

MEDIA RELEASE

Ad hoc announcement

Zurich, 25 February 2022

SenioResidenz AG – Solid results in financial year 2021

- Real estate portfolio at CHF 213.9 million as of 31 December 2021 (31.12.2020: CHF 186.6 million)
- Portfolio expansion through acquisition of three properties and start of two construction projects
- Target rental income increased by 11% to CHF 10.6 million (2020: CHF 9.5 million)
- EBIT of CHF 5.9 million (2020: CHF 5.8 million)
- Earnings including revaluation gains of CHF 4.3 million (2020: CHF 4.1 million)
- Net asset value as at 31 December 2021 reached CHF 51.27 (31.12.2020: CHF 51.20)
- Proposed cash distribution of CHF 1.90 per registered share in the form of a par value reduction

SenioResidenz AG (BX Swiss AG: SENIO) continued its growth strategy in 2021 and further expanded its real estate portfolio in the second half of the year to CHF 213.9 million (31.12.2020: CHF 186.6 million) through the acquisition of three properties and two construction projects in the areas of senior residences and retirement homes, respectively. EBIT increased to CHF 5.9 million (2020: CHF 5.8 million) and profit including revaluation gains reached CHF 4.3 million (2020: CHF 4.1 million). The Board of Directors will propose a cash distribution of CHF 1.90 per registered share in the form of a par value reduction to the Annual General Meeting on 30 March 2022.

Financial year 2021 in detail

Target rental income of CHF 10.6 million p.a.

Due to the expansion of the real estate portfolio, target rental income for investment properties increased by around 11% on an annualised basis to CHF 10.6 million (2020: CHF 9.5 million). As at 31 December 2021, 91% of target rental income was generated from main strategy properties (senior residences, nursing homes) and 9% from secondary strategy properties (types of accommodation including student flats, business apartments, staff apartments).

Successful capital increase in autumn 2021

As part of the expansion of its real estate portfolio, the company successfully carried out a capital increase with subscription rights for existing shareholders in the amount of around CHF 33 million in September 2021. In total, 638,868 new registered shares were placed at a price of CHF 52.00 per share.

Income statement for the 2021 financial year

Rental income in the 2021 financial year rose by 11% to CHF 9.6 million (2020: CHF 8.7 million). The increase is largely attributable to the acquisition of the property in Hergiswil (student apartments) in December 2020. The properties in Court and Couvet acquired in 2021 were transferred to SenioResidenz AG as of 1 September 2021 and the property in Illnau-Effretikon as of 24 November 2021. These three properties have contributed to rental income for 2021 from the date of acquisition, but will not realise their full earnings potential until the 2022 reporting year. The portfolio's vacancy rate was 0.3% as of the balance sheet date (31.12.2020: 1.0%). At 5.0% and 4.6% respectively, gross and net yields were on similar levels as in the previous year.

Direct operating expenses for investment properties rose to CHF 0.9 million (2020: CHF 0.6 million). Consulting expenses amounted to CHF 1.3 million in the reporting year (2020: CHF 0.7 million), mainly due to increased costs for legal advice including provisions for legal advice in conjunction with the bankruptcy of the Paracelsus-Spital Richterswil (PSR). Administrative expenses amounted to CHF 1.7 million (2020: 1.3 million) and included in particular the management fee paid to Cura Management AG of CHF 1.2 million (2020: CHF 1.0 million) and capital taxes of CHF 0.5 million (2020: CHF 0.3 million). The market valuation of the real estate portfolio by the independent

real estate valuation expert Wüest Partner AG led to a slight revaluation gain of CHF 0.2 million (2020: CHF -0.1 million).

EBIT rose to CHF 5.9 million (2020: CHF 5.8 million). Earnings including the revaluation result increased to CHF 4.3 million (2020: CHF 4.1 million). Earnings excluding the revaluation result amounted to CHF 4.1 million (2020: CHF 4.1 million). Earnings per share for the 2021 financial year therefore amounted to CHF 2.06 including revaluation and CHF 1.96 excluding revaluation (2020: profit of CHF 2.51 including revaluation or CHF 2.54 excluding revaluation). The average number of outstanding registered shares used to calculate the earnings per share increased to 2,072,383 shares as a result of the capital increase in 2021 (2020: 1,619,863 shares).

Balance sheet as at 31 December 2021

As at 31 December 2021, total assets amounted to CHF 231.6 million, an increase of around 15% compared with the end of 2020 (31.12.2020: CHF 201.2 million).

On the assets side of the balance sheet, cash and cash equivalents amounted to CHF 14.7 million. Non-current assets of CHF 216.7 million consisted of the value of investment properties (CHF 211.0 million), projects (CHF 2.9 million), advance payments (CHF 1.7 million), goodwill (CHF 0.2 million) and deferred income tax assets (CHF 0.9 million).

On the liabilities side of the balance sheet, mortgage liabilities totalled CHF 91.6 million (2020: CHF 97.5 million). The loan-to-value ratio for the properties was 42.8 % as at 31 December 2021. The average interest rate on mortgage liabilities was 0.8% (2020: 1.0%). The duration of the financial liabilities at the end of 2021 was 4.5 years (2020: 4.2 years).

As of the balance sheet date, equity amounted to CHF 131.0 million (31.12.2020: CHF 98.1 million). The change is attributable to the par value repayment of CHF 3.6 million (CHF 1.90 per registered share) paid out in June 2021 and to the net contribution from the capital increase of CHF 32.3 million as well as the earnings contribution of CHF 4.3 million for 2021. The equity ratio as at 31 December 2021 was an extremely solid 56.6%. As at 31 December 2021, the net asset value reached CHF 51.27 (31.12.2020: CHF 51.20).

