

Branchentalk Tourismus

Investing for a better life

26 October 2023

AEVIS VICTORIA SA





AEVIS VICTORIA

AEVIS invests in services to people in stable and resilient focus areas

Focus sectors – Investing for a better life



● % of total value

Share price development above SPIX benchmark

Key share price information

Key price and value information

MARKET CAPITALISATION (13.09.2023)

CHF 1.6bn

52 WEEKS LOW

CHF 16.80

CURRENT SHARE PRICE (13.09.2023)

CHF 18.95

52 WEEKS HIGH

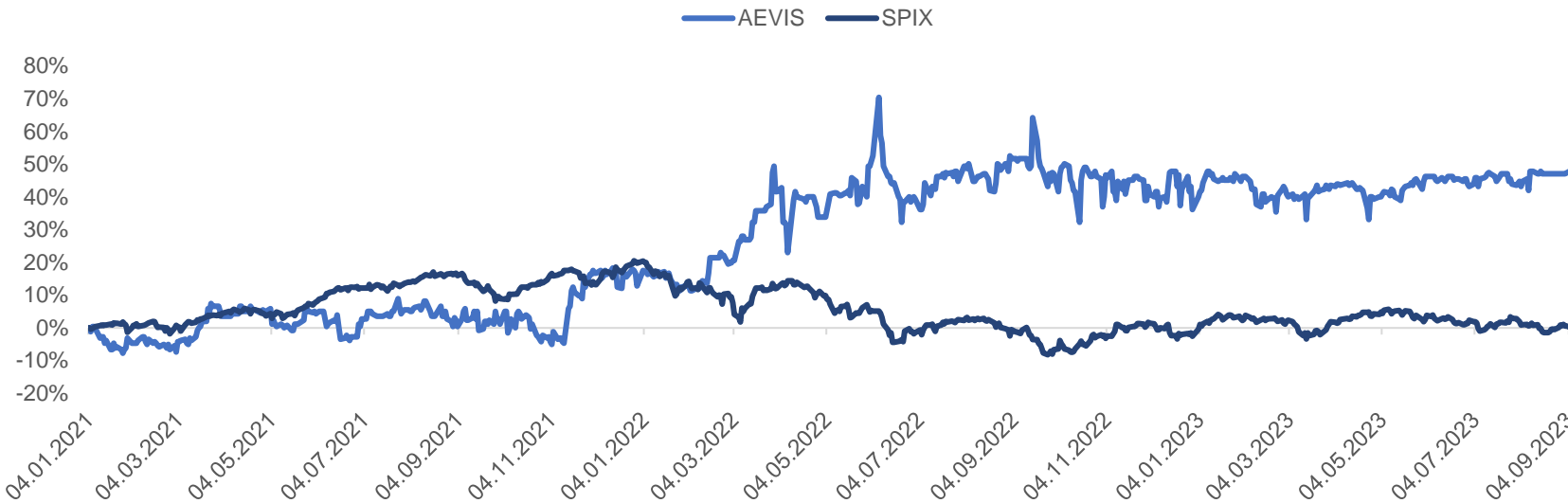
CHF 21.10

KEPLER CHEUVREUX TARGET PRICE*

CHF 21.50

*based on sum-of-the-parts valuation methodology

AEVIS/SPIX performance comparison



- AEVIS VICTORIA is listed on the SIX Swiss Exchange (AEVS)
- The shares are part of
 - Swiss Performance Index (SPI)
 - SXI Life Sciences Index (SLIFE) and
 - SXI Bio+Medtech Index (SBIOM)
- All shares are registered shares



Group results

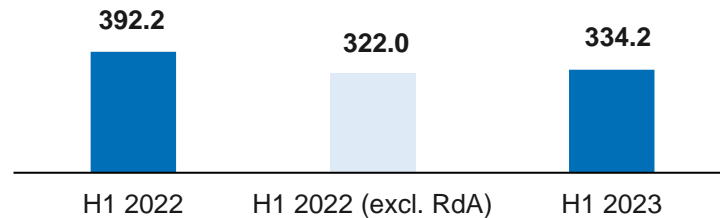
Group results

Main internal and external factors in the first half of 2023

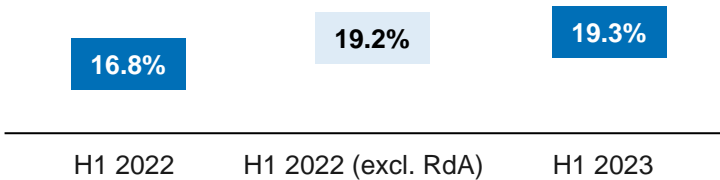
Deconsolidation of Réseau de l'Arc SA (RdA)

