Neue Haus

Neue Haus AG

Neue Haus AG	CHF42.5m Term Loan
HR A (G)	HR A (G)
Stable Outlook	Stable Outlook

Credit Rating Agency

Corporates
March 26, 2026
*A NRSRO Rating***

2026
HR A (G)
Stable Outlook

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HR Ratings assigned the rating of HR A (G) with a Stable Outlook for Neue Haus AG, and its CHF42.5m Term Loan

The rating assigned to Neue Haus AG and its CHF42.5m Term Loan for the development of Trais Sulais project is supported by the years of payment over the projected period (0 years from 2026-2029, considering the maximum potential value for this metric), as the Company is projected to report negative net debt between 2026 and 2029 due to cash inflows generated from pre sales beginning in 2025. As of February 2026, 7 of the 12 units have been notarized presold alongside an average deposit amount of 23.4% of the purchase price with the remaining units being presold by the project's mandatory completion date of June 2027 whilst reaching the sales milestone of CHF64.0m. Additionally, we expect all units to be delivered and fully paid for by 2027. In this context, we estimate a cumulative free cash flow (FCF) generation of CHF52.8m between 2026-2029. We expect that the proceeds from the sales of the units will allow the Company to fully repay the credit facility by the second half of 2027. It is important to note that during the project's construction phase no revenue was recorded as deposits are recorded under other liabilities and will be recognized as revenue upon the project's completion in June 2027. Based on these assumptions, we estimate an average DSCR and DSCR with cash of 1.6x and 2.0x, respectively, between 2026 and 2029. The rating incorporates two negative adjustments reflecting project execution risk and the project's reliance on timely collection of pre-sale deposits to reach sales milestones.

Neue Haus AG Results, Forecasted and Rating Metrics (Figures in millions of CHF)

	Reported	Base Scenario				Stress Scenario				Weighted Avg.		Degree
Fiscal Year	2025	2026	2027	2028	2029	2026	2027	2028	2029	Base	Stress	of Stress
Total Revenue	0.0	0.0	70.9	0.0	0.0	0.0	42.9	15.2	10.2	28.5	22.5	-21.0%
EBITDA	0.0	0.0	23.6	0.0	0.0	0.0	11.8	3.6	1.6	9.5	5.9	-38.4%
EBITDA Margin	n.a	n.a	33.3%	n.a	n.a	n.a	27.5%	23.7%	16.2%	n.a	n.a	n.a.
Free Cash Flow	-29.2	27.3	25.6	0.0	0.0	9.9	10.9	15.2	10.2	15.6	11.6	-25.8%
Debt Service	3.0	1.7	43.5	0.0	0.0	1.8	45.6	21.3	7.7	17.8	24.9	39.9%
Total Debt	31.5	40.1	0.0	0.0	0.0	44.2	23.3	7.3	-0.0	7.8	19.7	151.4%
Net Debt	23.9	-2.8	-26.2	0.0	0.0	18.6	10.1	-3.8	-0.0	-11.1	6.9	-161.9%
DSCR	0.0x	2.3x	0.6x	2.3x	2.3x	2.3x	0.2x	0.7x	0.0x	1.6x	0.7x	-55.9%
DSCR with Cash	0.0x	2.3x	1.6x	2.3x	2.3x	2.3x	0.8x	1.3x	0.0x	2.0x	1.1x	-46.3%
Net Debt to FCF	21.0	0.0	1.7	0.0	0.0	21.0	20.0	0.0	0.0	0.7	12.1	1725.3%
MALC	0.7	0.8	1.7	1.7	1.7	0.7	1.1	1.7	1.7	1.5	1.2	-16.6%

Source: HR Ratings based on its projections and Company's historical information.
* Based on our methedology the highest value for Years of Payment, DSCR, DSCR with cash, and MALC are 0, 2.3x, 4.2x and 1.7 respectively. Similarly the lowest values from our methedology are 21, 0x, 0x, 0.

General Overview

- **Project Overview.** The project consists of the refurbishment of an existing residential building located in Celerina, St. Moritz, Switzerland. The development includes 12 residential apartments ranging from 3.5 room to 5.5 room layouts, with living areas between 108 square meters (sqm) and 245 sqm distributed across three floors plus an attic level. The building includes an underground parking facility with 24 parking spaces available for purchase. The project, led by Neue Haus AG which is part of Lika Group AG is scheduled for completion in June 2027 and has a total budget of CHF55.8m.
- **Unit and selling price.** Trais Sulais is selling 12 apartment units including seven 3.5 room units, four 4.5 room units, and one 5.5 room penthouse as well as 24 parking spaces. As of February 2026, seven units are notarized presold with an additional unit being reserved and four units available for purchase. The average deposit amount for the pre-sold units is CHF1.4m or 23.4% of the purchase price.
- **Project Funding.** The project will be funded with a CHF42.5m Term Loan, equity funding of CHF10.2m and a use from pre-sale deposits of CHF2.7m. The Term Loan will be subject to an interest rate of a margin of 4.5%, a fixed rate of 0.25% totaling 4.75% interest rate and matures in May 2028. Due to the notarized pre sales which have been accounted for as of February 2026, we anticipate the company to fully pay off the credit facility at the time of project completion in June 2027.

Future Assumptions

- **Revenue Generation.** Our projections assume revenue recognition beginning in the second half of 2027, when the project is expected to reach completion. At that stage, pre-sale deposits and proceeds from unit sales generated during the period will be recognized as revenue, resulting in CHF70.9m in total revenue for 2027.
- **EBITDA and Free Cash Flow.** EBITDA is projected to reach CHF23.6m, reflecting the timing of revenue recognition associated with the project. Over the 2026-2027 period the Company is expected to generate cumulative Free Cash Flow (FCF) of CHF52.8m.

- **Debt.** Total debt is expected to reach CHF42.5m in 2027, primarily reflecting drawdowns under the construction loan facility. The facility is scheduled to mature in May 2028. However, we consider the Company to have sufficient revenue to fully repay the outstating debt in 2027.

