



Vivion Investments S.à r.l. Q1 2024 Trading update

Date: 14 June 2024



Vivion Investments S.à r.l. (the “Company” or “Vivion” and together with its consolidated subsidiaries the “Group”) is publishing today its Trading Update for the 3-month period ended 31 March 2024 (the “Q1 2024 Trading Update”).

This report is published on the Company’s website: www.vivion.eu/investor-relations

General information The Q1 2024 Trading Update includes certain references to non-IFRS measures that are not required by, or presented in accordance with, IFRS or any other accounting standards, and which are not audited. We use these non-IFRS measures to evaluate our financial performance. We believe that these non-IFRS measures assist in understanding our trading performance, as they give an indication of our ability to service our indebtedness. The Company’s fiscal year ends on 31 December. References to any fiscal year refer to the year ended 31 December of the calendar year specified.

The following report has been prepared by the Company for the noteholders of the € 608,555,940 6.50% plus PIK Senior Secured Notes due 2028 (“2028 Secured Notes”) and € 543,880,000 6.50% plus PIK Senior Secured Notes due 2029 (“2029 Secured Notes” and together with the 2028 Secured Notes, the “New Secured Notes” and the New Secured Notes together with the 3.00% Senior Notes due 2024, the “Notes”) pursuant to section 9.5 lit. (b) or section 9.4 lit. (b) of the terms and conditions of the Notes, respectively.

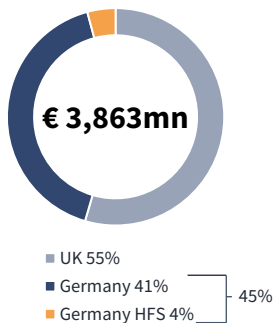


Portfolio performance & business update

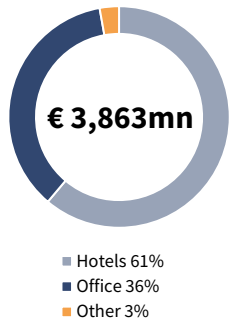


Investing in the strongest & most durable European economies
(Germany / UK) in assets with long-term, stable cash flow
leased to high quality tenants with inflation protection

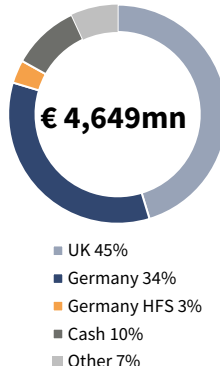
GEOGRAPHIC SPLIT



ASSET CLASS SPLIT



TOTAL ASSETS SPLIT



SELECTED PROPERTY KPIs



**ANNUALIZED
IN-PLACE RENT**
€ 222mn



WALVT
9.5 years



**PROPERTY
OCCUPANCY RATE**
95%



ASSETS
101

Note: Germany includes assets held in other EU jurisdictions that comprise <3.5% of total GAV.
Selected Property KPIs exclude assets held for sale. Annualized in-place rent includes assets held for sale.
GBP/EUR fx rate 1.1695 as at 31 March 2024

53

UK Assets

48

German Assets



Portfolio highlights

- GAV increased mainly as a result of FX changes in the UK portfolio
- € 159mn of German assets held for sale (March '24)
- Over 20,000 sqm of new leases or prolongations signed for German portfolio YTD
- Stable occupancy and WAULT across portfolio
- >90% of rents indexed or CPI linked

The Group's portfolio is well diversified, with 55% of total GAV located in the UK and 45% of the portfolio in Germany. The UK hotel portfolio comprises 53 assets, which are long term leased and strategically located in key UK cities. The Group's office portfolio in Germany comprises predominantly office assets. Over 50% of the German portfolio is located in the Berlin-Brandenburg area. During the reporting period, the Group added 3 non-material properties to its portfolio that were previously accounted for under Equity-accounted investees. No additional assets were acquired as the Group wanted to preserve liquidity to address its upcoming debt maturities. As at 31 March 2024, the Group has classified a total of € 159mn of assets as held for sale, mainly held in Germany, that the Group intends to dispose at favorable conditions.

