VIVION

Vivion Investments S.à r.l.
H1 2022 results presentation

Date: 20 September 2022

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VIVION

TOP & BOTTOM LINE

REVENUES
€ 108.8mn
€ 96.2mn H1 2021, 13% increase YoY

ADJUSTED EBITDA
€ 90.5mn
€ 79.6mn H1 2021, 14% increase YoY

FFO
€ 57.4mn
€ 47.5mn H1 2021, 21% increase YoY

OCCUPANCY
95%
100% for UK portfolio and 90% for Germany

SOLID BALANCE SHEET

TOTAL ASSETS
€ 5.4bn
€ 5.3bn as at Dec 2021

CASH
€ 722mn
Excluding € 212mn of expected inflow following non-traded bond disposal

UNENCUMBERED ASSETS
€ 3.1bn
Unencumbered assets ratio 60.6%

EPRA NTA
€ 1,985mn
June 2022

DEBT PROFILE

NET LTV
36.0%
35.3% as at December 2021

BOND BUYBACK PROGRAM
€ 66mn
Bought back in H1 2022 out of € 150 mn announced bond buyback program

DEBT MIX
66% / 34%
Unsecured / Secured

BOND COVENANTS
Sufficient headroom
across covenants

H1 2022 HIGHLIGHTS

BUSINESS & PORTFOLIO

As of HY-22 results: GAV has now reached EUR 3.7 billion plus 336 million assets held for sale.

Total assets at EUR 5.4 billion including EUR 722 million of cash with additional inflow of EUR 212 million following disposal of the non-traded bond position.

- Vivion successfully completed several acquisitions with third parties, predominantly located in Berlin in prime locations with a consolidated Gross Asset Value of approx. EUR 338 million.
- The acquired assets add a total of EUR 11 million annualized in-place rent to the German portfolio, with a significant potential as the acquired properties are under rented. The acquisitions increased the footprint of Vivion's portfolio in Berlin and have balanced the portfolio's geographic split between Germany and UK as in line with Vivion's strategy.

Operational Highlights

- Continued successful asset management activities in the German portfolio in the first half of 2022 with new leases and extensions. Vivion maintains a strong leasing pipeline for H2 2022 as demand remains strong in the top cities in Germany.
- 100% of the UK leases and over 90% of leases in the German portfolio are either indexed linked or have a step-up rent component. In addition, the average rent per sqm for the German portfolio is relatively low and provide Vivion more flexibility to increase rents to further absorb inflation.
- Overall collection rates across the portfolio: approx. 90% for H1 2022.
  - H1 2022 Rent collection German portfolio: approx. 90%.
  - Rent collection UK hotel portfolio: approx. 88% for the period Q1 till Q3 2022 with the remainder being deferred and paid in monthly installments in the first half of 2023.
  - 93% of 2020 and 2021 rents have been collected as per the payments schedule agreed with the tenants, the remainder is still being collected on a monthly basis.

H1 2022 HIGHLIGHTS

KUDAMM DISPOSAL UPDATE

- In 2021, a subsidiary of Vivion has engaged with Aggregate Holdings SA (‘Aggregate’) in a contract for the sale of a group of Subsidiaries holding an asset complex in the center of Berlin (the “Fürst project”) through a share deal. Vivion sold its full 89.9% interest in this asset complex. The consideration for the sale was settled in cash, traded bonds (5.5% 2024 Aggregate holdings SA Bonds) and non-traded bonds (Project Lietzenburger Straße PropCo S.à r.l November 2023 bonds). As a seller protection, Vivion benefited from a waterproof security package over several companies that indirectly hold the Fürst project, additional German real estate assets and included an additional seller protection mechanism.
- In March 2022, Vivion disposed of the outstanding position in the non-traded bonds it received as part of the sale, with a book value of EUR 332 million for a total consideration of EUR 321 million to a EUR 4 billion third-party well reputable European-based asset manager with expertise in and sizeable exposure to German real estate. The total purchase price was split into an immediate cash payment of ca. EUR 112 million which has been received by Vivion with the remaining EUR 209 million being deferred to the end of 2022. The interest on the deferred payment is 2% p.a. The deferred payment is secured by a full pledge over the notes sold.
- In September 2022, Vivion has entered into a **cash free** transaction with Aggregate to settle the remaining outstanding position of the traded bonds, with a nominal amount of EUR 220 million (market value of EUR 77 million as at 30 June 2022). The consideration of the settlement was done through the acquisition of two assets of the Quartier Heidestrasse (“QH”) project in central Berlin with Net Asset Value of ca. 220 EUR million. As of the date of this report the acquisition of QH Core has been completed, while the closing of QH Spring is subject to certain conditions precedent.
- The two assets (QH Core and QH Spring) are part of the Quartier Heidestrasse (“QH”) project in a prime location of Berlin, only ten minutes walking distance from Berlin’s famous government district. The assets comprise ca. 85k sqm of buildable area with a total Gross Asset Value of approx. EUR 456 million and an initial yield of approx. 3%. The assets are newly built, income producing and well occupied, and do not require any material capital expenditures.

H1 2022 HIGHLIGHTS

KUDAMM DISPOSAL UPDATE (cont.)

- The assets come with an existing senior financing from local German banks with attractive terms. The facility for QH Core is approx. EUR 130 million and bears 1.75% interest with a debt maturity of 8.5 years. The additional secured debt will have marginal effect on Vivion LTV. Proforma to the QH Core completion, the LTV will increase by approximately 1.5 percentage points, from 36% to 37.5%.
- Following the completion of QH Spring, Aggregate has settled all outstanding positions with Vivion and Vivion has no further business relationship with Aggregate.
- As of the date of this report and following the completion of QH spring, the total proceeds received by Vivion for the Fürst project amounts to ca. EUR 854 million and was settled as follows:
  - ca. EUR 634 million, out of which ca. EUR 422 million in cash received by Vivion and the deferred payment as described above in the amount of ca. EUR 212 million including interest that is due by the end of 2022.
  - ca. EUR 220 million Net Asset Value of prime income producing real estate properties (QH Core and QH spring).
- The total proceeds represent ca. EUR 250 million above Vivion's original total investment cost (including the acquisition price and the Capex invested by Vivion) of the Fürst project.

LIQUIDITY

- Strong Cash position of EUR 722 million as at 30 June 2022.
- Further expected inflow of a total of EUR 212 million following the settlement of the deferred payment for the non-traded bonds.
- The high cash position held is intended to fund new acquisitions and the refinancing of existing debt.
- EUR 3.1 billon of unencumbered assets that provide Vivion with several financing of refinancing opportunities.

