

# Half year results 2021

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## Highlights H1 2021





Verpleegcentrum Scheemda Scheemda – The Netherlands

## **Highlights**

## H1 2021 (1)



- > EPRA Earnings: €67.4 million, +26% YoY
- > Rental income: €108.3 million, +18% YoY, +0.7% L-F-L
- > Real estate portfolio of €4.4 billion, +16% (+€606 million) compared to previous ended financial year (31/12/2020)
- Pipeline of €758 million in construction and renovation projects and €97 million in acquisitions subject to outstanding conditions, 17 projects completed in H1 (approx. €120 million)
- Weighted average unexpired lease term: 20 years
- > Occupancy rate: 100%

## **Highlights**

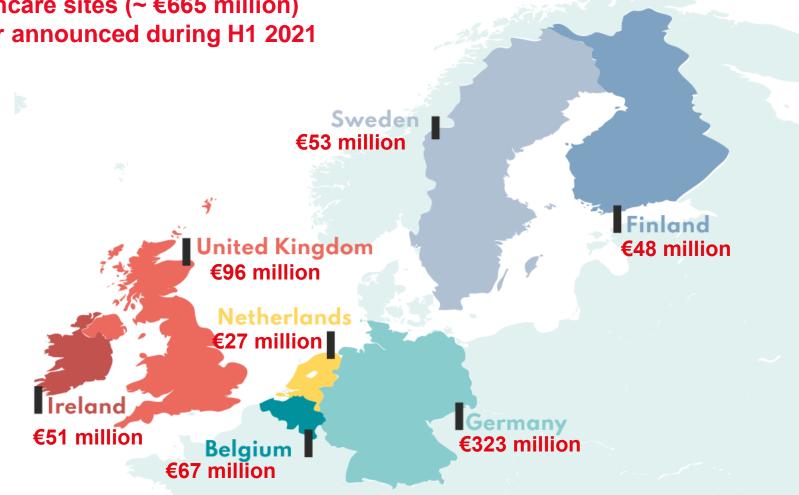
## H1 2021 (2)



- 543 healthcare sites comprising ~41,000 users in 7 countries:
  - €1,193 million in **Belgium** (83 sites)
  - €902 million in **Germany** (94 sites)
  - €799 million in Finland (183 sites)
  - €735 million in the United Kingdom (102 sites)
  - €561 million in the Netherlands (71 sites)
  - €51 million in Ireland (5 sites)
  - €21 million in Sweden (5 sites)
- Debt-to-assets ratio: 42.0%
- > **DPS** guidance confirmed: €3.30

## New acquisitions (1)





## New acquisitions (2)



Name	Туре	Location	Date	Investment (€ million) ¹	Pipeline (€ million) <sup>2</sup>	Gross rental yield (approx. %)	Completion/ implementation	Lease	Operator
Belgium				20	47				
8 Orpea care homes	Renovation & redevelopment (focus on sustainability)	Brussels	28/05/2021	-	47	In line with general BE rental yield	2024-2027	15-year lease extension – NNN	Orpea
Domaine de la Rose Blanche	Acquisition	Durbuy	29/06/2021	20	-	4.5%	-	27 yrs - NNN	My-Assist
Germany				209	114				
Azurit portfolio (19 sites)	Acquisition subject to outstanding conditions	Germany	31/03/2021	201	44	5%	-	25 yrs - NN	Azurit
5 care campuses that are part of the 2 <sup>nd</sup> framework agreement with Specht Gruppe	Acquisition & development	Germany	29/06/2021	8	70	5%	2022-2023	30 yrs - NNN	Master lease with Specht Gruppe
Netherlands				13.5	13				
Stepping Stones Blaricum <sup>3</sup>	Acquisition & development	Blaricum	26/01/2021	1	3	5.5%	Q2 2022	NNN	Korian group
Martha Flora Oegstgeest	Acquisition & development	Oegstgeest	25/02/2021	2	5	5.5%	Q2 2022	25 yrs - NNN	Martha Flora
Zuyder Haven Oss & Buyten Haven Dordrecht	Acquisition	Oss & Dordrecht	30/03/2021	8	-	6%	-	WAULT 12 yrs - NN	Zorghaven Groep
Martha Flora Breda	Acquisition & development	Breda	28/05/2021	2.5	5	5.5%	Q4 2022	25 yrs - NNN	Martha Flora

<sup>&</sup>lt;sup>1</sup> The amounts in this column include the contractual value of the plots of land and the existing buildings. These investments generate rental income (sites under construction also generate limited rental income (except in Finland and Sweden), in particular for the plots of land that have already been acquired).

<sup>&</sup>lt;sup>2</sup> The amounts in this column are the budgets for development projects that Aedifica will finance or acquisitions of which the conditions precedent will be fulfilled in the course of the coming months. The development projects are listed in the overview of the investment programme (see chapter 3.2 of the property report).

<sup>&</sup>lt;sup>3</sup> This project is being developed within the joint venture with the Korian group. Aedifica and Korian will each finance 50% of the total budget. This table only considers the part of the budget that will be financed by Aedifica.

## New acquisitions (3)



Name	Туре	Location	Date	Investment (€ million) ¹	Pipeline (€ million) <sup>2</sup>	Gross rental yield (approx. %)	Completion/ implementation	Lease	Operator
Belgium				20	47				
Germany				209	114				
Netherlands				13.5	13				
United Kingdom <sup>3</sup>				52	44				
Abbot Care Home Stanley Wilson Lodge St Fillans Care Home	Acquisition	Harlow Saffron Walden Colchester	14/01/2021	45	-	5.5%	-	30 yrs - NNN	Excelcare
Shipley Canal Works	Acquisition & development	Shipley	05/03/2021	2	8	6%	Q3 2022	30 yrs - NNN	Burlington
Corby Priors Hall Park	Acquisition & development	Corby	19/03/2021	3	11	5.5%	Q4 2021	35 yrs - NNN	Halcyon Care Homes
Wellingborough Glenvale Park	Acquisition & development	Wellingborough	19/03/2021	-	15	5.5%	Q1 2022	35 yrs - NNN	Halcyon Care Homes
Aylesbury Martin Dalby	Acquisition & development	Aylesbury	17/05/2021	2	10	7%	Q4 2022	30 yrs - NNN	Maria Mallaband

<sup>&</sup>lt;sup>1</sup> The amounts in this column include the contractual value of the plots of land and the existing buildings. These investments generate rental income (sites under construction also generate limited rental income (except in Finland and Sweden), in particular for the plots of land that have already been acquired).

<sup>&</sup>lt;sup>2</sup> The amounts in this column are the budgets for development projects that Aedifica will finance or acquisitions of which the conditions precedent will be fulfilled in the course of the coming months. The development projects are listed in the overview of the investment programme (see chapter 3.2 of the property report).

<sup>3</sup> Amounts in £ were converted into € based on the exchange rate of the transaction date.

## New acquisitions (4)



Name	Туре	Location	Date	Investment (€ million) ¹	Pipeline (€ million) <sup>2</sup>	Gross rental yield (approx. %)	Completion/ implementation	Lease	Operator
Belgium				20	47				
Germany				209	114				
Netherlands				13.5	13				
United Kingdom <sup>3</sup>				52	44				
Finland				20.5	27.5				
2 projects	Development	Finland	01/2021	-	9	6%	In the next 2 years	NN contracts	Multiple tenants
Espoo Rajamännynahde	Acquisition	Espoo	01/02/2021	4	-	6.5%	-	20 yrs - NN	Pihlanjantertut Ry
Laukaa Peurungantie	Acquisition	Laukaa	19/02/2021	4	-	6.5%	-	15 yrs - NN	Peurunka Oy
3 projects	Development	Finland	03/2021	-	9	6.5%	In the next 2 years	NN contracts	Multiple tenants
Kokkola Ilkantie Kokkola Metsämäentie Kokkola Kärrytie	Acquisition	Kokkola	28/06/2021	12.5	-	7%	-	WAULT 8 yrs - NN	Multiple tenants
Kangasala Vällintie	Development	Kangasala	28/06/2021	-	2.5	6.5%	Q4 2022	15 yrs - NN	Pilke
Oulu Juhlamarssi	Development	Oulu	28/06/2021	-	7	6.5%	Q3 2022	15 yrs - NN	Attendo

<sup>&</sup>lt;sup>1</sup> The amounts in this column include the contractual value of the plots of land and the existing buildings. These investments generate rental income (sites under construction also generate limited rental income (except in Finland and Sweden), in particular for the plots of land that have already been acquired).

<sup>&</sup>lt;sup>2</sup> The amounts in this column are the budgets for development projects that Aedifica will finance or acquisitions of which the conditions precedent will be fulfilled in the course of the coming months. The development projects are listed in the overview of the investment programme (see chapter 3.2 of the property report).

<sup>3</sup> Amounts in £ were converted into € based on the exchange rate of the transaction date.

## New acquisitions (5)



Name	Туре	Location	Date	Investment (€ million) ¹	Pipeline (€ million) ²	Gross rental yield (approx. %)	Completion/ implementation	Lease	Operator
Belgium				20	47				
Germany				209	114				
Netherlands				13.5	13				
United Kingdom <sup>3</sup>				52	44				
Sweden <sup>3</sup>				-	53				
16 specialist residential care centres	Acquisition subject to outstanding conditions	Sweden	24/06/2021	-	53	4.5%	Over the next few weeks	WAULT 13 yrs - NN	Multiple tenants
Ireland				51	-				
Brídhaven	Acquisition	Mallow	12/02/2021	25	-	5.5%	-	25 yrs - NNN	Virtue
Waterford care home New Ross care home Bunclody care home Killerig care home	Acquisition	Waterford New Ross Bunclody Killerig	17/06/2021	26	-	5.5%	-	25 yrs - NNN	Virtue
Total				366	298.5				

<sup>&</sup>lt;sup>1</sup> The amounts in this column include the contractual value of the plots of land and the existing buildings. These investments generate rental income (sites under construction also generate limited rental income (except in Finland and Sweden), in particular for the plots of land that have already been acquired).

<sup>&</sup>lt;sup>2</sup> The amounts in this column are the budgets for development projects that Aedifica will finance or acquisitions of which the conditions precedent will be fulfilled in the course of the coming months. The development projects are listed in the overview of the investment programme (see chapter 3.2 of the property report).

<sup>3</sup> Amounts in £ and SEK were converted into € based on the exchange rate of the transaction date.

# **Investment activity Pipeline completions (1)**



### 17 projects (~ €120 million) completed during H1 2021

Name	Туре	Location	Date	Investment (€ million) ¹	Gross rental yield (approx. %)	Lease	Operator
Belgium				6			
Kasteelhof	Extension	Dendermonde	01/01/2021	3	5.5%	30 yrs - NNN	Senior Living Group <sup>2</sup>
De Duinpieper	Extension & renovation	Ostend	01/06/2021	3	5.5%	27 yrs - NNN	Dorian groep
Germany				52			
Seniorenquartier Kaemenas Hof	Development	Bremen	29/03/2021	15	>5%	30 yrs - NNN	EMVIA Living
Seniorenquartier Heiligenhafen	Development	Heiligenhafen	30/04/2021	13	>5%	30 yrs - NNN	EMVIA Living
Seniorenquartier Espelkamp	Development	Espelkamp	17/05/2021	15	>5%	30 yrs - NNN	EMVIA Living
SARA Seniorenresidenz Haus III	Forward purchase	Bitterfeld- Wolfen	31/05/2021	10	5.5%	WAULT 28 yrs - NN	SARA
Netherlands				25			
Villa Nuova	Development	Vorden	23/02/2021	5	5.5%	20 yrs - NNN	Senior Living <sup>2</sup>
Nieuw Heerenhage	Development	Heerenveen	15/06/2021	20	5.5%	25 yrs - NNN	Stichting Rendant

<sup>&</sup>lt;sup>1</sup> For completed development projects, the amounts in this column only include the works that were carried out. For acquisitions of which the outstanding conditions have been fulfilled, this amount includes the contractual value of the plots of land and the existing buildings.