The Group continues to enter into new leases and prolongations for existing leases for its Germany portfolio. In 2024, new leases and prolongations were signed for over 20,000 sqm, contributing positively to the portfolio's performance. By the end of 2024, 18%¹ of the leases in the Germany portfolio will expire and the Group is actively working to attract new creditworthy tenants for these spaces. Discussions are ongoing with potential tenants for the majority of these spaces. As a result of the expiry of the leases, a temporary decline in occupancy is expected towards the end of the year, as existing tenants will leave, and therefore a temporary vacancy period is expected to occur during this transitional period.

¹ Based on Annualized-in place rent as at 31 December 2023. On a weighted average basis

	31 Mar 2024	31 Dec 2023
Investment properties (€ mn)	3,693	3,603
Number of properties	101	98
Annualized In-place Rent (€ mn)	222	218
Rental yield (%)	5.80	5.83
Property Occupancy Rate (%)	95	95
WAULT (years)	9.5	9.7

KPI's exclude assets held for sale. Annualized In-place rent includes assets held for sale

Total Annualized In-Place Rent increased mainly as a result of indexation of leases for both portfolios and through FX adjustments on the Group's hotel portfolio. The Property Occupancy Rate for the portfolio stands at 95% and remained stable, with 100% of UK hotel assets leased and 88% occupancy in Germany.

The Group's WAULT remained stable at 9.5 years as at 31 March 2024.

GAV breakdown

As at 31 March 2024 (in € mn)	Total	UK	Germany
Fair value	3,693	2,106	1,587
Advance payment for future acquisitions	11	-	11
Assets held for sale	159	-	159
Total GAV	3,863	2,106	1,757
% of total	100	55	45

Germany includes assets held in other EU-jurisdictions that comprise <3.5% of total GAV

Portfolio summary

as of 31.03.2024

	Total	UK	Germany
Fair value (in € mn)	3,693	2,106	1,587
Total portfolio value (%)	100	57	43
Annualized in-place Rent (in € mn)	222	144	78
WAULT (in years)	9.5	11.5	5.4
Property Occupancy Rate (%)	95	100	88
Rental yield (%)	5.8	6.9	4.4
Number of properties	101	53	48

Asset class breakdown

	Total	Hotel	Office	Other
Fair value (in € mn)	3,693	2,362	1,276	56
Total portfolio value (%)	100	64	35	1
Annualized in-place Rent (in € mn)	222	151	64	7
WAULT (in years)	9.5	11.7	4.4	2.3
Property Occupancy Rate (%)	95	100	86	82
Rental yield (%)	5.8	6.4	4.7	5.6
Number of properties	101	62	32	7

Note: For Mixed-Use properties, the predominant form of use by NLA has been used to determine the category.
Excluding assets held for sale. Annualized in-place Rent includes assets held for sale. Germany includes assets held in other EU-jurisdictions that comprise <3.5% of total GAV.



Selected KPIs

KPI Comparison

(In € mn)	As at 31 March 2024	As at 31 December 2023
GAV	3,863	3,781
Net Debt ⁽¹⁾	1,810	1,771
Net LTV (%)	43.3	43.3
Total Assets	4,649	4,588
EPRA NTA	1,625	1,584
Cash & cash equivalents	465	497
Restricted bank and other deposits	63	63

(1) Net Debt calculated as total principal value of bonds, loans and borrowings, accrued interest and long-term lease liabilities, less cash and cash equivalents.

Selected P&L items (In € mn)



No comparable figures available for the corresponding period as this is the first quarterly reporting.

- GAV slightly increased to € 3.86bn (FY2023: € 3.78bn) mainly as a result of FX adjustments on the UK portfolio
- Net Debt € 1,810mn (Dec 2023: € 1,771mn) increased due to lower cash position as at 31 March 24 and following an additional senior secured debt facility of £18mn (€ 21mn) in the UK portfolio
- The Group is actively working to further prolong its debt maturity profile and is in advance discussions to refinance existing maturing secured debt and obtain additional secured finance to address the 2024 stubs
- Cash position reduced mainly as a result of debt service payments and from further liquidity management for the Group, which includes investments into traded securities
- Restricted bank and other deposits pertains predominantly to restricted accounts related to secured financings **that can be used to repay the financing or debt service payments**



