on whether to sell the entire project to a third-party investor or sell the apartments individually as condominium units.
Project status/ estimated completion date	The application for building permission was submitted in 2020, so legally valid building permission is expected to be granted in 2021. The general contractor tender process is also due to be completed in 2021. If Mobimo decides to sell the entire project, the intention is to do so with a general contractor agreement ready for signing. If it decides to sell the apartments as condominium units, completion is expected in 2023.
Marketing	The marketing documentation will be prepared once the sales strategy has been decided (condominium sales or sale to a third party as a project).

The remaining trading properties not listed here are currently still at an early stage in the project or have already been completed, which is why they are not described in more detail here.

Details of commercial properties

Location, address	Economic area ¹	Property description ²	Fair value in TCHF ³	Built	Year renovated	Gross yield in % ⁴	Target rental income in TCHF ⁵
Aarau, Aeschbachweg 6/8	NW	com/res	20,600	2018		5.1	1,049
Aarau, Bahnhofstrasse 102 (Relais 102)	NW	com	35,890	1975	2019	6.0	2,167
Aarau, Industriestrasse 20 (Polygon)	NW	com	23,910	2012		5.3	1,263
Aarau, Industriestrasse 28; Torfeldstrasse Parkhaus	NW	com	26,770	1905/1916/1929/ 1943/1954/1973/ 1974		7.1	1,896
Affoltern am Albis, Obstgartenstrasse 9; Alte Obfelderstrasse 27/29	ZH	com/res	79,830	2014		4.3	3,442
Brugg, Bahnhofstrasse 11	NW	com	24,280	2005		5.2	1,261
Cham, Brunnmatt 4/6/8	C	com/h	36,300	2012		6.5	2,361
Dierikon, Pilatusstrasse 2	C	com	9,720	1990	2007	8.1	792
Dübendorf, Sonnenthalstrasse 5	ZH	com	28,810	1975	2000	6.3	1,826
Geneva, Rue des Etuves 16 – 18	F	com/res	10,990	1910		4.7	514
Horgen, Seestrasse 80	ZH	com	7,470	1960	2000/2008	6.9	518
Horgen, Seestrasse 82	ZH	CP	6,590	2010/2011		4.9	323
Horgen, Seestrasse 93 (Seehallen)	ZH	com	45,360	1956	2018	6.5	2,926
Kreuzlingen, Lengwilerstrasse 2	E	com	6,230	2007		5.1	318
Kreuzlingen, Leubernstrasse 3; Bottighoferstrasse 1	E	com	51,310	1983/2003	2003	7.1	3,662
Kreuzlingen, Romanshornerstrasse 126	E	BR	1,860	n/a		4.3	80
Kriens, Am Mattenhof 4, 4a	C	com/res	35,800	2019		5.1	1,832
Kriens, Am Mattenhof 8	C	com/res	20,280	2019		6.7	1,369
Kriens, Am Mattenhof 10, Parking	C	CP	18,230	1986	2016	4.3	791
Kriens, Am Mattenhof 12/14	C	com/res	72,450	2019		5.4	3,883
Kriens, Am Mattenhof 16, 16a	C	com/h	41,060	2019		5.3	2,195
Kriens, Sternmatt 6	C	com	7,270	1986	2008	7.1	515
Lausanne, Avenue d'Ouchy 4 – 6 (Horizon)	F	com	73,680	1962	2013	4.2	3,127
Lausanne, Chemin de Mornex 3, Rue du Petit-Chêne 36	F	com/res	40,040	1955		3.4	1,363
Lausanne, Place de la Gare 4	F	com	32,640	1961	2000	4.7	1,526
Lausanne, Place de la Gare 10; Rue du Petit-Chêne 38	F	com	63,520	1955/1958		3.6	2,270
Lausanne, Place de l'Europe 6	F	com/h	5,840	1905	2012	4.7	273
Lausanne, Place de l'Europe 7	F	com	8,800	1905	2001	5.0	441
Lausanne, Place de l'Europe 8	F	com	12,890	1911	1989	4.8	620
Lausanne, Place de l'Europe 9	F	com	25,510	1900	2002	5.1	1,297
Lausanne, Rue de Genève 2/4/6/8	F	com	23,440	1904	2002	5.4	1,272
Lausanne, Rue de Genève 7	F	com ⁹	34,300	1932	1992/2011	4.7	1,602
Lausanne, Rue de Genève 17	F	com	22,250	1884	2002	6.7	1,482
Lausanne, Rue de Genève 23	F	com	4,400	1915	2005	6.4	281
Lausanne, Rue de Genève 31 (Parking du Centre)	F	BR	9,530	n/a		5.3	506
Lausanne, Rue de la Vigie 3	F	h/com	23,110	2019		4.8	1,111
Lausanne, Rue de la Vigie 5	F	com	14,760	1963	1988	5.8	860
Lausanne, Rue des Côtes-de-Montbenon 1/3/5	F	com	10,650	2017		4.6	489
Lausanne, Rue des Côtes-de-Montbenon 6	F	com	8,670	1921	2009	4.1	358

¹ C: Central Switzerland; E: Eastern Switzerland; F: French-speaking Switzerland; NW: North-western Switzerland; ZH: Zurich area.

Economic area-related overviews are presented on pages 12 to 14.

² BR: building right; com: commercial property; h: hotel; CP: multi-storey car park; res: residential property.

³ Excluding right-of-use asset.

⁴ Target rental income as at 31.12.2020 as a % of market value.

⁵ Including building right interest.

Vacancy rate in % ⁶	Total rentable area in m ²	Office space in % ⁷	Sales space in % ⁷	Commercial space in % ⁷	Residential space in % ⁷	Other in % ⁷	Vacant area in % ⁷	Ownership ⁸	Acquired	Site area in m ²	Register of polluted sites
51.7	5,697	0.0	0.0	60.8	34.2	5.0	65.7	SO	Oct 2006	3,813	yes (insignificant)
9.0	13,306	61.7	0.0	8.0	1.4	28.9	11.0	SO	Mar 2004	5,675	no
0.0	4,465	91.4	0.0	0.0	0.0	8.6	0.0	SO	Jun 2001	2,379	yes (to review)
0.0	29,615	0.0	0.0	81.9	0.0	18.1	0.0	SO	Jun 2001/ Oct 2006	14,893	yes (insignificant)
0.0	10,625	0.0	0.0	0.0	93.0	7.0	0.0	SO	Aug 2011	6,455	no
7.3	4,056	33.1	33.6	20.9	0.0	12.4	3.3	con (773/1000)	Jun 2006	2,726	no
1.3	9,870	0.0	20.3	0.0	0.0	79.7	0.0	SO	Jul 2016	7,958	no
33.9	4,377	59.8	15.9	15.1	0.0	9.2	34.9	SO	May 2009	4,396	no
1.1	9,451	16.8	0.0	73.5	0.0	9.7	0.6	SO	Mar/Dec 1999	4,269	yes (to review)
37.2	2,130	14.6	16.6	0.0	68.5	0.3	25.7	SO	Nov 2015	484	no
0.0	2,151	76.2	0.0	19.0	0.0	4.8	0.0	SO	Nov 2005	3,483	no
0.2	64	0.0	0.0	0.0	0.0	100.0	0.0	SO	Nov 2005	0	no
5.9	16,508	16.6	0.0	65.3	0.0	18.1	7.9	SO	Nov 2005	10,542	yes
0.0	1,348	0.0	66.5	0.0	0.0	33.5	0.0	SO	Apr 2007	6,993	no
0.9	17,823	8.5	89.5	0.0	0.0	2.0	1.2	SO	Nov 2006	25,529	no
0.0	2,214	0.0	100.0	0.0	0.0	0.0	0.0	SO	Nov 2006	2,214	no
19.7	7,729	52.5	12.1	0.0	32.9	2.5	21.6	SO	Mar 2005/ Feb 2013	3,139	no
61.3	4,839	53.1	11.7	0.0	29.0	6.2	67.2	SO	Mar 2005/ Feb 2013	1,796	no
0.0	137	0.0	0.0	0.0	0.0	100.0	0.7	SO	Feb 2004	5,073	no
9.0	13,519	55.2	8.9	0.0	32.4	3.5	9.5	SO	Mar 2005/ Feb 2013	4,799	no
26.9	8,551	28.4	0.0	0.8	0.0	70.8	27.2	SO	Mar 2005/ Feb 2013	3,683	no
13.2	6,505	0.6	0.0	54.4	0.0	45.0	9.6	SO	Feb 2004	5,678	no
0.0	8,072	96.6	0.0	0.0	0.0	3.4	0.0	SO	May 2010	12,612	yes (insignificant)
2.0	5,408	61.0	11.9	0.0	20.5	6.6	4.8	SO	Nov 2020	1,236	no
0.0	4,795	63.4	0.0	0.0	0.0	36.6	0.3	SO	Nov 2009	630	no
11.2	10,001	70.3	21.9	0.0	1.1	6.7	15.2	SO	Dec 2017	2,105	no
0.0	796	0.0	0.0	0.0	0.0	100.0	0.0	SO	Nov 2009	519	yes (insignificant)
13.4	1,451	64.2	7.9	0.0	0.0	27.9	12.0	SO	Nov 2009	550	yes (insignificant)
0.0	1,677	75.6	24.4	0.0	0.0	0.0	0.0	SO	Nov 2009	743	yes (insignificant)
0.0	3,512	49.5	4.3	0.0	0.0	46.2	0.0	SO	Nov 2009	1,502	yes (insignificant)
8.6	4,679	8.6	87.4	0.0	0.0	4.0	5.9	SO	Nov 2009	3,181	yes (insignificant)
38.4	5,325	12.3	53.5	0.0	20.7	13.5	33.6	SO	Nov 2009	2,636	yes (insignificant)
14.2	7,072	46.1	21.6	3.0	0.0	29.3	9.2	SO	Nov 2009	3,257	yes (insignificant)
0.0	2,255	0.0	0.0	0.0	0.0	100.0	0.0	SO	Nov 2009	1,056	yes (insignificant)
0.0	6,526	0.0	0.0	0.0	0.0	100.0	0.0	SO	Nov 2009	6,526	yes (insignificant)
0.0	3,941	0.0	0.0	0.0	0.0	100.0	0.0	SO	Nov 2009	1,567	yes (insignificant)
0.0	3,368	64.3	0.0	5.6	0.0	30.1	0.0	SO	Nov 2009	1,443	yes (insignificant)
0.0	2,087	20.7	37.3	0.0	0.0	42.0	0.0	SO	Nov 2009	1,386	yes (insignificant)
1.1	2,188	53.2	19.7	0.0	0.0	27.1	2.3	SO	Nov 2009	750	yes (insignificant)

⁶ Vacancy rate as at 31.12.2020 as a % of target rental income.

⁷ Data as at 31.12.2020 as a % of the total rentable area.

⁸ SO: sole ownership; con: condominiums.

⁹ Share in investment property.

