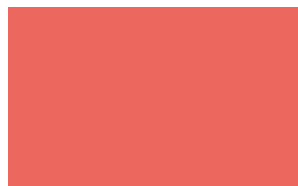


Building futureproof healthcare real estate



ANNUAL FINANCIAL
REPORT 2021




aedifica
housing with care

Housing with care

Our tagline says it all. Aedifica is a Belgian listed company that is specialised in offering innovative and sustainable real estate concepts to our care operators and their residents across Europe, focusing in particular on housing for elderly people with care needs.

Social sustainability is a fundamental driving force for us: we want to create added value for society at large by developing innovative real estate concepts that are tailored to the needs of residents and that improve their quality of life. We don't just invest in properties, we invest in society.

We aim to offer our shareholders a reliable real estate investment with an attractive return based on the successful strategy we developed throughout the past 16 years: combining a high-quality diverse portfolio that generates recurring and indexed rental income with industry leading long-term partners and an experienced team.

Aedifica is listed on Euronext Brussels (2006) and Euronext Amsterdam (2019). Since 2020, Aedifica has been part of the BEL 20, the leading share index of Euronext Brussels.



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BUILDING FUTUREPROOF
HEALTHCARE REAL ESTATE



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CORPORATE GOVERNANCE
STATEMENT



Building futureproof healthcare real estate

RAISING THE BAR

Aedifica builds futureproof healthcare real estate. We proved that once again in 2021 with a number of major concrete examples. We develop and invest in innovative residential and care concepts, paying careful attention to the sustainability of these buildings. Our starting point here is that care users and those around them have to be able to enjoy a positive experience tailored to their care needs.

Society's expectations about how care is organised are changing. The bar is being raised, and rightly so. As a reference player in European healthcare real estate, our mission is therefore to translate the new views about living conditions and care into buildings. So together with those who run these buildings, Aedifica offers care users innovative real-estate concepts that modernise care, especially elderly care, from various points of view.

The well-being of the care user is the first and most important priority. In care homes, we counter loneliness by creating a pleasant living environment that connects people with other residents, with family, friends or neighbours. We put forward innovative solutions allowing couples with differing care needs to stay together. In addition, care facilities are increasingly geared to care on a small scale, offering residents a safe and secure environment. We also enhance the dignity of senior citizens by designing living areas that give them autonomy and enable them to look after themselves for as long as possible.

For Aedifica, care facilities are not an island. Several complementary care functions are increasingly being combined on a single campus. In this way, we create care nodes that are at the service not only of the residents, but also of the local community.

The healthcare real estate of the future should not only provide an attractive care concept tailored to the needs of the user. It also has to be sustainable. Our strategy therefore aims to achieve (net) zero carbon emissions by 2050. To this end, in 2021 we devised a sustainable development framework to be applied to new development projects. In this context, we not only approach sustainability from an ecological perspective. We also focus on the well-being and comfort of the residents.



STEFAN GIELENS
CEO



Finland



Service communities in Finland

OLD AND YOUNG HAND IN HAND

The 'service community' concept, as developed in Finland by Aedifica subsidiary Hoivatilat, offers the ideal environment in which to combine various types of care and services on a single campus for those who use the building and for local residents. In this way, old and young go – almost literally – hand in hand.

The basic idea behind service communities is that the combination of several types of care can make a positive contribution to the well-being of the care user. Bringing a care home for senior citizens and a children's day care centre under one roof stimulates interaction that is valuable for both age groups.

'Our service communities are designed to enrich the lives of senior citizens and children by bringing them into contact with one another and enabling them to share experiences', says Juho Malmi, marketing manager of Hoivatilat. 'This way, we not only counter loneliness among senior citizens, but we also teach children how to interact with elderly people.'

Both age groups have their own building and these are connected by a common inner courtyard. There, the residents can sit on a bench and watch the children having fun in the playground. Common activities are also arranged.

'The children come and visit the elderly folk regularly, so that they can sing and play around a specific topic together', Juho Malmi says. 'The day care centre at our service community in Lahti, for example, focuses on music and organises weekly performances for the older residents. They always look forward to the children's visits and find it fun to watch them play. It keeps them alert, even if they don't have the energy to take part themselves.'

Near our campus in Tuusula there is a family where both the child and the grandparents are looked after in the same service community. For them, it's an ideal solution: the grandparents get the care they need, but they still remain in contact with their grandchild. Plus, it's great for the parents because when they fetch their child in the evening, they can see their own parents at the same time.

**JUHO MALMI – MARKETING
MANAGER HOIVATILAT**



LOHJA SAHAPIHA • LOHJA, FI • SERVICE COMMUNITY COMPLETED IN JUNE 2021

INVOLVED NEIGHBOURHOOD

As well as a combination of care for the elderly and child care, service communities offer other types of care and services. Depending on the needs of the local residents, the campus can also include a restaurant, a store or even a dog day care facility. So the local residents are involved and the buildings create a functional meeting place for the community.

'By combining care and other services, we respond to the changing expectations of our society', Juho Malmi explains. 'Families can easily visit grandparents in the care home when they are fetching the children and then run errands or take a meal home. In this way, we improve well-being and quality of life in the neighbourhood: the elderly are less lonely, children are exposed to various stimuli and parents can arrange their time more efficiently.'



LAHDEN VALLESMANNINKATU -
LAHTI, FI



TUUSULA ISOKARHUNKIERTO -
TUUSULA, FI



INNOVATION IN FINLAND

In the Finnish 'service community' concept, spontaneous and organised meetings between young and old improve the well-being of the care user.

- Elderly people feel less lonely
- Children learn to interact with elderly people
- Improvement of the quality of life in the neighbourhood

Hoivatilat's service communities are the perfect example of what the future of healthcare real estate in Finland will look like. Our state-of-the-art care campuses combine elderly care and child day care and are perfectly integrated into their environment, so they form a care node for the local community.

**JUHO MALMI – MARKETING MANAGER
HOIVATILAT**

Klein Veldekens in Geel

Belgium



CUSTOMISED INCLUSIVE CARE

Care and well-being are approached differently in Klein Veldekens than in traditional care homes. Residents with differing care profiles find a new home on Aedifica's innovative care campus in Geel. It has 132 spacious apartments that give them every opportunity to retain their autonomy and their dignity. In addition, the campus acts as a care node for the neighbourhood.



Creating well-being for residents is central to the Klein Veldekens philosophy. The spacious apartments on the campus play an important role here.

'The spatial quality of housing strengthens the identity and autonomy of the residents and that is crucial for their well-being', says Michiel Verhaegen, director at the non-profit organisation Astor, which developed and runs the campus. 'Grandchildren, family and friends come by more often and stay longer because they can spend time in a spacious and pleasant environment with our residents. By strengthening these social links, we counter loneliness and create well-being for our residents.'

As well-being is closely connected to dignity, Klein Veldekens helps the residents to live as freely and independently as they can. Self-care is encouraged as much as possible. 'Unlike in conventional care homes,

Living apart was hard. If your wife has to go into a care home, you wonder whether she is being properly looked after there. The big advantage here is that we can stay together with the cosiness of our own home, while my wife gets the care she needs.

WALTER STOELMANS,
KLEIN VELDEKENS RESIDENT



INNOVATION IN BELGIUM

The positive experience of the residents at Klein Veldekens begins with the dignity of being able to look after themselves for as long as possible.

- The independence maintains residents' well-being
- The spacious apartments strengthen the feeling of being 'at home'
- Residents never have to move again because care needs change
- Residents with differing care profiles live together on the campus
- This campus also serves as a care node for the neighbourhood

each apartment has its own kitchen. So residents can not only cook for themselves, but they can also have meals with family without having to go to a communal area. In this way, the apartments increase the privacy of the residents' own families.'

Never move again

Well-being is also enhanced by the flexibility of the care on offer. The great advantage of this is that residents no longer have to move when their care needs increase.

'People can move in even though they don't yet need any care. The apartment remains theirs, regardless of how their care needs change', Verhaegen explains. 'In a conventional context, elderly people have to move from their senior's apartment to a care home when they need more care, because the care funding is granted per room. With us, that is not the case. As a pilot project supported by the Flemish government, Klein Veldekens can grant care funding flexibly, depending on the care needs of the residents, regardless of the type of home they are in. So residents no longer need to move when their care needs increase.'

'This new system also offers a solution for couples', Verhaegen goes on. 'Here, couples with differing care needs do not have to be separated when one partner needs more care than the other. Even if both partners need a lot of care, they can carry on living together as a couple.'

And there's more. Klein Veldekens was designed as an inclusive social project. On the campus, not only do the elderly find a new home, but younger people with care needs owing, for example, to a brain injury or a congenital impairment live here, too. The care campus also endeavours to involve and activate the neighbourhood as much as possible. The restaurant is accessible to everyone and can also be used as a co-working facility. In addition, the campus offers complementary care functions for local people, such as child day care and a doctor's surgery.



KLEIN VELDEKENS • GEEL, BE

Seniorenquartier Weyhe

Germany



MORE SECURITY THANKS TO THE SMALL SCALE OF CARE HUBS

Small-scale elderly care facilities improve the residents' quality of life by offering them more security and social contact in a small community. By dividing care homes into care hubs, small-scale care for the elderly is possible within a larger structure, as well.

The care hub concept is based on the principle that care and living on a small scale offer residents more security. Here, the larger structure of a care home is divided into small communities (hubs) in terms of both buildings and the operational aspects. These hubs function independently of one another. They comprise a maximum of 12 apartments that are connected to one another by communal areas such as a living room, a dining area and a garden with a terrace.

In the communal areas of the care hub, residents share their lives with one another and take part in activities together. Having other people closer by encourages more social contact, with the result that residents feel less lonely. Because they always see the same familiar faces in their small community, they have a greater feeling of security and safety, in contrast to larger communities.

Elderly people receive round-the-clock care from staff permanently assigned to their hub. This not only increases confidence among the residents, but also makes the care home concept 'pandemic-proof' because staff only look after a limited number of elderly people. As the care hub concept focuses on familiarity and security, it is also particularly suitable when it comes to caring for those with dementia. Aedifica's care campus in Weyhe, Germany, provides a differentiated care programme and combines conventional and more luxurious rooms with a care hub for people with dementia.

'Care hubs are a perfect example of how modern architecture can underpin the care of people with dementia', says Volker Feldkamp of EMVIA Living, which runs the Weyhe care facility. 'By creating more nearness and security, the concept makes a substantial contribution to residents' well-being and we are able to provide the best possible care.'

By creating more nearness and security, the concept makes a substantial contribution to residents' well-being and we are able to provide the best possible care.

**VOLKER FELDKAMP -
EMVIA LIVING**



SENIORENQUARTIER WEYHE • WEYHE, DE



INNOVATION IN GERMANY

The small scale of a 'care hub' offers residents a positive experience and enhances their well-being as they feel safer and more secure.

- Having familiar faces nearby counters loneliness
- Care always provided by the same staff increases trust
- The care of residents with dementia also takes on a new dimension here

De Meander

CREATING WELL-BEING FOR PEOPLE WITH DEMENTIA

In the Netherlands, the care hub concept has been developed further and geared specifically to the needs of people with dementia. The small-scale care facilities run by Martha Flora have a 'Meander' that consists of various colourful living areas and connects residents' apartments with one another. The spacious, pleasant living environment makes a substantial contribution to the well-being of residents and care staff alike.



Netherlands

The Meander forms the basis of this innovative care concept for people with dementia. This communal living area includes a kitchen, a living room, a library, a workshop and a garden where residents can eat together, meet one another, take part in activities or welcome family. A care facility usually has two Meanders and each Meander connects 12 to 14 apartments.

'Each area has its own atmosphere and stimuli', says Cornélie Scholten, business manager at Martha Flora. 'So residents can always find a spot where they feel comfortable. In the Meander, our residents can meet one another when they feel the need and have opportunities to take part in various activities.'

The Meander concept was designed specifically for people with dementia on the basis of scientific research and practical experience of dementia care.

'The use of colour, the light, the materials and the architecture in the Meander are geared to giving people with dementia a feeling of safety and security', Scholten goes on. 'Covering an average of 250 m², a Meander provides a lot of additional living space, which considerably lowers the stress level of our residents and noticeably improves their quality of life.'

In addition, the Meander stimulates the well-being not only of the residents, but of the care staff as well. 'Yes, our staff are stimulated by the Meander, too. They feel proud and motivated and get satisfaction out of working in such a lovely environment. Thanks to the space and the peace and quiet of the Meander, they can give their full attention to the residents.'



INNOVATION IN NETHERLANDS

The 'Meander' builds on the care hub concept, but goes a step further. It creates a positive experience for residents because the colourful and spacious living areas offer them peace and quiet, but at the same time additional stimuli.

- The concept has been specifically designed for dementia care
- It reduces stress as the living environment has a protective effect

MARTHA FLORA
HILVERSUM •
HILVERSUM, NL

Our staff are stimulated
by the Meander, too.
They feel proud and
motivated and get
satisfaction out of working
in such a lovely
environment.

**CORNÉLIE SCHOLTEN –
MARTHA FLORA**



Sustainable construction and maintenance

As well as developing innovative healthcare real estate concepts, Aedifica invests in sustainable real estate construction and maintenance. Each day, Aedifica strives to make its portfolio more sustainable and in 2021, the group has proven its role as a pioneer in this field once again.

In order to reach (net) zero carbon emissions for the entire real estate portfolio by 2050, Aedifica has drawn up an assessment framework for each country in which the group operates that takes account of local regulations. This framework lays down the technical requirements for the construction of new, sustainable care homes in terms of the environment, energy conservation, resident health and quality of use. The group adopts a broad approach to sustainable development, not only from an ecological perspective but also by taking into consideration residents' well-being and comfort.

However, Aedifica already goes further than this theoretical framework. Examples from the Netherlands and Germany prove this.