Capitalization table

As at 31 March 2024					
	Local Currency (LOC)	Nominal amount		Cost of debt	Avg. Maturity
		LOC (T)	€ T	%	Years
Germany secured debt (1)	€	534,442	534,442	3.1	2.7
UK secured debt (2)	£	218,300	251,538	7.8	3.6
2028 Secured Notes	€	608,556	608,556	6.5 + PIK	4.4
2029 Secured Notes	€	543,880	543,880	6.5 + PIK	4.9
Total Secured debt			1,938,416		
2024 Unsecured Notes (3)	€	168,900	168,900	3.0	0.4
Total Unsecured debt			168,900		
Gross debt			2,107,316	5.5	3.7
Cash balance as at 31 March 2024		Golden	382,798		
Cash balance as at 31 March 2024		Vivion	82,570		
Debt net of cash⁽⁴⁾			1,641,948		

(1) Includes € 17mn secured debt on assets in other EU jurisdictions.

(2) Including a new GBP £18mn facility that was drawn in Q1 2024. GBP/EUR fx rate 1.1695 as at 31 March 2024

(3) During Q1 2024, nominal € 11mn of 2024 Unsecured Notes were bought back

(4) Excludes accrued interest on bonds/secured notes and IFRS16 leasehold, included in Net Debt calculation



Non-IFRS measures This report includes certain references to non-IFRS measures that are not required by, or presented in accordance with, IFRS or any other accounting standards, and which are not audited. We use these non-IFRS measures to evaluate our financial performance. We believe that these non-IFRS measures assist in understanding our trading performance, as they give an indication of our ability to service our indebtedness.

Since the Company was established in 2018 as a private company, the Company has only made limited use of non-IFRS measures in the past. This report contains non-IFRS measures relating to the period covered by the Q1 2024 Trading Update including GAV, EPRA NTA, Net Debt, Net LTV, FFO and (Adjusted) EBITDA.

Certain data contained within this report relating to our properties, tenants and rent levels such as WAULT, Annualized In Place Rent and Property Occupancy Rate, are derived from our operating systems or management estimates, and are not part of our financial statements or financial accounting records. Unless otherwise indicated, all operating data relating to our property portfolio as presented in this report is as at 31 March 2024. Definitions of the respective non-IFRS measures and other definitions are presented in this section of the report.

The non-IFRS measures included in this report are not prepared in accordance with generally accepted accounting principles and should be viewed as supplemental to the Company's financial statements. You are cautioned not to place undue reliance on this information, and should note that these non-IFRS measures, as we calculate them, may differ materially from similarly titled measures reported by other companies, including our competitors. Non-IFRS measures are used by different companies for differing purposes and are often calculated in ways that reflect the particular circumstances of those companies. You should exercise caution in comparing our reported measures to those measures, or other similar measures, as reported by other companies.

The non-IFRS measures, as used in this report, may not be calculated in the same manner as these or similar terms are calculated, pursuant to the terms and conditions governing the Notes.

The following definitions relate to non-IFRS measures and other operating data used in this report:

- **GAV** is a performance measure used to evaluate the total value of the properties owned by the Company including assets held for sale and including advance payments for investment property (including leasehold properties due to the application of IFRS 16).
- **EPRA NTA** is defined by the European Public Real Estate Association (EPRA) and aims to reflect the tangible value of a company's net assets assuming entities buy and sell assets, crystallizing certain levels of unavoidable deferred tax liabilities. Therefore, EPRA NTA excludes intangible assets and goodwill, and adds back the portion of deferred tax liabilities that is not expected to crystallize as a result of long-term hold strategy. When calculating the EPRA NTA we interpret shareholder loans, including accrued interest to be treated as equity.
- **Net Debt** is a performance measure used to evaluate company indebtedness. It is calculated as the sum of non-current and current interest-bearing loans and borrowings, comprising liabilities due to financial institutions and corporate bonds and includes the impact of IFRS 16 (long term lease liabilities), less cash and cash equivalents and excluding shareholder loans.
- **EBITDA** is a non-IFRS performance measure used to evaluate the operational results of a company by adding back to the profit the tax expenses, net finance expenses, total depreciation and amortisation.
- **Adjusted EBITDA** is a performance measure used to evaluate the operational results of the Group by deducting from the EBITDA (as set out above) non-operational items such as the Property revaluations and capital gains and Share in profit from investment in equity-accounted investees. The Company adds to its Adjusted EBITDA a non-recurring item called One-off and other non-recurring items.
- **FFO** is an industry standard performance indicator for evaluating operational recurring profit of a real estate firm. FFO is calculated by deducting (i) net interest (i.e. all interest charges in respect of interest-bearing loans and borrowings excluding loans from related parties and loans from non-controlling interests, excluding any one-off financing charges) and (ii) current tax expense as determined by income tax expense (excluding any deferred tax charges) from Adjusted EBITDA.