Details of commercial properties

Location, address	Economic area ¹	Property description ²	Fair value in TCHF ³	Built	Year renovated	Gross yield in % ⁴	Target rental income in TCHF ⁵
Lausanne, Rue des Côtes-de-Montbenon 8/10	F	com	9,300	1946	1998	5.5	510
Lausanne, Rue des Côtes-de-Montbenon 12	F	com	3,370	1918	2004	7.2	242
Lausanne, Rue des Côtes-de-Montbenon 16	F	com	6,440	1912	2007	5.3	339
Lausanne, Rue des Côtes-de-Montbenon 20 – 24	F	com	45,930	2013		4.9	2,253
Lausanne, Rue des Côtes-de-Montbenon 26	F	BR	1,760	n/a		4.5	79
Lausanne, Rue des Côtes-de-Montbenon 28/30	F	BR	1,970	n/a		3.7	74
Lausanne, Rue du Port-Franc 9	F	com	7,580	1927	2009	4.5	344
Lausanne, Rue du Port-Franc 11	F	com	14,000	2008		5.3	735
Lausanne, Rue du Port-Franc 16 (Flonplex)	F	BR	4,720	n/a		4.4	210
Lausanne, Rue du Port-Franc 17	F	com	17,630	2002		5.6	993
Lausanne, Rue du Port-Franc 20; Rue de Genève 33	F	com	42,520	2007		6.1	2,596
Lausanne, Rue du Port-Franc 22; Rue de la Vigie 1	F	com	21,960	2007		4.6	1,005
Lausanne, Voie du Chariot 3	F	com	16,540	2008		5.0	819
Lausanne, Voie du Chariot 4/6	F	com	39,690	2008		5.1	2,030
Lausanne, Voie du Chariot 5/7	F	com	36,710	2008		4.7	1,709
St. Gallen, Schochengasse 6	E	com	18,400	1974	2000	6.0	1,112
St. Gallen, Wassergasse 42/44	E	com	16,440	1967	2000	6.1	1,002
St. Gallen, Wassergasse 50/52	E	com	13,230	1998		6.3	834
Winterthur, Industriestrasse 26	ZH	com	19,130	1994	2002	8.2	1,561
Zurich, Friedaustasse 17	ZH	com	15,750	1968	2013	4.4	687
Zurich, Hardturmstrasse 3/3a/3b (Mobimo-Hochhaus)	ZH	com	66,720	1974	2001/2008	4.7	3,163
Zurich, Rautistrasse 12	ZH	com	21,830	1972	2011	5.8	1,272
Zurich, Seestrasse 356	ZH	com	25,970	1897	1994	4.4	1,151
Zurich, Thurgauerstrasse 23; Siewerdstrasse 25	ZH	com	14,560	1963/1968/1985	1998	6.3	917
Zurich, Turbinenstrasse 20 (Mobimo Tower Hotel)	ZH	h	106,530	2011		5.3	5,618
64 commercial investment properties			1,613,720			5.3	85,113
Lausanne, Avenue d'Ouchy 4 – 6	F	com	59,970	1962		4.8	2,853
Lausanne, Rue de Genève 19, 21	F	com	7,010	1893/1902	2002	21.0	1,475
Lausanne, Rue des Côtes-de-Montbenon 14	F	com	1,210	1963		3.1	38
St. Erhard, Längmatt ³	C	com	4,290	1979		10.9	467
Zurich, Im Tiergarten 7	ZH	res ⁵	22,640	1992	1999	6.6	1,497
5 development properties			95,120			6.7	6,328

The acquisition costs for the commercial investment properties total **TCHF 1,487,937**.

The acquisition costs for the development properties total **TCHF 118,455**.

¹ C: Central Switzerland; E: Eastern Switzerland; F: French-speaking Switzerland; ZH: Zurich area.

Economic area-related overviews are presented on pages 12 to 14.

² BR: building right; com: commercial property; h: Hotel; res: residential property.

³ Excluding right-of-use asset.

⁴ Target rental income as at 31.12.2020 as a % of market value.

⁵ Including building right interest.

Vacancy rate in % ⁶	Total rentable area in m ²	Office space in % ⁷	Sales space in % ⁷	Commercial space in % ⁷	Residential space in % ⁷	Other in % ⁷	Vacant area in % ⁷	Ownership ⁸	Acquired	Site area in m ²	Register of polluted sites
0.0	2,126	76.3	0.0	0.0	0.0	23.7	1.7	SO	Nov 2009	1,116	yes (insignificant)
0.0	978	21.4	0.0	0.0	0.0	78.6	0.0	SO	Nov 2009	466	yes (insignificant)
0.0	1,113	27.0	0.0	0.0	25.2	47.8	0.0	SO	Nov 2009	763	yes (insignificant)
0.0	7,747	19.5	0.0	0.0	0.0	80.5	0.0	SO	Nov 2009	3,498	yes (insignificant)
0.0	867	0.0	0.0	0.0	0.0	100.0	0.0	SO	Nov 2009	1,092	yes (insignificant)
0.0	1,068	0.0	0.0	0.0	0.0	100.0	0.0	SO	Nov 2009	1,840	yes (insignificant)
0.0	1,756	41.2	21.4	0.0	0.0	37.4	0.0	SO	Nov 2009	609	yes (insignificant)
0.0	2,173	38.0	7.6	0.0	0.0	54.4	0.0	SO	Nov 2009	1,033	yes (insignificant)
0.0	1,953	0.0	0.0	0.0	0.0	100.0	0.0	SO	Nov 2009	2,750	yes (insignificant)
0.0	2,559	48.1	9.5	0.0	20.9	21.5	0.0	SO	Nov 2009	1,096	yes (insignificant)
0.2	9,768	52.9	14.0	0.0	0.0	33.1	0.2	SO	Nov 2009	4,150	yes (insignificant)
0.0	3,399	87.0	12.1	0.0	0.0	0.9	0.0	SO	Nov 2009	1,441	yes (insignificant)
0.0	2,278	73.4	17.3	0.0	0.0	9.3	0.0	SO	Nov 2009	993	yes (insignificant)
0.0	5,884	34.7	47.9	0.0	0.0	17.4	0.0	SO	Nov 2009	2,417	yes (insignificant)
0.0	5,049	53.8	16.2	0.0	15.3	14.7	0.0	SO	Nov 2009	2,190	yes (insignificant)
0.8	4,458	95.4	0.0	0.0	0.0	4.6	1.7	SO	Feb 2004	1,315	no
								con			
9.6	3,965	86.3	0.0	0.0	9.3	4.4	12.3	(867/1000)	Feb 2004	1,713	no
0.0	3,554	72.3	0.0	0.0	0.0	27.7	0.0	SO	Feb 2004	1,372	no
25.3	11,313	62.8	0.8	22.1	0.0	14.3	22.5	SO	Oct 1999	3,583	yes (to review)
5.6	2,572	57.2	0.0	12.1	10.1	20.6	12.6	SO	Oct 1998	869	no
0.0	8,226	94.4	0.0	0.0	0.0	5.6	0.0	SO	Nov 1999	1,975	yes
2.6	6,018	76.7	9.5	4.7	1.3	7.8	3.0	SO	Nov 1999	1,894	yes (petrol station)
8.0	4,310	88.9	0.0	3.4	0.0	7.7	11.0	SO	Mar 2020	1,684	no
8.2	3,812	60.5	6.9	7.1	0.0	25.5	6.6	SO	Mar 2002	2,651	no
								con			
0.0	21,254	0.0	0.0	0.0	0.0	100.0	0.0	(546/1000)	May 2008	5,808	no
6.8	366,331	36.1	12.8	15.3	7.2	28.6	7.4			215,994	
2.9	25,681	51.1	8.7	0.3	0.0	39.9	29.6	SO	May 2010	12,612	yes (insignificant)
87.3	7,098	4.1	9.1	0.6	0.0	86.2	72.0	SO	Nov 2009	3,122	yes (insignificant)
0.0	841	0.0	86.2	0.0	0.0	13.8	0.0	SO	Nov 2009	662	yes (insignificant)
42.3	4,522	5.5	0.0	90.5	0.0	4.0	39.8	SO	Oct 2012	5,801	no
90.8	6,003	65.6	0.0	0.0	0.0	34.4	85.9	SO	Feb 2014	4,708	no
46.3	44,145	39.9	8.2	9.5	0.0	42.4	44.6			26,905	

⁶ Vacancy rate as at 31.12.2020 as a % of target rental income.

⁷ Data as at 31.12.2020 as a % of the total rentable area.

⁸ SO: sole ownership; con: condominiums.

⁹ Conversion planned (from commercial property to residential property).

Details of residential properties

Location, address	Economic area ¹	Property description ²	Fair value in TCHF	Built	Year renovated	Gross yield in % ³	Target rental income in TCHF
Aarau, Aeschbachweg 2	NW	res/com	27,640	2018		4.6	1,271
Aarau, Aeschbachweg 12	NW	res/com	25,630	2018		3.8	980
Aarau, Buchserstrasse 9/11	NW	res/com	21,350	2018		4.3	927
Aarau, Buchserstrasse 15	NW	res/com	15,310	2018		4.0	607
Affoltern am Albis, Alte Obfelderstrasse 31 – 35	ZH	res	31,870	2013		3.7	1,173
Au, Alte Landstrasse 93 – 99	ZH	res	56,950	1974/1975	2016/2017	3.2	1,840
Bergdietikon, Baltenschwilerstrasse 3/5/7/9/11/13/15/17	NW	res	25,450	1973/1980	1992/2007	3.7	954
Carouge, Rue de la Fontenette 13	F	res	9,010	1973	2014	3.9	355
Geneva, Boulevard de la Cluse 18	F	res	6,820	1951		3.9	268
Geneva, Rue Chandieu 5	F	res	14,160	1976	2005	3.9	546
Geneva, Rue de la Canonnière 11	F	res	9,140	1951	2005/2010/ 2011/2013	4.5	413
Geneva, Rue de la Ferme 6	F	res	7,180	1900	2008/2010/ 2012/2014	4.5	322
Geneva, Rue de la Poterie 34	F	res	3,860	1895	2012	4.6	179
Geneva, Rue de l'École-de-Médecine 3	F	res	4,550	1900	2014	4.5	203
Geneva, Rue de Malatrex 30	F	res	10,110	1951	2012	4.8	482
Geneva, Rue de Vermont 9	F	res	8,300	1969	2014	5.1	421
Geneva, Rue des Confessions 9	F	res	9,110	1923	2013	3.3	301
Geneva, Rue des Cordiers 5	F	res	20,790	1965	2008	4.0	842
Geneva, Rue des Photographes 12	F	res	4,980	1905	2013	4.1	205
Geneva, Rue Dr-Alfred-Vincent 23	F	res	4,610	1950	2010	4.0	185
Geneva, Rue du 31 Décembre 35	F	res	8,790	1956	2014	4.3	381
Geneva, Rue Henri-Blanvalet 14	F	res	6,670	1915	2012	4.2	280
Geneva, Rue Schaub 3	F	res	11,190	1960	2010	3.9	437
Geneva, Rue Zurlinden 6	F	res	12,630	1985	2012	4.3	538
Kriens, Am Mattenhof 6	C	res/com	14,910	2019		4.4	654
Lausanne, Avenue d'Ouchy 70/76; Place de la Navigation 2	F	res/com	30,300	1895/1906/1907	2004	4.2	1,261
Lausanne, Rue Beau-Séjour 8	F	res	67,630	2011		3.6	2,464
Lausanne, Rue des Fontenailles 1	F	res	5,700	1910/1963	1993	3.5	200
Lausanne, Rue Voltaire 2 – 12	F	res	89,830	2015		3.2	2,830
Oberengstringen, Zürcherstrasse 1a, 1b, 3, 5	ZH	res	13,940	1963		3.4	479
Onex, Avenue des Grandes Communes 21/23/25	F	res	39,760	1964	2012/2014	4.7	1,855
Opfikon-Glattbrugg, Farmanstrasse 47/49	ZH	res	33,490	2008		3.2	1,080
Regensdorf, Schulstrasse 95/97/99/101/103/105	ZH	res	64,440	2015		3.5	2,254
Rheinfelden, Rütteliweg 8; Spitalhalde 40	NW	res	35,400	1972	2017	3.9	1,374
Schaffhausen, Hochstrasse 59, 69 – 75	ZH	res	13,090	1961	2000	4.4	579
Thalwil, Freiestrasse 23 – 37	ZH	res	30,920	1950/1972/1973	1990	2.8	874
Urdorf, In der Fadmatt 1 – 63; Uitikonstrasse 22, 24	ZH	res ⁷	102,890	1964 – 68/ 1991/1997	2017	3.5	3,629
Winterthur, Stockenerstrasse 54 – 84; Landvogt-Waser-Strasse 95 – 109	ZH	res ⁸	30,790	1983/1984	2008	3.3	1,017
Winterthur, Wartstrasse 158 – 162; Blumenaustrasse 20, 22	ZH	res	46,880	2015/2016		3.1	1,464
Zurich, Hohlstrasse 481 – 485b; Albulastrasse 34 – 40	ZH	res/com	165,850	2018		3.1	5,064
Zurich, Letzigraben 134 – 136	ZH	res	78,040	2016		2.9	2,238
41 residential investment properties			1,219,960			3.6	43,426

