



# Infra(ud)core

Infracore, a 70% MPW owned, unconsolidated JV, has round tripped >90% of revenues back to its only major tenant and related party, Swiss Medical Network, for over two years.

## PLEASE READ IMPORTANT DISCLAIMER – PAGE 3

**September 26, 2023** – Among many of MPW’s off-balance sheet investment vehicles sits the Swiss entity, Infracore. MPW owns 70% of the economic interests in Infracore, who’s almost-sole tenant is Swiss Medical Network (SMN): **MPW’s 4<sup>th</sup> largest tenant on a “adjusted gross asset basis”**.

By our calculations: MPW & Infracore have thrown CHF 764m (~\$850m) of cash at SMN and its ultimate beneficial owner, Aevis Victoria, since 2019. Despite this, **Infracore has round tripped substantially all of the rent it receives from SMN back to Aevis Victoria since 2021**.

This report follows over a dozen other reports detailing what we believe to be accounting gimmickry and fraud at MPW. All of our reports can be found in the below link:

<https://viceroypresearch.org/category/medical-properties-trust-nasdaqmpw/>

We believe **MPW is a donut**, and that since our first report on January 26, 2023, the interest of shareholders (and the general public) would have been better served by a competent and clean management team with skin in the game. The market agrees.

## The Round Tripping

Swiss Medical Network has accounted for 92% of Infracore’s revenue since 2021:

Viceroy Analysis - Infracore Round Tripping(CHF 000's)			
Period	Revenue	SMN Proportion	Revenue from SMN
2021	58,866	92%	53,980
2022	59,871	92%	55,081
H1 2023*	31,006	92%	28,526
	<b>Total</b>		<b>137,587</b>

Figure 1 – Viceroy Analysis

94% of the rent paid by Swiss Medical Network since 2021 has round tripped back to SMN’s ultimate beneficial owner, **Aevis Victoria**, through Infracore loans and cash pooling arrangements.

Date	From	To	Investment	CHF
Q2 2021	Infracore	Aevis Victoria	Loan - Revenue round trip	30
Q4 2021	Infracore	Aevis Victoria	Loan - Revenue round trip	46
Q2 2022	Infracore	Aevis Victoria	Loan - Revenue round trip	14
Q4 2022	Infracore	Aevis Victoria	Loan - Revenue round trip	39
Q2 2023	Infracore	Aevis Victoria	Loan - Revenue round trip*	16
* Estimate, from MPW Infracore balance sheet Q2 Supplemental				
<b>Total</b>				<b>129</b>
Current CHF:USD				1.11
<b>Total USD</b>				<b>143</b>

Figure 2 – Viceroy Analysis

This report will document *all* of the round tripping transactions as per local Infracore financial statements, and supported by Aevis Victoria financial statements.



## The Counterparty

Aevis Victoria is a highly leveraged investment company. It is also in the midst of a massive operational downturn. In H1 2023, its EBITDA fell 64% y/y, and it generated net loss for the period weighed down by quickly rising costs of capital.

Aevis Victoria is in no place repay its debts, and as a matter of perspective, appears distressed. Despite this, Aevis Victoria paid CHF 84m in dividends to its shareholders in 2022. It is 75% owned by its founder.

## The Off-Balance-Sheet Debt

Given that SMN accounts for 92% of Infracore's revenues, Infracore had mortgaged properties en-masse in order to be able to facilitate loans to its tenant, and pay exorbitant dividends to its majority owner: MPW.

