



INFRACORE

A N N U A L R E P O R T 2 0 2 2



Infracore SA is a healthcare infrastructure company based in Switzerland. Its portfolio consists of 42 quality properties situated at 17 prime locations across Switzerland, representing a total rental surface of 195'930 sqm and a market value of CHF 1.26 billion. Almost all properties are fully let, amongst others through long-term leases with hospitals belonging to Swiss Medical Network. The development potential of the portfolio amounts to approx. 30'000 sqm. Infracore is jointly controlled by Medical Properties Trust, Inc. and AEVIS VICTORIA SA.

As a healthcare infrastructure company, Infracore's mission is to improve the quality of the living and working environment for patients, caregivers and physicians. In order to continuously reduce environmental impacts, Infracore's sustainability approach is based on three priorities: energy transition, environmental performance and nature preservation.

www.infracore.ch

CHF 1'255.3 M
Market value

CHF 59.9 M
Rental income

5.04%
Gross yield

45.1%
LTV

CHF 8.94
EPS

Key Figures

(in thousands of CHF
unless otherwise stated)

	FY 2022	FY 2021
Rental income	59'871	58'866
Result from revaluation	71'216	6'500
Total revenue incl. result from revaluation	131'087	65'366
EBIT	125'055	58'217
Profit for the period	103'687	43'476
EPS (in CHF)	8.94	3.75
Operating cash flow per share (in CHF)	3.87	3.26
NAV before deferred taxes	685'084	608'959
NAV after deferred taxes	574'472	507'324

Table of Contents

Letter to the Shareholders	4
Corporate Governance Report	9
Portfolio overview	18
Presentation Genolier Innovation Hub	20
Property Details as at 31 December 2022	22
Financial Statements*	25

***Disclaimer**

This report contains non-audited excerpts from the annual accounts of Infracore SA. Infracore SA establishes its accounts according to the rules applicable in Switzerland. As a private company with seat in Switzerland, Infracore is not bound to publish its accounts.

Letter to the Shareholders

Infracore achieves EBITDA of CHF 125.6 million and net profit of CHF 103.7 million

Dear reader,

Infracore had a successful business and financial year 2022 and achieved the strongest results in the history of the company. With an unchanged consolidated portfolio, rental income was in-line with the previous year. The substantial increase of revaluation gains to CHF 71.2 million (2021: CHF 6.5 million) relates to rent indexations (effective from 2023), selective lease extensions, the Genolier Innovation Hub as well as a new development project in Ticino. Total revenue including revaluation gain amounted to CHF 131.2 million, while EBITDA surged to CHF 125.6 million, corresponding to an operating margin of 95.7%. As a result, net profit jumped to a new high of CHF 103.7 million, which translates into earnings per share/non-voting equity share of CHF 8.94. The Board of Directors will propose a distribution of CHF 3.70 per share/non-voting equity share based on the tax-adjusted net profit before revaluation gains of CHF 43.0 million.

Rental income of nearly CHF 60 million

With an unchanged consolidation parameter compared to 2021, the Swiss healthcare infrastructure specialist Infracore achieved a rental income of CHF 59.9 million (2021: CHF 58.9 million). Revaluation gains (CHF 71.2 million) were significantly higher than in the previous year (CHF 6.5 million), due to rent indexation (effective from 2023), selective lease extensions, the Genolier Innovation Hub as well as a new development project at Clinica Ars Medica.

Total revenue reached CHF 131.2 million, up from CHF 65.4 million last year. This is the highest turnover the company reached in its history so far. In combination with further optimized portfolio and administration costs, an EBITDA of CHF 125.6 million was achieved (2021: CHF 58.8 million), corresponding to an EBITDA margin of 95.7% (2021: 90.0%). Consequently, net profit reached an all-time high at CHF 103.7 million, compared to CHF 43.5 million a year ago.

Gross yield of 5.04%

At the end of the reporting period, the portfolio consisted of 36 high-quality investment properties and six development projects, representing a total rental surface of 195'930 sqm. The milestones development project Genolier Innovation Hub advances according to plan and budget and is expected to be completed in early 2024, representing a total rental surface of approximately 11'272 sqm. The same applies to renovation works at Privatklinik Siloah in Bern and at Clinique Valmont in Glion-sur-Montreux. After the

significant value adjustments, the portfolio was valued at CHF 1.26 billion as at 31 December 2022. Gross yield amounted to 5.04%, up from 4.95% in the previous period. The majority of the buildings are leased to the various hospitals of Swiss Medical Network and related activities of the hospital group under very long-term leases. The vacancy rate is close to zero and only temporary goes up due to regular renovation or maintenance works in some buildings.

Comprehensive energy management efforts

Infracore and its main tenant Swiss Medical Network made a thorough analysis of all processes and introduced comprehensive, targeted energy saving measures, enabling the various hospitals to run in an environmental-friendly manner. The sustainability program started more than two years ago and includes master projects at Clinique de Genolier in Genolier, Clinique Valmont in Glion-sur-Montreux and Clinica Sant'Anna in Lugano. Within the next few years, all the hospitals of the network will undergo similar efficiency and energy saving programs.

This includes reporting and management tools, renewed energy recovery systems, and also renewed energy heating systems, which will lead to reduced energy use for space heating, cooling and water heating and also reduced electricity for lighting. Further, investments in e-mobility have been made at Clinique de Genolier, Clinique de Montchoisi, Privatklinik Villa im Park and Privatklinik Bethanien. The main tenant also committed to install solar panels wherever possible.

Finally, the development of the various hospital sites are applying the latest and most environmental-friendly technologies. This includes the new buildings at Clinique Générale-Beaulieu, Privatklinik Villa im Park and the Genolier Innovation Hub (ongoing construction). Swiss Medical Network will continue to heavily invest into the latest medical equipment in all hospitals of the group to optimize energy and water consumption.

NAV strongly up to CHF 685.1 million

The good operational results were also reflected in the operational cash flow, which surged from CHF 37.8 million in 2021 to CHF 44.9 million in the reporting period. Total assets increased by 11.4% to CHF 1.4 billion. The Net Asset Value (NAV) before deferred taxes reached CHF 685.1 million, up by CHF 76.1 million or 12.5% compared to 2021.

The equity ratio reached 41.1%, slightly up from the previous year (2021: 40.4%). The weighted average interest rate on mortgages at year-end was 1.86% (2021: 1.20%), while the LTV (loan to value) remained low at 45.1% (2021: 47.2%).

Extraordinary dividend yield

Infracore follows a targeted dividend policy with a pay-out ratio of 80% to 90% of net income, excluding the results from revaluation. Based on the solid performance in 2022, the Board of Directors proposes a dividend payment of CHF 42.9 million or CHF 3.70 per share/non-voting equity share. This corresponds to a dividend yield of 6.26 %, calculated on the basis of a NAV of CHF 685.1 million.

Outlook

Infracore will continue to invest into its existing portfolio, in combination with targeted acquisitions. This will further strengthen the unique infrastructure portfolio of Infracore, which is expected to generate an EBIT excluding revaluations well above CHF 50 million in 2023. In addition, Infracore will explore further projects for third parties in Switzerland, both in the private and public sector. This mainly includes the management of third-party properties in the healthcare sector, as Infracore offers access to proven concepts and financial flexibility in all market phases of a property.

Thank you

We would like to thank our property management team for its commitment in the past year, our partners for their valuable cooperation and our shareholders for their trust.

Martin Gafner
Chairman of the Board

Eric Frey
CEO





Corporate Governance Report

1. GROUP STRUCTURE AND SHAREHOLDERS

1.1. Group structure

Infracore SA is dedicated to hospital and healthcare-related infrastructures. The company is incorporated under the laws of Switzerland, with its registered office in 1700 Fribourg.