The acquisition costs for the residential investment properties total TCHF 924,838.

¹ C: Central Switzerland; F: French-speaking Switzerland; NW: North-western Switzerland; ZH: Zurich area.
Economic area-related overviews are presented on pages 12 to 14.

² Com: commercial property; res: residential property.

³ Target rental income as at 31.12.2020 as a % of market value.

Vacancy rate in % ⁴	Total rentable area in m ²	1-1 1/2-room apartments	2-2 1/2-room apartments	3-3 1/2-room apartments	4-4 1/2-room apartments	5 or more room apartments	Total apartments	Other forms of use in % ⁵	Vacant area in % ⁵	Ownership ⁶	Acquired	Site area in m ²	Register of polluted sites
4.5	4,090	0	28	21	0	0	49	0.6	4.3	SO	Oct 2006	4,056	yes (insignificant)
1.7	3,813	0	18	21	1	0	40	6.0	4.4	SO	Oct 2006	2,110	yes (insignificant)
17.9	3,523	3	9	12	3	3	30	1.2	19.7	SO	Oct 2006	2,027	yes (insignificant)
8.6	2,658	0	12	8	2	0	22	16.1	18.1	SO	Oct 2006	1,636	yes (insignificant)
0.1	4,706	0	1	15	26	0	42	0.8	0.0	SO	Aug 2011	5,173	no
0.2	6,922	0	21	47	21	0	89	0.5	0.0	con (966/1000)	Aug 2018	17,342	no
4.0	5,230	0	8	18	28	0	54	5.9	3.6	SO	Oct 2007	11,131	no
0.0	1,343	1	7	7	3	5	23	0.0	0.0	SO	Nov 2015	230	no
5.2	1,012	0	14	5	2	0	21	0.0	3.9	SO	Nov 2015	228	no
2.0	1,948	0	0	12	12	2	26	0.0	0.0	SO	Nov 2015	315	no
5.8	1,316	1	14	12	1	0	28	0.0	4.8	SO	Nov 2015	248	no
3.9	929	5	16	4	0	0	25	2.9	3.6	SO	Nov 2015	272	no
8.7	715	2	7	4	2	0	15	0.0	5.7	SO	Nov 2015	242	no
0.0	1,064	0	0	6	4	0	10	0.0	0.0	SO	Nov 2015	492	no
8.0	1,314	20	10	0	0	0	30	0.0	6.9	SO	Nov 2015	241	no
19.5	1,177	10	0	0	6	4	20	0.0	15.6	SO	Nov 2015	426	no
13.3	1,409	0	3	15	5	0	23	1.6	8.2	SO	Nov 2015	351	no
3.7	2,825	0	0	3	21	3	27	12.9	6.2	SO	Nov 2015	1,157	no
9.5	743	1	2	4	1	1	9	6.5	6.5	SO	Nov 2015	188	no
0.0	696	0	8	6	1	0	15	0.0	0.0	SO	Nov 2015	234	no
16.7	1,644	1	17	0	6	0	24	19.8	11.6	SO	Nov 2015	290	no
6.1	847	0	7	3	4	0	14	3.0	6.7	SO	Nov 2015	260	no
4.0	1,938	0	0	14	12	1	27	4.1	2.5	SO	Nov 2015	439	no
3.5	1,802	0	3	4	8	0	15	18.1	3.5	SO	Nov 2015	437	no
2.9	2,681	0	0	28	0	0	28	6.8	3.1	SO	Mar 2005/ Feb 2013	1,029	no
0.1	5,002	0	2	5	6	15	28	9.0	0.0	SO	Nov 2009	1,710	yes (insignificant)
1.2	5,931	0	13	32	10	6	61	0.9	0.9	SO	Nov 2009	1,995	no
0.0	1,100	1	0	0	4	4	9	0.0	0.8	SO	Nov 2009/ Apr 2013	853	no
1.6	8,663	7	21	41	21	8	98	0.6	0.1	SO	Oct 2012	4,743	no
1.1	2,072	2	9	3	5	6	25	0.0	0.0	SO	Aug 2012	2,469	no
7.6	6,372	0	0	54	52	0	106	0.0	6.2	SO	Nov 2015	930	no
0.7	3,608	1	13	15	10	0	39	0.4	0.0	SO	Dec 2010	3,840	no
1.4	8,716	0	16	50	30	0	96	0.0	0.0	SO	Jun 2007	10,551	no
1.8	5,520	8	30	0	46	0	84	0.5	1.4	SO	Sep 2006	14,831	no
7.9	3,491	6	12	16	11	3	48	1.7	7.3	SO	Aug 2012	5,248	no
1.0	3,658	0	20	18	15	0	53	1.9	0.5	SO	Aug 2012	4,466	no
3.3	15,191	21	46	48	61	15	191	1.3	1.9	SO	Aug 2012	32,851	no
0.1	6,035	0	0	0	18	26	44	0.3	0.0	SO	Aug 2012	9,521	no
0.0	5,632	0	8	24	15	6	53	3.7	0.0	SO	Aug 2012	6,831	no
0.1	15,663	28	85	75	13	0	201	0.0	0.0	SO	Apr 2010	8,190	no
0.8	6,975	0	33	34	5	0	72	2.2	0.3	SO	Sep 2006	5,003	no
2.9	159,974	118	513	684	491	108	1,914	2.4	2.5			164,586	

⁴ Vacancy rate as at 31.12.2020 as a % of target rental income.

⁵ Data as at 31.12.2020 as a % of the total rentable area.

⁶ SO: sole ownership; con: condominiums.

⁷ Apartments and terraced homes.

⁸ Semi-detached and detached homes.

Details of investment properties under construction

Location, address	Economic area ¹	Description of property ²	Fair value in TCHF	Built
Lausanne, Avenue Edouard Dapples 9/13/15/15a	F	res	43,300	1925/1926
Zurich, Allmendstrasse 90, 92, 94, 96, 98, 100, 102, 104 (Manegg)	ZH	res/com	43,900	
Zurich, Friesenbergstrasse 75	ZH	com	76,530	1976
3 properties under construction			163,730	

Details of owner-occupied properties

Location, address	Economic area ¹	Description of property ²	Carrying amount in TCHF ³	Built
Küsnacht, Seestrasse 59 ⁴	ZH	com	8,380	2006
Lausanne, Rue de Genève 7	F	com ⁵	2,528	1932
2 properties⁶			10,908	

¹ F: French-speaking Switzerland; ZH: Zurich area.

Economic area-related overviews are presented on pages 12 to 14.

² Com: commercial property; res: residential property.

³ SO: sole ownership.

⁴ Excluding right-of-use asset and tenant improvements in a rented property in Küsnacht reported under owner-occupied properties (see Note 22).

⁵ Share in own use.

⁶ The target rental income for the owner-occupied properties is TCHF 1,020 for the economic area Zurich and TCHF 195 for the economic area French-speaking Switzerland.

Realisation period	Total rentable area in m ²	Ownership ³	Acquired	Site area in m ²	Register of polluted sites
2018/2020	7,218	SO	Apr 2013	5,246	yes (insignificant)
2020/2023	11,764	SO	Mar 2015	6,276	yes (insignificant)
2019/2020	16,811	SO	Feb 2014	6,823	no
	35,793			18,345	

Year renovated	Total rentable area in m ²	Ownership ³	Acquired	Site area in m ²	Register of polluted sites
	2,046	SO	Sep 2002	2,125	no
1992/2011	632	SO	Nov 2009	3,343	yes (insignificant)
	2,678			5,468	

Project descriptions

Lausanne, Avenue d'Ouchy 4 – 6

Project description	Mobimo has teamed up with the SBB to develop and realise a new district at Lausanne's main railway station (Rasude project). The site covers an area of around 19,000 m ² , more than 11,000 m ² of which is Mobimo's.
Project status/ estimated completion date	The design plan is scheduled to be published in 2022. The first phase of the project is expected to be completed in 2029.
Letting	Mobimo will not start to look for tenants until the project reaches a more advanced stage.

Lausanne, Avenue Edouard Dapples 9/13/15/15a

Project description	Extensive renovation work has been carried out on this property. An additional seven apartments have also been realised by developing the attic level.
Project status/ estimated completion date	The renovation project was carried out by a general contractor and completed in 2020. It was transferred to the portfolio on 1 January 2021.
Letting	The apartments and the commercial spaces have been let.

Lausanne, Rue de Genève 19, 21

Project description	In Lausanne's Le Flon district, the two buildings at Rue de Genève 19 and 21 (also known as Jumeaux) are being renovated for future commercial and leisure use.
Project status/ estimated completion date	Building permission was granted at the end of 2020, although the appeal period runs until the first quarter of 2021. If no appeals are lodged, construction is expected to begin in 2021, with completion scheduled for 2022.
Letting	Mobimo has started to look for tenants and has already held initial discussions with interested parties.