Additional Factors Considered

- **Project Risk.** The development remains subject to construction risks, including potential delays, cost overruns, or execution challenges that could extend the construction timeline beyond initial expectations. Any delay in project completion could postpone revenue recognition and reduce free cash flow relative to our base case. As a result, a negative adjustment has been assigned to the rating.
- **Dependency on pre-sale deposits.** The project relies on the timely collection of presale deposits to fund a portion of development costs. If unit sales progress more slowly than expected, lower revenue generation could reduce deposit inflows and potentially result in the project not achieving the required sales milestone under the credit agreement which would result in a technical default. Due to this, the rating has been assigned a negative adjustment.
- **Sovereign risk.** The assigned rating considers the sovereign risk of Switzerland where the Company operates, resulting in a weighted average equivalent of HR AAA (G).

Factors that could upgrade the rating

- **Timely project completion.** Completion of construction within the expected timeline and budget would reduce execution risk and could result in the removal of one of the negative qualitative adjustments.
- **Timely collection of pre-sale deposits.** Achieving the targeted deposit collection of CHF64.0m by the June 2027 required pre-sale date, this could lead in the removal of one of the negative qualitative adjustments.

Factors that could downgrade the rating

- **Sales Milestone.** In the scenario where the Company is not able to finalize the sufficient amount of presales to meet the CHF64.0m sales milestone by the required completion date of June 2027, the Company can face default, this could result in a downgrade for the rating.
- **Changes in sovereign rating.** If the Sovereign Rating of Switzerland where the Company operates is lowered, the rating could have a downgrade.

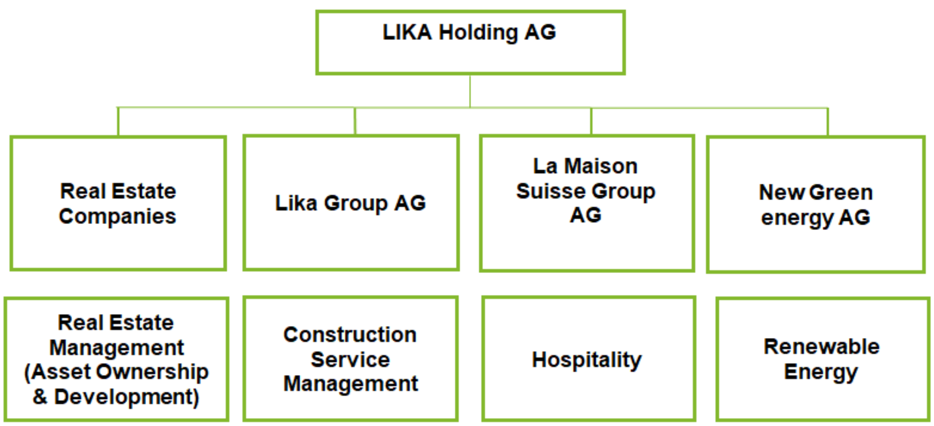
Project Background

Sponsor

Neue Haus AG (Neue Haus or the Company) is the borrower under the CHF42.5m Credit Facility as well as the property owner responsible for refurbishment of an existing residential building named Trais Sulais (The Property or the Project) which is a 12-apartment residential building which will be refurbished and sold located in Celerina, Switzerland. It is also important to mention that the Company is backed by a Sponsor as detailed below:

Lika Group AG (Lika) is a Swiss-based, vertically integrated real estate developer founded in 2012, operating primarily in the German-speaking region of Switzerland. The group has evolved from an initial scaffolding business into a fully integrated platform within house capabilities across planning, design, construction and operations, executing projects through its own contracting arm. As of March 2025, Lika has completed and is developing 63 projects across Switzerland, representing total Gross Development Value (GDV) of approximately CHF2.1 billion (b), with more than 200 buildings constructed and around 2,600 residential units delivered. The portfolio is predominantly residential, including luxury villas, multi-family homes and aparthotels, and is geographically diversified across several cantons, notably Aargau and Zurich. The group employs approximately 120 internal staff and 230 external personnel, supporting scaled execution capacity. In 2024, Like established La Maison Suisse AG as an aparthotel operating platform, enabling the group to retain and manage select assets, generate recurring income streams, and further reinforce its vertically integrated model.

Figure 1. Sponsor Structure



Source: HR Ratings based on Company's information provided by a third party.

Project Description

Trais Sulais

The property subject of this report is Trais Sulais (The Project), the refurbishment of an existing residential building located in Celerina, St. Moritz, Switzerland. The development comprises 12 residential units ranging from 3.5 to 5.5 rooms with 108 square meters (sqm) to 245 sqm of living space, arranged over three floors plus an attic. The building includes an underground car park with 24 spots available for purchase, basement rooms with private cellars, a private wellness area, wine cellar and dedicated laundry rooms for each apartment. The façade will remain unchanged in character and position, with design elements aligned to the typical regional appearance of Graubünden. The units will incorporate modern building automation systems, geothermal heat pump technology with underfloor heating and cooling, and controlled ventilation systems consistent with Minergie certification requirements. The project is currently under construction, with completion expected in March 2027. As of February 2026, seven units are presold and one unit is reserved, leaving 4 units for sale.

Figure 2. Project's Overview

Source: HR Ratings bases on the Company's historical information provided by a third party.

Property Background

The Property was originally constructed in 1992 and was acquired in 2022 by Neue Haus AG (the Borrower and the Developer) which is part of Lika Group, with the objective of converting the existing apartment building into 12 luxury second-home units for sale. The Project will be developed by Lika, which will act as a general contractor. In addition, Lika has appointed a local construction management firm, Alpen Architekten AG, to oversee on-site execution and manage buyer selection and processing.

Unit Mix

The unit mix comprises of 12 luxury apartments, divided into seven 3.5 room units, four 4.5 room units, and one 5.5 room unit. The 3.5 room apartments range from approximately 141 sqm to 187 sqm, the 4.5 room units range from 210 sqm to 227 sqm, and the 5.5 room penthouse comprises approximately 300 sqm of living space. The 3.5 room apartments are priced between CHF5.0m and CHF6.4m, depending on floor level and size. Of the seven units, four have been sold, one is reserved, and two are available. The 4.5 room apartments are priced between CHF7.1m and CHF7.6m, two units have been sold, and two units are available. The sole 5.5 room apartment has been presold for CHF8.9m. Internally, the apartments are delivered to a high standard with clearly defined finish allowances included within the purchase price. Kitchen systems are budgeted at CHF150.0 thousand (k) per unit, while flooring allowances are set at CHF400.0 per sqm for parquet, natural stone or ceramic finishes. Bathroom wall coverings are similarly budgeted at CHF400.0 per sqm, with total bathroom fit out budgets ranging from CHF50.0k and CHF70.0k depending on apartment size. In addition, each unit includes allowances of CHF50.0k for specialty features such as spa areas, wine cellars, lounge elements, fireplaces and bespoke carpentry. It is important to note that all sales are notarized sales, and the sale price includes parking, which is sold at an additional cost.

