



Annual Report 2023

"Investing for a better life". As an investment company, AEVIS VICTORIA pursues a strategy that focuses on three areas with high added value and strong growth potential: healthcare, lifestyle and infrastructure.

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© Grégoire Gardette (Letter to the shareholders and Statutory Financial Statements)

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Key Figures

Statutory key figures

(In thousands of CHF unless otherwise stated)	FY2023	FY2022
Net income	15'630	82'891
Net (loss)/profit	(8'785)	67'387
Equity	549'301	624'013
Equity ratio	68.3%	70.6%
Market price per share at 31.12. (in CHF)	16.9	17.5
Number of outstanding shares	84'264'164	84'417'199
Market capitalization	1'424'064	1'477'301
Distribution to shareholders (in CHF)*	-	0.75

* proposal to the Annual General Meeting

Consolidated key figures

(In thousands of CHF unless otherwise stated)	FY2023	FY2022
Revenue from operations	952'973	1'088'224
Gain on sale of subsidiaries and associated companies	27	56'250
Total revenue	953'000	1'144'474
Net revenue	833'127	1'023'322
EBITDAR*	119'942	209'558
EBITDAR margin	14.4%	20.5%
EBITDA	40'403	129'965
EBITDA margin	4.8%	12.7%
EBIT	(21'534)	61'382
EBIT margin	-2.6%	6.0%
(Loss)/profit for the period	(41'860)	61'834
Cash flow from operating activities	42'673	114'300
Cash and cash equivalents	80'706	75'427
Equity	538'573	510'137
Equity ratio	29.0%	28.5%
Balance sheet total	1'855'730	1'790'726
Number of FTE at year-end	4'033	3'902

* Earnings before interest, taxes, depreciation, amortization and rental expenses.

Highlights

Number of focus segments

3

Number of portfolio companies

>10

Total Revenue Hospitality

170.5

in CHF million

Total Revenue Healthcare
(incl. Réseau de l'Arc)

918.1

in CHF million

Market value Infracore portfolio

1.29

in CHF billion

Market value Swiss Hotel Properties portfolio

857.8

in CHF million

Statutory equity

549.3

in CHF million

Statutory equity ratio

68.3%

of total assets



LETTER TO THE SHAREHOLDERS

Dear Shareholder,

During the year 2023, all investments of AEVIS VICTORIA (AEVIS) achieved significant, transformative milestones. The overall value of our holdings continued to increase, driven primarily by Swiss Medical Network, a leader in integrated healthcare in Switzerland, with the entry of the insurance group Visana into its capital. The inflationary environment, interest rates, energy costs, and the geopolitical situation weighed on their profitability, but each of the companies in which AEVIS is a shareholder managed to navigate this challenging environment and implement the necessary compensatory measures. Although the individual results of our holdings in 2023 vary, all companies reached important milestones in 2023.

Hospitality segment achieves best result ever

MRH Switzerland SA (ex-Victoria Jungfrau AG), the subsidiary dedicated to the hotel operations, achieved revenues of CHF 170.5 million in 2023, up by 10.3% (2022: CHF 154.5 million). Benefiting from investments in infrastructure, the overall average room rate increased from CHF 412 in 2019 to CHF 559 in 2023, allowing the absorption of rising costs due to inflation and the geopolitical situation. Destinations such as Zermatt and Interlaken performed exceptionally well, supported by positive momentum in the Swiss tourism sector. The organic growth of 6.4% recorded in 2023 continued into the first months of 2024.

Batgroup, a minority and non-consolidated subsidiary of AEVIS specializing in on-demand home services, increased revenues by 10.0% to CHF 34.1 million. In the fourth quarter of 2023, the company achieved a positive EBITDA for the first time in its history. Batgroup acquired Putzfrau.ch in 2023, the leading company in the sector in the German-speaking part of Switzerland, securing its top position in Switzerland.

Healthcare division successfully positioned for the future

Swiss Medical Network, the participation dedicated to healthcare and one of the leading healthcare providers in Switzerland, generated revenues of CHF 768.7 million, taking into account the deconsolidation of Réseau de l'Arc. On a like-for-like basis, revenues remained stable, with organic growth of 0.3%. The overall increase in costs, in particular energy, personnel expenses and materials, heavily impacted margins temporarily, as the fixed medical and hospital tariffs do not allow for inflation to be immediately passed on to revenues. This problem currently affects the entire Swiss healthcare sector, both public and private. Swiss Medical Network has initiated various revenue- and cost-optimization measures in order to regain the margins achieved in 2022 by 2024. Activity in January and February of 2024 showed positive effects of these measures, with turnover being around 8% above the same period in 2023 and profitability sequentially improving again.

Several exceptional factors have also affected Swiss Medical Network's profitability but are essential investments for the future. The development of integrated care and the Viva project require the creation of structures (primary care) and a dedicated organization, which has a temporary impact on overall profitability and will only bear fruit in a few years with the development of new integrated care regions. Another exceptional factor is various construction projects, particularly at the Clinique de Genolier (Genolier Innovation Hub) and Privatklinik Bethanien (integration of Privatklinik Pyramide) campuses, which also weighed on the activity and profitability of these two entities in 2023.

Visana Beteiligungen's CHF 150 million investment in Swiss Medical Network in July 2023, which enabled the realization of the Viva-Réseau de l'Arc integrated care model designed to transform the Swiss healthcare system, confirmed the net value of AEVIS's participation at over CHF 1.4 billion.

Investments in Well Gesundheit AG and AD Swiss Net AG, two minority holdings in digital health platforms, are showing promising developments, with Well becoming the most widely used health app in Switzerland, with over 300'000 users. The digital solutions offered by Well and AD Swiss Net are used in setting up integrated healthcare regions such as Réseau de l'Arc.

Real estate portfolios strengthened

Swiss Hotel Properties SA, the hotel real estate subsidiary, saw the value of its real estate portfolio increase to CHF 857.8 million, mainly due to acquisitions and developments in Zermatt and Interlaken. The NAV (net asset value) amounted to CHF 363.4 million as at 31 December 2023.

Infracore SA, a minority holding (30%) of AEVIS dedicated to healthcare infrastructure, achieved stable revenues (excluding revaluation changes) of CHF 59.6 million (2022: CHF 60.0 million). The total value of the real estate portfolio rose to CHF 1.29 billion (2022: CHF 1.25 billion) due to new constructions and increased rental space, despite negative value adjustments of CHF 16.8 million on existing properties related to higher interest rates. The NAV amounted to CHF 566.3 million at the end of the reporting period.

Group results

AEVIS's consolidated revenue, a less representative indicator for an investment company, amounted to CHF 953.0 million (2022: CHF 1.14 billion), down due to the deconsolidation of Réseau de l'Arc and the absence of capital gains based on the sale of participations. On a like-for-like basis, organic growth stood at 1.5%. EBITDAR decreased to CHF 119.9 million (2022: CHF 209.6 million), corresponding to a margin of 14.4% (2022: 20.5%). On a like-for-like basis, the operating profit margin reached 14.6%. After depreciation, amortization and financial expenses, a net loss of CHF 41.9 million resulted.

AEVIS appoints Fabrice Zumbrunnen as CEO and Michel Keusch as CFO/CIO

Fabrice Zumbrunnen, former Chairman of the Executive Management of Migros Group, will become the CEO of AEVIS as of 1 May 2024. His extensive management experience and broad range of activities during his long career with the Migros Group will enable the company to monitor and manage its portfolio of participations, in line with the strategy developed by its founders. Antoine Hubert, founder of the Group and majority shareholder with Michel Reybier, will ensure the transition and be proposed as Chairman of the Board of Directors at the 2025 Annual General Meeting.

Fabrice Zumbrunnen is already a member of the Board of Directors of Swiss Medical Network SA and MRH Switzerland SA, AEVIS's two main participations, since June 2023. He helped to steer the project "Viva-Réseau de l'Arc", the first integrated care network in Switzerland created by the Canton of Bern, the insurance group Visana and Swiss Medical Network. Within the Migros Group he had supported a similar vision with the development of Medbase.

Michel Keusch will join the senior management of AEVIS as CFO (Chief Financial Officer) and CIO (Chief Investment Officer) as of 1 June 2024. Senior Investment Manager at Bellevue Asset Management, Michel Keusch will bring strong competencies in strategy and financial analysis as well as valuation and investment banking transactions. The current CFO Gilles Frachon will retire at the end of May 2024 and is proposed to become a member of AEVIS' Audit Committee. We would like to thank Gilles Frachon for his 12 years of service for AEVIS and are looking forward to continue our collaboration within the Audit Committee.

Séverine Van der Schueren, CAO (Chief Administrative Officer), who has been working for the Group since 2008, first as Secretary General of Swiss Medical Network and then as CAO of AEVIS, will complete the senior management of AEVIS as of 1 June 2024.

Statutory results

At the statutory level (holding company, non-consolidated) revenue reached CHF 15.6 million. The balance sheet remained very strong with equity of CHF 549.3 million, corresponding to an equity ratio of 68.3%. The Board of Directors will not propose a distribution to the Annual General Meeting.

AEVIS will continue to monitor market conditions and may return to the capital markets, depending on opportunities and acquisitions. The total market capitalization as of 31 December 2023 was CHF 1.42 billion.

Outlook

In line with its mission of "Investing for a better life", AEVIS will continue to prioritize innovative projects and companies that bring real added value to its customers while further strengthening its strong market position in the healthcare, hospitality and real estate sectors.

Operationally, AEVIS expects continued positive development in the hospitality sector and expects that the cost pressure in the healthcare sector will normalize and that higher margins can be achieved again through targeted efficiency programs. The Group's real estate portfolios generate regular, stable rental income and are valued at conservative average prices per square meter.

Due to the diversity of its investments and the current macroeconomic challenges, AEVIS is refraining from issuing consolidated revenue or margin targets for the financial year 2024.

Thank you

We would especially like to thank all our employees and physicians for their flexibility and high level of commitment under volatile and changing conditions in the past year. We would also like to thank our customers and partners for their good cooperation, and our shareholders for their trust.

Christian Wenger

Chairman of the Board

Antoine Hubert

Delegate of the Board



OPERATING REPORT

Heterogeneous business development in the three focus sectors

The portfolio of AEVIS is diversified among the three focus sectors – healthcare, hospitality and infrastructure – with different revenue trends and risk return profiles, all sharing the mission of servicing people in the best possible way. In the year under review, AEVIS did not sell any participations or fractions of companies and therefore did not record any capital gains.

Swiss Medical Network is the largest participation in the AEVIS portfolio. The hospitality business now operates under the name Michel Reybier Hospitality and has developed into a strong second pillar. The property portfolio, in both the hotel and healthcare sectors, was further developed and underpinned its value despite the changed interest rate environment.

Swiss Medical Network achieves stable revenues despite market distortions and the deconsolidation of Réseau de l'Arc

The costs of energy, wages and materials in particular continued to rise, while medical and hospital tariffs are fixed and not linked to inflation. This has led to a general decline in margins of 3–5%, affecting both public and private hospitals.

In the short term, many healthcare providers have no other option but to try to increase volumes, as renegotiating contracts with insurers is a long and time-consuming process. Volume increases however can only be achieved if activities can be taken away from competitors. As such, the sector is currently in a vicious circle.

Swiss Medical Network was unable to escape this market trend, but it was less affected than its competitors as it has a more agile organization and also had already emphasized operational efficiency in the past, while having contracts with all key health insurers in place.

Total Revenue Hospitals in CHF million

768.7

The results in the second half of the year were below expectations. The third quarter is usually one of the weaker periods due to the summer holidays, and this was also the case for the reporting period. In addition, the below-average month of December had a negative impact on performance in the final quarter. In some contracted hospitals in particular, volumes were lower than expected.

In absolute figures, Swiss Medical Network achieved total revenues of CHF 768.7 million, taking into account the deconsolidation of Réseau de l'Arc. Net revenue (excluding doctors' fees) totalled CHF 648.9 million. Réseau de l'Arc SA, now a 35.1% participation of Swiss Medical Network, was deconsolidated following the entry in the share capital of Visana Beteiligungen AG. On a like-for-like basis, revenue remained stable with organic growth of 0.3%.

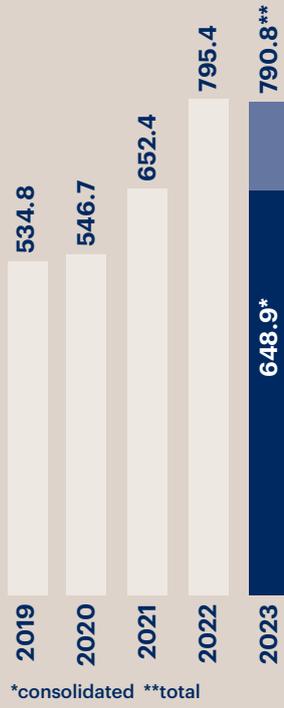
EBITDAR Hospitals in CHF million

106.8

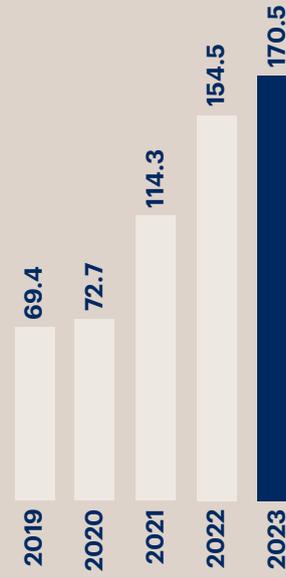
In addition to the systemic cost pressure, extraordinary elements weighed on the profitability of Swiss Medical Network. However, these were a prerequisite and an essential investment for a successful future of the healthcare group.

The development of Switzerland's integrated care solution Réseau de l'Arc and its VIVA product, which was launched on 1 January 2024, required the establishment of structures (basic care) and a dedicated organization, which will have a temporary impact on overall profitability and will only bear fruit in a few years' time with the development of new regions. As the first integrated care approach in Switzerland, this model can revitalize the healthcare system because it shifts from a system of disease management to a system of health management focused on prevention.

Net revenue Swiss Medical Network in CHF million



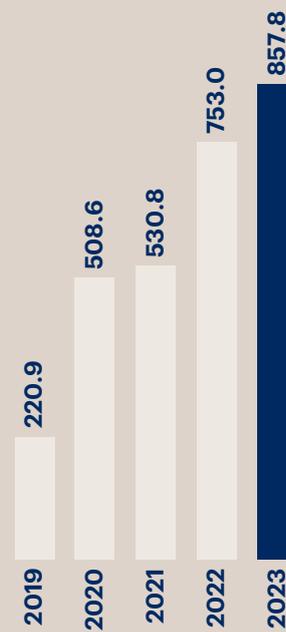
Net revenue MRH Switzerland in CHF million



Market value unconsolidated Infracore portfolio in CHF million



Market value consolidated Swiss Hotel Properties portfolio in CHF million



Another exceptional factor was the various ongoing construction works, particularly on the campus of Clinique de Genolier (Genolier Innovation Hub) and Privatklinik Bethanien (integration of Privatklinik Pyramide), which had an impact on the activities and profitability of these two units. As a result, the operating profit at the EBITDAR level reached CHF 106.8 million, 24.1% less than in the previous year (2022: CHF 140.6 million). This corresponds to an operating margin of 16.5%. On a like-for-like basis, the operating profit amounted CHF 106.6 million compared to CHF 124.5 million a year ago.

Revenue Hospitality in CHF million

170.5

The start to the 2024 financial year was better than the last quarter of 2023, but the cost challenges remain. Swiss Medical Network has therefore introduced various measures to optimize costs and return to the margins achieved in 2022 by the end of 2024. The pipeline of potential acquisitions to supplement the portfolio is well filled and ranges from potential hospitals to medical centers and doctor networks. Swiss Medical Network plans to offer an integrated care solution similar to the Jura Arc in two other regions by 2025. The corresponding preparatory work is in full swing.

Record results in the hospitality sector

Following good results in the hospitality sector in 2022, the reporting year saw another increase with new record results. Revenue at MRH Switzerland AG (formerly Victoria Jungfrau AG), the subsidiary of the Group's hotel operations, increased by 10.3% to CHF 170.5 million (2022: CHF 154.5 million). Organic growth amounted to 6.4%.

EBITDAR reached CHF 34.6 million, corresponding to an operating margin of 20.3%. Most hotels, except for the newly acquired Adula in Flims and the L'Oscar in London, contributed to the better operational performance.

The destinations of Zermatt and Interlaken performed particularly well, both in winter and summer, also driven by the positive momentum in the tourism sector in Switzerland. Zermatt recorded 2.7 million overnight stays in hotels alone in 2023, not including holiday flats or the para-hotel industry. With four hotels in prime locations, MRH is excellently positioned in Zermatt and is benefiting from the growing attractiveness of this world-famous destination. There is a balanced guest mix of Swiss, French and Americans.

The Victoria-Jungfrau Grand Hotel & Spa in Interlaken achieved the best result in its history. All rooms have been renovated, and the new outdoor pool contributes to the newly created resort positioning. The mix of guests has changed in recent years, with the proportion of individual travelers doubling in recent years and now making up the majority, while group travelers (conferences and leisure) account for less than 50%. This has had a positive impact on both the room rates and the average additional expenditure per guest.

EBITDAR Hospitality in CHF million

34.6

In the Alpengold in Davos a pleasing result was recorded, mainly due to the very successful WEF days and a solid winter season. In Zurich, La Réserve Eden au Lac benefited from the renovation of the Savoy and Baur au Lac premises nearby, and room occupancy was correspondingly high and the result very encouraging.

Local travel behavior has returned to normal after the pandemic, meaning that the Swiss are once again travelling abroad in greater numbers. In turn, more tourists again chose Switzerland as a destination. Overall, the average room rate has risen from CHF 412 in 2019 to CHF 559 in 2023, in line with this change in guest mix and general inflation. The number of overnight stays increased to 291'784 (2022: 258'266), and the number of rooms in the Group stood at 1'170 at the end of the year.

MRH regularly invests in the various hotels. In 2023, the last 50 rooms in the Victoria-Jungfrau Grand Hotel & Spa in Interlaken were renovated, while 25 rooms are planned in the Bellevue Palace in Bern and the public area facilities in Hotel Adula in Flims have been modernized. A new Myoko restaurant was opened at the Hotel Schweizerhof Zermatt.

Overnight stays in hotels

291'784

MRH continues to evaluate opportunities abroad to further diversify its portfolio and thereby also offer employees a variety of job opportunities, which is a key factor in the hospitality industry for keeping and developing talent. Great importance is also attached to employee training and development, with around 250 training sessions held in 2023 alone.

Consolidated real estate portfolio enlarged to 27 properties

In October 2023, Swiss Hotel Properties (SHP) acquired five properties around the Mont Cervin Palace in central Zermatt. The well-maintained residential and commercial properties have a rental surface of 9'841 sqm, on plots adjacent to existing SHP properties totaling 10'425 sqm. As the largest owner of hotel real estate in Zermatt, SHP further strengthened its position with quality commercial real estate leased to a wide variety of local and international tenants.

Market Value of hotel properties in CHF million

857.8

After the integration, the portfolio now consists of 27 unique buildings in seven top locations, including one in London, with a combined value of CHF 857.8 million and a total rental surface of 131'020 sqm as of 31 December 2023. Revenues in the reporting period amounted to CHF 24.2 million (mostly inter-company rent paid by the Group's hotels), and EBITDAR reached CHF 21.2 million, corresponding to an operating margin of 87.5%. Total annual target rent for 2024 amounts to CHF 31.3 million with an LTV (loan-to-value) of below 50%.

Swiss Hotel Properties will continue with its destination development-based strategy with a primary focus on Zermatt and Interlaken. The assets are analyzed in detail and potentials evaluated as part of their positioning within a destination. The integrated development in Zermatt will be driven forward with new offers at the Mont Cervin Palace and Schweizerhof hotel. A soft repositioning is planned for the Hotel Adula in Flims.

Stable unconsolidated real estate portfolio

The healthcare real estate portfolio of Infracore, in which AEVIS directly and indirectly holds 30%, performed well in a challenging market environment highlighted by volatile inflation and interest rate trends. At CHF 59.6 million, revenue (excluding changes in the value of properties) was at the previous year's level (CHF 60.0 million). EBITDA reached CHF 56.8 million, corresponding to a margin of 92.9%. Due to the increase in interest rates, financial expenses rose by 99% to CHF 17.5 million, and Infracore's net profit totaled CHF 34.8 million. With an LTV ratio of 48%, Infracore remains very solidly financed.

NAV Infracore (before deferred taxes) in CHF million

679.3

Due to new buildings completed and larger rental spaces, particularly in the Genolier Innovation Hub, the total value of the property portfolio rose to CHF 1.29 billion (2022: CHF 1.25 billion), despite negative value adjustments of CHF 16.8 million on existing properties triggered by higher interest rates. Occupancy remains at almost 100%, with only buildings under construction or renovation contributing to temporary vacancies. At the end of the reporting period, the portfolio consisted of 47 properties with a total rental surface of 206'267 sqm. The average valuation per sqm is CHF 6'238. Infracore made investments of around CHF 44 million in the reporting period for the advancement of the Genolier Innovation Hub and renovation works at Privatklinik Siloah in Bern and Clinique Valmont in Glion-sur-Montreux, where important project milestones were reached.

Infracore and its main tenant Swiss Medical Network are implementing an energy- and water-efficiency program in all properties. As such, a sustainability program was started in 2023 and already includes master projects at Clinique de Genolier in Genolier, Clinique Valmont in Glion-sur-Montreux and Clinica Sant'Anna in Lugano. Over the decade, all the hospitals of the network will be subject to similar efficiency and energy-saving programs.

Market Value of Infracore properties in CHF billion

1.29

In addition, the latest and most environmentally friendly technologies are applied to all development projects on the various hospital sites, including the most prestigious project of the Group, the Genolier Innovation Hub, with a total investment of approx. CHF 100 million. For more information, see also the non-financial matters section on pages 55 to 69 of this annual report.

The commissioning of the Genolier Innovation Hub with a rental area of 11'272 sqm in Q1 2024 is expected to result in further revenue growth in 2024. The interest rate environment has stabilized again compared to 2023, and Infracore therefore expects lower financing costs in the current financial year.

Other participations

Batgroup, a minority and non-consolidated subsidiary of AEVIS specializing in on-demand home services, increased revenues by 10.0% to CHF 34.1 million. In the fourth quarter of 2023, the company achieved a positive EBITDA for the first time in its history. Batgroup acquired Putzfrau.ch in 2023, the leading company in the sector in the German-speaking part of Switzerland, securing its top position in Switzerland.

Revenue Batgroup in CHF million

34.1

The construction of the **Genolier Innovation Hub** on the Genolier campus was completed in the first quarter 2024, with a grand opening ceremony to follow in September 2024. After the completion of the interior fittings and with total investments of approximately CHF 100 million, the Genolier Innovation Hub will become a leading location for research and innovation in Switzerland, gathering the most important stakeholders of the Medtech, Pharma and Bioscience fields within its walls. Their programs will have reached their late phase of experimental development, and their pharmaceutical compounds or equipment will be ready to be tested in a clinical setting. As such, the goal is to foster strategic interactions between scientists and physicians and accelerate the transfer of innovative solutions from bench to bedside. Accuary, biopôle, RaySearch Laboratories and GE HealthCare have already signed-up as partners, with more expected to follow. In total, the hub offers 8'000 sqm for companies and labs, has a 260-capacity auditorium equipped with the most recent video

conference equipment and operates environmental-friendly with its 6'000 sqm green roof.

Steriparc SA, a new company for externalized reprocessing of medical devices and a minority participation of AEVIS, successfully entered into a joint venture with the Swiss Post. This will enable the company to fully launch its ambitious project of outsourced sterilization services for medical service providers, such as hospitals and outpatient clinics in French-speaking Switzerland, before extending it country wide.