<sup>&</sup>lt;sup>2</sup> Korian group.

# **Investment activity Pipeline completions (2)**



### 17 projects (~ €120 million) completed during H1 2021

Name	Туре	Location	Date	Investment (€ million) ¹	Gross rental yield (approx. %)	Lease	Operator
Belgium				6			
Germany				52			
Netherlands				25			
United Kingdom <sup>2</sup>				18			
Hamberley Hailsham	Forward purchase	Hailsham	28/01/2021	16	5.5%	25 yrs - NNN	Hamberley Care Homes
Bessingby Hall	Extension	Bessingby	31/01/2021	1	6%	WAULT 22 yrs - NNN	Burlington
The Sycamores	Extension	Wakefield	10/06/2021	1	6%	WAULT 18 yrs - NNN	Burlington
Finland				19			
Kempele Ihmemaantie	Development	Kempele	22/01/2021	2	6.5%	20 yrs - NN	Kotoisin
Oulunsalon Vihannestie	Development	Oulu	26/02/2021	1	7%	15 yrs - NN	Siriuspäiväkodit
Porin Kerhotie	Development	Pori	19/03/2021	3	7%	15 yrs - NN	Dagmaaria
Lohjan Sahapiha (elderly care)	Development	Lohja	30/06/2021	7	6%	15 yrs - NN	Attendo
Lohjan Sahapiha (child day-care)	Development	Lohja	30/06/2021	1	6%	15 yrs - NN	Pilke
Kuopion Männistönkatu	Development	Kuopio	30/06/2021	5	6%	15 yrs - NN	Municipality of Kuopio
Total				120			

<sup>&</sup>lt;sup>1</sup> For completed development projects, the amounts in this column only include the works that were carried out. For acquisitions of which the outstanding conditions have been fulfilled, this amount includes the contractual value of the plots of land and the existing buildings.

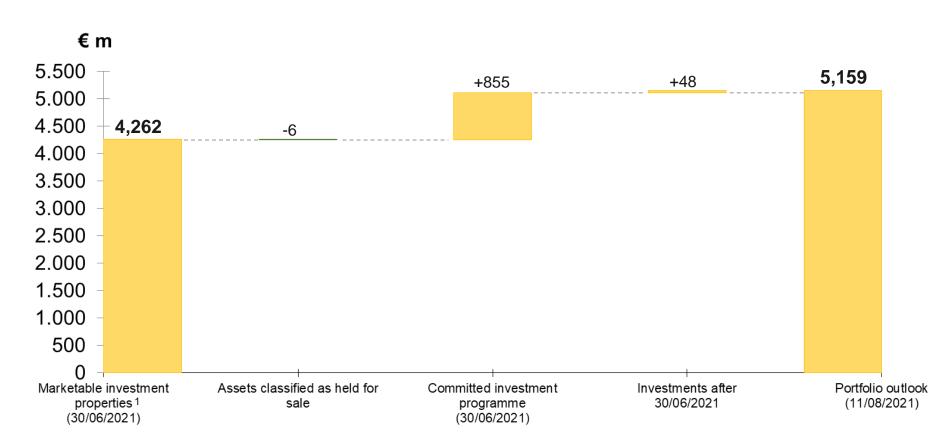
<sup>&</sup>lt;sup>2</sup> Amounts in £ were converted into € based on the exchange rate of the transaction date.

## Portfolio outlook

## **Total portfolio outlook: €5.2 billion**



(As of 11 August 2021)



<sup>&</sup>lt;sup>1</sup> Incl. rights of use of plots of land.

## Strategy





Tuusulan Isokarhunkierto Tuusula - Finland

### **Aedifica**



- > Belgian REIT (RREC/SIR/GVV)
  - Market cap ~ €4.4 billion
  - Free float of 100%
  - Marketable investment properties ~ €4.3 billion
  - Investment programme ~ €855 million (projects & acquisitions subject to outstanding conditions)
  - WAULT ~ 20 years
- > Pure-play healthcare player
- Market reference in European listed healthcare real estate
- Sometimes of the second sec
- > Expertise
- > Diversification
  - 7 European countries
  - >110 operator groups
  - Asset types
- > Sustainability

### **Aedifica**

## **Exploring European markets**



Track record of entering new markets & rapidly creating a platform for future growth



### 2019 - United Kingdom

1st investment in Feb 2019: **€503m** Current portfolio: **€735m** (102 assets)

Committed pipeline: €93m



2021 - Ireland

1<sup>st</sup> investment in Feb 2020: **€25m** 

Current portfolio: **€51m** (5 assets)

**2013 – Germany** 

1<sup>st</sup> investment in June 2013: **€8m** 

Current portfolio: €902m (94 assets)

Committed pipeline: €450m

2013 🔰 2014

2015

2016

2017

2018

2019

2020

2021



### 2016 - The Netherlands

1<sup>st</sup> investment in March 2016: **€30m** 

Current portfolio: €561m (71 assets)

Committed pipeline: €67m



#### 2020 - Finland & Sweden

1st investment in Jan 2020: €407m

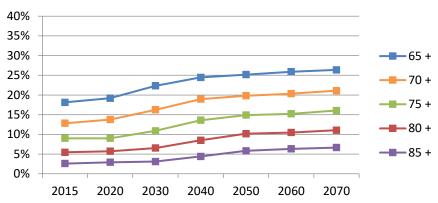
Current portfolio: €820 m (188 assets)

Committed pipeline: €183m

## **Demographic evolution**

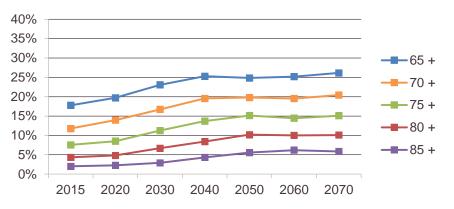


### Ageing in Belgium



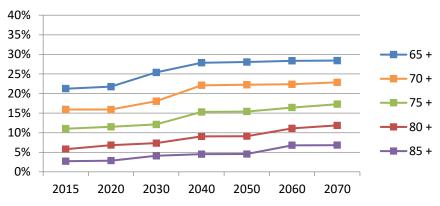
Source: Belgian Federal Planning Bureau, 2021

#### Ageing in The Netherlands



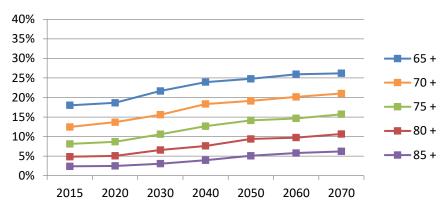
Source: Statline, 2020

#### **Ageing in Germany**



Source: Eurostat, 2020.

#### Ageing in the United Kingdom

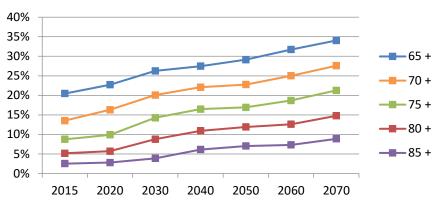


Source: Office for National Statistics, 2019.

## **Demographic evolution**

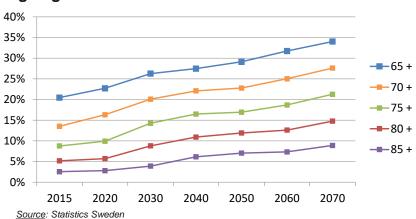


### **Ageing in Finland**

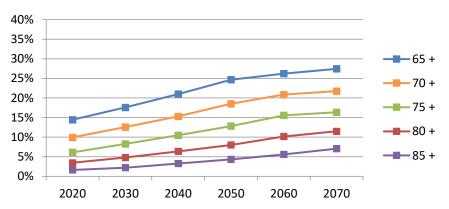


Source: Population projection, Statistics Finland

### Ageing in Sweden



#### Ageing in Ireland

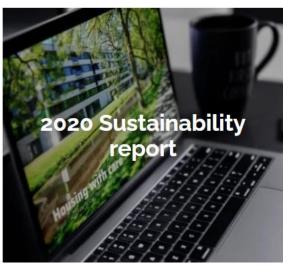


Source: Eurostat, 2020

## Stratogy

## **Strategy**





> TARGETS



80%

Of energy monitoring in cooperation with our tenants



80%

EPC coverage by 2023

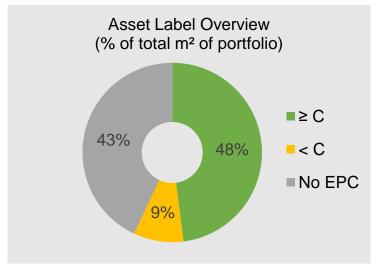


-20%

Reduction of landlord emissions by 2025 (scope 1 & 2)

- > EPC certificates inventory:
- > Annual Sustainability Report
- > EPRA Gold Award
- > GRESB Green star score





## **Sustainability**

## **Strategy**





- Commitment to the Paris Agreement to achieve net zero GHG emissions for our entire portfolio by 2050: focus on lifecycle assessment of our properties
- Stakeholders engagement focus, promoting dialogue and good relationships
- Business culture characterized by honesty and integrity, strict ethics and compliance
- > Action plan 2025

## **Achievements**





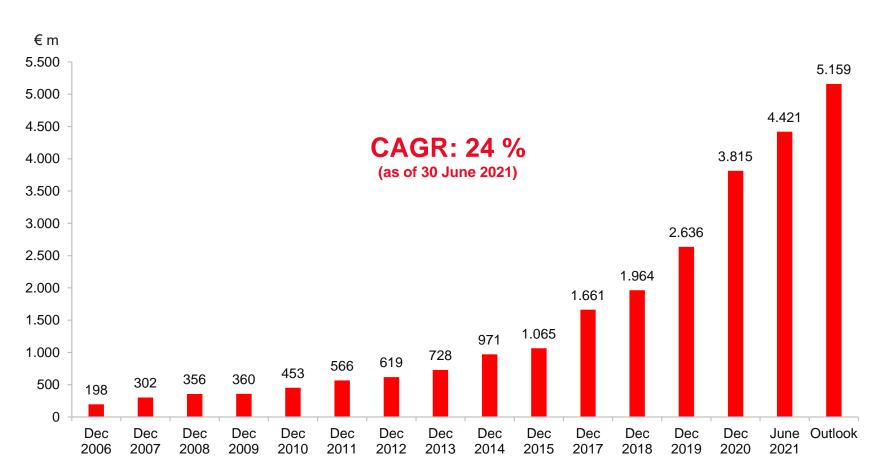
De Kaap Hoogeveen - Netherlands

## **Achievements**

## Investment properties<sup>1</sup>

# aedifica housing with care

### **Evolution since 2006**



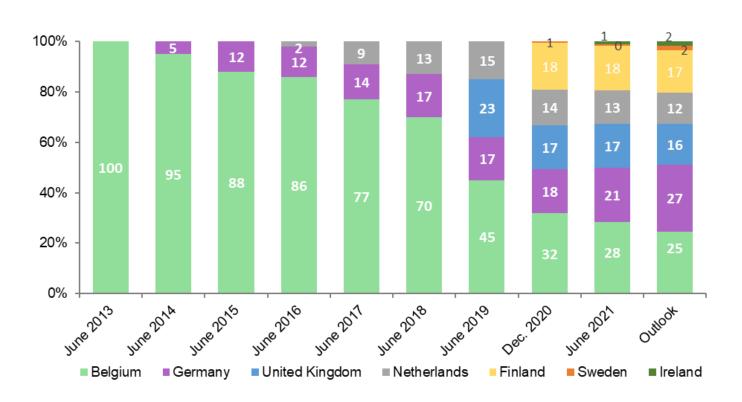
<sup>&</sup>lt;sup>1</sup> Investment properties as of 30 June 2021 incl. rights of use on plots of land and assets classified as held for sale.