Infracore Debt (CHF 000's)	2020	2021	2022	H1 2023*
Mortgage Loans	92,287	13,812	14,187	
Bonds	-	-	100,000	
<b>Current financial liabilities</b>	<b>92,287</b>	<b>13,812</b>	<b>114,187</b>	
Mortgage loans	319,696	492,859	504,792	
Bonds	100,000	100,000	-	
<b>Non-current financial liabilities</b>	<b>419,696</b>	<b>592,859</b>	<b>504,792</b>	
<b>Total financial liabilities</b>	<b>511,983</b>	<b>606,671</b>	<b>618,979</b>	<b>683,930</b>

\*H1 2023 figures pulled from MPW Q2 2023 supplemental report

Figure 3 – Viceroy Analysis

## The Other Accounting Gimmicks

- The long/short-dated nature of Infracore's loans to SMN do not reconcile between the accounts of Aevis Victoria and Infracore.
- The Infracore 2022 cash flow statement does not reconcile against balance sheet movements. We believe this is intentional, and hides the fact that Infracore hemorrhages cash.
- Infracore appears to unjustly inflate asset values against long-dated contract extensions, and then borrows against this to loan its tenant money, thus subsidizing rent.
- MPW accounts for its interest in Infracore "JV" under the equity method. This effectively means that Infracore is carried at cost, and adjusted accordingly for income in every given period.
  - This does not accurately reflect the value of the investment, nor does it acknowledge that Infracore is round tripping revenue back to its only tenant. We make a case for consolidation.

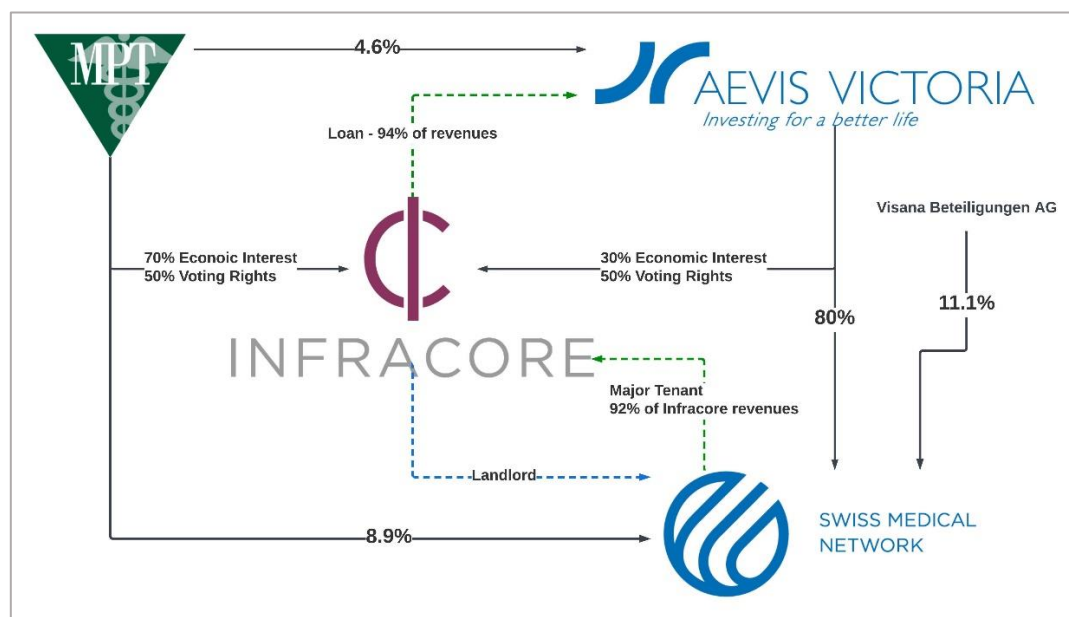


Figure 4 – Viceroy Analysis



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Viceroy encourage any parties with information pertaining to misconduct within [company], its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on [viceroy@viceroyresearch.com](mailto:viceroy@viceroyresearch.com).

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## 1. Structure of Infracore, SMN & Aevis Investments

Aevis Victoria is a publicly traded investment company listed on the SIX Swiss Exchange. Its investment focus is in healthcare, lifestyle and infrastructure assets. It previously held a sole controlling interest in Swiss Medical Network (**SMN**) – a private hospital operator - and Infracore, who own the hospital real estate in which SMN operate.