TOWARDS CARBON NEUTRALITY IN THE NETHERLANDS

The development projects in the Netherlands are usually already in line with Aedifica's sustainable development framework, as compliance with the Dutch national standards of the Gemeentelijke Praktijkrichtlijn (GPR - municipal code of practice) is encouraged or even integrated into the planning permission process. This standard is fully in line with the Dutch version of Aedifica's sustainable development framework.

The group's Dutch portfolio already includes five completed buildings and seven projects underway that comply with the assessment framework and the GPR standard. The completed buildings achieve an average GPR score of 8.1 (comparable to a 'BREEAM Excellent' certificate). When these care facilities were assessed during 2021, various improvements were made to the buildings in consultation with the stakeholders (contractors, developers and operators). Among other things, measures were taken to increase the proportion of renewable energy, further reduce water consumption and improve the ventilation flow rate.



FOCUS AREAS OF AEDIFICA'S SUSTAINABLE DEVELOPMENT ASSESSMENT FRAMEWORK

Energy conservation

E.g., measures to reduce energy consumption and increase the proportion of renewable energy

Environment

E.g., measures to reduce water consumption and promote biodiversity

Health

E.g., guaranteeing good air quality and circulation

Quality of life

E.g., optimising the accessibility of the building



VILLA NUOVA • VORDEN, NL



MARTHA FLORA ROTTERDAM • ROTTERDAM, NL

12CARE FACILITIES WITH GPR-
CERTIFICATE IN THE NETHERLANDS**8.1**AVERAGE SCORE OF DUTCH
GPR-COMPLIANT BUILDINGS

FIRST CARBON-NEUTRAL BUILDING IN GERMANY

With low energy demand of <75 kWh/m², Die Rose im Kalletal, in the German state of North Rhine-Westphalia was a relatively energy-efficient care facility as soon as it opened. As the building was recently connected to a local biomass power plant, the whole care home is now supplied entirely with renewable energy. The building is therefore Aedifica's first facility in Germany to achieve net carbon neutrality. The care facility largely fulfills the requirements of Aedifica's sustainable development framework in Germany. Moreover, in consultation with the operator, Aedifica has decided to invest in the installation of solar panels on the roof.

Die Rose im Kalletal

- Low-energy building connected to a local biomass power plant
- Aedifica's first building in Germany with 100% renewable energy
- In addition, Aedifica is now investing in solar panels

DIE ROSE IM KALLETAL •
KALLETAL, DE

Letter to the stakeholders

Dear stakeholder,

In 2021, Aedifica has shown that it continues to live up to its ambitions as a leading European healthcare real estate investor. The international expansion continued unabated with numerous completions and acquisitions across the eight European countries in which the Group operates. The market's confidence in Aedifica's growth strategy was not only reflected in three capital increases that raised over €330 million, but also in the successful issuance of an inaugural €500 million Sustainability Bond supported by an investment-grade S&P credit rating, strengthening the Group to continue its growth momentum and sustainability efforts.

EUROPEAN EXPANSION

In 2021, Aedifica reaffirmed its international ambitions by implementing its first investments in Ireland and Spain. Throughout the year, the Group carried out investments and announced new projects of approx. €943.5 million in 100 care properties. Furthermore, a total of 41 projects from the investment programme amounting to approx. €289 million were completed.

All the investments carried out in 2021 have increased Aedifica's real estate portfolio to 587 sites with a capacity of more than 32,700 residents and over 11,000 children. The fair value of the real estate portfolio* increased by approx. €1,082 million (+28%) to €4,896 million (compared to €3,815 million at the beginning of the financial year). In addition, as of 31 December 2021, the Group has a total investment programme in pre-let development projects and acquisitions in progress of approx. €767 million. Considering this investment programme, Aedifica's total portfolio is expected to reach the €5.5 billion mark by the end of 2024.

SOUND RESULTS

Aedifica focuses not only on investments and growth but also on managing its existing real estate assets. The result of this effort in 2021 is reflected in an excellent rental income of €232.1 million (€187.5 million a year earlier, an increase of approx. 24%). The EPRA Earnings* are above budget and amount to €151.5 million, i.e. €4.35 per share. Aedifica's total profit amounts to €282 million. Aedifica demonstrated its ability to grow the company while maintaining a strong focus on financial performance through an increase in earnings per share and a sound debt-to-assets ratio. Based on these results, Aedifica's Board of Directors will propose to the Annual General Meeting on 10 May 2022 a gross dividend of €3.40 per share (subject to a reduced withholding tax of 15%).

Aedifica owes these excellent results for the past financial year to the enthusiasm, competence and commitment of all its employees. The Board of Directors would therefore sincerely like to congratulate and thank the Aedifica team for its contribution to the Group's development.

SUSTAINABLE GROWTH

Aedifica is paying more attention than ever to sustainability and puts its objectives into practice by investing in the (re) development and renovation of care properties (e.g. nearly zero-energy buildings in Ireland and the Netherlands, etc.). The Group's ambitious sustainability strategy is paying off, as evidenced by the scores of different ESG assessments. The GRESB score, the Green Star Rating and the MSCI rating all increased significantly, while the Sustainability Risk

FOR 2022,
THE BOARD ANTICIPATES A

9%

INCREASE IN THE GROSS
DIVIDEND TO

€3.70

PER SHARE.

SERGE WIBAUT,
CHAIRMAN OF THE BOARD OF DIRECTORS

In 2021, Aedifica once again proved that it can deliver on its growth ambitions even in a volatile macroeconomic environment.

STEFAN GIELENS, CEO



STEFAN GIELENS • SERGE WIBAUT

Rating continued to decrease and the Group's Sustainability Report was awarded an EPRA sBPR Gold Award for the second year in a row. In addition, Aedifica issued its first Sustainability Bond for a total size of €500 million, bringing the Group's sustainable financing to 28%.

FUTURE GROWTH

In 2021, Aedifica once again proved that it can deliver on its growth ambitions even in a volatile macroeconomic environment. The Group intends to continue along this path in 2022 as well. In the new year, Aedifica already demonstrated its ambitions in terms of international growth with the completion of a series of projects in the Netherlands, Germany and Finland. In addition, various new investment opportunities are being analysed. Even without taking into account new investments, the Group's future growth is assured by its extensive investment programme.


Through the combination of new investments and existing agreements on the development, acquisition, renovation, expansion and redevelopment of numerous sites, Aedifica can build up a portfolio of high-quality buildings that offer attractive net returns and further strengthen its position as a European market reference in listed healthcare real estate.

For the 2022 financial year, EPRA Earnings* are expected to amount to €4.77 per share. The Board of Directors anticipates a 9% increase in the gross dividend to €3.70 per share.

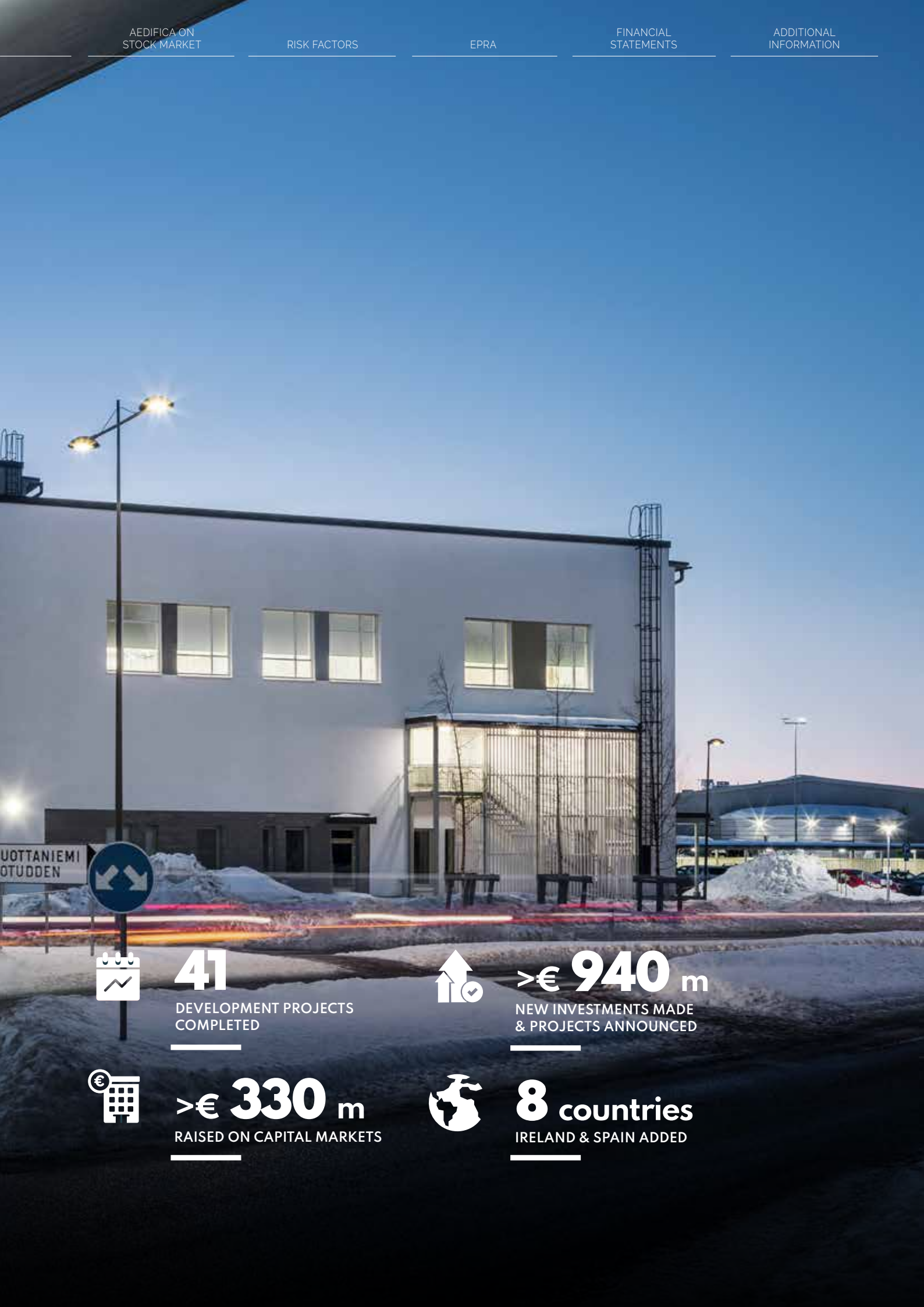
Serge Wibaut
Chairman of the
Board of Directors

Stefan Gielens
Chief Executive Officer

Aedifica in 2021



For more than fifteen years, Aedifica has been building the healthcare real estate of the future. Thanks to our successful strategy, our real estate portfolio has grown by an average of 24% annually to €4.9 billion. In 2021, we have again fulfilled our ambitions as international reference player by implementing a sizeable amount of new investments, completing over 40 development projects and adding Ireland and Spain as new countries to the portfolio. The fact that investors like Aedifica's recipe was reflected in the strong demand for the Group's inaugural Sustainability Bond supported by S&P's investment-grade credit rating and several successful capital increases.



UOTTANIEMI
OTUDDEN



41

DEVELOPMENT PROJECTS
COMPLETED



>€ 940 m

NEW INVESTMENTS MADE
& PROJECTS ANNOUNCED



>€ 330 m

RAISED ON CAPITAL MARKETS



8 countries

IRELAND & SPAIN ADDED

2021

IRELAND

9 sites
>780 residents
43,000 m²
 €92 m fair value
 €89 m in pipeline
 24 years WAULT¹
 5.3% rental yield²

UNITED KINGDOM

102 sites
>6,700 residents
297,400 m²
 €822 m fair value
 €66 m in pipeline
 22 years WAULT¹
 6.4% rental yield²

SWEDEN

22 sites
 120 residents &
 600 children
16,000 m²
 €78 m fair value
 €8 m in pipeline
 13 years WAULT¹
 5.0% rental yield²

FINLAND

198 sites
3,000 residents &
10,600 children
229,700 m²
 €860 m fair value
 €100 m in pipeline
 12 years WAULT¹
 5.4% rental yield²

NEW 2021

NEW 2021

SPAIN

1 plot of land
 €3 m in pipeline

BELGIUM

83 sites
8,600 residents
507,500 m²
 €1,213 m fair value
 €74 m in pipeline
 22 years WAULT¹
 5.3% rental yield²

NETHERLANDS

72 sites
>3,200 residents
348,200 m²
 €564 fair value
 €75 m in pipeline
 18 years WAULT¹
 5.5% rental yield²

GERMANY

101 sites
>10,300 residents
588,700 m²
 €1,058 m fair value
 €352 m in pipeline
 23 years WAULT¹
 5.2% rental yield²

1. Weighted average unexpired lease term.

2. Based on the fair value (re-assessed every three months). For healthcare real estate, the gross yield and the net yield are generally equal ('triple net' contracts) with the operating charges, the maintenance costs and the rents on empty spaces related to the operations generally being supported by the operator in Belgium, the United Kingdom, Ireland and (often) the Netherlands. In Germany, Finland and Sweden (and the Netherlands, in some cases), the net yield is generally lower than the gross yield, with certain charges remaining the responsibility of the owner, such as the repair and maintenance of the roof, structure and facades of the building ('double net' contracts).

3. Fair value of the marketable investment properties including assets classified as held for sale* and the right of use related to plots of land held in 'leasehold' in accordance with IFRS 16.