H1 2022 HIGHLIGHTS

CAPITAL STRUCTURE

- In June 2022, Vivion announced its intention to undertake a partial buyback of the outstanding 3.00% Aug. 2024 bonds and 3.50% Nov. 2025 bonds for an amount up to EUR 150 million. As of 30 June 2022, Vivion completed a series of on-market transactions to buyback a nominal EUR 66 million of bonds. Vivion intends to continue with the buyback program. The total amount will be subject to prevailing market conditions at the time. With the buyback program, Vivion signals to the market strong confidence in the portfolio and strategy while further reducing its outstanding debt.
- In June 2022 a long-term, reputable investor made a 4.2% investment in Vivion. The investor invests in long-duration capital across public and private securities on behalf of institutional investors and family offices globally. The investor's strategy is a long duration, buy and hold strategy, to add value and work collaboratively as partner with Vivion and management team.
- Increasing interest rates: substantially all existing debt is hedged or has a fixed rate, limiting Vivion's direct exposure to increasing rates. The bond covenants provide sufficient headroom to withstand a potential decline in the valuation of assets and/or increase in interest expenses.
- Vivion is working on refinancing its existing debt to prolong its debt maturity profile.

GOVERNANCE & ESG

- Vivion published its first ESG report in May 2022 and is on track to further define its short and long term ESG goals.
- In August, the board appointed Mr. Kenneth Costa to Vivion's advisory board. Mr. Costa has been in investment banking for 40 years, serving as chairman of EMEA for UBS Investment Bank and vice chairman of the group's investment banking business globally. Previously, he was chairman of Lazard International, during which time he worked in mergers and acquisitions, advising global corporations on their international strategies. Mr. Costa brings a wealth of experience and relevant expertise to help Vivion deliver on the execution of its strategic plans. The Advisory board has an advisory role only and has no statutory powers.
- Vivion is in the process to appoint an independent board member to the Board of Managers and to further strengthening its corporate governance structure.

2 | FINANCIAL RESULTS

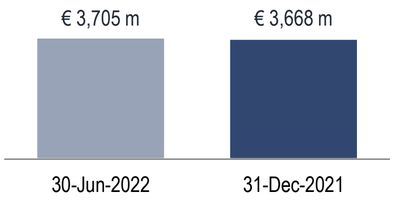
Balance sheet overview as at 30 June 2022

H1 2022 balance sheet items highlights

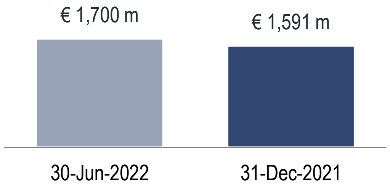
- **Investment property EUR 3,705 million + EUR 336 million Assets held for sale** (H1 2021: EUR 3,668 million + EUR 63 million). In the first half of 2022, Vivion acquired several assets with a consolidated Gross Asset Value of approx. EUR 338 million.
- **Solid Cash position of EUR 722 million as at 30 June 2022.** With a further expected inflow of EUR 212 million following the settlement of the deferred payment for the non-traded bonds. The high cash position held is intended to fund new acquisitions and the refinancing of existing debt.
- **Net Debt EUR 1,700 million** (H1 2021: EUR 1,591 million). The slight increase of Net debt by EUR 109 million is attributed mainly to a lower cash position per June 2022 vs. December 2021, additional EUR 67 million of secured debt that Vivion obtained in the first half of 2022 following an acquisition, offset by the buyback of nominal EUR 66 million of bonds and regular scheduled repayments.
- **Leverage remains robust** and within target levels.

KPI COMPARISON

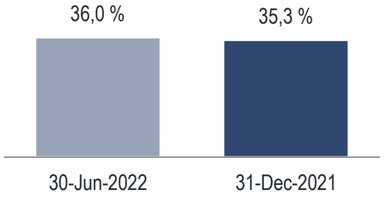
INVESTMENT PROPERTY[1]



NET DEBT



LTV[2]



SUMMARY BALANCE SHEET

EUR millions	30 June 2022	31 December 2021
Investment property[1]	3,705	3,668
Cash	722	803
Financial assets measured by fair value through profit and loss	258	571
Other assets (incl. assets held for sale)	756	274
Total Assets	**5,441**	**5,316**
Equity attributable to the owners of the company	740	771
Non-controlling interests	525	484
Total Equity	**1,265**	**1,255**
Bonds, loans and borrowings	1,870	2,221
Loans from Shareholders	840	803
Loans from non-controlling interests	577	527
Other liabilities (incl. held for sale)	889	510
Total Liabilities	**4,176**	**4,061**

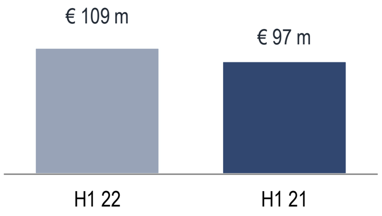
[1] Including advance payments for investment property and IFRS 16 adjustment. [2] Defined as Net debt / (Total assets (less cash)).

H1 2022 income statement highlights

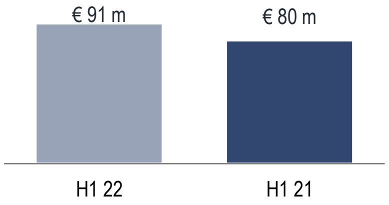
- **Revenues –** Revenues increased 12% to EUR 108.8 million (H1 2021: EUR 96.2 million). The increase was mainly attributable to indexation of leases in the German and UK portfolio, new rental agreements in the German portfolio and new acquisitions.
- The acquired assets add a total of EUR 11 million annualized in-place rent to the German portfolio, with a significant potential as the acquired properties are under rented.
- **Adjusted EBITDA increased by 14%** due to increase of Revenues as well as lower General & administrative expenses that have decreased 23% due to the disposal of the operations of 2 hotels in the UK in the second half of 2021 and lower professional fees in the German portfolio.
- **FFO increased 21% due** to the increase in Adjusted EBITDA. FFO was further supported by a decrease in Net finance expenses. The decrease in Net finance expenses is mainly due to higher interest income in H1 2022 on the financial assets that were received as part of the Berlin asset complex disposal off-set by the increased interest expenses as a result of the EUR 340 million bond tap of the 2025 Notes in July 2021.

KPI COMPARISON

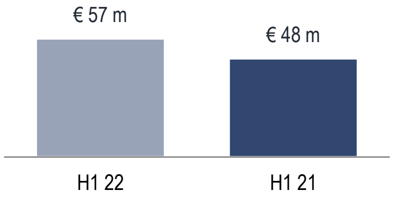
REVENUES



ADJUSTED EBITDA



FFO



P&L HIGHLIGHTS

EUR millions	6 months ended June 2022	6 months ended June 2021
Rental income and other income	98	87.6
Service charge income	10.8	8.6
Total revenues	**108.8**	**96.2**
Property revaluations and capital gains	(13)	43
Share in profit (loss) from equity accounted investees	(1)	(1)
Property operating expenses	(11)	(10)
General & administrative expenses	(8)	(10)
Operating profit	**76**	**118**
Net finance expenses	(54)	(68)

Debt profile – sufficient liquidity provides ample opportunities to refinance upcoming maturities

- Significant headroom across all bond covenants which provides several potential financing options and sufficient headroom to withstand a potential decline in the valuation of assets and/or increase in interest expenses.
- High number of Unencumbered assets provide flexibility of financing as secured debt is currently more attractive that unsecured debt.
- Bond buyback status: nominal EUR 66 million purchased in H1 2022 across 2024 and 2025 bonds. Intention to undertake a further buyback of up to a total of EUR 150 million (including the purchased EUR 66 million).
- Vivion is progressing to refinance and extend existing debt to prolong its debt maturity profile.