In 2019, Aevis Victoria highlighted its intention to spin-off Infracore<sup>1</sup>.

As of H1 2023, MPW owns 50% of Infracore voting rights and 70% of equity via a dual class holding structure, acquired at a total cost of ~ CHF 444 (~US\$ 490m).

Over time, MPW has also “invested” a further CHF 192m in Aevis Victoria through:

- A 4.6% holding in Aevis Victoria through a purchase of treasury shares – CHF 47m
- A 10% interest in Swiss Medical Network from Aevis Victoria – ~CHF 100m<sup>2</sup>
- A loan to Swiss Medical Network – CHF 45m

In Q3 2023, SMN issued 11.1% new equity to Visana Beteiligungen AG, diluting MPW’s stake to 8.9%, and Aevis’ stake to 80%. This raised CHF 150m for SMN.

A timeline of these transactions can be found in **Annexure 1**.

### The case for consolidation

MPW accounts for its interest in Infracore “JV” under the equity method. This effectively means that Infracore is carried at cost, and adjusted accordingly for income in every given period.

This does not accurately reflect the value of the investment, nor does it acknowledge that Infracore is round tripping revenue back to its only tenant.

Viceroy believe there is a case to be made for the consolidation of Infracore. We note the following:

- The Infracore JV partners are MPW associates in which MPW holds significant financial interest, including equity and debt, and can influence some control. The JV partner is not an unrelated third party.
- Infracore board meeting drafts sent to us by whistleblowers show that the deciding vote cast in support or against major financial decisions, including the quantum of dividends, is made by MPW CEO, Ed Aldag, as a board member of the company. We will make this document available to sight for the press.

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<sup>1</sup> <https://www.laingbuissonnews.com/healthcare-markets-international-content/news-healthcare-markets-international-content/switzerland-aevis-victoria-to-spin-off-infracore/>

<sup>2</sup> This is poorly disclosed by MPW, who bundles the CHF 145m investment with a CHF 45m loan to SMN. We logically deduce that MPW acquired a 10% stake in



## 2. Rent Round Tripping

Substantially all the rent that Infracore has received from SMN since the start of 2021 has been round tripped back to Aevis Victoria in the form of loans, including a cash pooling agreement of which we have received drafts from whistleblowers.

SMN accounts for 92.1% of Infracore's revenues, meaning that substantially all its income is being round tripped back to Aevis Victoria, who controls SMN. It has subsidized these outflows, and its dividends to MPW, by mortgaging its properties.

**Largest external tenants**

The five largest external tenants accounted for 92.2% of the target rental income (2021: 92.0%).

(In %)	2022	2021
GSMN Suisse SA	35.3	35.9
Swiss Medical Network Hospitals SA	38.4	38.1
Clinique Générale-Beaulieu SA	14.2	13.7
Nescens Genolier SA	3.7	3.7
Air Glaciers SA	0.6	0.6

GSMN Suisse SA, Swiss Medical Network Hospitals SA, Clinique Générale-Beaulieu SA and Nescens Genolier SA are subsidiaries of one of the Group's shareholders (AEVIS VICTORIA SA). Together the AEVIS VICTORIA group does account for 92.1% of the target rental income (2021: 92.0%).

Figure 5 – Infracore Tenants list 2022

## The Devil is in the Details

Infracore disclosed a CHF 30m “Loan to shareholder (AEVIS VICTORIA)” in its balance sheet in H1 2021.

(In thousands of CHF)	30.06.2021	31.12.2020
<b>Assets</b>		
Cash and cash equivalents	5'393	1'353
Trade receivables	1'223	1'662
Loan to shareholder (AEVIS VICTORIA)	30'000	-

Figure 6 – Infracore H1 2021 Annual Report

This balance had grown to ~CHF 145m by the end of 2022. We also note the Infracore renamed the line item “Other Receivables” by Q4 2022.

