

AEDIFICA
Public limited liability company,
("naamloze vennootschap"/ "société anonyme"),
public regulated real estate company under Belgian law
("openbare gereguleerde vastgoedvennootschap"/ "société immobilière réglementée publique")
Registered office: 1040 Brussels, Belliardstraat/rue Belliard 40 (box 11) (Belgium)
RLE: 0877.248.501 (Brussels, French speaking division)
("Aedifica" or the "Company")

SECONDARY LISTING OF THE SHARES ON THE REGULATED MARKET OF EURONEXT AMSTERDAM

A. INTRODUCTION AND WARNINGS

This document has been prepared by the Company pursuant to article 1 paragraph 5(j) under (v) of EU Regulation 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing EU Directive 2003/71, which constitutes an exemption from the obligation to publish a prospectus under EU Regulation 2017/1129. This document does not constitute a prospectus and has not been reviewed or approved by the Belgian Financial Services and Markets Authority (Autoriteit voor Financiële Diensten en Markten, the "FSMA") or the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten, the "AFM").

1. INTRODUCTION

Securities name and ISIN	Aedifica Share / AED / BE0003851681
Issuer identity and contact details	The Company is a public limited liability company (" <i>naamloze vennootschap</i> " / " <i>société anonyme</i> ") incorporated under Belgian law, public regulated real estate company (" <i>openbare gereguleerde vastgoedvennootschap</i> " (" <i>GVV</i> ") / " <i>société immobilière réglementée publique</i> " (" <i>SIR</i> ")), that has its registered office at 1040 Brussels, Belliardstraat/rue Belliard 40 (box 11) (Belgium) and is registered in the Crossroads Bank for Enterprises (RLE Brussels, French speaking division) under number 0877.248.501. The Company's Legal Identity Identifier ("LEI") is 529900DTKNXL0AXQFN28.

This document is published in connection with the admission to trading on the regulated market of Euronext Amsterdam, operated by Euronext Amsterdam N.V., of 24,601,158 existing shares without nominal value in the capital of Aedifica (the "Shares"), as a secondary listing. The Shares are currently already admitted to trading on the regulated market of Euronext Brussels.

2. WARNINGS

The most recent prospectus (securities note, registration document and summary) published by Aedifica is dated 23 April 2019 and relates to a public offering of new shares of Aedifica within the framework of a capital increase in cash within the authorised capital with priority allocation rights in an amount of maximum 418,005,656.00 euros (the "Share Prospectus"). The Share Prospectus was approved by the FSMA on 23 April 2019 and can be found on the Company's website (<https://www.aedifica.be/en/prospectus>). The financial information published by the Company pursuant to ongoing disclosure obligations is available on the Company's website (<https://www.aedifica.be/en/consolidated-accounts>).

Any decision to invest in the Shares should not be based on a consideration by the investor of this document alone, but of all regulated information published by the Company. An investor could lose all or part of the capital invested. Where a claim relating to the information contained in this document or a prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating this document or the prospectus before the legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled this document including any translation thereof, but only where this document is misleading, inaccurate or inconsistent, when read together with the other parts of the regulated information published by the Company, or where it does not provide, when read together with the other parts of the regulated information published by the Company, key information in order to aid investors when considering whether to invest in such Shares.

The Company is not offering any new shares nor any other securities in connection with the admission to trading on the regulated market of Euronext Amsterdam. This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or to buy, any Shares nor any other securities of the Company in any jurisdiction. The Shares will not be generally made available or marketed to the public in the Netherlands, in Belgium or in any other jurisdiction in connection with the secondary listing.

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the Securities Act), or the laws of any state or other jurisdiction, and may not be offered or sold

within the United States of America except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws. No public offering of securities will be made in the United States of America.

This information does not constitute an offer or invitation to proceed to an acquisition of or subscription for the Company's securities, nor an offer or invitation to proceed to an acquisition of or subscription for the Company's securities in the United States of America, Switzerland, Canada, Australia, Japan, South Africa or in any other jurisdiction where such offer or invitation is not allowed without registration or qualification under the applicable legislation of the relevant jurisdiction, or where such offer or invitation does not meet the required conditions under the applicable legislation of the relevant jurisdiction.