- Deconsolidation **as of 31.12.2022**, following the entry into the share capital by Visana Beteiligungen
- That resulted in a **decrease in net revenues** and an **increase in profitability**

Hospital segment net revenues (CHFm)



Hospital segment EBITDAR margin



Swiss Medical Network Capital Increase

- Strategic expansion of the shareholder base with entry of Visana Beteiligungen in a **CHF 150m capital increase**
- The capital increase **strengthens the consolidated balance sheet**
- It also **confirms the significant value creation achieved**

visana

↓ 11.1%



SWISS MEDICAL
NETWORK

Inflationary environment

- The Group has identified **increased inflationary pressure** through several cost channels and has taken targeted measures to mitigate the impact:



Personnel - tight labor markets



Production - higher material and infrastructure costs



Energy - ongoing energy crisis



Interests - central banks fighting inflation

Consolidated AEVIS income statement figures

Expected decline in revenues and improvement of purely operating result after deconsolidation

Consolidated income statement (in CHF000)	HY 2022	HY 2023
Total revenue	584'169	488'323
<i>Growth</i>	<i>n.a.</i>	<i>-16.4%</i>
External services	(57'731)	(60'339)
Net revenue	526'438	427'984
<i>Growth</i>	<i>n.a.</i>	<i>-18.7%</i>
EBITDAR	125'737	72'321
<i>EBITDAR margin</i>	<i>23.9%</i>	<i>16.9%</i>
Rental expenses	(39'804)	(41'064)
EBITDA	85'933	31'257
<i>EBITDA margin</i>	<i>16.3%</i>	<i>7.3%</i>
EBIT	53'893	1'656
<i>EBIT margin</i>	<i>10.2%</i>	<i>0.4%</i>

As expected, **decline of total revenues** after the **deconsolidation** of Réseau de L'Arc and the **absence of capital gains** in the reporting period

However, the **purely operating result improved**, as the dilutive effect of Réseau de L'Arc was eliminated

Organic revenue growth of 4.7% highlights a strong operating result

Good performance with **EBITDAR margin of 16.9%**

Factoring out results from M&A activities in HY 2022, this represents an 10.5% margin increase

The lower revenues in combination with noticeable inflation effects on various cost items led to lower margins compared to the previous year

The second semester started promisingly and AEVIS expects a good year overall in 2023

Consolidated AEVIS balance sheet figures

Improved leverage and equity ratios

Consolidated balance sheet (in CHF000)	31/12/2022	30/06/2023	30.06.2023 pro-forma
Cash and cash equivalents	75'427	54'623	104'623
Accounts receivable	159'075	163'353	163'353
Other current assets	146'053	117'406	117'406
Non-current assets	1'410'170	1'443'496	1'443'496
Total assets	1'790'726	1'778'878	1'828'879
Financial liabilities and other borrowings	970'035	1'005'295	905'295
Other liabilities	310'555	272'737	274'237
Total liabilities	1'280'590	1'278'031	1'179'532
Equity excl. minority interests	469'339	459'147	592'989
Minority interests	40'798	41'700	56'358
Equity incl. minority interests	510'137	500'847	649'347
Total liabilities and equity	1'790'728	1'778'878	1'828'879
Equity ratio	28.5%	28.2%	35.5%
Leverage ratio	54.2%	56.5%	49.5%
Net debt in CHFm	(894.6)	(950.7)	(800.7)

Pro-forma balance sheet shows the effects of the CHF 150m capital increase of Swiss Medical Network subscribed by Visana Beteiligungen AG




Ongoing deleveraging process

Significant increase in shareholders' equity

Improvement of equity ratio from 28.5% to 35.5%
Reduction of leverage ratio from 54.2% to 49.5%