As at 31.12.2022, Infracore had the following subsidiaries:

Name	Registered office	Activity	Share capital (in CHF)	%
GENERALE-BEAULIEU IMMOBILIERE SA	Geneva	Healthcare real estate	9'000'000	100%
Infracore Investments SA	Fribourg	Healthcare real estate	100'000	100%

1.2. Shareholding structure

As at 31.12.2022, the holders of share certificates and non-voting equity shares of Infracore SA are:

Total capital	
AEVIS VICTORIA SA	16.05%
Générale Beaulieu Holding SA*	13.79%
Medical Properties Trust, Inc.	70.16%

Of which

Share certificates	
AEVIS VICTORIA SA	26.89%
Générale Beaulieu Holding SA*	23.11%
Medical Properties Trust, Inc.	50.00%
Non-voting equity shares	
Medical Properties Trust, Inc.	100.00%

*owned 69.49% by AEVIS VICTORIA SA.

The holder of non-voting equity shares benefit from the same rights as the share certificates holders, with the exception of voting rights at the General Meeting. Earnings per share are calculated based on the weighted average number of shares and non-voting equity shares outstanding, which amounted to 11'600'000 in 2022.

2. CAPITAL STRUCTURE

2.1. Capital

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

	Number of shares	Nominal value per share (in CHF)	Total share capital (in CHF)
Share capital	6'923'354	1	6'923'354
Conditional share capital	3'461'677	1	3'461'677
Authorized share capital	3'461'677	1	3'461'677

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

	Number of non-voting equity shares	Nominal value per non-voting equity share (in CHF)	Total participation capital (in CHF)
Participation capital	4'676'646	1	4'676'646
Conditional participation capital	2'338'323	1	2'338'323
Authorized participation capital	2'338'323	1	2'338'323

2.2. Conditional and authorized capital in particular

Conditional share capital

The share capital will be increased by a maximum of CHF 3'461'677 through the issuance of maximum 3'461'677 registered shares, to be fully paid up, with a nominal value of CHF 1 each, through the exercise of conversion or option rights granted to beneficiaries in relation with loans or other financial instruments of the company or its subsidiaries or through the exercise of option rights granted to existing and/or new shareholders as part of capital increases. For more information, see also Article 5c of the Articles of Associations.

Authorized share capital

The Board of Directors is authorized to increase the share capital by an amount not exceeding CHF 3'461'677 through the issuance of maximum 3'461'677 registered shares, to be fully paid up, with a nominal value of CHF 1 each until 28.04.2024. For more information, see also Article 5d of the Articles of Associations.

Conditional participation capital

The participation capital may be increased through the exercise of option rights by a maximum of CHF 600'000 divided into maximum of 600'000 registered non-voting equity shares, to be fully paid up, with a nominal value of CHF 1 each. Option rights can

be granted to employees, Board members and consultants of the company and its subsidiaries, as defined by the Board of Directors. For more information, see also Article 5e of the Articles of Associations.

The participation capital will be increased by maximum CHF 1'738'323 through the issuance of maximum 1'738'323 registered non-voting equity shares, to be fully paid up, with a nominal value of CHF 1 each, through the exercise of conversion or option rights granted to beneficiaries in relation with loans or other financial instruments of the company or its subsidiaries or through the exercise of option rights granted to existing and/or new shareholders as part of capital increases. For more information, see also Article 5e of the Articles of Associations.

Authorized participation capital

The Board of Directors is authorized to increase the participation capital by an amount not exceeding CHF 2'338'323 through the issuance of maximum 2'338'323 registered non-voting equity shares, to be fully paid up, with a nominal value of CHF 1 each until 28.04.2024. For more information, see also Article 5f of the Articles of Associations.

2.3. Changes in capital

	Number of shares	Number of non-voting equity shares	Share capital (in CHF)	Participation capital (in CHF)
Balance at 01.01.2020	11'600'000	-	11'600'000	-
Conversion of registered shares into registered non-voting equity shares at 30.12.2020	-4'676'646	4'676'646	-4'676'646	4'676'646
Balance at 31.12.2020	6'923'354	4'676'646	6'923'354	4'676'646
Balance at 31.12.2021	6'923'354	4'676'646	6'923'354	4'676'646
Balance at 31.12.2022	6'923'354	4'676'646	6'923'354	4'676'646

On 30.12.2020, the Company registered the conversion of 4'676'646 registered shares into 4'676'646 registered non-voting equity shares. The share capital amounts to CHF 6'923'354 and the participation capital to CHF 4'676'646.

2.4. Convertible bonds and options

As at 31.12.2022, the Company had no convertible bonds outstanding. During 2022, no option rights were granted.

3. BOARD OF DIRECTORS

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 and legal skills and share in-depth knowledge of healthcare-related real estate.

As at 31.12.2022, the Board of Directors was composed of the following four members.

	Function	Year of Birth	Nationality
Martin Gafner	Chairman	1961	Swiss
Antoine Hubert	Vice-chairman	1966	Swiss
Edward K. Aldag, Jr	Member	1963	American
Ruth Metzler-Arnold	Member	1964	Swiss

3.2. Professional background and other activities and vested interests

MARTIN GAFNER • Chairman



Martin Gafner is a Swiss-certified banking specialist. After holding various positions in the financial sector, he became CEO and shareholder of Investas AG and Delegate of the Board of Investas Beratung AG. He was CEO of Valiant Privatbank AG and CEO a.i. of Valiant Bank AG between 2009 and 2016. Martin Gafner is partner and shareholder of the independent Invethos AG asset management company. He is also Chairman of the Board of Directors of the Siloah AG healthcare group, Chairman of the Foundation Board of Stiftung Siloah, Vice-chairman of Band-Genossenschaft and Member of the Foundation Board of Previs Vorsorge.

Furthermore, he is a board member of Heli Bernina AG, Energieverbund Siloah AG and Schlossgarten Riggisberg Genossenschaft. Martin Gafner was appointed Chairman of the Board of Directors of Infracore in October 2018. He is also Chairman of the Board of Directors of Générale-Beaulieu Immobilière SA (since December 2019) and Infracore Investments SA (since July 2022).

ANTOINE HUBERT • Vice-chairman



Prior to acquiring a stake in Clinique de Genolier in 2002 and founding Swiss Medical Network in 2004, Antoine Hubert 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 Delegate of the Board of AEVIS VICTORIA SA, Swiss Medical Network SA and Générale Beaulieu Holding SA. He is Chairman of Genolier Innovation Hub SA, Swiss Hotel Properties SA and CACM hotels SA. He is Vice-chairman of the Board of Directors of Centre Médico-Chirurgical des Eaux-Vives SA, Nescens Genolier SA and Infracore Investments SA. He is Board Member of GSMN Suisse SA, Swiss Medical Network Hospitals SA, Clinique Générale-Beaulieu SA, Réseau de l'Arc SA, Hôpital de Moutier SA, Swiss Medical Centers Network SA, Centre Médical Genolier SA, Swiss Medical Network GesundheitsZentrum AG, Swiss Visio SA, Gutsehen.ch AG, Ärzteteam Seewadel GmbH, Victoria-Jungfrau AG, Grand Hotel Victoria-Jungfrau AG, Hotel Eden au Lac AG, Hotel Bellevue Palace AG, AlpenGold Hotel AG, MRH-Zermatt SA, Havza Ltd, Fliptag Invesments Ltd, Oldbourne & Oldbourne Hospitality Ltd, Heinz Hotz AG, Klinik St. Raphael AG, Générale-Beaulieu Immobilière SA, NESSENS SA and Laboratoires Genolier SA. Antoine Hubert is Member of the Aevum Pension Fund, the Genolier Foundation for medical solidarity and the Swiss Stem Cell Foundation.