IN FULL EXPANSION

**587**SITES
+91**2,030,000 m²**+279,000 m²**20 years**WAULT¹**€4,744 m**FAIR VALUE³
(+€ 1,071 m)**€767 m**

IN PIPELINE

**100%**OCCUPANCY
RATE**>32,700**RESIDENTS
+5,100**5.5%**RENTAL YIELD²

OUR TEAM

**114**

EMPLOYEES

**40 years**

AVERAGE AGE

**39**

WOMEN

**75**

MEN

FINANCIALS

**€232 m**

RENTAL INCOME

42.6%

DEBT-TO-ASSETS RATIO

**€4.35/share**

EPRA EARNINGS*

**€3.40/share**

GROSS DIVIDEND

**BBB with stable outlook**

S&P CREDIT RATING

CORPORATE SOCIAL RESPONSIBILITY

**€55,000**

IN CHARITY DONATIONS

28%

SUSTAINABLE FINANCING

**Sustainability strategy**

UPDATED

**Human rights policy**

IMPLEMENTED

**Charter for responsible
supplier relations**

IMPLEMENTED

Belgium

In 2021, Aedifica acquired a care home and announced a forward purchase amounting to approx. €37 million. In addition, the Group announced that it will invest €47 million in the redevelopment of eight Brussels care homes. Four extension and renovation projects were completed as well.

FUTURE-PROOFING PROJECT IN 8 BRUSSELS CARE HOMES

In May 2021, Aedifica announced a €47 million investment in the redevelopment of eight care homes in Brussels, focussing on social and environmental sustainability. Thanks to this future-proofing project, the Group can guarantee that high-quality care will continue to be provided in these care properties in the future.

- Improving the comfort and experience of residents
 - creation of new care wards and common living areas
 - renovation of bathrooms
 - optimisation of wheelchair access

- Investing in the energy efficiency of the buildings
 - installation of energy-efficient systems
 - installation of new windows
 - replacement of insulation
 - installation of new ventilation systems
- Works to be carried out from 2022 to 2027
- Repositioning of existing healthcare real estate offers Aedifica significant development potential for the future (in terms of upgrading its own portfolio and as a source of new acquisitions)

€84 million

IN NEW INVESTMENTS
MADE & PROJECTS
ANNOUNCED

4

PROJECTS COMPLETED



RÉSIDENCE LE DOUAIRE • ANDERLUES, BE
DEVELOPMENT PROJECT TO BE COMPLETED
BY 2024



SORGVLIET • LINTER, BE
CARE HOME, EXTENSION PROJECT COMPLETED IN JULY 2021

By improving the sustainability of our portfolio, we not only contribute to a solution for the climate crisis, we also have an opportunity to invest in adaptations that improve the quality of life of residents and strengthen social cohesion.

STÉPHANIE LOMME,
COUNTRY MANAGER BELGIUM

Germany

In 2021, Aedifica's portfolio in Germany crossed the €1 billion mark through the acquisition of 22 care homes and the completion of seven development projects. In addition, construction started on five care campuses from the second framework agreement with Specht Gruppe concluded in 2020.

Thanks to our sizeable investment programme, Aedifica is taking a major step forward in expanding its German portfolio. As such, we continue to build the healthcare real estate of the future while providing a solution for the care and housing needs of Germany's ageing population.

HEINZ BEEKMANN,
COUNTRY MANAGER GERMANY

In Germany, Aedifica has a sizeable investment programme of numerous new developments and refurbishment projects amounting to more than €350 million and representing 46% of the total investment programme. Upon completion of these projects, the German portfolio will amount to over €1.4 billion, making it Aedifica's most extensive portfolio in a single country.



SENIORENZENTRUM ALTE ZWIRNEREI •
GERSDORF, DE - ACQUIRED IN 2021



SENIORENQUARTIER WOLFSBURG •
WOLFSBURG, DE
DEVELOPMENT PROJECT
COMPLETED IN DECEMBER 2021



ASPIDA PFLEGECAMPUS PLAUE • PLAUE, DE
AEDIFICA DONATED €7,500 TO THE CARE CAMPUS TO PURCHASE REHABILITATION EQUIPMENT.

€356 million

IN NEW INVESTMENTS MADE
& PROJECTS ANNOUNCED

7

PROJECTS COMPLETED

>€1 billion

TOTAL PORTFOLIO SIZE

>€350 million

INVESTMENT PROGRAMME

CONNECTING GENERATIONS

Aedifica's care home in Plauen brings together different generations and provides care not only for the elderly, but also for young people who can no longer live independently. Because young people have different care needs from older people, this innovative care campus offers generation-specific services so that everyone can feel at home. In addition to a video lounge, gym, roof terrace, etc., there are regular excursions for residents to concerts and events.

Netherlands

In 2021, Aedifica acquired two fully operational care residences and added seven new development projects to its investment programme in the Netherlands. As a result, the Group implemented and announced approx. €63 million in new investments. Four development projects were completed as well.



WAARDER MOLENDIJK - WAARDER, NL
DEVELOPMENT PROJECT TO BE
COMPLETED BY 2023

€63 million

IN NEW INVESTMENTS
MADE & PROJECTS
ANNOUNCED

4

PROJECTS COMPLETED

**Strategic
partnership**

IN THE NON-PROFIT SEGMENT

STRATEGIC PARTNERSHIP WITH DUNAVAST-SONNEBORGH

In October 2021, Aedifica entered into a strategic partnership with Dunavast-Sonneborgh to jointly develop healthcare real estate in the Netherlands, in particular in the non-profit segment.

- Dunavast and Sonneborgh are experienced real estate developers and investors with an **extensive network in the non-profit segment** of the Dutch care market.

- Prime opportunity for Aedifica to access a **new pipeline of quality (re)development projects**.
- Focus on **sustainability**: latest NZEB-standards will be applied.
- Ambition to develop a portfolio of approx. €100 million.
- 2 development projects in Alphen a/d Rijn and Waarder amounting to €15 million already announced in December 2021.



LTS WINSCHOTEN - WINSCHOTEN, NL
CARE CAMPUS COMPLETED IN DECEMBER 2020

Joining forces with Dunavast-Sonneborgh opens up new opportunities for continued growth in the Netherlands, in particular in the non-profit segment. Thanks to our combined experience, even more Dutch seniors can count on us for sustainable, innovative care concepts that put residents centre stage and give them space to receive care in the ways they prefer.

CHARLES-ANTOINE VAN AELST,
CIO

United Kingdom

Aedifica made investments and announced new projects in the UK amounting to approx. €110 million. Five care homes were acquired in the course of the year, with three development projects added to the investment programme. In addition, two forward purchases and two extension projects were completed.

A LOCAL TEAM IN THE UK

Aedifica has established a local team in the United Kingdom by integrating its long-time British asset management partner Layland Walker. By welcoming the team into the Aedifica family, we are creating a perfect opportunity to further expand our activities in the UK.

- Nearly 20 years of experience in asset management
- Excellent long-term working relationships with tenants
- Extensive network in the UK healthcare market
- All current staff joined the Aedifica team, ensuring continuity

€110 million

IN NEW INVESTMENTS
MADE & PROJECTS
ANNOUNCED

4

PROJECTS COMPLETED

Local team

ESTABLISHED



AEDIFICA'S LOCAL UK TEAM



AYLESBURY MARTIN DALBY - AYLESBURY, UK
DEVELOPMENT PROJECT TO BE
COMPLETED BY THE END OF 2022



ABBOTS WOOD MANOR - HAILSHAM, UK
CARE HOME ACQUIRED IN JANUARY 2021

The UK healthcare real estate market offers Aedifica many opportunities for further growth. The UK's population aged 80 and over is expected to double to 10% of the total population by 2050. In addition, the market is still very fragmented due to the large number of local private players operating small and outdated buildings.

BRUCE WALKER,
COUNTRY MANAGER UK

Finland

In 2021, the Hoivatilat team made investments and announced new projects in Finland amounting to approx. €95 million. Seven care properties were acquired over the year, with nine development projects added to the investment programme. In addition, 20 development projects amounting to €85 million were completed. The projects in our Finnish investment programme are designed and developed by our local Hoivatilat team.

LOHJA SAHAPIHA

This service community in Lohja is the perfect example of what the future of healthcare real estate in Finland looks like: a state-of-the-art care campus combining elderly care and child day care provided by two different care operators, perfectly integrated in its neighbourhood.

- Up to 50 elderly people and 60 children
- Specifically designed to enrich their lives by creating opportunities for them to meet and share experiences
- Outdoor area with playground
- Operated by Attendo & Pilke



LOHJA SAHAPIHA · LOHJA, FI
SERVICE COMMUNITY COMPLETED IN JUNE 2021

€95 million

IN NEW INVESTMENTS
MADE & PROJECTS
ANNOUNCED

20

PROJECTS COMPLETED

The regularity with which we add new projects to our development pipeline highlights the continued appetite of Finnish care operators and cities for our real estate concepts. As the demand for our care properties remains high, we look forward to further developing our activities in Northern Europe. Together we create a better society.

ATTE NIITYLÄ,
CEO HOIVATILAT FINLAND



HELSINKI KANSANTIE · HELSINKI, FI
DEVELOPMENT PROJECT TO BE
COMPLETED BY THE END OF 2022

HELSINKI KANSANTIE

This modern school is designed and developed by our Hoivatilat team, as its bid was selected in a tender by the city of Helsinki.

- Up to 360 children
- Focus on environmental standards and energy efficiency by including installations for geothermal and solar energy
- Operated by the municipality of Helsinki
- Estimated completion date: Q4 2022

Sweden

In 2021, Aedifica acquired a large portfolio of 16 recent healthcare properties, further strengthening our position in the Swedish market. In addition, the construction of a new specialist residential care centre for people with special needs was announced in August, while two schools were completed in the second half of 2021. As in Finland, the projects in our Swedish investment programme are designed and developed by our local Hoivatilat team.

ACQUISITION OF 16 CARE HOMES FOR PERSONS WITH DISABILITIES

In September 2021, Aedifica acquired a sizeable portfolio of 14 existing care properties and two development projects.

- €53 million total investment
- Specifically designed to provide care and housing to persons with special needs
- 114 residents
- 7 operators private & non-profit
- Stockholm metropolitan area main locations
- Contribution in kind

€56 million

IN NEW INVESTMENTS
MADE & PROJECTS
ANNOUNCED

2

PROJECTS COMPLETED



SUNNERSTA 120:2 & 120:4 · UPPSALA, SE
SPECIALIST RESIDENTIAL CARE CENTRE
ACQUIRED IN SEPTEMBER 2021



KÄLLBERGA · NYNÄSHAMN, SE
DESIGN OF A SCHOOL UNDER CONSTRUCTION

The acquisition of the portfolio of 16 care properties has an important strategic value, as it has given us the opportunity to increase our visibility in the Swedish market and develop relationships with new operators and municipalities. This opens new opportunities for the further expansion of our portfolio through own developments.

MARIA FRID,
CEO HOIVATILAT SWEDEN

Ireland

In 2021, Aedifica took its first steps into Ireland with a sizeable series of investments in seven existing care homes and five new development projects. In less than a year, the Group has accumulated a portfolio of that will amount to approx. €180 million upon completion of the announced projects.

**February
2021**
FIRST INVESTMENTS
€179 million
IN NEW INVESTMENTS
MADE & PROJECTS
ANNOUNCED

DEVELOPMENT OF THREE SUSTAINABLE CARE HOMES

In October 2021, Aedifica announced the construction of three new care homes in Tramore, Waterford City and Kilkenny. Delivering on our sustainability commitments, all three care homes will be very energy efficient buildings.

- €44 million total investment
- >270 residents requiring continuous care
- energy-efficient systems applying latest NZEB-regulations
- Q1 2023 expected completion date
- experienced operator with a solid track record



DUBLIN STEPASIDE • DUBLIN, IE
DEVELOPMENT PROJECT TO
BE COMPLETED BY 2023



BUNCLODY CARE HOME • BUNCLODY, IE
CARE HOME ACQUIRED IN FEBRUARY 2021



BRÍDHAVEN • MALLOW, IE
CARE HOME ACQUIRED IN FEBRUARY 2021

Aedifica did not miss its mark when it entered Ireland. Since our first investment in February 2021, we have developed a significant portfolio that strengthened our position and visibility in the Irish market.

STEFAN GIELENS, CEO

Spain

At the end of 2021, Aedifica announced its first investment in Spain. The Group's ambition is to invest €75 million in the development of a series of greenfield projects with an experienced local partner. The first projects will start construction in 2022.

Ambition

INITIAL PORTFOLIO OF

1,000 units

€75 million

INVESTMENT

DEVELOPING FUTUREPROOF CARE HOMES IN SPAIN

Aedifica and Neurocare Home are joining forces and have signed a partnership agreement to combine their expertise in healthcare operations and healthcare real estate. Within the framework of this agreement, Aedifica aims to invest in a series of high-quality care home projects to be developed by Neurocare Home, that will operate the care properties upon completion. This allows Aedifica, in cooperation with an experienced local partner, to acquire healthcare real estate that will be newly built and futureproof.

First phase

- up to five projects will break ground in 2022
- Madrid, Castile-León & Andalusia
- first plot of land acquired

Innovative residential care concept

- small-scale care hubs within large-scale infrastructure
- green open-air patios on each floor
- single rooms with ensuite bathrooms
- focus on sustainability

Leases

- 5.5% initial rental yield
- 30-year triple net
- fully indexed to CPI

Neurocare home

- extensive experience in developing healthcare real estate
- solid business model for operating care homes
- currently operating 420 beds in three care homes
- actively expanding its operations in Spain

Spain provides an attractive investment opportunity, as the care market is still relatively fragmented and the ageing population and a lack of adequate senior housing will lead to increasing demand for high-quality healthcare real estate. And we are already working on the further development of our activities in Spain.

SVEN BOGAERTS, CM&AO



2021 highlights

SENIORENZENTRUM ALTE
ZWIRNEREI • GERSDORF, DE

€500 MILLION SUSTAINABILITY BOND

In September, Aedifica has successfully priced its first benchmark Sustainability Bond for a total size of €500 million. The strong investor demand for Aedifica was evidenced by an orderbook of €1.8 billion, more than 3.6 times covering the deal size. The proceeds will be used to (re) finance environmentally sustainable care properties under the updated Sustainable Finance Framework.

