Noratis: At EUR 8.3 million, preliminary consolidated net income for 2022 only slightly below prior year (EUR 9.5 million) despite difficult market conditions

- Letting revenue up 29 %, to EUR 29.7 million
- Property holdings rose to 4,548 units at the end of 2022
- Noratis plans to actively seize market opportunities

Eschborn, 18 April 2023. Noratis AG, a leading developer of residential properties in Germany, closed out the 2022 financial year with a consolidated net income of EUR 8.3 million based on preliminary IFRS figures. Despite challenging market conditions, these earnings are only slightly lower than the previous year's value of EUR 9.5 million. Earnings before interest and taxes (EBIT) totalled EUR 12.5 million after the previous year's EUR 19.4 million, while earnings before taxes (EBT) dropped from EUR 13.4 million to EUR 12.0 million year-over-year. No properties held as current assets were reclassified as non-current assets for the 2022 financial year (see ad-hoc announcement dated 3 April 2023), meaning this did not result in any positive contributions to earnings in 2022. The market values of the interest hedges carried out as of the end of 2022 had a significantly positive impact on the contribution to earnings.

Noratis AG purchased a total of 615 units in 2022, down from 1,145 units in the previous year. It sold 279 units, down from 299 the year prior. Property holdings totalled 4,548 units at the end of 2022, after 4,212 units at the end of 2021. Through successful asset management, Noratis AG managed to increase its 2022 rental income earnings from the previous year's EUR 23.0 million to EUR 29.7 million, which is equivalent to a 29 % increase.

As assessed by an independent third-party expert as of 31 December 2022, the market value of the properties was EUR 525 million, which is EUR 71 million higher than the current carrying amount (excluding EUR 454 million in rights of use and advance payments).

Noratis AG is currently projecting negative EBT for 2023, which is primarily due to the non-cash maturity-based change of the market values for the derivatives (interest hedges) in addition to higher interest expenses. This projection is based on the assumption that no properties held as current assets will be reclassified as non-current assets in 2023 either.

"We achieved robust operational business performance in 2022. Our business model is completely intact and we are well positioned in the market. Affordable housing remains in very high demand, so we are benefiting from our focus on portfolio development despite the currently challenging market

conditions. In the future, we anticipate attractive purchase opportunities will also arise in this environment, which we hope to seize", explained Noratis AG CFO André Speth.

About Noratis:

Noratis AG (www.noratis.de) (ISIN: DE000A2E4MK4, WKN: A2E4MK, "Noratis") is a leading portfolio developer of residential properties in Germany. The company identifies and realizes potentials for tenants and investors, thereby creating and preserving attractive and at the same time affordable living space throughout Germany. Noratis specializes in the upgrading of ageing residential portfolios, mostly company-owned apartments, residential areas, or housing estates in cities with more than 10,000 inhabitants and in peripheral areas of conurbations. After a successful development, the properties remain in the company's portfolio or are sold in the medium term to investors and/or individually to existing tenants, capital investors and owner-occupiers. In this way, Noratis creates a noticeable and sustainable added value for all stakeholders: Investors/shareholders, buyers/sellers, service providers, employees through to current and future tenants. Noratis AG is listed on the Frankfurt Stock Exchange.

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