



PRESS RELEASE

Noratis AG: 2023 first-half earnings in line with expectations

- **Rental income up 11% to EUR 15.6 million**
- **Earnings before interest and taxes, EBIT, at EUR 2.6 million**
- **Property portfolio at 4,390 units**

Eschborn, September 29, 2023. Noratis AG, a leading portfolio developer of residential real estate in Germany, closed the first half of 2023 in line with expectations. In a challenging market environment, Noratis AG generated earnings before interest and taxes (EBIT) of EUR 2.6 million in accordance with IFRS, compared with EUR 11.9 million in the same period of the previous year. Rental income developed positively, rising by 11% over the first half of the previous year to EUR 15.6 million. The increase was due to the expansion of the property portfolio over the year as well as successful asset management and rental increases. By contrast, there was a marked decline in real estate transactions. Only 18 units were purchased in the reporting period, compared with 286 units in the first half of 2022. 176 units were sold, compared with 268 units previously. This resulted in significantly lower earnings from sales proceeds, which together with significantly higher interest costs and non-cash maturity-related changes in the fair values of interest rate hedges led to the decline in earnings in the first half of 2023. In addition, unplanned non-cash write-downs on the property portfolio amounting to around EUR 3.8 million were recognized in the reporting period. Earnings before taxes (EBT), are at -4.4 million, compared with EUR 11.2 million in the same period of the previous year.

The property portfolio stood at 4,390 units at the end of the first half of 2023, compared with 4,230 units a year earlier. Noratis AG constantly analyses developments in the real estate market and has positioned itself strategically to take advantage of any opportunistic purchasing opportunities that may arise. However, it is not yet possible to say when the market will offer attractive transactions again.

Noratis AG continues to expect negative earnings before taxes for the year as a whole, as forecast, with the unplanned, non-cash write-downs additionally impacting earnings. Noratis AG does not plan to reclassify any properties from current assets to non-current assets in fiscal 2023. This means that no hidden reserves are to be leveraged either.



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André Speth, CFO of Noratis AG, explains: "The market environment remains challenging. However, we see that we are well positioned with our focus on affordable existing apartments in an intact rental market. As soon as attractive purchasing opportunities present themselves, we would also like to make additional purchases. Our medium-term goal remains to continue to significantly expand our real estate portfolio."

The 2023 Half-Year Report is available in the Investor Relations section at www.noratis.de.

About Noratis:

Noratis AG (www.noratis.de, ISIN: DE000A2E4MK4, WKN: A2E4MK) is a leader in the development of residential real estate portfolios in Germany. The company identifies and realizes potential for tenants and investors. In this way, Noratis creates and maintains attractive living space throughout Germany that is affordable at the same time. Noratis specializes in upgrading aging residential properties, mostly factory apartments, neighbourhoods and estates in cities with a population of 10,000 or more as well as in secondary locations of metropolitan areas. After successful development, the properties remain in the portfolio or will be sold in the medium term to investors or in individual sales to existing tenants, capital investors and owner-occupiers. In doing so, Noratis creates tangible and sustainable added value for all stakeholders: from investors/shareholders, buyers/sellers, service providers and employees to current and future tenants. Noratis AG is listed on the Frankfurt Stock Exchange.

Contact Investor & Public Relations:

edicto GmbH
Dr. Sönke Knop
+49 (0)69 905 505 51
noratis@edicto.de
Eschersheimer Landstrasse 42
60322 Frankfurt am Main