Zurich, Allmendstrasse 90, 92, 94, 96, 98, 100, 102, 104 (Manegg)

Project description	A modern residential development is being created for the company's own investment portfolio in the urban development area of Obere Allmend Manegg. 157 rental apartments and 864 m ² of ground-floor commercial space are being created in two buildings with a usable area of 11,764 m ² (residential component 93%, commercial component 7%) on a site covering an area of 6,276 m ² .
Project status/ estimated completion date	The project is being carried out by a general contractor. Construction started in 2020 and is expected to be completed in the first half of 2023.
Letting	Marketing for the residential component will commence at the beginning of 2022. A municipal nursery school will be the main tenant in the commercial component, occupying around half of the commercial space.

Zurich, Im Tiergarten 7

Project description	The Zurich, Im Tiergarten 7 project involves the conversion of a commercial property into a residential property. 59 apartments are being realised. The work is being carried out by a general contractor.
Project status/ estimated completion date	Building permission has been granted. Construction is due to start in the first quarter of 2021 and is scheduled to be completed in the first half of 2023. The property was reclassified to investment properties under construction as at 1 January 2021.
Letting	Mobimo plans to start looking for tenants at the beginning of 2022.

Zurich, Friesenbergstrasse 75

Project description	The building, which was constructed in 1976, has been renovated by a general contractor (mainly the façade, ground, upper and top floor). The thermal insulation and energy efficiency have been improved to reduce energy consumption and the floor spaces reorganised to better meet the needs of new and existing tenants.
Project status/ estimated completion date	The work was completed in 2020, and the property was transferred to the portfolio on 1 January 2021.
Letting	The majority of the space is let. Discussions are in progress with interested parties regarding the remaining space.

The remaining development properties not listed here (development properties and investment properties under construction) are currently still at an early stage in the project, which is why they are not described in more detail here.



Ernst & Young Ltd
Alpenquai 28b
P.O. Box
CH-6002 Lucerne

Phone: +41 58 286 77 11
Fax: +41 58 286 77 05
www.ey.com/ch

To the General Meeting of
Mobimo Holding AG, Lucerne

Lucerne, 29 January 2021

Statutory auditor's report on the audit of the consolidated financial statements



Opinion

We have audited the consolidated financial statements of Mobimo Holding AG and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020 and the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated cash flow statement and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (page 54–113) give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with the provisions of article 17 of the Directive on Financial Reporting (DFR) of SIX Swiss Exchange and with Swiss law.



Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the *International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code)* 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.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

Valuation of investment properties

Risk The valuation of investment properties is important for our audit as the valuation process contains material estimates and the respective properties with a carrying amount of CHF 3.1 billion represent the most significant position within the consolidated financial statements of the group. As disclosed in note «5. Investment properties» of the consolidated financial statements, the fair values are derived by an external appraiser based on the discounted cash flow method. These appraisals are based on various assumptions, particularly with regards to discount and capitalization rates, market rents and structural vacancy rates.

Our audit response Among other audit procedures we assessed the objectivity, independence and competence of the external appraiser as well as the valuation model used. Additionally, we assessed the key estimates used in the valuation by discussing them with the management and the external appraiser. Further, we performed in collaboration with our internal valuation specialists' analytical procedures on the total population of the investment properties and conducted our own valuations on a sample basis. For this sample, we validated the accuracy of property-specific data (including rental income, structural and specific vacancy rates, maintenance and repair costs).

Our audit procedures did not lead to any reservations concerning the valuation of investment properties.

Valuation and recognition of revenue and expenses for development projects and trading properties

Risk The valuation and recognition of revenue and expenses for development projects and trading properties is important for our audit as the valuation process contains material estimates and the contract assets and liabilities of CHF 32.3 million and CHF 2.4 million respectively, as well as development projects and trading properties of CHF 249.8 million and the resulting income and expenses of CHF 135.8 million and CHF 99 million respectively are significant for both the consolidated statement of financial positions as well as the consolidated income statement of the group. As disclosed in the notes to the consolidated financial statements under the section «Development projects and trading properties», as well as under position «9. Trading properties», the valuation of development projects and trading properties is significantly influenced by assumptions and estimates in relation to



expected sales proceeds, expected construction costs and future market developments. Additionally, disclosed under position «7. Profit on development projects and sale of trading properties» and position «8. Contract assets and liabilities», a significant portion of revenues and expenses for development projects and trading properties are recognized over time based on the percentage of completion (PoC) method. The timing and the amounts realized as profit as well as the recognition as contract assets or liabilities in the consolidated balance sheet are mainly based on assumptions of the responsible project manager and the management on the progress of the projects and the profit forecasts.

Our audit response

Among other audit procedures we have assessed the design of the internal processes relevant to the valuation of development projects and trading properties as well as to the revenue and cost recognition and the related controls. In a first step, we evaluated for selected projects whether the criteria for revenue recognition over time were met and validated the applied sales proceeds by inspection of the underlying contract. Furthermore, we tested the capitalization and allocation of the costs recorded in the project accounting and verified the work progress by comparison of the incurred construction costs to the total forecasted costs to completion of the specific project. We also conducted inquiries of various parties involved in the projects selected (including project manager, controlling, and management).

Our audit procedures did not lead to any reservations concerning the valuation of development projects and trading properties as well as the recognition of sales and expenses.

Deferred tax liabilities relating to property valuation differences

Risk

Deferred tax liabilities relating to property valuation differences were important for our audit as the process contains material estimates and as the deferred tax liabilities with CHF 206 million represent a significant position within the consolidated financial statements of the group. As disclosed in section «19. Income taxes» of the notes to the consolidated financial statements, deferred tax liabilities are calculated using the balance sheet liability method. Deferred tax liabilities are measured on the basis of tax rates (federal, cantonal and communal) which are expected to be applicable at the time a deferred tax liability is realized, or a deferred tax liability is released. This method is based on estimates especially related to the applicable tax rates and the expected holding period of the properties.



Our audit response

Among other audit procedures we validated management's assumptions relating to the estimated holding period and compared the tax rates used for income (federal, cantonal and communal) and property gains tax purposes with the currently applicable tax rates. Furthermore, we re-performed the calculation of changes in value and the classification of gains as either capital gains or depreciation recapture.

Our audit procedures did not lead to any reservations concerning deferred tax liabilities relating to property valuation differences.

Other matter

The consolidated financial statements of Mobimo Holding AG for the year ended 31 December 2019 were audited by another statutory auditor who expressed an unmodified opinion on those financial statements on 6 February 2020.



Other information in the annual report

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the website of EXPERTsuisse: <http://www.expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.



Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and the Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

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

Ernst & Young Ltd

Rico Fehr
Licensed audit expert
(Auditor in charge)

Katharina Gautschi
Licensed audit expert

Report of the independent valuation experts

Jones Lang LaSalle AG

Mandate

Jones Lang LaSalle AG (JLL) was commissioned by Mobimo Holding AG to perform the valuation (market value) for accounting purposes of the investment properties owned by the companies of the Mobimo Group (Mobimo) as at 31 December 2020. The valuation concerns all investment properties (including development properties and investment properties under construction) except trading properties (development and sale of condominiums).

Valuation standard

JLL confirms that the valuations were carried out within the framework of common national and international standards and guidelines, in particular in accordance with the International Valuation Standards (IVS, RICS/Red Book) and the Swiss Valuation Standards (SVS). Furthermore, the valuations were realised according to the SIX Swiss Exchange requirements.

Accounting standard

The market values determined for the investment properties represent the fair value as defined in the International Financial Reporting Standards (IFRS) on the basis of IAS 40 (Investment Property) and IFRS 13 (Fair Value Measurement).

Definition of fair value

The fair value is the price that would be received to sell an asset or paid to transfer a liability (debt) in an orderly transaction between market participants at the measurement date. An exit price is the selling price as stated in the purchase contract on which the parties have agreed. Transaction costs, typically consisting of brokerage commissions, transaction taxes and land registration and notary fees, are not taken into account in the fair value. The fair value is therefore, in accordance with clause 25 of IFRS 13, not corrected for the transaction costs incurred by the purchaser in a sale (gross fair value). This corresponds to the Swiss valuation practice.

The fair value valuation assumes that the hypothetical transaction for the asset being valued takes place on the market with the greatest volume and the largest business activity (principal market), as well as that transactions of sufficient frequency and volume occur so that sufficient pricing information is available for the market (active market). If such a market cannot be identified, a market for the asset is assumed that would maximise the selling price.

Realisation of fair value

The fair value is determined on the basis of the best possible use of a property (highest and best use). The best use is the use that maximises the property's value. This assumption of use must be technically/physically possible, legally permissible and financially feasible. As maximisation of utility is assumed in the determination of fair value, the highest and best use may differ from the actual or planned use. Future capital expenditure that will improve or increase the value of a property is taken into account appropriately in the fair value measurement.

The application of the highest and best use approach is based on the principle of materiality of the potential difference in value in relation to the value of the individual property and of the total real estate assets, as well as in relation to the possible absolute value difference. Potential increased real estate values that lie within the usual valuation tolerance of a single valuation are considered to be insignificant and are disregarded as a result.

The determination of fair value is dependent on the quality and reliability of measurement parameters, with decreasing quality and reliability: Level 1 market prices, Level 2 modified market prices and Level 3 model-based valuation. For a fair value appraisal of a property, different levels for different application parameters can be applied simultaneously. In such cases, the entire valuation is classified according to the lowest level of the fair value hierarchy that contains the major valuation parameters.

The investment properties of Mobimo are valued with a model-based valuation in accordance with Level 3, on the basis of input parameters not directly observable on the market. Adjusted Level 2 inputs (e.g. market rents, operational and maintenance costs, discount/capitalisation rates) are overlaid onto this. Non-observable inputs are only used when relevant observable inputs are not available.

The methodologies applied are appropriate in every circumstance and chosen in function of data availability, whereby the use of relevant observable inputs is maximised and use of non-observable inputs is minimised.

Valuation method

JLL values the investment properties of Mobimo Holding AG using the discounted cash flow (DCF) method. This determines the yield potential of a property on the basis of future income and expenditure. The resulting cash flows correspond to the current and projected net cash flows after deduction of all costs not recoverable from the tenant (before taxes and borrowing costs). The annual cash flows are discounted to the valuation date. The discount rate used is based on the interest rate on long-term, risk-free investments, such as a ten-year federal bond, plus a specific risk premium. This takes into account market risks and the higher illiquidity of properties compared with federal bonds. The discount rates vary according to the macro and micro situation and property segment.

In valuing the investment properties under construction, the residual valuation method can be applied. Under this method, the total construction costs of the project are subtracted from the future market value after completion. The underlying costs are related to preliminary works (e.g. demolition and infrastructural requirements), building and ancillary costs, and financing costs. After subtracting these costs from the market value after completion, taking into account the risk and time effect, a residual remains, which represents the economically justifiable amount to acquire the project.