DEBT KPIS AS OF JUNE 2022

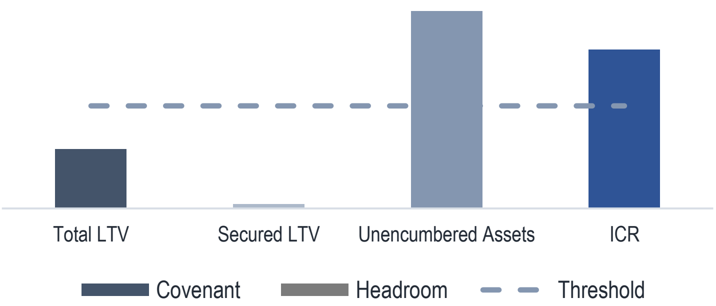
Avg. debt maturity	Cost of debt
years 2.7	average 3.0%

Hedging ratio	Net LTV
Fixed or hedged rates 97%	36.0%

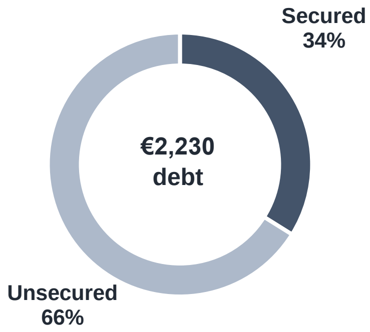
Debt overview

as at 30 June 2022	
Unsecured debt at Company level	€1,474.3m
Secured debt UK portfolio	€316.9m
Secured debt German portfolio	€438.9m
Total debt	**€2,230.1m**

BOND COVENANT HEADROOM



UNSECURED / SECURED DEBT



RISING INTEREST RATES WILL HAVE LIMITED IMMEDIATE EFFECT

The demand in the market for inflationary protection assets is high and replacement value/construction cost is increasing due to the lack of human resources and higher materials costs. With real rates deep in negative territory, real estate is widely considered a good proxy to hedge inflation. Together, those fundamentals drive a high demand for real estate with indexed leases such as the Vivion's portfolio, with high quality assets in UK and in Germany across strong micro and macro locations which are less vulnerable to rising cap rates.

substantially all our existing debt is hedged of fixed, limiting Vivion's direct exposure to increasing rates. The covenants provide sufficient headroom to withstand a potential decline in the valuation of assets and/or increase in interest expenses.

SPREAD BETWEEN BUND YIELDS AND INFLATION – REAL RATES DEEPLY NEGATIVE

FUNDING REQUIREMENTS

Vivion has unencumbered assets in the amount of EUR 3.1 billion including EUR 722 million of cash. Vivion expects to increase its cash position by a total of EUR 212 million from the sale of the nontraded bonds deferred payment, which will further strengthen Vivion's liquidity position.

Vivion's liquidity position and high number of unencumbered assets provides various options to repay debt or to refinance existing debt with secured debt while maintaining sufficient headroom in its bond covenants and recovery ratio. Vivion's liquidity position provides a sufficient buffer to address short term debt maturities without the need of new additional debt.

LIQUIDITY SOURCES

Cash and liquid assets as at 30 June 2022	**€722m**
Settlement of deferred payment from non-traded bond disposal	€212m
Total	**€934m**
Unencumbered assets	**€3,091m**

3 PORTFOLIO

Diversified portfolio of primarily UK hotel assets and German office properties

VIVION

KEY CONSOLIDATED FIGURES H1 2022

GAV	WAULT	ANNUALISED IN-PLACE RENT	PROPERTY OCCUPANCY RATE
€3.7bn	10.9 years	€196mn	95%

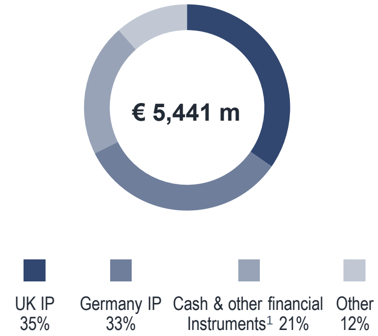
- Diversified portfolio of primarily UK hotel assets and German office properties. Germany / UK split 49 / 51%.
- Office portfolio comprises primarily in Tier 1 cities across Germany with strong micro locations with Berlin & Rhein-Ruhr focused; 86% of German office portfolio.
- Strong geographic location of the Vivion's UK hotel portfolio together with its end user diversification as well as the more resilient 3 / 4-star brands position.

	UK PORTFOLIO	GERMAN PORTFOLIO
GAV	€1.9bn	€1.8bn
# ASSETS	53	45
ANNUALISED IN-PLACE RENT	€124mn	€72mn
WAULT	13.4 years	7.0 years
PROPERTY OCCUPANCY RATE	100%	90%