TCS Swiss Ambulance Rescue, a minority holding of AEVIS, is the largest private player in the field of rescue and patient transport in Switzerland. The company continued its M&A based growth strategy and is now represented in the cantons of Aargau, Lucerne, Zug, Zurich, Geneva and Vaud. In total, the fleet consists of around 50 vehicles and 14 bases. TCS Swiss Ambulance Rescue handles over 30'000 missions per year.

Well health app users

>300'000

Investments in **Well Gesundheit AG and AD Swiss Net AG**, two minority holdings in digital health platforms, are showing promising developments, with Well becoming the most widely used health app in Switzerland, with over 300'000 users. The digital solutions offered by Well and AD Swiss Net are used in setting up integrated healthcare regions such as Réseau de l'Arc.

Share Information

Number of shares

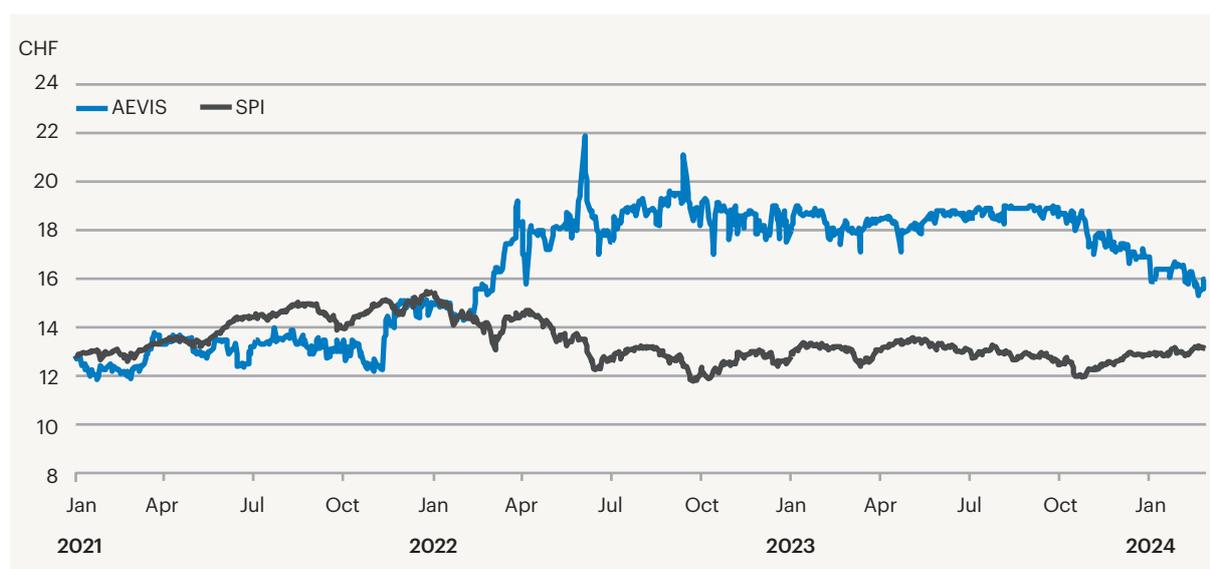
	31.12.2023	31.12.2022
Share capital (in CHF)	84'529'460	84'529'460
No. of registered shares issued	84'529'460	84'529'460
Nominal value per registered shares (in CHF)	1	1
No. of treasury shares	265'296	112'261
No. of registered shares outstanding	84'264'164	84'417'199

Data per share

	31.12.2023	31.12.2022
EBITDA per share* (in CHF)	0.48	1.54
High (in CHF)	19.05	22.00
Low (in CHF)	16.60	13.70
End price (in CHF)	16.90	17.50
Average volume per day	4'062	3'344
Market capitalization (in CHF)	1'424'064'372	1'477'300'983

* EBITDA divided by the weighted average number of shares outstanding, excluding treasury shares.

Share price performance



The registered shares of AEVIS VICTORIA SA are traded on the Swiss Reporting Standard of SIX Swiss Exchange and are part of the Swiss Performance Index SPI, the SXI Life Sciences Index (SLIFE) and the SXI Bio+Medtech Index (SBIOM).

Valor symbol:	AEVS	Bloomberg:	AEVS:SW
Valor no.:	47'863'410	Reuters:	AEVS.S
ISIN:	CH0478634105		

Major shareholders

The following shareholders held more than 3% on 31 December 2023:

Group Hubert/Reybier/M.R.S.I. Medical Research, Services and Investments SA	75.44%
MPT Medical Properties Trust, Inc.	4.56%
Kuwait Investment Office as agent for the Government of the State of Kuwait	3.15%
Total shareholders (31 December 2023)	1'599

Financial reporting

May 2024	Publication of 1Q 2024 Revenue
27 May 2024	Ordinary Annual General Meeting for the year 2023
19 September 2024	Publication of the 2024 Half-Year Results
November 2024	Publication of 3Q 2024 Revenue
March 2025	Publication of 2024 Revenue
3 April 2025	Publication of the 2024 Annual Results

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CORPORATE GOVERNANCE

Corporate Governance Report

The AEVIS VICTORIA Corporate Governance Report has been prepared in compliance with the requirements of the Directive on Information relating to Corporate Governance (DCG) prepared by SIX Swiss Exchange and the Guideline of SIX Exchange Regulation AG on the DCG.

Cross-references are made to other sections of the Annual Report in order to avoid duplication.

The complete Articles of Association of AEVIS VICTORIA SA can be consulted under the following link:

www.aevis.com/en/investor-relations/articles-of-incorporation

1. Group structure and shareholders

1.1. Group structure

1.1.1. Description of the issuer's operational group structure

The AEVIS VICTORIA group (hereinafter "the Group") is active in healthcare, hospitality & lifestyle and infrastructure. The Group's operational structure is divided into the following main business segments: hospitals, hospitality and real estate. The other smaller subsidiaries are among others active in life sciences (better aging) and in ambulance services. An Executive Committee or Management team, reporting to their respective Boards of Directors, manages each business segment.

1.1.2. All listed companies belonging to the issuer's group

AEVIS VICTORIA SA, the Group's parent company (hereinafter "the Company"), is a listed corporation headquartered rue Georges-Jordil 4 at 1700 Fribourg, Switzerland. The company's shares are listed on the Swiss Reporting Standard of SIX Swiss Exchange (ISIN CHO478634105). As at 31.12.2023, its market capitalization stood at CHF 1.4 billion.

1.1.3. All unlisted companies belonging to the issuer's group

As at 31.12.2023, the Company had the following subsidiaries, none of which are listed:

NAME	REGISTERED OFFICE	ACTIVITY	SHARE CAPITAL (in CHF)	%
Swiss Medical Network Holding SA	Fribourg (FR)	Holding company	100'000	69.70%
MRH Switzerland AG	Interlaken (BE)	Holding company	5'000'000	100.00%
Swiss Hotel Properties AG	Interlaken (BE)	Hospitality real estate	10'000'000	100.00%
Infracore SA	Fribourg (FR)	Healthcare real estate	6'923'354	16.05%
GENERALE BEAULIEU HOLDING SA	Geneva (GE)	Holding company	2'500'000	69.51%
NESCENS SA	Genolier (VD)	Holding company	4'850'000	100.00%
Société Clinique Spontini SAS	Paris (France)	No operating activity	EUR 2'000'000	100.00%
SSCB SWISS STEM CELL BIOTECH SA	Zürich (ZH)	Stem Cells	2'000'000	35.00%
Genolier Innovation Hub SA	Genolier (VD)	Research & Innovation	100'000	100.00%
Generic Healthcare SA	Schwyz (SZ)	Trading company	100'000	70.00%
TCS Swiss Ambulance Rescue SA	Vernier (GE)	Holding company	2'000'000	40.00%
Swiss Theranostics SA	Genolier (VD)	Medical radiation services	100'000	100.00%
Batgroup SA	Lausanne (VD)	Holding company	136'618	27.31%
Steriparc SA	Yverdon-les-Bains (VD)	Sterilization services	100'000	20.00%

Changes since the balance sheet date

A restructuring has been carried out within the group Swiss Medical Network, in order to separate the group's activities in hospitals on the one hand and primary care & ambulatory services on the other hand. Swiss Medical Network Holding SA, a newly created holding company, now holds the subsidiaries Swiss Medical Network SA (hospitals and clinics) and SMN Ambulatory Services SA (primary care & ambulatory services). As the restructuring has retroactive effect from 01.10.2023, AEVIS VICTORIA SA owns directly and indirectly 76.86% of the new holding company Swiss Medical Network Holding SA at year-end.

More information can be found in note 35 (List of group companies) from the Swiss GAAP FER consolidated financial statements.

1.2. Significant shareholders

According to the disclosure notifications filed with the Company, the following shareholders held directly or indirectly 3% or more of the Company's share capital on 31.12.2023:

NAME	31.12.2023	31.12.2023	31.12.2022	31.12.2022
	NUMBER OF SHARES	%	NUMBER OF SHARES	%
Group Hubert/Reybier/M.R.S.I. Medical Research, Services and Investments SA*	63'771'248	75.44	63'369'421	74.97
MPT Medical Properties Trust, Inc.**	3'850'961	4.56	3'850'961	4.56
Kuwait Investment Office***	2'666'560	3.15	2'666'560	3.15

* Antoine Hubert and Géraldine Reynard-Hubert indirectly hold AEVIS VICTORIA shares through M.R.S.I. Medical Research, Services and Investments SA and HR Finance & Participations SA (HRFP). Antoine Hubert and Géraldine Reynard-Hubert hold 100% of the share capital and voting rights of HRFP. HRFP holds 50% of the share capital and voting rights of MRSI. Michel Reybier indirectly holds AEVIS VICTORIA shares through M.R.S.I. Medical Research, Services and Investments S.A. and EMER Holding SA (EMER). Michel Reybier holds 100% of the share capital and voting rights of EMER. EMER holds 50% of the share capital and voting rights of MRSI.

** Medical Properties Trust, Inc. is a Real Estate Investment Trust, listed on the New York Stock Exchange (NYSE: MPW).

*** Acting as agent for the Government of the State of Kuwait.

The Company received no disclosures of shareholdings for the year under review.

The disclosure reports can be found on the SIX Exchange Regulation website under the following link: www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html

1.3. Cross-shareholdings

There are no cross-shareholdings exceeding 5% of capital shareholdings or voting rights on both sides.

2. Capital structure

2.1. Capital

The structure of the issued capital, the capital band and the conditional capital is as follows:

31.12.2023	NUMBER OF SHARES	NOMINAL VALUE	
		PER SHARE (in CHF)	TOTAL CAPITAL (in CHF)
Share capital	84'529'460	1	84'529'460
Capital band (ordinary capital increase)	42'264'730	1	42'264'730
Capital band (capital reduction)	42'264'730	1	42'264'730
Conditional capital	42'264'730	1	42'264'730

2.2. Capital band and conditional capital in particular

Capital band (article 10 of the Articles of Association)

The lower limit of the capital band is CHF 42'264'730 and the upper limit is CHF 126'194'190. The Board of Directors is authorized to reduce and/or increase the share capital within the capital band. The capital can be increased through the issuing of fully paid-up registered shares with a nominal value of CHF 1 each. The Board of Directors is also authorized to reduce and/or increase the share capital pursuant to this provision during a public takeover bid, in particular from the publication of an offer until the publication of its results. This authorization is granted for a period of five years from the date of adoption of the Articles of Association, i.e. until 8 May 2028.

The Board of Directors may proceed with the reduction and/or increase of the share capital in one or more tranches, unless the present capital band becomes invalid in advance, for instance due to an ordinary capital increase. The Board of Directors may reduce the share capital within the capital band by a) reducing the nominal value of shares to eliminate excess liabilities or to distribute the amount of the reduction, or b) acquiring and subsequently cancelling shares. Within the present capital band, the Board of Directors may also repurchase Company shares corresponding to more than 10% of the share capital, provided that shares in excess of this limit be sold again within two years or cancelled as part of a capital reduction. If the share capital is increased through a conditional capital increase out of the capital band (see articles 10bis and 10ter of the Articles of Association), the upper and lower limits of the capital band are increased accordingly. The number of registered shares issued, the issue price, the nature of the contributions, the beginning date for dividend entitlement, the terms and conditions of the share issue and the exercise of preferred subscription rights will be determined by the Board of Directors. Preferred subscription rights which have been granted but not exercised are at the disposal of the Board of Directors, which can use them in the Company's interest. The Board of Directors is authorized to exclude or limit the preferred subscription rights of shareholders in favor of a bank or another institution chosen by the Board of Directors, when a subsequent offer of such shares is made by the bank or institution to the shareholders in proportion of their current holding. The Board of Directors may also exclude or limit the preferred subscription rights of shareholders in case of the acquisition of an enterprise, parts of an enterprise or participations in a company or any similar transaction, or amongst others in case of a merger, a financing of acquisitions or investments, an equity offering at market conditions, with the objective to guarantee the Company's economic independence, or when the Company has an interest in obtaining better market conditions.

Conditional capital (articles 10bis and 10ter of the Articles of Association)

The share capital may be increased, through the exercise of conversion rights by a maximum of CHF 38'979'730 through the issuance of a maximum of 38'979'730 fully paid-up registered shares with a nominal value of CHF 1 each. According to article 10bis of the Articles of Association, conversion rights can be granted to holders of convertible bonds.

The share capital may be increased, through the exercise of option rights by a maximum of CHF 3'285'000 divided into a maximum of 3'285'000 fully paid-up registered shares with a nominal value of CHF 1 each. According to article 10ter of the Articles of Association, option rights can be granted to employees, consultants and directors of the Company or its subsidiaries and in accordance with a stock-option plan as defined by the Board of Directors. The preferred subscription rights of shareholders are withdrawn. Shares acquired through exercise of option rights have the same limitations of transferability as described under 2.6 below.

2.3. Changes in capital

	NUMBER OF SHARES	SHARE CAPITAL (In CHF)
Balance on 01.01.2021	83'499'514	83'499'514
Authorized capital increase against contribution in kind (executed on 13.07.2021)	1'029'946	1'029'946
Balance on 31.12.2021	84'529'460	84'529'460
Balance on 31.12.2022	84'529'460	84'529'460
Balance on 31.12.2023	84'529'460	84'529'460

2.4. Shares and participation certificates

The Company's capital is composed of registered shares only. At 31.12.2023, the number of fully paid-up registered shares with a nominal value of CHF 1 each was 84'529'460. According to article 16 of the Articles of Association, each share recorded in the share register as a share with voting rights confers the right to one vote to its holder. Shareholders have the right to receive dividends. Treasury shares held by the Company have no voting and no dividend rights.

There are no participation certificates.

2.5. Dividend-right certificates

There are no dividend-right certificates.

2.6. Limitations on transferability and nominee registration

Article 7 of the Articles of Association defines the restrictions on transferability. Registered shares of the Company can be transferred without restriction, save that the Company requires the holder to declare that the shares have been acquired on own account and own benefit to register the holder in the share register with voting rights. There are no further registration restrictions (e.g. percentage limitation).

The registration of nominees with voting rights is permitted but subject to the consent of the Board of Directors and is conditional upon the signature by the nominees of an agreement specifying their status.

2.7. Convertible bonds and options

As at 31.12.2023, the Company had no convertible bonds outstanding. During 2023, no option rights were granted (2022: 1'100'000).

An overview of the option plans can be found in the Remuneration Report under Section 3.4 – Share-based payment plans.

3. Board of Directors



Top row, from left to right: Raymond Loretan, Cédric George, Antoine Kohler
Bottom row, from left to right: Antoine Hubert, Christian Wenger, Michel Reybier

3.1. Members of the Board of Directors

The Board of Directors of the Company is adapted to the optimal management of its holdings and relations with its shareholders. Its Members cover the necessary financial, legal and political skills to address the challenges of the Company's scope of business.

As at 31.12.2023, the Board of Directors of the Company was composed of the following members:

MEMBER	FUNCTION	YEAR OF BIRTH	NATIONALITY
Christian Wenger	Chairman	1964	Swiss
Raymond Loretan	Vice-chairman	1955	Swiss
Antoine Hubert	Delegate of the Board	1966	Swiss
Michel Reybier	Member	1945	French
Antoine Kohler	Member	1956	Swiss
Cédric A. George	Member	1952	Swiss

With the exception of Antoine Hubert and Raymond Loretan, who are employed by a group company, all Board Members are Non-executive Members.

Upcoming changes to the Board of Directors

Following the appointment of Fabrice Zumbrunnen as Chief Executive Officer (CEO) of AEVIS VICTORIA with effect on 1 May 2024, Antoine Hubert will ensure the transition and will be proposed as Chairman of the Board of Directors at the 2025 Annual General Meeting.

3.2. Other activities and vested interests

Christian Wenger, Chairman

Member of the Audit and Compliance Committee
Member of the Strategy and Investment Committee

With a doctor degree in law from the University of Zurich and following post-graduate studies at Duke University Law School in North Carolina, Dr Christian Wenger is partner and Board Member of the law firm Wenger Vieli AG in Zurich and specializes in commercial and business law with focus on private equity, venture capital and mergers & acquisitions. He serves as Chairman, Vice-chairman, Delegate of the Board and Board Member of several companies such as Chemolio Holding AG, Hempel Special Metals AG, SIGNA Retail Selection AG, Trisport AG, UCC Holding AG, UCC Immobilien AG, Xeltis AG, Magnolia Properties AG, Adolel Evergreen AG, Hempel Holding AG, Black Brasilofe AG, Swiss Entrepreneurs AG and Swiss Entrepreneurs KmGK. He is Chairman of the BlueLion Stiftung and the UZH Foundation and Member of the Zoo Stiftung Zürich.

In 2011, he launched the Blue Lion incubator for start-ups in the ICT and cleantech sector, with the City of Zurich, Zürcher Kantonalbank, Swisscom AG, the University of Zurich and ETH. In 2015, Christian Wenger founded the digitalswitzerland movement with universities and corporations with the aim of positioning Switzerland as a leading technology nation across Europe. In spring of 2017, Christian Wenger was elected to the Board of Trustees of the UZH Foundation of the University of Zurich. Christian Wenger is also Member of the Foundation Board of Swiss Entrepreneurs Foundation, which created a Swiss fund for venture and growth capital focusing on improving the framework conditions for entrepreneurship. Dr Christian Wenger represents the shareholdings of CHH Financière S.à r.l..

Raymond Loretan, Vice-chairman

Member of the Strategy and Investment Committee

Raymond Loretan holds a law degree (University of Fribourg) and a diploma in European Organizations (University of Strasbourg). Before joining the Group in 2007, Raymond Loretan held several positions within and outside the Swiss administration. He served as diplomatic Assistant to the Secretary of State at the Federal Department of Foreign Affairs (1984–1987), personal adviser to Federal Councillor Arnold Koller (1987–1990), Counsellor for European Affairs of the Canton of Valais (1991–1992) and Secretary General of the Swiss Christian Democratic Party (1993–1997). In 1997, Raymond Loretan was appointed as Swiss Ambassador to the Republic of Singapore and to the Sultanate of Brunei Darussalam and in 2002 as Consul General of Switzerland in New York. He is founding associate of the consultancy practice FBL Associés and was Chairman of the SSG SSR (2012–2015) and Swiss Leading Hospitals (2017–2021).

Within the Group, Raymond Loretan is Chairman of Swiss Medical Network Holding SA, Swiss Medical Network SA, SMN Participations SA, SMN Ambulatory Centers SA, GSMN Suisse SA, Swiss Medical Network Hospitals SA, Générale Beaulieu Holding SA, Clinique Générale-Beaulieu SA, Centre Médico-Chirurgical des Eaux-Vives SA, Centre Médical Genolier SA, Ärzteteam Seewadel GmbH and Nescens Genolier SA.

He is Vice-chairman of Réseau de l'Arc SA, Medizinisches Zentrum Biel MZB GmbH and Rosenklinik AG. He is Board Member of Klinik Pyramide am See AG, Genolier Innovation Hub SA, Swiss Medical Network GesundheitsZentrum AG, Center Da Sandet AG, Centre d'Urologie Générale Beaulieu SA, Medizinisches Zentrum VIVA AG, TCS Swiss Ambulance Rescue SA, TCS Swiss Ambulance Rescue Genève SA, TCS Swiss Ambulance Rescue Vaud SA, Krankentransport Alpha Medic AG and MRH Switzerland AG. He is Chairman of Aevum Pension Fund, the Swiss Stem Cell Foundation and the Genolier Foundation for medical solidarity and Member of Stiftung Klinik Pyramide am See.

Furthermore, Raymond Loretan is Chairman of the Board of SSE Holding SA, SSE Finance SA, Valsynthese SA, Société Suisse des Explosifs SA and Nouvelle Agence Economique et Financière SA. He is also Chairman of the Caisse de retraite et de prévoyance en faveur du personnel de la Société Suisse des Explosifs, the association of the Club Diplomatique de Genève, the Fondation du Grand Prix d'Horlogerie de Genève and the Foundation of the documentary film festival Fondation Visions du Réel. He is also Member of the board of the Hirschmann-Stiftung, the Foundation Avenir Suisse, the Foundation de Genève, the Peace Dividend Foundation, the Foundation Reverdir le Sahara, the Foundation of the Pontifical Swiss Guard and the Foundation CIOMAL.

Antoine Hubert, Delegate of the Board

Member of the Strategy and Investment Committee

Prior to acquiring a stake in Clinique de Genolier in 2002 and founding Swiss Medical Network in 2004, Antoine Hubert, holder of an Electrician Federal Degree, was mainly active in the property and real estate industry and has set up businesses and served as a director to several companies in various industries. Antoine Hubert is a major shareholder of AEVIS VICTORIA SA.

Within the Group, Antoine Hubert is Delegate of the Board of Swiss Medical Network SA and Générale Beaulieu Holding SA. He is Chairman of Genolier Innovation Hub SA, Swiss Hotel Properties SA and CACM hôtels SA. He is Vice-chairman of the Board of Directors of Infracore SA, Infracore Investments SA, Centre Médico-Chirurgical des Eaux-Vives SA, Ärzteteam Seewadel GmbH and Nescens Genolier SA. He is Board Member of Swiss Medical Network Holding SA, SMN Participations SA, SMN Ambulatory Services SA, GSMN Suisse SA, Swiss Medical Network Hospitals SA, Clinique Générale-Beaulieu SA, Réseau de l'Arc SA, Centre Médical Genolier SA, Swiss Medical Network GesundheitsZentrum AG, Swiss Visio SA, Gutsehen.ch AG, Ambulances du Réseau de l'Arc SA, MRH Switzerland AG, Grand Hotel Victoria-Jungfrau AG, Hotel Eden au Lac AG, Hotel Bellevue Palace AG, AlpenGold Hotel AG, MRH-Zermatt SA, Hotel Adula AG, Oldbourne & Oldbourne Hospitality Ltd., NESSENS SA, Laboratoires Genolier SA, Batgroup SA, Steriparc SA, AD Swiss Net AG, Well Gesundheit AG (until the 2024 General Meeting), Générale-Beaulieu Immobilière SA, Fliptag Investment Ltd. and Havza Limited. Antoine Hubert is Member of the foundation board of Aevum Pension Fund, the Swiss Stem Cell Foundation, the Stiftung Klinik Pyramide and the Genolier Foundation for medical solidarity.

Furthermore, Antoine Hubert is Chairman of M.R.S.I. Medical Research, Services & Investments S.A., M.R.S.I. Management Holding SA and HR Finance & Participations SA, Board Member of Berenson Group SA, Art & Culture Company SA, Les Fontaines de Bassins (Echandens) SA, IEG, Immobilière Etudes et Gestion SA and Nouvelle Agence Economique et Financière SA. He is Director of GCC Global Consulting et Communication Sàrl.

Michel Reybier, Member

Chairman of the Strategy and Investment Committee

Member of the Audit and Compliance Committee

Michel Reybier, entrepreneur and business personality, has held several senior executive positions in the agrofood industry. He has managed a chain of supermarkets in the Lyon area. He subsequently built up a company producing chocolate and biscuits, which he eventually sold under the trade name Cemoi. Following this, he created a company producing meat products, under the trade names Aoste, Justin Bridou and Cochonou amongst others. Currently, Michel Reybier is active in the hospitality industry and is a major shareholder of AEVIS VICTORIA SA.