Furthermore, Antoine Hubert is Board Member of Nouvelle Agence Economique et Financière SA, Batgroup SA and Well Gesundheit AG.



EDWARD K. ALDAG, JR • Member

Ed Aldag launched Medical Properties Trust, Inc. (NYSE: MPW) in 2003 as the nation's only real estate investment trust (REIT) focusing exclusively on hospitals. Today, Medical Properties Trust is the established leader in the hospital REIT sector, with approximately 450 facilities across the United States, Western Europe, South America and Australia.

Under Ed's leadership, MPT's assets have grown to nearly USD 25 billion and the company has become the second largest U.S.-based owner of hospital beds, with more than 46'000 in its portfolio. A native of Eufaula, Ala., Ed is a graduate of the University of Alabama, where he majored in finance.

Ed Aldag serves on the board of Children's of Alabama, one of the nation's leading hospitals for children, and as a director and member of the investment committee of the Alabama Children's Hospital Foundation. He also serves as a board member for Mitchell's Place, benefitting children with autism; the Birmingham Education Foundation, dedicated to increasing the number of students in Birmingham City Schools that are on the path to college, career and life readiness; the American Sports Medicine Institute, which works to understand, prevent and treat sports-related injuries; and as a member of the executive committee of the Birmingham Business Alliance.

He is a guest lecturer at both the University of Alabama and the University of Alabama at Birmingham (UAB) and part of the UAB President's Campaign Leadership Cabinet for a \$1 billion campaign. In November 2017, he was selected as a member of the national advisory board of governors for Nareit (the National Association of Real Estate Investment Trusts).

Edward Aldag was appointed Board member of Infracore in May 2019, of Générale-Beaulieu Immobilière SA in June 2020 and of Infracore Investments SA in July 2022.



RUTH METZLER-ARNOLD • Member

From 1999 to 2003, Ruth Metzler-Arnold served as Federal Councillor of the Swiss Confederation and formerly Minister of the Canton Appenzell Innerrhoden. Through her diverse political and professional experiences, as well as her broad economic and public health skills, the lawyer and certified public accountant will bring her knowledge and extensive experience to Infracore's Board of Directors. She is also a Chairwoman and Board Member of various companies and organizations, amongst which Swiss Medical Network SA. Ruth Metzler-Arnold was appointed Board member of Infracore in April 2019, of Générale-Beaulieu Immobilière SA in June 2020 and of Infracore Investments SA in July 2022.

3.3. Elections and terms of office

Member	Function	Election	Expires
Martin Gafner	Chairman	October 2018	2023
Antoine Hubert	Vice-chairman	June 1997	2023
Edward K. Aldag, Jr	Member	May 2019	2023
Ruth Metzler-Arnold	Member	April 2019	2023

3.4. Working methods of the Board of Directors

According to its organizational rules, the Board of Directors of the Company meets at least quarterly. Extraordinary meetings, either formal or by means of telephone conferencing, may take place in the course of the year. In 2022, the Board of Directors met five times.

The average attendance at the Board meetings was 100%. The average length of meeting is two hours. During its meetings, the Board reviews the activities of the Company with reference to operating reports. Meetings are prepared by the Chairman and the CEO.

Members of the General Management may be invited to take part in Board of Directors meetings, with an advisory capacity.

3.5. 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 General 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.

Pursuant to Swiss Code of Obligations, the Articles of Association and the organizational rules of the Company, the Board of Directors of the Company has in particular the following non-transferable and inalienable duties:

- Provide the ultimate governance of the Company and issue the necessary instructions;
- Determine the Company's organization;
- Set the principles of accounting including the consolidation, financial control and financial planning as far as required for the Company's management;
- Appoint and revoke the persons entrusted with the management and representation of the Company;
- Provide the ultimate supervision of the persons entrusted with the management of the Company, especially in view of their compliance with the law, the Articles of Association, regulations and instructions given;
- Pass resolutions on acquiring and disposing of Group and affiliated companies;
- Set the principles of compensation and adopt the participation and option plans;
- Establish the annual report, prepare the Annual General Meeting and carry out its resolutions;
- Notify the judge in the event of over-indebtedness.

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 General Management.

3.6. Information & control instruments with regard to the General Management

The General Management 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 and the Vice-chairman of the Board hold regular coordination and information meetings with the General Management, to report on operational business issues.

The Financial Department compiles monthly data regarding the company and its subsidiary and a condensed report with the most important key figures. This information is transmitted to the General 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 business operations.

The Company has implemented an Internal Control System (ICS), which is also implemented in its subsidiary. The risk management is reviewed yearly by the General Management. The Board of Directors yearly discusses and approves the identified risks.

4. GENERAL MANAGEMENT

4.1. Member of the General Management

The Company wants the General Management to be focused on the long-term, with steady growth in rental income and profitability, allowing regular investments that will guarantee its sustainability. As at 31.12.2022, the General Management of the Company was composed of the following persons:

Member	Function	Year of Birth	Nationality
Eric Frey	CEO	1964	Swiss
Nicolas Schmid	CFO	1984	Swiss

4.2. Professional background and other activities and vested interests



ERIC FREY • CEO

The executive management of Infracore is entrusted to Eric Frey, who has a unique and extensive experience in both the healthcare infrastructure market and in hospital renovations and conversions. Eric Frey's management and operational skills specific to the healthcare sector will enable to profile Infracore in its future developments and real estate investments.

Eric Frey, a native of Zug, counts over 30 years of experience as an entrepreneur and executive manager. He has been a member of the General Management of Swiss Medical Network since 2006 in various capacities and as Chief Development Officer since 2008. After more than 15 years with Swiss Medical Network, Eric Frey has acquired a broad knowledge of the healthcare environment and has built up a solid network in the Swiss healthcare sector.



NICOLAS SCHMID • CFO

Nicolas Schmid, a native of Affoltern i.E., counts over 16 years of experience in finance and accounting. He is acting as CFO of Infracore since October 2021. Nicolas Schmid is employed by AEVIS VICTORIA SA since January 2015, in charge of the Group's Consolidation and Controlling, and thus acquired a broad knowledge in the healthcare-related infrastructure sector. Before joining AEVIS VICTORIA, Nicolas Schmid acted as a consultant in accounting and consolidation. He holds a BSc in Business Administration and is a Swiss certified expert in accounting and controlling.

Portfolio

Overview 2022

Infracore owns a high-quality real estate investment portfolio focused on healthcare infrastructure. The buildings are mainly leased to the various hospitals of Swiss Medical Network under very long-term leases.