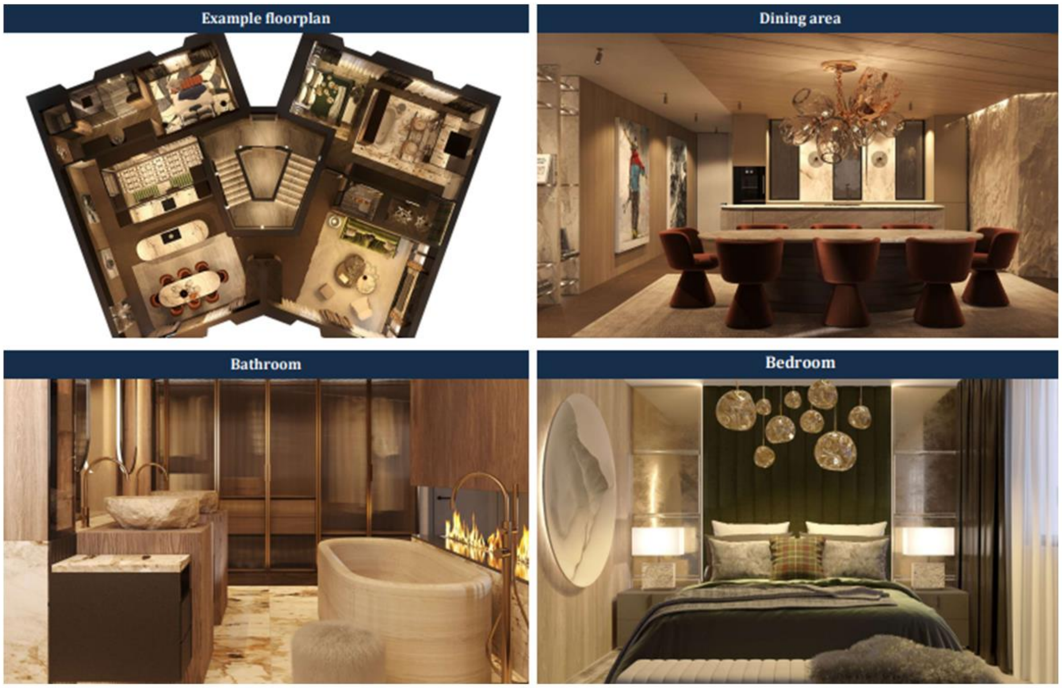
Figure 3. Unit Mix, Trais Sulais

Unit No.	No. Rooms	Status*	Sqm	Sale Price**	% of Total Units	Sale Price / sqm***
1	3.5	Sold	184	5.5	7.4%	29.9
2	3.5	Sold	186	5.3	7.2%	28.6
3	3.5	Reserved	187	5.7	7.7%	30.5
4	4.5	Available	210	7.5	10.1%	35.6
5	3.5	Available	183	6.2	8.3%	33.9
6	3.5	Sold	190	5.5	7.4%	28.9
7	3.5	Sold	142	5.0	6.7%	35.1
8	3.5	Available	141	5.0	6.7%	35.2
9	4.5	Available	212	7.1	9.5%	33.4
10	4.5	Sold	211	6.2	8.3%	29.3
11	4.5	Sold	227	6.5	8.7%	28.5
12	5.5	Sold	300	8.9	12.0%	29.7
Total			**2,373**	**74.3**	**100.0%**	**31.3**

Source: HR Ratings bases on the Company's historical information provided by a third party.
*As of February, 2026
** Figures in million of CHF
*** Figures in thousands of CHF

Additionally, residences incorporate smart home functionality through touchscreen -controlled lighting, automated blinds and zoned heating management, alongside video intercom and secure access control. Heating and cooling are provided via a geothermal heat pump system connected to ground source probes, distributing heat through underfloor systems with individual room temperature control, the same system will cool in the summer months.

Figure 4. Interior Layout

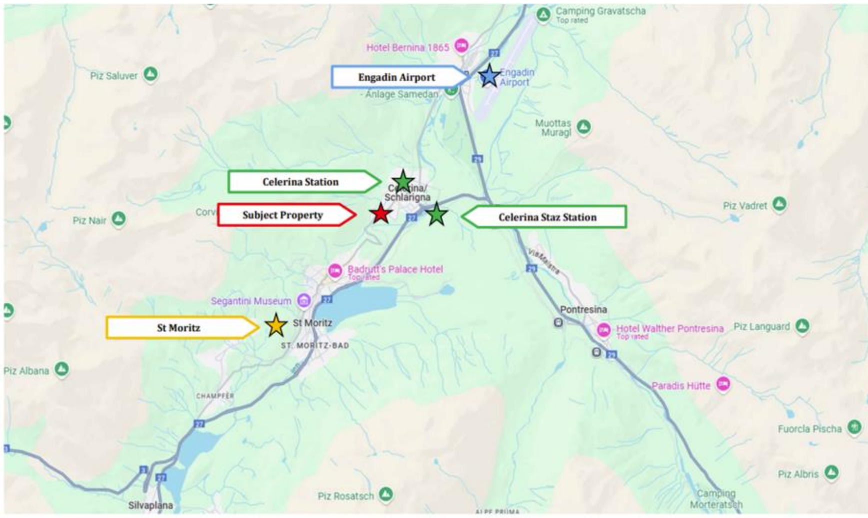


Source: HR Ratings bases on the Company's historical information provided by a third party.

Location

The property is located at Vitta Palintschnieu 7/9 7505 Celerina/Schlarigna, in the upper Engadine valley within the canton of Graubünden, Switzerland. Celerina is 4.5 kilometers (km) away from St. Moritz, one of Switzerland's most internationally alpine destinations, and benefits from the broader Engadine regions established tourism and hospitality infrastructure. The area is characterized by a high-altitude valley setting with continental climate, featuring cold winters, mild summers and over 300 days of sunshine annually. The property is within walking distance of the Marguns gondola lift, providing direct access to Corviglia ski area, and is located near St. Moritz-Celerina Olympic bobsleigh track. The winter season typically runs from late November to early April, while the summer seasons extends from June to October, supporting year-round tourism activity. The micro location represents an established residential quarter offering proximity to the village Centre while maintaining an elevated position with open alpine views. The property is well connected via Celerina Station and Celerina Staz Station both regional railway stations providing connections from major Swiss cities.