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B. KEY INFORMATION ON THE ISSUER

1. WHO IS THE ISSUER OF THE SECURITIES?

Domicile and legal form – Aedifica is a public limited liability company, incorporated under Belgian law. Its registered seat is located at 1040 Brussels (Belgium), Belliardstraat/rue Belliard 40 (box 11). As a Public Regulated Real Estate Company under Belgian law ("Public RREC"), Aedifica is regulated by the Belgian Law of 12 May 2014 (the "RREC Law") and the Belgian Royal Decree of 13 July 2014 (the "RREC Decree") on regulated real estate companies (the RREC Law and RREC Decree, together the "RREC Legislation"). The Company's LEI is 529900DTKNXL0AXQFN28.

Principal activities – Aedifica is a 100% pure play investor in European healthcare real estate (particularly in terms of senior housing). Aedifica's strategy is focused on the demographic trend of population ageing in Europe and the specific care and housing needs this trend implies. Currently, Aedifica is active in Belgium, Germany, the Netherlands and the United Kingdom.

Major shareholders – Aedifica is not directly or indirectly owned or controlled by any person. Based on the transparency declarations received by Aedifica, BlackRock, Inc. holds 5.00 % of the voting rights and no other shareholders hold more than 5.00 % of the voting rights.

Key managing directors – The management committee of the Company is composed of the following 5 persons:

- Stefaan Gielens, Chief Executive Officer of the Company, executive director in the board of directors and chairman of the management committee;
- Laurence Gacoin, Chief Operational Officer;
- Ingrid Daerden, Chief Financial Officer;
- Sven Bogaerts, Chief M&A Officer and Compliance Officer; and
- Charles-Antoine van Aelst, Chief Investment Officer.

Statutory auditor – Ernst & Young Bedrijfsrevisoren CVBA, represented by Joeri Klaykens, is the statutory auditor of the Company.

2. WHAT IS THE KEY FINANCIAL INFORMATION REGARDING THE ISSUER?

The following information is derived from the audited consolidated financial statements for the financial years 2018/2019, 2017/2018 and 2016/2017 contained in the respective annual financial reports. These reports (including the statutory auditor's report on such financial years) are available on the website of the Company (<https://www.aedifica.be/en/consolidated-accounts>). The consolidated financial statements are drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and administrative regulations applicable in Belgium. These standards include all standards and interpretations published by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), insofar as they apply to the Company's activities. The Company's financial year starts on 1 July and ends on 30 June of each year.

Income statement

	30.06.2019	30.06.2018	30.06.2017
Total revenue	118,413	91,677	78,983
Operating profit/loss or another similar measure of financial performance used by the issuer in the financial statements	97,142	77,275	65,777
Net profit or loss (for consolidated financial statements net profit or loss attributable to equity holders of the parent)	130,728	71,855	63,358
Year on year revenue growth	29%	16%	32%
Operating profit margin	82%	84%	83%
Net profit margin	110%	78%	80%
Earnings per share	3,74	3,25	3,15

Balance sheet

	30.06.2019	30.06.2018	30.06.2017
Total assets	2,386,127	1,766,643	1,570,122
Total equity	1,429,652	941,647	888,039
Net financial debt (long term debt plus short term debt minus cash)	841,105	729,168	605,827

Cash flow statement

	30.06.2019	30.06.2018
Relevant net Cash flows from operating activities and/or cash flows from investing activities and/or cash from financing activities	From operating activities: 88,758 From investing activities: - 602,051 From financing activities: 518,109	From operating activities: 84,992 From investing activities: - 159,479 From financing activities: 76,941

Pro Forma financial information – This document does not contain pro forma financial information.

Qualifications audit report – The statutory auditor's reports on the historical financial information are unqualified.

3. WHAT ARE THE KEY RISKS THAT ARE SPECIFIC TO THE ISSUER?

The following is a selection of key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In making the selection, the Company has considered circumstances such as the probability of the risk materialising on the basis of the current state of affairs, the potential impact that the materialisation of the risk could have on the Company's business, financial condition, results of operations and prospects, and the attention that management would, on the basis of current expectations, have to devote to these risks if they materialise. Investors should read in their entirety, understand and consider all risk factors before making an investment decision to invest in the Shares.

