



Vivion Investments S.À r.l.

Q3 2024

Trading update

Date: 9 December 2024



## Introduction

**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 9-months period ended 30 September 2024 (the “Q3 2024 Trading Update”).**

This report is published on the [Company’s website](#)

### **General information**

The Q3 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 6.50% plus PIK Senior Secured Notes due 2028 (“2028 Secured Notes”) and 6.50% plus PIK Senior Secured Notes due 2029 (“2029 Secured Notes”) and together with the 2028 Secured Notes, the “Secured Notes”) pursuant to section 9.5 lit. (b) of the terms and conditions of the Secured Notes.



Portfolio performance &  
business update

## Vivion Overview

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

53

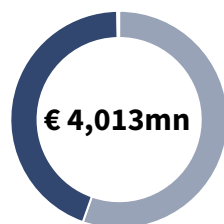
UK Assets

58

German Assets



GEOGRAPHIC SPLIT



- UK 55%
- Germany 45%

ASSET CLASS SPLIT



- Hotels 62%
- Office 35%
- Other 3%

TOTAL ASSETS SPLIT



- UK 46%
- Germany 37%
- Cash 10%
- Other 7%

SELECTED PROPERTY KPIS

ANNUALIZED IN-PLACE RENT  
**€ 228mn**

WAULT  
**9.2 years**

PROPERTY OCCUPANCY RATE  
**94%**

# ASSETS  
**111**

Note: Germany includes assets held in other EU jurisdictions that comprise <3.5% of total GAV. Selected Property KPIs exclude assets held for sale.

## Trading update Q3 2024

### Portfolio highlights

- WAULT increased in Germany to 6.0 years (FY 2023: 5.5 years) due to signing of several new long-term leases and prolongations. Overall WAULT is stable at 9.2 years (FY 2023: 9.7 years)
- >90% of German rents indexed with step rents or CPI linked. UK rents 100% indexed

	30 Sept 2024	31 Dec 2023
<b>Investment properties</b> (€ mn)	<b>3,985</b>	<b>3,603</b>
<b>Number of properties</b>	<b>111</b>	<b>98</b>
<b>Annualized In-place Rent</b> (€ mn)	<b>228</b>	<b>218</b>
<b>Rental yield</b> (%)	<b>5.7</b>	<b>5.8</b>
<b>Property Occupancy Rate</b> (%)	<b>94</b>	<b>95</b>
<b>WAULT</b> (years)	<b>9.2</b>	<b>9.7</b>

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 portfolio comprises 53 assets, which are long term leased and strategically located in key UK cities. The Group's portfolio in Germany comprises predominantly office assets. Almost 50% of the German portfolio is located in the Berlin-Brandenburg area.

In the third quarter of 2024, Vivion's gross asset value remained stable at €4.0 billion, with no acquisitions or disposals completed during the reporting period. The portfolio metrics have also remained stable with little changes at rental yield, occupancy and annualised in-place rent levels.

### GAV breakdown

As at 30 September 2024 (in € mn)	Total	UK	Germany
Fair value	3,985	2,224	1,761
Advance payment for future acquisitions	17	-	17
Assets held for sale	11	-	11
<b>Total GAV</b>	<b>4,013</b>	<b>2,224</b>	<b>1,789</b>
% of total	100	55	45

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

### Leasing update

Vivion's asset management team secured new leases and renewed existing leases across Vivion's German portfolio for a total of over 80,000 sqm, including the recent signing of a long-term lease extension for approximately 8,000 sqm for one of Vivion's Berlin assets. The lease was secured at an average rent of over € 20 per sqm per month, significantly higher than the previous rent, thereby unlocking the reversionary potential of the asset. The new lease is subject to annual indexation, and no substantial tenant contributions or capital expenditures are required from the landlord. The new agreement represents a pivotal milestone for the property, delivering substantial financial growth and future-proofing its position as a high-yielding asset.