## **Achievements**

## **Focus on Europe**

# aedifica housing with care

### Geographical breakdown (fair value)<sup>1</sup>



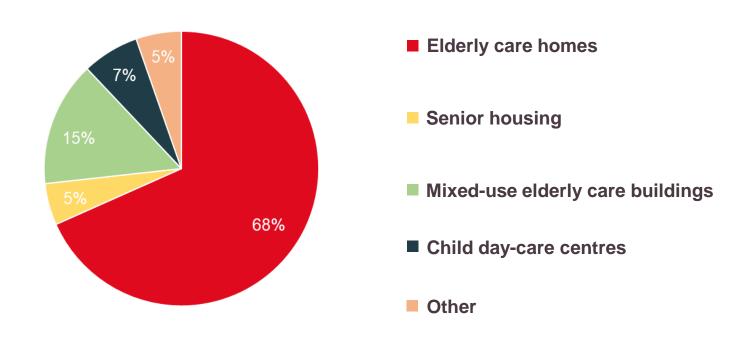
<sup>&</sup>lt;sup>1</sup> Marketable investment properties incl. assets classified as held for sale (€4,204 m), excl. right of use of plots of land.

## Healthcare real estate portfolio



(As of 30 June 2021)

## Healthcare segment breakdown



Marketable investment properties incl. assets classified as held for sale (€4,204 m), excl. rights of use of plots of land.

## Healthcare real estate portfolio

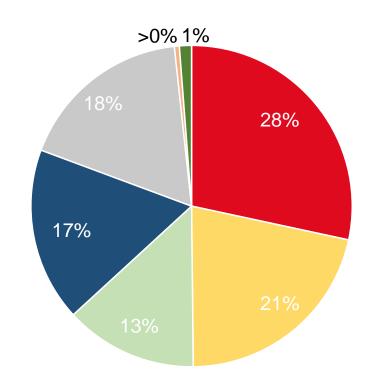


(As of 30 June 2021)

### Geographical breakdown



- Germany
  Sweden
- Netherlands Ireland
- United Kingdom



Marketable investment properties incl. assets classified as held for sale (€4,204 m), excl. rights of use of plots of land.

## Belgian healthcare portfolio



(As of 30 June 2021)

### Senior housing portfolio of 83 assets:

- Capacity for approx. 8,500 residents
- Total fair value of approx. €1,193 m
- Yield on fair value of 5.3%
- Inflation-linked triple net long leases
- 18 tenant groups: Senior Living Group (Korian), Armonea (Colisée), Vulpia,
   Orpea, Vivalto, Emera, Orelia & others
- 4 projects to be completed (approx. €61m)
- Portfolio outlook as of 11 August 2021: approx. €1,254 m

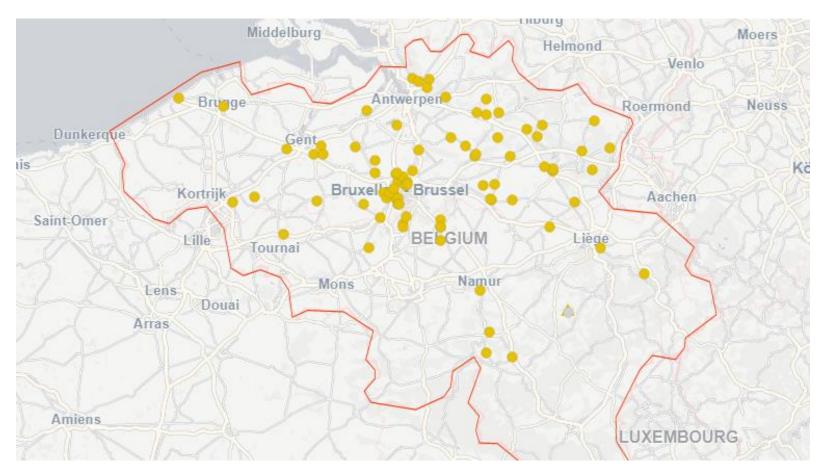
### > Belgium:

- Very mature senior housing real estate market
- Senior housing: highly consolidated profit segment
- Senior housing: future potential in not-for-profit and public segments

## Belgian healthcare portfolio



(As of 11 August 2021)



Marketable investment properties

Development projects

## Belgian healthcare portfolio



Residentie Sporenpark, Beringen

• 127 units





Residentie Kartuizehof, Lierde

• 128 units

Domaine de la Rose Blanche, Durbuy • 121 units





Leopoldspark, Leopoldsburg

• 150 units

## German healthcare portfolio



(As of 30 June 2021)

### Senior housing portfolio of 94 assets:

- Capacity for approx. 9,700 residents
- Total fair value of approx. €902 m
- Yield on fair value of 5.3%
- Double net long leases inflation-linked with threshold
- 19 tenant groups: Vitanas, EMVIA, Residenz Management, Orpea, Azurit Rohr, Alloheim,
   Argentum, Seniorenresidenz Laurentiusplatz, Convivo, Cosiq, Casa Reha (Korian), Aspida,
   SARA, Johanniter, Advita, Deutsches Rotes Kreuz, Volkssolidarität and others
- 1<sup>st</sup> Framework agreement with Specht Gruppe: 7 care campuses have been completed and 9 are under construction
- 2<sup>nd</sup> Framework agreement with Specht Gruppe: construction of 10 care campuses by 2024
- Portfolio outlook as of 11 August 2021: approx. €1,350 m

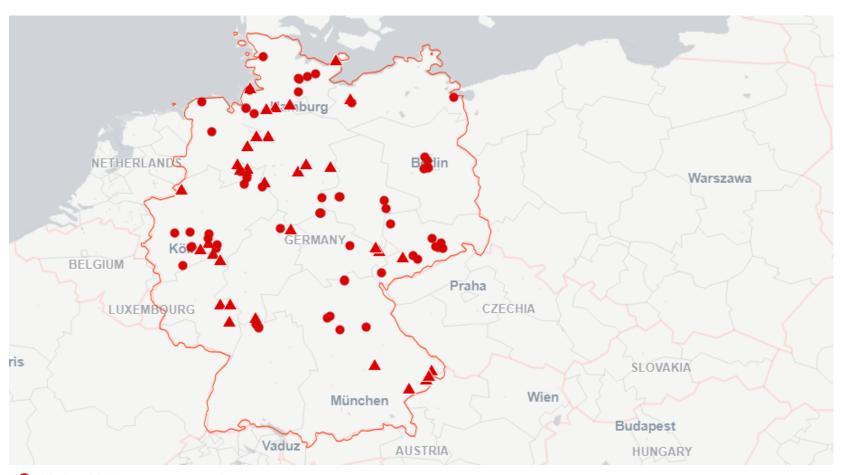
### > Germany:

- Growth potential due to ageing of German population
- Senior housing market consolidation has kicked in
- Yield compression

## German healthcare portfolio



(As of 11 August 2021)



Marketable investment properties

Development projects

## German healthcare portfolio



Seniorenquartier Lübbecke, Lübbecke

• 80 units





Seniorenzentrum Alte Zwirnerei, Gersdorf

• 104 units

Am Tierpark, Berlin

• 217 units





Haus Steinbachhof, Chemnitz

151 units

## **Dutch healthcare portfolio**



(As of 30 June 2021)

### Senior housing portfolio of 71 assets:

- Capacity for approx. 3,300 residents
- Total fair value of approx. €561 m
- Yield on fair value of 5.6%
- Inflation-linked mostly triple net long leases
- 21 tenant groups: Senior Living BV (Korian), Stichting Vitalis Residentiële Woonvormen, NNCZ, Compartijn (Orpea), Martha Flora, Domus Magnus, Orpea, Stepping Stones Home & Care (Korian), Stichting Leger des Heils Welzijns- en Gezondheidszorg, Stichting Oosterlengte, Stichting Zorggroep Noorderboog, Omega, Ontzorgd Wonen Groep, Stichting Nusantara, U-center BV, Cardea, Zorggroep Apeldoorn, Stichting Laverhof, Lang Leve Thuis, SVE and Valuas Zorggroep BV
- 15 projects to be completed (approx. €67 m)
- Portfolio outlook as of 11 August 2021: approx. €640 m

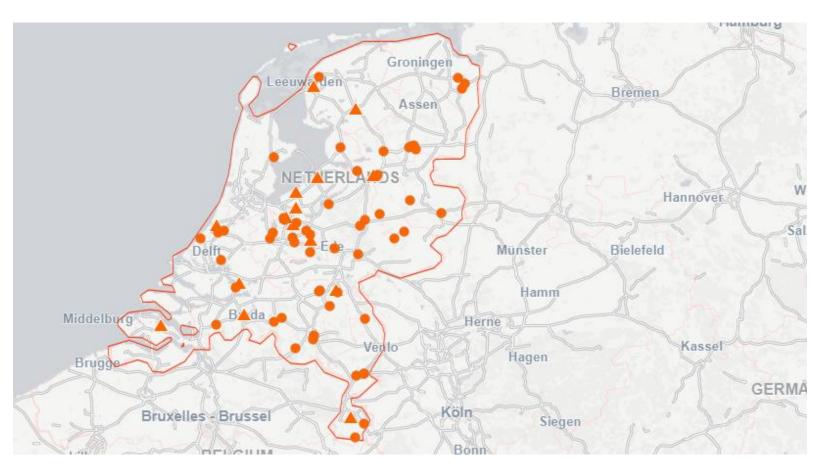
### Netherlands:

- Healthcare real estate market becoming more competitive and liquid
- Senior housing operators: consolidation & internationalisation of profit operators kicking in
- Yield compression

## **Dutch healthcare portfolio**



(As of 11 August 2021)



Marketable investment properties

Development projects

## **Dutch healthcare portfolio**



### OZC Orion, Leiderdorp

 school for children with behavioural problems





LTS Winschoten, Winschoten

• 84 units

De Vecht, Hoogeveen • 79 units





Huize De Compagnie, Ede

42 units

## **UK** healthcare portfolio



(As of 30 June 2021)

### Senior housing portfolio of 102 assets:

- Capacity for approx. 6,700 residents
- Total fair value of approx. €735 m
- Yield on fair value of 6.6%
- Inflation-linked triple net long leases
- 15 tenant groups: Maria Mallaband Care Group, Bondcare Group, Burlington, Care UK, Renaissance Care, Lifeways, Halcyon Care Homes, Harbour Healthcare, Caring Homes, Hamberley Care Homes, Majesticare, Priory Group, Barchester, Conniston Care, Excelcare
- More than 9 projects to be completed (approx. €93 m)
- Portfolio outlook as of 11 August 2021: approx. €825 m

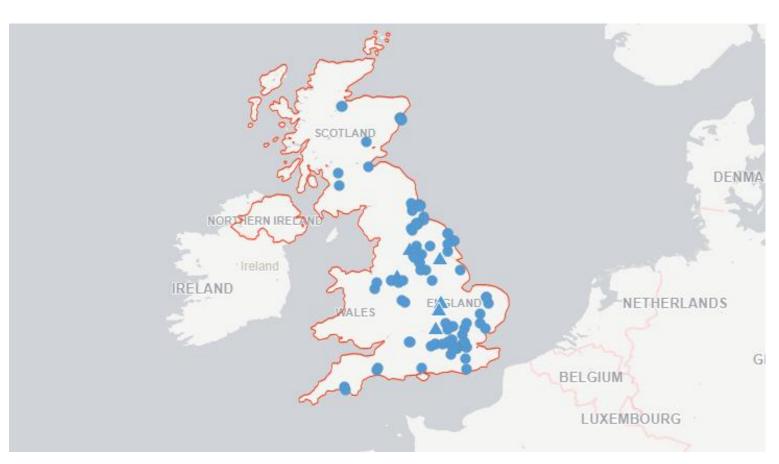
### > United Kingdom:

- Fragmented care home market
- Huge development and growth potential due to outdated infrastructure
- Equipment rate in the UK is lower than in BE, DE, NL
- After Brexit / COVID-19 → more political focus on public financing of social care ?