He is on the Supervisory Board of Domaines Reybier SA, owner of Cos d'Estournel, Managing Director of SCE des Domaines Reybier, owner of Cos Labory, and Chairman of RDC SA, owner of Champagne Michel Reybier and Jeeper. He is on the Supervisory Board of Tokaj Hetszölö. He is Chairman of Château La Mascaronne, Château La Lauzade and Les Vins Michel Reybier. He is also Member of the Steering Committee of MOB Holding/MOB Hotels, and Member of the Strategic Committee of Oé SAS. He is Chairman of MR HOSPITALITY GESTION SA, Asset Management RI S.A.-S.P.F (Luxembourg) and RMD HOLDING SA. He is Vice-chairman of ARTHUR'S CELLAR INTERNATIONAL SA and ARTHUR'S CELLAR SA. He is a Board Member of M.R.S.I. Medical Research, Services & Investments S.A., M.R.S.I. Management Holding SA, EMER HOLDING SA and BIBARIUM SA.

Within the AEVIS Group, Michel Reybier is Vice-chairman of the Board of Directors of MRH Switzerland AG and Board Member of Swiss Medical Network Holding SA, SMN Participations SA, SMN Ambulatory Services SA, Swiss Medical Network SA, GSMN Suisse SA, Swiss Medical Network Hospitals SA, Swiss Hotel Properties SA, Nescens Genolier SA, NESCENS SA, Laboratoires Genolier SA, Grand Hotel Victoria-Jungfrau AG, Hotel Eden au Lac AG, Hotel Bellevue Palace AG, AlpenGold Hotel AG, MRH-Zermatt SA, Hotel Adula AG and CACM hôtels SA.

Antoine Kohler, Member

Chairman of the Audit and Compliance Committee

Member of the Nomination and Compensation Committee

Member of the Strategy and Investment Committee

With a law degree from the University of Geneva and following postgraduate studies at the Graduate Institute of International Studies, Geneva, Antoine Kohler has been practicing law as a qualified attorney in Geneva since 1983. He is a Partner and Board Member of the law firm KBLex SA, with offices in Geneva.

Within the Group, Antoine Kohler is Board Member of MRH Switzerland AG, Générale Beaulieu Holding SA, Clinique Générale-Beaulieu SA, SMN Ambulatory Services AG (until the 2024 General Meeting), Rosenklinik AG, Genolier Innovation Hub SA, Centre Médico-Chirurgical des Eaux-Vives SA, Klinik Pyramide am See AG, CACM hôtels, Nescens Genolier SA, Ambulances du Réseau de l'Arc SA, Oldbourne & Oldbourne Hospitality Limited, Fliptag Investment Ltd., Havza Limited and the Swiss Stem Cell Foundation.

In addition, Antoine Kohler is Board Member of KBLex SA (GE), Vice-chairman of PERREAD DE BOCCARD SA (GE), Board Member of APTG AG (Baar), Charles Jourdan Holding AG (ZG), Dosim Holding SA (GE), Dosim SA (GE), EXSAL S.A. (GE), Swiss Electron SA (NE), WPS Management AG (ZG), IMM Inflight Media Marketing SA (GE), PackinG91 SA (BE), Patrimoines Holding SA (GE), Sixt rent-a-car AG (BS), Soho Holding SA (GE) and Vroum SA (VD). He is member of the Foundation Board of Fondation du Grand Prix d'Horlogerie de Genève and Fit For Life Foundation International.

Cédric A. George, Member

Chairman of the Nomination and Compensation Committee

Member of the Strategy and Investment Committee

Dr Cédric A. George obtained a Medical degree and doctor's diploma at the Medical Faculty of Zurich University. Specialized in Plastic, Reconstructive and Aesthetic Surgery (Swiss Board Certified), he is the founder and Head physician of Klinik Pyramide am See AG since 1993. Dr George also founded a private Centre for Plastic Surgery in Zurich in 1998, where he runs a private medical practice.

Within the Group, Dr Cédric A. George is Board Member of Générale Beaulieu Holding SA and Klinik Pyramide am See AG.

In addition, Dr Cédric A. George is Board Member of Breast Atelier Zürich AG and ZPC Zentrum für plastische Chirurgie Pyramide AG.

Activities of Board Members at other companies are also listed in the Remuneration Report under Section 4.

3.3. Number of permitted activities

According to article 23 septies of the Articles of Association, no Board Members may hold more than five additional mandates in listed companies and 25 mandates in non-listed companies. Mandates include mandates as a Board Member, in a Management or Advisory Committee, or any comparable position under foreign law in a for-profit corporation. Mandates in different legal entities, but under joint control, are considered as a single mandate.

The following mandates are not subject to these limitations:

- Mandates in companies that are controlled by the Company
- Mandates which a Board Member holds at the request of the Company or companies controlled by it. No Board Member should hold more than ten such mandates.

3.4. Elections and terms of office

The Board of Directors consists of three or more members. The Chairman and the Board Members are elected individually by the Annual General Meeting for a period of one year until completion of the next Annual General Meeting. Re-election of the Chairman and the Board Members is permitted. If the office of the Chairman becomes vacant, the Board of Directors appoints a Chairman for the remaining term of office. The Board of Directors elects one Vice-chairman and the Members of the committees other than the Nomination and Compensation Committee. The Board of Directors currently has six members. In 2023, the Annual General Meeting confirmed Christian Wenger as the Chairman of the Board of Directors. The Board of Directors appointed Raymond Loretan as Vice-chairman and Antoine Hubert as Delegate of the Board.

MEMBER	ELECTION	EXPIRES
Christian Wenger	July 2012	2024
Raymond Loretan*	November 2006	2024
Antoine Hubert*	June 2009	2024
Michel Reybier	June 2011	2024
Antoine Kohler*	June 2008	2024
Cédric A. George	September 2010	2024

* Raymond Loretan, Antoine Hubert and Antoine Kohler were not Board Members between 09.06.2010 and 06.09.2010.

Nomination and Compensation Committee

The Nomination and Compensation Committee Members are elected individually by the Annual General Meeting for a period of one year until completion of the next Annual General Meeting. Members of the Nomination and Compensation Committee whose term of office has expired are immediately eligible for re-election.

The Nomination and Compensation Committee is chaired by a non-executive Board Member and is composed of at least two independent Board Members. Only Board Members may be elected in the Nomination and Compensation Committee. The Board of Directors elects the Chairman of the Nomination and Remuneration Committee amongst the elected Nomination and Remuneration Committee Members. If the Nomination and Compensation Committee is no longer complete, the Board of Directors designates substitutes amongst its Members for the remaining term of office. The Nomination and Compensation Committee currently has two members.

MEMBER	ELECTION	EXPIRES
Antoine Kohler	June 2015	2024
Cédric A. George	June 2015	2024

Audit and Compliance Committee

The Audit and Compliance Committee is chaired by a non-executive Board Member and is composed of at least three Board Members. The members are elected by the Board of Directors.

Strategy and Investment Committee

The Strategy and Investment Committee is composed of at least two Board Members, elected by the Board of Directors.

Independent proxy

The independent proxy is elected by the Annual General Meeting for a period of one year until completion of the next Annual General Meeting. Re-election of the independent proxy is permitted. If the function of independent proxy is vacant, the Board of Directors appoints the independent proxy for the next Annual General Meeting. Authorizations and instructions that have already been issued will remain valid for the new independent proxy.

3.5. Internal organisation structure**3.5.1. Allocation of tasks within the Board of Directors**

MEMBER	AUDIT AND COMPLIANCE COMMITTEE	NOMINATION AND COMPENSATION COMMITTEE	STRATEGY AND INVESTMENT COMMITTEE
Christian Wenger	Member		Member
Raymond Loretan			Member
Antoine Hubert			Member
Michel Reybier	Member		Member
Antoine Kohler	Chairman	Member	Member
Cédric A. George		Chairman	Member

3.5.2. Tasks and area of responsibility for each Committee of the Board of Directors***Nomination and Compensation Committee***

The Nomination and Compensation Committee assists the Board of Directors in the establishment and the periodic revision of the compensation strategy and directives. The Committee prepares the proposals of the Board of Directors to the Annual General Meeting regarding the compensation of the Chairman of the Board, the Board Members and the Senior Management. It determines the principles for remuneration of the Board Members and the Senior Management and submits them to the Board of Directors for approval. It oversees and discusses the overall remuneration policy and the remuneration principles of the Company and the Group and keeps the Board updated. The Committee also determines the employee participation schemes, including an allocation of shares, share options or other financial instruments to the Board Members, the Senior Management and other beneficiaries and submits them to the Board for approval. Moreover, the Nomination and Compensation Committee establishes the principles for the selection of candidates to the Board, selects candidates for election or re-election and submits them to the Board. The Board of Directors may assign additional tasks to the Nomination and Compensation Committee.

The Nomination and Compensation Committee is a preparatory committee for the Board of Directors and has no decision-making powers. The Chairman of the Board and the Delegate of the Board are invited to the Nomination and Compensation Committee but have no right to a say in the decisions.

For the year 2023, the Nomination and Compensation Committee met once. The average length of meeting is one hour. The Chairman of the Nomination and Compensation Committee prepares a report of each meeting, which is presented to the next Board meeting.

Audit and Compliance Committee

The Audit and Compliance Committee supports the Board in ensuring the accuracy of the financial statements, the quality of the Internal Control System and the information provided to the shareholders and third parties. Its main duties include the preliminary examination of the financial statements, the discussion of the accounting principles, the supervision of the Internal Control System, the review of the Group's risk assessment, the relation with the external auditors and the assessment of the quality of their audit.

The Audit and Compliance Committee is a preparatory committee for the Board of Directors and has no decision-making powers. Once a year at least, the auditor is invited to take part in an Audit and Compliance Committee meeting, in the course of which the results of the auditor's work are presented. In 2023, the Audit and Compliance Committee met twice. The average length of meeting is two hours. The Chairman of the Audit and Compliance Committee prepares a report of each meeting, which is presented at the next Board meeting.

Strategy and Investment Committee

The Strategy and Investment Committee reviews the Group's strategic development in its core business as well as other businesses closely related thereto. It also coordinates the significant investment projects. The Strategy and Investment Committee has no decision-making powers. In 2023, the Strategy and Investment Committee met once.

3.5.3. Working methods of the Board of Directors and its Committees

According to its organizational rules, the Board of Directors of the Company meets at least four times a year. Extraordinary meetings, either formal or by means of telephone conferencing, may take place in the course of the year. In 2023, the Board of Directors was convened five times of which once by means of videoconferencing. The average attendance at the Board meetings was 96%. The average length of meeting is three hours. During its meetings, the Board reviews the activities of the Group with reference to operating reports. Meetings are prepared by the Chairman and the Delegate of the Board.

The Board can decide when a majority of members are present. It decides by a majority of the votes of Board Members present. In case of a tie, the vote of the Chairman decides. No quorum is necessary to complete formalities regarding changes in share-capital, subsequent paying-up of capital or the issuing of participation certificates.

The Senior Management and members of the Executive Committees or Management teams of the Company's subsidiaries may take part in Board of Directors meetings, at the invitation of the Delegate of the Board and/or the Chairman. The auditor can also be invited to participate in Board meetings when deemed necessary.

The Company's main subsidiaries hold separate Board meetings. The Board Members of the Company who are not part of the Board of Directors of Swiss Medical Network SA are invited to attend the Board meetings of Swiss Medical Network SA, the Company's most important subsidiary.

3.6. Definition of areas of responsibility

The Board of Directors is the ultimate governing body of the Company. It fulfils the function of defining the Group strategy, monitoring and directly controlling the Company's Senior Management. It represents the company externally and makes decisions on all matters that do not fall under the responsibility of another body within the Company by law or pursuant to the Articles of Association or other regulations.

In addition to the duties mentioned in Article 716a Swiss Code of Obligations and the Articles of Association, the rules of the Company confer the following non-transferable and inalienable duties to the Board of Directors:

- definition of the guiding principles of the Company’s strategy;
- definition of the guiding principles of the Company’s financing strategy
- adoption of annual budgets and investments;
- pass resolutions on forming, acquiring and disposing of Group and affiliated companies;
- set the principles of compensation and adopt the participation and option plans;
- definition and elaboration of the risk map;
- definition and implementation of the sustainability strategy.

According to the organizational rules, the Board has delegated the day-to-day management, the controlling of ongoing operations as well as the risk analysis follow-up to the Senior Management, led by the Delegate of the Board, who can sub-delegate to members of the General Management of the Company and to the Executive Committee or Management teams of each subsidiary.

The Senior Management is amongst others responsible for:

- the implementation of the strategic decisions and guidelines taken by the Board of Directors;
- setting the company’s remuneration policy, with the exception of the remuneration of the Board members and the Senior Management;
- authorizing the recruitment and dismissal of employees with management functions;
- defining the detailed organization of the company
- initiating legal proceedings when deemed necessary with a litigation value of max. CHF 100’000
- establishing the monthly reporting and financial statements
- ensuring the development and implementation of internal guidelines regarding risk management principles as well as risk management competencies and procedures
- ensuring that the organization in place safeguards quality, safety and an adequate internal control
- informing the Board of Directors of the ongoing business affairs.

3.7. Information and control instruments vis-à-vis the Senior Management

The Delegate of the Board of the Company conducts the operational management of the Company pursuant to the organizational rules and reports to the Board of Directors of the Company on a regular basis. The Chairman of the Board also holds regular coordination and information meetings with the Delegate of the Board. The Senior Management of the Company and the Executive Committees or Management teams of its subsidiaries convene regularly to report on operational business issues.

The Group’s Financial Department compiles monthly data regarding all its subsidiaries and a condensed report with the most important key figures of all operational units. This information is transmitted to Senior Management and analyzed during the regular coordinating meetings. The Board of Directors meets regularly and receives prior to the Board meetings all relevant key data, including the condensed report. The data is analyzed in detail during each Board meeting and Board Members are informed on the operational business.

The Company has implemented an Internal Control System (ICS) on group level, which is also implemented in its subsidiaries. The risk management was introduced in 2009 and is reviewed yearly by the Senior Management and the Audit and Compliance Committee. The Board of Directors yearly discusses and approves the identified risks.

4. Senior Management

4.1. Senior Management

The Company wants the Senior Management to be focused on the long-term, with steady growth in turnover and profitability, allowing regular investments that will guarantee its sustainability.

As at 31.12.2023, the Senior Management of the Company was composed of the following persons:

MEMBER	FUNCTION	YEAR OF BIRTH	NATIONALITY
Antoine Hubert	Delegate of the Board	1966	Swiss
Gilles Frachon	Chief Financial Officer	1950	French

Upcoming changes to the Senior Management

On 1 May 2024, Fabrice Zumbrunnen (1969, Swiss) will join the Senior Management of AEVIS VICTORIA SA as Chief Executive Officer (CEO). On 1 June 2024, Michel Keusch (1970, Swiss) will join the Senior Management of AEVIS VICTORIA SA as Chief Financial Officer and Chief Investment Officer (CFO / CIO), replacing Gilles Frachon. Séverine Van der Schueren (1970, Swiss) will complete the Senior Management as Chief Administrative Officer (CAO) as of 1 June 2024.

4.2. Other activities and vested interests

Antoine Hubert

See Section 3.2.

Gilles Frachon, Chief Financial Officer

Gilles Frachon is Chief Financial Officer of AEVIS VICTORIA SA and member of the Senior Management. Previously, he has been Chief Financial Officer of Aoste, European leader in meat products, and General Manager of the holding company Fournier, owned by the founders of the hypermarkets Carrefour. Gilles Frachon graduated from the EM Lyon business school and was a Professor in Finance & Controlling at this business school from 1976 until 1980.

Within the Group, Gilles Frachon is Board Member of of Swiss Medical Network Hospitals SA (until the 2024 General Meeting), GSMN Suisse SA (until the 2024 General Meeting) and Swiss Hotel Properties SA (until the 2024 General Meeting). Gilles Frachon is Member of the Foundation board of Aevum Pension Fund.

In addition, Gilles Frachon is Chairman and Member of the Surveillance Board of SCA Société Nationale de Propriété d'Immeubles (France). He is Chairman of the Board of Tokaj-Hetszolo Zrt (Hungary) and Board Member of RDC SA (France), Moynesque Vignoble SA (Luxembourg), EMBASSAIR GROUP (Luxembourg), Asset Management RI S.A-S.P.F (Luxembourg) and MR2A SA (Luxembourg). He is Member of the Steering committee of MOB Holding SAS (France) and CEO of Côté Maison Sàrl (France).

Activities of Senior Management at other companies are also listed in the Remuneration Report under Section 4.

4.3. Number of permitted activities

According to article 23 septies of the Articles of Association, no member of the Senior Management may hold more than three additional mandates in listed companies and ten mandates in non-listed companies. Mandates include mandates as a Board Member, in a Management or Advisory Committee, or any comparable position under foreign law, in a for-profit corporation. Mandates in different legal entities, but under joint control, are considered as a single mandate.

The following mandates are not subject to these limitations:

- Mandates in companies that are controlled by the Company
- Mandates which a Member of the Senior Management holds at the request of the Company or companies controlled by it. No Member of the Senior Management should hold more than ten such mandates.

4.4. Management contracts

The Company has signed no management contracts with third parties.

5. Compensation, shareholdings and loans

All information on the compensation of the Company's Board of Directors and Senior Management is provided in the separate Remuneration Report.

6. Shareholders' participation rights

6.1. Voting rights restrictions and representation

All shareholders recorded in the share register with voting rights are entitled to attend and vote at the General Meetings. Each share recorded in the share register with a right to vote entitles the holder to one vote at General Meetings.

In accordance with article 16 of the Articles of Association, any shareholder recorded in the share register may be represented at the General Meeting by a legal representative, a third party who does not necessarily have to be a shareholder (by means of a written proxy) or the independent proxy (by means of a written or electronic proxy).

No exceptions on voting right restrictions were granted in the year under review. The Board of Directors specifies the process and conditions for issuing authorizations and instructions to the independent proxy. Shareholders may issue voting instructions both for proposals relating to agenda items set out in the invitation to the General Meeting and for undisclosed new proposals. If new proposals or amendments to proposals are made at the General Meeting by a shareholder or the Board of Directors, shareholders can instruct the independent proxy to vote in accordance with the proposal of the Board of Directors, to vote against such new proposals or to abstain from voting. Shareholders also have the option to issue proxies and instructions to the independent proxy electronically via the online platform provided by Computershare Schweiz AG.

The Board of Directors sets the requirements for the exercise and recognition of voting rights.

6.2. Quorums required by the Articles of Association

Pursuant to article 703 Swiss Code of Obligations, the General Meeting passes resolutions and makes elections, if not otherwise required by law (article 704 Swiss Code of Obligations), with an absolute majority of the votes represented at the meeting.

6.3. Convocation of the General Meeting of Shareholders

In accordance with articles 13 and 14 of the Articles of Association, the General Meeting is convened once a year within six months of the end of the financial year. The Board of Directors, the auditor, the liquidator or one or a number of shareholders together representing at least 5% of the share capital or the votes may request that a General Meeting be convened.

Invitations to the General Meeting are issued at least 20 days before the date set for the meeting, by being published in the Swiss Official Gazette of Commerce (SOGC). Besides the date, time, form and location of the General Meeting, the invitation must set out all agenda items together with the proposals of the Board of Directors and the shareholders having requested that the General Meeting be convened or that an item be included in the agenda, with a short explanation, as well as the name and address of the independent proxy. The notice convening the General Meeting also mentions that the electronic version of the Annual Report, the Remuneration Report, the report on non-financial matters and the auditor's reports are available for consultation by the shareholders on the Company's website, no later than 20 days prior to the Annual General Meeting. (www.aevis.com/en/news-reports/financial-reports)

According to article 14 bis of the Articles of Association, the Board of Directors decides on the venue of the General Meetings. The Board may authorize its shareholders to exercise their voting rights electronically. Virtual General Meetings are authorized, as long as an independent proxy has been appointed by the Board in the invitation.

6.4. Inclusion of items on the agenda

The notice convening the meeting must indicate the items on the agenda and the motions of the Board of Directors and of those shareholders who have requested that the meeting be convened or that an item be included in the agenda, with a short explanation. In compliance with article 699 paragraph 3 Swiss Code of Obligations, shareholders representing together at least 0.5% of the share capital or the votes may request in writing, at least 45 days before the Meeting, that items be placed on the agenda and that motions relating to items on the agenda be included in the notice convening the General Meeting, indicating the items to be discussed and the proposals.

6.5. Entries in the share register

As common practice, the share register is closed approximately one week after the publication date. The closing date is mentioned in the notice. For organizational reasons, subsequent to closing the share register, no further registrations can be executed, except that shares that have been declared sold are withdrawn and cannot be voted.

7. Changes of control and defense measures

7.1. Duty to make an offer

The Company does not have a provision on opting out or opting up in the Articles of Association. Thus, according to article 9 of the Articles of Association, the provisions regarding the legally prescribed threshold of 33 1/3% of the voting rights for making a public takeover set out in article 135 of the Financial Market Infrastructure Act (FinMIA) are applicable.

7.2. Clauses on changes of control

There are no change of control clauses.

8. Auditors

8.1. Duration of the mandate and term of office of the lead auditor

8.1.1. Date of assumption of the current audit mandate

Berney Associés Audit SA, Geneva was first appointed on 09.06.2010 as auditor of the Company and of the Consolidated Financial Statements of the Group. The term of office is renewable each year for a period of one year by the Annual General Meeting.

8.1.2. Date on which the lead auditor responsible for the current audit mandate took up office

Gregory Grieb is the auditor in charge for supervising the auditing of the statutory annual accounts and consolidated accounts of AEVIS VICTORIA SA since 01.07.2017. His maximum term of office being seven years, Gregory Grieb will be replaced as auditor in charge for the supervision of the auditing of the 2024 statutory annual accounts and consolidated accounts of AEVIS VICTORIA SA.

The Group's audit firms have no "business consultancy" mandates.

8.2. Auditing fees

Auditing fees of Berney Associés Audit SA for the Group amounted to CHF 487'000 (excluding VAT and expenses) for the business year 2023.

8.3. Additional fees

During 2023, Berney Associés SA charged additional fees of CHF 5'957 for the delivery of certifications and attestations and for tax services.

8.4. Informational instruments pertaining to an external audit

The Audit and Compliance Committee is responsible for the evaluation of the external auditors and examines the mission, independence, planning and conduct of the work of the external auditors on an annual basis.

At least once a year, the auditor is invited to take part in an Audit and Compliance Committee meeting in the course of which the results of the auditor's work are presented. At the beginning of each interim and final audit, the Delegate of the Board and the Chief Financial Officer of the Group meet with the auditor in charge. A report is regularly made to the Board of Directors. The auditor is also invited to participate in Board meetings when deemed necessary.

The Audit and Compliance Committee reviews the remuneration for the services provided by the external auditors on an annual basis. The external auditors submit a detailed report of their main findings, which are analyzed and discussed with the Audit and Compliance Committee before being drawn up for the Board of Directors prior to the approval of the annual financial statements by the Board of Directors.

During 2023, the auditor participated to one meeting of the Audit and Compliance Committee.

9. Information policy

The Company has an open and up-to-date information policy that treats all target groups of the capital investment market equally. The publication used by the Company to make official announcements is the Swiss Official Gazette of Commerce (SOGC). Communications to shareholders may also be sent, alternatively or in addition, by letter to their addresses recorded in the share register, by email or in any other form the Board of Directors deems appropriate.

The most important information tools are the website (www.aevis.com), the financial reporting (www.aevis.com/en/news-reports/financial-reports), the press releases (www.aevis.com/en/news-reports/press-releases), the ad hoc announcements pursuant to Article 53 of the Listing Rules (www.aevis.com/en/news-reports/ad-hoc-press-releases/?news_type=adhoc), the webcast presentations of the financial statements for media and financial analysts (www.aevis.com/en/news-reports/presentations) as well as the General Meetings (www.aevis.com/en/investor-relations/general-meetings). It is also possible to receive the company's press releases and ad hoc announcements pursuant to Article 53 of the Listing Rules through the News Alert subscription (www.aevis.com/en/news-reports/news-alert-subscription).