Figure 5. Project's Location



Source: HR Ratings bases on the Company's historical information provided by a third party.

Budget

According to the Project Monitor Survey, the development costs amount to CHF55.8m including Value Added Tax (VAT). As of February 2026, construction is reported to be progressing in line with the agreed timeline, with no cost overruns identified. Invoices received to date total approximately CHF22.3m, aligned with the milestone-based payment structure under the contract. Overall, committed packages remain in line with the approved budget. Trais Sulais is on track to reach Practical Completion in June 2027.

Figure 6. Projects Budget (Figures in millions of CHF)

Cost Item	CHF
Land Acquisition	16.5
Stamp Duty & Other	0.4
Bank Interest on Loans	2.9
Land & Acquisition Costs	**19.8**
Preliminary Works & Investigations	1.2
Construction / Build Costs	21.3
Landscaping / External Works	0.9
Professional Fees	5.1
Planning Permission / Permit App	0.1
Other Developer Direct Costs	2.7
Costruction costs	**31.4**
Finance Related Costs	0.6
Finance Costs	3.9
Debt Headroom	0.2
Client Financing Costs	**4.7**
Total Budget	**55.8**

Source: HR Ratings bases on the Company's historical information provided by a third party.

The projects construction will be funded by three sources. The first consist of a CHF42.5m Term Loan which matures in May 2028 with an interest rate consisting of a margin of 4.5%, a fixed rate of 0.25% totaling 4.75% interest rate. This facility additionally carries a commitment fee of 1.6%, an exit fee of 1.0%, an upfront fee of 1.0% and a agency fee totaling CHF0.08m CHF payable quarterly. The second funding source corresponds to equity provided by the sponsor and the third funding source are deposits collected from presales of the units.

Figure 7. Project's Sources Breakdown (Figures in millions of CHF)

Sources	Amount	Uses	Amount
Total Debt	42.5	Net land acquisition costs	19.8
Equity	10.2	Construction Costs	31.4
Use from Deposits	2.7	Finance Related Costs	0.6
Exit Fee / Make Whole	0.4	Finance Costs	3.9
		Loan Headroom	0.2
Total	**55.8**		**55.8**

Source: HR Ratings bases on the Company's historical information provided by a third party.

Industry Overview

Celerina / St. Moritz – Luxury Second Home Market

Market Context

The upper Engadine region, anchored by St. Moritz and including neighboring Celerina, represents one of Europe's most established alpine luxury residential markets. Demand is structurally supported by St. Moritz's positioning as a globally recognized resort destination, with year-round tourism, strong international appeal, and limited development land. Celerina benefits from immediate proximity with a 10-minute drive while offering comparatively tighter supply dynamics and limited competing new build product. The Swiss residential market overall is characterized by political stability, low public debt (24.0% of GDP), conservative lending practices, and historically long-term interest rates. Following the interest rate normalization cycle that peaked in 2023-2024, inflation has moderated below 2.0% and the Swiss National Bank (SNB) policy rate has returned to 0% as of mid-2025, supporting renewed transaction activity and improved buyer sentiment.

Supply and Demand Dynamics

Residential supply in the Upper Engadine is heavily constrained by regulatory frameworks, most notably the Second Home Act, which restricts the development of new second homes in municipalities where the second-home share exceeds 20.0%. In St. Moritz, the second home ratio is estimated at 55.0%, effectively limiting new-build pipeline activity. As a result, housing stock growth has averaged approximately 1.0% per annum over the last decade. Availability rates in the region remain structurally low, with supply ratios of 2.0% - 3.0% for condominiums. New high-quality schemes are scarce, and recent years have seen limited comparable products delivered or under construction in Celerina.

Demand for alpine second homes remains robust, driven by wealth preservation motives, lifestyle appeal, and Switzerland's safe-haven status. The region recorded over 1.7 million overnight stays in 2023, one of the strongest results of the past decade, underscoring the sustained attractiveness of the destination. While transaction volumes softened during the 20222-interest rate tightening phase, activity has since stabilized. Investors and private buyers remain active in prime locations, particularly for well-located, high-quality units with string architectural design and energy efficiency credentials.

Pricing Environment

Transaction price trends over the past decade reflect sustained upward momentum in both single-family homes and condominiums, with a structural step up during the pandemic years followed by normalization at elevated levels. According to market sources, high end condominium in St. Moritz can achieve up to CHF25.0k per sqm. Ultra prime properties, including hillside villas, can exceed CHF 40.0k per sqm. International benchmarking places St. Moritz among the top global luxury resort markets, with prime pricing broadly aligned with leading European alpine destinations.

Scenario Analysis

Based on the information and assumptions for future periods, HR Ratings carried out an analysis taking into consideration the main metrics related to cash generation for the payment of financial obligations within a baseline scenario and stress scenario. It is important to note that our rating period runs from 2025 to 2030. However, we start projecting the sources and uses in 1Q26.

As of February 2026, the project has generated seven notarized resales with an average deposit of 23.4%. Based on the agreed prices for these presales, the contracted units reflect an average discount of 13.4% relative to the original listed price. Consistent with this trend, we assume that the same discount level will be applied to the remaining units sold in future periods. Under the base scenario, we forecast an additional five units to be presold during 2026, with those units presold having deposits collected every quarter until the client delivery date of all units by 4Q27. According to the term of the Credit Agreement, the sales milestone requires that the borrower enters into notarized sale agreements for units with an aggregate value of CHF44.0m and registered unit sale agreements totaling at least CHF20.0m by the date of practical completion which is June 2027. Based on our projections, this requirement is met, as cumulative deposits collected through June 2027 amount to CHF70.9m meeting the threshold under the agreement. It is important to note that all pre-sale deposits are recognized under other liabilities and will be recognized as revenue upon the project completion date in June 2027.