Very active search for new tenants of former PSR properties

The search for suitable new tenants to provide medical services relating to the properties of the former hospital Paracelsus-Spital Richterswil AG (PSR) is ongoing. The valuations as at 31 December 2021 of the properties are based on the assumption that the properties will continue to operate as a medical facility. In an independent valuation carried out by Wüest Partner AG, a value adjustment (for possible conversion measures and adjusted rental income expectations) of CHF 3.0 million was recognised for these three properties in the 2021 reporting year. The extensive rent guarantees that the company had agreed in the original rental contract were drawn from PSR following the onset of bankruptcy proceedings and were collected by SenioResidenz during the 2021 reporting year. The rental income for the affected properties is therefore covered until the end of January 2023. There were no defaults on rent from tenants in the 2021 reporting period.

Sustainability strategy defined in 2021

Together with an external partner, SenioResidenz AG has defined its commitment to the topic of sustainability in 2021 and established its long-term sustainability strategy. The company wants to implement sustainability in a measurable way and report transparently on its progress as part of its annual reporting. The basis for this is the real estate portfolio of SenioResidenz AG as at 31 December 2021, which comprised 18 investment properties with a market value of CHF 211.0 million. In 2021, the company started recording the basic data of the individual properties. This process will be completed in 2022, after which the environmental impact with concrete consumption targets and a CO₂ reduction path will be defined. In 2021, SenioResidenz also acquired two approved construction projects with a total of 52 senior-friendly apartments in Oberdiessbach and Bad Zurzach, which will be built according to the latest energy criteria and will also ensure the future further diversification of the portfolio.

Proposals to the Annual General Meeting

The Board of Directors will propose a cash distribution in the form of a par value reduction of CHF 1.90 per registered share to the Annual General Meeting on 30 March 2022.

The serving members of the Board of Directors are standing for re-election. Michel Vauclair is again proposed as Chairman of the Board of Directors, while Patrick Niggli and Thomas Sojak are proposed as members of the Compensation Committee.

The Board of Directors is planning to replace the currently valid authorised capital. This is to be deleted and then replaced by authorised capital of a maximum of 255,000 fully paid-up registered shares in a new proposal to the ordinary General Meeting. The authorised capital of the company would therefore still amount to less than 10% of ordinary share capital and would be available until 29 March 2024.

Outlook

SenioResidenz AG is convinced that the company has a robust business model with its focus on properties for retirement/senior residences, new forms of housing for the third phase of life and medical/care facilities. Due to the long-term demographic trend with significantly increased life expectancy, demand for attractive retirement homes and care facilities as well as affordable and attractive housing for elderly people will continue to increase. Therefore, the investment strategy will remain unchanged. If opportunities arise, the property portfolio will be further expanded in 2022.

Contact

Peter Mettler
Delegate of the Board and CEO
SenioResidenz AG
Feldeggstrasse 26
CH-8008 Zurich
Tel.: +41 (0)44 905 20 90
info@senio.ch
www.senio.ch/en/

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

Key figures

Income statement in CHF	01.01.-31.12.2021	01.01.-31.12.2020
Rental income	9 583 880	8 668 459
Other income	225 925	0
Total operating income	9 809 805	8 668 459
Direct operating expenses for investment properties	-895 370	-613 465
Consulting expenses	-1 286 369	-676 647
Administrative expenses	-1 743 033	-1 337 511
Total operating expenses	-3 924 772	-2 627 622
Total earnings from revaluation of real estate investments	204 447	-94 225
Earnings before interest and taxes (EBIT)	5 930 021	5 787 153
Financial expenses	-670 824	-869 428
Income taxes	-988 340	-851 550
Earnings incl. effects from revaluation / deferred taxes	4 270 857	4 066 175
Earnings excl. effects from revaluation / deferred taxes ¹⁾	4 070 803	4 120 075
Earnings per share incl. effects from revaluation/deferred taxes (EPS)	2.06	2.51
Earnings per share excl. effects from revaluation/deferred taxes (EPS)	1.96	2.54
Balance sheet in CHF or %	31.12.2021	31.12.2020
Total assets	231 619 958	201 196 066
Equity	131 027 905	98 131 542
Equity ratio	56.6%	48.8%
Total mortgage liabilities	91 560 000	97 460 000
Leverage ratio	43.4%	51.2%
Loan-to-value ratio of properties	42.8%	52.2%
Net Gearing ²⁾	58.7%	85.6%
Net Asset Value (NAV) ³⁾	51.27	51.20
Cash distribution in form of a nominal value reduction (proposal to AGM) in CHF	1.90	1.90
Portfolio	31.12.2021	31.12.2020
Total real estate portfolio in CHF	213 920 376	186 620 600
Number of investment properties	18	15
Number of projects	2	0
Gross yield ⁴⁾	5.0%	5.1%
Net yield ⁵⁾	4.6%	4.6%
Vacancy rate	0.3%	1.0%
Average discount rate for revaluation	3.4%	3.6%
Average interest rate financial liabilities	0.8%	1.0%
Average remaining term of financial liabilities	4.5 years	4.2 years

¹⁾ Earnings before taxes (EBT) minus revaluation result, minus deferred taxes plus 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 less operating and maintenance costs for the reporting year) in percentage of the market value (fair value) of the investment properties

The Annual Report 2021 (in German) as well as an Executive Summary for the Annual Report 2021 (in English) can be viewed on the Company's website under Investor Relations - Financial Reports <https://www.senio.ch/en/investor-relations/financial-reports/>