(In thousands of CHF)	Note	31.12.2021	31.12.2020
<b>Assets</b>			
Cash and cash equivalents		7'479	1'353
Trade receivables	10	1'648	1'662
Loan to shareholder (AEVIS VICTORIA)		75'867	-

(In thousands of CHF)	30.06.2022	31.12.2021
<b>Assets</b>		
Cash and cash equivalents	2'866	7'479
Trade receivables	2'000	1'648
Loan to shareholder (AEVIS VICTORIA)	89'767	75'867



(In thousands of CHF)	Note	31.12.2022	31.12.2021
<b>Assets</b>			
Cash and cash equivalents		2'729	7'479
Trade receivables		1'382	1'648
Other receivables		128'932	76'298

Figures 7, 8 & 9 – Infracore Annual Report extracts: 2021, H1 2022 & 2022 respectively

While Infracore's financial statements for H1 2023 have not been published, we note that a limited balance sheet of Infracore provided by MPW (we do not know why it is labelled "Swiss Medical Network") shows this balance has continued to rise in 2023:

	MEDIAN <sup>(C)</sup>	Swiss Medical Network <sup>(D)</sup>		MEDIAN <sup>(C)</sup>	Swiss Medical Network <sup>(D)</sup>
Gross real estate	\$ 1,883,989	\$ 1,441,191	Gross real estate	\$ 1,920,112	\$ 1,510,313
Cash	28,933	3,178	Cash	40,227	5,162
Accumulated depreciation and amortization	(191,535)	(108,259)	Accumulated depreciation and amortization	(217,853)	(128,908)
Other assets	72,165	154,151	Other assets	78,600	172,923
<b>Total Assets</b>	<b>\$ 1,793,552</b>	<b>\$ 1,490,261</b>	<b>Total Assets</b>	<b>\$ 1,821,086</b>	<b>\$ 1,559,490</b>
Debt (third party)	\$ 697,010	663,695	Debt (third party)	\$ 711,121	752,323
Other liabilities	131,072	112,968	Other liabilities	144,544	177,519
Mortgage loans	-	64,908	Equity and shareholder loans	965,421 <sup>(A)</sup>	629,648
Equity and shareholder loans	965,470 <sup>(A)</sup>	648,690	<b>Total Liabilities and Equity</b>	<b>\$ 1,821,086</b>	<b>\$ 1,559,490</b>
<b>Total Liabilities and Equity</b>	<b>\$ 1,793,552</b>	<b>\$ 1,490,261</b>			

Figures 10 & 11 – MPW Supplemental Report extracts: Q4 2022 and Q2 2023 respectively

Infracore has round tripped ~CHF 129m (~US\$143m) back to the UBO of SMN: Avis Victoria in the form of loans.

Date	From	To	Investment	CHF
Q2 2021	Infracore	Avis Victoria	Loan - Revenue round trip	30
Q4 2021	Infracore	Avis Victoria	Loan - Revenue round trip	46
Q2 2022	Infracore	Avis Victoria	Loan - Revenue round trip	14
Q4 2022	Infracore	Avis Victoria	Loan - Revenue round trip	39
Q2 2023	Infracore	Avis Victoria	Loan - Revenue round trip*	16
* Estimate, from MPW Infracore balance sheet Q2 Supplemental				
<b>Total</b>				<b>129</b>
Current CHF:USD				1.11
<b>Total USD</b>				<b>143</b>

Figures 12 & 13 – MPW Supplemental Report extracts: Q4 2022 and Q2 2023 respectively

Over the same period, SMN generated CHF 137m revenues for Infracore, suggesting that 94% of revenues have been round tripped back to Avis from Infracore.

Viceroy Analysis - Infracore Round Tripping(CHF 000's)			
Period	Revenue	SMN Proportion	Revenue from SMN
2021	58,866	92%	53,980
2022	59,871	92%	55,081
H1 2023*	31,006	92%	28,526
<b>Total</b>			<b>137,587</b>
Round tripped loans			128,932
<b>% Round tripped</b>			<b>94%</b>

Figure 14 – Viceroy Analysis

This does not include MPW's CHF 45m loan made to SMN in 2020.