➤ page 50

>€330 MILLION RAISED ON CAPITAL MARKETS

Aedifica completed one capital increase in cash and two capital increases by contribution in kind, raising more than €330 million and providing the Group with sufficient financial resources for further growth.

➤ page 51

INVESTMENT-GRADE CREDIT RATING

In August, Aedifica received its first issuer credit rating by S&P Global. The Group was assigned a BBB investment-grade rating with a stable outlook. The rating allows Aedifica to benefit from better access to capital markets with attractive financing conditions and to appeal to a broader investor base.

➤ page 50

**BBB with
stable outlook**

S&P CREDIT RATING

TWO NEW COUNTRIES ADDED TO THE PORTFOLIO

In 2021, Aedifica further diversified its portfolio and made its first investments in Ireland and Spain. In Ireland, Aedifica has already announced investments of €180 million, while in Spain the Group has entered into a partnership agreement for the development of an initial portfolio of €75 million.

➤ pages 24-25

IMPROVEMENT OF ALL SUSTAINABILITY SCORES

Aedifica's ambitious sustainability strategy is paying off, as evidenced by the scores of different ESG assessments. The GRESB score, the Green Star Rating and the MSCI rating all increased significantly, while the Sustainalytics Risk Rating continued to decrease and the Group's Sustainability Report was awarded an EPRA sBPR Gold Award for the second year in a row.

	2021	2020
EPRA sBPR	Gold	Gold
GRESB	66 ★★	57 ★
Sustainalytics Risk Rating	Low (11.9)	Low (17.8)
MSCI	BBB	BB

AEDIFICA IS A 'GREAT PLACE TO WORK'

In 2021, Aedifica conducted an employee survey with Great Place to Work among its teams in Belgium, the Netherlands and Germany. After the survey and an in-depth analysis of the company culture, Aedifica was already recognised as a great workplace in its first participation, allowing it to carry the Great Place to Work Certified® label throughout 2022. The Finnish and Swedish Hoivatilat team was awarded the label as well.

➤ page 96

These solid results are a great reward for the efforts made by the team over the past year. Thanks to our ambitious CSR action plan, we will continue to make progress on corporate social responsibility in the coming years.

RAOUL THOMASSEN, coo —

€ **943.5** m

IN NEW INVESTMENTS &
PROJECTS IN 100 SITES

41 projects

OF THE INVESTMENT
PROGRAMME COMPLETED
TOTTALLING €289 MILLION



We are delighted that our staff already recognised Aedifica as a 'Great Place to Work' in our first survey participation.

**WERNER DIGNEF, HR
MANAGER** —



CUSTOMER PROXIMITY AT THE CENTRE OF AEDIFICA'S ORGANISATIONAL STRUCTURE

As Aedifica continues to grow and expand into new countries, the Group streamlined its corporate structure in 2021. In the course of 2021, an operating model was designed that efficiently interweaves Aedifica's core business activities at the level of the head office and the local teams, while maximising local responsiveness and knowledge sharing.

Local responsiveness with HQ-support

- Each local team focuses on Aedifica's core business activities, while relying on the Brussels head office for support services (Finance, Legal, HR, IT, etc.).

Centres of excellence for knowledge sharing

- To support the local teams in their business activities, 'centres of excellence' were established, bringing together the expertise and know-how of the different country teams and encouraging further cooperation and communication. These centres of excellence are coordinated by the head office and cooperate with country representatives.

New operating model

- Customer-centric: proximity to local markets
- Agile: rapid decision-making
- Robust governance & control: clear lines of accountability and ownership for staff
- Values: promoting a common corporate culture in all teams
- Scalable to new countries

With this new way of working, Aedifica is equipped to continue its growth trajectory in a sustainable way. Our new structure leverages the strengths we have built up over the years and provides a platform for sharing knowledge and best practices.

This futureproof operating model enables us to further replicate our success formula in each of the countries in which we operate, while respecting the unique client requirements in each local market.





Since all countries' reporting is managed through a single central system, we can maintain our flexible business structure with short decision lines within a growing organisation. We can now easily scale up and extend our processes to other regions and segments.

FINANCE TRANSFORMATION

After Aedifica implemented an 'enterprise resource planning' (ERP) system in 2020 to run corporate reporting through one central system, the Group further rolled out the system in 2021 and extended it to the foreign subsidiaries. A treasury management system was implemented providing visibility and reporting to optimise cash, manage liquidity and monitor debt and intercompany loans. Aedifica now has the right tools in place for oversight and control with streamlined processes across the Group.

- Insourcing of the accounting of Dutch, German, British and Luxembourg entities to the Brussels head office
- Implementation of a treasury management system (TMS)
- Improved data quality and efficiency in financial reporting to support and create value for the business

As of January 2021, the accounting of about 36 entities was managed on the ERP system from the Brussels head office; by the end of 2021, that number had already increased to 45 entities.

Key figures¹

+24%
RENTAL INCOME

+30%
EPRA EARNINGS*

Consolidated income statement - analytical format (x €1,000)	31/12/2021 (12 months)	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Rental income	232,118	187,535	259,505
Rental-related charges	-686	-2,753	-3,344
Net rental income	231,432	184,782	256,161
Operating charges*	-38,105	-33,228	-44,539
Operating result before result on portfolio	193,327	151,554	211,622
EBIT margin* (%)	83.5%	82.0%	82.6%
Financial result excl. changes in fair value*	-32,162	-28,323	-38,755
Corporate tax	-9,718	-7,703	-11,530
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of EPRA Earnings	360	798	1,568
Non-controlling interests in respect of EPRA Earnings	-328	-158	-187
EPRA Earnings* (owners of the parent)	151,479	116,168	162,718
Denominator (IAS 33)	34,789,526	27,472,976	26,512,206
EPRA Earnings* (owners of the parent) per share (€/share)	4.35	4.23	6.14
EPRA Earnings*	151,479	116,168	162,718
Changes in fair value of financial assets and liabilities	14,813	-5,587	-2,169
Changes in fair value of investment properties	160,211	5,069	25,049
Gains and losses on disposals of investment properties	534	-1,827	-559
Tax on profits or losses on disposals	-559	0	0
Negative goodwill / goodwill impairment	-3,540	0	0
Deferred taxes in respect of EPRA adjustments	-46,452	-11,041	-14,811
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of the above	6,011	1,180	3,007
Non-controlling interests in respect of the above	-673	-68	-167
Roundings	0	0	0
Profit (owners of the parent)	281,824	103,894	173,068
Denominator (IAS 33)	34,789,526	27,472,976	26,512,206
Earnings per share (owners of the parent - IAS 33 - €/share)	8.10	3.78	6.53

1. In order to allow comparison with the previous period (due to the extension of the 2019/2020 financial year), the figures as of 31 December 2020 were derived on a 12-month basis (with the exception of the denominators (IAS 33) which were recalculated for each period).

2. See Note 44.6.

Investment properties (x €1,000)	31/12/2021	31/12/2020
Marketable investment properties in fair value incl. assets classified as held for sale*	4,686,521	3,621,522
Right of use of plots of land	57,947	51,825
Development projects	151,954	141,320
Total of investment properties in fair value incl. assets classified as held for sale*	4,896,422	3,814,667

Net asset value per share (in €)	31/12/2021	31/12/2020
Net asset value after deduction of the 2019/2020 dividend ² , excl. changes in fair value of hedging instruments*	77.35	65.75
Effect of the changes in fair value of hedging instruments	-0.75	-1.58
Net asset value after deduction of the 2019/2020 dividend ²	76.60	64.17
Number of share outstanding (excl. treasury shares)	36,308,157	33,086,572

Consolidated balance sheet (x €1,000)	31/12/2021	31/12/2020
Investment properties including assets classified as held for sale*	4,896,422	3,814,667
Other assets included in debt-to-assets ratio	258,725	252,274
Other assets	6,720	234
Total assets	5,161,867	4,067,175
Equity		
Equity excl. changes in fair value of hedging instruments*	2,808,488	2,222,523
Effect of the changes in fair value of hedging instruments	-27,317	-52,212
Non-controlling interests	4,226	2,625
Equity	2,785,397	2,172,936
Liabilities included in debt-to-assets ratio	2,197,130	1,757,683
Other liabilities	179,339	136,556
Total equity and liabilities	5,161,867	4,067,175
Debt-to-assets ratio (%)	42.6%	43.2%

Key performance indicators according to the EPRA principles	31/12/2021 (12 months)	31/12/2020 (18 months)
EPRA Earnings* (in €/share)	4.35	6.14
EPRA NRV* (in €/share)	88.36	74.01
EPRA NTA* (in €/share)	76.05	62.92
EPRA NDV* (in €/share)	72.35	58.70
EPRA Net Initial Yield (NIY) (in %)	4.9%	5.2%
EPRA Topped-up NIY (in %)	5.1%	5.3%
EPRA Vacancy Rate (in %)	0.5%	0.2%
EPRA Cost Ratio (including direct vacancy costs)* (in %)	16.7%	18.5%
EPRA Cost Ratio (excluding direct vacancy costs)* (in %)	16.7%	18.5%

Our strategy

Aedifica specialises in investments in European healthcare real estate, with a particular focus on housing for elderly people with care needs. Thanks to our successful strategy over the past sixteen years, our Group has established itself as a market reference in listed healthcare real estate in Europe and aims to further reinforce this position in the coming years.

The Group's strategy is bearing fruit. The fair value of our real estate portfolio* reached €4.9 billion, averaging a compound annual growth rate of 24%. This growth allows Aedifica to implement several economies of scale, further optimising its performance.

Economies of scale

- Optimal portfolio management with renowned partners, taking into account the changing sustainability requirements
- Strong risk diversification
- Increased capacity to seize investment opportunities
- Greater share liquidity
- Easy access to capital markets

Optimising performance

- Predictable revenues
- Optimisation of fixed costs
- Improvement of EPRA Earnings* per share and, consequently, shareholder return
- Remaining societally relevant for all stakeholders

Business strategy

Aedifica's strategy relies on four main pillars: growth potential, expertise, diversification and Corporate Social Responsibility¹. By investing in a sector with a demographically driven growth potential, leveraging our expertise and diversifying our investments along three axes, Aedifica sets the stage for continued growth in the years to come.

1 GROWTH POTENTIAL

INVESTING IN THE INCREASING
NEED FOR HEALTHCARE
REAL ESTATE



- As by 2060 more than 10% of the European population will be over 80 years old, healthcare real estate will be in high demand for the next 40 years.
- Ageing will affect the 'consumption' of care, impacting the development of other care segments and related activities, such as acute care, outpatient care and specialised care. These evolutions will drive the development of (new) healthcare real estate segments (patient hotels, rehabilitation centres, hospitals, medical centres, mental health centres, residential care centres for people with a disability, etc.).
- Care providers are further expanding and adapting their activities. Private and public operators increasingly rely on private investors to fund healthcare real estate infrastructure that meets the changing needs of society.

2 EXPERTISE

LEVERAGING EXPERTISE
AND KNOWLEDGE
DEVELOPED OVER
THE PAST 16 YEARS

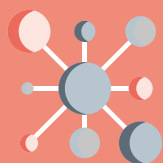


- Aedifica develops long-term partnerships with its care operators, understanding their specific needs while supporting their long-term growth.
- The Group is an involved and proactive investment partner with an offer that ranges from development to redevelopment, acquisition and/or renovation of buildings, always combining innovative care concepts, new technologies and sustainability.

1. See page 36-37.

3 DIVERSIFICATION

DIVERSIFYING IN TERMS
OF GEOGRAPHY, TYPE
OF TENANTS AND TYPE
OF BUILDINGS



Pan-European platform

- 8 countries
- Proven track record in entering new markets and creating a platform for further growth: local proximity combined with economies of scale
- 'Plug-and-play' business model that can be rolled out to new markets
- Geographical diversification prevents over-reliance on a specific care concept or single social security system and enables further diversification of our tenant base
- Further exploration of new European markets

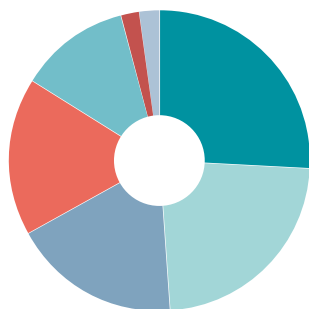
Multitude of tenant groups

- >130 groups of professional and specialised healthcare providers
- Diversified income streams: no single tenant generates more than 12% of the Group's total rental income
- Further diversification of our tenant base

Different building types

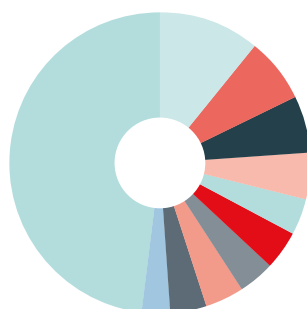
- Primary focus on healthcare real estate for the elderly
- Also investing in real estate for other types of care: childcare, specialist care for people with a disability, mental health care, rehabilitation care, (special) education, etc.
- Combining multiple types of care at a single location

GEOGRAPHICAL BREAKDOWN
IN FAIR VALUE (%)



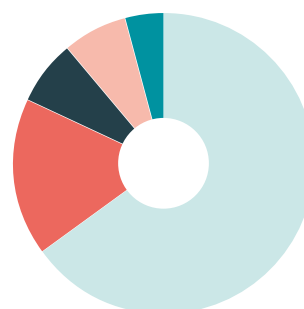
- **26%** Belgium
- **23%** Germany
- **18%** Finland
- **18%** United Kingdom
- **12%** Netherlands
- **2%** Ireland
- **2%** Sweden

BREAKDOWN OF CONTRACTUAL
RENTS BY TENANT GROUP (%)



- **11%** Korian
- **7%** Colisée
- **6%** Azurit Rohr
- **5%** Orpea
- **4%** Maria Mallaband
- **4%** EMVIA
- **4%** Vulpia
- **4%** Bondcare
- **4%** Attendo
- **3%** Burlington
- **48%** Other <3%

BREAKDOWN OF BUILDING
TYPES IN FAIR VALUE (%)



- **65%** Elderly care homes
- **17%** Mixed-use elderly care buildings
- **7%** Child day care centres
- **7%** Other care segments
- **4%** Senior housing

CSR strategy

Sustainable entrepreneurship is an integral part of Aedifica's DNA. We believe that our company's long-term growth and success depend on the well-being of our buildings' residents and, more generally, on our relevance to society. Committed to supporting the people and communities around us and protecting the planet, we join forces with our operational partners to make environmentally and socially responsible investments and developments.