Figure 8. Deposits Evolution Breakdown (Figures in millions of CHF)

	Reported	Base Scenario			
No. Rooms	**2025**	**2026**	**2027**	**2028**	**2029**
3.5	1.3	2.8	1.4	0.0	0.0
3.5	1.0	2.9	1.4	0.0	0.0
3.5	0.0	3.5	2.2	0.0	0.0
4.5	0.0	3.0	3.5	0.0	0.0
3.5	0.0	2.8	2.6	0.0	0.0
3.5	1.5	2.7	1.3	0.0	0.0
3.5	1.2	2.5	1.3	0.0	0.0
3.5	0.0	1.7	2.6	0.0	0.0
4.5	0.0	2.4	3.8	0.0	0.0
4.5	1.5	3.1	1.6	0.0	0.0
4.5	1.5	3.3	1.7	0.0	0.0
5.5	2.1	4.6	2.3	0.0	0.0
Total Deposits	**10.1**	**35.2**	**25.6**	**0.0**	**0.0**
Units Pre Sold	7	5	0	0	0
Units Sold	0	0	12	0	0
Avg price per sqm	29,861	29,861	29,861	29,861	29,861

Source: HR Ratings based on its projections and Company's historical information.

Regarding cost of sales, we estimate that construction costs and land acquisition costs will be accumulated as part of the inventory. At the completion of the construction process in the second half of 2027, these costs will begin to be recognized in line with the sale attributed to units being sold, therefor decreasing inventories balance. It is estimated that throughout the base scenario there will be a total COGS of CHF47.3m which represents 50.0% of total revenue. The cost of sales is the same as the Project's original budget in regard to Land acquisition and construction costs.

Figure 9. Revenue and EBITDA (Figures in millions of CHF)

	Reported	Base Scenario				Annual Percentage Change			
Fiscal Year	**2025**	**2026**	**2027**	**2028**	**2029**	**2026**	**2027**	**2028**	**2029**
Total Revenue	0.0	0.0	70.9	0.0	0.0	n.a	n.a	-100.0%	n.a
Cost of Goods Sold	0.0	0.0	47.3	0.0	0.0	n.a	n.a	-100.0%	n.a
Gross Profit	0.0	0.0	23.6	0.0	0.0	n.a	n.a	-100.0%	n.a
EBITDA	**0.0**	**0.0**	**23.6**	**0.0**	**0.0**	n.a	n.a	-100.0%	n.a
Gross Margin*	n.a	n.a	33.3%	n.a	n.a	n.a	n.a	n.a.	n.a.
EBITDA Margin*	n.a	n.a	33.3%	n.a	n.a	n.a	n.a	n.a.	n.a.

Source: HR Ratings based on its projections and Company's historical information.
*Margin changes in basis points.

In terms of working capital, we forecast a provision of -CHF39.3m in 2025 and -CHF8.0m mainly reflecting the capitalization of construction and land acquisition related costs into inventories, which are projected to be completed by June 2027. Thereafter, we assume inventory inflows will track the pace of sales as associated costs are recognized through the income statement. As sales are recognized fully by 2027 this will leave an inventory balance of CHF0. As a result, we estimate the project will generate a cumulative FCF of approximately CHF29.2m during 2026-2027. Furthermore, as pre-sale deposits are collected, they will accumulate under other liabilities until the project's practical completion in June 2027 where they will therefore be recognized as revenue.

Figure 10. Free Cash Flow Generation (Figures in millions of CHF)

	Reported	Base Scenario				Annual Absolute Change			
Fiscal Year	**2025**	**2026**	**2027**	**2028**	**2029**	**2026**	**2027**	**2028**	**2029**
EBITDA	**0.0**	**0.0**	**23.6**	**0.0**	**0.0**	0.0	23.6	-23.6	0.0
Other CF from Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Inventory	-39.3	-8.0	47.3	0.0	0.0	31.3	55.2	-47.3	0.0
Other Liabilities	10.1	35.2	-45.3	0.0	0.0	25.1	-80.5	45.3	0.0
Working Capital	**-29.2**	**27.3**	**2.0**	**0.0**	**0.0**	56.5	-25.3	-2.0	0.0
Free Cash Flow	**-29.2**	**27.3**	**25.6**	**0.0**	**0.0**	**56.5**	**-1.7**	**-25.6**	**0.0**

Source: HR Ratings based on its projections and Company's historical information.

Financing Structure

In terms of debt, the project was partially funded by a CHF42.5m Term Loan which CHF22.5m of the initial drawdown was used to refinance previous debt. At the end of 2025 the Term Loan was used to fund construction costs, financing fees and other fees. In our base scenario, we project the Company to make draws in line with the inventory capitalization which will begin in 1Q26 and finish in June 2027. According to the budget and building schedules provided by a third party, expected completion of the project is June 2027 with the credit facility maturing May 2028. Regarding interest expense, the loan has a total interest rate of 4.75% which will be paid quarterly with loan draws. Additionally, the project was funded through a combination of sales deposits gathered through presales of the units as well as an equity investment totaling CHF10.2m through June 2027. In terms of debt metrics, DSCR and DSCR with cash, according to our methodology, will be assigned the weakest value of 0x in 2025 due to a negative FCF and a positive debt service. However, throughout 2026-2029 DSCR will average 1.9x. Similarly, according to our methodology Years of payment will have a maximum numerical value (but the weakest rating value) of 21 years in 2025 due to a negative FCF and a positive Net Debt but thereafter being assigned 0 years (the maximum rating value) through 2026-2029 due to a positive FCF and a negative net debt. Finally, MALC will be 0.7x in 2025 0.8x in 2026 and a maximum value of 1.7x throughout 2028 and 2029.

Figure 11. Net Debt Evolution (Figures in millions of CHF)

	2025	2026	2027	2028	2029	2026	2027	2028	2029
Free Cash Flow	**-29.2**	**27.3**	**25.6**	**0.0**	**0.0**	**56.5**	**-1.7**	**-25.6**	**0.0**
Net interest payments	-3.0	-1.7	-1.0	0.0	0.0	1.4	0.7	1.0	0.0
Equity contributions	9.0	1.2	0.0	0.0	0.0	-7.8	-1.2	0.0	0.0
Chg. in cash before financing	**-23.3**	**26.8**	**24.6**	**0.0**	**0.0**	**50.1**	**-2.2**	**-24.6**	**0.0**
Net new financing	**-22.5**	**0.0**	**-42.5**	**0.0**	**0.0**	**22.5**	**-42.5**	**42.5**	**0.0**
Total debt amortizations	-22.5	0.0	-42.5	0.0	0.0	22.5	-42.5	42.5	0.0
Change in cash	**7.6**	**35.3**	**-16.8**	**-26.2**	**0.0**	**27.7**	**-52.1**	**-9.4**	**26.2**
Change in gross debt	31.5	-8.6	40.1	0.0	0.0	-40.1	48.7	-40.1	0.0
Change in Net Debt	23.9	-26.7	-23.4	26.2	0.0	-50.7	3.4	49.5	-26.2
Total Debt	**31.5**	**40.1**	**0.0**	**0.0**	**0.0**	**8.6**	**-40.1**	**0.0**	**0.0**
Net Debt	**23.9**	**-2.8**	**-26.2**	**0.0**	**0.0**	**-26.7**	**-23.4**	**26.2**	**0.0**

Source: HR Ratings based on its projections and Company's historical information.