Swiss Medical Network contributes a significant majority to total revenues

Segment snapshot half-year 2023

2023	 Hospitals	 Hospitality	 Hotel real estate
Financial Performance			
Gross revenues HY 2023 (HY 2022)	CHF 394.6m (450.0m)	n.a.	n.a.
Net revenues HY 2023 (HY 2022)	CHF 334.2m (392.2m)	CHF 88.3m (80.2m)	CHF 12.8m (9.4m)
Net revenue growth	-14.8%	+10.1%	+36.9%
Organic revenue growth	+4.1%	+7.4%	n.a.
EBITDAR margin	19.3%	22.6%	90.0%
EBITDA margin	8.0%	8.9%	89.9%
Highlights HY 2023	Capital increase subscribed by Visana Beteiligungen	Record results achieved overall	Strong revenue increase

Note: Illustration does not include the segments: Others, Corporate, and Eliminations.

Inflationary environment and mitigating counter-measures

Various initiatives since 2022 showing results starting in 2HY 2023



Upward renegotiation of base rates with insurers
enables the group to pass on part of the price increases

- ✓ Staggered tariff increases over the next years secured (+3% in 2023, +1% in 2024 , +0.5% in 2025)



Active deleveraging lowering overall net debt and financing expenses

- ✓ Significant deleveraging implemented



Longer term contracts with utility companies lock in power prices and offer protection from price increases

- ✓ Long-term contracts secured
- 🔄 Ongoing investments in renewable energies and energy-saving solutions (ESG program)



Operational efficiency and employee retention programs will reduce exposure to tight labor markets

- 🔄 Ongoing operational efficiency and employee retention programs



Healthcare

Swiss Medical Network

Majority investment of AEVIS



Swiss Medical Network SA

Swiss Medical Network is one of the two leading Swiss private hospital groups. In its hospitals in all three language regions, patients from Switzerland and abroad receive first-class hospital treatment, care and nursing.

Size and positioning allow active shaping of the healthcare market - especially as a pioneer in the introduction of integrated care models



21 / 60
Hospitals / Medical centers



>75'000
Interventions



4'095 / 2'250
Employees / Physicians



>620'000
Outpatient admissions p.a.



1'443
Beds

INVESTMENT STRATEGY

- Bolt-on acquisitions
- Add-on acquisitions
- Focus on further growth and integrated care implementation



Hospitality & Lifestyle

Hospitality group

100% investment of AEVIS



MRH Switzerland AG*

Through its operating subsidiaries, AEVIS VICTORIA is operating luxury hotels under the brand «Michel Reybier Hospitality»



11
Hotels



CHF 687
Average Room Rate



991
Employees



1'030
Rooms in operation



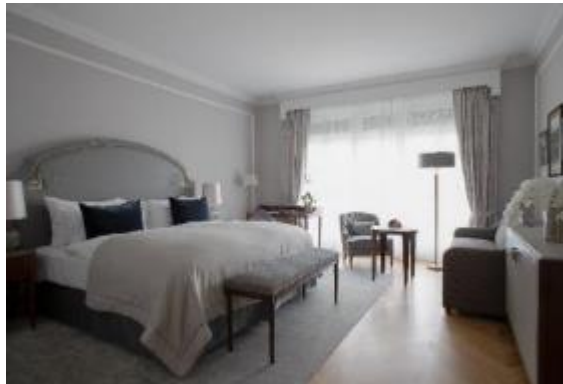
73'656
Overnight stays

INVESTMENT STRATEGY

- Bolt-on acquisitions
- Dedicated growth in the 4- and 5-star boutique hotel category in European metropolises

The Victoria-Jungfrau Grand Hotel & Spa

Transformation into a resort



In H1 2023, the Grand Hotel Victoria Jungfrau & Spa achieved **the best result in its history**

Since 2018, the hotel aims to become the **leading family friendly resort** in Europe

The **transformation into a resort includes:**

- **Renovation of all rooms** (end of 8 year capex cycle)
- Inauguration of **new outdoor pool area** of 2'308 m2 with a 20m swimming pool
- Launch of a Kids Club spanning over 269 m2
- Opening of the gourmet restaurant "Radius" (17 points)