## **UK** healthcare portfolio



(As of 11 August 2021)



Marketable investment propertiesDevelopment projects

# **UK** healthcare portfolio



Richmond Manor, Ampthill

• 69 units









Minster Grange, York

83 units

Priesty Fields, Congleton

• 78 units

Abbots Wood Manor, Hailsham

• 60 units

# Finnish healthcare portfolio



(As of 30 June 2021)

### > Healthcare portfolio of 183 assets:

- Capacity for approx. 12,300 users
- Total fair value of approx. €741 m
- Yield on fair value of 5.4%
- Inflation-linked double net leases
- 35 tenant groups: Attendo, Norlandia, Mehilainen, Pilke, Touhula & others
- Committed development pipeline of approx. €122 m
- Experienced development team: Hoivatilat
- Portfolio outlook as of 11 August 2021: approx. €863 m
- Build & hold' model giving access to development margins
- Yield on cost amounts on average to approx. 6.5%

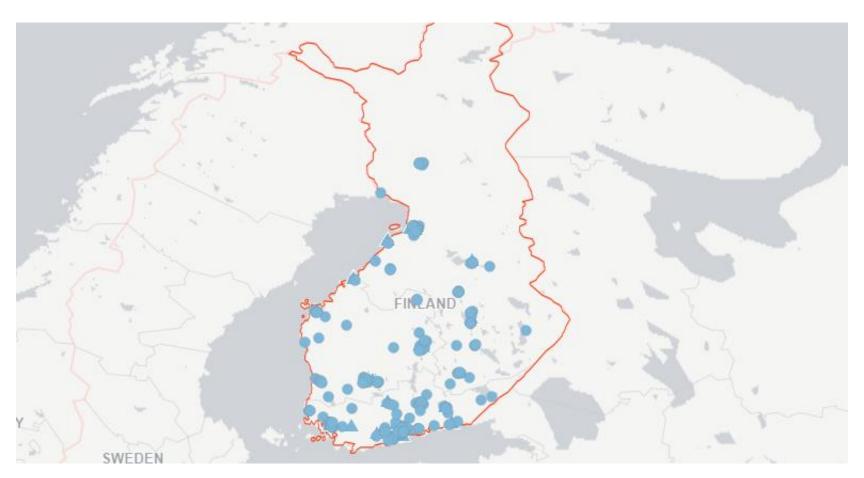
### > Finland:

- Strong long-term growth potential: one of the fastest ageing populations in Europe
- 'Nordic welfare state'
- Growth and consolidation of the private operator's market

# Finnish healthcare portfolio



(As of 11 August 2021)



Marketable investment properties

Development projects

# Finnish healthcare portfolio



Children day-care centre, Oulu • 120 units





Children day-care centre, Espoo

120 units

Elderly care home, Kempele

• 19 units





Koy Lahden keva Makarantie, Lahti

110 units

# Swedish healthcare portfolio



(As of 30 June 2021)

### Healthcare portfolio of 5 assets:

- Capacity for approx. 400 users
- Total fair value of approx. €21 m
- Yield on fair value of 5.4%
- Inflation-linked double net leases
- 4 tenant groups: British mini, Team Olivia, Kunskapsförskolan & Alternatus
- Opportunities for further development
- Experienced development team: Hoivatilat Sweden
- Portfolio outlook as of 11 August 2021: approx. €82 m
- 'Build & hold' model giving access to development margins
- Yield on cost amounts on average to approx. 6.5%

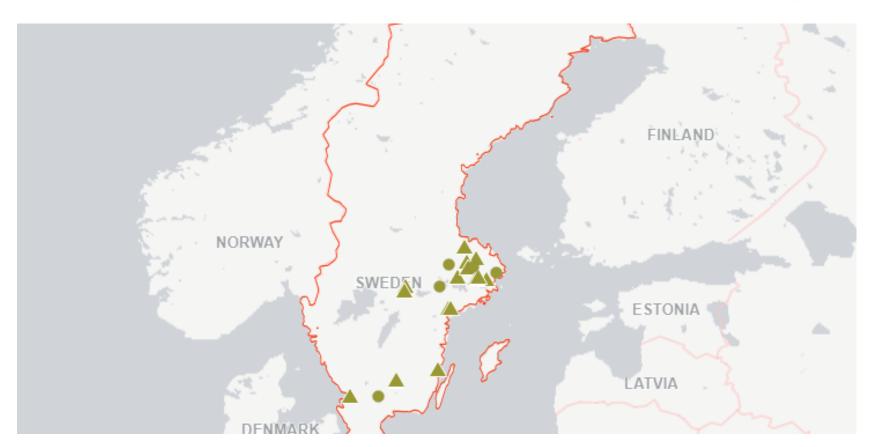
### > Sweden:

- Strong long-term growth potential
- 'Nordic welfare state'
- Growing private sector in a fragmented operator market

# Swedish healthcare portfolio



(As of 11 August 2021)



Marketable investment properties

Development projects or assets acquisition subject to outstanding conditions

# Swedish healthcare portfolio



LSS-boende Heby, Heby

- Completed in April 2020
- 6 units





LSS-boende Gråmunke , Uppsala

- Completed in March 2020
- 6 units

Eskilstuna Mesta, Eskilstuna

- Preschool
- Completed in August 2020





Nyby, Laholm
• 6 units

# Irish healthcare portfolio



(As of 30 June 2021)

### Senior housing portfolio of 5 assets:

- Capacity for more than 400 users
- Investment: approx. €51 m
- Yield on fair value of 5.5%
- Inflation-linked triple net lease
- Operator: Virtue (Emera group)
- Opportunities for further development
- Portfolio outlook as of 11 August 2021: approx. €88 m

### > Ireland:

- Strong market fundamentals supporting long-term investment potential
- Highly fragmented care home market
- Private operators take an important market share (ca. 82%)
- Part of care home stock outdated, to be renovated or replaced in the coming years

# Irish healthcare portfolio



### (As of 11 August 2021)



Marketable investment propertiesAssets acquisition subject to outstanding conditions

# Irish healthcare portfolio



St. Doolagh's (impression), Balgriffin

• 97 units



Bunclody care home, Bunclody

• 62 units

Waterford care home, Waterford

64 units





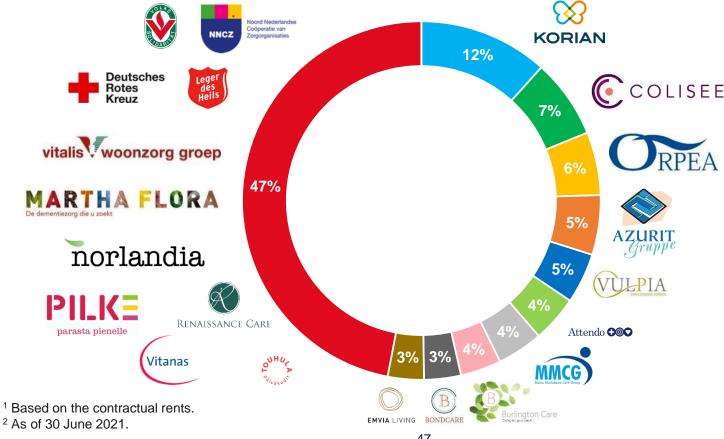
Brídhaven, Mallow

• 184 units

### Healthcare real estate tenants

### Tenant diversification<sup>1</sup>

- 543 sites with approx. 210 tenants (or approx. 110 'groups')<sup>2</sup> representing European, national and local profit and not-for-profit operators
- No 'operator group' leases more than 12% of Aedifica's consolidated assets



<sup>-47-</sup>

# **Operators' funding**

## Main takeaways



### Belgium, The Netherlands, Germany & Ireland:

- Care costs (staff) are covered by social security
- Accomodation costs (housing, catering, other non-medical services) are in principle covered by the resident \*

### > **UK**:

 Self-payers market and Local Authorities for people with means under a certain threshold

### > Finland & Sweden:

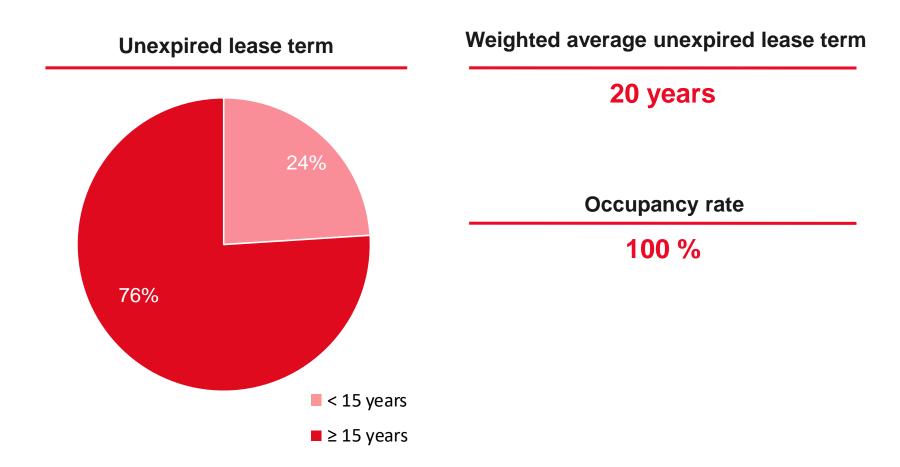
 Municipalities are responsible to organize and finance the care for their elderly & children population

<sup>\*</sup> In certain cases backed by municipalities.

# Lease maturity & occupancy rate



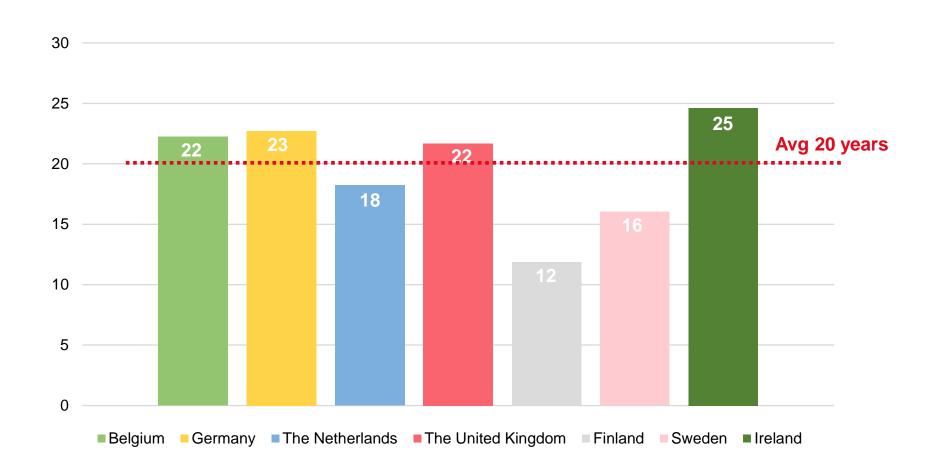
(As of 30 June 2021)



Marketable investment properties incl. assets classified as held for sale (€4,204 m), excl. rights of use of plots of land.