Financial reporting takes the form of Half-Year and Annual Reports. The annual report on non-financial matters established in accordance with Art. 964a et seq. of the Swiss Code of Obligations is published in this Annual Report (see page 55). The consolidated annual financial statements are prepared in accordance with Swiss GAAP FER. They comply with the requirements of the Swiss law and with the Listing Rules of the SIX Swiss Exchange.

Key dates

Thursday 28 March 2024	2023 Annual Results webcast presentation
Monday 27 May 2024	2024 Annual General Meeting
Thursday 19 September 2024	Publication of the 2024 Half-year Report
November 2024	Publication of 3Q 2024 Revenue
March 2025	Publication of 2024 Revenue
Thursday 3 April 2025	Publication of the 2024 Annual Results

A full corporate calendar is available on the company's website.
(www.aevis.com/en/investor-relations/financial-calendar)

10. Quiet periods

AEVIS VICTORIA has a clear Insider Information Regulation, which contain provisions to prevent insider dealings. Any direct or indirect purchase, sale or other transaction relating to AEVIS VICTORIA securities based on insider information is prohibited, whether for the own account of the insider or for the account of another person. An insider must not disclose insider information to anyone inside or outside the company, other than a person whose position requires him or her to know the insider information. An insider may not recommend to, induce or instruct another person to sell, buy or deal in AEVIS VICTORIA securities. The Board of Directors of AEVIS VICTORIA has decided not to submit general quiet periods to its insiders and to rely upon the individual responsibility of each initiated person. However, when deemed necessary to introduce a quiet period, AEVIS VICTORIA will inform its insiders on an ad hoc basis. In 2023, no quiet periods have been applied.

Contact

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REMUNERATION REPORT 2023

Remuneration Report

The AEVIS VICTORIA Remuneration Report has been prepared in compliance with the articles 732 et seq. of the Swiss Code of Obligations, in force since 1 January 2023, and the SIX Swiss Exchange directive on Information relating to Corporate Governance (DCG).

The Remuneration Report will be submitted to the advisory vote of the shareholders at the Annual General Meeting of 2024. Article 23 ter to quinquies of the Articles of Association relate to the remuneration of Board Members and Senior Management.

1. Governance

The Board of Directors has the overall responsibility of defining the compensation principles used within the Group, based on a proposal of the Nomination and Compensation Committee. The Board of Directors deals with compensation matters once a year, without consulting external advisors. The Board of Directors approves the compensation of its Chairman, its Members and the Senior Management. The compensation of Board Members and Senior Management is subject to approval by the Annual General Meeting. The Nomination and Compensation Committee is chaired by a non-executive Board Member and is composed of at least two Board Members. The Nomination and Compensation Committee Members are elected individually by the Annual General Meeting for a term of office until completion of the next Annual General Meeting. Members of the Nomination and Compensation Committee whose term of office has expired are immediately eligible for re-election.

On 31.12.2023, the Nomination and Compensation Committee was composed of Cédric A. George (Chairman) and Antoine Kohler. The Nomination and Compensation Committee assists the Board of Directors in the establishment and the periodic revision of the compensation strategy and directives. The Committee prepares the proposals of the Board of Directors to the Annual General Meeting regarding the compensation of the Board Members and the Senior Management. It determines the principles for remuneration of the Board Members and the Senior Management and submits them to the Board of Directors for approval. It oversees and discusses the overall remuneration policy and the remuneration principles of the company and the Group and keeps the Board updated. The Committee determines the employee participation schemes, including an allocation of shares, share options or other financial instruments to the Board Members, the Senior Management and other beneficiaries and submits them to the Board for approval.

The Nomination and Compensation Committee also establishes the principles for the selection of candidates to the Board, selects candidates for election or re-election and submits them to the Board. The Board of Directors may assign additional tasks to the Nomination and Compensation Committee.

A Nomination and Compensation Committee Charter governs the Nomination and Compensation Committee.

2. Board of Directors

2.1. Principles of compensation

According to article 23 quinquies of the Articles of Association, non-executive Board Members receive a fixed compensation, which considers the position and level of responsibility of the beneficiary. At least 20% and up to 50% of their compensation must be converted in AEVIS VICTORIA shares, with a two-year vesting period. The number of AEVIS VICTORIA shares is determined by taking the 60 days VWAP of the share on the SIX Swiss Exchange at the date of allocation.

The payment in cash and the conversion in shares are executed yearly before the end of the term of office. From the date of allocation, the shares have both voting and dividend rights. The remuneration is accounted for using the accrual principle.

The Annual General Meeting approves the proposal of the Board of Directors in relation to the maximum aggregate amount of the compensation of the Board of Directors for the period until the next Annual General Meeting. The Board of Directors can submit to the approval of the Annual General Meeting different or additional proposals covering the same period or different periods. In the event the Annual General Meeting does not approve a proposal of the Board, the Board determines, considering all pertinent criteria, the total (maximum) amount or the partial respective (maximum) amounts and submits the(se) amount(s) thus determined to the approval of an Annual General Meeting.

Notwithstanding the previously stated information, the Company or companies controlled by it can pay remunerations prior to the approval of the Annual General Meeting, subject to the approval by the Annual General Meeting.

2.2. Compensation in 2023

(In thousands of CHF)							
NAME	POSITION	TOTAL	OF WHICH CASH	OF WHICH BLOCKED SHARES	SOCIAL INSURANCE CONTRIBUTIONS*	PREVIOUS PERIOD	SOCIAL INSURANCE CONTRIBUTIONS*
Christian Wenger	Chairman	100.0	60.0	40.0	4.8	100.0	5.4
Raymond Loretan	Vice-chairman	-	-	-	-	-	-
Antoine Hubert	Delegate of the Board	-	-	-	-	-	-
Michel Reybier	Member	50.0	25.0	25.0	2.8	50.0	3.1
Antoine Kohler	Member	105.0	52.5	52.5	8.0	105.0	8.6
Cedric A. George	Member	53.0	42.4	10.6	3.3	53.0	3.4

* The Company pays all social insurance contributions.

Antoine Hubert is employed by a group company and does not receive any Board Member compensation. His remuneration is detailed in Section 3 of the Remuneration Report.

Raymond Loretan is employed by a group company and does not receive any Board Member compensation. His remuneration is detailed hereafter:

(In thousands of CHF)	2023	2022
Annual base Salary	485.6	485.6
Variable cash compensation	170.5	160.6
Social insurance and pension contributions	139.9	139.0
Total	796.0	785.3

2.3. Shareholding in 2023

NAME	POSITION	2023 NUMBER OF SHARES HELD*	2023 NUMBER OF OPTIONS HELD	2022 NUMBER OF SHARES HELD*	2022 NUMBER OF OPTIONS HELD
Christian Wenger**	Chairman	2'050'931	–	2'048'726	–
Raymond Loretan	Vice-chairman	213'100	–	213'100	–
Antoine Hubert and Michel Reybier***	Delegate of the Board Member	63'771'248	750'000****	63'369'421	750'000****
Antoine Kohler	Member	27'844	–	24'950	–
Cédric A. George	Member	1'292'259	–	1'260'025	–

* Including the blocked shares received as Board Member compensation.

** Representing the shareholding of CHH Financière S.à r.l.

*** Antoine Hubert and Géraldine Reynard-Hubert indirectly hold AEVIS VICTORIA shares through M.R.S.I. Medical Research, Services and Investments SA and HR Finance & Participations SA (HRFP). Antoine Hubert and Géraldine Reynard-Hubert hold 100% of the share capital and voting rights of HRFP. HRFP holds 50% of the share capital and voting rights of MRSI. Michel Reybier indirectly holds AEVIS VICTORIA shares through M.R.S.I. Medical Research, Services and Investments S.A. and EMER Holding SA (EMER). Michel Reybier holds 100% of the share capital and voting rights of EMER. EMER holds 50% of the share capital and voting rights of MRSI.

**** Indirectly held through his companies.

2.4. Other audited information regarding the Board of Directors

2.4.1. Loans

As at 31.12.2023, the current accounts of companies which are controlled by Board members and related parties amounted to CHF 6'669'616 (2022: CHF 6'223'968), i.e. CHF 176'460 (2022: CHF 170'000) for M.R.S.I. Medical Research, Services and Investments SA and CHF 6'493'156 (2022: CHF 6'053'968) for GCC Global Consulting et Communication S.à r.l. Interests at a rate of 3.8% have been accrued. As at 31.12.2023, Antoine Hubert had a current account with a subsidiary company of CHF 10'000'000 (2022: CHF 7'658'453). Interests at a rate of 3.69% have been accrued.

See also Note 12 Other Receivables from the Swiss GAAP FER consolidated financial statements.

Loans to Board Members can be granted at market conditions and cannot exceed CHF 20 million in total (Article 23 octies of the Articles of Association).

2.4.2. Additional fees

During 2023, MR HOSPITALITY-GESTION SA, a company related to Michel Reybier, has received honoraria of CHF 5'640'948 (2022: CHF 4'292'490) from various subsidiaries of MRH Switzerland AG, which are fully owned by the Company.

There were no other additional fees or remuneration paid by the Company or any of its group companies to Board Members in 2023, except for Antoine Hubert and Raymond Loretan, who are employed by a group company.

2.4.3. Compensation and loans for former Board Members

There is no compensation conferred during 2023 neither loan outstanding to former Board Members.

3. Senior Management

3.1. Principles of compensation

According to article 23 quinquies of the Articles of Association, the compensation of Senior Management is based on fixed and/or variable elements. Total compensation considers the position and level of responsibility of the beneficiary and their achievement of objectives. The remuneration is accounted for using the accrual principle. The fixed compensation includes the base salary and can include other elements of remuneration. The variable remuneration is linked to performance measures (business success, turnover and revenue goals) and to the level of responsibility of the beneficiary. In 2023, the Senior Management received variable compensation of 215.7% (2022: 559.5%) in relation to the fixed compensation. The Board of Directors or, if this competence has been delegated, the Nomination and Compensation Committee, determines the performance measures and the target levels of the elements of variable remuneration, as well as their fulfilment. The Compensation can be paid in cash, in shares and/or other types of benefits. It can also be paid in the form of financial instruments or share-based units. The Board of Directors or, if this competence has been delegated, the Nomination and Compensation Committee, determines the grant conditions, the vesting conditions and the revoking of rights. Remuneration can be paid by the company or companies controlled by it. The variable compensation is always paid in the following year, after the publication of the full year results.

The Annual General Meeting approves the proposal of the Board of Directors in relation to the maximum aggregate amount of the compensation of the Senior Management of the previous fiscal year. The Board of Directors can submit to the approval of the Annual General Meeting different or additional proposals covering the same period or different periods. In the event the Annual General Meeting does not approve a proposal of the Board, the Board determines, considering all pertinent criteria, the total (maximum) amount or the partial respective (maximum) amounts and submits the(se) amount(s) thus determined to the approval of an Annual General Meeting. Notwithstanding the previously stated information, the Company or companies controlled by it, can pay remunerations prior to the approval of the Annual General Meeting, subject to the approval by the Annual General Meeting.

According to article 23 quater of the Articles of Association, an additional amount of 40% of the total amount of compensation payable to the Senior Management that was last approved by the Annual General Meeting for the relevant period is available for the member(s) of the Senior Management appointed after the Annual General Meeting that voted on the total amount of compensation.

3.2. Compensation in 2023

The total remuneration of the Senior Management (including social insurance and pension contributions) amounts to CHF 1.49 million (2022: CHF 3.0 million). No stock options were granted to the Senior Management in 2023 (2022: 750'000). The highest compensation in 2023 was conferred to Antoine Hubert, Delegate of the Board.

(in thousands of CHF)	2023 HIGHEST COMPEN- SATION	2023 OTHER MEMBERS	2023 TOTAL SENIOR MANAGEMENT	2022 HIGHEST COMPEN- SATION	2022 OTHER MEMBERS	2022 TOTAL SENIOR MANAGEMENT
Annual base Salary	398.9	-	398.9	398.9	-	398.9
Variable cash compensation	860.6	-	860.6	817.2	-	817.2
Allocation stock options*	-	-	-	1'552.5	-	1'552.5
Social insurance and pension contributions	231.3	-	231.3	229.9	-	229.9
Total	1'490.8	-	1'490.8	2'998.5	-	2'998.5

* Black-Scholes Model/Indirectly held through his companies

3.3. Shareholding in 2023

NAME	POSITION	2023 NUMBER OF SHARES HELD	2023 NUMBER OF OPTIONS HELD	2022 NUMBER OF SHARES HELD	2022 NUMBER OF OPTIONS HELD
Antoine Hubert	Delegate of the Board	15'454'779*	750'000*	15'564'933*	750'000*
Gilles Frachon	CFO	107'350	-	107'350	-

* Directly and indirectly held through his companies.

3.4. Share-based payment plans

In 2022, the Board of Directors adopted a stock option plan, allowing the attribution of a maximum of 2'475'000 options in favor of the management. During the year under review, no options were granted (2022: 1'100'000 options, each giving rights to subscribe for one share at a unit price of CHF 15.00).

The details of the share based payment plans at the beginning of the schemes are as follows:

PLAN	BENEFICIARY/ GRANT DATE	NUMBER OF INSTRUMENTS/ EXERCISE PRICE	VESTING CONDITIONS	EXERCISE DATE	EXPIRY DATE
22-A	Group Senior Management, Group Management and Consultants March 2022	1'100'000 CHF 15.00 1:1	Service condition	As of grant	30.06.2025

There were no movements of share-based plans in 2023 (2022: nil).

3.5. Other audited information regarding the Senior Management

3.5.1. Loans

See Section 2.4.1.

3.5.2. Additional fees

During 2023, no additional fees were paid to Gilles Frachon for his terms as Board Member of GSMN Suisse SA and Swiss Medical Network Hospitals SA (2022: nil).

There were no other additional fees or remuneration paid by the Company or any of its group companies to the Senior Management, except for Antoine Hubert, who is employed by a group company.

3.5.3. Compensation and loans for former members of the Senior Management

There is no compensation conferred during 2023 neither loan outstanding to former members of the Senior Management.

4. Activities of members of the Board of Directors and Senior Management in other companies

Further mandates carried out by Board Members and Senior Management in the management and supervisory bodies of for-profit corporations are listed below.

Christian Wenger

Adolel Evergreen AG	Chairman
Belvillage Holding AG	Board Member
Belvillage Management AG	Board Member
Belvillage Properties AG	Board Member
Black Brasilofe AG	Board Member
Chemolio Holding AG	Delegate of the Board
Innhub La Punt AG	Board Member
Hempel Holding AG	Board Member
Hempel Special Metals AG	Board Member
Magnolia Properties AG	Board Member
Swiss Entrepreneurs AG	Chairman
Trisport AG	Board Member
UCC Holding AG	Board Member
UCC Immobilien AG	Chairman
Wenger Vieli AG	Partner and Board Member
XcoX AG	Board Member
Xeltis AG	Board Member
SIGNA Retail Selection AG	Chairman

Raymond Loretan

SSE Holding SA	Chairman
SSE Finance SA	Chairman
Valsynthese SA	Chairman
Société Suisse des Explosifs SA	Chairman
Nouvelle Agence Economique et Financière SA	Chairman

Antoine Hubert

M.R.S.I. Medical Research, Services & Investments S.A.	Chairman
M.R.S.I. Management Holding SA	Chairman
HR Finance & Participations SA	Chairman
Berenson Group SA	Board Member
Art & Culture Company SA	Board Member
Les Fontaines de Bassins (Echandens) SA	Board Member
IEG, Immobilière Etudes et Gestion SA	Board Member
Nouvelle Agence Economique et Financière SA	Board Member
GCC Global Consulting et Communication Sàrl	Director

Michel Reybier

MR HOSPITALITY - GESTION SA	Chairman
RMD Holding SA	Chairman
Château La Mascaronne SAS (France)	Chairman
Château La Lauzade SAS (France)	Chairman
Asset Management RI S.A-S.P.F (Luxembourg)	Chairman
RDC SA (France)	Chairman
ARTHUR'S CELLAR INTERNATIONAL SA	Vice-chairman
ARTHUR'S CELLAR SA	Vice-chairman
SCE des Domaines Reybier (France)	Managing Director
Domaines Reybier SA (France)	Member of the Supervisory Board
Tokaj Hetszölö Zrt (Hungary)	Member of the Supervisory Board
MOB Holding SAS (France)	Member of the Steering Committee
Oé SAS (France)	Member of the Strategic Committee
BIBARIUM SA	Board Member
EMER Holding SA	Board Member
M.R.S.I. Medical Research, Services & Investments S.A.	Board Member
M.R.S.I. Management Holding SA	Board Member

Antoine Kohler

KBLex SA	Partner and Board Member
PERREAD DE BOCCARD SA	Vice-chairman
APTG AG	Board Member
Charles Jourdan Holding AG	Board Member
Dosim Holding SA	Board Member
Dosim SA	Board Member
EXSAL S.A.	Board Member
Swiss Electron SA	Board Member
WPS Management AG	Board Member
IMM Inflight Media Marketing SA	Board Member
PackinG91 SA	Board Member
Patrimoines Holding SA	Board Member
Sixt rent-a-car AG	Board Member
Soho Holding SA	Board Member
Vroum SA	Board Member

Cédric A. George

Breast Atelier Zürich AG	Board Member
ZPC Zentrum für plastische Chirurgie Pyramide AG	Board Member

Gilles Frachon

SCA Société Nationale de Propriété d'Immeubles (France)	Chairman and Member of the Surveillance Board
Tokaj-Hetszolo Zrt (Hungary)	Chairman
RDC SA (France)	Board Member
Moynesque Vignoble SA (Luxembourg)	Board Member
EMBASSAIR GROUP (Luxembourg)	Board Member
Asset Management RI S.A-S.P.F (Luxembourg)	Board Member
MR2A SA (Luxembourg)	Board Member
MOB Holding SAS (France)	Member of the Steering committee
Côté Maison Sàrl (France)	CEO

5. Gender representation

As at 31 December 2023, the Company did not yet comply with the legal requirement of article 734f of the Swiss Code of Obligations regarding the representation of both genders in the Board of Directors and Senior Management. During the transition period until 01.01.2026, the Board of Directors will consider appointing female members to fill any vacancies. Séverine Van der Schueren will join the Senior Management as of 01.06.2024.

Berney Associés

Geneva, March 28, 2024

Report of the statutory auditor to the general meeting of AEVIS VICTORIA SA, Fribourg

Report on the Audit of the Remuneration Report

Opinion

We have audited the remuneration report of AEVIS VICTORIA SA (the Company) for the year ended December 31, 2023. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in sections 2.2 to 2.4, sections 3.2 to 3.5 and section 5 of the Remuneration Report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying remuneration report complies with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Remuneration Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the sections 2.2 to 2.4, sections 3.2 to 3.5 and section 5 of the Remuneration Report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the Remuneration Report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Remuneration Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Remuneration Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Remuneration Report

The Board of Directors is responsible for the preparation of a Remuneration Report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Remuneration Report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibilities for the Audit of the Remuneration Report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Remuneration Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Remuneration Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors and/or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide the Board of Directors and/or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Berney Associés Audit SA

BA Qualified electronic signature



Gregory GRIEB
Licensed Audit Expert
Auditor in charge

BA Qualified electronic signature



Brandon MARQUES ANDRE
Licensed Audit Expert

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Fiscalité

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REPORT ON NON-FINANCIAL MATTERS



1. Foreword by the Chairman

Environmental, social and governance (ESG) matters are key for AEVIS VICTORIA SA (AEVIS) and its investments. During the past financial year 2023, we focused in particular on implementing the new Art. 964a et seq. of the Swiss Code of Obligations. At the same time, our main holdings, namely Swiss Medical Network, MRH Switzerland and Swiss Hotel Properties, have made various efforts to reduce the impact of their activities on the environment and cut their carbon footprint.

Climate change and the loss of biodiversity are among the major challenges in the world. We therefore integrated environmentally friendly practices several years ago, including energy optimization, waste management and the soft mobility of employees.

The Group's most noteworthy sustainable value-creating project relates to the Swiss healthcare framework and the aim to move from a system of disease management to a system of health management. By establishing the first integrated care offering in the Jura Arc, Swiss Medical Network is making a strategic and sustainable contribution to a more efficient and cost-effective healthcare system in Switzerland. In this pioneering offering, called Réseau de l'Arc, healthcare providers are not paid on a fee-for-service basis, but have a global budget based on the population they serve. This principle is called full capitation. The goal is to keep people healthy by focusing on prevention and regular medical follow-up, rather than intervening downstream when they get sick. Swiss Medical Network, together with its partners, will continue to promote this paradigm shift and intends to introduce this model in other regions of Switzerland.

With regards to the human capital, a total of almost 4'000 employees work under the AEVIS umbrella, of which the vast majority are women. The central administration is lean and the workplaces are flexible, and great importance is attached to the training and development of the employees. In combination with an appreciative culture based on openness and mutual respect, this leads to a low fluctuation rate and a high level of commitment.

We are on a journey to incorporate additional ESG principles within our main participations and have taken steps to embed them into our corporate purpose and strategy, as highlighted by the newly created Chief Sustainability Officer function at Swiss Medical Network, our largest participation by turnover and staff.

The present report provides a summary of how AEVIS and its three main subsidiaries strive for the protection of the environment, our employees and society as a whole.

Christian Wenger

Chairman of the Board

2. Applied Regulation

This report on non-financial matters has been established in accordance with Art. 964a et seq. of the Swiss Code of Obligations. Since AEVIS is an investment company, without its own operating activities other than investment management and central functions such as finance & accounting management, the report focuses on environmental, social, labour, human rights and anti-bribery performance indicators of AEVIS's three main subsidiaries.

This report is based on the currently applicable laws of Switzerland. AEVIS and its independently managed subsidiaries are closely monitoring the legislative and jurisprudential developments, to continually adapt their governance control systems and operational processes.

This report provides an overview of AEVIS VICTORIA's investment activities and the results of the Group and its three segments, while the core report focuses on the effects of the activities on non-financial matters. Where appropriate, the report makes reference to the 2023 Annual Report.

This non-financial report will be submitted to a vote of the shareholders at the 2024 Annual General Meeting.

3. Report on our Businesses

Core participations

AEVIS VICTORIA is an investment company founded in 2006. In keeping with its mission, investing for a better life, the company pursues an investment strategy that focuses on three areas with high added value and strong growth potential: healthcare, hospitality and infrastructure. AEVIS VICTORIA's main shareholdings are Swiss Medical Network SA (80%, directly and indirectly), the only Swiss private network of hospitals present in the country's three main language regions; MRH Switzerland AG, a luxury hotel group managing eleven luxury hotels in Switzerland and abroad; and Swiss Hotel Properties SA, a hospitality real estate division. The most important non-consolidated participation is Infracore SA (30%, directly and indirectly), a real estate company dedicated to healthcare-related infrastructure and long-term lease contracts mainly concluded with the various hospitals of Swiss Medical Network.

Hospitals

Swiss Medical Network is a group of clinics, hospitals and medical centers represented in all language regions in Switzerland. Patients are offered individual medical services, high-quality care and first-class service. The network today consists of 21 clinics and hospitals, 30 medical centers, 9 emergency centers, a network of 21 ophthalmology centers as well as competence centers.

The philosophy of Swiss Medical Network, its employees and affiliated physicians is to put the patient first, at the heart of healthcare. This vision became an even more apparent reality through the implementation of an integrated care system, exclusive to Switzerland, which has been launched in the Jura Arc.

Hospitality

AEVIS VICTORIA entered the hospitality & lifestyle sector in 2014 with the public tender offer on the luxury hotel group Victoria-Jungfrau Collection. By the end of 2023, AEVIS VICTORIA had added the Mont Cervin Palace, Le Petit Cervin, the Monte Rosa Hotel and the Schweizerhof in Zermatt, the AlpenGold in Davos, the Hotel Adula in Flims and L'Oscar Hotel in London to its portfolio. Through its operating subsidiaries, AEVIS VICTORIA is now operating eleven luxury hotels under the brand "Michel Reybier Hospitality".