Main market risks

Economic risk: The Company's activity is impacted by general economic conditions and is subject to economic cycles, since these affect the available income of existing tenants (and hence their ability to meet their financial commitments), the demand for rental properties, the valuation of real estate, as well as the availability and cost of financing. A negative shift in the main macro-economic indicators may have a negative impact on the Company's assets, operations, financial position and prospects.

Risk of lower occupancy rates: Supply and demand in the healthcare real estate market could result in lower occupancy rates and consequently in demands from tenants to decrease the contractual rent so that the tenants'

rent levels are rebalanced as compared to their future income potential. This could have a negative impact on the Company's income and cash flows.

Concentration risk of operators in the senior housing segment: In application of Article 30 of the RREC Law, no (group of) operator(s) may operate more than 20% of the Company's consolidated assets. If this 20 % diversification threshold is exceeded (e.g. due to consolidation at the level of the operating healthcare companies or new acquisitions by the Company), the Company may not make any investments, divestments or take other actions that would result in this percentage increasing further. Per 30 June 2019, the group of tenants representing potentially the highest concentration risk stands at approx. 14 % of consolidated contractual rents.

Main risks related to the Company's property portfolio

Tenant risk. The Company is exposed to the risk of financial default by its tenants. Non-payment by tenants may have a negative impact on the Company's results. Moreover, the Company is not insured in case of such non-payment by tenants. The Company faces a permanent risk of lost rental income, and upon further expansion of the Company, this risk may increase in the future.

Valuation of the buildings: The Company is exposed to changes in the fair value of investment properties as assessed by independent experts. As of 30 June 2019, a change of 1 % in the fair value of investment properties would have an impact of approx. €290.93 million on the Company's net income and of approx. €0.93 on the net asset value per share. This would also impact the debt-to-assets ratio by approx. 0.4 %.

Execution of development projects: The Company acquires buildings under development and develops projects itself (to a limited extent), which allows the Company to oversee the development works and ensure that buildings are delivered in time and in high quality. Even though the Company makes all necessary efforts to negotiate contracts that minimise the risks arising from major works (e.g. delays compared to the expected completion date, deviation from budget, organisational issues, etc.), these risks cannot be totally avoided. The total investment budget with respect to the disclosed pipeline of construction and renovation projects and acquisitions subject to outstanding conditions represents per 30 June 2019 15% of the Company's real estate portfolio.

Main financial risks

Debt structure: Under the RREC Legislation, the maximum permitted debt-to-assets ratio is 65% of total assets. Furthermore, under its current bank covenants to which the Company has committed itself, the debt-to-assets ratio is limited to 60%. If the debt-to-assets ratio exceeds 60%, this could result in the early termination of its credit facilities and expose the Company to a liquidity risk. An increase of debt-to-assets ratio above 65%, would restrict the Company's ability to make distributions to its shareholders and could (if the 65% threshold is exceeded for more than two years) oblige the Company to convene a general meeting to deliberate about the dissolution of the company or other actions set forth in the agenda of that meeting. The Company's debt-to-assets ratio as of 30 June 2019 amounts to 36.7% on statutory level and 37.2% on consolidated level.

Liquidity risk: The Company may be exposed to a liquidity risk that could arise due to a lack of cash flow in the event of early termination of credit facilities agreements. Should the Company fail to comply with the provisions included in these agreements or in the event of a change of control over the Company, the facilities might be cancelled, renegotiated or forced into repayment. This could make it impossible for the Company to finance acquisitions or to repay interests, capital or operating costs and the Company may be confronted with an increased cost of debt due to higher banking margins. This could have a negative impact on the results and cash flows. Per 30 June 2019, the Company has committed credit facilities for a total amount of €1,4 billion of which €560 million is still available.

Interest rate risk: Almost all of the Company's financial debts are floating-rate borrowings. This allows the Company to benefit from low interest rates on the non-hedged part of its borrowings. In order to manage risk of increasing interest rates, the Company has put in place hedges that allow for the conversion of floating-rate debt to fixed-rate debt, or to capped-rate debt. Changes in the interest rate curve have a limited impact on the future interest expense, since at least 60 % of the financial debts are hedged by IRS or caps. Each change in the interest rate curve has an impact on the fair value of hedging instruments. The hedges are entered into for long periods; however, the hedge agreements include provisions (in line with market practice) that could lead the issuing banks to terminate the hedges early or initiate margin calls (in cash for example) in their own favour in certain circumstances.