Infrastructure

Infracore

30% investment of AEVIS (50% voting rights)



Infracore SA

Infracore SA is a healthcare infrastructure company based in Switzerland



1'276

Market value of properties
in CHFm



42

Properties incl. development
projects



31.5

EBITDA H1 2023 in CHFm



21.4

Net income H1 2023 in CHFm



195'930

Rental surface in sqm

INVESTMENT STRATEGY

- Buy, build & hold strategy
- High cash-yielding assets
- Driven by growth in the healthcare segment



Swiss Hotel Properties (SHP)

100% investment of AEVIS



Swiss Hotel Properties SA

Swiss Hotel Properties is a hospitality infrastructure company based in Switzerland



771.4

Market value of consolidated hotel properties in CHFm



22

Properties



12.2

Net revenues H1 2023 in CHFm



4.1

Net income H1 2023 in CHFm



121'148

Rental surface in sqm

INVESTMENT STRATEGY

- Buy, build & hold strategy
- Driven by growth in the hospitality segment

Zermatt Portfolio Snapshot

Development of integrated resort solutions

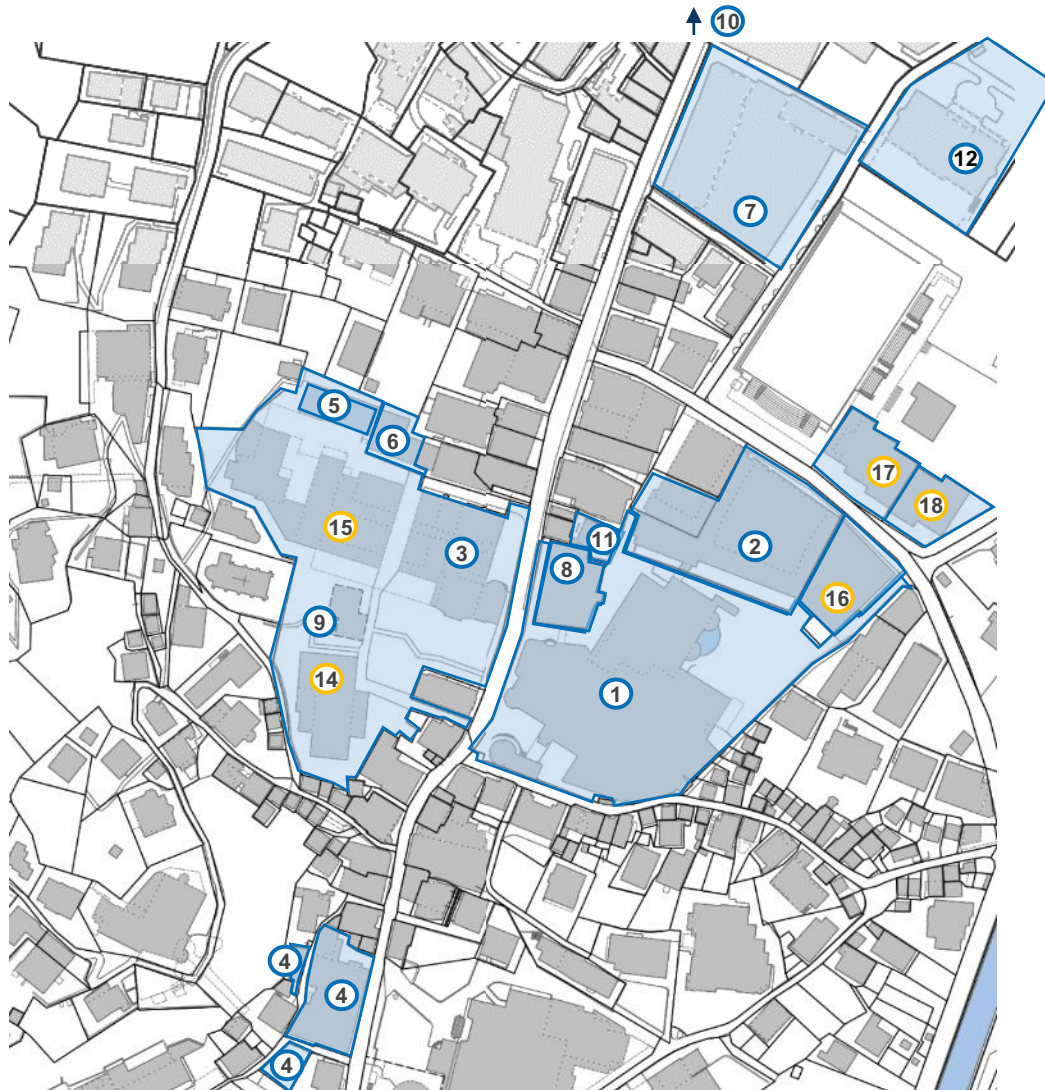


Hospitality		
M2 LAND	M2 BUILDINGS	VALUATION
25'000	52'000	290m
VALUE / M2	# BEDS	# NIGHTS
5'577	400	>80'000
# RESTAURANTS	# SEATS	# GUESTS
8	1'000	>70'000

Retail
OUTLETS
>20
RETAIL SPACE AVAILABLE
from 70 to 700 sqm
DAILY VISITORS BAHNHOFSTRASSE
15'000 winter 18'000 summer

Footprint

Comprehensive real estate portfolio in the heart of Zermatt



Zermatt Portfolio

- | | |
|---|--------------------|
| 1 Hotel Mont Cervin Palace | 8 Villa Margherita |
| 2 Hotel Petit Cervin | 9 Restaurant Myoko |
| 3 Seilerhaus-Areal D + E | 10 Öltank |
| 4 Hotel Monte Rosa | 11 House Biner |
| 5 Rosstall | 12 Whympfer |
| 6 Seilerhof | 13 Riffelalpa |
| 7 Hotel Schweizerhof (acquired in 2020) | |

+ additional portfolio of agricultural land

Scope of financing



+ Option to acquire additional portfolio as per 1 July 2023

Additional Portfolio

- | | |
|-----------------------------|---------------------|
| 14 Felsenhaus | 17 Haus zur Matte A |
| 15 Seilerhaus-Areal A, B, C | 18 Haus zur Matte B |
| 16 Villa Emeline | |

Mont Cervin Palace

Le Petit Cervin

Villa Margherita