OUR CSR FRAMEWORK

Our Corporate Social Responsibility Strategy is focused on three main areas: reducing our environmental footprint, strengthening our stakeholder relationships and continuing to grow into a sustainable organisation that leads the healthcare real estate sector in Europe.



Business review

€ **4.35**/share
EPRA EARNINGS*

20 years
WUOL

€ **232** m
RENTAL INCOME

+ **24** %
CAGR¹

42.6 %
DEBT-TO-ASSETS RATIO

€ **4.9** bn
FAIR VALUE OF
REAL ESTATE PORTFOLIO*

**Sustainable
development
framework**

IMPLEMENTED IN EACH COUNTRY

**Great Place
to Work**

LABEL OBTAINED

**Improved
sustainability
scores**

GRESB, MSCI, SUSTAINALYTICS
& EPRA SBPR



* Alternative Performance Measure (APM) in accordance with ESMA (European Securities and Market Authority) guidelines published on 5 October 2015. For many years, Aedifica has been using Alternative Performance Measures in its financial communications based on the guidelines issued by the ESMA. Some of these APMs are recommended by the European Public Real Estate Association (EPRA) while others have been defined by the industry or by Aedifica in order to provide readers with a better understanding of its results and performance. The APMs used in this Annual Financial Report are identified with an asterisk (*). Performance measures defined by IFRS standards or by Law are not considered as APMs, nor are those which are not based on the consolidated income statement or the balance sheet. The APMs are defined, annotated and connected with the most relevant line, total or subtotal of the financial statements, in Note 44 of the Consolidated Financial Statements.

1. Compound annual growth rate of the portfolio since Dec. 2006

Financial report¹

€ **943.5** m

IN NEW INVESTMENTS &
PROJECTS IN 100 SITES

1. OUR INVESTMENTS

1.1 INVESTMENTS, COMPLETIONS AND DISPOSALS IN 2021

€943.5 MILLION IN NEW INVESTMENTS AND DEVELOPMENTS

Name	Type	Location	Date	Investment (€ million) ²	Pipeline (€ million) ³	Gross rental yield (approx. %)	Completion/ implemen- tation	Lease	Operator
Belgium				20	64				
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
Résidence le Douaire	Forward purchase	Anderlues	10/10/2021	-	17	4.5%	Q1 2024	27 yrs - NNN	Vulpia
Germany				286	70				
Azurit portfolio (19 sites)	Acquisition	Germany	31/03/2021	245	-	5%	-	25 yrs - NN	Azurit
5 care campuses that are part of the 2 nd framework agreement with Specht Gruppe	Acquisition & development	Germany	29/06/2021	8	70	5%	2022-2023	30 yrs - NNN	Master lease with Specht Gruppe
Haus Wedau & Haus Marxloh	Acquisition	Duisburg	26/11/2021	18	-	5.5%	-	25 yrs - NN	Procuritas
Sz Borna	Acquisition	Borna	01/12/2021	15	-	5%	-	25 yrs - NN	Azurit
Netherlands				23.5	39				
Stepping Stones Blaricum ⁴	Acquisition & development	Blaricum	26/01/2021	1	3	5.5%	Q2 2022	NNN	Korian Netherlands
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
De Volder Staete	Acquisition & development	Almere	06/07/2021	1.5	10	5.5%	Q4 2022	25 yrs - NNN	Amado Zorg & Stichting Pinahuis
Alphen Raadhuisstraat ⁵	Acquisition & development	Alphen a/d Rijn	16/12/2021	3	4	5.5%	Q4 2022	15 yrs - NN	Stichting Fundis

1. This financial report is based on the Consolidated Financial Statements. However, it also includes some information on the statutory accounts, but this is always specifically mentioned. The complete statutory financial statements and the statutory Management Report will be registered at the National Bank of Belgium within the legal deadlines and may be obtained free of charge on the Company's website (www.aedifica.eu) or upon request at the head office.

2. 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, Sweden and Spain), in particular for the plots of land that have already been acquired).

3. 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 pages 83-85).

Name	Type	Location	Date	Investment (€ million) ²	Pipeline (€ million) ³	Gross rental yield (approx. %)	Completion/ implemen- tation	Lease	Operator
Waarder Molendijk ⁵	Acquisition & development	Waarder	16/12/2021	3	5	5.5%	Q2 2023	15 yrs - NN	Stichting Fundis
Tiel Bladergroenstraat	Acquisition & development	Tiel	16/12/2021	2.5	7	5.5%	Q2 2023	20 yrs - NNN	Saamborgh
United Kingdom⁶				80	30				
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
Shipleigh Canal Works	Acquisition & development	Shipleigh	05/03/2021	2	8	6%	Q3 2022	30 yrs - NNN	Burlington
Aylesbury Martin Dalby	Acquisition & development	Aylesbury	17/05/2021	2	10	7%	Q4 2022	30 yrs - NNN	Maria Mallaband
Wellingborough Glenvale Park	Acquisition & development	Welling- borough	02/07/2021	3	12	5.5%	Q1 2022	35 yrs - NNN	Halcyon Care Homes
The Uplands	Acquisition	Shrewsbury	25/10/2021	14	-	6.5%	-	30 yrs - NNN	Bondcare
Corby Priors Hall Park ⁷	Development	Corby	26/11/2021	14	-	5.5%	-	30 yrs - NNN	Halcyon Care Homes
Finland				29.5	65				
Jyväskylä Haukankaari	Development	Jyväskylä	28/01/2021	-	3	6%	Q1 2022	20 yrs - NN	Rinnekehti
Turku Herttuankulma	Development	Turku	28/01/2021	-	6	6%	Q4 2022	20 yrs - NN	Ikifit
Espoo Rajamännynahde	Acquisition	Espoo	01/02/2021	4	-	6.5%	-	20 yrs - NN	Pihlajanterä Ry
Laukaa Peurungantie	Acquisition	Laukaa	19/02/2021	4	-	6.5%	-	15 yrs - NN	Peurunka Oy
Tampereen Haiharansuu	Development	Tampere	15/03/2021	-	3	6.5%	Q1 2022	15 yrs - NN	Tampereen ensija turvakoti
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 Juhlarssi	Development	Oulu	28/06/2021	-	7	6.5%	Q3 2022	15 yrs - NN	Attendo
Kotka Särmäjäntie ⁸	Development	Kotka	31/08/2021	3	-	6.5%	-	15 yrs - NN	Autismisäätiö
Kuopio Opistotie	Development	Kuopio	06/09/2021	2	11	6%	Q4 2022	15 yrs - NN	Norlandia
Helsinki Ensikodintie	Redevelopment	Helsinki	30/09/2021	-	12	6%	Q4 2022	30 yrs - NN	Helsingin Ensikoti
Tampere service community	Development	Tampere	30/09/2021	1	9	6%	Q1 2023	20 yrs - NN	2 experienced operators
Helsinki Kansantie	Development	Helsinki	20/10/2021	-	11.5	6%	Q4 2022	20 yrs - NN	Municipality of Helsinki
Nurmijärven Luhtavillantie ⁹	Development	Nurmijärvi	31/12/2021	3	-	7%	-	15 yrs - NN	Pilke

4. 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.

5. This project is being developed within the joint venture with Dunavast-Sonneborgh, in which Aedifica holds a 75% stake.

6. Amounts in £ and SEK were converted into € based on the exchange rate of the transaction date.

7. Development project announced on 22 March 2021 and construction completed on 26 November 2021.

8. Development project announced in Q1 2021 and construction completed on 31 August 2021.

9. Development project announced in Q1 2021 and construction completed on 31 December 2021.

Name	Type	Location	Date	Investment (€ million) ¹	Pipeline (€ million) ²	Gross rental yield (approx. %)	Completion/ implemen- tation	Lease	Operator
Sweden³				47.5	8				
16 specialist residential care centres	Acquisition subject to outstanding conditions	Sweden	08/09/2021	47	6	4.5%	2 buildings in 2022	WAULT 13 yrs - NN	Multiple tenants
Enköping Litslenavägen	Development	Enköping	19/08/2021	0.5	2	6%	Q3 2022	15 yrs - NN	Serigmo Care KÅS
Ireland				97	81.5				
Bridhaven	Acquisition	Mallow	12/02/2021	25	-	5.5%	-	25 yrs - NNN	Virtue
Waterford care home New Ross care home Buncloody care home Killerig care home	Acquisition	Waterford New Ross Buncloody Killerig	17/06/2021	26	-	5.5%	-	25 yrs - NNN	Virtue
Millbrook Manor	Acquisition & extension	Saggart	26/07/2021	13	4	5.5%	Q3 2022	25 yrs - NNN	Coolmine Caring Services Group
St. Doolagh's	Acquisition & development	Balgriffin	26/07/2021	5	14.5	5.5%	Q3 2022	25 yrs - NNN	Coolmine Caring Services Group
Dublin Stepside	Acquisition & development	Dublin	23/08/2021	5	25	5.5%	Q3 2023	25 yrs - NNN	Virtue
Altadore Nursing Home	Acquisition	Dublin	08/10/2021	18	-	5%	-	25 yrs - NNN	Virtue
Tramore Nursing Home, Kilbarry Nursing Home & Kilkenny Nursing Home	Acquisition & development	Tramore, Waterford City & Kilkenny	19/10/2021	5	38	5.5%	Q3 2022 - Q1 2023	25 yrs - NNN	Mowlam Healthcare
Spain				2.5	-				
Salamanca Raimundo	Acquisition & development	Salamanca	22/10/2021	2.5	-	5.5%	2023	30 yrs - NNN	Neurocare Home
Total				586	357.5				

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3. Amounts in £ and SEK were converted into € based on the exchange rate of the transaction date.
4. 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.

41 PROJECTS COMPLETED

Name	Type	Location	Date	Investment (€ million) ⁴	Gross rental yield (approx. %)	Lease	Operator
Belgium				13.5			
Kasteelhof	Extension	Dendermonde	01/01/2021	3	5.5%	30 yrs - NNN	Korian Belgium
De Duinpieper	Extension & renovation	Ostend	01/06/2021	3	5.5%	27 yrs - NNN	Dorian groep
Sorgvliet	Extension	Linter	09/07/2021	6	5%	20-year lease extension - NNN	Korian Belgium
Plantijn	Extension	Kapellen	25/08/2021	1.5	5%	27-year lease extension - NNN	Armonea
Germany				112			
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 Senioren-residenz Haus III	Forward purchase	Bitterfeld-Wolfen	31/05/2021	10	5.5%	WAULT 28 yrs - NN	SARA
Seniorenquartier Weyhe	Development	Weyhe	29/09/2021	15	>5%	30 yrs - NNN	EMVIA Living
Seniorenquartier Wolfsburg	Development	Wolfsburg	21/12/2021	28	>5%	30 yrs - NNN	EMVIA Living
Seniorenquartier Cuxhaven	Development	Cuxhaven	22/12/2021	16	>5%	30 yrs - NNN	EMVIA Living
Netherlands				35			
Villa Nuova	Development	Vorden	23/02/2021	5	5.5%	20 yrs - NNN	Korian Netherlands
Nieuw Heerenhage	Development	Heerenveen	15/06/2021	20	5.5%	25 yrs - NNN	Stichting Rendant
Martha Flora Hulsberg	Development	Hulsberg	17/11/2021	5	5.5%	25 yrs - NNN	Martha Flora
Martha Flora Dordrecht	Development	Dordrecht	08/12/2021	5	5.5%	25 yrs - NNN	Martha Flora
United Kingdom³				36.5			
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
Priesty Fields	Forward purchase	Congleton	20/10/2021	18.5	5.5%	30 yrs - NNN	Handsale

41 projects

OF THE INVESTMENT
PROGRAMME COMPLETED
TOTTALLING €289 MILLION

Name	Type	Location	Date	Investment (€ million) ¹	Gross rental yield (approx. %)	Lease	Operator
Finland				85			
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
Kuopion Amerikanraitti	Extension	Kuopio	15/07/2021	1	8%	15 yrs - NN	Priimi
Lohja Porapojankuja	Development	Lohja	16/07/2021	2	5.5%	20 yrs - NN	Aspa
Raahe care home	Development	Raahe	15/08/2021	7.5	5.5%	15 yrs - NN	Municipality of Raahe
Kajaani Uitontie	Development	Kajaani	31/08/2021	3	7%	20 yrs - NN	Suomen Kristilliset Hoivakodit
Oulu Ukkoherrantie	Development	Oulu	17/09/2021	2.5	6.5%	20 yrs - NN	Rinne koti
Kuusankosken Keva	Development	Kouvola	30/09/2021	2.5	6.5%	15 yrs - NN	Validia
Oulu Salonpään koulu	Development	Oulu	30/09/2021	6	7%	25 yrs - NN	Municipality of Oulu
Espoon Matinkartanontie	Development	Espoo	08/11/2021	19	6.5%	25 yrs - NN	Kristillinen koulu
Oulu Valjastie	Development	Oulu	30/11/2021	5	9%	25 yrs - NN	Municipality of Oulu
Salo Papinkuja	Development	Salo	30/11/2021	4	6%	20 yrs - NN	Huhtihovi
Hämeenlinna Kampuskaarre	Development	Hämeenlinna	15/12/2021	3	6.5%	20 yrs - NN	Stafiko
Jyväskylä Harjutie	Development	Jyväskylä	21/12/2021	2.5	7%	15 yrs - NN	Musiikkipäiväkotit Priimi
Turun Lemmontie	Development	Turku	29/12/2021	3	6%	15 yrs - NN	Rinne koti
Helsingin Työnjohtajankadun Seppä 3	Development	Helsinki	30/12/2021	5	6%	10 yrs - NN	Pääkaupungin turvakoti
Sweden²				7			
Upplands Väsby Havregatan	Development	Upplands Väsby	01/08/2021	3.5	6.5%	15 yrs - NN	Norlandia Förskolor
Förskola Kallinge	Development	Ronneby	15/11/2021	3.5	7%	15 yrs - NN	Täby- pedagogerna
Total				289			

1. 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.