# **WAULT** by country

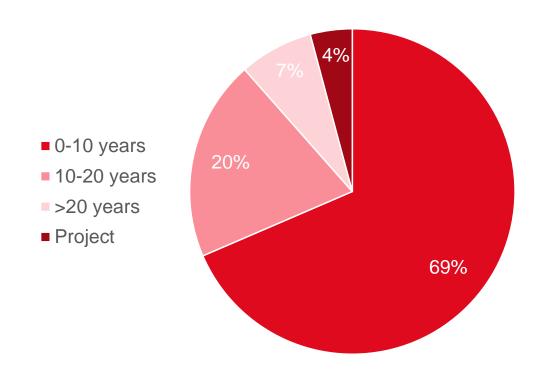




# Age of buildings



(As of 30 June 2021)

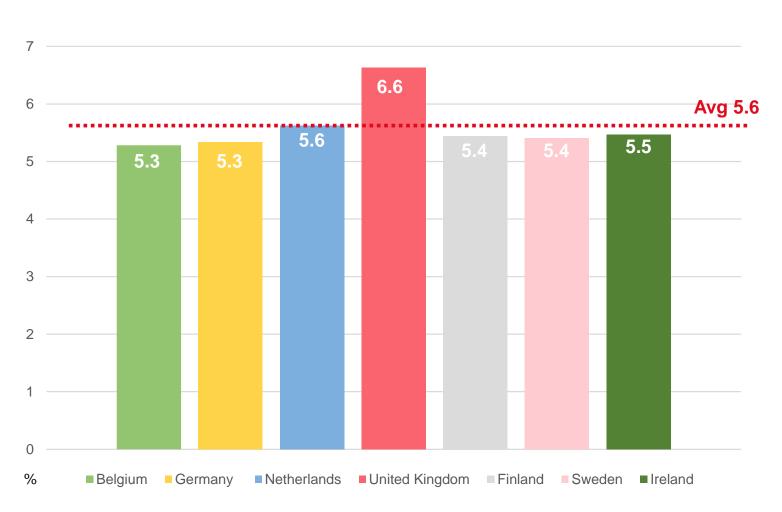


Marketable investment properties incl. assets classified as held for sale (€4,204 m), excl. rights of use of plots of land.

# **Gross yields on fair value**

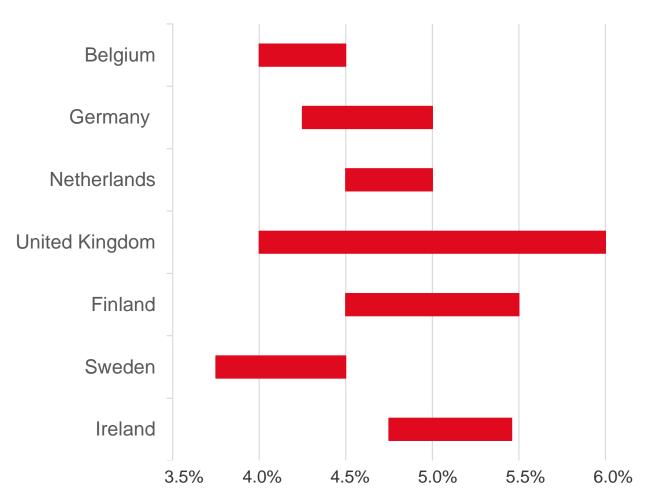


(As of 30 June 2021)



# **Prime yields**





Source: Cushman & Wakefield, CBRE, Jones Lang LaSalle

# **Development projects**

Investment programme as of 30 June 2021 (1)

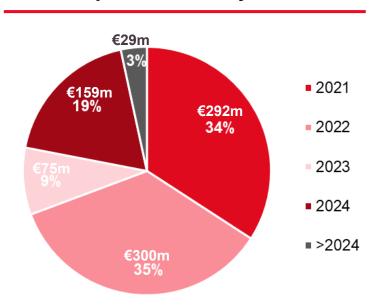


### Investment programme: €855 million

### Geographical split

# €61m 7% ■ Belgium Germany Netherlands United Kingclom Finland Sweden Ireland

### **Expected delivery date**



### Investment programme as of 30 June 2021 (2)



Projects and renovations (in € million) 1	Operator	Current budget	Invest. as of 30/06/2021	Future invest.
Projects in progress		509	144	365
Completion 2021		183	110	73
BE		7	6	1
Sorgvliet	Senior Living Group	5	5	0
Plantijn IV	Armonea	2	1	1
DE		77	39	38
Am Stadtpark	Vitanas	5	0	5
Am Tierpark	Vitanas	1	0	1
Bavaria Senioren- und Pflegeheim	Auriscare	1	0	1
Seniorenheim Haus Wellengrund <sup>2</sup>	Argentum	8	7	1
Seniorenquartier Weyhe <sup>3</sup>	EMVIA	15	8	7
Am Parnassturm	Vitanas	3	0	3
Seniorenquartier Wolfsburg <sup>3</sup>	EMVIA	28	18	10
Seniorenquartier Cuxhaven 3	Specht Gruppe	16	6	10
NL		13	5	8
Residentie Boldershof	Senior Living	1	0	1
Vinea Domini <sup>2</sup>	Senior Living	3	2	1
HGH Lelystad ⁴	Senior Living	4	2	2
Martha Flora Hulsberg <sup>2</sup>	Martha Flora	5	1	4
UK		11	3	8
Burlington projects	Burlington	1	0	1
Corby Priors Hall Park	Halcyon Care Homes	11	3	8
FL		66	51	15
Finland – pipeline 'child day-care centres'	Multiple tenants	6	3	3
Finland – pipeline 'elderly care homes'	Multiple tenants	18	13	5
Finland – pipeline 'other'	Multiple tenants	42	35	7
SE		9	6	3
Sweden – pipeline 'other'	Multiple tenants	9	6	3

<sup>&</sup>lt;sup>1</sup> Amounts in £ and SEK were converted into € based on the exchange rate of 30 June 2021 (1.16459 £/€ and 10.1110 SEK/€).

<sup>&</sup>lt;sup>2</sup> Although still under construction, the sites already generate limited rental incomes, in particular for the plots of land that have already been acquired. Their values are therefore no longer mentioned in the table above. This explains why the estimated investment values differ from those mentioned earlier.

<sup>&</sup>lt;sup>3</sup> Part of the first framework agreement with Specht Gruppe.

<sup>&</sup>lt;sup>4</sup> These projects are being developed within the joint venture with the Korian group. Aedifica and Korian will each finance 50% of the total budget. This table only considers the part of the budget that will be financed by Aedifica.

### Investment programme as of 30 June 2021 (3)



Projects and renovations (in € million) 1	Operator	Current budget	Invest. as of 30/06/2021	Future invest.
Projects in progress		509	144	365
Completion 2021		183	110	73
Completion 2022		252	31	221
BE		6	1	5
Residentie 't Spelthof	Vulpia	6	1	5
DE		132	11	121
Quartier am Rathausmarkt	Residenz Management	16	2	14
Rosengarten	Vitanas	8	2	6
Seniorenquartier Langwedel 3	EMVIA	16	1	15
Seniorenquartier Sehnde <sup>3</sup>	EMVIA	12	0	12
Wohnstift am Weinberg	Cosiq	10	5	5
Seniorenquartier Gera <sup>3</sup>	Specht Gruppe	16	0	16
Seniorenquartier Schwerin <sup>3</sup>	EMVIA	11	0	11
Seniorenzentrum Berghof	Azurit	2	0	2
Twistringen <sup>4</sup>	EMVIA	13	1	12
Hamburg-Rissen <sup>4</sup>	EMVIA	14	0	14
Uetze <sup>4</sup>	EMVIA	15	0	15
NL		33	9	24
Martha Flora Dordrecht <sup>2</sup>	Martha Flora	5	4	1
LLT Almere Buiten <sup>2</sup>	Saamborgh	7	3	4
Martha Flora Goes <sup>2</sup>	Martha Flora	5	1	4
Het Gouden Hart Woudenberg 5	Senior Living	4	0	4
Martha Flora Oegstgeest <sup>2</sup>	Martha Flora	5	0	5
Martha Flora Breda	Martha Flora	5	0	5
Stepping Stones Blaricum <sup>5</sup>	Stepping Stones	4	1	3
UK	B. II. 4	25	1	24
Burlington projects	Burlington	1	0	1
Blenheim MMCG	Maria Mallaband	7	0	7
Shipley Canal Works	Burlington	8	1	7
Aylesbury Martin Dalby	Maria Mallaband	10	0	10
Fi	Maritin In the name	56	9	47
Finland – pipeline 'child day-care centres'	Multiple tenants	9	3	6
Finland – pipeline 'elderly care homes'	Multiple tenants	30	4	26
Finland – pipeline 'other'	Multiple tenants	17	2	15

<sup>&</sup>lt;sup>1</sup> Amounts in £ and SEK were converted into € based on the exchange rate of 30 June 2021 (1.16459 £/€ and 10.1110 SEK/€).

<sup>&</sup>lt;sup>2</sup> Although still under construction, the sites already generate limited rental incomes, in particular for the plots of land that have already been acquired. Their values are therefore no longer mentioned in the table above. This explains why the estimated investment values differ from those mentioned earlier.

<sup>&</sup>lt;sup>3</sup> Part of the first framework agreement with Specht Gruppe.

<sup>&</sup>lt;sup>4</sup> Part of the second framework agreement with Specht Gruppe.

<sup>&</sup>lt;sup>5</sup> These projects are being developed within the joint venture with the Korian group. Aedifica and Korian will each finance 50% of the total budget. This table only considers the part of the budget that will be financed by Aedifica.

### Investment programme as of 30 June 2021 (4)



Projects and renovations (in € million) 1	Operator	Current budget	Invest. as of 30/06/2021	Future invest.
Projects in progress		509	144	365
Completion 2021		183	110	73
Completion 2022		252	31	221
Completion 2023		62	2	60
DE		50	1	49
Seniorenquartier Gummersbach <sup>2</sup>	Specht Gruppe	20	0	20
Seniorenzentrum Talblick	Azurit	1	0	1
Stadtlohn <sup>3</sup>	Specht Gruppe	15	1	14
Fredenbeck <sup>3</sup>	Specht Gruppe	13	0	13
NL		12	1	11
Natatorium	Stepping Stones	3	0	3
Residentie Sibelius	Ontzorgd Wonen Groep	9	1	8
Completion 2024		11	1	10
DE		11	1	11
Am Schäfersee	Vitanas	10	1	9
Am Marktplatz	Vitanas	2	0	2

<sup>&</sup>lt;sup>1</sup> Amounts in £ and SEK were converted into € based on the exchange rate of 30 June 2021 (1.16459 £/€ and 10.1110 SEK/€).

<sup>&</sup>lt;sup>2</sup> Part of the first framework agreement with Specht Gruppe.

<sup>&</sup>lt;sup>3</sup> Part of the second framework agreement with Specht Gruppe.

### Investment programme as of 30 June 2021 (5)



Projects and renovations (in € million) 1	Operator	Current budget	Invest. as of 30/06/2021	Future invest.
Projects in progress		509	144	365
Completion 2021		183	110	73
Completion 2022		252	31	221
Completion 2023		62	2	60
Completion 2024		11	1	10
Projects subject to outstanding conditions		247	0	247
Completion 2021		18	0	18
UK		15	0	15
Priesty Fields	Handsale	15	Ō	15
SE		3	0	3
Singö 10:2	Stockholms Stadsmission	3	0	3
Completion 2022		41	0	41
NL		8	0	8
Zwolle Koestraat <sup>2</sup>	Valuas	5	0	5
Het Gouden Hart Soest 3	Senior Living	3	0	3
UK		30	0	30
Chard MMCG	Maria Mallaband	15	0	15
Wellingborough Glenvale Park <sup>4</sup>	Halcyon Care Homes	15	0	15
SE		3	0	3
Bergshammar Ekeby 6:66	MoGård	3	0	3
Completion 2023		12	0	12
UK Guysfield	Opring Harran	<b>12</b> 12	0	<b>12</b> 12
Completion 2024	Caring Homes	147	0	147
BE		147	0	147
Renovation project Orpea Brussels	Orpea	18	0	18
DE	Oipea	130	0	130
Specht Gruppe pipeline 2 (2024) <sup>5</sup>	Specht Gruppe	130	0	130
Completion 2025		14	0	14
BE		14	0	14
Renovation project Orpea Brussels	Orpea	14	0	14

<sup>&</sup>lt;sup>1</sup> Amounts in £ and SEK were converted into € based on the exchange rate of 30 June 2021 (1.16459 £/€ and 10.1110 SEK/€).