### 3. Making Ends Meet – Off-Balance-Sheet Debt

In order to make ends meet, Infracore has mortgaged its properties at an increasing rate.

Infracore Debt (CHF 000's)	2020	2021	2022	H1 2023*
Mortgage Loans	92,287	13,812	14,187	
Bonds	-	-	100,000	
<b>Current financial liabilities</b>	<b>92,287</b>	<b>13,812</b>	<b>114,187</b>	
Mortgage loans	319,696	492,859	504,792	
Bonds	100,000	100,000	-	
<b>Non-current financial liabilities</b>	<b>419,696</b>	<b>592,859</b>	<b>504,792</b>	
<b>Total financial liabilities</b>	<b>511,983</b>	<b>606,671</b>	<b>618,979</b>	<b>683,930</b>

\*H1 2023 figures pulled from MPW Q2 2023 supplemental report

Figure 15 – Viceroy Analysis

We also note that 0.8% - 1.6% interest rates Infracore enjoyed in 2021 rapidly rose to 1.5% - 2.9% in 2022. We expect these rates will keep rising in the short term, and especially so as the company increases its LTV and refinances bonds.

**It is preposterous that Infracore is mortgaging its own properties in order to lend money to its tenant's UBO.**

We also note that Infracore has also financed the payment of its dividends to MPW (70%) and Avis Victoria at a rapidly increasing rate. There is a limited runway of growth in these dividends at the current rate.

Infracore Dividends (CHF 000's)	2020	2021	2022
Dividends paid	27,956	31,900	36,540
<i>Growth</i>		14.1%	14.5%

Figure 16 – Viceroy Analysis

#### The Financial Health of Counterparties

Avis Victoria is a highly leveraged investment company. It is also in the midst of a massive operational downturn. In H1 2023:

- Operating revenues fell ~10% y/y
- Substantial portions of COGS and expenses appear to be overheads, therefore EBITDA fell 64% y/y
- Ballooning interest expenses from increases in debt and cost of capital generated a net loss for the period.

As a matter of perspective: this is not a safe counterparty. We believe this debt is substantially at-risk. Annotated Avis H1 2023 financial statements can be found in **Annexure 2**.

Despite this, Avis Victoria paid CHF 84m in dividends to its shareholders. Avis Victoria is majority owned and controlled by its founders, Antoine Hubert & Michel Reybier, who hold ~75% of share capital. The second largest shareholder is MPW with 4.6%.

Mr. Hubert also has outstanding CHF 7m loan account with Avis.





## 4. Financial Curiosities & Accounting Errors (?)

### Current vs Non-Current Nature of Loans to Aevis Victoria

Infracore records all of its loan balance to SMN as current as of their most recent financial filings. In stark contrast, Aevis Victoria recorded CHF 60m as current and CHF 67.4m as non-current in their 2022 annual report.

(In thousands of CHF)	Note	31.12.2022	31.12.2021
<b>Assets</b>			
Cash and cash equivalents		2'729	7'479
Trade receivables		1'382	1'648
Other receivables		128'932	76'298
Constructions for tenants		678	2'026
Accrued income and prepaid expenses		1'841	2'752
<b>Total current assets</b>		<b>135'562</b>	<b>90'203</b>

Other borrowings from associates in the amount of CHF 127.4 million consist of two loans (2021: CHF 75.0 million/single loan). The short-term loan in the amount of CHF 60.0 million (2021: nil) was charged interest with a rate of 4.2%. The long-term loan in the amount of CHF 67.4 million (2021: CHF 75.0 million) was charged interest with a rate of 2.5%. Both loans were granted by Infracore SA at market conditions.