GBP/EUR exchange rate risk: 23% of the Company's investment portfolio as of 30 June 2019 consists of properties located in the UK. The Company generates its rental income and incurs its expenses in relation to the assets located in the UK in British pounds. Future fluctuations in the exchange rate may affect the value and rental income of the investment properties in the United Kingdom. A variation of 0.01 of the GBP/EUR exchange rate has an impact of approx. €55.5 million of the fair value of the Company's assets located in the UK, €3.4 million of the rental income of the Company and €1.8 million of the net result of the Company. The Company applies an active hedging policy covering the GBP/EUR exchange risk impacting the Company's results. However, an active hedging policy cannot completely eliminate the currency exchange risk and the Company remains exposed to this risk. A change in the

exchange rate that would not be covered by the Company's hedging policy may expose the Company to lower rental income and increased costs and can have a negative impact on the Company's assets, operations, financial position and prospects.

Main regulatory risks

Risks related to changes in regulation: New regulations or changes to existing regulations, including in the areas of taxation, environment, urban planning, mobility policy, privacy and sustainable development and new provisions linked to the letting of real estate and the renewal of licences that the Company or the users of the Company's real estate must comply with, or a change in the application and/or interpretation of such regulations by the administration (including the tax administration) or the courts and tribunals, may increase the administrative costs and obligations of the Company, as well as significantly affect its return and the fair value of its assets. Regulatory changes and new related obligations arising for the Company and/or its service-providers could influence the profitability of the Company or its property values (e.g. through additional obligations at the expense of the Company and/or its tenants). Changes in the EU reference framework such as IFRS and conversions of new initiatives into national legislation in the framework of AIFMD (Alternative Investment Fund Managers Directive), EMIR (European Market Infrastructure Regulation) may also affect reporting, capital requirements, the use of derivative instruments and the organisation of the company. They may also determine the operational activities of the company and their practical and legal organisation, the applicable taxation and possibly valuation.

Corporate status: As a Public RREC, the Company is subject to the RREC Legislation. This legislation includes restrictions on operations, debt-to-assets ratio, appropriation account, conflicts of interest, corporate governance etc. The incapability of the Company to comply with the requirements of the RREC Legislation could lead to the loss of its public RREC status, which would have a negative impact on the Company's operations, results, profitability (i.e., due to the loss of its specific tax regime), financial situation (i.e., due to the early reimbursement of its credit facilities), and prospects. The Company is also exposed to the risk of future changes in the RREC Legislation. Furthermore, there is also the risk that in the event of violation of the rules, the FSMA imposes sanctions on the Company.

Main corporate risks

Risks related to the Company's internationalization: The Company in recent years has been expanding its foreign activities. Internationalization could bring new risks related to the increased complexity in the Company's daily operations management (specific nature of each foreign market, physical barriers, cultural and linguistic barriers, integration, property management, currency risk, etc.) and the combination of regulatory risks and taxation principles in the different countries. As per 30 June 2019, the geographical breakdown of the Company's real estate portfolio is as follows: (i) Belgium 45%, (ii) United Kingdom 23%, (iii) Germany 17% and (iv) the Netherlands 15%.

C. KEY INFORMATION ON THE SECURITIES

1. WHAT ARE THE MAIN FEATURES OF THE SECURITIES?

Type and class of securities and ISIN – All Shares of the Company are ordinary shares without par value. Their International Security Identification Number (ISIN) is BE0003851681.

Rights attached to the securities – All Shares have the same rights as provided in the Company's Articles of Association and Belgian company law: (i) each shareholder is entitled to one vote per Share, except in cases where voting rights are suspended by law; (ii) each Share entitles the holder thereof, in the same manner, to any future dividends that would be allotted by the Company to its shareholders; and (iii) in the event of a capital increase in cash with the issue of new shares, each existing shareholder will have a preferential subscription right or priority allocation right, to subscribe to the new shares in proportion to their participation. However, the Company may, in certain cases, restrict or cancel the preferential subscription right and/or the priority allocation right. Each Shareholder may request to have their Shares converted into registered shares or dematerialised shares at any time at their own expense. The proceeds of the liquidation of the Company, after the settlement of all debts, charges and liquidation costs, will be distributed proportionally among all shareholders in proportion to their participation.