<sup>&</sup>lt;sup>2</sup> Although still under construction, the sites already generate limited rental incomes, in particular for the plots of land that have already been acquired. Their values are therefore no longer mentioned in the table above. This explains why the estimated investment values differ from those mentioned earlier.

<sup>&</sup>lt;sup>3</sup> These projects are being developed within the joint venture with the Korian group. Aedifica and Korian will each finance 50% of the total budget. This table only considers the part of the budget that will be financed by Aedifica.

<sup>&</sup>lt;sup>4</sup> The plot of land of this project was acquired on 2 July 2021.

<sup>&</sup>lt;sup>5</sup> Part of the second framework agreement with Specht Gruppe.

### Investment programme as of 30 June 2021 (6)



Projects and renovations (in € million) ¹	Operator	Current budget	Invest. as of 30/06/2021	Future invest.
Projects in progress		509	144	365
Completion 2021		183	110	73
Completion 2022		252	31	221
Completion 2023		62	2	60
Completion 2024		11	1	10
Projects subject to outstanding conditions		247	0	247
Completion 2021		18	0	18
Completion 2022		41	0	41
Completion 2023		12	0	12
Completion 2024		147	0	147
Completion 2025		14	0	14
Completion 2026		11	0	11
BE SE		11	0	11
Renovation project Orpea Brussels	Orpea	11	0	11
Completion 2027		4	0	4
BE		4	0	4
Renovation project Orpea Brussels	Orpea	4	0	4
Acquisitions subject to outstanding conditions		97	0	97
Completion 2021		90	0	90
DE		43	0	43
Azurit portfolio Q3	Azurit	34	0	34
Azurit portfolio Q4	Azurit	9	0	9
SE		46	0	46
Portfolio of 14 specialist residential care centres	Multiple tenants	46	0	46
Completion 2022		7	0	7
DE Conjerent province de la conjerent province	0	7	0	7
Seniorenhaus Lessingstrasse	Seniorenhaus Lessingstrasse	7	0 2	7
Land reserve		2	2	0
Plot of land Bois de la Pierre	_	2	2	0
TOTAL INVESTMENT PROGRAMME		855	146	709
Changes in fair value		000	140	709
Roundings			11	
On balance sheet			158	

<sup>&</sup>lt;sup>1</sup> Amounts in £ and SEK were converted into € based on the exchange rate of 30 June 2021 (1.16459 £/€ and 10.1110 SEK/€).

# **Development projects**



Lohjan Asuntomessut (FI) Completed on: 30/06/2021





Nieuw Heerenhaage – Heerenveen (NL) Completed on: 30/06/2021

Hamburg-Rissen (impression) – Hamburg (DE) Completion in: Q3 2022





Martha Flora
Dordrecht –
Dordrecht (NL)
Construction start:
Q2 2020
Completion in:
Q4 2021

# **Financials**





Oulun Villa Sulka Oulu - Finland

# **Income Statement**

# **EPRA Earnings**



Consolidated income statement - analytical format (x €1,000)	30/06/2021 (6 months)	30/06/2020 (6 months – restated period)
Rental income	108,271	91,443
Rental-related charges	<u>-762</u>	-2,106
Net rental income	107,509	89,337
Operating charges*	<u>-18,112</u>	-16,985
Operating result before result on portfolio	89,397	72,352
EBIT margin* (%)	83%	81%
Financial result excl. changes in fair value*	-16,805	-13,691
Corporate tax	-5,250	-5,269
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of EPRA Earnings	230	378
Non-controlling interests in respect of EPRA Earnings	-135	-216
EPRA Earnings* (owners of the parent)	67,437	53,554
Denominator (IAS 33)	33,336,107	25,466,252
EPRA Earnings* (owners of the parent) per share (€/share)	2.02	2.10

# **Income Statement**

### **Net result**

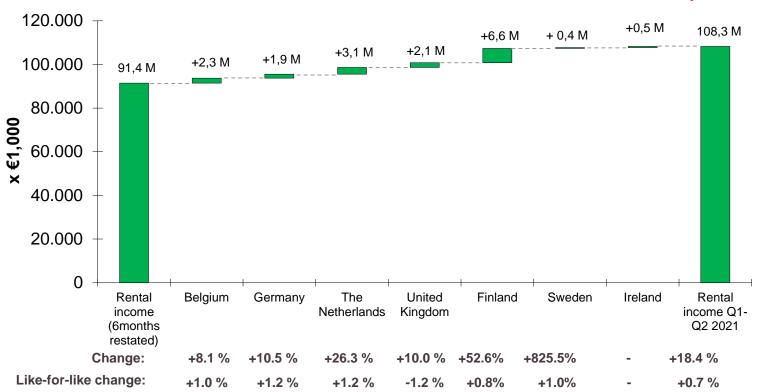


Consolidated income statement - analytical format (x €1,000)	30/06/2021 (6 months)	30/06/2020 (6 months – restated period)
EPRA Earnings*	67,437	53,554
Changes in fair value of financial assets and liabilities	6,010	-5,662
Changes in fair value of investment properties	53,981	-4,557
Gains and losses on disposals of investment properties	198	-107
Tax on profits or losses on disposals	-559	0
Negative goodwill / goodwill impairment	0	0
Deferred taxes in respect of EPRA adjustments	-16,347	-7,364
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of the above	2,524	-479
Non-controlling interests in respect of the above	-400	303
Roundings	<u>0</u>	0
Profit (owners of the parent)	112,844	35,688
Denominator (IAS 33)	33,336,107	25,466,252
Earnings per share (owners of the parent - IAS 33 - €/share)	3.39	1.40

### Rental income



### (As of 30 June 2021)



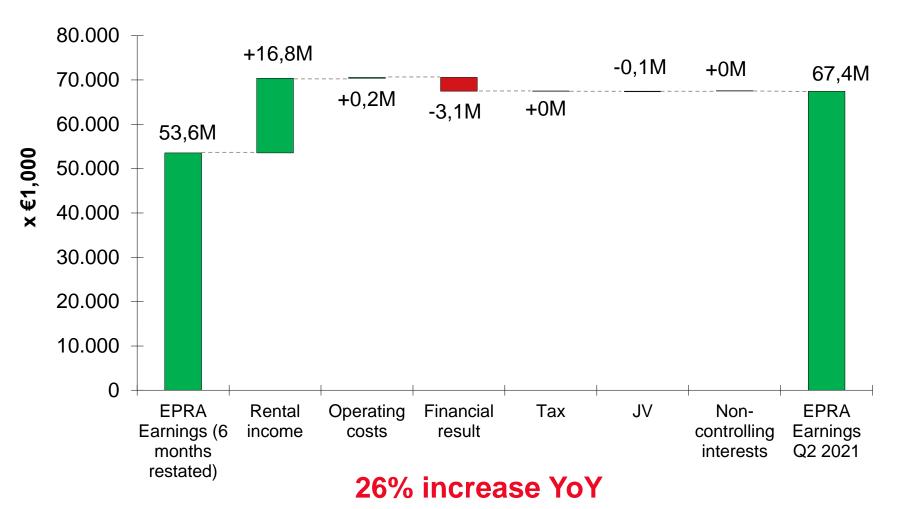
### 18.4% increase YoY

UK I-f-I variation is impacted by the transfer in 2020 of the buildings previously operated by Four Seasons, the future redevelopment of two properties and the future divestment of a third building. Excluding those effects, the I-f-I variation would amount to +0.4%. Finland is included in the consolidation scope of the Aedifica group since 10 January 2020 (Hoivatilat acquisition).

# **EPRA Earnings**



(As of 30 June 2021)

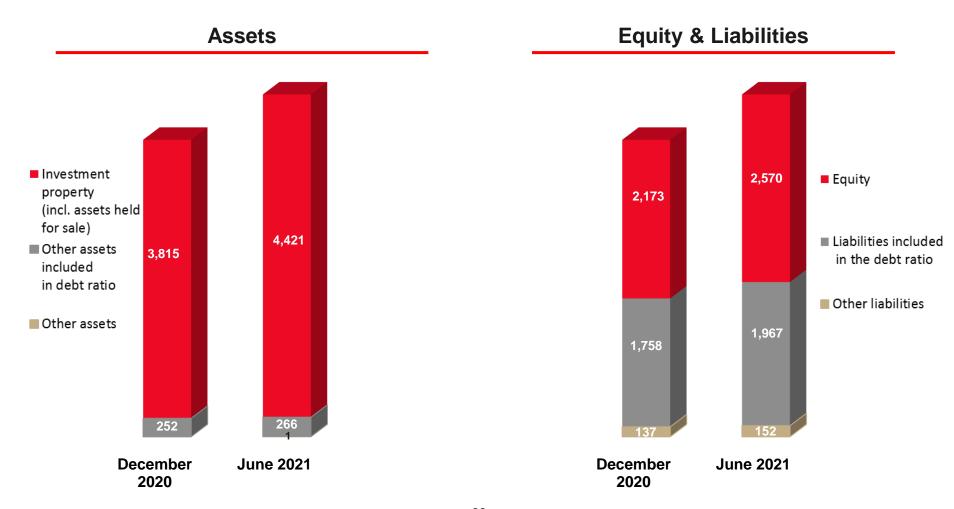


# Consolidated balance sheet (€ m)

### Balance sheet total: €4.7 billion

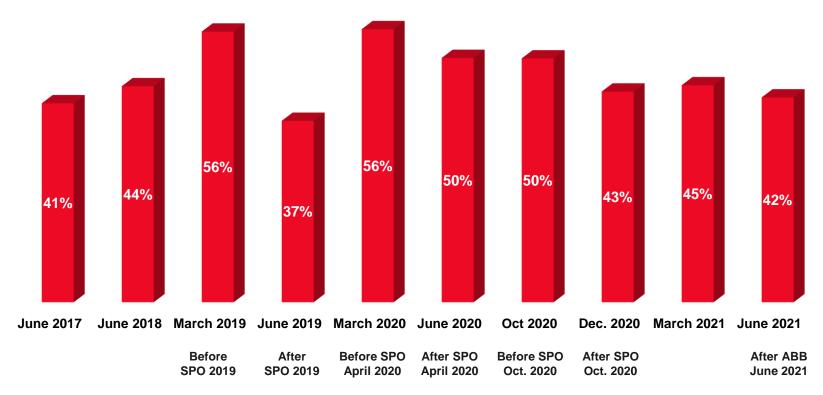


(As of 30 June 2021)



### **Debt-to-assets ratio**



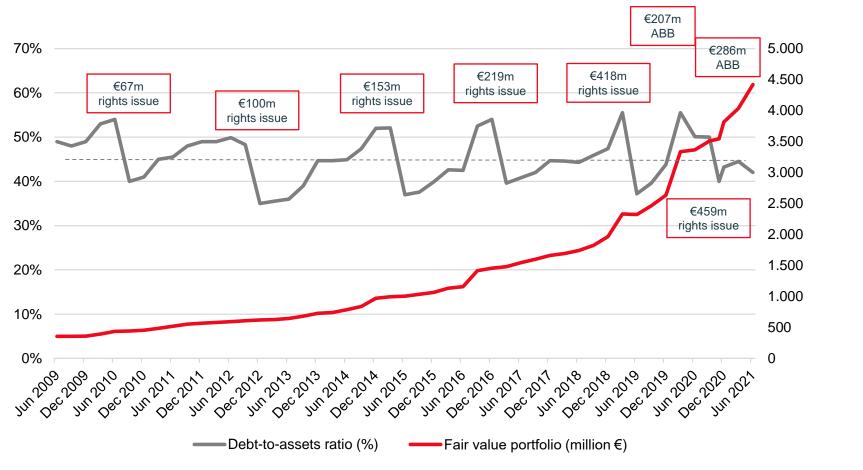


- > Investment capacity: approx. €2.1 billion\*
- > **Financial policy**: debt-to-assets ratio <50%

<sup>\*</sup> Taking into account a debt-to-assets ratio of max. 60 % (based on existing bank covenants).