Figures 17 & 18 – Infracore Annual Report 2022 & Aevis Victoria Annual Report 2022 extracts

Given Aevis allegedly co-controls Infracore, it is unfathomable that these details are not accurate, and that the auditor signed off on these accounts.

We note that whistleblowers have informed Viceroy that the cash pooling agreement terms did not include any terms relating to maturity.

### Unreconcilable Cash Flows

A back-envelope reconciliation of what should be a very straightforward cash-flow statement is not so. Specifically: Infracore records a positive cash movement of CHF 8.2m against “Other Receivables” and prepaid expenses in 2022.

(In thousands of CHF)	2022	2021
Profit for the period	103'687	43'476
Changes in provisions (incl. deferred taxes)	8'977	4'038
Depreciation and amortization	532	581
(Gain)/loss from sale of fixed assets	9	9
Result from revaluation	(71'216)	(6'500)
Change in other non-cash items	-	(592)
<b>Cash flow from operating activities before changes in working capital</b>	<b>41'989</b>	<b>41'012</b>
Change in trade receivables	266	14
Change in other receivables and prepaid expenses	8'276	(75'329)
Change in trade payables	1'027	(1'222)
Change in other liabilities and accrued expenses	1'873	(1'709)
<b>Cash flow from operating activities</b>	<b>53'431</b>	<b>(37'234)</b>

Figure 19 – Infracore 2022 Annual Report

As already discussed, Other Receivables are cash loans made to Aevis Victoria. This is again verified in Infracore's H1 2022 financial report, and in Aevis Victoria's 2022 annual report, explicitly. This balance sheet line item increased (cash outflow) by CHF 53m in 2022.





(In thousands of CHF)	Note	31.12.2022	31.12.2021
<b>Assets</b>			
Cash and cash equivalents		2'729	7'479
Trade receivables		1'382	1'648
Other receivables		128'932	76'298
Constructions for tenants		678	2'026
Accrued income and prepaid expenses		1'841	2'752
<b>Total current assets</b>		<b>135'562</b>	<b>90'203</b>

Figure 20 – Infracore 2022 Annual Report

There is no other plausible balance sheet item which can account for such a large discrepancy.

In H1 2022, the reporting format shows a CHF 13.9m cash outflow as “Loan to shareholder (AEVIS VICTORIA)”. This exactly reconciles to balance sheet movements. This line appears to completely disappear from the 2022 full year accounts:

(In thousands of CHF)	HY 2022	HY 2021
Profit for the period	20'466	19'306
Changes in provisions (incl. deferred taxes)	871	1'006
Depreciation and amortisation	282	299
(Gain)/loss from sale of fixed assets	9	-
<b>Cash flow from operating activities before changes in working capital</b>	<b>21'628</b>	<b>20'611</b>
Change in trade receivables	(353)	438
Change in other receivables and prepaid expenses	(828)	(735)
Change in trade payables	1'374	(1'540)
Change in other liabilities and accrued expenses	(864)	(357)
<b>Cash flow from operating activities</b>	<b>20'957</b>	<b>18'417</b>
Investments and acquisitions of investment properties	(17'578)	(7'478)
Purchase of intangible assets	-	(73)
Change in construction work for tenants (incl. down payments)	-	(501)
<b>Loan to shareholder (AEVIS VICTORIA)</b>	<b>(13'900)</b>	<b>(30'000)</b>
<b>Cash flow from investing activities</b>	<b>(31'478)</b>	<b>(38'052)</b>

Figure 21 – Infracore H1 2022 Financial Report

We request an explanation from Infracore and its auditors as to this discrepancy and believe that the cash flows (and perhaps other financial statements) cannot be relied upon. We believe this is an intentional omission to disguise that Infracore hemorrhages cash.

## Emphasis on Repayment

MPW stated on 4 occasions in its Q2 2023 10-Q that Infracore had repaid a CHF 60m loan to MPW. Note that this report accounts for this repayment, and Infracore repaid this loan by mortgaging further properties as shown in the third-party debt increase in Figures 10 & 11.