GEOGRAPHIC SPLIT

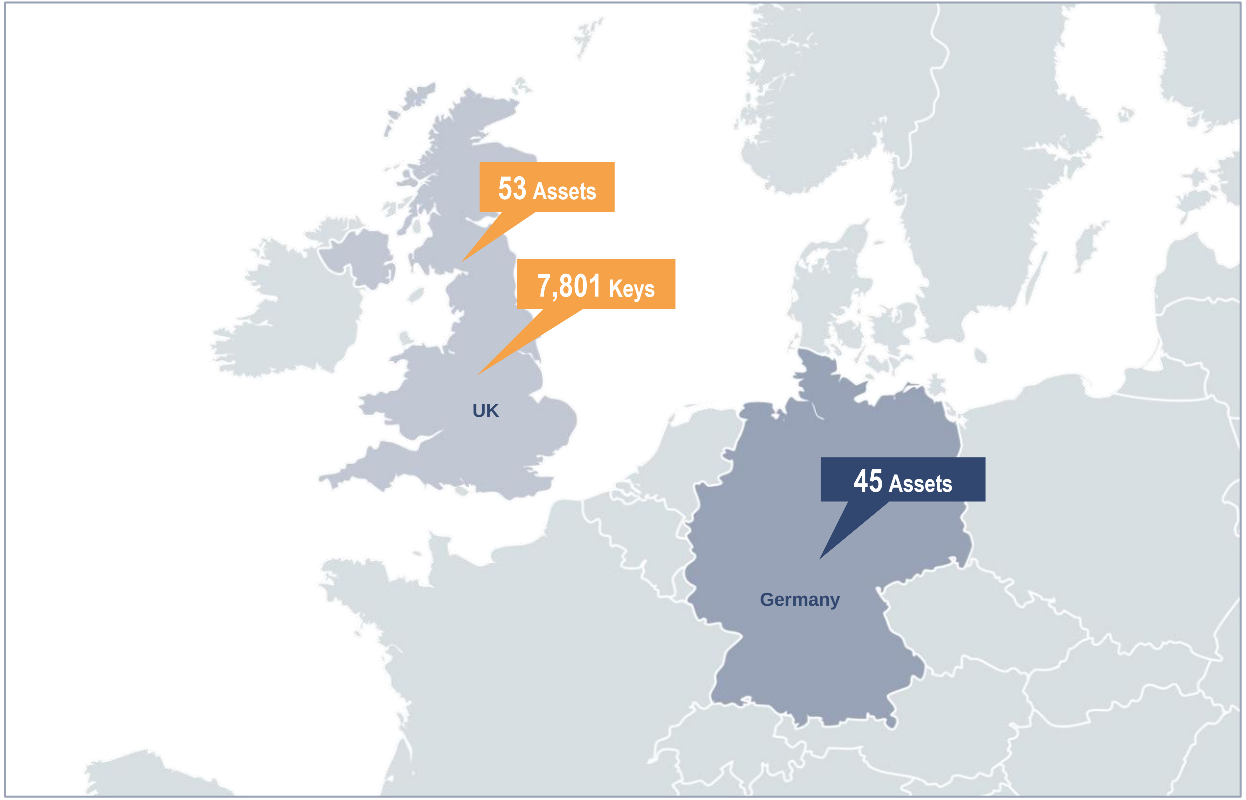
ASSET CLASS SPLIT

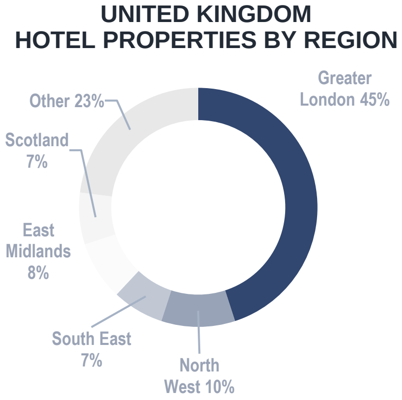
TOTAL ASSETS SPLIT

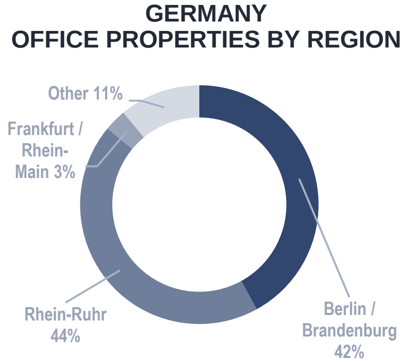


Note: GBP – EUR FX Rate assumed at 1.1652. Excludes assets held in other EU jurisdictions and assets held for sale. includes advance payments and IFRS 16 adjustments. Annualized in-place rent includes assets held for sale. Germany IP contains non-material properties in other EU jurisdictions. [1] Out of which cash position of EUR 722 million and EUR 413 million of financial assets and other short-term assets.

Diversified real estate portfolio in two of Europe's most desirable real estate markets





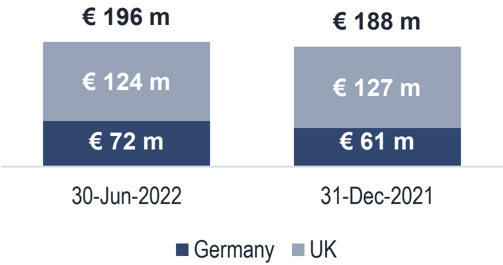


Excluding assets held for sale

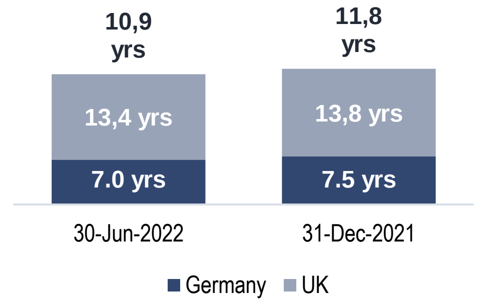
SUMMARY

- Annualized In Place Rent increased from primarily as a result of acquisitions in the German portfolio and indexation of leases for both portfolios and was partially offset by FX adjustments for the UK portfolio.
- Continued successful asset management activities in the German portfolio in the first half of 2022 with new leases and extensions.
- 11 years WAULT as at 30 June 2022.
- Vivion successfully completed several acquisitions, predominantly located in Berlin in prime locations with a consolidated Gross Asset Value of ca. EUR 338 million[1]. The acquired assets add a total of EUR 11 million annualized in-place rent to the German portfolio.
- Occupancy remains stable across both portfolios due to prolongation of several leases with anchor tenants and signing of new leases.

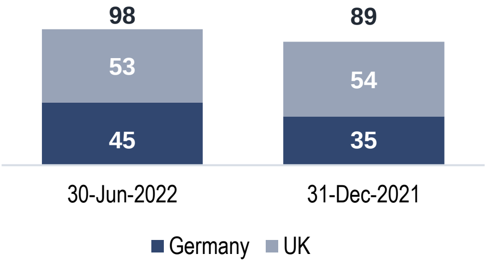
ANNUALISED IN PLACE RENT (€ M) [1]



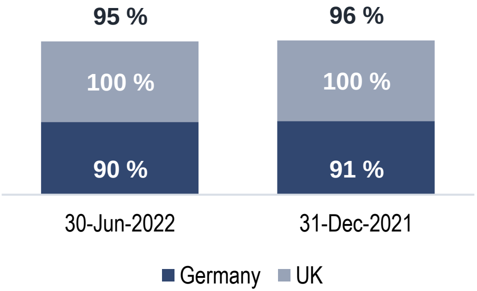
WAULT (YEARS) [1,2]



NUMBER OF ASSETS [1,2]



OCCUPANCY (%) [1,2]



[1] Excluding non-material assets held in other EU jurisdictions.
[2] Excluding assets held for sale.