Monte Rosa

Schweizerhof

Conservative valuation of assets

Below average valuations / m2



Hotel real estate portfolio (SHP)

CHF 771m

Market value 30.06.2023

121'148

Rental area as of 30.06.2023

CHF 6'367

Implied value / m2

CHF 10'000*

Benchmark value / m2



Healthcare real estate portfolio (Infracore)

CHF 1'276m

Market value 30.06.2023

195'930

Rental area as of 30.06.2023

CHF 6'513

Implied value / m2

Portfolio of leading landmark hotels and state-of-the-art hospitals

Prime hotel locations in Switzerland and the UK and diversified hospital footprint across all Swiss language regions

Conservative valuation levels (low value per sqm) in comparison to benchmark values



Outlook

Outlook

AEVIS is continuing its successful value creation journey

AEVIS

- AEVIS will continue its transformation strategy into a pure investment company with a portfolio of 30-60% participations
- This is expected to unlock further value for shareholders
- Focus on healthcare and hospitality provides long term growth fundamentals with steady yields
- Capital market activity (equity and debt) will be planned depending on market conditions

Hospitals

- Swiss Medical Network will continue to invest in the further development of integrated care
- Full pipeline to complement and launch new integrated care clusters for the next 6 to 12 months
- No capex backlog and the hospitals can focus on scale and efficiency as well as sustainability initiatives

Hospitality & Lifestyle

- After record results in H1 2023, the hospitality segment is expected to remain strong in 2023
- Activity for the next few years is expected to continue to benefit strongly from post-covid travel and conference backlog
- Dedicated growth in the 4- and 5-star boutique hotel category

Infrastructure

- All buildings are in prime locations and maintained at the highest standard
- Valuations are at very reasonable per square meter levels both in the healthcare and the hospitality areas
- Infracore and SHP are expected to yield substantial annual dividend payments as well as important value creation opportunities



Thank you for
your attention