Distribution of properties per canton (by market value)

AARGAU	FRIBOURG	GENÈVE	SOLOTHURN	VALAIS	ZURICH
3.45%	3.64%	17.75%	2.98%	6.08%	20.78%
BERN	NEUCHÂTEL	SCHAFFHAUSEN	TICINO	VAUD	
1.94%	1.51%	1.91%	12.33%	27.63%	

AARGAU
Privatklinik Villa im Park

BERN
Privatklinik Siloah

FRIBOURG
Clinique Générale

NEUCHÂTEL
Clinique Montbrillant

GENÈVE
Clinique Générale-Beaulieu

SCHAFFHAUSEN
Privatklinik Belair

SOLOTHURN
Privatklinik Obach

TICINO
Clinica Sant'Anna
Clinica Ars Medica

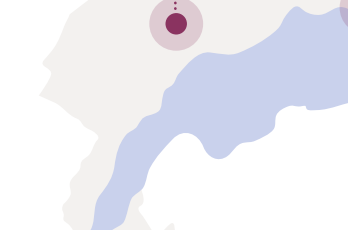
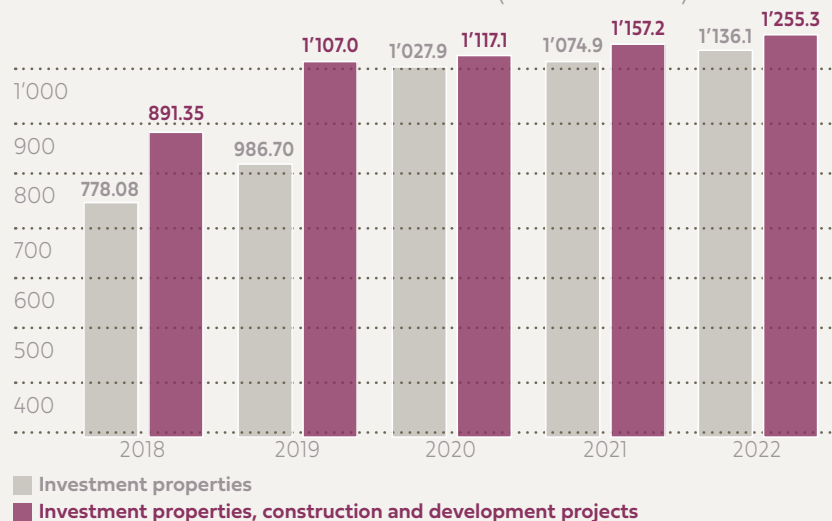
VALAIS
Clinique de Valère
Gare 27

Hangar Infracore
(Air-Glaciers)

VAUD
Clinique de Genolier
Clinique de Montchoisi
Clinique Valmont
Chocolatière 21

ZURICH
Privatklinik Bethanien
Privatklinik Lindberg

Market value in CHF million (Wüest Partner)



Rental surface
SQM
195'930



Privatlinik Obach



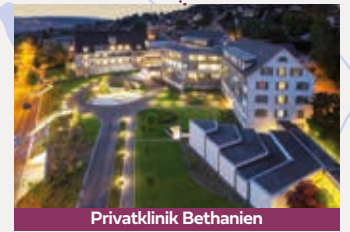
Privatlinik Belair



Privatlinik Lindberg



Privatlinik Villa im Park



Privatlinik Bethanien



Clinique Générale



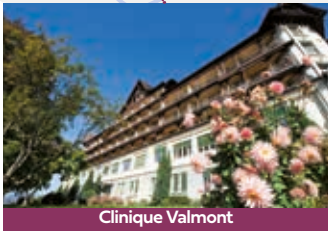
Privatlinik Siloah



Clinique de Valère



Clinica Ars Medica



Clinique Valmont



Centre Médical de Valère



Clinica Sant'Anna

WAULT - Weighted average unexpired lease term

25.4 years

Investment properties and development projects

42

Locations

17

Cantons

11

Occupancy rate

98.6%

Presentation of the Genolier Innovation Hub

On Infracore's 7'694 sqm plot of land directly below Clinique de Genolier, one of the largest clinics of Swiss Medical Network, a unique healthcare platform under the brand of Genolier Innovation Hub is being constructed.

The Genolier Innovation Hub will be a scientific and medical platform of more than 25'000 sqm open to national and international health actors in the fields of medtech, pharmacology, digital technologies and biosciences. With a mission of translational research, development and presentation of innovations and education, the Hub intends to be a central location for the medical profession, companies specialized in pharma, MedTech and biosciences, hospitals and clinics, and educational institutions at a national and international level.

This major project is taking form with the construction of the center, which began in June 2021 and is scheduled to open in early 2024.

During the year 2022, more than 90'000 cubic meter of soil were excavated and moved through the hands of more than 200 workers on the site. More than 13'000 cubic meter of concrete have been poured, which is equivalent to more than 5 Olympic swimming pools. 2'800 tons of reinforcement are deployed, which represents the equivalent of 116 Tesla Model X. Now that construction works are completed, one of the two cranes on the site has been removed (beginning February 2023).

During the year 2023, the following works are planned: heating and ventilation installations, sanitary installations, transport installations, interior fittings, exterior fittings...

The key actors in the construction industry are Roof, as a general and total contractor, as well as Maulini, for the coordination of the concrete phase and many more.

The year 2022 has been fruitful in exchanges with a wide variety of healthcare companies. Contracts have already been signed with GE Healthcare, Accuray, Raysearch and others are in progress.

<https://genolier-innovation-hub.net>





Property Details

as at 31 December 2022

City, Address	Built	Renovation / Extension	Ownership status	Site area (in sqm)*	Rental space (in sqm)	Parking spaces	Discount rate	Fair value (in TCHF)	Target rental income 2022 (in TCHF)	Occupancy rate (in %)
INVESTMENT PROPERTIES										
Canton Aargau										
Rothrist, Bernstrasse 84	1903/1984	2020	sole ownership	4'601	4'907	77	4.80	38'790	1'900	100.0
Rothrist, Bernstrasse 86	1805/2000	n/a	sole ownership	2'367	1'438	19	4.80	4'260	328	100.0
Canton Bern										
Gümligen, Worbstrasse 324	1955	n/a	building right	3'129	4'769	-	4.50	24'200	1'590	100.0
Canton Fribourg										
Fribourg, Rue Hans-Geiler 6	1968	2014	sole ownership	4'291	6'540	-	4.00	45'470	2'400	100.0
Canton Geneva										
Geneva, Chemin de Beau-Soleil 20/22	1983/1992	2003	sole ownership	12'481	16'176	261	3.60	178'650	9'364	98.8
Geneva, Chemin de Beau-Soleil 12	1985	n/a	sole ownership	5'730	2'942	39	2.70	36'890	1'333	90.9
Geneva, Chemin de Beau-Soleil 2/4	1985	n/a	condominium	4'092	541	6	2.90	5'909	245	72.2
Canton Neuchâtel										
La Chaux-de-Fonds, Rue de la Montagne 1	1930	1990	sole ownership	3'614	2'736	-	5.00	5'230	600	100.0
La Chaux-de-Fonds, Rue de la Montagne 2-4	2012	n/a	sole ownership	3'845	2'979	90	4.70	13'570	900	100.0
Canton Schaffhausen										
Schaffhausen, Rietstasse 30	1924/1970	2018	sole ownership	5'439	3'303	34	4.80	23'830	1'400	100.0
Canton Solothurn										
Solothurn, Leopoldstrasse 5	1922/1996	n/a	sole ownership	5'363	4'187	11	4.00	30'250	1'800	100.0
Solothurn, Obachstrasse 23	2009	n/a	sole ownership	2'313	1'652	81	3.60	6'953	330	100.0
Canton Ticino										
Gravesano, Via Grumo 16	1989/2003	2008	sole ownership	10'332	8'339	123	4.10	69'050	3'800	100.0
Sorengo, Via Sant'Anna 1	1934	2014	sole ownership	15'073	11'556	-	4.40	56'040	3'600	100.0
Sorengo, Via Sant'Anna 5	1934	2009	sole ownership	n/a	631	10	4.20	1'650	130	100.0
Sorengo, Via Sant'Anna 7	1965	2013	sole ownership	7'178	1'978	10	4.00	7'610	450	100.0
Sorengo, Via Sant'Anna 1	1934	n/a	sole ownership	n/a	2'015	78	4.40	2'170	183	100.0
Sorengo, Via Sant'Anna 1	1934	n/a	sole ownership	n/a	n/a	112	4.40	2'280	202	100.0
Sorengo, Via Sant'Anna 4	1953	2013	sole ownership	977	344	2	2.80	1'650	64	100.0