High quality real estate portfolio in strategic locations

HY 2022 SUMMARY

- Leasing activities remain strong across the portfolio. Property Occupancy Rate stands at 90% with a strong leasing pipeline for H2 2022. Demand remains strong in the top-7 cities of Germany.
- H1 2022 Rent collection German portfolio: approx. 90%.
- Vivion completed a series of acquisitions in Germany, expanding the German portfolio as in line with the Company‘s strategy and increasing Annualized in-place rent to EUR 72 million and the total German portfolio to ca 50% of Vivion‘s total GAV. The acquired assets have a material potential to increase rents as as the assets are at least 20% underrented.
- Vivion’s strategy is to further grow the German portfolio with income producing assets whilst keeping a sufficient liquidity buffer and maintaining sufficient headroom in the covenants. Vivion Will continue to monitor market developments closely and approach the markets only conservatively, should interesting opportunities arise.

GERMAN PORTFOLIO KEY METRICS (JUNE 2022)

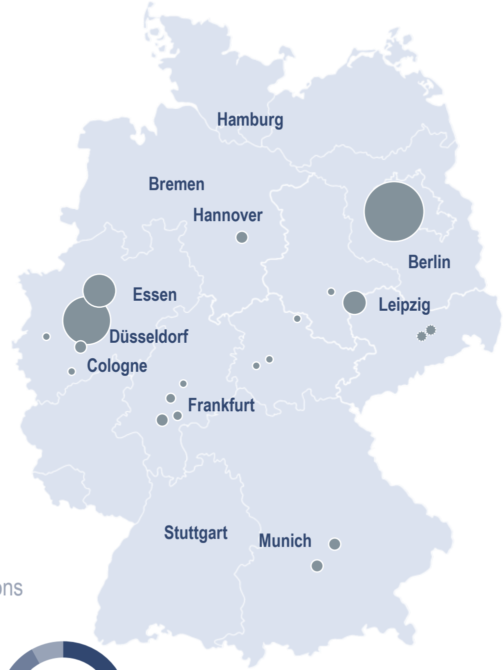
GAV
€1.8bn

ASSETS
45

ANNUALISED IN-PLACE RENT
€72mn

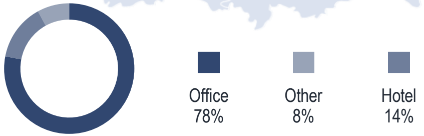
WAULT
7.0 years

PROPERTY OCCUPANCY RATE
90%



Office portfolio primarily in Tier 1 cities across Germany with strong micro locations

Berlin & Rhein-Ruhr focused; 86% of German office portfolio

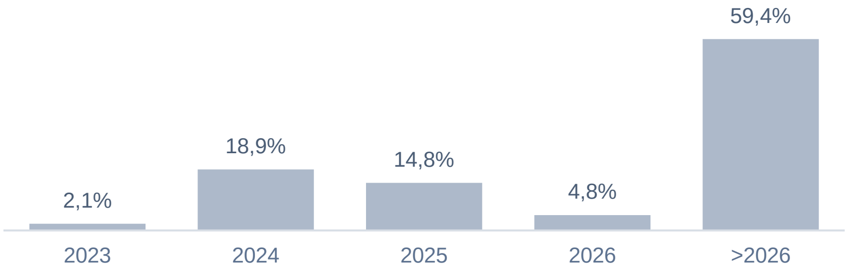


Note: Size of bubble indicates share of investment property value, excluding assets held for sale.

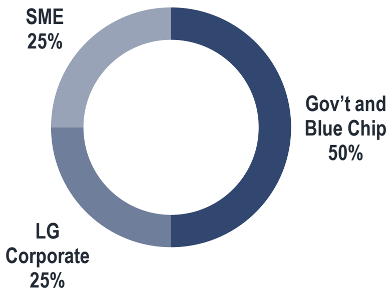
High quality tenant base with a long term WAULT, Tenant profile and diversity reflect stable and predictable future cashflows

LEASE EXPIRY PROFILE

Normalised WAULT: **7.0yrs**



STABLE INCOME FROM HIGH-QUALITY TENANT BASE [1]



LEASE PROFILE

1. >90% of leases are either indexed or benefit from stepped rent
2. Majority of 2024 expiries under negotiation to prolong
3. Most German leases are **double** net (tenants responsible for substantially all operating expenses, repairs and maintenance)

Stable rental income from high quality tenant base including government institutions

TOP 7 IN-PLACE OFFICE TENANTS - NO DEPENDENCY ON A SINGLE TENANT

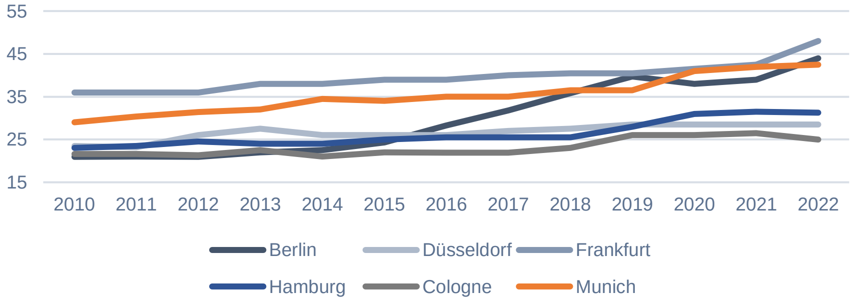
Tenant	Type	LFA	%
E.ON (former Innogy)	Blue Chip	55,222	10.8%
BLB NRW	Government	22,335	4.4%
Land Niedersachsen	Government	13,434	2.6%
Otto Group	Blue chip	11,314	2.2%
Colt Technology services	Blue Chip	10,671	2.1%
Jobcenter Köln	Government	7,798	1.5%
Volvo Group	Blue Chip	5,624	1.1%

[1] Office category

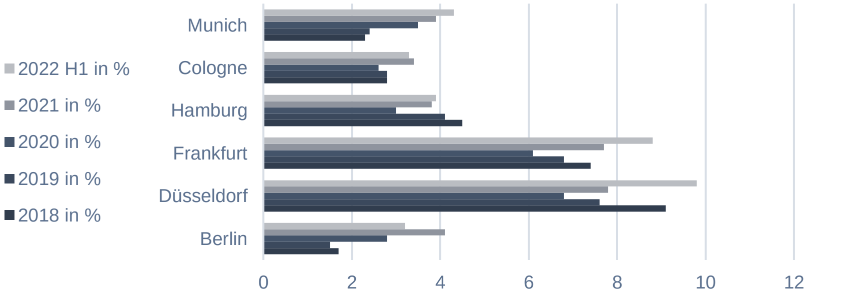
GERMAN ECONOMY FACES HEADWINDS

- Economy: German economy is experiencing the effects of exogenous shocks, such as the war in Ukraine, high inflation and supply shortages. Economic activity is weaker than expected at the beginning of the year.
- German GDP is expected to grow further by 2.1% in 2022, 2.7% in 2023 and 1.5% in 2024. Inflation is estimated at 5.5%, 2.9% and 1.8% for the same period.
- Investment market: Uncertainty is currently weighing on market sentiment. leading to a slowdown in capital markets.
- Rent indexation and strong rental growth are mitigating factors.
- Offices: Office rental markets are currently proving robust.
- Leasing activity accelerated in the spring. A total of approx. 1.82 million m² was let in H1 22 in top 8.
  34% more than H1 21, nearly 10% above the 5-year average.