Basis of the valuations

All properties are known to JLL through the inspections carried out and the documents provided. JLL conducted an analysis in terms of quality and risks (attractiveness and lettability of the rented premises, construction and condition, micro and macro location).

As a part of the revaluation services, JLL intends to inspect all investment properties every three years on a rolling basis. Furthermore, properties affected by major changes (e.g. completion of large renovation projects) compared with the former reporting period will also be visited, after consultation with Mobimo.

JLL confirms that all properties have been inspected in the last three years.

Valuation result

Taking into account the above statements, as at 31 December 2020 JLL assessed the market value of the 113 investment properties (including development properties and investment properties under construction) owned by Mobimo as follows:

<u>Asset class</u>	<u>No.</u>	<u>Fair value</u>
Commercial investment properties	64	CHF 1,613,720,000
Development properties	5	CHF 95,120,000
Residential investment properties	41	CHF 1,219,960,000
Investment properties under construction	3	CHF 163,730,000
Total investment properties	113	CHF 3,092,530,000

The valuation result in words:

Three billion ninety-two million five hundred and thirty thousand Swiss francs.

Impact of Covid-19 on the Swiss real estate market

The outbreak of the Novel Coronavirus (Covid-19), declared by the World Health Organization as a "Global Pandemic" on 11 March 2020, has affected many aspects of daily life and the global economy – with real estate markets experiencing lower levels of transactional activity and, in part, lower liquidity.

However, for the majority of properties owned by Mobimo and valued as at 31 December 2020, JLL considers that there exists an adequate amount of relevant market information upon which to base opinions of value for the concerned portfolio.

Only properties from the hotel and leisure sectors are subject to increased valuation uncertainty as at the valuation date. JLL currently assumes increased risks for these properties, since on the one hand the liquidity of these properties is estimated to be lower and on the other hand, rapid changes in tenant creditworthiness can be expected. Among the 113 properties assessed, JLL only declares increased valuation uncertainty in the valuation reports for the following seven properties:

- › Rue des Côtes-de-Montbenon 20/22/24, Lausanne
- › Place de l'Europe 6, Lausanne
- › Rue de Genève 23, Lausanne
- › Rue de la Vigie 3, Lausanne
- › Turbinenstrasse 20 (Mobimo Tower Hotel), Zurich
- › Am Mattenhof 16 (M1.2), Kriens
- › Brunnmatt 2/4/6, Cham

These seven properties comprise hotels or a very high proportion of leisure facilities. As at the valuation date, previous property transactions for such types of use are only representative to a limited extent in order to serve as a reference for market value assessments. This means that JLL must make the current assessments of value in these segments against the background of an unprecedented set of circumstances in response to Covid-19. The seven valuations in

Financial report

Report of the independent valuation experts

question are therefore reported as being subject to “increased valuation uncertainty” as per in VPS 3 and VGPA 10 of the RICS Red Book Global. Accordingly, the valuation results of these seven properties must be classified as less certain and a higher degree of caution should be attached to our valuation.

For the sake of clarity, the inclusion of the “increased valuation uncertainty” declaration above does not mean that the valuation cannot be relied upon. Rather, the phrase is – under the current extraordinary circumstances – declared in a professional manner and is used to provide clarification and transparency to all parties involved. The increased uncertainty clause is to be understood as a disclosure, not a disclaimer.

Although we reflect our general understanding of the status of the tenants to the best of our knowledge, we are not qualified to advise on the financial situation of the tenants. Based on the information currently available, we assume that the tenants have adequate covenant status. With the ongoing Covid-19 outbreak, uncertain trading and credit market conditions may lead to rapid changes in covenant strength as well as reduced stability of lease agreements.

In total, these seven properties for which increased uncertainty is reported solely account for 8.51% of the total portfolio value. Therefore, JLL considers the declared uncertainties to be negligible in the portfolio context.

Given the unknown future impact that Covid-19 may have on the real estate market, with many business practices and behaviors requiring either temporary or permanent change, we recommend you to keep the valuations under frequent review.

Changes during the reporting period

Within the reporting period from 1 January 2020 to 31 December 2020, the following commercial investment properties were sold:

- › St. Leonhardstrasse 22, St. Gallen
- › Lyon-Strasse 40, Basel

Within the reporting period from 1 January 2020 to 31 December 2020, the following residential investment property was sold:

- › Rue Beau-Séjour 8 (building section A and B), Lausanne

Within the reporting period from 1 January 2020 to 31 December 2020, the following commercial investment properties were bought:

- › Seestrasse 356, Zurich
- › Chemin de Mornex 3, Rue du Petit-Chêne 36, Lausanne

Over the same period, the commercial investment properties Rue de Genève 19 and Rue de Genève 21, Lausanne were combined into one property.

The property Am Mattenhof 6, Kriens was reclassified from investment properties under construction to residential investment properties. The properties Am Mattenhof 4, Am Mattenhof 8, Am Mattenhof 12/14, Am Mattenhof 16, Kriens and the properties Bahnhofstrasse 102, Aarau and Rue de la Vigie 3, Lausanne were reclassified from investment properties under construction to commercial investment properties. The property Rue des Côtes-de-Montbenon 16 (basement) was reclassified from owner-occupied properties to commercial investment properties. The property Allmendstrasse 90, 92, 94, 96, 98, 100, 102, 104, Zurich was reclassified from trading properties to investment properties under construction. The property Zürichstrasse 98, Dübendorf was reclassified from commercial investment properties to trading properties. The property Katzenbachstrasse 239, Zurich was reclassified from residential investment properties to trading properties.

Independence and purpose

In accordance with the business policy of JLL, the valuation of the properties held by subsidiaries of Mobimo Holding AG has been conducted independently and neutrally. It serves only the purpose previously mentioned. JLL assumes no liability to third parties.

The remuneration for the valuation services is independent of the valuation result and is based on consistent fee rates per property.

Jones Lang LaSalle AG Zurich, 8 January 2021



Daniel Macht, MRICS
Managing Director



Yasmine Ghulam, MRICS
Vice President

Appendix: valuation model and assumptions

Valuation model

JLL's DCF model is a two-phase model that determines the market value of the properties based on future cash flows. Based on a forecast of future income and expenditure over a detailed analysis period of ten years, the potential annual target rental income is identified and reduced by costs that cannot be passed on to tenants. The resulting cash flows thus correspond to the projected net cash flows after deduction of all costs not recoverable from tenants, but before financing and taxes. At the end of the detailed analysis period, a residual value (exit value) is determined on the basis of a perpetual annuity from the exit cash flow, as well as taking into account the future repair works incumbent on the owner. The market value is the sum of the net cash flows discounted to the valuation date over the detailed analysis period and the discounted residual value.

Discount and capitalisation rate

The discount rate used for the valuation is based on the interest rate on long-term, risk-free investments, such as a ten-year federal bond, plus a specific risk premium that takes into consideration the current situation in the transaction market in addition to the usage, location and size of the property. This risk premium thus takes into account market risks and the higher illiquidity associated with properties compared with federal bonds. The yield difference (spread) between a federal bond and a property investment is regularly verified by JLL on the basis of property transactions.

The nominal discount and real capitalisation rates are differentiated according to property with regard to macro and micro situation as well as property segments:

Asset class	Input factors	Minimum	Weighted average	Maximum
Commercial investment properties	Discount rate (nominal)	3.3%	4.1%	5.7%
	Capitalisation rate (real)	2.8%	3.6%	5.2%
Development properties	Discount rate (nominal)	3.4%	4.1%	5.5%
	Capitalisation rate (real)	2.9%	3.6%	5.0%
Residential investment properties	Discount rate (nominal)	2.9%	3.2%	3.7%
	Capitalisation rate (real)	2.4%	2.7%	3.2%
Investment properties under construction	Discount rate (nominal)	3.2%	3.6%	4.1%
	Capitalisation rate (real)	2.7%	3.1%	3.6%
Total Investment properties	Discount rate (nominal)	2.9%	3.7%	5.7%
	Capitalisation rate (real)	2.4%	3.2%	5.2%

Rental income

The valuations are based on the rental income at the valuation date of 31 December 2020. Starting from the current contractual rent, the annual target rental income and the time for its realisation are estimated. This assumption takes into consideration possible temporary rental controls due to the cantonal Residential Property Demolition, Conversion and Renovation Acts (LDTR, LPPPL) as well as the risk of new tenants contesting higher rents, without modelling these in detail. In the case of expiring commercial leases, sustainable market rents as assessed from today's point of view are applied. The market rents are based on the rental price databases and the property research of JLL. Usually the lower of market rent and contract rent is used for tenant-side lease renewal options.

Indexing

Rents for office and commercial spaces are normally linked to the national consumer price index (CPI), while rents for apartments are linked to the change in the reference interest rate calculated quarterly by the Swiss National Bank, but also include an inflation factor. Based on the forecasts of the relevant economic research agencies (KOF, BAK, SECO) for the trends in the CPI and mortgage interest rates, estimates are regularly made by JLL for the future indexing of the contractual rent, whereby the same assumptions are used for all valuations that are made on the same valuation date.

For the valuations on the valuation date, JLL assumed an annual increase of 0.50% in the first ten years in both commercial and residential rents. The contractually agreed percentage rates are taken into account in the valuations for each rental unit. The future rental income is linked 100% to the estimated inflation rate in cases of lack of information. The same growth rates are generally used for the future change in the market rents assessed from today's point of view as sustainable.

Vacancy

For expiring leases of retail and office spaces, a property and segment-specific vacancy is applied. This absorption time (vacancy in months after contract-end) is specifically determined for each property and usually lies between six and twelve months. In special cases, longer or shorter reletting scenarios can also be applied. The general vacancy risk is taken into consideration with a structural vacancy rate, which is also applied specifically to the property.

The market value determination of properties that are completely or partially vacant takes place on the assumption that re-letting will take a certain amount of time. Rent losses, rent-free periods and other incentives for new tenants that correspond to market standards at the date of valuation are taken into account in the assessment.

In the case of residential properties, no specific vacancies are usually applied, since the leases are usually open-ended. The normal tenant fluctuation is taken into account with the help of structural vacancies, which are applied specifically to the property.

Operating costs

The property operating costs are based in principle on the respective property accounts. The non-recoverable costs concern operating and maintenance costs that cannot be passed on to tenants due to contractual conditions or running costs that the owner must bear due to vacancy. JLL models all future running costs on the basis of the analysis of the historical figures and benchmarks.

Repair costs

As well as rental income, future repair costs are also very important. The investments considered during the ten-year DCF analysis period are based in part on the projections of the landlord or the property management company, plausibility-tested in advance by JLL.

The capital expenditure that will be needed on a long-term basis is calculated specifically for the property for the determination of the exit value on the assumption that, depending on the building method and use of the property, various parts of the building have limited life spans and therefore must be renewed cyclically. The amount converted into a capital expenditure fund in the exit year considers only the cost of the ongoing renovation of the property, which secures on a long-term basis the contractual and market rents on which the valuation is based.