### Other Investment Activities

In the first half of 2023, we received repayment of the CHF 60 million mortgage loan from Infracore SA ("Infracore") that was originally made in the fourth quarter of 2022.

- Interest and other income – up \$12.1 million from the prior year due to the following:
  - Interest from loans – up \$9.4 million due to approximately \$4 million of incremental revenue earned on new investments, along with approximately \$1 million of interest revenue on the CHF 60 million mortgage loan from Infracore (which was repaid in the second quarter of 2023), and approximately \$0.5 million of higher income from annual escalations due to

Interest from loans – up \$10.1 million due to approximately \$9 million of incremental revenue earned on new investments, along with approximately \$2 million of interest revenue on the CHF 60 million mortgage loan from Infracore (which was repaid in the second quarter of 2023), and approximately \$1 million of higher income from annual escalations due to increases

received \$389 million of loan principal proceeds, including approximately \$200 million from the Lifepoint Transaction, \$100 million from Steward after the completion of their sale of Utah properties to CHIC, and CHF 60 million from the payoff of a loan by Infracore; and

Figures 22, 23, 24 & 25 – MPW Q2 2023 10-Q



## Inflating property values

Infracore generated a significant earnings boost by **extending leases early** by a term of 15 years. This is noted in the valuer's report which mentions this method only applying to some clinics. There was no such disclosure in previous years.

Like in the previous period, the properties Lindberg Buchegg (PBU) and Lindberg Tannegg (PTA) have not been included in the annual valuation update reporting as per 31.12.2022.

In some clinics the leases were extended early by 15 years, which has a significant positive impact on the market values of these properties.

*Figure 26 – Infracore valuation report*

Whistleblowers have provided Viceroy with a table showing the possible valuation increases from 1-, 5- and 15-year lease increases on a per-property basis. The document was created by Infracore's valuer wüestpartner and dated September 9, 2020<sup>3</sup>.

The table has been annexed as **Annexure 3**.

The result of this is a CHF76m positive fair value adjustment and, assuming a CHF16m baseline positive fair value adjustment, a CHF5/share increase in EPS for the year. These earnings would of course flow through to MPW's bottom line.

It is unfathomable that a valuer would allow these DCF valuation changes in light of Infracore round-trip transactions to Aevis Victoria.

## Cash pooling agreement

Viceroy were informed by whistleblowers about the existence of a cash pooling agreement between Infracore and Aevis, effectively a comingling of funds.

We have subsequently received a cash pooling agreement draft. This substantially forms part of the loans made to Aevis Victoria, and reiterates our belief that Infracore round-trips its revenues to its tenants.

Viceroy is happy to make this document available to sight for members of the press.

<sup>3</sup> There is no indication as to why the company waited until 2022 to extend these leases.



## Annexure 1: Timeline

Date	From	To	Investment	CHF
27-May-2019	Medical Properties Trust	Aevis Victoria	Equity - 46% of Infracore	237
28-Jun-2019	Medical Properties Trust	Aevis Victoria	Equity - 4.9% Aevis	47
24-Jun-2019	Medical Properties Trust	Infracore	Loan - Bridge loan to Infracore	45
2-Dec-2019	Infracore	Medical Properties Trust	Loan - Bridge loan repaid	(45)
20-Dec-2019	Medical Properties Trust	Bâloise Holding AG	Investment - 30% of Infracore	207
16-Apr-2020	Medical Properties Trust	Aevis Victoria	Investment - 10% SMN	145
Q2 2021	Infracore	Aevis Victoria	<b>Loan - Revenue round trip</b>	<b>30</b>
Q4 2021	Infracore	Aevis Victoria	<b>Loan - Revenue round trip</b>	<b>46</b>
Q2 2022	Infracore	Aevis Victoria	<b>Loan - Revenue round trip</b>	<b>14</b>
Q4 2022	Infracore	Aevis Victoria	<b>Loan - Revenue round trip</b>	<b>39</b>
2022	Medical Properties Trust	Infracore	Loan - Mortgage to Infracore	60
Q2 2023	Infracore	Medical Properties Trust	Mortgage repaid	(60)
Q2 2023	Infracore	Aevis Victoria	<b>Loan - Revenue round trip*</b>	<b>16</b>
* Estimate, from MPW Infracore balance sheet Q2 Supplemental			<b>Total</b>	<b>764</b>
			Current CHF:USD	1.11
			<b>Total USD</b>	<b>849</b>