Real Estate

AEVIS VICTORIA owns a unique mix of high-quality real estate assets, including properties in the healthcare and hospitality sectors. The Group's property portfolio is composed of participations in Swiss Hotel Properties SA (100%) and Infracore SA (30% directly and indirectly).

Swiss Hotel Properties is a hospitality infrastructure company based in Switzerland. Its portfolio consists of 27 properties situated at seven prime locations across Switzerland and in London, representing a total surface of 131'020 sqm and a market value of CHF 857.8 million.

Infracore SA is a healthcare infrastructure company based in Switzerland. Its portfolio consists of 47 quality properties situated at 19 prime locations across Switzerland, representing a total rental surface of 206'267 sqm and a market value of CHF 1.29 billion.

Latest Numbers

AEVIS VICTORIA recorded financial and non-financial results with total revenues reaching CHF 953.0 million. The strength of the Group was highlighted by an operating profit at the EBITDAR level of CHF 119.9 million.

At a segment level, Swiss Medical Network SA generated consolidated revenues of CHF 768.7 million in the reporting period. The Hospitality division generated revenues of CHF 170.5 million, which corresponds to an increase of 10.3%. In the Real Estate division, the portfolio value of Swiss Hotel Properties increased to CHF 857.8 million and that of Infracore to CHF 1.29 billion as at the reporting date.

The total direct economic contribution for 2023 includes payments for wages and benefits to approximately 4'033 employees and physicians as well as payments to suppliers, taxes and voluntary projects in Switzerland.

More detailed figures can be found in the 2023 Annual Report on pages 4 to 17.

4. Report on Non-Financial Matters

4.1. General remarks

Swiss Medical Network accounts for 80.7% of total Group turnover and employs 70.0% of all staff of AEVIS VICTORIA. The reporting on non-financial matters is therefore centered around the activities and measures taken in the hospital segment, including its buildings (which are mainly owned by Infracore). The measures in the hospitality sector are combined for the operating company and the associated hotel property business. The reporting on human rights issues and combatting corruption is provided for all operating segments.

4.2. Hospitals

Swiss Medical Network is on the way to implanting a formal sustainability strategy. This strategy, to be further formalized and validated in 2024, is based on three pillars:

- Climate, resources and health (environmental focus)
- Creating value (societal focus)
- Empowerment of individuals (employee focus)

A Chief Sustainability Officer has been appointed in 2022, to supervise the implementation of the following governance structure:

- Appointment of a sustainability leader for each hospital
- Creation of a sustainability unit (working group) for each hospital
- Preparation and presentation of a roadmap to General Management and the Board of Directors
- Organization of a yearly “Sustainability Day” after a first successful edition in 2023

4.2.1. Climate, resources and health (environmental focus)

Energy and water

The hospital business, in collaboration with the leading technology company Siemens, has realized a feasibility study for the decarbonization of 17 hospitals, including return on investment scenarios. The objective is a 65% decrease in CO₂ emissions by 2030. Swiss Medical Network and Infracore also plan to implement an energy- and water-efficiency program for all their entities. In general, 80% of a hospital’s ecological impact is based on just five elements: heating, catering, electricity, infrastructure and pharmaceutical products.

The sustainability program was started in 2023 and already includes master projects at Clinique de Genolier in Genolier, Clinique Valmont in Glion-sur-Montreux and Clinica Sant’Anna in Lugano. Over the decade, all the hospitals of the network will be subject to similar efficiency and energy-saving programs.

The overall goal is:

- Decarbonization of 17 hospitals (replacement of fossil fuels with heat pumps, geothermal energy and district heating)
- Transition of 100% of the hospitals towards renewable heating systems (heat pumps, geothermal heat, district heating, wood pellets)
- Installation of photovoltaic panels on all hospital roofs
- Development of an Asset Performance Advisor platform (monitoring technical installations and optimizing energy performance)
- Reduction of energy use for both heating and cooling
- Reduction of electricity use for lighting and large technical installations
- Reduction of water consumption
- Significant investments in the latest state-of-the-art low-consumption medical equipment in all hospitals to optimize energy and water consumption
- Actions to promote mobility (financial participation in public transport, electric terminals, car-pooling) were started with investments at Clinique de Genolier, Clinique de Montchoisi, Privatlinik Villa im Park and Privatlinik Bethanien
- Development of the Bee Sustainable project, with the installation of beehives in the vicinity of all hospitals (action to promote biodiversity)

Waste

In efforts to transition towards a circular economy and zero waste initiatives, Swiss Medical Network has achieved the removal of plastic cutlery in all hospitals. Paper cups for the employees are progressively being replaced by sustainable cups. The hospital network is also exploring responsible procurement and supplier partnerships, as well as sustainable medical device solutions. To support these efforts, a dashboard to monitor and optimize the logistics of all the hospitals' waste has been designed and is planned for implementation in 2024.

Construction

The latest and most environmentally friendly technologies are applied to all development projects on the various hospital sites – for example, the new buildings at Clinique Générale-Beaulieu, Privatlinik Villa im Park and the ongoing construction of the Genolier Innovation Hub, the most prestigious project of the Group with an investment of approx. CHF 100 million. Sustainable development at the Genolier Innovation Hub is highlighted by:

- Complete elimination of fossil fuels with three 680 kW air/air heat pumps
- Large surface area of photovoltaic panels for electricity, heating and cooling: 700 sqm
- 100% green roofs, including vegetation under the photovoltaic panels to improve their performance
- Indigenous trees planted on the roofs and patios to passively improve the climate of the premises
- 165 cbm of rainwater retention by the green roof
- Mainly built underground to limit heat loss (wall against the ground, low exposure) and designed with interior and exterior courtyards and loggias on the façade, allowing good daylighting and optimal thermal performance all year round
- Use of high-performance triple glazing and insulation
- Ventilated facade to improve the thermal balance and indoor climate
- Maintaining and restoring the lean grassland on the site as part of the external landscaping, in consultation with Pronatura

4.2.2. Creating values (societal focus)

In the healthcare area, value is created to the benefit of society in three main areas:

Integrated healthcare

Switzerland's first fully integrated healthcare organization has been launched in the Jura Arc. It comprises various hospitals, medical centers and other service providers, offering innovative and comprehensive healthcare throughout the entire Jura Arc. The Réseau de l'Arc is a joint initiative of Swiss Medical Network, the health insurance group Visana and the canton of Bern. The successful principle of integrated care is based on transforming a disease-focused system to a genuine healthcare system where prevention takes center stage.

The Swiss healthcare system is currently at an impasse. Misguided incentives favor unnecessary treatment and cause costs to rise inexorably. Basically, it can be said that healthcare today is largely disintegrated. The key players are pursuing their own specific, often conflicting interests. There is a lack of mutual coordination.

The aim must be to master these challenges without an explosion in costs and a reduction in quality, and by utilizing the available resources and technologies in an efficient and targeted manner. Access to healthcare services for the entire population must be secured in the long term. A paradigm shift is needed. This is precisely where the Réseau de l'Arc comes in with its VIVA healthcare plan and its primary mission of safeguarding the health of its members and preventing accidents and illnesses. Moreover, in this system, healthcare providers are not paid on a fee-for-service basis but share a global budget based on the number of people they serve. This principle is called full capitation and offers a way to curb costs, because quality takes precedence over quantity.

In the Réseau de l'Arc, all medical services from primary care and hospital services to Spitex and care for the elderly can be provided from a single source. Patient care and human resources are coordinated and addressed holistically by our healthcare organization. This improves the quality of medical care and can significantly reduce costs. Financial incentives to provide unnecessary services are eliminated, and all those involved are motivated to ensure the flow of information in favor of more efficient and therefore more sustainable personalized care.

Genolier Innovation Hub

The Genolier Innovation Hub stands for value-based medicine and offers an integrated approach to innovation. The main purpose of the Genolier Innovation Hub is to gather the most important stakeholders of the Medtech, Pharma and Bioscience fields within its walls. Their programs will have reached the late phase of experimental development, and their pharmaceutical compounds or equipment will be ready to be tested in a clinical setting. The goal is to foster strategic interactions between scientists and physicians and accelerate the transfer of innovative solutions from bench to bedside. The Genolier Innovation Hub is ideally situated halfway between two major cities, Geneva and Lausanne, offering a splendid view of the Geneva Lake and the Alps.

The Hub is integrated within the Genolier Healthcare campus, along with the Clinique de Genolier, the Clinique Nescens and the Genolier Cancer Center.

Everything is conceived to enable interactions and synergies between all the actors of the hub: the building offers different types of workspaces, all equipped with the most advanced technologies to support new discoveries and creative advances, including 8'000 sqm of offices and laboratories, 1'000 sqm of meeting areas and a 300-capacity auditorium. Thanks to a dynamic and collaborative environment, the Hub strongly supports the stakeholders in consolidating their research and development processes.

Genolier Foundation

Founded in 1986 at Clinique de Genolier, Genolier Foundation is committed to helping patients in need, suffering from serious, disabling or chronic diseases, so that they can benefit from the best possible treatment, care and coaching at Swiss Medical Network's facilities, enabling them to return to an active life.

More specifically, the Genolier Foundation assists in the following areas:

- Targeted care (treatments, auxiliary means)
- Specific rehabilitation programs
- Tailored supportive therapies
- Individual coaching and group classes
- Mentoring for social and professional reintegration
- Social and legal counseling

To date, the Genolier Foundation has helped more than 500 patients, held 350 group classes, distributed more than 500 complementary therapy vouchers and donated medical equipment worth more than CHF 1 million.

Genolier Foundation is also committed abroad, because there are still far too many regions in the world where children and adults die every day due to local medical care being either inaccessible or totally lacking. By favoring a sustainable approach, Genolier Foundation focuses on medical humanitarian aid projects, which contribute directly to improving local medical care and educating resident populations. These include:

- Donations of medical and emergency equipment
- On-site interventions (with medical and paramedical staff)
- Specific fund-raising actions
- Scholarships

4.2.3. Empowerment of individuals (employee focus)

Diversity

Swiss Medical Network spans all three major linguistic/cultural regions of Switzerland. Hospitals, clinics and medical centers traditionally have a high degree of autonomy and their own historical culture. More than 70 nationalities are represented within Swiss Medical Network:

Switzerland	52.5%
France	23.0%
Italy	6.5%
Germany	6.0%
Portugal	3.5%
Other EU countries	4.0%
Non-EU countries	4.5%

* 2022 figures

The proportion of women at Swiss Medical Network is more than 76% and over 50% of the management positions are held by women. Advancing diversity, irrespective of constraints or quotas, and creating the right framework conditions and working models for working mothers and fathers is what characterizes Swiss Medical Network and remains one of the Group's key concerns. 47% of employees work part-time, most of them in the care sector (>63%).

Management	57.0%
Administration	77.5%
Care	85.5%
Medical technology	70.5%
Logistics	47.0%
Hospitality	56.0%

* 2022 figures

Agewise, the structure of employees is well balanced:

15–24 years	12.5%
25–34 years	29.0%
35–44 years	24.0%
45–54 years	19.0%
55–64 years	14.0%
Over 65	1.5%

* 2022 figures

Training and careers

The professional and personal development of employees, fairness and equality, and inclusion are top priorities for Swiss Medical Network. At a time when there is a shortage of qualified staff, it is all the more important to be able to offer a caring working environment and attractive development prospects. All employees can take advantage of a wide range of career opportunities and develop within the Group.

- In 2022, we had 121 apprentices in a Swiss Medical Network institution.
- The year 2024 will see the launch of a program dedicated to young talent wishing to take up positions of responsibility within our Group. The personalized program for each participant will focus on internal and external training and dedicated events.

Main groups of jobs, comprising a total of 211 professions exercised within Swiss Medical Network:

Care	59.0%
Medical technology	9.0%
Hospitality	13.0%
Logistics	5.0%
Administration	14.0%

* 2022 figures

Equal pay

The legally required equal-pay analysis was carried out by PricewaterhouseCoopers in all our hospitals between 1 July 2020 and 30 June 2021. The result is that women and men earn the same pay for work of equal value. No hospital has a significant pay gap.

Health and safety

The H+ sector solution has been introduced in most of our establishments. This system helps clinics and hospitals operating throughout Switzerland to implement the legal provisions that employers must apply to protect the health and safety of employees in the workplace. The main objective is the development and continuous improvement of the company's safety system, in order to safeguard health and safety at work.

In each of the medical centers and hospitals, an employee has been appointed to ensure that the directives are applied, and regional representatives have also been identified to improve coordination between the various sites of Swiss Medical Network. All STPS referral staff receive basic and ongoing training on the subject.

Code of Conduct

At Swiss Medical Network we are committed to maintaining high standards of professional and ethical conduct. Our success as a company depends on the integrity of our employees and our commitment to transparency, loyalty and respect. The Code of Conduct sets out the fundamental principles that guide our actions every day.

- **Integrity:** We are committed to acting with integrity in all our professional interactions. This includes honesty, transparency and compliance with applicable laws and regulations.
- **Respect:** Everyone at Swiss Medical Network deserves to be treated with dignity and respect, regardless of their position, origin, gender, religion, race or any other personal characteristic. We encourage an inclusive and respectful environment.

- **Responsibility:** We are all responsible for our actions. Each employee must take responsibility for his or her work, decisions and interactions with colleagues, customers and partners.
- **Confidentiality:** The confidentiality of company and customer information is essential. We are committed to protecting this sensitive information and not disclosing it without authorization.
- **Conflicts of interest:** Employees must avoid situations that could create a conflict of interest between their personal interests and those of the company. If in doubt, employees are encouraged to consult their line manager or management.
- **Responsible use of resources:** The company's resources, whether material, financial or human, must be used responsibly and effectively, in the interests of the company.
- **Safe working environment:** We are committed to providing a safe and healthy working environment. All employees have a responsibility to report unsafe conditions and to contribute to the creation of a safe workplace.
- **Compliance:** All employees must comply with the laws and regulations in force in Switzerland. Failure to do so could have serious consequences.
- **Conclusion:** By adhering to this Code of Conduct, we reinforce our commitment to integrity, responsibility and mutual respect.

Harassment Prevention

At Swiss Medical Network, we are committed to providing a work environment free from harassment, discrimination and intimidation. Harassment in any form, including sexual harassment, intimidation and any other form of offensive behavior, is strictly prohibited. Violations of this policy may result in disciplinary action, including dismissal.

- **Training and information:** All employees will be informed of our anti-harassment policy as soon as they are hired. This information will include the definition of harassment, examples of inappropriate behavior, the consequences of breaches and reporting procedures. Regular training sessions will be organized to maintain awareness and inform employees of the latest developments in harassment prevention. This will also help to reinforce the company's culture of mutual respect.
- **Reporting procedures:** We encourage an environment where employees feel comfortable reporting any form of harassment. Reporting procedures will be clearly communicated to all employees and will ensure confidentiality wherever possible. Retaliation will not be tolerated against those who report harassment in good faith.
- **Prompt and objective investigations:** Any complaint of harassment will be promptly and impartially investigated. The results will be communicated to the parties concerned as far as possible, while respecting confidentiality.
- **Sanctions:** In the event of an investigation confirming an act of harassment, appropriate disciplinary measures will be taken, up to and including dismissal. The severity of the sanction will depend on the nature and recurrence of the behavior.
- **Management awareness:** Company management will be regularly informed of harassment prevention procedures and will participate in training to ensure an ongoing commitment to creating a healthy working environment.
- **Communication and evaluation:** This policy will be communicated to all employees and periodically re-evaluated to ensure its effectiveness and relevance to the changing needs of the business.

4.3. Hospitality

In the hospitality segment of MRH Switzerland, a formal sustainability strategy has been formulated, including an environmental policy and charter. This strategy is based on the following actions at the corporate level:

- Pledge to have establishments integrated into their ecosystems – Swisstainable Level 1 in Switzerland
- Environmental audit of hotels
- Quarterly environmental newsletter in each hotel and at the head office
- Establishment of a governance structure for the development of sustainability
- Creation of a Business Council Environment with monthly meetings
- Introduction of an ethical and environmental Code of Conduct for suppliers

In addition, measures are foreseen in each hotel individually:

- Creation of a Green Committee for each hotel
- Appointment of a sustainability leader for each hotel
- Organization of an MRH Green Month in 2024

MRH's Environmental Policy is guided by the Business Council Environment and overseen by Chief Operating Officer Stéphane Fabregoul. The policy is reviewed annually and is consulted alongside the Environmental Charter and Supplier Code of Conduct.

4.3.1. Climate, resources and health (environmental focus)

Environmentally friendly behavior is emphasized in the daily conduct of hotel employees. The propositions of sustainable initiatives and participation in employee educational programs are encouraged. MRH educates collaborators to adopt sustainable practices and to be ambassadors for the Group's environmental values. Malfunctions are to be reported to the Green Committee or the Business Council Environment.

Energy and water

In the hospitality business, energy resources represent the major environmental impact, beyond representing a significant cost for properties. MRH assesses and reduces its carbon footprint by carefully monitoring its energy and water performance and introducing alternative solutions. The overall goal is:

- Deploy building management systems to optimize the use of heating and cooling facilities
- An average of 95% LED lighting in all properties
- On-demand ventilation systems in most kitchens
- Reducing water consumption: on-demand linen and towel changes
- Usage of non-potable water for outdoor irrigation
- Green transportation options for guests, e.g. electric cars and bicycles

Daily eco-friendly gestures such as switching off lights, closing doors and windows, ventilating properly, switching off idling vents, correctly switching off electrical appliances, turning off taps and responsible printing are encouraged.

Waste

MRH is committed to acting against the significant amounts of waste, particularly single-use plastic and organic waste. The implementation of a 3R program – reduce, reuse, recycle – is underway:

- Limiting single-use plastic for room furnishings and minimizing the consumption of water bottles by introducing reusable glass bottles
- Recycling of opened soap through SapCycle, Clean the World
- The use of environmentally friendly cleaning products
- Minimization of food waste

Collaborations

MRH is promoting environmental responsibility and sustainability in its supply chain by partnering with organizations, suppliers and communities that share similar values. Local suppliers and small businesses are prioritized, and best practices will be shared with industry peers to progress more quickly on environmental issues. To ensure compliance, MRH requires suppliers to sign a Code of Conduct.

4.3.2. Value creation (societal focus)

In hotels, the most important value that can be created is a satisfied and happy customer, and customer satisfaction and its measurement are therefore crucial. At Michel Reybier hospitality, a Guestrevue platform was implemented in early 2023. The connection of the various hotels to the platform was not simultaneous, with some hotels only onboarded in the second half of the year.

In addition, and due to the novelty of the platform, numerous adjustments were made during the year, and therefore the data for 2024 will be more accurate.

Nevertheless, the feedback received speaks for itself and shows high satisfaction among hotel guests. More than 5'000 reviews have been received, with an overall rating across all hotels of 92%. Top performers were the Monte Rosa in Zermatt, L'Oscar in London and the Bellevue in Bern, all achieving scores above 94%.

In terms of satisfaction per service, very good results have also been achieved. The highest performers with ratings above 94% were cleanliness, hotel location, reservation process, reception formalities, services received and room quality.

Beyond customer satisfaction, Michel Reybier Hospitality supports various charities in the animal sector and also contributes regularly to the Genolier Foundation (see also page 60).

4.3.3. Empowerment of individuals (employee focus)

Under the umbrella of Michel Reybier Hospitality, each employee is the perfect host, with the aim of doing everything possible to satisfy our guests so that they are happy to return. Every service and every product fulfils or exceeds the guest's expectations and is provided with pleasure and pride.

The operations of Michel Reybier Hospitality (MRH) are managed with a dynamic quality management system. The firm is committed to environmentally conscious business activities and fulfils its ecological and ethical responsibilities. The key values of Michel Reybier Hospitality take these objectives into account:

- **Well-being:** Trust and mutual respect
- **Encouragement:** Encouragement to take initiative
- **Agility:** Adaptability and decision-making
- **Competence:** Recognizing talent and rewarding results
- **Rethinking luxury:** Appreciating style and attitude
- **Customization:** Going the extra mile
- **Emotion:** Pride, passion and attention

Michel Reybier Hospitality values a pleasant working environment in which employees feel valued. In 2023, 51% of the entire workforce were women and 49% were men. The staff turnover rate is lower than 10%, excluding seasonal employees and employees who change internally. Employees are offered the following training:

- MRH Value-Based Leadership Training: 4 hours for employees new in the company or in their career roles
- MRH Leadership Development Program: 2-day program for leaders who have already gained some leadership experience

All Group employees have a right to protection of their personal integrity in the workplace. Michel Reybier Hospitality endeavors to ensure a climate of mutual respect and trust. Detailed regulations regarding sexual harassment and intimidation have been established within the company.

4.4. Respect for Human rights

Respect for human rights is of crucial importance for AEVIS VICTORIA and its subsidiaries, which only have operations in Switzerland, the one exception being L'Oscar Hotel in Central London. In 2023, no (material) human rights-related issues were identified. This includes the non-existence of forced labour conditions, sub-standard workplace conditions or threats to employees' personal freedom, threats of harassment of employees, and slavery. A reporting system is in place, where employees or self-employed physicians, as well as external partners or stakeholders, can raise concern about potential human rights violations that they have observed. No such incidents were reported in 2023.

Swiss Medical Network's Human Rights Policy includes several key elements to ensure the protection and promotion of the fundamental rights of every individual. Swiss Medical Network is committed to respecting fundamental human rights as set forth in international human rights instruments. This policy aims to integrate these principles into all our activities and operations.

- **Commitment to human rights:** The company recognizes and respects universal human rights as defined in the Universal Declaration of Human Rights, the conventions of the International Labour Organization (ILO) and other relevant instruments such as the Federal Constitution of the Swiss Confederation.
- **Non-discrimination:** The Group is committed to creating an inclusive and respectful working environment, where discrimination in any form, including based on race, gender, religion, age, sexual orientation or any other protected characteristic, is strictly prohibited.
- **Working conditions:** Swiss Medical Network guarantees fair, safe and healthy working conditions in line with national and international standards. This includes fair remuneration, reasonable working hours and the protection of the health and safety of our employees.
- **Freedom of association and collective bargaining:** The company respects its employees' fundamental right to freedom of association and collective bargaining, in accordance with national laws and international standards.
- **Responsible supply chain:** Swiss Medical Network requires its suppliers to meet the same high human rights standards and strives to work with business partners who share its commitment to social responsibility.
- **Ethical working environment:** The Group encourages ethical, transparent and responsible behavior at all levels of the company. Corruption, harassment and other unethical practices will not be tolerated.
- **Accountability and redress:** In the event of a proven breach of this policy, appropriate action will be taken. This may include disciplinary action, improvements in practices or even termination of business relationships.

4.5. Combatting corruption

AEVIS VICTORIA and its three main subsidiaries are only active in Switzerland, the one exception being the operation of L'Oscar Hotel in Central London. AEVIS is therefore not affected by the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Swiss Medical Network, which contributes 80.7% of AEVIS VICTORIA's turnover, is active in a highly regulated system, the Swiss healthcare market. Interactions with patients and insured persons, as well as service providers, are transparent and conducted according to clear rules and regulations.

A system is in place whereby whistleblowers can report any bribery- or corruption-related matters to the Human Resources Department. No such filings were observed in 2023.

The Board of Directors of AEVIS VICTORIA SA approved the 2023 non-financial report on 27 March 2024.



CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement

(In thousands of CHF)	NOTE	2023	2022
Revenue from operations		914'363	1'030'550
Other revenue	5	38'637	113'924
Total revenue		953'000	1'144'474
External services		(119'873)	(121'152)
Net revenue		833'127	1'023'322
Production expenses		(204'734)	(224'869)
Personnel expenses	6	(357'732)	(432'525)
Other operating expenses	7	(150'719)	(156'370)
EBITDAR (Earnings before interest, taxes, depreciation, amortisation and rental expenses)		119'942	209'558
Rental expenses		(79'539)	(79'593)
EBITDA		40'403	129'965
Depreciation on tangible assets	15	(52'717)	(55'382)
Extraordinary depreciation on tangible assets	15	-	(1'993)
Amortization on intangible assets	16	(9'220)	(11'208)
EBIT		(21'534)	61'382
Financial result	8	(30'774)	(25'059)
Share of profit/(loss) of associates		8'749	30'190
Profit/(loss) before taxes		(43'559)	66'513
Income taxes	9	1'699	(4'679)
Profit/(loss) for the period		(41'860)	61'834
- Thereof attributable to shareholders of AEVIS VICTORIA SA		(39'295)	58'812
- Thereof attributable to minority interests		(2'565)	3'022
Non-diluted earnings per share (in CHF)	10	(0.47)	0.70
Diluted earnings per share (in CHF)	10	(0.46)	0.69

Consolidated Balance Sheet

(In thousands of CHF)	NOTE	31.12.2023	31.12.2022
Assets			
Cash and cash equivalents		80'706	75'427
Trade receivables	11	169'131	159'075
Other receivables	12	44'289	74'917
Inventories	13	34'190	32'615
Accrued income and prepaid expenses	14	26'509	38'522
Total current assets		354'825	380'556
Tangible assets	15	1'182'908	1'106'483
Intangible assets	16	50'359	37'612
Financial assets	17	267'638	266'075
Total non-current assets		1'500'905	1'410'170
Total assets		1'855'730	1'790'726
Liabilities and shareholders' equity			
Trade payables	18	146'375	144'128
Other current liabilities	19	50'069	49'867
Short-term financial liabilities	20	43'188	15'562
Other short-term borrowings	21	73'198	71'082
Accrued expenses and deferred income	22	57'446	53'011
Short-term provisions	23	55	66
Total current liabilities		370'331	333'716
Long-term financial liabilities	20	791'501	758'892
Other long-term borrowings	21	93'611	124'499
Other non-current liabilities	19	-	2'228
Long-term provisions	23	61'714	61'254
Total non-current liabilities		946'826	946'873
Total liabilities		1'317'157	1'280'589
Shareholders' equity			
Share capital	24	84'529	84'529
Capital reserves		187'076	186'528
Treasury shares	24.1	(4'792)	(2'050)
Offset goodwill		(75'226)	(81'886)
Currency translation differences		(9'092)	(8'087)
Retained earnings		309'400	290'305
Shareholders' equity excl. minority interests		491'895	469'339
Minority interests		46'678	40'798
Shareholders' equity incl. minority interests		538'573	510'137
Total liabilities and equity		1'855'730	1'790'726

Consolidated Statement of Changes in Equity

(In thousands of CHF)	SHARE CAPITAL	CAPITAL RESERVES	TREASURY SHARES	OFFSET GOODWILL	CURRENCY TRANSLATION DIFFERENCES	RETAINED EARNINGS	TOTAL EXCL. MINORITY INTERESTS	MINORITY INTERESTS	TOTAL INCL. MINORITY INTERESTS
Balance at 1 January 2022	84'529	227'681	(3'685)	(95'002)	(1'324)	273'721	485'920	99'530	585'450
Profit for the period	-	-	-	-	-	58'812	58'812	3'022	61'834
Capital contribution distribution	-	(42'208)	-	-	-	-	(42'208)	-	(42'208)
Dividend distribution	-	-	-	-	-	(42'208)	(42'208)	(8'196)	(50'404)
Acquisition of subsidiaries	-	-	-	14'058	-	-	14'058	(515)	13'543
Divestment of subsidiaries	-	-	-	(937)	-	-	(937)	(52'991)	(53'928)
Change in minority interests	-	2	-	(5)	-	(20)	(23)	(52)	(75)
Purchase of treasury shares	-	-	(2'736)	-	-	-	(2'736)	-	(2'736)
Sale of treasury shares	-	523	4'371	-	-	-	4'894	-	4'894
Share-based payments	-	530	-	-	-	-	530	-	530
Currency translation differences	-	-	-	-	(6'763)	-	(6'763)	-	(6'763)
Balance at 31 December 2022	84'529	186'528	(2'050)	(81'886)	(8'087)	290'305	469'339	40'798	510'137
Loss for the period	-	-	-	-	-	(39'295)	(39'295)	(2'565)	(41'860)
Dividend distribution	-	-	-	-	-	(63'185)	(63'185)	(2'135)	(65'320)
Capital increase	-	-	-	-	-	-	-	20	20
Acquisition of subsidiaries	-	-	-	(4'366)	-	-	(4'366)	(1'825)	(6'191)
Change in minority interests	-	(5)	-	11'026	-	121'575	132'596	12'385	144'981
Purchase of treasury shares	-	-	(5'157)	-	-	-	(5'157)	-	(5'157)
Sale of treasury shares	-	(146)	2'415	-	-	-	2'269	-	2'269
Share-based payments	-	699	-	-	-	-	699	-	699
Currency translation differences	-	-	-	-	(1'005)	-	(1'005)	-	(1'005)
Balance at 31 December 2023	84'529	187'076	(4'792)	(75'226)	(9'092)	309'400	491'895	46'678	538'573

Consolidated Cash Flow Statement

(In thousands of CHF)	2023	2022
Profit/(loss) for the period	(41'860)	61'834
Changes in provisions (incl. deferred taxes)	(754)	(1'264)
Depreciation and amortization	61'937	66'590
Impairments	-	1'993
(Gain)/loss from sale of fixed assets	57	562
(Gain)/loss from sale/disposal of subsidiaries	-	(8'229)
Fair value (gains)/losses on financial assets	(669)	1'585
(Gain)/loss from sale of financial assets and marketable securities	-	(741)
(Gain)/loss from sale of associated companies	66	(47'124)
Share of (profit)/loss from associates	(8'749)	(30'190)
Dividends received from associates	12'808	10'904
Share-based payments	699	530
Change in contribution reserve and other non-cash items	(5'469)	3'832
Cash flow from operating activities before changes in working capital	18'066	60'282
Change in trade receivables	(9'088)	(12'349)
Change in inventories	(1'529)	(670)
Change in other receivables and prepaid expenses	30'499	40'758
Change in trade payables	(122)	26'098
Change in other liabilities and accrued expenses	4'847	181
Cash flow from operating activities	42'673	114'300
Purchase of tangible assets	(86'451)	(55'494)
Proceeds from disposal of tangible assets	101	76
Purchase of intangible assets	(22'282)	(18'525)
Proceeds from disposal of intangible assets	49	-
Acquisition of subsidiaries, net of cash acquired	(4'648)	(12'434)
Divestment of subsidiaries, net of cash disposed	12'537	(5'466)
Investments in financial assets and marketable securities	(10'265)	(33'775)
Divestments of financial assets and marketable securities	404	68'876
Cash flow from investing activities	(110'555)	(56'742)
Distribution to shareholders	(63'185)	(84'416)
Dividends paid to minority interests	(2'135)	(8'196)
Proceeds from issuance of share capital, net of costs	20	-
Repayment of bond	-	(145'000)
Sale/(purchase) of treasury shares	(4'027)	(1'249)
Change in minority interests	146'119	(75)
Change in short-term financial liabilities	7'548	(134'841)
Change in long-term financial liabilities	20'013	306'615
Change in other long-term liabilities and borrowings	(31'187)	21'631
Cash flow from financing activities	73'166	(45'531)
Currency translation effect on cash and cash equivalents	(5)	(18)
Change in cash and cash equivalents	5'279	12'009
Cash and cash equivalents at beginning of the period	75'427	63'418
Cash and cash equivalents at the end of the period	80'706	75'427

Notes to the Consolidated Financial Statements

1. General information

AEVIS VICTORIA SA (hereafter “The Company”) has its registered offices at 1700 Fribourg, Switzerland. The Company’s purpose consists of holding interests in financial, commercial and industrial enterprises in Switzerland and abroad, in areas such as medical treatment, healthcare and hotels.

2. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis in accordance with Swiss GAAP FER. They comply with the requirements of the Swiss law and the listing rules of SIX Swiss Exchange. The Swiss GAAP FER apply to all companies included in the scope of consolidation. The principle of individual valuation has been applied to assets and liabilities.

The consolidated financial statements were authorized for issue by the Board of Directors on 27 March 2024. Final approval is subject to acceptance by the Annual General Meeting on 27 May 2024.

3. Accounting policies

3.1. Consolidation

The consolidated financial statements of the Company for the year ended 31 December 2023 comprise the Company and its subsidiaries (“the Group”) and interests in associates.

The assets and liabilities of newly acquired companies are recognized at fair value at the date of acquisition. Entities controlled by the Group are consolidated by applying the purchase method.

3.1.1. Subsidiaries

Subsidiaries are companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company with the objective to obtain benefits from its activities. Subsidiaries are included in the consolidated financial statements from the date control effectively commences until the date control ceases. The net assets of a newly acquired company are measured at fair values at the date of acquisition. Any difference between purchase price and net assets is offset with equity. In an acquisition achieved in stages (step acquisition), the difference between purchase price and net assets is determined on each separate transaction at the corresponding acquisition date. The full consolidation method is used, whereby all assets, liabilities, income and expenses of the subsidiaries are included in the consolidated financial statements. If minority interests in a fully consolidated subsidiary are acquired, the difference between the purchase price and the carrying amount of the minority interests is recognized directly in the retained earnings. A reduction in the ownership without a loss of control is also recognized directly in equity.

3.1.2. Joint ventures

A joint venture is a contractual agreement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control means that the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing the control and the capital. The Group's share of each of the assets, liabilities, income and expense is shown on each item of the consolidated financial statements on a pro rata basis in accordance with the Group's share in capital in the joint venture.

3.1.3. Associates

Associates are those entities in which the Group has significant influence, but no control over the financial and operating policies. Significant influence is usually assumed when the Group owns 20% to 50% of the voting rights in the Company. Associates are accounted for using the equity method (equity accounted investees). The consolidated financial statements include the Group's share of the profit or loss of equity accounted investees, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued, except to the extent that the Group has an obligation or has made payments on behalf of the investee.

3.1.4. Goodwill accounting

The assets and liabilities of consolidated and associated companies included in the consolidation for the first time are valued at current values which do include a purchase price allocation. The goodwill arising from this revaluation is offset against equity.

3.1.5. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, have been eliminated in the consolidated financial statements. Unrealized gains and losses arising from transactions with associates are eliminated to the extent of the Group's interest in the associate. Unrealized losses are only eliminated to the extent that there is no evidence of impairment.

3.2. Foreign currency

The consolidated financial statements are presented in Swiss francs (CHF). Transactions in foreign currencies are translated to the respective functional currency of Group companies at exchange rates at the transaction dates. Foreign currency differences arising on retranslation are recognized in the income statement. Financial statements of subsidiaries reporting in foreign currencies are translated into Swiss francs (CHF) during consolidation process using year-end rates for balance sheet items, historical rates for equity and average rates of the year for income and cash flow statements. The translation differences are recognized in equity. Exchange differences arising from long-term intercompany loans with an equity character are booked to equity.

3.3. Income statement

3.3.1. Revenue

Revenue is recognized at the fair value of the consideration received or receivable, net of discounts, losses on accounts receivables and changes in allowances for doubtful accounts. Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the services at the reporting date. The stage of completion is assessed by reference to surveys of work performed. Other revenue does include gain from disposal of assets, the profit resulting from the sale of subsidiaries, the gain resulting from the revaluation of investments in formerly associated companies due to the change in consolidation method and own work capitalized.

3.3.2. Lease payments

Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term in order to produce a constant periodic rate of interest on the remaining balance of the liability.

3.3.3. Income taxes

Income taxes comprise current and deferred taxes. Current taxes are the expected tax payables on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payables in respect of previous years.

Deferred taxes are recognized using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.4. Balance sheet

3.4.1. Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand.

3.4.2. Marketable securities

Listed securities (incl. OTC securities with a market price) are valued at the market values prevailing on the balance sheet date. All realized and unrealized gains and losses resulting from variations in market values are recorded in the income statement.

3.4.3. Trade and other receivables

Receivables are carried at nominal value less allowance for doubtful receivables. The allowance is based on the aging of trade receivables, specific risks and historical loss experience.

3.4.4. Inventories

Inventories are measured at the lower of acquisition costs and net realizable value. The cost of inventories is based on the weighted average cost principle. Inventories are regularly adjusted to their net realizable value by the systematic elimination of out-of-date items. Cash discounts are accounted for as reduction of the acquisition value.

3.4.5. Tangible assets

Building position includes the building structure (roof, building facade, structure and basic installation such as heating) while all interior elements are included in leasehold improvements. Lands are not depreciated. Tangible assets are measured at cost less accumulated depreciation and impairment losses. Costs include expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. The cost of replacing part of an item of tangible assets is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of day-to-day servicing of tangible assets are recognized in profit or loss as incurred.

Depreciation is recognized in income statement on a straight-line basis over the estimated useful lives of each part of an item of tangible assets. The estimated useful lives are as follows:

- Buildings: 67–100 years
- Machinery and equipment: 5–10 years
- Furniture: 5–10 years
- Vehicles: 4–8 years
- Leasehold improvements are depreciated over the shorter of their useful life or lease term: 10–33 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

3.4.6. Leased assets

Leases in terms of which the Group substantially assumes all the risks and rewards of ownership are classified at inception as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Assets under finance leases are depreciated over their estimated useful lives (4 to 10 years).

Leases where substantially all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases.

3.4.7. Intangible assets

Intangible assets include IT software, websites, trademarks and other intangible assets. Intangible assets are amortized over their estimated useful lives (3 to 15 years). Amortization is recognized in income statement on a straight-line basis.

3.4.8. Financial assets

The Group has investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured. These securities are initially recognized at cost and subsequently measured at cost less accumulated impairment losses. The related long-term loans are recognized at nominal value less impairment losses.

3.4.9. Impairment of assets

Assets are reviewed at each reporting date to determine whether there is any indication of impairment. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell.

3.4.10. Trade and other payables

Trade and other payables are recognized at nominal value.

3.4.11. Financial liabilities and other borrowings

Financial liabilities and other borrowings are recognized at nominal value. Transaction costs are recognized in the income statement over the fixed period of the loans or borrowings. Financial liabilities and other borrowings are classified as short-term liabilities when payable within 12 months.

3.4.12. Provisions

A provision is recognized when the Group has a legal or constructive obligation as a result of a past event, and when it is probable that an outflow of economic benefits will be required to settle the obligation.

3.4.13. Contingent liabilities

Contingent liabilities are valued on the balance sheet date based on the agreements in place and other supporting documents. If an outflow of funds is likely, a provision is created.

3.5. Accounting estimates and assumptions

The preparation of financial information requires Group management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. If in future, such assumptions and estimates deviate from the actual circumstances, the original assumptions and estimates will be modified as appropriate in the period during which the circumstances change.

3.6. Changes in scope of consolidation

The following changes to the scope of consolidation took place in 2023:

ENTITY	EVENT/DATE	CAPITAL SHARE 31.12.2023	CAPITAL SHARE 31.12.2022
Ambulances du Réseau de l'Arc SA	Established on 10.03.2023	27.00%	-
Ärzteteam Seewadel GmbH	Acquired on 01.01.2023	76.86%	-
Batgroup SA	Increase in participation on 01.01.2023	27.31%	23.30%
Centre d'Urologie Générale Beaulieu SA	Increase in participation on 15.02.2023	15.37%	1.73%
GENERALE BEAULIEU HOLDING SA	Increase in participation on 14.06.2023	69.51%	69.49%
Gotham Investments Sàrl	Acquired on 01.09.2023	27.31%	-
Hotel Täschlerhof AG (merged)	Acquired on 01.05.2023	100.00%	-
Infracore SA	Increase in participation on 14.06.2023	25.64%	25.63%
Klinik St. Raphael AG (merged)	Increase in participation on 30.06.2023 and 30.09.2023	100.00%	73.54%
Krankentransport ALPHA MEDIC AG	Increase in participation on 01.12.2023	40.00%	28.00%
MEDICENTRE MOUTIER SA	Increase in participation on 01.01.2023	27.00%	15.49%
Medizinisches Zentrum VIVA AG	Acquired on 01.12.2023	53.80%	-
Physiotherapie Solothurn AG	Acquired on 01.06.2023	53.49%	-
Putzfrauenagentur AG	Acquired on 01.10.2023	27.31%	-
Putzfrauenagentur Grossraum Limmattal GmbH	Acquired on 01.12.2023	27.31%	-
Radiologie VIVA AG	Acquired on 01.12.2023	53.80%	-
SANSYS SOLUTIONS AG	Acquired on 01.12.2023	40.00%	-
STERIPARC SA	Established on 17.02.2023/Decrease in participation on 25.10.2023	20.00%	-
Swiss Medical Network SA	Increase in participation on 14.06.2023/ Decrease in participation on 11.07.2023	76.86%	86.46%
Swiss Medical Network Holding SA	Established per 01.10.2023	76.86%	-

Batgroup SA, Gotham Investments Sàrl, Infracore SA, Putzfrauenagentur AG, Swiss Medical Network SA and Swiss Medical Network Holding SA are holding companies with several subsidiaries. All group companies are listed in note 35.

4. Segment information

The Group consists of the reported segments in the tables below. The decision makers measure the performance of the segments using the key figure EBITDA (Earnings before interest, taxes, depreciation and amortization). The financial information for each segment is thus shown up to EBITDA.

2023 (In thousands of CHF)	HOSPITALS	HOSPITALITY	REAL ESTATE	OTHERS	CORPORATE	ELIMINATIONS	TOTAL
Net revenue 3rd	648'852	168'111	3'916	9'784	2'464	-	833'127
Net revenue IC	8	2'339	20'294	550	163	(23'354)	-
Net revenue	648'860	170'450	24'210	10'334	2'627	(23'354)	833'127
Production expenses	(178'551)	(22'532)	-	(3'651)	-	-	(204'734)
Personnel expenses	(263'905)	(78'440)	-	(5'302)	(10'085)	-	(357'732)
Other operating expenses	(99'654)	(34'897)	(3'027)	(3'716)	(10'985)	1'560	(150'719)
EBITDAR*	106'750	34'581	21'183	(2'335)	(18'443)	(21'794)	119'942
<i>EBITDAR margin</i>	16.5%	20.3%	87.5%	-	-	-	14.4%
Rental expenses	(71'869)	(25'279)	(15)	(2'293)	(1'877)	21'794	(79'539)
EBITDA	34'881	9'302	21'168	(4'628)	(20'320)	-	40'403
<i>EBITDA margin</i>	5.4%	5.5%	87.4%	-	-	-	4.8%

2022 (In thousands of CHF)	HOSPITALS	HOSPITALITY	REAL ESTATE	OTHERS	CORPORATE	ELIMINATIONS	TOTAL
Net revenue 3rd	795'387	153'981	3'100	9'862	60'992	-	1'023'322
Net revenue IC	7	514	19'495	417	160	(20'593)	-
Net revenue	795'394	154'495	22'595	10'279	61'152	(20'593)	1'023'322
Production expenses	(198'324)	(23'483)	-	(3'176)	-	114	(224'869)
Personnel expenses	(349'184)	(69'167)	21	(4'953)	(9'242)	-	(432'525)
Other operating expenses	(107'308)	(28'403)	(2'291)	(3'907)	(15'512)	1'051	(156'370)
EBITDAR*	140'578	33'442	20'325	(1'757)	36'398	(19'428)	209'558
<i>EBITDAR margin</i>	17.7%	21.6%	90.0%	-	-	-	20.5%
Rental expenses	(73'206)	(21'972)	(14)	(2'259)	(1'570)	19'428	(79'593)
EBITDA	67'372	11'470	20'311	(4'016)	34'828	-	129'965
<i>EBITDA margin</i>	8.5%	7.4%	89.9%	-	-	-	12.7%

* Earnings before interest, taxes, depreciation, amortization and rental expenses.

5. Other revenue

(In thousands of CHF)	2023	2022
Gain on sale of subsidiaries	-	9'126
Gain on sale of associated companies	27	47'124
Gain on disposal of fixed assets	85	211
Other revenue	38'525	57'463
Total other revenue	38'637	113'924

The gain on sale of associated companies in 2022 resulted from the sale of the 40% stake in Medgate Holding AG.

6. Personnel expenses

(In thousands of CHF)	2023	2022
Salaries and wages	304'040	365'171
Social security expenses	32'072	37'739
Pension expenses	15'247	22'673
Other personnel expenses	6'373	6'942
Total personnel expenses	357'732	432'525
Number of employees		
Full Time Equivalents at year-end	4'033	3'902

The other personnel expenses include expenses for share-based payments in the amount of CHF 0.7 million (2022: CHF 0.5 million). Further information regarding the share-based payment plan is mentioned under section 3.4 of the Remuneration Report 2023.

7. Other operating expenses

(In thousands of CHF)	2023	2022
Administrative expenses	26'694	32'105
Marketing expenses	16'771	17'691
Maintenance expenses	63'534	67'739
Energy expenses	21'173	15'712
Other expenses	22'547	23'123
Total other operating expenses	150'719	156'370

In 2022, other expenses include the loss resulting from a sale of a subsidiary in the amount of CHF 0.9 million.

8. Financial result

(In thousands of CHF)	2023	2022
Interest income	1'239	766
Fair value gains on marketable securities	669	-
Gain on sale of financial assets and marketable securities	-	741
Other financial income	6'751	401
Total financial income	8'659	1'908
Interest expenses	(35'072)	(22'747)
Fair value losses on marketable securities	-	(1'585)
Other financial expenses	(4'361)	(2'635)
Total financial expenses	(39'433)	(26'967)
Total financial result	(30'774)	(25'059)

In 2023, the other financial income includes the partial or full extinction of several financial liabilities granted from third parties or minority shareholders to three different subsidiaries of the Company in the total amount of CHF 6.0 million.

9. Income taxes

(In thousands of CHF)	2023	2022
Current taxes	(470)	(1'028)
Deferred taxes	2'169	(3'651)
Income taxes	1'699	(4'679)

(In thousands of CHF)	2023			2022		
	RESULT	TAX RATE IN %	INCOME TAXES	RESULT	TAX RATE IN %	INCOME TAXES
Average applicable tax rate and income taxes as a proportion of ordinary earnings (before consideration of tax loss carryforwards)	(43'559)	15.62	(6'803)	66'513	14.45	9'611
Use of not recognized tax loss carryforwards			(6)			(52)
Tax losses not recognized from current period			2'762			2'654
Expiry of recognized tax loss carryforwards			53			203
Changes in recognition of tax loss carryforwards from prior years			(8)			(139)
Average applicable tax rate and income taxes as a proportion of ordinary earnings (after consideration of tax loss carryforwards)	(43'559)	9.19	(4'002)	66'513	18.46	12'277
Expenses disregarded for tax purposes			5'013			4'798
Non-taxable income			(2'860)			(12'713)
Effects from changes in tax rate			(1'286)			(181)
Other effects			1'436			498
Effective tax rate and income taxes according to income statement	(43'559)	3.90	(1'699)	66'513	7.03	4'679

10. Earnings per share

For the calculation of the earnings per share, the number of shares has been reduced by the weighted average number of shares held by the Group.

	2023	2022
Net profit/(loss) attributable to AEVIS VICTORIA SA shareholders (In thousands of CHF)	(39'295)	58'812
Weighted average number of shares outstanding	84'339'528	84'411'866
Non-diluted earnings per share (in CHF)	(0.47)	0.70
Net profit/(loss) attributable to AEVIS VICTORIA SA shareholders (In thousands of CHF)	(39'295)	58'812
Weighted average number of shares outstanding	84'339'528	84'411'866
Adjustment for assumed exercise of share-based payments	1'100'000	1'100'000
Weighted average potential number of shares outstanding	85'439'528	85'511'866
Diluted earnings per share (in CHF)	(0.46)	0.69

11. Trade receivables

(In thousands of CHF)	2023	2022
Third parties	173'416	163'167
Associates	-	116
Other related parties	27	-
Allowances for doubtful accounts	(4'312)	(4'208)
Total trade receivables	169'131	159'075

12. Other receivables

(In thousands of CHF)	2023	2022
Third parties	13'043	23'964
Associates	14'493	36'527
Shareholders	10'176	7'828
Other related parties	6'577	6'598
Total other receivables	44'289	74'917

The receivables from shareholders were charged interest with a rate of 3.69% and 3.80% respectively (2022: 2.92%). The loans were granted at market conditions.