Basis of valuation of investment properties under construction

As a basis for the valuation of the investment properties under construction, Mobimo provides capital budgets and further project documentation, which give detailed information about the project status (construction status, letting status), project development and construction costs already incurred or estimated and deadlines (expected completion date). JLL conducts plausibility checks on the documentation provided and feeds these into the valuations.

Balance sheet

TCHF	Note	31.12.2020	31.12.2019
Assets			
Current assets			
Cash		13,518	8,291
Other current receivables – participations		9,617	9,377
Accrued income and prepaid expenses – third parties		146	116
Total current assets		23,281	17,784
Non-current assets			
Financial assets			
› Loans – participations		1,080,471	929,776
Participations	2	565,545	565,545
Total non-current assets		1,646,016	1,495,320
Total assets		1,669,297	1,513,104

Financial report

Annual financial statements of Mobimo Holding AG: Balance sheet

TCHF	Note	31.12.2020	31.12.2019
Equity and liabilities			
Liabilities			
Current liabilities			
Trade payables – third parties		232	270
Current interest-bearing liabilities – bond	3	200,000	0
Other current liabilities – third parties		878	784
Other current liabilities – participations		253	0
Accrued expenses and deferred income – third parties		5,887	5,401
Accrued expenses and deferred income – governing bodies		23	85
Total current liabilities		207,273	6,540
Non-current liabilities			
Non-current interest-bearing liabilities – bonds	3	750,000	730,000
Total non-current liabilities		750,000	730,000
Total liabilities		957,273	736,540
Equity			
Share capital	4	88,461	154,476
Statutory capital reserves			
› Capital contribution reserve		18,789	18,765
Statutory retained earnings			
› General legal reserves		45,799	45,799
Voluntary retained earnings			
Retained earnings			
› Profit carried forward		558,634	497,349
› Profit for the year		2,335	61,286
Treasury shares		-1,994	-1,110
Total equity		712,024	776,565
Total equity and liabilities		1,669,297	1,513,104

Income statement

TCHF	Note	2020	2019
Income from participations		0	58,000
Income from cost charges – participations		1,700	1,944
Financial income – participations		14,116	14,105
Financial income – third parties		95	5
Total income		15,910	74,053
Personnel expenses	5	-1,048	-1,129
Administrative expenses – third parties		-1,876	-1,953
Interest expense for bonds		-10,220	-9,093
Other financial expense – third parties		-102	-108
Direct taxes		-330	-484
Total expenses		-13,575	-12,767
Profit for the year		2,335	61,286

Notes to the annual financial statements

1. General information

The annual financial statements of Mobimo Holding AG, with its registered office in Lucerne, were prepared in accordance with the provisions of Swiss accounting and financial reporting law (title 32 of the Swiss Code of Obligations). The main valuation principles used that are not prescribed by law are listed at the beginning of the relevant note.

The consolidated annual financial statements of Mobimo Holding AG are prepared in accordance with International Financial Reporting Standards (IFRS). These annual financial statements therefore do not contain any additional disclosures, a cash flow statement or management commentary. All amounts are shown in thousands of Swiss francs (TCHF), unless stated otherwise. The sums and totals of the individual positions may be larger or smaller than 100% due to rounding.

2. Equity investments

Name	Registered office	Share capital 2020 in TCHF	Equity interest in %	Share capital 2019 in TCHF	Equity interest in %
Directly held participations					
Mobimo AG	Küsnacht	72,000	100.0	72,000	100.0
Mobimo Management AG	Küsnacht	100	100.0	100	100.0
Mobimo FM Service AG	Küsnacht	100	100.0	100	100.0
LO Holding Lausanne-Ouchy SA	Lausanne	12,000	100.0	12,000	100.0
Immobilien-gesellschaft Fad-matt AG	Küsnacht	3,260	100.0	3,260	100.0
BSS&M Real Estate AG	Küsnacht	500	100.0	500	100.0
Kumag AG ¹	Küsnacht	n/a	n/a	300	100.0
Indirectly held participations					
Mobimo Zürich Nord AG	Küsnacht	100	100.0	100	100.0
LO Immeubles SA	Lausanne	2,000	100.0	2,000	100.0
Promisa SA	Lausanne	100	100.0	100	100.0
CC Management SA	Geneva	4,700	100.0	4,700	100.0
O4Real SA	Lausanne	1,000	100.0	1,000	100.0
Petit Mont-Riond SA	Lausanne	50	100.0	50	100.0
Indigo Suisse SA	Lausanne	6,000	50.0	6,000	50.0
Flonplex SA	Lausanne	2,000	40.0	2,000	40.0

¹ As part of a restructuring of the companies within the scope of consolidation, Kumag AG was absorbed by Mobimo AG with retroactive effect from 1 January 2020.

Further information on the Group companies can be found in Note 29 to the consolidated annual financial statements.

3. Bonds

Accounting principles

Bonds are recognised in the balance sheet at nominal value. Issuance costs upon issue are offset against any premiums. Any resulting surplus is recognised in the balance sheet as accrued expenses and deferred income, whereas a negative figure is recognised in the income statement. The surplus carried in the balance sheet is depreciated over the remaining term of the bond.

A CHF 200 million bond maturing on 19 May 2021 was issued on 19 May 2014. The coupon is 1.625%.

A CHF 150 million bond maturing on 16 September 2024 was issued on 16 September 2014. The coupon is 1.875%.

A CHF 225 million bond maturing on 20 March 2026 was issued on 20 March 2017. The coupon is 0.75%.

A CHF 155 million bond maturing on 2 October 2023 was issued on 2 October 2018. The coupon is 0.875%.

A CHF 200 million bond maturing on 23 March 2028 was issued on 23 March 2020. The coupon is 0.25%.

4. Equity

Accounting principles

Treasury shares

Treasury shares are recognised in the balance sheet at the time of acquisition and at cost as a minus item in equity. The FIFO (first-in, first-out) principle is applied to determine the carrying amount in the event of a later resale.

Share capital

The Annual General Meeting of 31 March 2020 approved a capital reduction of CHF 10.00 per share in the form of a nominal value reduction with the release of funds. The reduction in share capital was recorded in the Commercial Register on 2 July 2020 and paid out to shareholders on 15 July 2020. The share capital was reduced by CHF 66 million as a result. As at 31 December 2020, the share capital was therefore CHF 88.5 million and was composed of 6,601,547 registered shares with a nominal value of CHF 13.40 each. All outstanding shares – i.e. all shares in issue less treasury shares – are entitled to dividends and confer the right to one vote per share at the company's general meetings.

There was no change in share capital in the previous year.

Treasury shares

As at 31 December 2020, the company held 7,430 treasury shares. Over the course of the financial year, the initial holding of 4,382 shares as at 1 January was increased through the purchase of a total of 5,000 shares at an average price of CHF 271.26. 1,952 shares were granted to the Board of Directors and management as part of their compensation arrangements.

Capital contribution reserves

Capital contribution reserves grew by CHF 0.024 million in the year under review as a result of the nominal value reduction.

5. Participation rights for members of the Board of Directors

Accounting principles

The number of shares to which a Board member is entitled is calculated based on the share price applicable on the date of allocation. The value of the allocated shares is charged as a personnel expense to the income statement, while the difference between the share price and the carrying amount is reported in the financial result in accordance with the FIFO principle.

859 shares with a value of CHF 0.225 million were allocated to the Board of Directors in the year under review. No shares were allocated to the Board of Directors in the previous year. Further information can be found in Note 18 to the consolidated annual financial statements.

6. Shareholdings of members of the Board of Directors and Executive Board or related parties

As at 31 December 2020, the shareholdings of the members of the Board of Directors and the Executive Board or parties related to them were as set out below:

Name, function	No. of shares issued	No. of shares approved	Total 2020	Total 2019
BoD	7,141	0	7,141	18,622
Peter Schaub, BoD Chairman	356	0	356	120
Daniel Crausaz, BoD	1,552	0	1,552	1,947
Brian Fischer, BoD	1,189	0	1,189	1,066
Bernard Guillemon, BoD	3,933	0	3,933	3,846
Bernadette Koch, BoD	111	0	111	10
Martha Scheiber, BoD	0	0	0	n/a
Wilhelm Hansen, BoD	n/a	n/a	n/a	5,121
Christoph Caviezel, BoD	n/a	n/a	n/a	6,512
Executive Board	1,776	2,363	4,139	9,987
Daniel Ducrey, CEO	243	928	1,171	265
Stefan Hilber, CFO	0	93	93	n/a
Gerhard Demmelmair, Head of Portfolio and Transactions	0	42	42	n/a
Christoph Egli, Head of Property Management and Site Management	49	388	437	53
Vinzenz Manser, Head of Realisation	1,142	456	1,598	1,155
Marco Tondel, Head of Development	342	456	798	355
Manuel Itten, CFO	n/a	n/a	n/a	6,369
Marc Pointet, Head of Mobimo Suisse romande	n/a	n/a	n/a	1,790

At the Annual General Meeting of 31 March 2020, the shareholders elected Dr. Martha Scheiber as a new member of the Board of Directors. She succeeded Wilhelm Hansen, who as announced did not stand for re-election. Dr. Christoph Caviezel stepped down from the Board of Directors on 21 April 2020.

Stefan Hilber took over as CFO with effect from 1 November. He succeeded Manuel Itten, who left Mobimo on 31 July 2020. Marc Pointet, former Head of Mobimo Suisse romande, left the company in the first half of the year. Gerhard Demmelmair joined the Executive Board and assumed responsibility for the Portfolio and Transactions business area on 1 December 2020.

The approved number of shares from the profit-sharing entitlement of the Executive Board was based on the assumption that a ratio of 50% as stipulated in the compensation regulations applies.

7. Significant shareholders

As at the reporting date, the following shareholders held 3% or more of the shares and options in Mobimo Holding AG:

%	31.12.2020	31.12.2019
Credit Suisse Funds AG	5.50	5.50
BlackRock, Inc.	3.92	4.95
UBS Fund Management (Switzerland) AG	3.00	3.08
Dimensional Holding Inc.	3.00	3.00
Pensionskasse des Kantons Zug	n/a	3.18

8. Headcount

As a holding company, Mobimo Holding AG has no employees.

9. Contingent liabilities

Mobimo Holding AG forms a VAT group together with BSS&M Real Estate AG, CC Management SA, LO Holding Lausanne-Ouchy SA, LO Immeubles SA, Mobimo AG, Mobimo FM Service AG, Mobimo Management AG, Mobimo Zürich Nord AG, O4Real AG, Petit Mont-Riond SA, Promisa SA and Immobiliengesellschaft Fadmatt AG. Mobimo Holding AG is jointly and severally liable for the liabilities arising from the VAT group.

As part of an external financing arrangement, Mobimo Holding AG gave an undertaking in a letter of comfort to ensure that Mobimo AG maintains equity of at least CHF 100 million.

Mobimo Holding AG is liable as joint and several debtor for all obligations of Mobimo Zürich Nord AG existing or arising in connection with a project of the latter.

