

MEDIA RELEASE

Ad hoc announcement

Zurich, 18 August 2022

SenioResidenz AG recorded pleasing results in the first half of 2022

- Real estate portfolio increased to CHF 226.7 million as of 30 June 2022 (31.12.2021: CHF 213.9 million)
- Investments made in various attractive new construction projects
- Interim use of former PSR properties in Richterswil started
- Net rental income increased by 11% to CHF 5.3 million in H1 2022 (H1 2021: CHF 4.8 million)
- EBIT improved by 18% to CHF 3.3 million (H1 2021: CHF 2.8 million)
- Earnings including revaluation gains increased by 18% to CHF 2.4 million (H1 2021: CHF 2.0 million)
- Net asset value as at 30 June 2022 of CHF 50.30 (31 December 2021: CHF 51.27)
- Par value repayment of CHF 1.90 per registered share paid out on 17 June 2022

SenioResidenz AG (BX Swiss AG: SENIO) once again achieved a good result in the first half of 2022. The real estate portfolio was expanded to CHF 226.7 million, mainly through investments in various new construction projects. EBIT improved by 18% to CHF 3.3 million, while earnings including revaluation gains also increased by 18% to CHF 2.4 million and earnings excluding revaluation gains were up by 24% to CHF 2.3 million.

Investments in new construction projects for future rental income

In the first half of 2022, SenioResidenz AG laid another cornerstone for the future development of rental income by acquiring a new construction project in Aigle/VD with 26 apartments (of which 13 are reserved for people with disabilities or age-related limitations). As at 30 June 2022, the project is valued at CHF 8.2 million including purchase of the land and current construction progress. Handover of the turnkey property is scheduled for the first half of 2023. The total investment costs for the project amount to around CHF 16.2 million.

The two existing new construction projects of SenioResidenz AG, with 24 new senior-friendly residential units in Oberdiessbach/BE and 29 senior-friendly apartments in Bad Zurzach/AG, are proceeding according to schedule. Completion of the Oberdiessbach project is scheduled for autumn 2023, and the Bad Zurzach project is scheduled for completion by spring 2023. The Oberdiessbach project is currently valued at CHF 6.4 million. Payments of about CHF 7.6 million are still due from the construction contract work until completion of the project. The project in Bad Zurzach has not yet been transferred to the real estate portfolio, but will be taken over as a turnkey project at total investment costs of CHF 14.7 million. A secured down payment is reflected in the balance sheet at CHF 1.7 million.

Half-year results 2022 in detail

Target rental income of CHF 11.2 million p.a.

The total value of the real estate portfolio increased by 6% to CHF 226.7 million as at 30 June 2022 (31.12.2021: CHF 213.9 million). The increase is mainly due to sustainable investments in the property at Schloßstrasse 9 in Berg (CHF +0.8 million for replacing windows and therefore improved heat insulation) as well as investments in the new construction projects in Aigle and Oberdiessbach (CHF +11.9 million). Target rental income on an annualised basis amounts to CHF 11.2 million (H1 2021: CHF 9.6 million).

Income statement H1 2022

Rental income increased by 11% in the first half of 2022 to CHF 5.3 million (H1 2021: CHF 4.8 million). This is mainly due to extra rental income from the properties in Court/BE, Couvet/NE and Illnau-Effretikon/ZH which were acquired in the second half of 2021. The portfolio's vacancy rate was 0.8% as of the balance sheet date. The gross yield in the first half of 2022 was 5.3%, the net yield 4.8% (annualised).

Direct expenses for rented investment properties came to CHF 0.6 million (H1 2021: CHF 0.5 million). Consulting expenses were lower year-on-year at CHF 0.4 million (H1 2021: CHF 0.7 million). The decrease is mainly due to the significant reduction in legal advice in connection with the ongoing bankruptcy proceedings relating to the Paracelsus-Spital. Administrative expenses amounted to CHF 1.1 million (H1 2021: CHF 0.9 million) and included in particular the management fee paid to Cura Management AG of CHF 0.6 million (H1 2021: CHF 0.5 million), fees for members of the Board of Directors and auditing costs totalling CHF 0.1 million (H1 2021: CHF 0.1 million) as well as capital taxes and other administrative expenses totalling CHF 0.3 million (H1 2021: CHF 0.3 million). The market valuation of the real estate portfolio by the independent real estate valuer Wüest Partner AG led to revaluation gains of CHF 0.1 million (H1 2021: CHF 0.2 million).