City, Address	Built	Renovation / Extension	Owner-Ship status	Site area (in sqm)*	Rental space (in sqm)	Parking spaces	Discount rate	Fair value (in TCHF)	Target rental income 2021 (in TCHF)	Occupancy rate (in %)
INVESTMENT PROPERTIES										
Canton Vaud										
Echandens, Route de la Chocolatière 21	1989	2018	sole ownership	2'881	1'768	53	3.20	10'650	592	100.0
Genolier, Route du Muids 3	1971/1981	2013	sole ownership	30'498	20'244	-	4.00	129'490	6'796	99.9
Genolier, Route du Muids 3	1981	2008	sole ownership	n/a	3'752	-	3.90	7'928	553	100.0
Genolier, Route du Muids 5	2009	n/a	sole ownership	19'497	10'141	-	3.70	43'560	2'220	100.0
Genolier, Route du Muids 3	2009	n/a	sole ownership	n/a	n/a	388	4.30	6'793	301	100.0
Glion-sur-Montreux, Route de Valmont 22-24	1900	n/a	sole ownership	36'292	6'008	22	4.10	25'940	1'500	100.0
Lausanne, Chemin des Allinges 10	1931/2010	2010	sole ownership	2'668	3'441	43	3.30	46'040	2'613	100.0
Canton Wallis										
Sion, Aéroport de Sion (DDPb16723)	2014	n/a	building right	4'272	2'285	14	4.20	5'389	378	100.0
Sion, Avenue de la Gare 27	1934/1995	2020	sole ownership	3'671	5'766	106	3.60	21'100	1'080	96.2
Sion, Pré Fleuri 16	1936/1971	2012	building right	2'421	3'605	8	4.10	48'490	3'000	100.0
Sion, Rue de Condèmines 5	1984	n/a	condominium	910	180	2	3.30	847	45	100.0
Canton Zurich										
Winterthur, Schickstrasse 11	1905	2006	sole ownership	14'466	11'544	-	4.60	44'400	2'900	100.0
Winterthur, Tachlisbrunnenstrasse	1991	n/a	sole ownership	n/a	-	117	4.50	2'375	168	100.0
Zurich, Restelbergstrasse 15	1912	2019	sole ownership	1'723	2'180	-	2.70	28'780	916	100.0
Zurich, Restelbergstrasse 25-27-29	1960	n/a	sole ownership	1'131	1'756	-	2.30	17'990	462	54.3
Zurich, Toblerstrasse 51	1912	1993	sole ownership	7'200	14'496	43	3.10	135'240	5'838	98.8
Zurich, Toblerstrasse 55	2012	n/a	sole ownership	2'900	-	118	3.10	6'630	276	100.0

Development projects										
Genolier Innovation Hub	n/a	n/a	sole ownership	7'694	11'272	134	n/a	66'430	n/a	n/a
Genolier	n/a	n/a	sole ownership	n/a	4'675	-	n/a	6'110	n/a	n/a
Gilon-sur-Montreux	n/a	n/a	sole ownership	800	680	-	3.90	1'791	n/a	n/a
Gravesano	n/a	n/a	sole ownership	n/a	1'994	-	n/a	13'410	n/a	n/a
Winterthur	n/a	n/a	sole ownership	n/a	9'280	124	n/a	9'023	319	n/a
Zurich	n/a	n/a	sole ownership	n/a	3'831	-	n/a	14'760	-	n/a

* When several properties share one plot, the site area is only mentioned once.




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 **Centre d'audiologie**
 **Centre de soins dentaires**
 **Centre de soins infirmiers**
 **Centre de soins de suite**

Financial Statements

Consolidated financial statements*	26
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Independent Valuer's Report 2022	45
----------------------------------	----

***Disclaimer**

This report contains non-audited excerpts from the annual accounts of Infracore SA. Infracore SA establishes its accounts according to the rules applicable in Switzerland. As a private company with seat in Switzerland, Infracore is not bound to publish its accounts.

Consolidated Income Statement

(In thousands of CHF)	Note	2022	2021
Rental income	4	59'871	58'866
Other revenue		89	-
Total revenue		59'960	58'866
Positive fair value adjustments		75'860	15'133
Negative fair value adjustments		(4'644)	(8'633)
Result from revaluation	10	71'216	6'500
Total revenue incl. result from revaluation		131'176	65'366
Real estate expenses	5	(3'264)	(3'721)
Personnel expenses		-	(439)
Other operating expenses	6	(2'325)	(2'409)
EBITDA		125'587	58'797
<i>in % of total revenue incl. result from revaluation</i>		95.7%	90.0%
Depreciation on tangible assets	11	(530)	(575)
Amortization on intangible assets		(2)	(5)
EBIT		125'055	58'217
<i>in % of total revenue incl. result from revaluation</i>		95.3%	89.1%
Financial result	7	(6'540)	(6'564)
Profit before taxes		118'515	51'653
<i>in % of total revenue incl. result from revaluation</i>		90.3%	79.0%
Income taxes	8	(14'828)	(8'177)
Profit for the period		103'687	43'476
<i>in % of total revenue incl. result from revaluation</i>		79.0%	66.5%
Non-diluted earnings per share and participation (in CHF)	9	8.94	3.75
Diluted earnings per share and participation (in CHF)	9	8.94	3.75

Consolidated Balance Sheet

(In thousands of CHF)	Note	31.12.2022	31.12.2021
Assets			
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
Total current assets		135'562	90'203
Investment properties		1'136'094	1'074'872
Investment properties under construction		7'712	8'306
Development projects		111'524	73'996
Total investment properties	10	1'255'330	1'157'174
Tangible assets	11	6'769	7'299
Financial assets		65	65
Intangible assets		-	11
Total non-current assets		1'262'164	1'164'549
Total assets		1'397'726	1'254'752
Liabilities and equity			
Trade payables		9'477	16'807
Other current liabilities		301	338
Short-term financial liabilities	12	114'187	13'812
Other short-term borrowings		75'000	15'000
Accrued expenses and deferred income	13	8'886	6'977
Total current liabilities		207'851	52'934
Long-term financial liabilities	12	504'792	592'859
Long-term provisions	14	110'612	101'635
Total non-current liabilities		615'404	694'494
Total liabilities		823'255	747'428
Equity			
Share capital	15	6'923	6'923
Participation capital	15	4'677	4'677
Capital reserves		46'969	63'789
Offset goodwill		(5'105)	(5'105)
Retained earnings		521'007	437'040
Shareholders' equity		574'471	507'324
Total liabilities and equity		1'397'726	1'254'752

Consolidated Statement of Changes in Equity

(In thousands of CHF)	Share capital	Participation capital	Capital reserves	Offset goodwill	Retained earnings	Total
Balance at 1 January 2021	6'923	4'677	78'289	(5'105)	410'964	495'748
Profit for the period	-	-	-	-	43'476	43'476
Distribution from capital contribution	-	-	(14'500)	-	-	(14'500)
Distribution from retained earnings	-	-	-	-	(17'400)	(17'400)
Balance at 31 December 2021	6'923	4'677	63'789	(5'105)	437'040	507'324
Profit for the period	-	-	-	-	103'687	103'687
Distribution from capital contribution	-	-	(16'820)	-	-	(16'820)
Distribution from retained earnings	-	-	-	-	(19'720)	(19'720)
Balance at 31 December 2022	6'923	4'677	46'969	(5'105)	521'007	574'471