- **Net LTV** the net loan to value ratio assesses the degree to which the total value of the assets are able to cover financial debt. The Net LTV is calculated as a ratio of Net Debt to Total assets less cash and cash equivalents.
- **Annualized In Place Rent** is defined as contracted monthly rents as at 31 March 2024, without deduction for any applicable rent free periods, multiplied by twelve, and including signed lease agreements with lease terms beginning in the future.
- **WAULT** is defined as weighted average unexpired lease terms (i.e. the remaining average lease term for unexpired leases with a contractual fixed maturity, not taking into account special termination rights as at 31 March 2024, including signed lease agreements with lease terms beginning in the future.
- **Property Occupancy Rate** is defined as the occupancy in Property Portfolio measured in sqm of NLA as at 31 March 2024, including signed lease agreements with lease terms beginning in the future, excluding properties which are under development and non-lettable storage areas.



Appendix



Top 20 Assets Germany (by value)

	Asset Name	City	Asset class	Total LFA, sqm
1	HeideStraße (QH Core)	Berlin	Office	31,230
2	Völklinger Straße	Düsseldorf	Office	47,900
3	Opernplatz	Essen	Office	56,337
4	Potsdamer Straße	Berlin	Office	22,574
4	Hallesche Straße	Berlin	Hotel	9,541
6	Potsdamer Straße	Berlin	Office	18,440
7	Karl Liebknecht Straße	Berlin	Office	7,793
8	Bundesallee	Berlin	Office	9,021
9	Fritz-Vomfelde Straße	Düsseldorf	Office	15,978
10	Kurt Schumacher Straße	Leipzig	Hotel	30,876
Top 10 properties				249,690
11	Podbielski straÙe	Hannover	Office	17,361
12	Oskar Jäger Straße	Köln	Office	12,994
13	Zimmerstraße	Berlin	Hotel	7,158
14	Hansaallee	Düsseldorf	Office	12,930
15	Osloer Straße	Berlin	Hotel	10,496
16	Potsdamer Straße	Berlin	Office	6,783
17	Helene Weigel Platz	Berlin	Retail	6,027
18	Gustav-Heinemann-Ring 12	München	Office	7,721
19	Dornhofstraße 38	Neu-Isenburg	Office	8,557
20	Oskar Messter Straße	Ismaning	Office	7,804
Top 20 properties				347,520
Other properties				118,668
Total Portfolio				466,188

Top 20 Hotel Assets UK (by value)

	Asset Name	City	Brand	Number of keys
1	St Martins Lane Hotel	London	-	204
2	Sanderson Hotel	London	-	150
3	London - Regent's Park	London	Holiday Inn	339
4	London - Heathrow	London	Crowne Plaza	465
5	London - Heathrow M4,Jct.4	London	Holiday Inn	615
6	Manchester Airport	Manchester	Crowne Plaza	299
7	Edinburgh	Edinburgh	Holiday Inn	303
8	Leeds City	Leeds	Hilton	208
9	Birmingham NEC	Birmingham	Crowne Plaza	242
10	Cobham	Cobham	Hilton	158
Top 10 properties				2,983
11	Bristol - Filton	Bristol	Holiday Inn	211
12	Oxford	Oxford	Holiday Inn	218
13	Residential property Mayfair	London	-	0
14	Cambridge	Cambridge	Holiday Inn	161
15	The Queen at Chester Hotel	Chester	Best Western	221
16	Watford	Watford	Hilton	200
17	Croydon	Croydon	Hilton	168
18	Guildford	Guildford	Holiday Inn	168
19	Milton Keynes - Central	Milton Keynes	Holiday Inn	166
20	Maidenhead/Windsor	Maidenhead	Holiday Inn	197
Top 20 properties				4,693
Other properties				3,788
Total Portfolio				8,481

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