### **Debt-to-assets ratio**





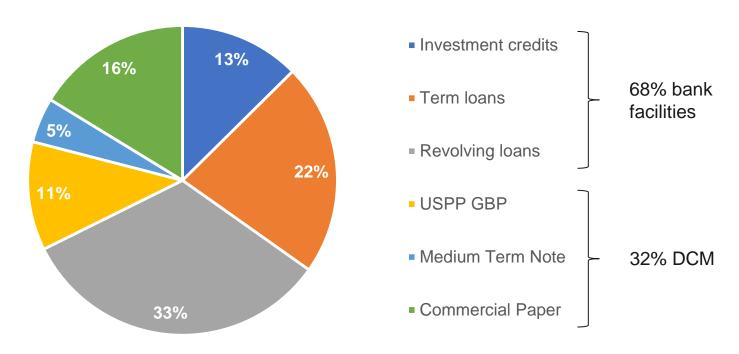
Over the past 10 years, Aedifica maintained an average debt-to-assets ratio of 45%.

### **Credit facilities**

### Total financial debt: €1,847 m



(As of 30 June 2021)



- > New long-term financing secured during H1 2021 for €745 million :
  - £180 m US PP on 7 years and 12 years
  - €10 m Medium Term Notes
  - €305 m bank loans and €65 m early refinancing contracted by Aedifica NV/SA
  - €155 m bank loans contracted by Hoivatilat Oyj

### **Credit facilities**

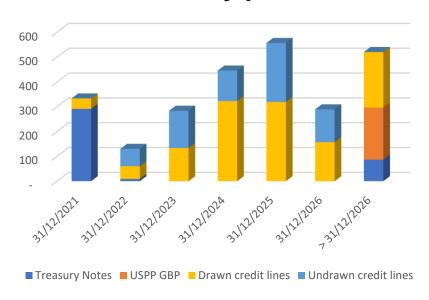
(as of 30 June 2021)



### > Liquidity

Financial debt (in € million) <sup>1</sup>	Lines	Utilisation	of which treasury notes
31/12/2021	333	333	292
31/12/2022	130	60	9
31/12/2023	384	134	-
31/12/2024	446	323	-
31/12/2025	557	319	-
31/12/2026	289	157	-
> 31/12/2026	520	520	87
Total as of 30 June 2021	2,660	1,847	388
Weighted Average Maturity (in years) <sup>2</sup>	4.1	4.6	

### Debt maturity profile



- > Weighted Average maturity (excl. CP): 4.6 years
- > Headroom liquidity after deduction of short-term CP: €512 million

<sup>&</sup>lt;sup>1</sup> Amounts in £ were converted into € based on the exchange rate of 30 June 2021 (1.16459 £/€).

<sup>&</sup>lt;sup>2</sup> Without regard to short-term treasury notes.

### **Net asset value**



Net asset value per share (in €)	30/06/2021	31/12/2020
Net asset value after deduction of the 2019/2020 dividend, excl. changes in fair value of hedging instruments*	72.28	65.75
Effect of the changes in fair value of hedging instruments	<u>-1.13</u>	<u>-1.58</u>
Net asset value after deduction of the 2019/2020 dividend	71.15	64.17

Premium on 9 August 2021: 71% vs NAV at FV excl. IAS 39 74% vs NAV at FV incl. IAS 39

# **Dividend Policy**



- DPS 2019/2020 (01/07/19 31/12/20): €4.60 / share (gross)
  - Financial year extended by 6 months until 31 Dec. 2020
  - Interim dividend for the first 12 months: €3.00 gross / share
    - Coupon No. 23 (€2.48; detached on 24 April 2020) + coupon No. 24 (€0.52; detached on 5 October 2020)
    - Payment made on 7 October 2020
    - Increase of 7% YoY
  - For the remaining 6 months: €1.60 gross / share
    - Coupon No. 26 (€1.03; detached on 15 October 2020) + coupon No. 27 (€0.57; detachment on 17 May 2021)
    - Payment made on 18 May 2021
- > Guidance DPS 2021: €3.30 / share (gross)
- Withholding tax:
  - General rule: 30 %
  - Reduced to 15 % for healthcare REITs

### **EPRA**



> Aedifica included in the **EPRA indices** 



#### > EPRA metrics:

#### Key performance indicators according to the EPRA principles

	30/06/2021	30/06/2020
	(6 months)	(6 months -
		restated period)
EPRA Earnings* (in €/share)	2,02	2,10
EPRA Cost Ratio (including direct vacancy costs)* (in	17%	21%
EPRA Cost Ratio (excluding direct vacancy costs)* (in	17%	21%

	30/06/2021 (6 months)	31/12/2020
EPRA NRV* (in €/share)	81,78	74,01
EPRA NTA* (in €/share)	70,12	62,92
EPRA NDV* (in €/share)	66,33	58,70
EPRA NAV* (in €/share)	75,91	69,22
EPRA NNNAV* (in €/share)	70,81	63,59
EPRA Net Initial Yield (NIY) (in %)	5,0%	5,2%
EPRA Topped-up NIY (in %)	5,2%	5,3%
EPRA Vacancy Rate (in %)	0%	0%

# Value potentially not reflected in the NAV



- > Belgian REIT → highly regulated framework
- > Pure play healthcare REIT in Europe
- > Assessment: long term cash flows at interesting yields
- Inflation-linked contracts
- Investment programme:
  - Committed
  - Pre-let
- Track record of successful investments
- Track record of successful financing (equity and debt)
- Dividend track record

## Shares & shareholders

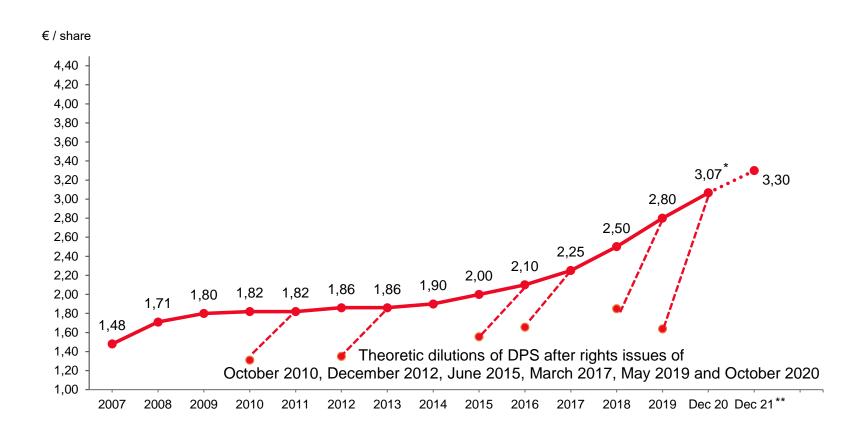




Service community Lahti Lahti - Finland

### Dividend track record





**2019/2020 dividend**: - For the first 12 months of the (extended) 2019/2020 financial year, an **interim dividend of €3.00 gross per share** was distributed over coupons No. 23 (€2.48) and No. 24 (€0.52).

- For the remaining 6 months of the 2019/2020 financial year, a **final dividend of €1.60 gross per share** will be distributed as from May 18, 2021.

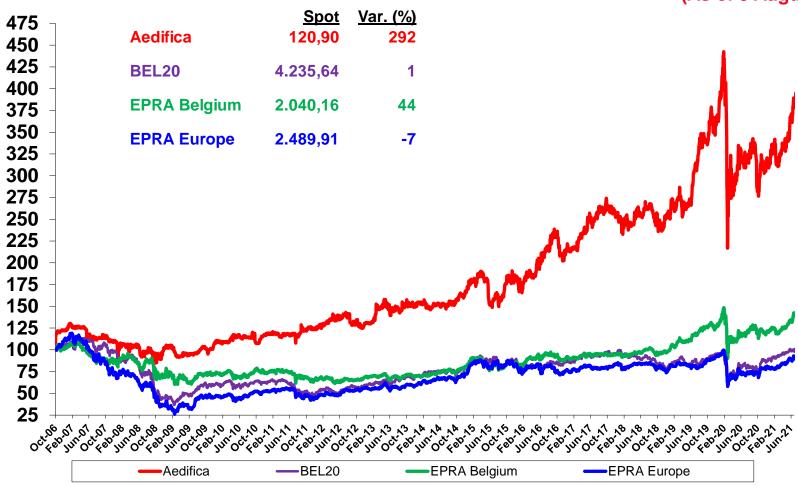
<sup>\*</sup> Prorata of the €4.60 dividend (18 months) over 12 months.

<sup>\*\*</sup> Budgeted DPS for financial year 2021.

### **Share price since IPO**



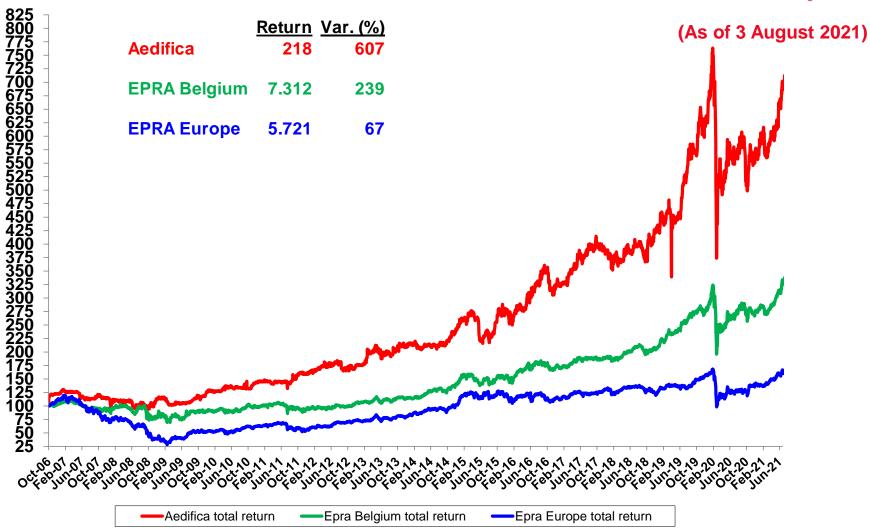
(As of 3 August 2021)



Aedifica: taking into account the value of the subscription rights of the rights issues of 2010 (-€1.89), 2012 (-€1.93), 2015 (-€0.89), 2017 (-€1.60), 2019 (-€1.73) and 2020 (-€2.14), the IPO price of €41 was adjusted to €30.82.

### **Total return since IPO**





Aedifica: taking into account the value of the subscription rights of the rights issues of 2010 (-€1.89), 2012 (-€1.93), 2015 (-€0.89), 2017 (-€1.60), 2019 (-€1.73) and 2020 (-€2.14), the IPO price of €41 was adjusted to €30.82.