Consolidated Cash Flow Statement

(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)
Cash flow from operating activities before changes in working capital	41'989	41'012
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)
Cash flow from operating activities	53'431	(37'234)
Investments and acquisitions of investment properties	(35'840)	(20'249)
Change in construction work for tenants (incl. down payments)	1'891	(1'141)
Sale of tangible assets	-	42
Purchase of intangible assets	-	(16)
Cash flow from investing activities	(33'949)	(21'364)
Distribution to shareholders	(36'540)	(31'900)
Change in short-term financial liabilities	720	(74'776)
Change in long-term financial liabilities	11'588	169'400
Change in other borrowings and other long-term liabilities	-	2'000
Cash flow from financing activities	(24'232)	64'724
Change in cash and cash equivalents	(4'750)	6'126
Cash and cash equivalents at beginning of the period	7'479	1'353
Cash and cash equivalents at the end of the period	2'729	7'479

Notes to the Consolidated Financial Statements

1. GENERAL INFORMATION

Infracore SA (hereafter "The Company") has its registered offices at 1700 Fribourg, Switzerland. The Company's purpose consists of all activities related to real estate. In particular the acquisition, sale, construction, management and renting of properties in the healthcare sector in Switzerland.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with SWISS GAAP FER. The Swiss GAAP FER apply to all companies included in the scope of consolidation.

The consolidated financial statements are generally based on the historical cost principle. Deviations from this principle apply to investment properties, which are assessed at fair value. The principle of individual valuation has been applied to assets and liabilities. The significant accounting principles are explained in the following section.

The consolidated financial statements were authorized for issue by the Board of Directors on 22 February 2023. Final approval is subject to acceptance by the Annual General Meeting of Shareholders which will take place on 21 June 2023.

3. ACCOUNTING POLICIES

3.1. Consolidation

The consolidated financial statements of the Company for the year ending on 31 December 2022 comprise the Company and its subsidiaries ("the Group").

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 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 so as 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.

3.1.2. 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.

3.1.3. 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.

3.2. Segment Reporting

The Group comprises only one "reportable segment". The decision makers measure the Group's performance based on the financial information of the Group as a whole.

3.3. Income statement

3.3.1. Revenue

Revenue includes all rental income from properties including income from ancillary expenses. Vacancy costs and expenses from rent reductions are deducted from the potential rental income. The revenue is recorded upon maturity or upon provision of services. Other revenue does include gain from disposal of assets.

3.3.2. 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. 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.

3.4.3. Investment properties

The valuation at the time of initial classification is carried out at cost, taking into account directly accountable transaction costs. Thereafter, the valuation is carried out at fair value in accordance with Swiss GAAP FER 18, paragraph 14.

The change in fair value is recognized in the income statement. Related deferred tax liabilities or assets are debited, or credited, to the income statement as deferred tax expense or deferred tax income, respectively.

For the valuation of the investment properties, the independent valuer applied the discounted cash flow (DCF) method, by which the market value of a property is determined as the total of all projected future net earnings, discounted to the valuation date. Each object is valued as an individual property, not as a part of a property portfolio. Net income is discounted separately for each property with due allowance for specific opportunities and threats and adjustment in line with market conditions and risks.

For further information regarding the calculation of the fair value, see note 10 "Investment properties" or the independent valuer's report.

3.4.4. Investment properties under construction

Replacement and expansion investments are recognized at the book value of the properties when it is probable that the Group will achieve a future economic benefit resulting from these investments. Investment properties under construction are recognized at cost less any required impairments.

Following completion of the new building, extension or renovation project, the accrued costs are reclassified as "Investment properties".

3.4.5. Development projects

Development projects are properties or undeveloped plots of land for future use as investment properties. A development project is recognized in the balance sheet from the date that the Group's General Management decides to develop the property and the fair value of the project can be reliably determined. The existence of a design plan approved by the competent cantonal authorities is an important indicator for the Group to reliably determine the fair value of a development project.

The valuation of development projects is carried out at fair value using the DCF method. The value at balance sheet date is established as follows:

- Determination of the fair value at the estimated date of completion, considering the current market conditions at balance sheet date.
- Determination of the fair value at balance sheet date, taking into account the accrued costs as well as the predicted, not yet executed investments until completion of the project.
- Estimation of a risk-profit margin corresponding to the status of the development project at closing date

Fair value adjustments are recognized in the income statement.

At the completion of the development project, the book value is reclassified as "Investment properties".

3.4.6. Tangible assets

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. 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:

- Interior fittings: 15-30 years
- Machinery and equipment: 10 years

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

3.4.7. Financial assets

The financial assets include consignations related to past transaction.

3.4.8. Trade and other payables

Trade and other payables are recognized at nominal value.

3.4.9. Financial liabilities

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

3.4.10. 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.

3.4.11. 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 the 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 the 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 change to the scope of consolidation took place in 2022:

Entity	Event / Date	Capital share 31.12.2022	Capital share 31.12.2021
Infracore Investments SA	Established on 09.08.2022	100.00%	-

4. INCOME FROM RENTAL PROPERTIES

(In thousands of CHF)	2022	2021
Target rental income from investment properties	60'576	59'515
Rent loss from vacancies	(709)	(686)
Losses from rent reductions	(109)	(101)
Income from lump-sum ancillary expenses	113	138
Rental income	59'871	58'866

Details on future rental incomes

The following table illustrates the breakdown of the contractual end of individual rental agreements, based on annual rental income from investment properties as at 31 December 2022.

End of contract	2022 Share in %	2021 Share in %
Under 1 year *	5.3	4.4
Over 1 year	2.6	0.9
Over 2 years	0.1	1.0
Over 3 years	1.6	0.1
Over 4 years	0.4	1.3
Over 5 years	0.2	0.1
Over 6 years	0.6	0.1
Over 7 years	-	0.6
Over 8 years	3.0	-
Over 9 years	0.1	2.6
Over 10 years	86.1	88.9
Total	100.0	100.0

*Contracts with an indefinite term are included in this position.

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%).

5. REAL ESTATE EXPENSES

(In thousands of CHF)	2022	2021
Maintenance and repair expenses	541	629
Operating expenses	100	279
Real estate taxes	1'334	1'484
Insurance fees	535	553
Other real estate expenses	754	776
Real estate expenses	3'264	3'721

6. OTHER OPERATING EXPENSES

(In thousands of CHF)	2022	2021
Administrative expenses	2'271	2'304
Other expenses	45	105
Other operating expenses	2'325	2'409

7. FINANCIAL RESULT

(In thousands of CHF)	2022	2021
Interest income	2'258	867
Dividend income	-	4
Total financial income	2'258	871
Interest expenses	(8'731)	(7'410)
Other financial expenses	(67)	(25)
Total financial expenses	(8'798)	(7'435)
Financial result	(6'540)	(6'564)

8. INCOME TAXES

(In thousands of CHF)	2022	2021
Current taxes	(5'851)	(4'139)
Deferred taxes	(8'977)	(4'038)
Income taxes	(14'828)	(8'177)

(In thousands of CHF unless otherwise stated)	2022			2021		
	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)	118'515	14.75	17'484	51'653	15.26	7'885
Use of not recognized tax loss carryforwards			-			-
Tax losses not recognized from current period			-			-
Expiry of recognized tax loss carryforwards			-			-
Changes in recognition of tax loss carryforwards from prior years			-			-
Average applicable tax rate and income taxes as a proportion of ordinary earnings (after consideration of tax loss carryforwards)	118'515	14.75	17'484	51'653	15.26	7'885
Non-taxable income			1'019			504
Effects from changes in tax rate			(3'705)			582
Adjustment income taxes from prior years			32			(818)
Other effects			(2)			24
Effective tax rate and income taxes according to income statement	118'515	12.51	14'828	51'653	15.83	8'177