2. Amounts in £ and SEK were converted into € based on the exchange rate of the transaction date.

11 DISPOSALS TO OPTIMISE OUR PROPERTY PORTFOLIO

Name	Location	Country	Date	Selling price (€ million) ²
Randolph House	Scunthorpe	United Kingdom	08/02/2021	1.3
De Notelaar (plot of land)	Olen	Belgium	22/03/2021	0.3
Service-Residenz Schloss Bensberg	Bergisch Gladbach	Germany	30/06/2021	17.5
Martha Flora Lochem	Lochem	Netherlands	02/08/2021	2.0
The Elms	Sutton	United Kingdom	26/08/2021	0.9
Bois de la Pierre (plot of land)	Waver	Belgium	24/09/2021	0.2
Residentie La Tour	Roermond	Netherlands	06/10/2021	9.7
Vinea Domini (plot of land)	Witmarsum	Netherlands	19/11/2021	0.0
Devonshire House & Lodge Elburton Heights	Plymouth	United Kingdom	23/11/2021	7.7
De Notelaar (plot of land)	Olen	Belgium	14/12/2021	0.2
Residentie Sibelius	Oss	Netherlands	22/12/2021	14.2
Total				54.0

**CONSTRUCTION SITE IN FINLAND**

1.2 IMPORTANT EVENTS AFTER 31 DECEMBER 2021

€58 MILLION IN NEW INVESTMENTS AND DEVELOPMENTS

Name	Type	Location	Date	Investment (€ million) ¹	Pipeline (€ million) ²	Gross rental yield (approx. %)	Comple- tion/ implemen- tation	Lease	Operator
United Kingdom³				-	16				
Market Drayton Great Hales	Development	Market Drayton	17/02/2022	-	16	6%	Q1 2023	30 yrs - NNN	MMCG
Finland				-	10				
Liminka Saunarannantie	Development	Liminka	16/03/2022	-	2.5	6%	Q3 2022	15 yrs - NN	Pilke
Kerava Lehmuskatu	Development	Kerava	16/03/2022	-	7.5	6%	Q4 2022	20 yrs - NNN	Municipality of Kerava
Ireland				5.5	26.5				
Dublin Crumlin	Development	Dublin	16/03/2022	5.5	26.5	5.5%	Q4 2023	25 yrs - NNN	Bartra Healthcare
Total				5.5	52.5				

7 PROJECTS OF THE INVESTMENT PROGRAMME COMPLETED

Name	Type	Location	Date	Investment (€ million) ⁴	Gross rental yield (approx. %)	Lease	Operator
Germany				7			
Seniorenhaus Lessingstrasse	Acquisition subject to outstanding conditions	Wurzen	01/02/2022	7	5.5%	25 yrs - NN	Seniorenhaus Lessingstrasse
Netherlands				23			
LLT Almere Buiten	Development	Almere	01/02/2022	7	5.5%	20 yrs - NNN	Saamborgh
Het Gouden Hart Soest ⁵	Development	Soest	04/02/2022	3	5.5%	NNN	Korian Netherlands
Het Gouden Hart Lelystad ⁵	Development	Lelystad	25/02/2022	4	5.5%	NNN	Korian Netherlands
Martha Flora Goes	Development	Goes	28/02/2022	5	5.5%	25 yrs - NNN	Martha Flora
Stepping Stones Blaricum ⁵	Development	Blaricum	28/02/2022	4	5.5%	NNN	Korian Netherlands
Finland				3			
Jyväskylä Haukankaari	Development	Jyväskylä	31/01/2022	3	6%	20 yrs - NN	Rinnekehti
Total				33			

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

4. 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.

5. This project was developed within the joint venture with the Korian group. Aedifica and Korian each financed 50% of the total budget. This table only considers the part of the budget that was financed by Aedifica.

DISPOSAL OF A PORTFOLIO OF 9 PROPERTIES TO OPTIMISE OUR PROPERTY PORTFOLIO

Name	Location	Country	Date	Selling price (€ million)
Oulun Rakkakiventie	Oulu	Finland	28/01/2022	29
Ylöjärven Mustarastaantie	Ylöjärvi			
Oulun Kehätie	Oulu			
Porin Palokärjentie	Pori			
Sipoon Satotalmantie	Sipoo			
Vihdin Pengerkuja	Vihti			
Joutsenon Päiväkoti	Lappeenranta			
Siilinjärven Honkarannantie	Siilinjärvi			
Kouvolaan Pappilantie	Kouvola			
Total				29



DE STATENHOF • LEIDEN, NL

ORPEA'S TURMOIL

In France, care operator Orpea has been under scrutiny related to revelations made in the French media, affecting the elderly care sector. Allegations against Orpea France include care negligence of elderly people in some of Orpea's care homes, mismanagement prioritising profit over care and fraudulent activities.

Orpea represents 5% of Aedifica's contractual rental income (Belgium: 3%; Germany: 1%; Netherlands: 1%). Aedifica does not own any healthcare properties in France. Based on current information, no material impact is expected on rents for Aedifica's care properties operated by Orpea.

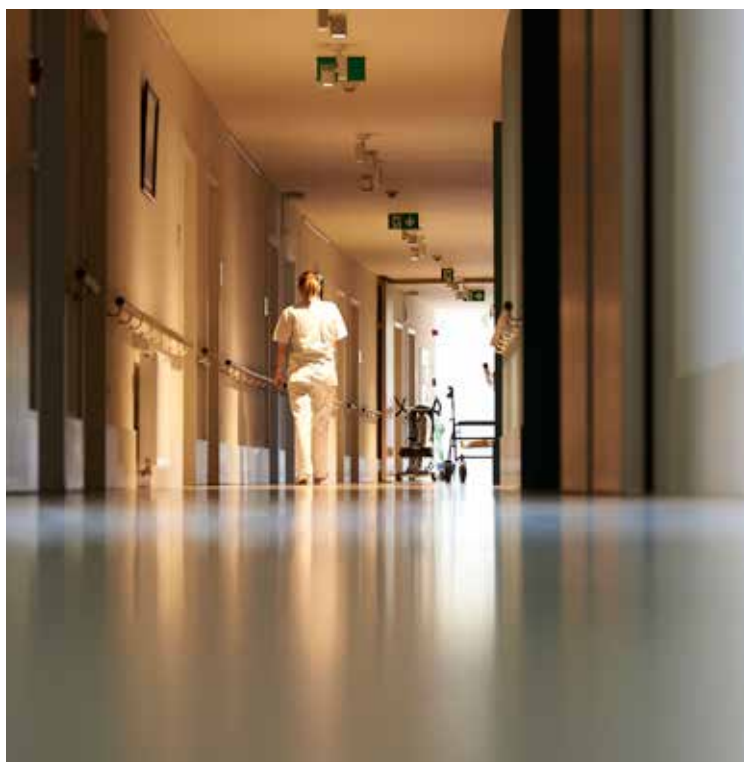
Operators in Europe take care of elderly people in a highly regulated and controlled environment. Incidents regarding quality of care have occurred in the past in several other European countries. Such reported incidents will normally lead to multiple inspections by the competent authorities and/or specific sanctions (e.g., a temporary admission ban or – in exceptional cases – the closure of a care home). Generally, the supervising authorities will apply specific focus on the enforcement and execution of a remedial plan by the targeted operator. Ultimately, such incidents could lead to legislative changes aiming to improve the quality of care

throughout the sector in a certain country or region. When imposing new regulations, authorities however tend to avoid disrupting the market or the operators themselves, as this could lead to the opposite of the pursued goal, which is the improvement of quality of care. Aedifica firmly believes that well balanced regulations and adequate inspections should lead to fewer incidents and market turmoil, and to an optimal situation for residents, operators and all stakeholders involved in this market.

As a reminder, when analysing potential investment or development cases and when managing its portfolio of standing assets, Aedifica monitors both financial and non-financial KPIs of its assets to the extent permitted by local market regulations and practices. The main financial KPI is the rent cover ratio allowing to assess the sustainability of the rent based on normal revenue and cost assumptions. Regarding non-financial KPIs, Aedifica takes into account a tenant's quality and reputation based on publicly available information such as healthcare inspection reports, which are discussed with the operator.

As always when significant incidents involving care operators are reported, Aedifica will evaluate and, if necessary, adjust its own procedures based on the results of public investigations.





2. COVID-19 IMPACT

The impact of the Covid-19 pandemic on society in general could still be felt during 2021. However, the vaccination programmes – including booster shots – that have been rolled out across Europe since 2021 and the emergence of new Covid-19 variants that appear to cause less severe illness have led to a significant improvement in the situation. At the end of 2021, there was no longer any indication of excess mortality due to the virus. The pandemic therefore had **no material impact on the Group's results** as at 31 December 2021.

Since the start of 2021, **vaccination programmes** have been rolled out in all countries in which Aedifica operates, with priority given to care home residents and staff. Now that the vaccination – including boosters – of these priority groups is complete in most European countries, many operators report that the public's perception of the risk posed by care homes will quickly alter for the better and that the care operators' occupancy levels (which fell by around 5 to 10% in some countries owing to excess mortality, a halt to admissions or other factors such as visitor restrictions) are rising again. The first signs of a change in trend started to emerge in the second quarter of 2021, leading in general to improved resident occupancy rates by the end of 2021. Although the 'Omicron wave' at the end of 2021 and the beginning of 2022 might temporarily slow down the resident occupancy recovery, it is generally believed that the positive trend will continue in 2022. Operator's reporting¹ is also showing an improved rent cover, owing to the improving occupancy. It has nevertheless been pointed out that some increased costs, specifically relating to staff shortages during the 'Covid-19 waves' are still impacting rent covers.

Despite the pandemic, there has been no **material negative impact on rent payments**. This is partly due to the fact that the average occupancy rate of the care home operators in all the countries in the portfolio has been maintained at a level that enables tenants to continue to fulfill their obligations. In addition, (local) authorities in various countries have approved aid programmes to (partly) cover the additional costs incurred by care home operators as a result of the Covid-19 measures. In several countries these programmes are however ending or ended in the course of 2021.

The healthcare real estate investment market was very dynamic in 2021, characterised in general by yield compression. The **sound market fundamentals** of healthcare real estate (ageing of the population, market consolidation of care operators and public financing of care) remain intact and are even being strengthened by the crisis. In addition, Aedifica's development projects are proceeding as expected since construction projects are continuing normally.

Aedifica believes it is well placed, in terms of the strength of its balance sheet, its liquidity position, tenant base and the diversification of the portfolio, to absorb the short-term risks of the Covid-19 pandemic (namely the possible negative impact of the pandemic on the ability of care home operators to pay their rent) and the general volatility of the macro-economic climate resulting from the pandemic, but also to continue to follow and support the growth of the care sector in Europe and the resulting need for healthcare real estate.

1. The level of detail in the reporting received from operators varies from country to country. For example, rent covers are not available in all countries in which Aedifica operates.

3. MANAGEMENT OF FINANCIAL RESOURCES

3.1 CREDIT RATING

In August 2021, Aedifica received its first issuer credit rating by S&P Global. The Group was assigned a BBB investment-grade rating with a stable outlook. Aedifica has engaged in this financial rating process in order to benefit from an enhanced access to capital markets with attractive financing conditions (see section 3.2 below), while appealing to a broader investor base. According to S&P, this rating reflects the strength of Aedifica's balance sheet and business model. The stable outlook reflects the predictable rental income supported by resilient health care assets and overall long leases which should continue to generate stable cash flows over the next few years. S&P's credit rating research is available on Aedifica's website.

3.2 ISSUANCE OF A €500 MILLION SUSTAINABILITY BOND

On 2 September 2021, Aedifica has successfully priced its first benchmark Sustainability Bond for a total size of €500 million. The notes are issued with a tenor of 10 years paying a fixed coupon of 0.75% per annum. The strong investor demand for Aedifica was evidenced by an orderbook of €1.8 billion, more than 3.6 times covering the deal size.

The proceeds of the issuance of the Sustainability Bond will be used to (re)finance environmentally sustainable healthcare assets as defined in the Company's updated Sustainable Finance Framework. V.E. provided a Second Party Opinion on the alignment of the Sustainable Finance Framework with relevant international standards, including the ICMA Green- and Social Bond Principles.

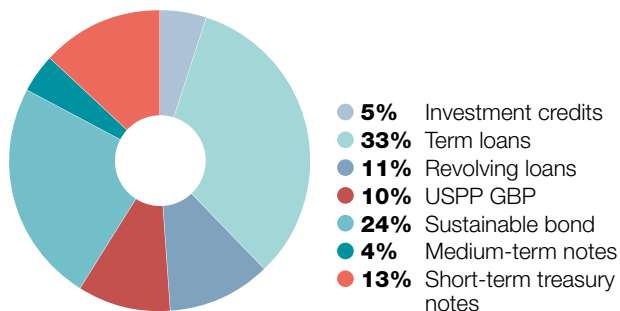
The bond is listed on the Luxembourg Stock Exchange (Euro MTF Market) since 9 September 2021.