10. Events after the reporting date

No significant events took place after the reporting date that would require adjustments to the carrying amounts of assets and liabilities or would require disclosure in this section.

Proposed appropriation of profit

TCHF	2020	2019
Balance brought forward	558,634	497,349
Profit for the year	2,335	61,286
Retained earnings	560,969	558,634
Treasury shares	-1,994	-1,110
Total available to the General Meeting	558,975	557,524
The Board of Directors proposes the following appropriation of profit to the General Meeting:		
Carried forward to new account	560,969	558,634
Total appropriation of profit proposed	560,969	558,634
Treasury shares	-1,994	-1,110
Appropriation of profit proposed less treasury shares	558,975	557,524

The Board of Directors plans to propose a capital reduction of CHF 10.00 per share in the form of a nominal value reduction at the upcoming Annual General Meeting of 30 March 2021. The distribution will be made once the capital reduction process has been completed (expected to be the end of June).



Ernst & Young Ltd
Alpenquai 28b
P.O. Box
CH-6002 Lucerne

Phone: +41 58 286 77 11
Fax: +41 58 286 77 05
www.ey.com/ch

To the General Meeting of
Mobimo Holding AG, Lucerne

Lucerne, 29 January 2021

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of Mobimo Holding AG, which comprise the balance sheet, income statement and notes (page 137–143), for the year ended 31 December 2020.



Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.



Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements 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 entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements for the year ended 31 December 2020 comply with Swiss law and the company's articles of incorporation.



Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other matter

The financial statements of Mobimo Holding AG for the year ended 31 December 2019 were audited by another statutory auditor who expressed an unmodified opinion on those financial statements on 6 February 2020.



Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a para. 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of 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.

Ernst & Young Ltd

Rico Fehr
Licensed audit expert
(Auditor in charge)

Katharina Gautschi
Licensed audit expert

EPRA key performance measures

The Mobimo Group reports its key performance and cost ratio measures in accordance with the Best Practices Recommendations of the EPRA Reporting and Accounting Committee as published in October 2019. The European Public Real Estate Association is an association of leading European property companies and is a partner of the FTSE EPRA/NAREIT index family, which added the Mobimo Holding AG share as one of its components

on 20 June 2011. The figures published elsewhere by Mobimo on NAV, net initial yield and vacancy rates may deviate from the EPRA measures set out below, as Mobimo does not, for example, include the market value of trading properties, which are recognised at cost, and bases its calculations on effective rents. However, when calculating earnings per share Mobimo does take account of gains on the sale of trading and investment properties.

Summary table EPRA Performance Measure		Unit	2020	2019
EPRA Performance Measure				
A	EPRA Earnings	TCHF	48,996	60,194
	EPRA Earnings per share	CHF	7.43	9.12
B	EPRA NRV	TCHF	1,866,675	1,836,530
	EPRA NRV per share	CHF	283.08	278.38
	EPRA NTA	TCHF	1,735,647	1,706,771
	EPRA NTA per share	CHF	263.21	258.71
	EPRA NDV	TCHF	1,525,990	1,482,283
	EPRA NDV per share	CHF	231.42	224.68
	EPRA NAV	TCHF	1,823,437	1,796,422
	EPRA NAV per share	CHF	276.52	272.30
	EPRA NNNAV	TCHF	1,515,268	1,480,724
	EPRA NNNAV per share	CHF	229.79	224.45
C	EPRA Net Initial Yield (NIY)	%	3.7	3.8
	EPRA "topped-up" NIY	%	3.7	3.8
D	EPRA Vacancy Rate	%	5.5	3.8
E	EPRA Cost Ratio (including direct vacancy costs)	%	25.8	25.0
	EPRA Cost Ratio (excluding direct vacancy costs)	%	23.4	22.5

The definitions of the above key performance measures can be found at www.epra.com.

A EPRA Earnings and EPRA Earnings per Share		Unit	2020	2019
Earnings per IFRS income statement		TCHF	96,612	103,161
(i)	Changes in value of investment properties, development properties held for investment and other interests	TCHF	-34,255	-51,547
(ii)	Profits or losses on disposal of investment properties, development properties held for investment and other interests	TCHF	-1,612	-6,376
(iii)	Profits or losses on sales of trading properties and development services adjusted	TCHF	-24,697	15,631
(iv)	Tax on profits or losses on disposals	TCHF	5,390	-1,339
(v)	Negative goodwill/goodwill impairment	TCHF	n/a	n/a
(vi)	Changes in fair value of financial instruments and associated close-out costs	TCHF	334	-1,029
(vii)	Acquisition costs on share deals and non-controlling joint venture interests	TCHF	n/a	n/a
(viii)	Deferred tax in respect of EPRA adjustments	TCHF	7,223	1,692
(ix)	Adjustments (i) to (viii) above in respect of joint ventures	TCHF	0	0
(x)	Non-controlling interests in respect of the above	TCHF	0	0
EPRA Earnings		TCHF	48,996	60,194
Average no. of shares outstanding			6,598,312	6,597,864
EPRA Earnings per Share		CHF	7.43	9.12

The Earnings per IFRS income statement for the year under review and the EPRA Earnings for the year under review include rent waivers totalling CHF 6.5 million as a result of the coronavirus crisis. Without these rent waivers and the related tax effect, the EPRA Earnings per Share for the year under review would have been CHF 8.25.

The Earnings per IFRS income statement of the previous year and the EPRA Earnings for the previous year include a positive effect of CHF 12.6 million from a net decrease in deferred tax liabilities which were recognised through profit and loss. Without this effect, the EPRA Earnings per Share for the previous year would have been CHF 7.22.

The definitions of the above key performance measures can be found at www.epra.com.

Financial report

EPRA key performance measures

B EPRA Net Asset Value Metrics	Unit	EPRA NRV 31.12.2020	EPRA NTA 31.12.2020	EPRA NDV 31.12.2020	EPRA NAV 31.12.2020	EPRA NNAV 31.12.2020
IFRS Equity attributable to shareholders	TCHF	1,564,843	1,564,843	1,564,843	1,564,843	1,564,843
Include/exclude						
i) Hybrid instruments	TCHF	n/a	n/a	n/a	0	0
Diluted NAV	TCHF	1,564,843	1,564,843	1,564,843	1,564,843	1,564,843
Include						
ii.a) Revaluation of IP (if IAS 40 cost option is used)	TCHF	n/a	n/a	n/a	n/a	n/a
ii.b) Revaluation of IPUC (if IAS 40 cost option is used)	TCHF	n/a	n/a	n/a	n/a	n/a
ii.c) Revaluation of other non-current investments	TCHF	12,732	12,732	12,732	12,732	12,732
iii) Revaluation of tenant leases held as finance leases	TCHF	n/a	n/a	n/a	n/a	n/a
iv) Revaluation of trading properties	TCHF	7,636	7,636	7,636	7,636	7,636
Diluted NAV at Fair Value	TCHF	1,585,211	1,585,211	1,585,211	1,585,211	1,585,211
Exclude						
v) Deferred tax in relation to fair value gains of IP	TCHF	205,134	102,567		205,134	205,134
vi) Fair value of financial instruments	TCHF	33,092	33,092		33,092	33,092
vii) Goodwill as a result of deferred tax	TCHF	n/a	n/a	n/a	n/a	n/a
viii.a) Goodwill as per the IFRS balance sheet	TCHF		n/a			
viii.b) Intangibles as per the IFRS balance sheet	TCHF		-6,842			
Include						
ix) Fair value of fixed interest rate debt	TCHF			-59,221		-59,221
x) Revaluation of intangibles to fair value	TCHF	0				
xi) Real estate transfer tax	TCHF	43,238	21,619			
Fair value of derivative financial instruments	TCHF	n/a	n/a	n/a		-35,498
Deferred tax	TCHF	n/a	n/a	n/a		-213,449
NAV	TCHF	1,866,675	1,735,647	1,525,990	1,823,437	1,515,268
Fully diluted no. of shares		6,594,117	6,594,117	6,594,117	6,594,117	6,594,117
NAV per share	CHF	283.08	263.21	231.42	276.52	229.79

The definitions of the above key performance measures can be found at www.epra.com.

B EPRA Net Asset Value Metrics		Unit	EPRA NRV 31.12.2019	EPRA NTA 31.12.2019	EPRA NDV 31.12.2019	EPRA NAV 31.12.2019	EPRA NNAV 31.12.2019
IFRS Equity attributable to shareholders		TCHF	1,532,256	1,532,256	1,532,256	1,532,256	1,532,256
Include/exclude							
i) Hybrid instruments	TCHF	n/a	n/a	n/a	0	0	
Diluted NAV		TCHF	1,532,256	1,532,256	1,532,256	1,532,256	1,532,256
Include							
ii.a) Revaluation of IP (if IAS 40 cost option is used)	TCHF	n/a	n/a	n/a	n/a	n/a	n/a
ii.b) Revaluation of IPUC (if IAS 40 cost option is used)	TCHF	n/a	n/a	n/a	n/a	n/a	n/a
ii.c) Revaluation of other non-current investments	TCHF	25,407	25,407	25,407	25,407	25,407	25,407
iii) Revaluation of tenant leases held as finance leases	TCHF	n/a	n/a	n/a	n/a	n/a	n/a
iv) Revaluation of trading properties	TCHF	2,894	2,894	2,894	2,894	2,894	2,894
Diluted NAV at Fair Value		TCHF	1,560,557	1,560,557	1,560,557	1,560,557	1,560,557
Exclude							
v) Deferred tax in relation to fair value gains of IP	TCHF	200,790	100,395		200,790	200,790	
vi) Fair value of financial instruments	TCHF	32,646	32,646		32,646	32,646	
vii) Goodwill as a result of deferred tax	TCHF	n/a	n/a	n/a	n/a	n/a	
viii.a) Goodwill as per the IFRS balance sheet	TCHF		n/a				
viii.b) Intangibles as per the IFRS balance sheet	TCHF		-8,096				
Adjustments to positions above in respect of Bridge joint ventures	TCHF	n/a	n/a	n/a	2,429	2,429	
Include							
ix) Fair value of fixed interest rate debt	TCHF			-78,274			-78,274
x) Revaluation of intangibles to fair value	TCHF	0					
xi) Real estate transfer tax	TCHF	42,537	21,269				
Fair value of derivative financial instruments	TCHF	n/a	n/a	n/a			-32,646
Deferred tax	TCHF	n/a	n/a	n/a			-204,778
NAV		TCHF	1,836,530	1,706,771	1,482,283	1,796,422	1,480,724
Fully diluted no. of shares			6,597,165	6,597,165	6,597,165	6,597,165	6,597,165
NAV per share		CHF	278.38	258.71	224.68	272.30	224.45

The definitions of the above key performance measures can be found at www.epra.com.