### Secured loan maturities

The Company achieved its goal to address the maturing 2024 debt maturities. In August, ca. € 174mn (including accrued coupon) 2024 unsecured notes were repaid. This redemption was financed from additional secured debt facilities closed in 2024 on the Group's UK hotel portfolio for a total of £ 173mn (€ 205mn). Furthermore, the Company also addressed the maturing 2024 secured loan facilities on part of its German portfolio. For this, prolongations were signed for all the maturing 2024 secured loans. Additionally, post the reporting date, a new € 21mn facility has been signed, secured against one of its German assets. The loan carries an all-in interest rate of 3.8% and has a 5-year maturity.

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### Acquisition of the Iconic Femina building in Berlin

The Group is pleased to announce our latest acquisition, the iconic Femina building on Nürnberger Strasse in Berlin, a historic landmark with a distinguished legacy. This strategic investment positions us in one of Europe's most dynamic and rapidly growing hotel markets. The acquisition was completed post the reporting period, in Q4 2024.

The property is located in a prime area, adjacent to the renowned KaDeWe, in the Charlottenburg district of Berlin's City West. This exceptional location offers guests direct access to a wealth of cultural attractions, luxury shopping, restaurants, and entertainment, while also providing convenient proximity to key business, cultural, and political centers in the city.

The Femina building will be transformed into a modern 5-star hotel under a prestigious international brand. The structural undersupply of luxury hotel accommodations in Berlin is driving up both average daily rates (ADR) and occupancy levels for this asset class, as the vast majority of new hotel supply in the city projected to fall within the midscale and upscale segments.

Vivion has acquired an 89.9% stake in this asset for a purchase price of € 65mn, plus associated costs. The acquisition was completed through Vivion's subsidiary, Golden Capital Partners.



## Trading update Q3 2024

### Portfolio summary

as of 30.09.2024

	<b>Total</b>	<b>UK</b>	<b>Germany</b>
<b>Fair value</b> (in € mn)	3,985	2,224	1,761
<b>Total portfolio value</b> (%)	100	56	44
<b>Annualized in-place Rent</b> (in € mn)	228	148	80
<b>WAULT</b> (in years)	9.2	11	6
<b>Property Occupancy Rate</b> (%)	94	100	86
<b>Rental yield</b> (%)	5.7	6.6	4.5
<b>Number of properties</b>	111	53	58

Asset class breakdown

	<b>Total</b>	<b>Hotel</b>	<b>Office</b>	<b>Other</b>
<b>Fair value</b> (in € mn)	3,985	2,481	1,392	112
<b>Total portfolio value</b> (%)	100	62	35	3
<b>Annualized in-place Rent</b> (in € mn)	228	157	64	7
<b>WAULT</b> (in years)	9.2	11.3	4.8	3.8
<b>Property Occupancy Rate</b> (%)	94	100	82	94
<b>Rental yield</b> (%)	5.7	6.3	4.6	6.4
<b>Number of properties</b>	111	62	34	15



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.

## Trading update Q3 2024

### Selected KPI's

(In € mn)	KPI Comparison	
	As at 30 September 2024	As at 31 December 2023
GAV	4,013	3,781
Net Debt <sup>1</sup>	1,892	1,771
Net LTV (%)	43.3	43.3
Total Assets	4,849	4,588
EPRA NTA	1,734	1,584
Cash & cash equivalents	481	497
Restricted bank and other deposits	84	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.

### KPI Comparison



No comparable figures available for the corresponding period as this is the first Q3 reporting

- GAV amounts to € 4.0bn and remains stable. No acquisitions or disposals were completed during the reporting period
- As of 30 September 2024, the balance of unencumbered assets is EUR 1,8 billion.
- Net Debt € 1,892mn (Q4 2023: € 1,771mn) due to the 2 new senior secured debt facility of total £173mn (€ 205mn) in the UK portfolio. The proceeds from these loans were largely used to repay the 2024 bonds in August 2024
- The Group is actively working to further optimize its capital structure and continues to opportunistically evaluate debt markets. All 2024 debt maturities have been extended or repaid
- Restricted bank and other deposits pertains predominantly to restricted accounts related to secured financings and can be used to reduce the debt and/or debt service payments
- Revenues and Adj. EBITDA are in line with FY 2023. FFO impacted, primarily as a result of higher interest expenses