This Sustainability Bond is a further building block in Aedifica's long-term sustainability strategy, bridging the financing strategy and our CSR ambitions.

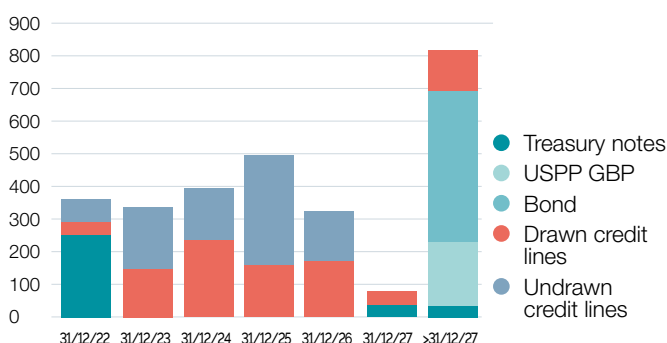
INGRID DAERDEN, CFO

3.3 FINANCIAL DEBTS

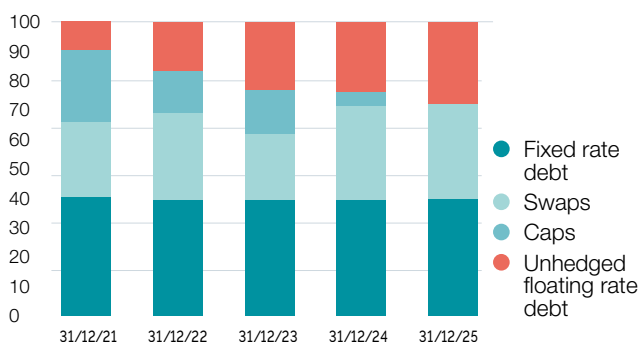
COMPOSITION OF FINANCIAL DEBTS



FINANCIAL DEBT MATURITY (IN € MILLION)



INTEREST RATE HEDGING¹ (%)



During the 2021 financial year, Aedifica further strengthened its financial resources. The Group has secured new, long-term financing with due dates between 2024 and 2033 totalling €1,329 million:

- a bond ("USPP") of £180 million was successfully issued through a private placement with US, UK and Canadian institutional investors. The bonds have maturities of 7 and 12 years with a coupon of 2.58% and 2.79% respectively;
- a private placement of €10 million with a term of seven years was concluded at a fixed interest rate of 1.329%;
- bank loans totalling €370 million were contracted by Aedifica NV/SA, of which €305 million was new financing and €65 million was early refinancing (of which €40 million was a 'green loan' under Aedifica's Sustainable Finance Framework);
- bank loans of €235 million (of which €135 million were used to refinance investment loans) were contracted by Hoivatilat Oyj;
- Aedifica successfully issued its first benchmark Sustainability Bond for an amount of €500 million with a tenor of 10 years and a coupon of 0.75% per annum (see section 3.2 above).

These various transactions underline Aedifica's wish to further diversify its sources of financing and to integrate ESG criteria into its financial policy.

Taking these elements into account, the maturity dates of Aedifica's financial debts as of 31 December 2021 are as follows:

Financial debt (in € million) ²	Lines	Utilisation	of which treasury notes
31/12/2022	389	319	276
31/12/2023	371	166	-
31/12/2024	432	256	-
31/12/2025	540	175	-
31/12/2026	351	189	-
31/12/2027	92	92	50
>31/12/2027	889	889	37
Total as of 31 December 2021	3,064	2,087	363
Weighted average maturity (in years)³	4.7	5.7	-

Without regard to short-term financing (short-term treasury notes), the weighted average maturity of the financial debts as of 31 December 2021 is 5.7 years. The available liquidity after deduction of the short-term commercial paper stood at €701 million on 31 December 2021.

As of 31 December 2021, Aedifica's consolidated debt-to-assets ratio amounted to 42.6%.

Aedifica extended and increased its hedge ratio by closing new forward starting swaps and some caps to hedge the interest rate risk. In addition, the USPP and the benchmark bond issue have rebalanced Aedifica's mix of fixed and floating rate debt. On 31 December 2021, the financial debt is hedged against interest rate risk for 90.3%, i.e. the ratio of the sum of the fixed rate debt and the notional amount of derivatives divided by the total financial debt (31 December 2020: 72.9%). The hedging's weighted average maturity is 6.6 years.

3.4 EQUITY

In 2021, Aedifica completed one capital increase in cash and two capital increases by contribution in kind, raising more than €330 million. These capital increases strengthened Aedifica's equity position and partly financed acquisitions and development projects while maintaining a strong balance sheet, giving the Group sufficient financial resources for further growth.

Capital increase of €286 million

On 9 June 2021, Aedifica successfully launched a capital increase in cash within the authorised capital by way of an accelerated bookbuilding with international institutional investors (an 'ABB') for a gross amount of €286 million. On 15 June 2021, the Company issued 2,800,000 new shares at an issue price of €102 per share, i.e. €285,600,000 (including share premium). The new shares were immediately admitted to trading and are entitled to a pro rata temporis dividend for the 2021 financial year as from 15 June 2021 (coupon no. 29 and following). Within the framework of this transaction, coupon no. 28, representing the right to the pro rata temporis dividend for the period from 1 January 2021 to 14 June 2021 inclusive, was detached on 11 June 2021.

Contribution in kind of €20 million

On 29 June 2021, the acquisition of the Domaine de la Rose Blanche care home in Durbuy (Belgium) was carried out through the contribution in kind of the building and the plot of land in Aedifica NV/SA. As consideration for the contribution, 184,492 new Aedifica shares were issued following a capital increase by the Board of Directors within the framework of the authorised capital. The new shares have been listed since 29 June 2021 and are entitled to a pro rata temporis dividend for the 2021 financial year as from 15 June 2021 (coupon no. 29 and following).

Contribution in kind of €27 million

On 8 September 2021, the Group acquired 14 buildings and the related plots of land⁴ through the contribution in kind of 100% of the shares in the Swedish real estate company that (indirectly) controls the portfolio. As consideration for the contribution, 237,093 new Aedifica shares were issued following a capital increase by the Board of Directors within the framework of the authorised capital. The new shares have been listed since 8 September 2021 and are entitled to a pro rata temporis dividend for the 2021 financial year as from 15 June 2021 (coupon no. 29 and following).

Following this transaction, the total number of Aedifica shares amounts to 36,308,157 and the share capital amounts to €958,091,797.21.

1. Assuming debt 31/12/2021 unchanged.

2. Amounts in £ were converted into € based on the exchange rate of 31 December 2021 (1.18879 £/€).

3. Without regard to short-term treasury notes and uncommitted credit lines.

4. See press release of 24 June 2021.

4. SUMMARY OF THE CONSOLIDATED FINANCIAL STATEMENTS

4.1 CONSOLIDATED RESULTS¹

Consolidated income statement - analytical format (x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Rental income	232,118	187,535	259,505
Rental-related charges	-686	-2,753	-3,344
Net rental income	231,432	184,782	256,161
Operating charges*	-38,105	-33,228	-44,539
Operating result before result on portfolio	193,327	151,554	211,622
EBIT margin* (%)	83.5%	82.0%	82.6%
Financial result excl. changes in fair value*	-32,162	-28,323	-38,755
Corporate tax	-9,718	-7,703	-11,530
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of EPRA Earnings	360	798	1,568
Non-controlling interests in respect of EPRA Earnings	-328	-158	-187
EPRA Earnings* (owners of the parent)	151,479	116,168	162,718
Denominator (IAS 33)	34,789,526	27,472,976	26,512,206
EPRA Earnings* (owners of the parent) per share (€/share)	4.35	4.23	6.14
EPRA Earnings*	151,479	116,168	162,718
Changes in fair value of financial assets and liabilities	14,813	-5,587	-2,169
Changes in fair value of investment properties	160,211	5,069	25,049
Gains and losses on disposals of investment properties	534	-1,827	-559
Tax on profits or losses on disposals	-559	0	0
Negative goodwill / goodwill impairment	-3,540	0	0
Deferred taxes in respect of EPRA adjustments	-46,452	-11,041	-14,811
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of the above	6,011	1,180	3,007
Non-controlling interests in respect of the above	-673	-68	-167
Roundings	0	0	0
Profit (owners of the parent)	281,824	103,894	173,068
Denominator (IAS 33)	34,789,526	27,472,976	26,512,206
Earnings per share (owners of the parent - IAS 33 - €/share)	8.10	3.78	6.53

The consolidated turnover (consolidated rental income) of the 2021 financial year (1 January 2021 – 31 December 2021) amounted to €232.1 million, an increase of approx. 24% as compared to the turnover of the previous financial year (1 January 2020 – 31 December 2020: €187.6 million).

1. In order to allow comparison with the previous period (due to the extension of the 2019/2020 financial year), the figures as of 31 December 2020 were derived on a 12-month basis (with the exception of the denominators (IAS 33) which were recalculated for each period). Acquisitions are accounted for on the date of the effective transfer of control. These operations therefore present different impacts on the income statement, depending on whether they took place at the beginning, during, or at the end of the period.

Consolidated rental income (x €1,000)	2021.01 - 2021.03	2021.04 - 2021.06	2021.07 - 2021.09	2021.10 - 2021.12	2021.01 - 2021.12	2020.01 - 2020.12	Var. (%) on a like-for-like basis* °	Var. (%)
Belgium	15,428	15,425	15,797	15,898	62,548	58,228	+1.0%	+7.4%
Germany	9,302	10,007	12,393	13,269	44,971	35,625	+0.8%	+26.2%
Netherlands	7,302	7,523	7,895	7,709	30,429	24,627	+1.2%	+23.6%
United Kingdom	11,551	11,698	13,182	13,480	49,911	41,754	+1.6%	+19.5%
Finland	9,387	9,695	9,947	10,768	39,797	27,029	+0.8%	+47.2%°°
Sweden	217	218	591	932	1,958	272	+0.8%	+621.0%°°
Ireland	164	354	843	1,143	2,504	-	+0.0%	-
Spain	-	-	-	-	-	-	+0.0%	-
Total	53,351	54,920	60,648	63,198	232,118	187,535	+1.9%	+23.8%

° The variation on a like-for-like basis* is shown for each country in the local currency. The total variation on a like-for-like basis* is shown in the Group currency.

°° Hoivatilat included in the consolidation scope of the Aedifica group on 10 January 2020.

Aedifica's consolidated rental income by country is presented in the table above. In order to allow comparison with the previous financial year, the variation on a like-for-like basis* was calculated on a 12-month period. The increase in consolidated rental income demonstrates the relevance of Aedifica's investment strategy and can be attributed to the large number of sites that Aedifica has added to its portfolio through the completion of new acquisitions and the delivery of development projects from the investment programme.

The variation on a like-for-like basis* in the UK is impacted by Aedifica's plan to redevelop two properties in the UK portfolio (which has an impact on the contribution of these properties in the rental income during the preparation and execution of the redevelopment). Excluding these effects, the variation on a like-for-like basis* for the United Kingdom amounts to +3.5%.

After deduction of the **rental-related charges** (€0.7 million), the **net rental income** amounts to €231.4 million (+25% compared to 31 December 2020).

The **property results** amounts to €230.5 million (31 December 2020: €184.8 million). This result, less other direct costs, leads to a **property operating result** of €222.9 million (31 December 2020: €178.6 million). This implies an operating margin* of 96.3% (31 December 2020: 96.7%).

After deducting overheads of €30.9 million (31 December 2020: €27.1 million) and taking into account other operating income and charges, the **operating result before result on the portfolio** has increased by 28% to reach €193.3 million (31 December 2020: €151.6 million). This implies an **EBIT margin*** of 83.5% (31 December 2020: 82.0%).

Taking into account the cash flows generated by hedging instruments, Aedifica's **net interest charges** amount to €27.5 million (31 December 2020: €25.1 million). The **average effective interest**

rate* including commitment fees is 1.6%, lower than in the previous financial year (1.7%). Taking into account other income and charges of a financial nature, and excluding the net impact of the revaluation of hedging instruments to their fair value (non-cash movements accounted for in accordance with IAS 39 are not included in the EPRA Earnings* as explained below), the **financial result excl. changes in fair value*** represents a net charge of €32.2 million (31 December 2020: €28.3 million).

Corporate taxes are composed of current taxes, deferred taxes and exit tax. In conformity with the special tax system of Belgian RRECs, the taxes included the EPRA Earnings* (31 December 2021: €9.7 million; 31 December 2020: €7.7 million) consist primarily of tax on the result of consolidated subsidiaries, tax on profits generated outside of Belgium and Belgian tax on Aedifica's non-deductible expenditures. In the Dutch subsidiaries, for the sake of caution it was decided to opt for a common law tax burden in the result, notwithstanding the fact that the subsidiary still has a claim to the application of the fiscally transparent regime of a 'Fiscale Beleggingsinstelling' ('Tax Investment Institution'). Deferred taxes are described below.

The **share in the result of associates and joint ventures** includes the result of the participation in Immo NV/SA which has been consolidated since 31 March 2019 using the equity method.

EPRA Earnings* (see page 155) reached €151.5 million (31 December 2020: €116.2 million), or €4.35 per share (31 December 2020: €4.23 per share), based on the weighted average number of shares outstanding and taking into account the higher number of shares resulting from the 2020 and 2021 capital increases. This result (absolute and per share) is higher than the budgeted amount of €4.28 that was announced in the interim statement of the Board of Directors of the third quarter 2021.