EBIT was CHF 3.3 million and about 18% higher year-on-year (H1 2021: CHF 2.8 million). The company posted earnings including revaluation gains of CHF 2.4 million for the first half of 2022 (H1 2021: CHF 2.0 million), and earnings excluding revaluation gains of CHF 2.3 million (H1 2021: CHF 1.9 million). This corresponds to an increase in earnings of 18% and 24%, respectively. Taking into account the higher number of shares following the capital increase in September 2021, earnings per share (EPS) amounted to CHF 0.93 incl. revaluation gains and CHF 0.90 excl. revaluation gains (H1 2021: CHF 1.06 incl. and CHF 0.97 excl. revaluation gains). As a result of the capital increase 2021, the average number of outstanding registered shares used for the calculation of EPS came to 2,555,472 in the first half of 2022 (H1 2021: 1,916,604 registered shares).

Balance sheet at 30 June 2022

Total assets were CHF 235.3 million as at 30 June 2022 (31.12.2021: CHF 231.6 million). Non-current assets of CHF 229.1 million consisted of the value of investment properties (CHF 211.9 million), projects (CHF 14.8 million), advance payments (CHF 1.7 million), goodwill (CHF 0.1 million) and deferred income tax assets (CHF 0.7 million).

Mortgage liabilities totalled CHF 97.9 million (31.12.2021: CHF 91.6 million). The loan-to-value ratio for the properties was 43.2% as at the balance sheet date 30 June 2022. The average interest rate in the first half of 2022 was 0.7% (31.12.2021: 0.8%). The duration of the financial liabilities as at 30 June 2022 was 3.9 years (31.12.2021: 4.5 years).

Equity was CHF 128.5 million (31.12.2021: CHF 131.0 million). The change in equity results from the earnings contribution in the first half of 2022 of CHF 2.4 million as well as the par value repayment of CHF 1.90 per registered share in a total amount of CHF 4.9 million. With an equity ratio of 54.6% as at 30 June 2022 (31.12.2021: 56.6%) the company has a very solid balance sheet structure. Net asset value as at 30 June 2022 was CHF 50.30 (31.12.2021: CHF 51.27 / 30.06.2021: CHF 50.36).

Interim use of former PSR properties in Richterswil

In May 2022, SenioResidenz AG signed an agreement with the Canton of Zurich to let the vacant buildings of the former Paracelsus-Spital in Richterswil temporarily as accommodation for refugees from Ukraine for a maximum of about two years. The lease agreement started on 1 June 2022 and families, children and individuals who have been granted protection status S are accommodated in the premises.

In the long-term, SenioResidenz AG plans to lease the properties as an integrated care centre for medical services. Discussions and negotiations are under way with various interested parties from the medical/therapeutic sectors. Taking into account new operational concepts and possible construction measures, use as an integrated medical care centre is planned from 2025 onwards.

Outlook

The Swiss real estate market proved robust overall in the first half of 2022, supported by ongoing population growth, relatively low construction activity, a comparably good economic situation and continuing low interest rate environment. Nonetheless, high energy and commodity prices, global supply chain problems and geopolitical tensions may lead to further economic uncertainty and risks in the coming months.

SenioResidenz AG will continue to foster its strategy which is focussed on real estate meeting the residential needs of senior citizens, new forms of living in the third phase of life and care facilities. The company expects that this real estate sector will continue to develop positively due to demographic development and increasing need for attractive accommodation for older people in the coming years. The company will keep expanding its real estate portfolio accordingly over the long-term.