Restrictions on the free transferability of the securities – There are no restrictions under the Articles of Association or Belgian law that limit the shareholders' right to transfer their Shares. Transfer of Shares to persons who are located or resident in, citizens of, or have a registered address in other jurisdiction than Belgium, may however be subject to specific regulations or restrictions according to the applicable securities laws.

Seniority – If the Company is liquidated, the Company's assets shall be paid to secured creditors, preferential creditors (including tax and social security authorities) and unsecured creditors, in that order. The balance of the Company's assets remaining after all liabilities have been paid, if any, shall be transferred to the shareholders in proportion to their respective shareholding.

Dividend or payout policy – As a Public RREC, Aedifica has the obligation to distribute, as return on capital, an amount corresponding to at least 80% of its "results", i.e., amounting to the positive difference between: (i) 80% of

the amount equal to the sum of the adjusted result and net capital gains on disposal of real estate not exempted from the mandatory distribution, as determined in accordance with the schedule in Chapter III of Annex C to the RREC Decree, and (ii) the net reduction in the financial year of the Company's debt burden, as referred to in Article 13 of the RREC Decree. Upon the proposal of the board of directors, the ordinary general meeting of shareholders decides on the allocation of the positive difference. The use of the positive difference is decided at the general meeting based on a proposal from the board of directors. The Company continues to be subject to Article 617 of the Belgian Companies Code of 7 May 1999. The Board of Directors may decide to pay interim dividends on its own responsibility.

2. WHERE WILL THE SECURITIES BE TRADED?

Application has been made to admit all the Shares of the Company to trading on the regulated market of Euronext Amsterdam, under the symbol "AED". The Shares are currently already admitted to trading on the regulated market of Euronext Brussels under the symbol "AED" and following the admission to trading on the regulated market of Euronext Amsterdam the Shares will be traded on both the regulated market of Euronext Brussels and the regulated market of Euronext Amsterdam.

3. WHAT ARE THE KEY RISKS THAT ARE SPECIFIC TO THE SECURITIES?

The following is a summary of selected key risks that relate to the Company's Shares:

Volatility of the share price: certain changes, developments or publications of the Company as well as certain political, economic, monetary and/or financial factors beyond the control of the Company may have a significant effect on the price of the Share for reasons that are not necessarily related to the operational results of the Company.

Liquidity of the share: The relatively limited liquidity of the Shares (the turnover rate of the number of freely tradeable shares on 30 June 2019 was 32,5%) can impact the share price and shareholders may face difficulties in selling their Shares if no liquid market for the Shares would develop.

D. KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET

1. UNDER WHICH CONDITIONS AND TIMETABLE CAN I INVEST IN THIS SECURITY?

Expected timetable for admission to trading – It is expected that the Shares will be admitted to trading on the regulated market of Euronext Amsterdam on or about 7 November 2019.

Expenses – The expenses related to the admission to trading of the Shares on the regulated market of Euronext Amsterdam are estimated at EUR 35,000 and include, among other items, the fees due to the AFM, Euronext Amsterdam N.V. as well as legal and administrative expenses, publication costs and applicable taxes, if any. No expenses will be charged to the investors by the Company in respect of this operation.

2. WHY IS THIS DOCUMENT BEING PRODUCED?

Reasons for the Transaction – Aedifica has been active in the Netherlands since 2016 and since then it has gradually expanded its market position. The admission to trading on the regulated market of Euronext Amsterdam underlines the Company's intention to further strengthen its position in the Dutch market and the strategic value of the Netherlands for the Company. The Company considers The Netherlands as one of its home markets, potentially being of equal importance as its historical home market Belgium. Furthermore, Aedifica expects to increase its visibility and reputation in The Netherlands by further improved analyst coverage and press coverage in the Dutch market. Moreover, Aedifica expects that an admission to trading on the regulated market of Euronext Amsterdam will result in a larger and more diversified group of investors being able to invest in its Shares. Finally, Aedifica expects that the Shares will be more actively traded as a consequence of this additional listing and will thus benefit from an increased liquidity.

Net proceeds – No Shares are being issued, offered or sold in connection with the admission to trading on the regulated market of Euronext Amsterdam. Consequently, this operation will not generate any proceeds.

Material conflicts of interest pertaining to the admission – N/A.

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