13. Inventories

(In thousands of CHF)	2023	2022
Medical supplies	17'522	16'765
Pharmaceutical products	7'116	7'037
Hotel and restaurant goods	5'304	5'300
Other inventories	4'248	3'513
Total inventories	34'190	32'615

14. Accrued income and prepaid expenses

(In thousands of CHF)	2023	2022
Third parties	26'509	38'122
Associates	-	400
Total accrued income and prepaid expenses	26'509	38'522

15. Tangible assets

(In thousands of CHF)	LAND AND BUILDINGS	LEASEHOLD IMPROVEMENTS	MACHINERY AND EQUIPMENT	UNDER CONSTRUCTION	OTHERS	TOTAL
Cost						
Balance at 1 January 2022	615'053	595'866	361'457	14'818	4'082	1'591'276
Increase in scope of consolidation	121'684	3'197	12'144	-	1	137'026
Decrease in scope of consolidation	(105'284)	(2'448)	(21'611)	(8'610)	(27)	(137'980)
Additions	1'569	10'799	16'486	31'854	395	61'104
Disposals	(698)	(505)	(1'135)	(1'993)	(170)	(4'501)
Reclassifications	12'213	7'187	9'046	(28'487)	-	(41)
Translation adjustments	(8'528)	-	(1'159)	-	-	(9'687)
Balance at 31 December 2022	636'009	614'096	375'229	7'582	4'281	1'637'197
Increase in scope of consolidation	15'248	6'771	5'256	-	14	27'289
Additions	43'779	5'139	31'978	23'771	1'413	106'080
Disposals	-	(1'546)	(5'546)	-	(505)	(7'597)
Reclassifications	2'875	10'027	3'608	(15'976)	(1)	533
Translation adjustments	(3'224)	-	(493)	(17)	-	(3'735)
Balance at 31 December 2023	694'687	634'487	410'031	15'360	5'202	1'759'767
Accumulated depreciation						
Balance at 1 January 2022	11'913	257'975	217'640	-	2'642	490'170
Increase in scope of consolidation	-	-	5'467	-	-	5'467
Decrease in scope of consolidation	(2'584)	(868)	(14'236)	-	(23)	(17'711)
Depreciation of the year	7'037	19'401	28'501	-	443	55'382
Disposals	(698)	(505)	(654)	-	(144)	(2'000)
Reclassifications	-	(584)	579	-	-	(5)
Translation adjustments	(21)	-	(568)	-	-	(589)
Balance at 31 December 2022	15'647	275'419	236'730	-	2'918	530'714
Increase in scope of consolidation	-	431	477	-	2	910
Depreciation of the year	4'437	20'473	27'203	-	604	52'717
Disposals	-	(1'546)	(5'504)	-	(385)	(7'436)
Reclassifications	-	(202)	446	-	(1)	243
Translation adjustments	(39)	-	(250)	-	-	(289)
Balance at 31 December 2023	20'045	294'575	259'101	-	3'138	576'859
Carrying amounts						
At 31 December 2022	620'362	338'677	138'499	7'582	1'363	1'106'483
At 31 December 2023	674'642	339'912	150'930	15'360	2'064	1'182'908
Net book value of leased equipment						
At 31 December 2022			38'316		1'115	39'431
At 31 December 2023			49'836		1'775	51'610

The additions in the category Under construction include own work capitalized in the amount of CHF 2.2 million (2022: CHF 2.2 million).

In 2022, the disposal in the category Under construction is related to a development project in the real estate segment, where the legal basis has changed during the year. The disposal is shown as an extraordinary depreciation in the consolidated income statement.

16. Intangible assets

(In thousands of CHF)	TRADEMARKS	SOFTWARE AND OTHER INTAN- GIBLE ASSETS	INTANGIBLE ASSETS UNDER CONSTRUCTION	TOTAL
Cost				
Balance at 1 January 2022	25'750	76'488	6'339	108'577
Increase in scope of consolidation	-	587	-	587
Decrease in scope of consolidation	(40)	(13'315)	(39)	(13'394)
Additions	240	7'060	11'225	18'525
Disposals	(10'874)	(2'517)	(87)	(13'478)
Reclassifications	-	591	(539)	52
Translation adjustments	-	(58)	-	(58)
Balance at 31 December 2022	15'076	68'836	16'899	100'811
Increase in scope of consolidation	-	25	-	25
Additions	289	6'712	15'281	22'282
Disposals	-	(3'953)	1'860	(2'093)
Reclassifications	-	5'178	(5'337)	(159)
Translation adjustments	-	(23)	-	(23)
Balance at 31 December 2023	15'365	76'775	28'703	120'843
Accumulated amortization				
Balance at 1 January 2022	25'750	48'269	-	74'019
Increase in scope of consolidation	-	430	-	430
Decrease in scope of consolidation	(40)	(9'044)	-	(9'084)
Amortization of the year	-	11'208	-	11'208
Disposals	(10'874)	(2'474)	-	(13'348)
Reclassifications	-	17	-	17
Translation adjustments	-	(43)	-	(43)
Balance at 31 December 2022	14'836	48'363	-	63'199
Amortization of the year	97	9'123	-	9'220
Disposals	-	(2'048)	-	(2'048)
Reclassifications	-	131	-	131
Translation adjustments	-	(18)	-	(18)
Balance at 31 December 2023	14'933	55'551	-	70'484
Carrying amounts				
At 31 December 2022	240	20'473	16'899	37'612
At 31 December 2023	432	21'224	28'703	50'359

The additions in the category Intangible assets under construction include own work capitalized in the amount of CHF 10.4 million (2022: CHF 10.3 million).

17. Financial assets

(In thousands of CHF)	2023	2022
Associated companies ¹⁾	218'828	222'663
Loans to associates ²⁾	6'688	5'376
Loans to other related parties	4'200	4'200
Employer contribution reserves	2'663	4'176
Investments in unconsolidated companies	18'376	15'211
Other financial assets	5'757	4'783
Deferred tax assets ³⁾	11'126	9'666
Total financial assets	267'638	266'075

¹⁾ Goodwill or badwill arising from acquisitions of associated companies have been directly offset with equity in the amount of CHF 50.8 million (2022: CHF 45.8 million). In 2023, associated companies are disclosed net of share losses for which the Group has no obligation, in the amount of CHF 1.7 million (2022: CHF 1.3 million).

²⁾ All loans granted to associates are assessed as valuable.

³⁾ The Group did not recognize deferred tax assets of CHF 11.5 million (2022: CHF 12.6 million) related to unused tax losses amounting to CHF 67.6 million (2022: CHF 73.9 million), as it is not likely that future taxable profits will be available against which the Group could offset tax losses.

18. Trade payables

(In thousands of CHF)	2023	2022
Third parties	144'874	142'769
Other related parties	1'501	1'359
Total trade payables	146'375	144'128

19. Other liabilities

(In thousands of CHF)	2023	2022
Third parties	49'250	51'742
Associates	690	340
Other related parties	129	13
Total other liabilities	50'069	52'095
<i>of which short-term</i>	<i>50'069</i>	<i>49'867</i>
<i>of which long-term</i>	<i>-</i>	<i>2'228</i>

20. Financial liabilities

(In thousands of CHF, unless otherwise stated)	BOOK VALUE	AMOUNT IN FOREIGN CURRENCY	INTEREST RATE IN %
Current portion of bank loans	2'016		0.00–1.94
Current financial leases	10'061		1.29–4.37
Current portion of mortgage loans	3'485		0.85–2.40
Short-term financial liabilities at 31 December 2022	15'562		
Bank loans	415'053		0.00–3.50
Non-current financial leases	11'337		1.29–4.37
Mortgage loans	286'674		0.85–3.15
Mortgage loans (in GBP)	45'828	41'000	6.76
Long-term financial liabilities at 31 December 2022	758'892		
Total financial liabilities at 31 December 2022	774'454		
Current portion of bank loans	21'848		1.50–4.65
Current financial leases	11'208		1.29–5.20
Current portion of mortgage loans	6'945		1.00–3.21
Short-term financial liabilities at 31 December 2023	43'188		
Bank loans	380'548		1.50–5.20
Non-current financial leases	21'153		1.29–5.20
Mortgage loans	345'873		1.00–3.45
Mortgage loans (in GBP)	43'927	41'000	9.06
Long-term financial liabilities at 31 December 2023	791'501		
Total financial liabilities at 31 December 2023	834'689		

Mortgage loans and bank loans are classified as short-term when payable or redeemed within 12 months.

As a guarantee for bank overdrafts and bank loans, the Group pledged trade receivables for an amount of CHF 35.1 million as at 31 December 2023 (2022: CHF 38.6 million). Mortgage loans are secured by real estate, pledged for an amount of CHF 674.2 million (2022: CHF 619.9 million).

21. Other borrowings

(In thousands of CHF)	2023	2022
Third parties	95'287	68'204
Associates	61'522	127'377
Other related parties	10'000	–
Total other borrowings	166'809	195'581
<i>of which short-term</i>	<i>73'198</i>	<i>71'082</i>
<i>of which long-term</i>	<i>93'611</i>	<i>124'499</i>

Other borrowings from associates in the amount of CHF 61.5 million consist of one loan, which was charged interest with an average rate of 2.6%.

In 2022, the amount of CHF 127.4 million consists of two loans. The short-term loan in the amount of CHF 60.0 million was charged interest with a rate of 4.2%. The long-term loan in the amount of CHF 67.4 million was charged interest with a rate of 2.5%.

The loans were granted by Infracore SA at market conditions.

22. Accrued expenses and deferred income

(In thousands of CHF)	2023	2022
Accrued personnel expenses	18'479	19'204
Accrued tax expenses	1'739	1'822
Deferred income	242	508
Other accrued expenses	36'986	31'477
Total accrued expenses and deferred income	57'446	53'011

The accrued personnel expenses include pension plan liabilities (contributions) for an amount of CHF 3.7 million (2022: CHF 5.4 million).

23. Provisions

(In thousands of CHF)	DEFERRED TAXES	LEGAL OBLIGATIONS	OTHER PROVISIONS	TOTAL
Balance at 1 January 2022	55'481	425	3'651	59'557
Increase in scope of consolidation	4'084	-	-	4'084
Decrease in scope of consolidation	(538)	-	(530)	(1'068)
Additions	2'389	-	-	2'389
Utilization	-	-	(122)	(122)
Reversals	(761)	(425)	(2'326)	(3'512)
Translation adjustments	-	-	(8)	(8)
Balance at 31 December 2022	60'655	-	665	61'320
<i>of which short-term</i>	-	-	66	66
<i>of which long-term</i>	60'655	-	599	61'254
Increase in scope of consolidation	1'202	-	-	1'202
Additions	1'165	-	-	1'165
Utilization	-	-	(482)	(482)
Reversals	(1'908)	-	472	(1'436)
Balance at 31 December 2023	61'114	-	655	61'769
<i>of which short-term</i>	-	-	55	55
<i>of which long-term</i>	61'114	-	600	61'714

The weighted average applicable tax rate for deferred tax liabilities is 17.5% (2022: 17.6%).

24. Equity

At 31 December 2023, the share capital of CHF 84.5 million (2022: CHF 84.5 million) consists of 84'529'460 fully paid-up registered shares (2022: 84'529'460) at a par value of CHF 1 each (2022: CHF 1). The legally non-distributable reserves of the Company amount to CHF 21.7 million (2022: CHF 19.0 million).

Information regarding the capital band and the conditional capital is mentioned under section 2.2 of the Corporate Governance Report. The significant shareholders are listed under section 1.2 of the Corporate Governance Report.

24.1. Treasury shares

	NUMBER OF SHARES		IN THOUSANDS OF CHF	
	2023	2022	2023	2022
Balance at 1 January	112'261	269'953	2'050	3'685
Purchase of treasury shares	285'291	151'122	5'157	2'736
Sale of treasury shares	(132'256)	(308'814)	(2'415)	(4'371)
Balance at 31 December	265'296	112'261	4'792	2'050

In 2023, the Group purchased 285'291 treasury shares at an average price of CHF 18.08 per share (2022: 151'122 at CHF 18.11) and sold 132'256 shares at an average price of CHF 17.15 (2022: 308'814 at CHF 15.85).

25. Non-cancellable operating leases

(In thousands of CHF)	2023	2022
Less than one year	73'697	72'250
Between one and three years	138'830	139'523
More than three years	1'505'846	1'532'361
Total non-cancellable operating leases	1'718'373	1'744'134

The non-cancellable lease rentals are mainly related to third party buildings and buildings from associated companies in which some group entities are operating.

26. Capital commitments

As at 31 December 2023, the Group has commitments to complete new constructions, renovations, leasehold improvements and to purchase equipment for a total amount of CHF 24.8 million (2022: CHF 8.9 million).

27. Contingent liabilities

The operations of the Group companies are exposed to risks related to political, legal, fiscal and regulatory developments. The nature and frequency of these developments and events, which are not covered by any insurance, are not predictable. Possible obligations that are dependent on future events are disclosed as contingent liabilities.

28. Transactions with related parties

(In thousands of CHF)	2023	2022
Transactions with associates		
Net revenue	2'183	1'407
Personnel expenses	35	-
Rental expenses	55'525	55'791
Other operating expenses	143	2
Financial income	138	177
Financial expense	1'935	1'740
Transactions with shareholders		
Net revenue	-	2
Financial income	361	376
Sale of subsidiary (sales price)	-	170
Transactions with other related parties		
Net revenue	1'178	867
Rental expenses	564	469
Other operating expenses	7'448	5'506
Financial income	314	123
Financial expense	252	-
Purchase of intangible assets	2'628	3'224
Acquisition of subsidiary	-	3'407

Business transactions with related parties are based on arm's length conditions. All transactions are reported in the consolidated financial statements for 2023 and 2022.

The rental expenses shown in the category transactions with associates in the amount of CHF 55.5 million (2022: CHF 55.8 million) were paid to Infracore SA and its subsidiary GENERALE-BEAULIEU IMMOBILIERE SA.

In 2022, the Group made an earn-out payment for a company acquired in 2021, which was partially owned by a member of the Board of Directors of the Company. The amount of CHF 3.4 million shown in the transactions with other related parties was fully paid with treasury shares.

The corresponding receivables and payables are reported separately in the respective notes to the consolidated financial statements (see notes 11, 12, 14, 17, 18, 19, 21 and 22).

29. Acquisitions and divestments of subsidiaries

Several changes in scope of consolidation made in 2023 and 2022 were accounted for using the purchase method. The following table shows the amounts of assets and liabilities acquired or sold at the respective transaction date (see note 3.6).

(In thousands of CHF)	ACQUISITIONS		DIVESTMENTS	
	2023	2022	2023	2022
Cash and cash equivalents	1'271	913	-	(5'466)
Trade receivables	954	247	-	(28'912)
Other current assets	498	11'507	-	16'639
Tangible assets	26'379	131'560	-	(120'270)
Intangible assets	25	156	-	(4'310)
Other non-current assets	144	305	-	(3'073)
Assets	29'271	144'688	-	(145'392)
Short-term financial liabilities	1'576	198	-	(528)
Other current liabilities	3'855	11'931	-	(30'729)
Long-term financial liabilities	14'527	51'914	-	(1'251)
Other non-current liabilities	2'245	25'944	-	(1'564)
Long-term provisions	1'202	4'084	-	(1'048)
Liabilities	23'405	94'071	-	(35'120)
Total net assets	5'866	50'617	-	(110'272)

30. Goodwill

The impact of a theoretical capitalization of goodwill on the balance sheet and net earnings is presented in the tables below:

(In thousands of CHF)	2023	2022
Cost		
Balance at 1 January	215'011	195'935
Additions through business combinations	10'437	25'115
Decrease in scope of consolidation	-	(5'982)
Translation adjustments	(43)	(57)
Balance at 31 December	225'405	215'011
Accumulated amortization		
Balance at 1 January	159'595	146'981
Decrease in scope of consolidation	-	(4'019)
Amortization for the year (5 years)	19'124	16'637
Impairment	-	-
Translation adjustments	(13)	(4)
Balance at 31 December	178'706	159'595
Carrying amounts		
At 31 December	46'699	55'416

Impact on net earnings and balance sheet:

(In thousands of CHF)	2023	2022
Profit/(loss) for the period	(41'860)	61'834
Amortization goodwill	(19'124)	(16'637)
Impairment goodwill	-	-
Net earnings with capitalized goodwill	(60'984)	45'197
Equity including minority interests	538'573	510'137
Capitalized goodwill	46'699	55'416
Equity with capitalized goodwill	585'272	565'553

31. Pension plan institutions

There exist various pension schemes within the Group, which are based on regulations in accordance with Swiss pension fund law, except for the foreign subsidiaries.

EMPLOYER CONTRIBUTION RESERVE – ECR	NOMINAL VALUE ECR	WAIVER OF USAGE	BALANCE SHEET	INCREASE IN	BALANCE SHEET	RESULT FROM ECR IN PERSONNEL EXPENSES	CHANGE IN SCOPE OF CONSOLIDATION
(In thousands of CHF)	31.12.2023	31.12.2023	31.12.2023	2023	31.12.2022	2023	2022
Pension institutions	2'623	-	2'623	-	4'176	-	-
Total	2'623	-	2'623	-	4'176	-	-

ECONOMICAL BENEFIT/OBLIGATION AND PENSION BENEFIT EXPENSES	SURPLUS/DEFICIT	ECONOMICAL PART OF THE ORGANISATION	CHANGE TO PRIOR YEAR OR RECOGNIZED IN THE CURRENT RESULT OF THE PERIOD	CONTRIBUTIONS CONCERNING THE BUSINESS PERIOD*	PENSION BENEFIT EXPENSES WITHIN PERSONNEL EXPENSES
(In thousands of CHF)	31.12.2023	31.12.2023	31.12.2022		2023
Pension institutions without surplus/deficit	-	-	-	-	15'247
Total	-	-	-	-	15'247

* Including result from employer contribution reserves.

32. Cash Flow Statement – Non-cash transactions

The following table shows the non-liquidity related investing and financing activities, which are not recognized in the cash flow statement.

(In thousands of CHF)	2023	2022
Additions in tangible assets (note 15)	106'080	61'104
Purchase of tangible assets through finance leasing	(19'441)	(6'405)
Change in other current liabilities for purchase of tangible assets	(188)	795
Outflow for purchase of tangible assets (cash flow statement)	86'451	55'494
Change in treasury shares (equity statement)	(2'889)	2'158
Acquisition of subsidiaries with treasury shares	-	(3'407)
Acquisition of minority interests paid with treasury shares	(1'138)	-
Sale/(purchase) of treasury shares (cash flow statement)	(4'027)	(1'249)
Waiver of short-term financial liabilities from third parties	1'456	-
Waiver of long-term financial liabilities from third parties	2'010	-
Waiver of other borrowings from third parties and minority shareholders	2'528	-
Paid receivables from divestment of subsidiaries from prior year	12'707	-
Paid liabilities from acquisitions of subsidiaries from prior year	(62)	-
Unpaid receivables from divestment of subsidiaries	-	12'707
Unpaid liabilities from acquisitions of subsidiaries	-	(62)

33. Subsequent events

A restructuring has been carried out within the group Swiss Medical Network, in order to separate the group's activities in hospitals on the one hand and primary care & ambulatory services on the other hand. Swiss Medical Network Holding SA, a newly created holding company, now holds the subsidiaries Swiss Medical Network SA (hospitals and clinics) and SMN Ambulatory Services SA (primary care & ambulatory services). As the restructuring has retroactive effect from 01.10.2023, AEVIS VICTORIA SA owns directly and indirectly 76.86% of the new holding company Swiss Medical Network Holding SA at year-end.

34. Risk assessment disclosure

The management proceeds with an annual review of the risks and protection measures. Risk assessment is reviewed by the Senior Management, discussed in the Audit committee and approved by the Board of Directors.

35. List of Group companies

SEGMENT/COMPANY NAME	LOCATION	ACTIVITY	IN % ON GROUP LEVEL			
				31.12.2023		31.12.2022
Corporate						
AEVIS VICTORIA SA	Fribourg	Holding company	a)	100.0%	a)	100.0%
GENERALE BEAULIEU HOLDING SA	Geneva	Holding company	a)	69.5%	a)	69.5%
Hospitals						
Swiss Medical Network Holding SA	Fribourg	Holding company	a)	76.9%	-	-
Swiss Medical Network SA	Genolier	Holding company	a)	76.9%	a)	86.5%
Ambulances du Réseau de l'Arc SA	Saint-Imier	Ambulance services	c)	27.0%	-	-
Ärzteteam Seewadel GmbH	Schaffhausen	Health Center	a)	76.9%	-	-
Center Da Sandet SA	Silvaplana	Health Center	a)	40.4%	a)	45.5%
Centre d'Urologie Générale Beaulieu SA	Geneva	Urology Center	d)	15.4%	d)	1.7%
Centre Médical Genolier SA	Genolier	Health Center	a)	76.9%	a)	86.5%
Centre Médico-Chirurgical des Eaux-Vives SA	Geneva	Day clinic	a)	76.9%	a)	86.5%
CLINIQUE GENERALE-BEAULIEU SA	Geneva	Hospital	a)	76.9%	a)	86.5%
GRGB Santé SA, in liquidation	Geneva	Hospital	b)	38.4%	b)	43.2%
GSMN Suisse SA	Genolier	Hospitals	a)	76.9%	a)	86.5%
Gutsehen.ch AG	Pfäffikon	Ophthalmology	a)	76.9%	a)	86.5%
Hôpital de Moutier SA (merged) ¹⁾	Moutier	Hospital	-	-	c)	30.4%
IRJB Institut de Radiologie du Jura Bernois SA	Saint-Imier	Radiology institute	c)	27.0%	c)	30.4%
IRP Institut de Radiologie Providence SA	Neuchâtel	Radiology institute	a)	39.2%	a)	44.1%
Klinik Pyramide am See AG	Zurich	Hospital	a)	76.9%	a)	86.5%
MEDICENTRE MOUTIER SA	Moutier	Health Center	c)	27.0%	c)	15.5%
Médicentre Tavannes SA	Tavannes	Health Center	c)	27.0%	c)	30.4%
Medizinisches Zentrum Biel MZB GmbH	Biel	Health Center	c)	27.0%	c)	30.4%
Medizinisches Zentrum VIVA AG	Ostermundigen	Health Center	a)	53.8%	-	-
Permanence médicale de Fribourg SA	Fribourg	Health Center	c)	25.6%	c)	28.8%
Pharmacie Interjurassienne SA PIJ	Moutier	Institutional Pharmacy	c)	13.5%	c)	15.2%
Physiothérapie Solothurn AG	Solothurn	Physiotherapy	a)	53.5%	-	-
PIJ officine SA	Moutier	Pharmacy	c)	13.5%	c)	15.2%
Radiologie VIVA AG	Ostermundigen	Radiology institute	a)	53.8%	-	-
Réseau de l'Arc SA ¹⁾	Saint-Imier	Hospital	c)	27.0%	c)	30.4%
Rosenklinik AG	Rapperswil-Jona	Hospital	c)	76.9%	c)	86.5%
SMN Ambulatory Services SA (formerly Swiss Medical Centers Network SA)	Fribourg	Health Centers	a)	76.9%	a)	86.5%
Swiss Medical Network GesundheitsZentrum AG	Reinach	Health Centers	a)	61.5%	a)	69.2%
Swiss Medical Network Hospitals SA	Fribourg	Hospitals	a)	76.9%	a)	86.5%
Swiss Visio SA	Genolier	Ophthalmology	a)	61.5%	a)	69.2%
Hospitality						
MRH Switzerland AG (formerly Victoria-Jungfrau AG)	Interlaken	Holding company	a)	100.0%	a)	100.0%
AlpenGold Hotel AG	Davos	Hotel	a)	100.0%	a)	100.0%
CACM hôtels SA	Crans-Montana	Hotel	a)	100.0%	a)	100.0%
Golf Mischabel AG	Randa	Golf course	c)	23.9%	c)	23.9%
Grand Hotel Victoria-Jungfrau AG	Interlaken	Hotel	a)	100.0%	a)	100.0%

¹⁾ Hôpital de Moutier SA was merged in June 2023 into Réseau de l'Arc SA with retroactive effect from 01.01.2023.