DEVELOPMENT OF PRIME RENT



VACANCY RATES 2018-2022H1

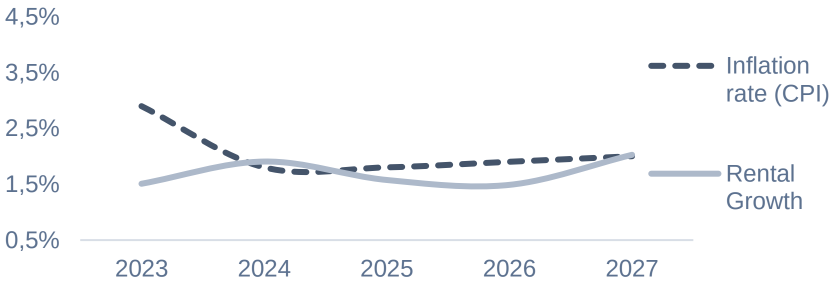


Source: Savills Market in Minutes Top 6 Office Markets Germany Q2 2022, BNP Paribas Office Market Germany Report Q2 2022, IMF Data: https://www.imf.org/en/Countries/DEU, PWC Investor survey 14
Chart 1: Development of prime rent; Savills Market in Minutes Top 6 Office Markets Germany 2022
Chart 2: BNP Paribas Office Market Germany Report 2022

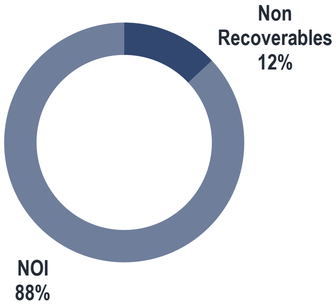
PORTFOLIO WELL EQUIPPED TO FACE RAISING INFLATION RATES

- >90% of the leases in the German portfolio are indexed linked (CPI) or have step-up rent, providing rental growth along with inflation. Increasing inflation should not materially affect the company's long- and short-term cash flow forecasts.
- Average rent per sqm is relatively low and provide Vivion more flexibility to increase rents to further absorb inflation. Lower rent levels provide tenants the ability to absorb rent increases and increasing utility costs.
- Increase in building costs limits new supply, strengthening the letting market, which remains very strong in Germany. Increase of market rents and ERV as increasing development costs for new constructions can shorten supply, which in turn can affect positively on Vivion's forecasted cash flow and valuations.
- Capex: Increase of material costs impact Capex projects. As Vivion **does not** have any material development exposure or material committed capex projects, effects are expected to be of limited effect. Vivion can execute such capex projects at its own discretion to the extent it makes economic sense and value is added through a new lease.
- High margins in the operating business means inflation can only hit a small costs basis.
- Most leases in Germany are double net, hence majority of operational costs are recharged to tenants.

PROJECTED CPI VS PORTFOLIO INDEXATION



GERMAN PORTFOLIO OPERATIONAL MARGIN[1]



[1] H1 2022 numbers. Non-recoverables consist of landlords' opex and non-recoverable service charges

Diversified hotel portfolio in strategic location with end user diversification

UK PORTFOLIO KEY METRICS (JUNE 2022)

GAV
€1.9bn

 # OF ASSETS
53

ROOMS
7,801

ANNUALISED IN-PLACE RENT
€124mn

WAULT
13.4 years

PROPERTY OCCUPANCY RATE
100%

HY 2022 SUMMARY

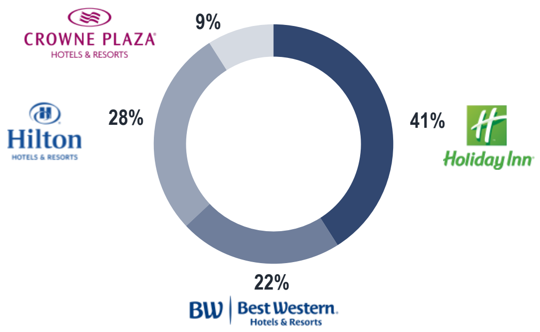
- Rent collection UK hotel portfolio: approx. 88% for the period Q1 till Q3 2022 with the remainder being deferred and paid in monthly installments in the first half of 2023. 93% of 2020 and 2021 deferred rents have been collected.
- Rent indexation: all hotel leases are inflation linked (RPI) which provides rental growth along with inflation.
- Vivion's UK hotel Portfolio is strategically located throughout the UK in key UK cities, situated in strategic locations enjoying excellent accessibility and proximity to demand drivers. The hotels are predominantly positioned as mid-market hotels, a segment proven resilient in times of crisis and recessions.
- UK hotel sector shows strong recovery in first half of 2022.

Note: Size of bubble indicates share of investment property value. All figures as 30 June 2022

SUBSTANTIAL PROTECTION TO MARKET TURBULENCE

1. **Secure income stream** from long term and defensive lease structure with no operational exposure
2. **Long term** leases (13.4 years WAULT) with **high quality tenants**
3. **Rental guarantees** in place for average of 34 months[1]
4. Well **diversified customer base** providing natural hedge to the UK economy

ESTABLISHED WELL-KNOWN HOTEL BRANDS[2]



OPERATIONAL UPDATE

The hotel tenants reported strong operational performance in 2022. In comparison to 2019, in the majority of the hotels, the tenants reported higher ADR that offsets the slightly lower occupancy levels which results in RevPar figures that now exceed pre-covid levels. With tourism on the rise, higher occupancy levels will further drive the hotels strong top line performance. As US and Asian traveler numbers are still far behind 2019 numbers, a significant boost in revenues is expected once these groups start making their way back to the UK.

During the pandemic, the tenants began to implement efficiency processes in hotel operations. Today, hotels are mainly operated with fewer staff and at lower cost but with higher ADRs. These conditions have stimulated above expectation recovery. The solid underlying operational performance is reflected in Vivion's rent collection rate of 88% for the first half of 2022.

[1] In aggregated rent on a weighted average basis as of 30 June 2022. [2] By fair value as at 30 June 2022, excluding non branded hotels.