Stress Scenario

The Stress Scenario expected by HR Ratings takes into consideration an adverse environment for the Company, in which it would not be possible to achieve the operating results for the following years assumed in the Base Scenario and consequently results in less favorable rating metrics.

- Under the stress scenario, we have considered that the Company applied a larger discount of 23.4% compared to 13.4% in the base scenario in order to sell all of the units. This has decreased revenue in the stress scenario to a total of CHF68.3m compared to CHF70.9m in the base scenario leading to a difference of 2.8%.
- Weighted average EBITDA would reach CHF5.9m compared to CHF9.5m in the base scenario Consequently, the accumulated weighted average EBITDA presents a difference of 38.4% between the base and stress scenarios. This would be caused by an increase in the projects budget related to cost overruns.
- FCF will lower due to a decrease in EBITDA to a average of CHF11.6m in the stress scenario (vs. CHF13.2m in the base scenario) resulting in a difference of 25.8%.
- As a result of the lower FCF, debt metrics will worsen with a weighted average DSCR and DSCR with cash of 0.7x and 1.1x compared to 1.6x and 2.0x respectively in the base scenario. Years of payment will also worsen to a weighted average of 12.1 years compared to 0.7 years in the base scenario.

Evaluation of ESG Factors

According to the information provided by a third party, the Company underwent an ESG analysis considering the following main factors:

Environmental Factors: Average

The project is located in the Alpine Region, where climate resilience and environmental stewardship are important considerations for real estate development. Environmental risks may include physical climate risks associated with extreme weather events, as well as transition risks linked to evolving environmental regulations. Market participants are increasingly evaluating properties based on emissions performance, energy efficiencies, and environmental impact metrics. Overall, environmental factors has been assigned an Average label.

Social Factors: Average

Key aspects include tenant usage, occupant wellbeing, mobility, accessibility, and the overall social value created by the development. The project is expected to contribute to the local economy through construction activity and ongoing property operations while also providing high quality residential units in a well-established Alpine destination. Accessibility and inclusive design considerations, as well as the potential for positive community engagement, support the project's social profile. As a result, social factor has been assigned to an average label.

Governance Factors: Average

The Trais Sulais project is promoted by Lika Group, a real estate development and investment firm specializing in residential projects in Switzerland and other European markets, and Neue Haus AG, a luxury real estate brokerage and advisory firm with a strong presence in the Swiss Alpine real estate market. The involvement of established sponsors with experience in high-end residential developments and Alpine real estate markets supports the project's execution and commercialization strategy. For this reason, Governance factors has been assigned an Average label.

Base Scenario: Balance Sheet (Figures in millions of CHF)

	2025	2026F	2027F	2028F	2029F
TOTAL ASSETS	**46.9**	**90.2**	**26.2**	**0.0**	**0.0**
Short-Term Assets	**46.9**	**90.2**	**26.2**	**0.0**	**0.0**
Cash and Equivalents	7.6	42.9	26.2	0.0	0.0
Inventories	39.3	47.3	0.0	0.0	0.0
Long-Term Assets	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
TOTAL LIABILITIES	**41.6**	**85.4**	**0.0**	**0.0**	**0.0**
Short-Term Debt	0.0	40.1	0.0	0.0	0.0
Long-Term Liabilities	**41.6**	**45.3**	**0.0**	**0.0**	**0.0**
Long-Term Debt	31.5	0.0	0.0	0.0	0.0
Deposits	10.1	45.3	0.0	0.0	0.0
EQUITY	**5.3**	**4.8**	**26.2**	**0.0**	**0.0**
Majority Equity	**5.3**	**4.8**	**26.2**	**0.0**	**0.0**
Contributed Capital	9.0	10.2	10.2	10.2	10.2
Cumulative Earnings and Others	0.0	-3.7	-5.4	-10.2	-10.2
Current Earnings	-3.7	-1.7	21.4	0.0	0.0
Total Debt	**31.5**	**40.1**	**0.0**	**0.0**	**0.0**
Net Debt	**23.9**	**-2.8**	**-26.2**	**0.0**	**0.0**

Source: HR Ratings forecasts based on the Company's historical information provided by a third party.

Base Scenario: Income Statement (Figures in millions of CHF)

	2025	2026F	2027F	2028F	2029F
Total Revenue	**0.0**	**0.0**	**70.9**	**0.0**	**0.0**
Cost of Goods Sold	0.0	0.0	47.3	0.0	0.0
Gross Profit	**0.0**	**0.0**	**23.6**	**0.0**	**0.0**
EBITDA	**0.0**	**0.0**	**23.6**	**0.0**	**0.0**
Interest Expenses	3.0	1.7	1.0	0.0	0.0
Other Financial Expenses	0.6	0.0	1.3	0.0	0.0
Net Income (loss)	**-3.7**	**-1.7**	**21.4**	**0.0**	**0.0**
Last Twelve Months					
Change in Sales	n.a	n.a	100.0%	-100.0%	0.0%
EBITDA Margin	n.a	n.a	33.3%	n.a	n.a
Cost of Debt	28.2%	4.6%	n.a	n.a	n.a
Return on Financial Assets	7.3%	5.4%	6.9%	8.2%	0.0%
Operative					
Unit Sales	0	0	12	0	0
Square Meter Sales	337	1,516	2,373	2,373	2,373
Avg. Price per square meter	29,861	29,861	29,861	29,861	29,861

Source: HR Ratings forecasts based on the Company's historical information provided by a third party.