Figure 27 – Viceroy Analysis





## Annexure 2: Avis Victoria Financial Statement Extracts

(In thousands of CHF)	NOTE	HY 2023	HY 2022
<b>Revenue from operations</b>		<b>468'343</b>	<b>515'985</b>
Other revenue	6	19'980	68'184
<b>Total revenue</b>		<b>488'323</b>	<b>584'169</b>
<b>External services</b>		<b>(60'339)</b>	<b>(57'731)</b>
<b>Net revenue</b>		<b>427'984</b>	<b>526'438</b>
Production expenses		(103'032)	(112'726)
Personnel expenses		(177'026)	(213'901)
Other operating expenses		(75'605)	(74'074)
<b>EBITDAR</b> (Earnings before interest, taxes, depreciation, amortisation and rental expenses)		<b>72'321</b>	<b>125'737</b>
Rental expenses		(41'064)	(39'804)
<b>EBITDA</b>		<b>31'257</b>	<b>85'933</b>
Depreciation on tangible assets		(25'523)	(26'204)
Amortisation on intangible assets		(4'078)	(5'836)
<b>EBIT</b>		<b>1'656</b>	<b>53'893</b>
<b>Financial result</b>	7	<b>(16'789)</b>	<b>(11'772)</b>
Share of profit/(loss) of associates		5'586	6'336
<b>Profit/(loss) before taxes</b>		<b>(9'547)</b>	<b>48'457</b>
Income taxes		(701)	(1'209)
<b>Profit/(loss) for the period</b>		<b>(10'248)</b>	<b>47'248</b>

(In thousands of CHF)	30.06.2023	31.12.2022
<b>Assets</b>		
Cash and cash equivalents	54'623	75'427
<b>Trade receivables</b>	<b>163'353</b>	<b>159'075</b>
Other receivables	49'787	74'917
Inventories	33'077	32'615
Accrued income and prepaid expenses	34'542	38'522
<b>Total current assets</b>	<b>335'382</b>	<b>380'556</b>
Tangible assets	1'125'067	1'106'483
Intangible assets	43'744	37'612
Financial assets	274'685	266'075
<b>Total non-current assets</b>	<b>1'443'496</b>	<b>1'410'170</b>
<b>Total assets</b>	<b>1'778'878</b>	<b>1'790'726</b>
<b>Liabilities and equity</b>		
Trade payables	110'980	144'128
Other current liabilities	38'890	49'867
<b>Short-term financial liabilities</b>	<b>16'879</b>	<b>15'562</b>
<b>Other short-term borrowings</b>	<b>10'878</b>	<b>71'082</b>
Accrued expenses and deferred income	58'674	53'011
Short-term provisions	46	66
<b>Total current liabilities</b>	<b>236'347</b>	<b>333'716</b>
<b>Long-term financial liabilities</b>	<b>790'515</b>	<b>758'892</b>
<b>Other long-term borrowings</b>	<b>187'023</b>	<b>124'499</b>
Other non-current liabilities	2'228	2'228
Long-term provisions	61'918	61'254
<b>Total non-current liabilities</b>	<b>1'041'684</b>	<b>946'873</b>
<b>Total liabilities</b>	<b>1'278'031</b>	<b>1'280'589</b>

Figures 28 & 29 – Avis Victoria H1 2023 Financial Statements