PORTFOLIO WELL EQUIPPED TO FACE RAISING INFLATION RATES

- Vivion’s UK hotel portfolio is leased to strong operators and is not directly affected by the hospitality trends (i.e.no operational risk).
- UK portfolio are 100% indexed linked (RPI) providing rental growth along with inflation.
- Tenants report strong operational performance in 2022. Compared to 2019, higher ADR offsets slightly lower occupancy levels resulting in RevPAR above pre-covid levels.
- With growing tourism, higher occupancy levels will further drive top line performance. Solid underlying operational performance is reflected in the rent collection rates.
- During the pandemic, hotels implemented efficiency processes. Today, hotels are operated with fewer staff and at lower cost.
- Inflationary environment and possible wage growth are offset by efficiency gains, whilst the hotels enjoy higher ADRs. These conditions have stimulated above expectation recovery, as bottom-line recovery exceeds top-line recovery.
- H2 2022 may be challenging with inflation affecting consumer confidence resulting in reduced spending on discretionary products and activities, such as holiday travel, which would limit the path to full recovery. However, the Vivion's hotel portfolio is well diversified, both geographically and in terms of segmentation, and it is mainly 3-4 star hotels.

UK HOTEL SECTOR SHOWS STRONG RECOVERY IN H1 2022

- UK hotel sector faced challenging environment, inflation, staff shortages, wage increase and spiraling energy costs.
- Consumer sentiment has picked up and occupancy levels have recovered at a much quicker rate than anticipated since January and nearing 2019 levels in most markets for the summer months.
- Operators have focused on maintaining high ADRs to absorb some of the increasing cost pressures and this has positively impacted RevPAR in both city-centre and regional UK hotel markets.
- London RevPAR is now exceeding 2019 levels and rates have rising to record levels in June, amid the strongest demand in almost three years.

Source, Christie & Co Hotels Mid-Year Review 2022, STR data, Knight Frank research

4 ESG & GOVERNANCE UPDATE

Environmental	Social	Governance
CLEARY SET TARGETS	SOCIALLY RESPONSIBLE	HIGH LEVEL OF GOVERNANCE

Environmental

CLEARY SET TARGETS

- Targeted to be net zero Carbon by 2040
- Investing in energy-efficient assets and renewable sources
- Supplying our assets with 100% renewable energy
- Reduce waste and preserve natural resources
- Increase % of energy certification and green building labeling for the portfolio

Social

SOCIALLY RESPONSIBLE

- Strong commitment to maintain high tenant satisfaction
- Promote stable work environment within Vivion and business partners
- Engage with & support local communicatees surrounding portfolio assets
- Full adherence to all data protection and privacy regulations

Governance

HIGH LEVEL OF GOVERNANCE

- Increasing non-executive independent Board members
- Continuously monitoring and enhancing the Vivion's corporate governance
- Enhanced functioning of Company's committee structure
- Compliance with laws and regulations
- Equal opportunities and diversity for people and groups with different capacities and backgrounds

In 2022, we will continue to strengthen the formal structure that sits behind our ESG strategy. Our approach to further develop this ESG strategy can be summarized in four steps:

UNDERSTANDING OUR DRIVERS

- Material financial and sustainability/impact-related ESG risks and opportunities.
- Corporate, product and asset strategy.
- Best practice and peer analysis.
- Stakeholder interviews and workshops.

DESIGNING OUR STRATEGY

- Risk identification, assessment and management.
- Strategic ESG vision, product positioning, policy, objectives, targets/metrics.
- Governance and research approach.

DELIVERING OUR STRATEGY

- ESG delivery framework to enable integration into all stages of investment process, e.g. deal sourcing, investment decision, ownership, sale.
- Roles, responsibilities and training approach.
- Responsible procurement/supply chain.

DISCLOSURE

- Data capture, assurance, analysis and software.
- Reporting strategy, i.e. product marketing/prospectus, annual and investor reports, EPRA

Vivion published its first ESG report, in which it demonstrates its ESG activities and strategy. The objective of Vivion's sustainability strategy is to affirm its commitment to achieve long-term sustainable outcomes through its real estate assets, across its supply chain and in the communities it operates. The report is available on the Company’s website.

Where does Vivion stand on ESG?

- ESG Report 2022 published in May 2022.

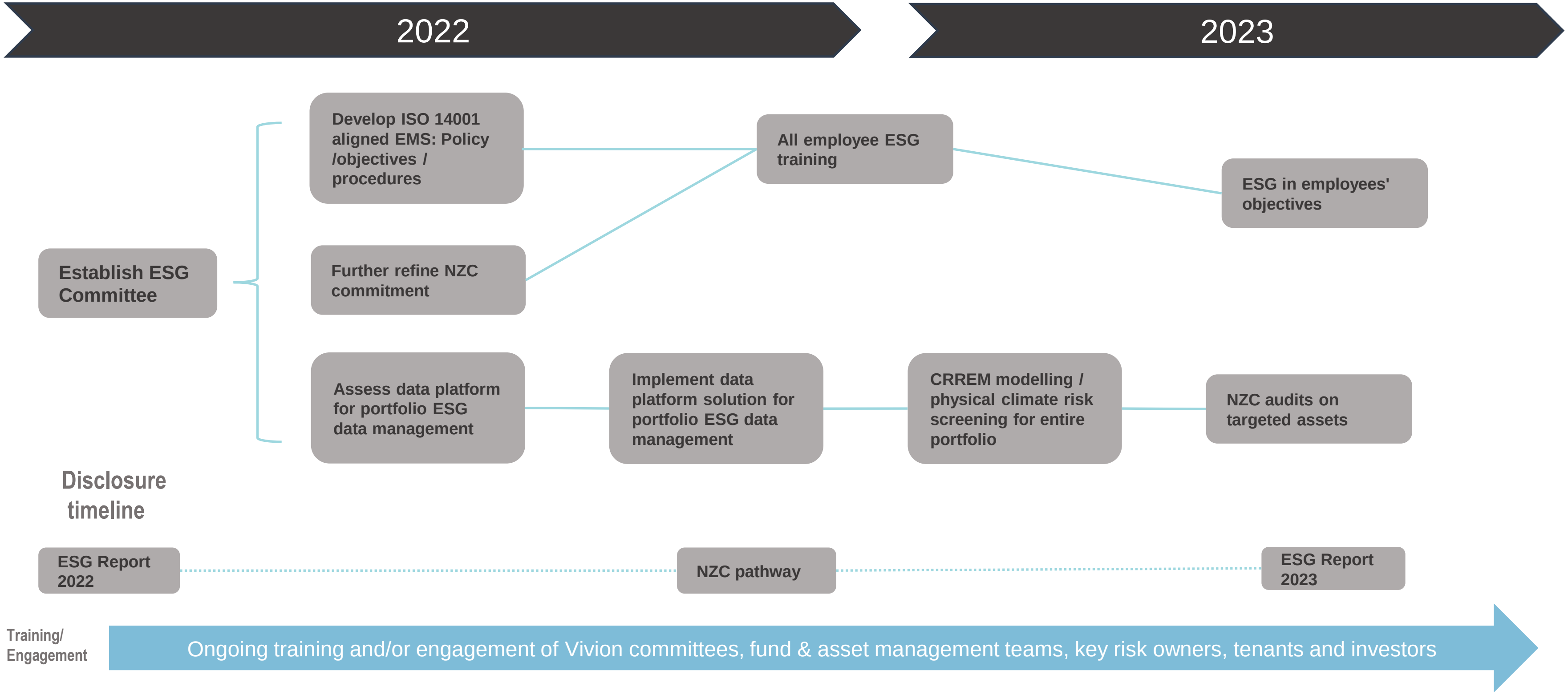
Envisaged next steps on short term and long term:

- Establish ESG committee and further define our short term and long term ESG goals;
- Implement data platform solution (SIERRA) for ESG data management;
- Further refine our NZC pathway at portfolio and asset level;
- Apply for external ESG rating (i.e. Sustainalytics).