- a) Fully consolidated
- b) Proportional method
- c) Equity method
- d) At cost

SEGMENT/COMPANY NAME	LOCATION	ACTIVITY	IN % ON GROUP LEVEL			
				31.12.2023		31.12.2022
Hospitality (continued)						
Hotel Adula AG (formerly Heinz Hotz AG)	Flims Waldhaus	Hotel	a)	100.0%	a)	100.0%
Hotel Bellevue Palace AG	Bern	Hotel	a)	100.0%	a)	100.0%
Hotel Eden au Lac AG	Zurich	Hotel	a)	100.0%	a)	100.0%
Hotel Täschlerhof AG (merged) ²⁾	Täsch	Hotel	-	-	-	-
MRH-Zermatt SA ²⁾	Zermatt	Hotels	a)	100.0%	a)	100.0%
Oldbourne & Oldbourne Hospitality Ltd	London (GB)	Hotel	a)	100.0%	a)	100.0%
Real estate						
Fliptag Investment Ltd. B.V.	British Virgin Islands (GB)	Hospitality real estate	a)	100.0%	a)	100.0%
GENERALE-BEAULIEU IMMOBILIERE SA	Geneva	Healthcare real estate	c)	25.6%	c)	25.6%
Havza Ltd	Dublin (IR)	Hospitality real estate	a)	100.0%	a)	100.0%
Infracore SA	Fribourg	Healthcare real estate	c)	25.6%	c)	25.6%
Infracore Investments SA	Fribourg	Healthcare real estate	c)	25.6%	c)	25.6%
Klinik St. Raphael AG (merged) ³⁾	Küsnacht	Real estate development	-	-	a)	73.5%
Swiss Hotel Properties AG ³⁾	Interlaken	Hospitality real estate	a)	100.0%	a)	100.0%
Welcome Parking AG	Täsch	Parking	c)	50.0%	c)	50.0%
Others						
<i>Nescens</i>						
NESCENS SA	Genolier	Holding company	a)	100.0%	a)	100.0%
Laboratoires Genolier SA	Genolier	Cosmetics	a)	100.0%	a)	100.0%
Nescens Genolier SA	Genolier	Patient hotel	a)	100.0%	a)	100.0%
<i>Batgroup</i>						
Batgroup SA	Lausanne	Holding company	c)	27.31%	c)	23.30%
Gotham Investments Sàrl	Lausanne	Holding company	c)	27.31%	-	-
Putzfrauenagentur AG	Schwerzenbach	Holding company	c)	27.31%	-	-
Batmaid SA	Lausanne	Cleaning Services	c)	27.31%	c)	23.30%
Batsoft SA	Lausanne	Cleaning Services	c)	27.31%	c)	23.30%
Vanguard Internet SA	Lausanne	Cleaning Services	c)	27.31%	c)	23.30%
Batmaid Dry Sàrl	Lausanne	Cleaning Services	c)	27.31%	c)	23.30%
BFB Facility Services Sàrl	Lausanne	Cleaning Services	c)	27.31%	c)	23.30%
Batmaid France SAS	Paris (FR)	Cleaning Services	c)	27.31%	c)	23.30%
Batmaid Belgium Sàrl	Brussels (BE)	Cleaning Services	c)	27.31%	c)	23.30%
Batmaid Italia SRL	Milano (IT)	Cleaning Services	c)	27.31%	c)	23.30%
Batmaid Netherlands B.V.	Amsterdam (NL)	Cleaning Services	c)	27.31%	c)	23.30%
Batmaid PL Sp. z o.o	Warsaw (PL)	Cleaning Services	c)	27.31%	c)	23.30%
Batmaid Poland Sp. z o.o	Warsaw (PL)	IT services	c)	27.31%	c)	23.30%
Batmaid Germany GmbH	Berlin (DE)	Cleaning Services	c)	27.31%	c)	23.30%
Batmaid Austria GmbH	Vienna (AT)	Cleaning Services	c)	27.31%	c)	23.30%
Putzfrauenagentur Glattal GmbH	Schwerzenbach	Cleaning Services	c)	27.31%	-	-
Putzfrauenagentur Greifensee GmbH	Schwerzenbach	Cleaning Services	c)	27.31%	-	-
Putzfrauenagentur Grossraum Basel GmbH	Schwerzenbach	Cleaning Services	c)	27.31%	-	-
Putzfrauenagentur Grossraum Bern GmbH	Schwerzenbach	Cleaning Services	c)	27.31%	-	-
Putzfrauenagentur Grossraum Limmattal GmbH	Schwerzenbach	Cleaning Services	c)	27.31%	-	-
Putzfrauenagentur Grossraum Winterthur GmbH	Schwerzenbach	Cleaning Services	c)	27.31%	-	-

²⁾ Hotel Täschlerhof AG was merged in October 2023 into MRH-Zermatt SA with retroactive effect from 01.05.2023.

³⁾ Klinik St. Raphael AG was merged in October 2023 into Swiss Hotel Properties AG with retroactive effect from 01.07.2023.

- a) Fully consolidated
- b) Proportional method
- c) Equity method
- d) At cost

SEGMENT/COMPANY NAME	LOCATION	ACTIVITY	IN % ON GROUP LEVEL			
				31.12.2023		31.12.2022
<i>Healthcare incubator</i>						
Generic Healthcare AG	Schwyz	Trading company	a)	70.0%	a)	70.0%
Genolier Innovation Hub SA	Genolier	Research & Innovation	a)	100.0%	a)	100.0%
Société Clinique Spontini SAS	Paris (FR)	No operating activities	a)	100.0%	a)	100.0%
STERIPARC SA	Yverdon-les-Bains	Sterilization	c)	20.0%	-	-
Swiss Theranostics SA	Genolier	Medical radiation services	a)	100.0%	a)	100.0%
TCS Swiss Ambulance Rescue SA	Vernier	Holding company	c)	40.0%	c)	40.0%
EuroMedTrans GmbH (merged) ⁴⁾	Glattbrugg	Ambulance services	-	-	c)	28.0%
Krankentransport ALPHA MEDIC AG ⁴⁾	Baar	Ambulance services	c)	40.0%	c)	28.0%
TCS Swiss Ambulance Rescue Genève SA	Geneva	Ambulance services	c)	40.0%	c)	40.0%
TCS Swiss Ambulance Rescue Vaud SA	Villars-Sainte-Croix	Ambulance services	c)	36.0%	c)	36.0%
SANSYS SOLUTIONS AG	Baar	Ambulance services	c)	40.0%	-	-
SSCB SWISS STEM CELLS BIOTECH AG ⁵⁾	Zurich	Stem Cells	c)	35.0%	c)	35.0%
SSCB SWISS STEM CELLS BIOTECH ITALIA SRL	Roma (IT)	Stem Cells	c)	35.0%	c)	35.0%
SSCB SWISS STEM CELLS BIOTECH RO SRL	Bukarest (RO)	Stem Cells	c)	35.0%	c)	35.0%
SWISS STEMCELLS BIOTECH IBERIA SL	Madrid (ES)	Stem Cells	c)	35.0%	c)	35.0%
Swiss Stem Cell Science SA (merged) ⁵⁾	Fribourg	Stem Cells	-	-	c)	35.0%

⁴⁾ EuroMedTrans GmbH was merged in November 2023 into Krankentransport ALPHA MEDIC AG with retroactive effect from 01.07.2023.

⁵⁾ Swiss Stem Cell Science SA was merged in June 2023 into SSCB SWISS STEM CELLS BIOTECH AG with retroactive effect from 01.01.2023.

With the exception of Infracore SA, the voting shares are identical to the capital shares listed above. The Company holds directly and indirectly 50% of the voting shares in Infracore SA.

- a) Fully consolidated
- b) Proportional method
- c) Equity method
- d) At cost

Berney Associés

Geneva, March 28, 2024

Statutory auditor's report to the general meeting of AEVIS VICTORIA SA, Fribourg

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of AEVIS VICTORIA SA and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 70 to 96) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Valuation of tangible assets

Key audit matter

We consider the valuation of tangible assets to be a key audit matter because they amounted to TCHF 1'182'908 on the consolidated balance sheet of the Group, representing a significant share of 64% of total assets.

Tangible assets include land and buildings, leasehold improvements, machinery and equipment, fixed assets under construction and other tangible assets.

Tangible assets are measured at cost less accumulated depreciation and impairment losses. Lands are not depreciated. Depreciation is recognised in the consolidated income statement on a straight-line basis over estimated useful lives and with no residual value.

The valuation of tangible assets depends on whether the initial recognition and the choice of an estimated useful life are correct and depends on the assessment by the management of the risk of impairment at the reporting date.

For further information on tangible assets, please refer to accounting policies and note 15 - Tangible assets.

How our audit addressed the key audit matter

We performed the following audit procedures:

- We obtained an understanding of the process from capital expenditure budgeting to the assessment of the valuation of the tangible assets in the consolidated balance sheet.
- We tested the effectiveness of key controls related to the tangible assets process.
- We assessed whether transactions were accurately recorded in the tangible assets register and the consolidated balance sheet.
- We tested the existence of assets and assets under construction by visiting the major hospitals.
- We challenged the estimated useful lives determined by management and verified the accuracy of the calculation of depreciation of the year.
- We read the minutes of the meetings of the Board of Directors in order to identify indicators of any impairment.
- We challenged the valuations of the independent expert of the lands and buildings and compared them with the value of tangible assets in the consolidated balance sheet.

We obtained sufficient audit evidence to address the risk of valuation of tangible assets.

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Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and SA-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Berney Associés Audit SA

BA Qualified electronic signature



Gregory GRIEB
Licensed Audit Expert
Auditor in charge

BA Qualified electronic signature



Brandon MARQUES ANDRE
Licensed Audit Expert

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Audit

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STATUTORY FINANCIAL STATEMENTS



Statutory Balance Sheet

(In CHF)	NOTE	31.12.2023	31.12.2022
Assets			
Cash and cash equivalents		1'496'582	1'928'731
Current receivables	2.1	138'342'910	120'512'398
Prepaid expenses and accrued income		1'008'714	1'476'217
Current assets		140'848'206	123'917'346
Financial assets	2.2	355'262'436	485'420'997
Investments in subsidiaries and associates	4/7	303'705'211	265'923'659
Equipment/Leasehold improvements		115'750	23'000
Intangible assets	2.3	3'947'000	8'399'000
Non-current assets		663'030'397	759'766'656
Assets		803'878'603	883'684'002
Liabilities and shareholders' equity			
Trade payables (towards third parties)		634'195	1'193'812
Current interest bearing liabilities	2.4	143'744'717	70'884'831
Other current liabilities		124'849	-
Accrued expenses and deferred income		2'099'279	1'758'480
Current liabilities		146'603'040	73'837'123
Long-term interest-bearing liabilities	2.5	107'974'907	185'834'365
Non-current liabilities		107'974'907	185'834'365
Liabilities		254'577'947	259'671'488
Share capital		84'529'460	84'529'460
Reserves from capital contributions		11'455'379	11'455'379
Other capital reserves		2'194'691	2'194'691
Legal capital reserves		13'650'070	13'650'070
General legal retained earnings		16'905'892	16'905'892
Legal retained earnings		16'905'892	16'905'892
Profit carried forward		447'792'160	443'590'010
Loss/Profit for the year		(8'784'842)	67'387'106
Balance sheet profit		439'007'318	510'977'116
Treasury shares	5	(4'792'084)	(2'050'024)
Shareholders' equity		549'300'656	624'012'514
Liabilities and shareholders' equity		803'878'603	883'684'002

Statutory Income statement

(In CHF)	NOTE	2023	2022
Dividend income		13'003'672	37'019'709
Other income	8	2'626'350	45'870'888
Total income		15'630'022	82'890'597
Expenses for obtained services		(9'385'311)	(8'712'147)
Administrative and other expenses		(12'264'555)	(16'178'274)
Operating expenses		(21'649'866)	(24'890'421)
EBITDA		(6'019'844)	58'000'176
Depreciation and amortisation on non-current assets		(4'469'250)	(7'487'000)
EBIT		(10'489'094)	50'513'176
Financial income	9	18'370'198	26'099'302
Financial expenses	9	(16'283'781)	(8'446'562)
EBT		(8'402'677)	68'165'916
Direct taxes		(382'165)	(778'810)
Loss/Profit for the year		(8'784'842)	67'387'106

Notes to the Statutory Financial Statements

1. Significant accounting policies

These financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). When not legally prescribed, the significant accounting and valuation principles applied are described below.

Current receivables

Receivables are carried at nominal value less allowance for doubtful receivables. The allowance is based on the aging of receivables, specific risks and historical loss experience.

Financial assets

The financial assets comprise intercompany loans granted to subsidiaries, other loans and securities.

Investments in subsidiaries and associates and intangible assets

Investments and intangible assets are valued at acquisition costs less accumulated depreciation and impairment losses.

Financial liabilities

Financial liabilities are recognized at nominal value. They are classified as current liabilities when payable within 12 months.

Treasury shares

Treasury shares are recognized at acquisition cost and deducted from shareholders' equity at the time of acquisition.

2. Information on balance sheet

(In CHF)	31.12.2023	31.12.2022
2.1 Current receivables		
From third parties	3'381'574	6'687'536
From shareholders and governing bodies	6'669'616	6'223'968
From companies in which the entity holds an investment	135'205'369	114'963'158
Valuation adjustments	(6'913'649)	(7'362'264)
Total current receivables	138'342'910	120'512'398
2.2 Financial assets		
Securities	17'686'643	14'934'206
To third parties	4'200'000	4'200'000
<i>Thereof as subordinated claim</i>	1'000'000	1'000'000
Loans to companies in which the entity holds an investment	333'375'793	472'711'791
<i>Thereof as subordinated claim</i>	329'501'795	469'211'791
Valuation adjustments	-	(6'425'000)
Total financial assets	355'262'436	485'420'997
2.3 Intangible assets		
Software/other intangible assets	552'000	1'605'000
Goodwill	3'395'000	6'794'000
Total intangible assets	3'947'000	8'399'000
2.4 Current interest bearing liabilities		
Other current interest bearing liabilities		
Due to third parties	11'716'875	1'600'000
Due to companies in which the entity holds an investment	70'505'829	9'284'831
Due to other group companies	61'522'013	60'000'000
Total current interest bearing liabilities	143'744'717	70'884'831
2.5 Long-term interest bearing liabilities		
Long-term bank loans	100'000'000	110'000'000
Other long-term interest bearing liabilities		
Due to third parties	7'974'907	8'456'973
Due to other group companies	-	67'377'392
Total long-term interest bearing liabilities	107'974'907	185'834'365

3. Full-time equivalents

AEVIS VICTORIA SA does not have any employees.

4. Investments in subsidiaries and associates

COMPANY, LEGAL FORM AND DOMICILE	31.12.2023 SHARE CAPITAL AND VOTING RIGHTS	31.12.2022 SHARE CAPITAL AND VOTING RIGHTS
Batgroup SA, Lausanne	27.3%	23.3%
GENERALE BEAULIEU HOLDING SA, Geneva	69.5%	69.5%
Generic Healthcare AG, Schwyz	70.0%	70.0%
Genolier Innovation Hub SA, Genolier	100.0%	100.0%
Hotel Adula AG, Flims Waldhaus (formerly Heinz Hotz AG) ¹⁾	0.0%	100.0%
Infracore SA, Fribourg	16.1%	16.1%
Klinik St. Raphael AG, Küsnacht ²⁾	0.0%	73.5%
MRH Switzerland AG (formerly Victoria-Jungfrau AG)	100.0%	100.0%
NESCENS SA, Genolier	100.0%	100.0%
Société Clinique Spontini SAS, Paris	100.0%	100.0%
Swiss Hotel Properties AG, Interlaken	100.0%	100.0%
Swiss Medical Network SA, Genolier ³⁾	0.0%	78.4%
Swiss Medical Network Holding SA, Fribourg	69.7%	0%
SSCB SWISS STEM CELLS BIOTECH AG, Zürich	35.0%	35.0%
Steriparc SA, Yverdon-les-Bains	20.0%	0.0%
Swiss Theranostics SA, Genolier	100.0%	100.0%
TCS Swiss Ambulance Rescue SA, Vernier	40.0%	40.0%

¹⁾ The stake in Hotel Adula AG was transferred to the sub-holding company MRH Switzerland AG on 1 December 2023.

²⁾ The stake in Klinik St. Raphael AG was merged with Swiss Hotel Properties SA on 1 July 2023.

³⁾ The stake in Swiss Medical Network SA was transferred to the sub-holding company Swiss Medical Network Holding SA on 1 October 2023.

The table above only lists direct investments. AEVIS VICTORIA SA also has significant indirect investments. See also Note 35 of the consolidated financial statements (List of Group companies).

5. Treasury shares

Information regarding treasury shares is mentioned in note 24.1 of the Swiss GAAP FER consolidated financial statements.

6. Assets pledged to secure own liabilities, as well as assets with retention of title

(In CHF)	31.12.2023	31.12.2022
Pledged equity securities as collateral for bank loans (book value)	93'713'375	91'039'076

7. Contingent liabilities

(In CHF)	31.12.2023	31.12.2022
Guarantees in favour of subsidiaries	5'595'207	5'595'207
The company, as part of the group AEVIS VICTORIA SA, is subject to a group taxation with regards to Value Added Tax (VAT). The company is jointly liable for all VAT obligations towards the Federal Tax Authority.	n/a	n/a

8. Explanation of the other income

(In CHF)	2023	2022
Gain on sale of investments and financial assets (less third-party costs)	-	32'991'055
Other income	2'626'350	12'879'833
Total other income	2'626'350	45'870'888

9. Explanation of the financial result

(In CHF)	2023	2022
Interest income	9'962'831	11'959'046
Reversal of value adjustment on investments	472'422	13'596'281
Other financial income	7'934'945	543'975
Total financial income	18'370'198	26'099'302
Interest expenses	(7'553'781)	(6'238'704)
Other financial expenses	(8'730'000)	(2'207'858)
Total financial expenses	(16'283'781)	(8'446'562)

10. Additional information requested by the Swiss Code of Obligations

10.1 Share and stock options ownership

	31.12.2023 NUMBER OF SHARES HELD*	31.12.2023 NUMBER OF OPTIONS HELD	31.12.2022 NUMBER OF SHARES HELD*	31.12.2022 NUMBER OF OPTIONS HELD
Board of Directors				
Christian Wenger (Chairman) **	2'050'931	-	2'048'726	-
Raymond Loretan (Vice-chairman)	213'100	-	213'100	-
Antoine Hubert (Delegate of the Board) and Michel Reybier (Member) *** /****	63'771'248	750'000	63'369'421	750'000.00
Antoine Kohler (Member)	27'844	-	24'950	-
Cédric A. George (Member)	1'292'259	-	1'260'025	-
Senior Management				
Antoine Hubert (Delegate of the Board) ****	15'454'779	750'000	15'564'933	750'000.00
Gilles Frachon (CFO)	107'350	-	107'350	-

* Including the blocked shares received as Board Member compensation.

** Representing the shareholding of CHH Financière S.à r.l.

*** Antoine Hubert and Géraldine Reynard-Hubert indirectly hold AEVIS VICTORIA shares through M.R.S.I. Medical Research, Services and Investments SA and HR Finance & Participations SA (HRFP). Antoine Hubert and Géraldine Reynard-Hubert hold 100% of the share capital and voting rights of HRFP. HRFP holds 50% of the share capital and voting rights of MRSI. Michel Reybier indirectly holds AEVIS VICTORIA shares through M.R.S.I. Medical Research, Services and Investments S.A. and EMER Holding SA (EMER). Michel Reybier holds 100% of the share capital and voting rights of EMER. EMER holds 50% of the share capital and voting rights of MRSI.

**** Indirectly held through his companies.

10.2 Significant shareholders

	31.12.2023 NUMBER OF SHARES	31.12.2023 %	31.12.2022 NUMBER OF SHARES*	31.12.2022 %
Group Hubert/Reybier/M.R.S.I. Medical Research, Services and Investments SA*	63'771'248	75.44	63'369'421	74.97
MPT Medical Properties Trust, Inc.**	3'850'961	4.56	3'850'961	4.56
Kuwait Investment Office***	2'666'560	3.15	2'666'560	3.15

* Antoine Hubert and Géraldine Reynard-Hubert indirectly hold AEVIS VICTORIA shares through M.R.S.I. Medical Research, Services and Investments SA and HR Finance & Participations SA (HRFP). Antoine Hubert and Géraldine Reynard-Hubert hold 100% of the share capital and voting rights of HRFP. HRFP holds 50% of the share capital and voting rights of MRSI. Michel Reybier indirectly holds AEVIS VICTORIA shares through M.R.S.I. Medical Research, Services and Investments S.A. and EMER Holding SA (EMER). Michel Reybier holds 100% of the share capital and voting rights of EMER. EMER holds 50% of the share capital and voting rights of MRSI.

** Medical Properties Trust, Inc. is a Real Estate Investment Trust, listed on the New York Stock Exchange (NYSE: MPW).

*** Acting as agent for the Government of the State of Kuwait.

10.3 Foregoing a cash flow statement and additional disclosures in the notes

As the company has prepared its consolidated financial statements in accordance with a recognized accounting standard (Swiss GAAP FER), it has decided to forego presenting additional information on long-term interest-bearing liabilities and audit fees in the notes as well as a cash flow statement in accordance with the law.

11. Subsequent Events

Information regarding subsequent events is mentioned in note 33 of the Swiss GAAP FER consolidated financial statements.

Proposed appropriation of retained earnings

The Board of Directors proposes to the Annual General Meeting of Shareholders an ordinary distribution of CHF 0.00 (2022: CHF 0.45) and an extraordinary distribution of CHF 0.00 (2022: CHF 0.30) per share from retained earnings.

(In CHF)	2023	2022
Retained earnings available to the Annual General Meeting		
Profit carried forward	447'792'160	443'590'010
Net (loss)/profit	(8'784'842)	67'387'106
Balance sheet profit	439'007'318	510'977'116
Treasury shares (held directly)	(4'792'084)	(2'050'024)
Total available to the Annual General Meeting	434'215'234	508'927'092
Proposal of the Board of Directors		
Balance sheet profit	439'007'318	510'977'116
./.. Ordinary dividend distribution	–	(37'902'954)
./.. Extraordinary dividend distribution	–	(25'282'002)
Balance brought forward	439'007'318	447'792'160

Proposed distribution from capital contribution reserve

(In CHF)	2023	2022
Account carried forward	11'455'379	11'455'379
Capital contribution reserve before proposed distribution	11'455'379	11'455'379
Proposed ordinary distribution from capital contribution reserve	–	–
Capital contribution reserve after proposed distribution	11'455'379	11'455'379

Berney Associés

Geneva, March 28, 2024

Statutory auditor's report to the general meeting of AEVIS VICTORIA SA, Fribourg

Report on the audit of the financial statements

Opinion

We have audited the financial statements of AEVIS VICTORIA SA (the Company), which comprise the balance sheet as at 31 December 2023, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 103 to 109) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and SA-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available retained earnings complies with Swiss law and the Company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

Berney Associés Audit SA

BA Qualified electronic signature



Gregory GRIEB
Licensed Audit Expert
Auditor in charge

BA Qualified electronic signature



Brandon MARQUES ANDRE
Licensed Audit Expert

Audit

Comptabilité

Expertise & Conseil

Fiscalité

Payroll

Corporate finance

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