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SenioResidenz AG

SenioResidenz AG is active in the real estate sector with its registered office in Zurich. SenioResidenz AG activities are focused on investments in selected properties which are primarily for seniors' living and care facilities. This includes apartments for the elderly, properties that enable assisted, self-determined, senior-friendly living and housing, as well as retirement and nursing homes, clinics and medical centers. As a secondary strategy, the Company may also invest in other types of non-permanent housing, such as furnished and unfurnished student apartments, business apartments and/or staff apartments and houses. The Company's registered shares are listed on the BX Swiss AG: Ticker SENIO, Valor 38462993, ISIN CH0384629934. www.senio.ch

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Key figures

| Income statement in CHF | 01.01.-30.06.2022 | 01.01.-30.06.2021 |
|---|-------------------|-------------------|
| Rental income | 5 314 733 | 4 790 223 |
| Other Income | 10 185 | 0 |
| Total operating income | 5 324 918 | 4 790 223 |
| Direct operating expenses for investment properties | -624 227 | -501 746 |
| Consulting expenses | -400 533 | -709 536 |
| Administrative expenses | -1 069 203 | -919 922 |
| Total operating expenses | -2 093 963 | -2 131 204 |
| Total earnings from revaluation of real estate investments | 113 089 | 176 330 |
| Earnings before interest and taxes (EBIT) | 3 264 315 | 2 755 619 |
| Financial expenses | -302 214 | -360 808 |
| Income taxes | -573 742 | -370 217 |
| Earnings incl. effects from revaluation / deferred taxes | 2 388 359 | 2 024 594 |
| Earnings excl. effects from revaluation / deferred taxes ¹⁾ | 2 297 505 | 1 859 332 |
| Earnings per share incl. effects from revaluation/deferred taxes (EPS) | 0.93 | 1.06 |
| Earnings per share excl. effects from revaluation/deferred taxes (EPS) | 0.90 | 0.97 |
| Balance sheet in CHF or % | 30.06.2022 | 30.12.2021 |
| Total assets | 235 300 586 | 231 619 958 |
| Equity | 128 547 738 | 131 027 905 |
| Equity ratio | 54.6% | 56.6% |
| Total mortgage liabilities | 97 860 000 | 91 560 000 |
| Leverage ratio | 45.4% | 43.4% |
| Loan-to-value ratio of properties | 43.2% | 42.8% |
| Net Gearing ²⁾ | 71.7% | 58.7% |
| Net Asset Value (NAV) ³⁾ | 50.30 | 51.27 |
| Portfolio | 30.06.2022 | 30.12.2021 |
| Total real estate portfolio in CHF | 226 730 199 | 213 920 376 |
| Number of investment properties | 18 | 18 |
| Number of projects | 3 | 2 |
| Gross yield ⁴⁾ | 5.3% | 5.0% |
| Net yield ⁵⁾ | 4.8% | 4.6% |
| Vacancy rate | 0.8% | 0.3% |
| Average discount rate for revaluation | 3.3% | 3.4% |
| Average interest rate financial liabilities | 0.7% | 0.8% |
| Average remaining term of financial liabilities | 3.9 years | 4.5 years |

¹⁾ Earnings before taxes (EBT) minus revaluation result, minus deferred taxes plus share of deferred taxes attributable to revaluation result

²⁾ Net debt (current and non-current mortgage liabilities minus cash and cash equivalents) in relation to equity as of balance sheet date

³⁾ Total equity per registered share issued at balance sheet date

⁴⁾ Gross yield reflects target rental income (target rental income based on annual rents of investment properties as of balance sheet date) in percentage of the market value (fair value) of the investment properties

⁵⁾ Net yield reflects annualised net rental income (actual rental income based on annual rents of investment properties as at balance sheet date less operating and maintenance costs for the reporting year) in percentage of the market value (fair value) of the investment properties

The Half-year Report 2022 (German version) as well as the Executive Summary for the Semi-Annual Report 2022 (in English) can be viewed on the Company's website under Investor Relations - Financial Reports.

<https://www.senio.ch/en/investor-relations/financial-reports/>