Financial report

EPRA key performance measures

C EPRA Net Initial Yield	Unit	31.12.2020	31.12.2019
Investment properties – wholly owned	TCHF	3,092,530	3,026,100
Investment properties – share of joint ventures/funds	TCHF	0	43,343
Trading property	TCHF	249,793	259,332
Less developments	TCHF	-210,185	-396,943
Completed property portfolio	TCHF	3,132,139	2,931,833
Allowance for estimated purchasers' costs	TCHF	0	0
Gross up completed property portfolio valuation (B)	TCHF	3,132,139	2,931,833
Annualised cash passing rental income	TCHF	132,051	127,508
Direct cost of investment properties	TCHF	-16,208	-17,247
Annualised net rents (A)	TCHF	115,843	110,261
Add: additional notional rent expiration of rent-free periods or other lease incentives	TCHF	0	0
Topped-up net annualised rent (C)	TCHF	115,843	110,261
EPRA net initial yield (A/B)	%	3.7	3.8
EPRA "topped-up" net initial yield (C/B)	%	3.7	3.8

D EPRA Vacancy Rate	Unit	31.12.2020	31.12.2019
Estimated rental income potential from vacant space	TCHF	7,024	4,449
Estimated rental income from overall portfolio	TCHF	128,539	116,016
EPRA Vacancy Rate	%	5.5	3.8

The definitions of the above key performance measures can be found at www.epra.com.

E EPRA Cost Ratios		Unit	2020	2019
EPRA Costs				
Include				
(i)	Administrative operating expense lines per IFRS income statement			
	Direct expenses for rented properties	TCHF	17,493	18,344
	Deduction for direct expenses for development and trading properties	TCHF	-1,732	-4,530
	Personnel expenses	TCHF	29,997	28,928
	Deduction for personnel expenses for development and trading properties	TCHF	-20,682	-20,013
	Operating and administrative expenses	TCHF	11,570	11,172
	Deduction for operating and administrative expenses for development and trading properties	TCHF	-8,466	-7,880
(ii)	Net service charge costs/fees	TCHF	0	0
(iii)	Management fees less actual/estimated profit element	TCHF	0	0
(iv)	Other operating income/recharge intended to cover overhead expenses less any related profit	TCHF	0	0
(v)	Share of Joint Ventures expenses	TCHF	0	0
Exclude				
(vi)	Investment Property depreciation	TCHF	n/a	n/a
(vii)	Ground rent costs	TCHF	0	0
(viii)	Service charge costs recovered through rents but not separately invoiced	TCHF	0	0
EPRA Costs (including direct vacancy costs) (A)		TCHF	28,179	26,021
(ix)	Direct vacancy costs	TCHF	2,614	2,663
EPRA Costs (excluding direct vacancy costs) (B)		TCHF	25,565	23,359
EPRA Rental Income				
Gross Rental Income less ground rent costs		TCHF	109,346	103,916
Gross Rental Income (C)		TCHF	109,346	103,916
EPRA Cost Ratio (including direct vacancy costs) (A/C)		%	25.8	25.0
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)		%	23.4	22.5

Own-account services of approximately CHF 3.2 million (prior year: CHF 4.1 million) were capitalised on investment properties. These capitalised own-account services have not been deducted from the above cost ratios.

Mobimo capitalises development and construction costs. Mobimo also capitalises operating expenses (e.g. expenses for lawyers, project management or personnel) and borrowing costs if these expenses and costs are directly attributable to the development or construction project.

The definitions of the above key performance measures can be found at www.epra.com.

Financial report

EPRA key performance measures

CapEx	Unit	2020	2019
Acquisitions	TCHF	68,655	0
Development	TCHF	17,641	68,314
Investment properties	TCHF	11,373	21,196
Capitalised interest	TCHF	362	1,183
Total CapEx	TCHF	98,031	90,693
Conversion from accrual to cash basis	TCHF	-25,247	-4,503
Total CapEx on cash basis	TCHF	72,784	86,189

For further information concerning CapEx and capitalisation accounting principles see Note 5 Investment properties.

Like-for-like growth 2020	Unit	Commercial properties	Residential properties	Total like-for-like growth	Not included	Total
Income from rental of investment properties	TCHF	65,383	41,500	106,883	12,800	119,683
Market value	TCHF	1,299,280	1,205,050	2,504,330		2,504,330
Total market value	TCHF	1,613,720	1,219,960	2,833,680	259,318	3,092,998
Percentage of market value	%	80.5	98.8	88.4		81.0
Absolute like-for-like growth	TCHF	135	-184	-49		
Percentage like-for-like growth	%	0.2	-0.4	-0.0		

Like-for-like growth 2019	Unit	Commercial properties	Residential properties	Total like-for-like growth	Not included	Total
Income from rental of investment properties	TCHF	56,949	40,338	97,287	23,836	121,123
Market value on the basis of like-for-like growth	TCHF	1,109,370	1,136,750	2,246,120		2,246,120
Total market value	TCHF	1,366,910	1,222,690	2,589,600	438,640	3,028,240
Percentage of market value	%	81.2	93.0	86.7		74.2
Absolute like-for-like growth	TCHF	-166	34	-132		
Percentage like-for-like growth	%	-0.3	0.1	-0.1		

Like-for-like change by area	Unit	31.12.2020	31.12.2019
Zurich	%	-2.5	-0.4
French-speaking Switzerland	%	2.3	-0.6
North-western Switzerland	%	-0.5	2.8
Eastern Switzerland	%	0.7	0.8
Central Switzerland	%	2.0	1.1

The like-for-like growth of investment properties that are classified as commercial or residential properties is analysed (see Note 5 Investment properties). The analysis considers which properties were classified in the same categories as in the previous year and how the rental income changed during the year. Reclassified properties, development properties and properties under construction are not included.

The definitions of the above key performance measures can be found at www.epra.com.

Five-year overview

	Unit	2016	2017	2018	2019	2020	Change in %
Results of operations							
Net rental income	CHF million	96.2	94.1	94.0	106.7	105.1	-1.5
Profit on development projects and sale of trading properties	CHF million	23.9	24.7	6.2	3.0	36.8	1,117.4
Profit on disposal of investment properties	CHF million	34.9	27.5	29.0	6.4	1.6	-74.7
EBIT	CHF million	200.3	142.3	133.6	134.0	145.8	8.8
EBIT excluding revaluation	CHF million	119.6	115.0	91.7	82.5	111.5	35.2
Tax expense	CHF million	-15.1	-24.4	-19.4	-5.1	-21.6	320.2
Profit	CHF million	159.4	91.5	90.3	103.1	96.6	-6.3
Profit ¹	CHF million	158.7	91.6	90.6	103.2	96.6	-6.3
Profit excluding revaluation ¹	CHF million	99.4	71.9	59.2	61.7	69.7	13.0
Financial position							
Non-current assets	CHF million	2,502.7	2,642.8	2,931.4	3,093.8	3,150.1	1.8
Current assets	CHF million	529.0	552.9	433.7	369.5	469.8	27.1
Equity as at 31.12.	CHF million	1,366.3	1,399.1	1,513.5	1,532.3	1,564.8	2.1
Equity ratio	%	45.1	43.8	45.0	44.2	43.2	-2.3
Liabilities	CHF million	1,665.4	1,796.6	1,851.6	1,931.1	2,055.1	6.4
> current	CHF million	203.2	288.5	165.9	270.7	395.5	46.1
> non-current	CHF million	1,462.2	1,508.1	1,685.7	1,660.4	1,659.5	-0.1
Share figures							
Earnings per share	CHF	25.52	14.74	14.26	15.64	14.64	-6.4
Earnings per share excluding revaluation	CHF	15.99	11.56	9.32	9.35	10.56	12.9
NAV per share (diluted)	CHF	217.33	222.58	228.48	232.26	237.31	2.2
Distribution yield	%	3.9	3.8	4.3	3.5	3.5	0.0
Payout ratio	%	39.2	67.8	70.1	63.9	68.3	6.9
Year-end price	CHF	254.75	261.50	234.00	288.50	286.00	-0.9
Average number of shares traded per day	Number	10,035	7,516	7,439	11,256	12,098	7.5
Market capitalisation	CHF million	1,584.1	1,626.1	1,544.8	1,904.5	1,888.0	-0.9
Share price – High	CHF	254.75	279.25	268.00	291.50	319.00	9.4
Share price – Low	CHF	206.10	250.25	217.00	234.00	234.50	0.2
Portfolio figures							
Overall portfolio ²	CHF million	2,765.6	2,799.1	3,077.9	3,297.7	3,353.2	1.7
> Investment properties ²	CHF million	2,111.5	2,111.6	2,318.1	2,600.1	2,844.6	9.4
> Development properties ³	CHF million	654.1	687.5	759.8	697.6	508.6	-27.1
Gross yield from investment properties	%	5.3	5.1	4.6	4.5	4.5	0.0
Net yield from investment properties	%	4.1	4.0	3.7	3.7	3.5	-5.4
Investment property vacancy rate	%	4.8	4.9	2.9	3.8	5.5	44.7

¹ Attributable to the shareholders of Mobimo Holding AG.

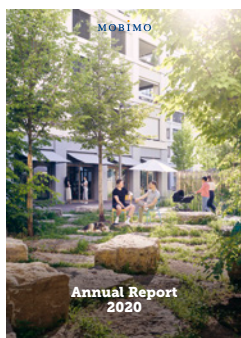
² Including owner-occupied properties, excluding owner-occupied tenant improvements and excluding right-of-use assets.

³ Excluding right-of-use assets.

Additional information

Publication overview

Annual report



Half-year report



Sustainability report



Mobimo publishes information on its business performance every six months. The annual report is available in German, English and French, with the French report being an abridged version. The half-year report is published in German and English. The sustainability report is released once a year in both German and English. The original German version is always binding.

All of the publications and further information are available at www.mobimo.ch.

Publishing details

Overall responsibility and editing:
Mobimo Holding AG

Development of content and design concept, consulting and production:
PETRANIX AG, Corporate and Financial Communications, Wollerau/Switzerland
www.PETRANIX.com

Photos:
Markus Bertschi, Zurich (www.markusbertschi.com)
Roman Keller, Zurich (www.romankeller.info)
Raphael Hefti, Zurich (www.raphaelhefti.com)

Cover image:
One of seven publicly accessible courtyards of the Labitzke site, completed in 2018.

Contact addresses

Mobimo Holding AG

Rütligasse 1
CH-6000 Lucerne 7
Tel. +41 41 249 49 80
info@mobimo.ch

Mobimo Management AG

Seestrasse 59
CH-8700 Küsnacht
Tel. +41 44 397 11 11
info@mobimo.ch

Mobimo Management SA

Rue de Genève 7
CH-1003 Lausanne
Tel. +41 21 341 12 12
info-lausanne@mobimo.ch

Contact for investors

Tanja Nay
Tel. +41 44 397 11 97
ir@mobimo.ch

Contact for media

Marion Schihin
Tel. +41 44 397 11 86
medien@mobimo.ch

Share register

ShareCommService AG
Tel. +41 44 809 58 58
info@sharecomm.ch





Mobimo Holding AG

Rütligasse 1
CH-6000 Lucerne 7
Tel. +41 41 249 49 80
info@mobimo.ch
www.mobimo.ch