9. EARNINGS PER SHARE AND PARTICIPATION CERTIFICATE

	2022	2021
Net profit attributable to Infracore SA share- and participation certificate holders (in thousands of CHF)	103'687	43'476
Weighted average number of shares and participation certificates outstanding	11'600'000	11'600'000
Non-diluted earnings per share / participation certificate (in CHF)	8.94	3.75
Net profit attributable to Infracore SA share- and participation certificate holders (in thousands of CHF)	103'687	43'476
Weighted average number of shares and participation certificates outstanding	11'600'000	11'600'000
Dilution effects	-	-
Weighted average potential number of shares and participation certificates outstanding	11'600'000	11'600'000
Diluted earnings per share / participation certificate (in CHF)	8.94	3.75

10. INVESTMENT PROPERTIES

(In thousands of CHF)	Hospitals	Doctor's practices, offices and other use	Total investment properties	Investment properties under construction	Development projects	Total
Market value as at 1 January 2021	888'381	139'491	1'027'872	13'324	75'917	1'117'113
Investments	364	-	364	33'197	-	33'561
Reclassifications	14'118	28'000	42'118	(38'215)	(3'903)	-
Positive market value adjustments	5'263	7'888	13'151	-	1'982	15'133
Negative market value adjustments	(8'189)	(444)	(8'633)	-	-	(8'633)
Market value as at 31 December 2021	899'937	174'935	1'074'872	8'306	73'996	1'157'174
Investments	1'389	-	1'389	26'229	-	27'618
Disposals	-	-	-	(678)	-	(678)
Reclassifications	3'391	102	3'493	(26'145)	22'652	-
Positive market value adjustments	54'526	3'381	57'907	-	17'953	75'860
Negative market value adjustments	(1'003)	(564)	(1'567)	-	(3'077)	(4'644)
Market value as at 31 December 2022	958'240	177'854	1'136'094	7'712	111'524	1'255'330
Actual costs as at 31 December 2021	822'389	142'095	964'484	8'306	31'295	1'004'085
Difference between fair value and actual costs	77'548	32'840	110'388	-	42'701	153'089
Actual costs as at 31 December 2022	827'169	142'198	969'366	7'712	53'947	1'031'025
Difference between fair value and actual costs	131'071	35'656	166'727	-	57'577	224'304
Net rental income*						
2021	50'959	7'639	58'598	n/a	130	58'728
2022	52'034	7'594	59'628	n/a	130	59'758
Occupancy rate in %						
2021	99.7	94.6	99.0	n/a	40.7	98.7
2022	99.6	94.5	99.0	n/a	40.7	98.6

* Rental income excluding ancillary expenses.

Some properties in the category development projects are still generating rental income from existing buildings on the plots. The development projects on those plots are currently in their planning stage.

The independent valuer's report covers 36 investment properties. Six development properties follow different metrics and are therefore individually valued by Wüest Partner. In 2022, one new development project was added and one existing development project was split into two different projects.

Used discount rates

The table below shows the discount rates used for the valuation by the independent valuer.

Discount rates (in %)	2022 Number of properties	2022 Market value (in thousands of CHF)	2021 Number of properties	2021 Market value (in thou- sands of CHF)
5.00 - 5.49	1	5'230	-	-
4.50 - 4.99	7	151'425	8	152'788
4.00 - 4.49	13	430'622	13	382'007
3.50 - 3.99	5	258'191	5	256'927
3.00 - 3.49	5	199'407	5	194'923
2.50 - 2.99	4	73'229	4	70'637
2.00 - 2.49	1	17'990	1	17'590
Total	36	1'136'094	36	1'074'872

The weighted average discount rate for the portfolio amounted to 3.79% (2021: 3.77%).

Valuation method

The valuations are performed by the independent valuer Wüest Partner AG. The valuer performed the valuations in accordance with national and international standards and guidelines, in particular the International Valuation Standards (IVS and RICS/Red Book) and the Swiss Valuation Standard (SVS).

For the valuation, the valuer applied the discounted cash flow (DCF) method, by which the market value of a property is determined as the total of all projected future net earnings, discounted to the valuation date. Each object is valued as an individual property, thus not as part of a property portfolio. Net income is discounted separately for each property with due allowance for specific opportunities and threats, and adjustment in line with market conditions and risks.

Further information can be found in the valuer's report.

11. TANGIBLE ASSETS

(In thousands of CHF)	Interior fittings	Machinery and equipments	Leased vehicles	Total
Cost				
Balance at 1 January 2021	12'649	492	79	13'220
Additions	-	-	-	-
Disposals	-	-	(79)	(79)
Balance at 31 December 2021	12'649	492	-	13'141
Additions	-	-	-	-
Balance at 31 December 2022	12'649	492	-	13'141
Accumulated depreciation				
Balance at 1 January 2021	5'013	270	12	5'295
Depreciation of the year	528	31	16	575
Disposals	-	-	(28)	(28)
Balance at 31 December 2021	5'541	301	-	5'842
Depreciation of the year	499	31	-	530
Balance at 31 December 2022	6'040	332	-	6'372
Carrying amounts				
At 31 December 2021	7'108	191	-	7'299
At 31 December 2022	6'609	160	-	6'769
Net book value of leased equipment				
At 31 December 2021	-	-	-	-
At 31 December 2022	-	-	-	-

12. FINANCIAL LIABILITIES

	Book value (in thousands of CHF)	Interest rate (in %)
Current portion of mortgage loans	13'812	0.80 - 1.58
Short-term financial liabilities at 31 December 2021	13'812	
Mortgage loans	492'859	0.80 - 1.58
Bond issued by the company	100'000	1.30
Long-term financial liabilities at 31 December 2021	592'859	
Total financial liabilities at 31 December 2021	606'671	
Current portion of mortgage loans	14'187	1.45 - 2.85
Bonds (repayment within one year)	100'000	1.30
Short-term financial liabilities at 31 December 2022	114'187	
Mortgage loans	504'792	1.45 - 2.85
Long-term financial liabilities at 31 December 2022	504'792	
Total financial liabilities at 31 December 2022	618'979	

Mortgage loans are classified as short-term when payable or redeemed within 12 months. Mortgage loans are secured by real estate, pledged for an amount of CHF 1'124.5 million (2021: CHF 1'053.5 million).

Information regarding the bond issued by the Company is mentioned in the table below:

Bond type	Nominal amount	Interest rate	Term	Maturity
Fixed rate	CHF100.0 million	1.30%	28.12.2018 to 27.12.2023	27.12.2023 at par value

13. ACCRUED EXPENSES AND DEFERRED INCOME

(In thousands of CHF)	2022	2021
Accrued tax expenses	7'773	6'091
Deferred income	160	131
Other accrued expenses	953	755
Accrued expenses and deferred income	8'886	6'977

14. PROVISIONS

(In thousands of CHF)	Deferred taxes
Balance at 1 January 2021	97'597
Additions	4'038
Balance at 31 December 2021	101'635
<i>of which short-term</i>	-
<i>of which long-term</i>	101'635
Additions	8'977
Balance at 31 December 2022	110'612
<i>of which short-term</i>	-
<i>of which long-term</i>	110'612

15. EQUITY

At 31 December 2022, the share capital of CHF 6.9 million (2021: CHF 6.9 million) consisted of 6'923'354 fully paid-up registered shares (2021: 6'923'354) at a par value of CHF 1 each. The participation capital of CHF 4.7 million (2021: CHF 4.7 million) consisted of 4'676'646 participation certificates at a par value of CHF 1 each. The legally non-distributable reserves of the Company amount to CHF 5.8 million (2021: CHF 5.8 million).