### Shareholding<sup>1</sup>



(As of 30 June 2021)

Aedifica shareholders holding more than 5 % of the Company's capital<sup>2</sup>:

SHAREHOLDERS	Voting rights (in %)
BlackRock, Inc.	5.00
Others < 5%	95.00
Total	100.00

> Aedifica's free float amounts to 100%<sup>3</sup>.

<sup>&</sup>lt;sup>1</sup> A total of 36,071,064 shares are listed on Euronext Brussels and Euronext Amsterdam (11 August 2021).

<sup>&</sup>lt;sup>2</sup> This table represents the breakdown of voting rights according to the latest transparency notification the Group received (5 July 2019).

<sup>&</sup>lt;sup>3</sup> According to the definition of Euronext.

# **Awards**

# aedifica housing with care

### **EPRA**

#### **EPRA Reporting: Best Practices Recommendations (BPR)**

From 2015 to 2020, Aedifica's annual financial report was awarded 6 consecutive times the 'EPRA BPR Gold Award'



In 2020, Aedifica received the 'EPRA sBPR Gold Award' for its 2019 Sustainability Report



### **Euronext**

#### Inclusion in the BEL 20



- > Aedifica is listed on Euronext Brussels (2006) and Euronext Amsterdam (2019).
- In March 2020, Aedifica entered the BEL 20, the leading share index of Euronext Brussels.
- The BEL 20 index comprises Belgian companies listed on Euronext Brussels that record the largest free-float market capitalisation, of which the share is sufficiently liquid and at least 15% of the staff is employed in Belgium.



### **Corporate governance**



### > Transparency

- NV/SA
- Management in the box
- 100% free float
- No poison pills

#### > Board of Directors

- 11 Directors
  - 7 independent non-executive Directors
  - 4 executive Directors
  - Gender diversity ratio: 36 %
- Audit Committee
- Nomination & Remuneration Committee
- Investment Committee

#### > Executive Committee

- 5 members
- Gender diversity ratio: 20 %

### **Aedifica's Executive Committee**





Charles-Antoine van Aelst Chief Investment Officer **Stefaan Gielens** *Chief Executive Officer* 

**Sven Bogaerts**Chief Mergers & Acquisitions Officer

**Raoul Thomassen** *Chief Operating Officer* 

**Ingrid Daerden**Chief Financial Officer

### Aedifica's international team



> Local teams in 6 countries managing the portfolio and the group's growth:



**Stéphanie Lomme** *Team Belgium* 



Heinz Beekmann Team Germany



**Eric Scheijgrond** *Team Netherlands* 



UK Portfolio manager



4

Jussi Karjula Team Finland





Maria Frid Team Sweden

- International staff reaching approx. 100 people in Belgium, Germany, the Netherlands, Finland and Sweden
  - Diversity ratio: 40% women 60% men

# Outlook





Martha Flora Hilversum Hilversum – The Netherlands

### **Covid-19 impact**



- Residential care portfolio (elderly & specialist care approx. 88% of portfolio)
  - Occupancy drop (5-10%) due to temporary 'excess mortality' and admission stops during 2020's spring lockdown in elderly care
    - Nevertheless, important differences between countries, regions, operators, etc.
    - Most impact in Belgium and the UK
  - > 2<sup>nd</sup> & 3<sup>rd</sup> wave: care homes are better equipped and have better controls to avoid a repeat of last year's surge in fatalities (testing, protective equipment and visitor restrictions
  - Governments granting financial support packages to (partly) cope with cost increase, occupancy and staffing issues

### **Covid-19 impact**



- > Rollout vaccination programmes since December 2020
  - Priority given to residents and staff of elderly care homes and to 65+ population in general and vaccination completed in most European countries
- First signs of a changed trend in second quarter 2021 with occupancy rates that seem to improve again
- Currently no material negative impact on rent collection: care sector showing resilience
- Sound market fundamentals (ageing population, consolidation & public funding), in some cases accelerated by the pandemic, underpinning a dynamic investment market

### **Outlook FY 2021**



- > Budgeted rental income: €227 million (+3% compared to initial guidance)
- > Budgeted EPRA Earnings: €144 million (+5% compared to initial guidance)
- Foreign exchange assumption £1 = €1.10 for the remaining 6 months of 2021
- Expected debt-to-assets ratio (end 2021): approx. 45% (50% in the initial guidance)
- > Budgeted EPRA EPS: €4.16/share, taking into account dilution after ABB June 2021
- > Budgeted DPS: €3.30/share (gross)

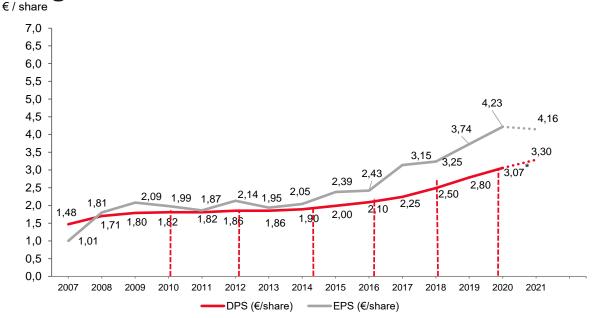
### **Outlook beyond FY 2021**



#### Objective for future growth: EPS growth through

- Enhancing long-term cash flows in healthcare real estate
- Exploring new healthcare real estate segments
- Exploring new countries
- Well-defined development activity

#### Continuing the track record



<sup>\*</sup>Prorata of the €4.60 dividend (18 months) over 12 months.

## Conclusion





Abbots Wood Manor Hailsham – United Kingdom

### **Investment highlights**



#### Attractiveness for shareholders:

- > Pure-play healthcare REIT in Europe
- Strong underlying demographic trends
- Long-term growth potential
- > Fair value history of portfolio showing resilience
- > Weighted average lease term: 20 years
- Solid investment, equity and debt-financing track record
- Strong dividend track record



**Stefaan Gielens – Chief Executive Officer** 

**Ingrid Daerden** – Chief Financial Officer

### Aedifica NV/SA



Public REIT under Belgian Law
Regulated Real Estate Company (RREC)
Société immobilière réglementée (SIR)
Gereglementeerde vastgoedvennootschap (GVV)

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### Forward looking statement



This Presentation includes forward-looking statements that reflect the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results, condition, performance, prospects, growth, strategies and the industry in which the Company operates. These forward-looking statements are subject to risks, uncertainties and assumptions and other factors that could cause the Company's actual results, condition, performance, prospects, growth or opportunities, as well as those of the markets it serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. The Company cautions you that forward-looking statements are not guarantees of future performance and that its actual results and condition and the development of the industry in which the Company operates may differ materially from those made in or suggested by the forward-looking statements contained in this document. In addition, even if the Company's results, condition, and growth and the development of the industry in which the Company operates are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in future periods. The Company and each of its directors, officers and employees expressly disclaim any obligation or undertaking to review, update or release any update of or revisions to any forward-looking statements in this Presentation or any change in the Company's expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable law or regulation.

# **Appendix**





Hof van Schoten Schoten - Belgium

## Portfolio growth

#### Investment programme as of 30 June 2021 (1)



Country	Development projects (in € million)	Rent (in € million)
BE	61	2
DE	450	22
NL	67	4
UK	93	<u>5</u> 8
Fl	122	
SE	61	3
IE	0	0
Total	855	44

Fiscal year	Development projects (in € million)	Rent (in € million)
2021	292	16
2022	300	16
2023	75	4
2024	159	7
>2024	29	0
Total	855	44

Rent	Development projects¹ (in € million)	Rent (in € million)	Yield <sup>2</sup>
Triple net	219	11	4.9%
Double net	634	33	5.2%
Land reserve	2	-	
Total	855	44	

<sup>&</sup>lt;sup>1</sup> Amounts excluding contractual value of plots of land

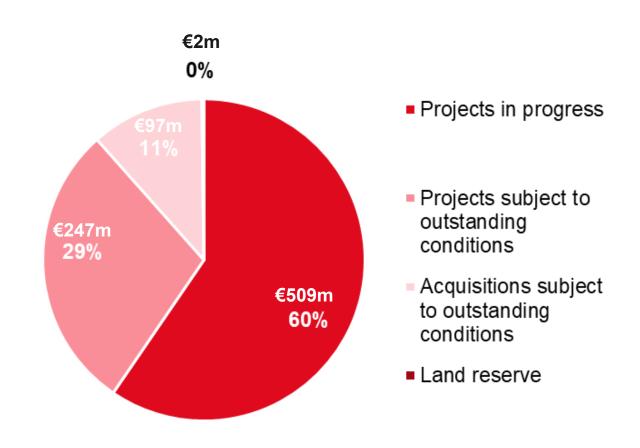
<sup>&</sup>lt;sup>2</sup> Yields calculated based on incremental rents versus total commitment excluding land investment and buildings in operation

### Portfolio growth

Investment programme as of 30 June 2021 (2)



Investment programme: €855 million



### **Aedifica**

### **Competitive markets**



The World Economic Forum ranks all of the countries into which Aedifica expanded in its top 11 of Most Competitive Global Economies



Rank	Economy	Score
4	Netherlands	82.4
7	Germany	81.8
8	Sw eden	81.2
9	United Kingdom	81.2
11	Finland	80.2
22	Belgium	76.4

### **Belgian REIT**



- 'sicafi / vastgoedbevak' until 17 October 2014
- > RREC (SIR / GVV) since 17 October 2014
- Investment property: maximum 20 % in one (group of) asset(s)
- > Appraisal:
  - At fair value on a quarterly basis by a valuation expert
  - No depreciation of properties
- Dividend: at least 80 % of cash flow of parent company
- Debt-to-assets ratio: limited to 65 % (bank convenant: 60 %)
- > Tax status:
  - Exit tax
  - Limited corporate tax in Belgium for parent company
- > Withholding tax for healthcare REITs: reduced to 15% as of 1 January 2017

### Villa Casimir: an A-rated redevelopment



- > Roermond (NL)
- > Completed in October 2020
- Former villa and 'Rijksmonument' (national heritage site)
- Redeveloped into a care residence for 18 elderly residents requiring continuous care
- $\rightarrow$  EPC  $G \rightarrow A$



### Villa Casimir: an A-rated redevelopment



- Restoration of the villa's unique characteristic elements:
  - high windows
  - wooden beams
  - French doors
  - stained-glass windows
- Improved insulation of the roof, walls & basement floor
- > Barrier-free environment
- High-performance cooling system



### Villa Casimir: an A-rated redevelopment



- > Low-temperature heating
- Individual ventilation type C+
- All-electric approach: opportunity to use green energy & accommodate new technological developments
- Futureproof building, fit for the current generation and the next



#### **Martha Flora Rotterdam**



The Martha Flora Rotterdam care residence in Rotterdam (NL) combines a **sustainable** building design with **innovative** technologies, while focusing on the **wellbeing** of the residents and their families.





# aedifica housing with care

#### **Martha Flora Rotterdam**

- Specifically designed to offer safe & secure small-scale housing & care to persons with dementia
- Focus on wellbeing & comfort
- Meander: central space
  - Library
  - Living room
  - Kitchen
  - Workshop
  - Garden/roof terrace
- > 29 care units



#### **Martha Flora Rotterdam**



- > 100% green energy provided by 296 solar panels
  - providing sufficient energy for the termal and hot water installation
- Heat and cold storage installation
  - using 2 heat pumps and 125m deep sources to extract soil energy for heating and cooling
- Overhangs prevent direct sunlight & excessive heating in summer
- Balanced ventilation with heat recovery
- Re-used construction materials
- > Triple HR+++ glass
- No use of natural gas
- Composition takes into account the sun orientation



### **Notes**