Base Scenario: Cash Flow (Figures in millions of CHF)

	2025	2026F	2027F	2028F	2029F
OPERATING ACTIVITIES					
Earnings (Loss) before Taxes	**-3.7**	**-1.7**	**21.4**	**0.0**	**0.0**
Interest expense	3.0	1.7	1.0	0.0	0.0
Other Financial Expenses	0.6	0.0	1.3	0.0	0.0
Total Charges related to Financial Activities	**3.7**	**1.7**	**2.2**	**0.0**	**0.0**
Cash Flow from P&L before Taxes	**0.0**	**0.0**	**23.6**	**0.0**	**0.0**
Decrease (Increase) in Inventories	-39.3	-8.0	47.3	0.0	0.0
Increase (Decrease) in Other Liabilities	10.1	35.2	-45.3	0.0	0.0
Net total change in working capital	**-29.2**	**27.3**	**2.0**	**0.0**	**0.0**
Cash flow generated by operations	**-29.2**	**27.3**	**2.0**	**0.0**	**0.0**
Net cash flow from operating activities	**-29.2**	**27.3**	**25.6**	**0.0**	**0.0**
INVESTING ACTIVITIES					
Cash needs related to financing activities	**-29.2**	**27.3**	**25.6**	**0.0**	**0.0**
FINANCING ACTIVITIES					
Loans obtained from financial institutions	54.0	8.6	2.4	0.0	0.0
Amortization of loans	-22.5	0.0	-42.5	0.0	0.0
Interest paid	-3.0	-1.7	-1.0	0.0	0.0
Other	-0.6	-0.0	-1.3	0.0	0.0
Third party Financing	**27.8**	**6.9**	**-42.4**	**0.0**	**0.0**
Increase (decrease) in equity	9.0	1.2	0.0	0.0	0.0
Dividends to shareholders	0.0	0.0	0.0	-26.2	0.0
Own Financing	**9.0**	**1.2**	**0.0**	**-26.2**	**0.0**
Net cash flow from financing activities	**36.8**	**8.1**	**-42.4**	**-26.2**	**0.0**
Net Increase (decrease) in cash and cash equivalents	**7.6**	**35.3**	**-16.8**	**-26.2**	**0.0**
Cash and cash equiv. at the beginning of the period	0.0	7.6	42.9	26.2	0.0
Cash and cash equivalents at the end of the period	**7.6**	**42.9**	**26.2**	**0.0**	**0.0**
Free Cash Flow	**-29.2**	**27.3**	**25.6**	**0.0**	**0.0**
Debt Amortization	22.5	0.0	42.5	0.0	0.0
Refinancing and Voluntary Prepayment	-22.5	0.0	0.0	0.0	0.0
Net Debt Amortization	0.0	0.0	42.5	0.0	0.0
Net Interest Payment	3.0	1.7	1.0	0.0	0.0
Debt Service	**3.0**	**1.7**	**43.5**	**0.0**	**0.0**
DSCR	**-9.6**	**16.2**	**0.6**	**n.a**	**n.a**
Cash and Equivalents at the Beginning of Period	0.0	7.6	42.9	26.2	0.0
DSCR with Cash	**-9.6**	**20.7**	**1.6**	**n.a**	**n.a**
Net Debt to FCF	**-0.8**	**-0.1**	**-1.0**	**n.a**	**n.a**
Net Debt to EBITDA	**n.a**	**n.a**	**-1.1**	**n.a**	**n.a**

Source: HR Ratings forecasts based on the Company's historical information provided by a third party.

Stress Scenario: Balance Sheet (Figures in millions of CHF)

	2025	2026F	2027F	2028F	2029F
TOTAL ASSETS	**46.9**	**76.8**	**33.3**	**19.6**	**0.0**
Short-Term Assets	**46.9**	**76.8**	**33.3**	**19.6**	**0.0**
Cash and Equivalents	7.6	25.6	13.2	11.1	0.0
Inventories	39.3	51.3	20.2	8.5	0.0
Long-Term Assets	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
TOTAL LIABILITIES	**41.6**	**76.1**	**23.3**	**7.3**	**-0.0**
Short-Term Debt	0.0	43.7	20.0	7.3	0.0
Long-Term Liabilities	**41.6**	**32.4**	**3.3**	**-0.0**	**-0.0**
Long-Term Debt	31.5	0.5	3.3	-0.0	-0.0
Deposits	10.1	31.9	0.0	0.0	0.0
EQUITY	**5.3**	**0.7**	**10.0**	**12.3**	**0.0**
Majority Equity	**5.3**	**0.7**	**10.0**	**12.3**	**0.0**
Cumulative Earnings and Others	0.0	-3.7	-9.5	-0.2	-11.5
Current Earnings	-3.7	-5.8	9.3	2.3	1.3
Total Debt	**31.5**	**44.2**	**23.3**	**7.3**	**-0.0**
Net Debt	**23.9**	**18.6**	**10.1**	**-3.8**	**-0.0**

Source: HR Ratings forecasts based on the Company's historical information provided by a third party.

Stress Scenario: Income Statement (Figures in millions of CHF)

	2025	2026F	2027F	2028F	2029F
Total Revenue	**0.0**	**0.0**	**42.9**	**15.2**	**10.2**
Cost of Goods Sold	0.0	0.0	31.1	11.6	8.5
Gross Profit	**0.0**	**0.0**	**11.8**	**3.6**	**1.6**
EBITDA	**0.0**	**0.0**	**11.8**	**3.6**	**1.6**
Interest Expenses	3.0	1.8	1.4	1.3	0.4
Other Financial Expenses	0.6	4.0	1.1	0.0	0.0
Net Income (loss)	**-3.7**	**-5.8**	**9.3**	**2.3**	**1.3**
Last Twelve Months					
Change in Sales	n.a	n.a	100.0%	-64.5%	-33.2%
EBITDA Margin	n.a	n.a	27.5%	23.7%	16.2%
Cost of Debt	28.2%	4.6%	n.a	n.a	n.a
Return on Financial Assets	7.3%	5.9%	6.7%	7.2%	8.2%
Operative					
Unit Sales	0	0	7	3	2
Square Meter Sales	350	1,110	1,490	2,019	2,373
Avg. Price per square meter	28,777	28,777	28,777	28,777	28,777

Source: HR Ratings forecasts based on the Company's historical information provided by a third party.