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

16. CAPITAL COMMITMENTS

The Group has commitments to complete new constructions and renovations for a total amount of CHF 46.2 million as at 31 December 2022 (2021: CHF 48.0 million).

17. CONTINGENT LIABILITIES

The Group's operations are exposed to risks from 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. The Group has currently no major contingent liabilities.

18. GOODWILL

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

(In thousands of CHF)	2022	2021
Cost		
Balance at 1 January	5'105	5'105
Additions through business combinations	-	-
Balance at 31 December	5'105	5'105
Accumulated amortization		
Balance at 1 January	2'042	1'021
Amortization for the year (5 years)	1'021	1'021
Impairment	-	-
Balance at 31 December	3'063	2'042
Carrying amounts		
At 31 December	2'042	3'063

Impact on net earnings and balance sheet:

(In thousands of CHF)	2022	2021
Profit for the period	103'687	43'476
Amortization goodwill	(1'021)	(1'021)
Impairment goodwill	-	-
Net earnings with capitalized goodwill	102'666	42'455
Shareholders' equity	574'471	507'324
Capitalized goodwill	2'042	3'063
Shareholders' equity with capitalized goodwill	576'513	510'387

19. PENSION PLAN INSTITUTIONS

The Group has no employees in the reporting year. In prior years, one pension scheme existed within the Group, which is based on regulations in accordance with Swiss pension fund law.

Economical benefit / obligation and pension benefit expenses (In thousands of CHF)	Surplus / Deficit		Economical part of the organization		Change to prior year or recognized in the current result of the period	Contributions concerning the business period*	Pension benefit expenses within personnel expenses	
	31.12. 2022	31.12. 2022	31.12. 2021	31.12. 2021			2022	2021
Pension institutions without surplus / deficit	-	-	-	-	-	-	-	42
Total	-	-	-	-	-	-	-	42

* Including result from employer contribution reserves.

20. SUBSEQUENT EVENTS

There are no subsequent events between the balance sheet date and the authorization for issue by the Board of Directors.

21. RISK ASSESSMENT DISCLOSURE

The management proceeds to an annual review of the risks and protection measures. Risk assessment is reviewed by the General Management and approved by the Board of Directors.

22. LIST OF GROUP COMPANIES

Company name	Location	Activity		In % on group level	
				31.12.2022	31.12.2021
Infracore SA	Fribourg	Healthcare real estate	a)	100.0%	100.0%
Infracore Investments SA	Fribourg	Healthcare real estate	a)	100.0%	-
GENERALE-BEAULIEU IMMOBILIERE SA	Geneva	Healthcare real estate	a)	100.0%	100.0%

a) Fully consolidated.

Independent Valuer's Report 2022



Wüest Partner AG, Bleicherweg 5, 8001 Zurich

Infracore SA
Rue Georges-Jordil 4
1700 Fribourg

Zurich, 10th February 2023

Independent valuer's report 2022

To the Executive Board of Infracore SA

Ref.
108248.2201

Commission

Wüest Partner AG (Wüest Partner) was commissioned by the Executive Board of Infracore SA to perform a market valuation of the properties held by Infracore as per 31 December 2022 (reporting date) for accounting purposes. The valuation includes 36 properties, three of which are indicative valuation scenarios. In addition, six development projects were valued.

Valuation standards

Wüest Partner hereby confirms that the valuations were performed in accordance with national and international standards and guidelines, in particular with the International Valuation Standards (IVS and RICS/Red Book) and the Swiss Valuation Standards (SVS).

35 properties are valued in terms of going concern. The property Rue des Condémines 5 in Sion (RDC) is planned to be sold in 2025 as condominiums.

The six valuations of the development projects represent investment cases. The valuations are based on various assumptions that can be found in the valuation reports. The Investment Value of land reserves and development projects is highly dependent on the use concept that is being implemented, as well as from the already invested construction costs and the leaseback agreements which are taken into account. The implementation of other uses can result in significantly different Investment Values.

Definition Market Value and Investment Value

«Market Value» is defined as the amount for which a property would most probably be exchanged on the open market on the valuation date between two independent and knowledgeable parties, willing to buy and sell respectively, with due allowance made for a reasonable marketing period.

«Investment Value» is the subjective value of a property for a specific investor or group of investors. subjective value of a property. Accordingly, the value no longer includes objective and comprehensible criteria, as is the case with market value. Instead, individual risk premiums, financing considerations and the like are taken into account on the buyer side, financing considerations and the like are included in the valuation. The investment value should not be confused with the market value of an investment property.

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Regulated by RICS

Each property is valued as an individual property and not as part of a property portfolio. The valuation excludes property transfer, real property gains and value-added taxes plus any other costs incurred, or commissions paid, during the process of selling real estate. Nor is any account taken of Infracore's liabilities in respect of taxation (apart from ordinary property taxes) and financing costs.

Valuation method

DCF method:

In valuing Infracore's real estate holdings (investment properties), Wüest Partner applied the discounted cashflow (DCF) method, by which the market value of a property is determined as the total of all projected future net earnings discounted to the valuation date. Net income is discounted separately for each property with due allowance for specific opportunities and threats and adjustment in line with market conditions and risks.

Residual value method:

Development projects that are still in an early planning phase are valued using the residual value method. Under the residual value method, risk-adjusted construction costs are deducted from the market value of a property after construction.

Basis of valuation

Wüest Partner is familiar with all the properties, having carried out inspections and examined the documentation provided. The properties have been analysed in detail in terms of their quality and risk profiles (attractiveness and rentability of rental premises, construction type and condition, micro and macro location etc.). Currently vacant premises are valued with allowance made for a reasonable marketing period.

Wüest Partner inspects the properties at least once every three years as well as following purchase and upon completion of larger refurbishment and investment projects. Within the review period from 1 January 2022 to 31 December 2022, Wüest Partner visited several properties. For further details on the general assumptions underlying the property valuations, please refer to the Wüest Partner reporting as per 31 December 2022.

Results

Investment properties:

A total of 36 Infracore investment properties were valued as of 31 December 2022 by Wüest Partner (including three indicative scenario valuations). The fair value of 33 investment properties as per 31 December 2022 is estimated at 1,087,217,000 Swiss Francs (1,136,093,800 Swiss Francs including three indicative scenario valuations).

Development projects:

In addition, six development projects were valued as of 31 December 2022. The investment value is estimated at 111,524,000 Swiss Francs.

Changes during reporting period

Within the review period from 1 January 2022 to 31 December 2022, concerning the Infracore properties in comparison with the previous period from 1 January 2021 to 31 December 2021, two properties were newly valued in the portfolio indicative and as indicative development:

- PKS - Privatklinik Siloha, Gümligen
- CAM (Development) - Clinica Ars Medica, Gravesano

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.

Independence and confidentiality

Wüest Partner performed the valuation independently and neutrally in conformity with its business policies. It was carried out solely for the purposes specified above; Wüest Partner shall accept no liability in respect of third parties.

Valuation fee

The fee of the valuer's services is independent of the valuation results. The rate is based upon the number of valuations performed and the lettable area of the properties.

Zurich, 10th February 2023
Wüest Partner AG



Matthias Weber
Partner



Martina Wäckerlin
Direktor

www.infracore.ch