Net Zero Carbon 2040

SCOPE 1 (DIRECT GHG EMISSIONS)	SCOPE 2 (INDIRECT GHG EMISSIONS)	SCOPE 3 (INDIRECT GHG EMISSIONS)
These are emissions associated with our direct consumption of: fossil fuels, specifically natural gas, diesel and refrigerants used for running heating.	These are created by other facilities during the generation of electricity which is then purchased and used by sites under Vivion's operational control. In our LfL portfolio, this electricity is generally used for things such as heating, ventilation and air conditioning (HVAC), lighting, and lifts.	Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of Vivion's activities. performance.

VIVION'S ESG ROADMAP (CONDENSED)



A | Appendix

VIVION

Berlin - Heidestrasse

The property is located in a prime location in Berlin, just 10 minutes walking distance from Berlin's famous governmental district.

This mixed-use property is almost fully at let with some spaces still available. Main uses are office, residential and retail with a further 223 parking spaces in the underground garage. Aside the residential income, the property has long term leases in place with governmental and large corporate tenants.

Düsseldorf - Völklinger Strasse

A 47,000 sqm property, located close to Düsseldorf's Medienhafen area in the Düsseldorf-Unterbilk district, a thriving commercial area which lies on the right bank of the Rhine river.

Main tenants include Bau- und Liegenschaftsbetrieb NRW, a government tenant which leases over 20,000 sqm of the building.

Essen - Opernplatz

The property is the tallest building in North Rhine-Westphalia and is an Essen landmark.

The property in centrally located within the Südviertel of Essen, approximately 450m south of the main railway station.

Leading German electricity supplier Innogy occupies the entire 56,000 sqm property.

VIVION

Munich - Gustav Heinemann Ring

Centrally located in a well-established business park near the airport of Munich, this property offers approx. 7.800 sqm of office space for a range of tenants mainly from the technology sector.

The property is near fully-let and the length of its leases, together with the strength of the location and the high overall quality, contribute to the strong value of this asset.

Berlin - Potsdamer Strasse

The assets located at Potsdamer Strasse are listed, but modernized, 1930's office buildings situated in the vibrant Schöneberg district of Berlin, Germany's capital city and largest investment market with the most dynamic economy in the country.

Potsdamer Strasse is one of the main North-South thoroughfares through the capital city originating at the world-famous Potsdamer Platz. The asset complex is located at the southern end of the route beside the Kleistpark U-bahn (underground railway) station.

Berlin - Karl Liebknecht Strasse

The property is situated in the north-east section of Berlin-Mitte, close to Alexanderplatz, a major transport interchange and one of the most visited areas in the capital. Tourist attractions include the landmark Fernsehenturm (TV tower)

Berlin - Bundesallee

The property on Bundesallee is situated on a busy north-south thoroughfare in one of Berlin’s popular office districts and lies next to the Berliner Strasse U-Bahn station at the intersection of Bundesallee and Berliner Straße.

Berlin - Potsdamer Strasse

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Düsseldorf – Fritz Vomfelde Strasse

The 15,978 sqm building is prominently located in Dusseldorf's District 4 on the left bank of the Rhine in a popular business district close to public transport connections and to Brusseler Strasse, one of the principal fast routes through the city.

Operational metrics have been significantly improved by an innovative letting and management campaign

London - St Martin's Lane

St Martin's Lane Hotel is a flagship hotel in Covent Garden, the heart of London's West End.

It was developed as an office building in the early 1970s and converted to a hotel by French designer Philippe Starck, reopening in 2000.

The hotel is located across 8 floors and comprises 204 guestrooms which include 14 suites, a penthouse and an apartment. There is a restaurant and two bars as well as a business centre and four meeting rooms with a 120 person capacity.

London - Sanderson

The Sanderson is a flagship hotel located on Berners Street, in London's prestigious Fitzrovia district.

The location benefits from excellent public transport connections including multiple London Underground stations and national rail stations.

The hotel comprises eight floors with 150 guestrooms including both bedrooms and suites. The 400 person capacity across its two meeting rooms and additional function space positions the hotel as an ideal conference location.

London - Holiday Inn Regents Park

The hotel is located within a short walking distance to multiple London Underground stations and is 45 minutes from Heathrow Airport by car.

The City is easily accessible, making the hotel attractive to both the business and leisure/tourism markets. The hotel has 332 standard and executive level bedrooms, as well as nine meeting rooms

Birmingham – Crowne Plaza

The Crowne Plaza Birmingham NEC combines the reassurance of an upscale brand with a worldwide reputation and proximity to Birmingham Airport.

The hotel is close to the National Exhibition Centre, where some of the UK's largest trade shows and events are staged

The hotel comprises 242 bedrooms which include standard, deluxe and executive rooms. There are also seven meeting rooms, the largest of which can host meetings of up to 200 delegates.

Chester – The Queen

The Queen, which was originally opened as a railway hotel in 1860 and occupies a triple-A location in the centre of historic Chester.

The historic city has a range of attractions - the Roman city walls, the famous Chester Zoo and the extensive Grosvenor shopping centre.

The Queen has 221 bedrooms and 10 meeting rooms the largest of which can hold up to 250 delegates.

Oxford - Holiday Inn

The original selection of the location has been one key to the success of and high demand for Holiday Inn Oxford.

The hotel is situated to the north of the city, which provides access to Bicester Village outlet centre, as well as to the historic city centre of this university city.

The hotel has 218 bedrooms and 11 meeting rooms.

London - Holiday Inn Heathrow

Situated close to the M4 motorway, the hotel is near the Heathrow Express rail service which reaches central London in 20 minutes and is only 15 miles from central London by road.

The Hotel has two dining areas and one lounge bar that are all based on the ground floor. The asset which has 615 bedrooms, also includes 14 meeting rooms, the largest of which can hold up to 250 delegates.

Manchester - Crowne Plaza Manchester Airport

Crowne Plaza Manchester Airport combines an upscale, internationally recognised brand with proximity to one of the UK's most important regional airports. It is conveniently located next to terminals 1 & 3 of Manchester airport.

The hotel comprises 299 bedrooms including, standard, deluxe and executive standard rooms. The hotel also has eight meeting rooms that can hold up to 150 delegates.