Stress Scenario: Cash Flow (Figures in millions of CHF)

	2025	2026F	2027F	2028F	2029F
OPERATING ACTIVITIES					
Earnings (Loss) before Taxes	**-3.7**	**-5.8**	**9.3**	**2.3**	**1.3**
Interest expense	3.0	1.8	1.4	1.3	0.4
Other Financial Expenses	0.6	4.0	1.1	0.0	0.0
Total Charges related to Financial Activities	**3.7**	**5.8**	**2.5**	**1.3**	**0.4**
Cash Flow from P&L before Taxes	**0.0**	**0.0**	**11.8**	**3.6**	**1.6**
Decrease (Increase) in Inventories	-39.3	-12.0	31.1	11.6	8.5
Increase (Decrease) in Other Liabilities	10.1	21.9	-31.9	0.0	0.0
Net total change in working capital	**-29.2**	**9.9**	**-0.8**	**11.6**	**8.5**
Cash flow generated by operations	**-29.2**	**9.9**	**-0.8**	**11.6**	**8.5**
Net cash flow from operating activities	**-29.2**	**9.9**	**10.9**	**15.2**	**10.2**
INVESTING ACTIVITIES					
Cash needs related to financing activities	**-29.2**	**9.9**	**10.9**	**15.2**	**10.2**
FINANCING ACTIVITIES					
Loans obtained from financial institutions	54.0	12.7	23.3	4.0	0.0
Amortization of loans	-22.5	0.0	-44.2	-20.0	-7.3
Interest paid	-3.0	-1.8	-1.4	-1.3	-0.4
Other	-0.6	-4.0	-1.1	0.0	0.0
Third party Financing	**27.8**	**6.8**	**-23.3**	**-17.3**	**-7.7**
Increase (decrease) in equity	9.0	1.2	0.0	0.0	0.0
Dividends to shareholders	0.0	0.0	0.0	0.0	-13.6
Own Financing	**9.0**	**1.2**	**0.0**	**0.0**	**-13.6**
Net cash flow from financing activities	**36.8**	**8.0**	**-23.3**	**-17.3**	**-21.3**
Net Increase (decrease) in cash and cash equivalents	**7.6**	**18.0**	**-12.4**	**-2.1**	**-11.1**
Cash and cash equiv. at the beginning of the period	0.0	7.6	25.6	13.2	11.1
Cash and cash equivalents at the end of the period	**7.6**	**25.6**	**13.2**	**11.1**	**0.0**
Free Cash Flow	**-29.2**	**9.9**	**10.9**	**15.2**	**10.2**
Debt Amortization	22.5	0.0	44.2	20.0	7.3
Refinancing and Voluntary Prepayment	-22.5	0.0	0.0	0.0	0.0
Net Debt Amortization	0.0	0.0	44.2	20.0	7.3
Net Interest Payment	3.0	1.8	1.4	1.3	0.4
Debt Service	**3.0**	**1.8**	**45.6**	**21.3**	**7.7**
DSCR	**-9.6**	**5.6**	**0.2**	**0.7**	**n.a**
Cash and Equivalents at the Beginning of Period	0.0	7.6	25.6	13.2	11.1
DSCR with Cash	**-9.6**	**9.8**	**0.8**	**1.3**	**n.a**
Net Debt to FCF	**-0.8**	**1.9**	**0.9**	**-0.2**	**n.a**
Net Debt to EBITDA	**n.a**	**n.a**	**0.9**	**-1.0**	**n.a**

Source: HR Ratings forecasts based on the Company's historical information provided by a third party.

Glossary

Free Cash Flow (FCF). Is defined as cash flow from operating activities plus working capital requirements less a provision for maintenance capex plus dividends received, if any, less paid taxes and less charges for leasing contracts, including both amortization and interest. The calculation may include a Special Adjustment consideration if certain components of the listed accounts are regarded as not being appropriate for the measure (e.g., nonrecurrent, non-operational in nature.). The measure is based on a calendar year basis.

Debt Service Coverage Ratio (DSCR). Is defined as FCF divided by Debt Service. Debt Service for the purpose of this metric is defined as net cash interest expense (interest expense less interest income) plus obligatory debt amortization. Pre-payments are excluded as are payments from Excess Cash Flow Sweep (ECFS) covenants. Certain refinancing of debt may also be excluded from the debt service calculation. Capitalized interest from credit agreements originally contemplating such interest is also excluded. Capitalized interest from forced debt restructuring will not be excluded. Debt service is measured on calendar year basis.

DSCR with Cash. This is the same as the previous metric with the exception that cash at the end of the previous calendar year is added to FCF, as is any cash reserved exclusively for the debt being rated.

Years of Payment is defined as net debt divided by FCF.

Marketable Assets to Liabilities Coefficient. This measures HR Ratings' estimate of the market value of the rated entity's assets to the book value of its liabilities. Goodwill that is the result of LBO operations is given a zero value. Other goodwill is based on HR Ratings estimates.

These metrics have the following weights in the determination of our quantitative preliminary rating:

Metric Weights

DSCR	20%
DSCR with cash	20%
Yrs. of PMT.	40%
MALC	20%

The rating period for this report consists of five calendar year periods, consisting of two historical and three projected periods.

Period Weights

T_{-1}: 2025	13%
T_0: 2026	17%
T_1: 2027	35%
T_2: 2028	20%
T_3: 2029	15%

HR Ratings elaborates two forecast scenarios: Base and Stress. For rating purposes each full scenario includes the same two historical periods as well as their respective forecast scenarios. The Base scenario is weighted at 65% and the Stress at 35%.

Complementary information in compliance with section V, paragraph A), of Annex 1 of the General Provisions applicable to credit rating agencies.

Methodologies used*	Corporate Debt Credit Risk Evaluation, February 2024 General Methodological Criteria, October 2024
Previous Rating	Initial
Date of the previous rating	Initial
Period covered by the financial information used by HR Ratings for this rating	n.a
List of sources of information used, including those provided by third parties.	Investment memo, provided by a third party. Value and Risk Advisory Valuation Report by JLL, provided by a third party. Project Monitoring Surveyors Initial Report for November, February by CBRE, provided by a third party. Forecasted Cash Flow, provided by a third party.
Ratings granted by other credit rating agencies that were used by HR Ratings (if any)	Sovereign Rating of Switzerland: S&P Global Ratings AAA with Stable Outlook, February 6, 2026 Sovereign Rating of Switzerland: Fitch Ratings AAA with Stable Outlook, October 10, 2025
HR Ratings considered the existence of mechanisms to align incentives between the issuer, servicer and guarantor and the potential purchasers of such securities (if any) when granting the rating or following up on the rating.	n.a
Ratings given by other credit rating agencies to these securities (if any)	n.a

***For further information regarding this methodology(ies), please visit https://hrratings.com/methodology/**

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