## Trading update Q3 2024

### Capitalization table

30 September 2024	Local Currency (LOC)	Nominal amount		Cost of debt %	Avg. Maturity Years
		LOC (T)	€ T		
Germany secured debt (1)	€	518,321	518,321	3.7	2.9
UK secured debt (2)	£	391,300	468,382	8.1	3.8
2028 Secured Notes	€	644,042	644,042	6.5 + PIK	3.9
2029 Secured Notes	€	567,218	567,218	6.5 + PIK	4.4
<b>Total Gross debt</b>			<b>2,197,963</b>	<b>6.2</b>	<b>3.8</b>
Cash balance as at 30 September 2024		Golden	412,547		
Cash balance as at 30 September 2024		Vivion	68,947		
<b>Debt net of cash (3)</b>			<b>1,716,469</b>		
Additionally invested in liquid securities			52,256		
Restricted cash			83,782		

(1) Includes € 15mn secured debt on assets in other EU jurisdictions.

(2) GBP/EUR fx rate 1.1970 as at 30 September 2024.

(3) Excludes accrued interest and the impact of IFRS16 leasehold liabilities, included in Net Debt calculation



## Certain Definitions

**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 Q3 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 30 September 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, crystalizing 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 crystalize 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.

## Q3 2024 – Certain Definitions

- **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 30 September 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 30 September 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 30 September 2024, including signed lease agreements with lease terms beginning in the future, excluding properties which are under development and non-lettable storage areas.



Appendix

## Appendix A

### 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	23,804
5	Hallesche Straße	Berlin	Hotel	9,541
6	Hutten Straße	Berlin	Office	46,374
7	Potsdamer Straße	Berlin	Office	18,443
8	Karl Liebknecht Straße	Berlin	Office	7,793
9	Bundesallee	Berlin	Office	9,021
10	Fritz-Vomfelde-Straße	Düsseldorf	Office	15,978
	<b>Top 10 properties</b>			<b>266,421</b>
11	Kurt Schumacher Straße	Leipzig	Hotel	30,876
12	Podbielski Straße	Hannover	Office	17,361
13	Osloer Straße	Berlin	Hotel	10,496
14	Oskar-Jäger Straße	Köln	Office	12,994
15	Zimmer Straße	Berlin	Hotel	7,158
16	Hansaallee	Düsseldorf	Office	12,930
17	Anger Straße	Leipzig	Office	18,627
18	Potsdamer Straße	Berlin	Office	6,941
19	Helene-Weigel-Platz	Berlin	Retail	6,027
20	Gustav-Heinemann Ring	München	Office	7,737
	<b>Top 20 properties</b>			<b>397,568</b>
	Other properties			214,278
	<b>Total Portfolio</b>			<b>611,846</b>

### 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	Oxford	Oxford	Holiday Inn	220
	<b>Top 10 properties</b>			<b>3,045</b>
11	Hilton Croydon	Croydon	Hilton	168
12	Hilton Cobham	Cobham	Hilton	158
13	Bristol - Filton	Bristol	Holiday Inn	211
14	37-38 Upper Grosvenor street	London	n/a	0
15	Cambridge	Cambridge	Holiday Inn	161
16	The Queen at Chester Hotel	Chester	Best Western	221
17	Hilton Watford	Watford	Hilton	200
18	Guildford	Guildford	Holiday Inn	168
19	Milton Keynes - Central	Milton Keynes	Holiday Inn	166
20	Maidenhead/Windsor	Maidenhead	Holiday Inn	197
	<b>Top 20 properties</b>			<b>4,695</b>
	Other properties			3,788
	<b>Total Portfolio</b>			<b>8,483</b>

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

## Disclaimer

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This presentation includes statements, estimates, opinions and projections with respect to anticipated future performance of the Company ("forward-looking statements") which reflect various assumptions concerning anticipated results taken from the Company's current business plan or from public sources which have not been independently verified or assessed by the Company and which may or may not prove to be correct. Any forward-looking statements reflect current expectations based on the current business plan and various other assumptions and involve significant risks and uncertainties and should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. Any forward-looking statements only speak as at the date the presentation is provided to the recipient. It is up to the recipient of this presentation to make its own assessment of the validity of any forward-looking statements and assumptions and no liability is accepted by us in respect of the achievement of such forward-looking statements and assumptions.

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