The income statement also includes elements with no monetary impact (i.e., non-cash) that vary in line with external market parameters. These consist amongst others of changes in the fair value of investment properties (accounted for in accordance with IAS 40), changes in the fair value of financial assets and liabilities (accounted for in accordance with IAS 39), other results on portfolio, exit tax and deferred taxes (arising from IAS 40):

- Over the entire financial year, the combined **changes in the fair value of marketable investment properties¹ and development projects** represent an increase of €160.2 million for the period (31 December 2020: €5.1 million).
- In order to limit the interest rate risk stemming from the financing of its investments, Aedifica has put in place long-term hedges which allow for the conversion of variable-rate debt to fixed-rate debt, or to capped-rate debt. Moreover, the financial instruments also reflect put options granted to certain minority shareholders which are the subject of appraisal at fair value. **Changes in the fair value of financial assets and liabilities** taken into the income statement as of 31 December 2021 represent an income of €14.8 million (31 December 2020: a charge of €5.6 million) following the increase of the long-term interest rates.
- **Capital gains on disposals** (31 December 2021: €0.5 million; 31 December 2020: -€1.8 million) are also taken into account here.

- **Impairment of goodwill** (31 December 2021: charge of €3.5 million) related to the acquisition of the shares of British asset management company Layland Walker.
- **Deferred taxes in respect of EPRA adjustments** (charge of €46.5 million as of 31 December 2021, compared to a charge of €11.0 million on 31 December 2020) include two elements. Deferred taxes (charge of €46.2 million as of 31 December 2021, compared to a charge of €11.1 million on 31 December 2020) arose from the recognition at fair value of buildings located abroad, in conformity with IAS 40. The exit tax (charge of €0.3 million as of 31 December 2021, compared to an income of €0.1 million as of 31 December 2020) corresponds to the variation between the estimated exit tax at the moment of acquisition of companies and the estimated exit tax at their anticipated merger dates.

Taking into account the non-monetary elements described above, the **profit (owners of the parent)** amounts to €281.8 million (31 December 2020: €103.9 million). The basic earnings per share (as defined by IAS 33) is €8.10 (31 December 2020: €3.78).

The **adjusted statutory result** as defined in the annex to the Royal Decree of 13 July 2014 regarding RRECs, amounts to €138.9 million (31 December 2021, 12 months; 31 December 2020: €139.7 million, 18 months) – as calculated in the Abridged Statutory Financial Statements on page 230 – or €3.98 per share (31 December 2020: €5.24 per share).



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4.2 CONSOLIDATED BALANCE SHEET

Consolidated balance sheet (x €1,000)	31/12/2021	31/12/2020
Investment properties including assets classified as held for sale*	4,896,422	3,814,667
Other assets included in debt-to-assets ratio	258,725	252,274
Other assets	6,720	234
Total assets	5,161,867	4,067,175
Equity		
Equity excl. changes in fair value of hedging instruments*	2,808,488	2,222,523
Effect of the changes in fair value of hedging instruments	-27,317	-52,212
Non-controlling interests	4,226	2,625
Equity	2,785,397	2,172,936
Liabilities included in debt-to-assets ratio	2,197,131	1,757,683
Other liabilities	179,339	136,556
Total equity and liabilities	5,161,867	4,067,175
Debt-to-assets ratio (%)	42.6%	43.2%

As of 31 December 2021, **investment properties including assets classified as held for sale*** represent 95% (31 December 2020: 94%) of the **assets recognised on Aedifica's balance sheet**, valued in accordance with IAS 40² at €4,896 million (31 December 2020: €3,815 million). This heading includes:

- **Marketable investment properties including assets classified as held for sale*** (31 December 2021: €4,687 million; 31 December 2020: €3,622 million) increase in the amount of €1,065 million. The net growth in the fair value of marketable investment properties is attributed primarily to €635 million from investment operations, to -€53 million from divestment operations, to €289 million from the completion of development projects, to €44 million from exchange rate differences and to €150 million from the change in the fair value of marketable investment properties. The change in the fair value of marketable investment properties, as assessed by independent valuation experts, are broken down as follows:
 - Belgium: +€23.1 million (+0.6%);
 - Germany: +€25.4 million (+0.7%);
 - Netherlands: +€13.4 million (+0.4%);
 - United Kingdom: +€28.7 million (+0.8%);
 - Finland: +€51.9 million (+1.4%);
 - Sweden: +€5.1 million (+0.1%);
 - Ireland: +€2.1 million (+0.1%).
- **Development projects** (31 December 2021: €152 million; 31 December 2020: €141 million) consist primarily of investment properties under construction or renovation. They are part of a multi-annual investment programme (see pages 83-85).

- The **right of use related to plots of land held in 'leasehold'** in accordance with IFRS 16 (31 December 2021: €58 million; 31 December 2020: €52 million).

The item 'Other assets included in debt-to-assets ratio' includes, amongst other things, **goodwill** amounting to €161.7 million arising from the acquisition of Hoivatilat, which is the positive difference between the price paid for the shares of Hoivatilat Oyj and the accounting value of the acquired net assets, and **holdings in associated companies and joint ventures**. This includes the remaining stake of 25% in Immo NV, which amounts to €40.5 million as of 31 December 2021 (31 December 2020: €37.0 million).

The **other assets included in the debt-to-assets ratio** represent 5% of the total balance sheet (31 December 2020: 6%).

Since Aedifica's incorporation, its capital has increased as a result of various real estate activities (contributions, mergers, etc.) and capital increases in cash. As of 31 December 2021³, the Company's capital amounts to €958 million (31 December 2020: €873 million). **Equity** (also called net assets), which represents Aedifica's intrinsic net value and takes into account the fair value of its investment portfolio, amounts to:

- €2,808 million excluding the effect of the changes in fair value of hedging instruments* (31 December 2020: €2,223 million, including the €47 million dividend distributed in May 2021⁴);
- or €2,781 million taking into account the effect of the changes in fair value of hedging instruments (31 December 2020: €2,170 million, including the €47 million dividend distributed in May 2021⁴).

1. That change corresponds to the sum of the positive and negative variations of the fair value of the buildings as of 31 December 2020 or the time of entry of new buildings in the portfolio, and the fair value estimated by the valuation experts as of 31 December 2021.

2. The investment properties are represented at their fair value as determined by the valuation experts (Cushman & Wakefield NV/SA, Stadim BV/SRL, CBRE GmbH, Jones Lang LaSalle SE, Cushman & Wakefield VOF, CBRE Valuation & Advisory Services BV, Cushman & Wakefield Debenham Tie Leung Ltd, Jones Lang LaSalle Finland Oy, JLL Valuation AB and CBRE Unlimited Company).

3. IFRS requires that the costs incurred to raise capital are recognised as a decrease in the capital reserves.

4. This amount relates exclusively to the payment of the final dividend. As the interim dividend of €3.00 (gross) per share was distributed in October 2020, it was already accounted for in the figures as of 31 December 2020.

As of 31 December 2021, **liabilities included in the debt-to-assets ratio** (as defined in the Royal Decree of 13 July 2014 on RRECs) reached €2,197 million (31 December 2020: €1,758 million). Of this amount, €2,081 million (31 December 2020: €1,667 million) is effectively drawn on the Company's credit lines. Aedifica's consolidated **debt-to-assets ratio** amounts to 42.6% (31 December 2020: 43.2%). The table below sets out the Group's additional consolidated debt capacity assuming a debt-to-assets-ratio of 65% (maximum debt-to-assets ratio permitted for Belgian RRECs), 60% (maximum debt-to-assets ratio given Aedifica's existing bank commitments) and 50% (maximum debt-to-assets ratio based on Aedifica's financial policy). The

additional consolidated debt capacity is expressed in constant assets (that is, excluding growth in the real estate portfolio), in variable assets (that is, taking into account growth in the real estate portfolio) and as the decrease in the fair value of investment properties that the current balance sheet structure can absorb.

Other liabilities of €179 million (31 December 2020: €137 million) represent primarily the fair value of hedging instruments (31 December 2021: €33 million; 31 December 2020: €51 million) and the deferred taxes (31 December 2021: €121 million; 31 December 2020: €75 million).

Additional consolidated debt capacity	Debt-to-assets ratio		
	50%	60%	65%
In constant assets (in € million)	380	896	1,154
In variable assets (in € million)	761	2,240	3,296
Decrease in fair value of investment properties (in %)	-15.5%	-30.5%	-36.2%

4.3 NET ASSET VALUE PER SHARE

Excluding the non-monetary effects (i.e., non-cash) of the changes in fair value of hedging instruments¹ and after accounting for the distribution of the 2019/2020 final dividend in May 2021², the net asset value per share based on the fair value of investment properties amounted to €77.35 as of 31 December 2021 (31 December 2020: €65.75 per share).

Net asset value per share (in €)	31/12/2021	31/12/2020
Net asset value after deduction of the 2019/2020 dividend, excl. changes in fair value of hedging instruments*	77.35	65.75
Effect of the changes in fair value of hedging instruments	-0.75	-1.58
Net asset value after deduction of the 2019/2020 dividend	76.60	64.17
Number of shares outstanding (excl. treasury shares)	36,308,157	33,086,572

€3.40/share
PROPOSED GROSS DIVIDEND FOR 2021

85%
STATUTORY PAY-OUT RATIO

4.5 CONSOLIDATED CASH FLOW STATEMENT

The consolidated cash flow statement included in the attached Consolidated Financial Statements shows total cash flows for the period of -€8.2 million (31 December 2020: +€8.1 million), which is made up of net cash from operating activities of +€198.3 million (31 December 2020: +€181.1 million), net cash from investing activities of -€820.9 million (31 December 2020: -€1,210.1 million), and net cash from financing activities of +€614.4 million (31 December 2020: +€1,037.1 million).



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4.6 APPROPRIATION OF THE RESULTS

The Board of Directors proposes to the Annual General Meeting of 10 May 2022 to approve the Aedifica SA's Annual Accounts of 31 December 2021 (of which a summary is provided in the chapter 'Abridged Statutory Financial Statements' on page 230).

The Board of Directors also proposes to distribute a gross dividend of €3.40 for the 2021 financial year³, resulting in a statutory pay-out ratio of 85%. The dividend will be paid in May 2022 after the annual accounts have been approved by the Annual General Meeting of 10 May 2022. The dividend will be split between coupon no. 28 (€1.5370) and coupon no. 29 (€1.8630). The net dividend per share after deduction of 15%⁴ withholding tax will amount to €2.89, split between coupon no. 28 (€1.30645) and coupon no. 29 (€1.58355).

The statutory result for the 2021 financial year will be submitted as presented in the table on page 230.

The proposed dividend respects the requirements laid down in Article 13, § 1, paragraph 1 of the Royal Decree of 13 July 2014 regarding RRECs considering it is greater than the required minimum pay-out of 80 % of the adjusted statutory result, after deduction of the debt reduction over the financial year.

1. The effect of the changes in fair value of hedging instruments of -€0.75 per share as of 31 December 2021 is the impact in equity of the fair value of hedging instruments, which is negative for €27.3 million, mainly booked in the liabilities on the balance sheet.
2. Recall that IFRS requires the presentation of the annual accounts before appropriation. The net asset value of €67.17 per share as of 31 December 2020 (as published in the 2019/2020 Annual Financial Report) thus included the final dividend distributed in May 2021, and should now be adjusted by €1.43 per share in order to compare with the value as of 31 December 2021. This amount corresponds to the total amount of final dividends paid (€47.2 million), divided by the total number of shares outstanding as of 31 December 2020 (33,086,572).
3. See page 139 for more information about Aedifica's 2021 dividend.
4. As a RREC investing more than 80% of its portfolio in residential European healthcare real estate, the withholding tax for Aedifica investors amounts to only 15%. See section 4.2 of the 'Standing Documents' for more information on the tax treatment of dividends, as well as section 4.3 of the 'Risk factors' chapter.

5. OUTLOOK FOR 2022

The outlook presented below has been developed by the Board of Directors as part of the preparation of the budget for the 2022 financial year on a comparable basis with the Company's historical financial information.

5.1 ASSUMPTIONS

External factors

- The **indexation rates** of rents and charges vary by country and in most countries are linked to the (health) consumer price index. Indexation of the UK healthcare portfolio is generally based on the retail price index with contractual floors and caps.
- **Valuation of investment properties:** no assumptions are made regarding fluctuations in the portfolio's fair value. Changes in the fair value of the portfolio have no impact on EPRA Earnings*.
- **Average interest rate** before capitalised interests: 1.64% based on the Euribor rate curve of 9 February 2022, bank margins, and hedges currently in place.
- **Foreign exchange:** future fluctuations in the exchange rate may affect the value of the investment properties in the United Kingdom and Sweden, the rental income and the net result of Aedifica, which are all expressed in Euro. In the forecasts below, exchange rates GBP/EUR of 1.15 and SEK/EUR of 0.10 have been applied.

Internal factors

- **Rents:** rent forecasts are based on current contractual rates and take indexation into account. The projected rental income includes assumptions regarding future portfolio additions (completion of buildings currently under development and possible acquisitions for which the timing cannot be determined with certainty).
- **Real estate charges:** the assumptions concerning real estate charges relate to internal and external real estate management costs (management fees, etc.), repair and maintenance costs, general taxes and property tax, and insurance.
- **Operating charges and overheads:** this forecast includes, amongst other things, employee benefits, IT, office, consultancy services, administrative and accounting fees, and fees directly associated with the listing of the Company's shares.

- **Investment programme:**

- Delivery of projects from the committed pipeline of €335 million in 2022.
- Hypothetical new investments in 2022 are assumed to amount to €800 million, in addition to deliveries from the committed pipeline. It is assumed that €450 million of these new investments will immediately generate cash flow. The outlook is sensitive not only to the amount of hypothetical new investments, but also to the timing during the year.
- The cash out in 2022 related to the investment programme described above amounts to approx. €900 million. This mainly concerns (i) cash outflows related to the execution of the committed development pipeline amounting to approx. €350 million, (ii) additional – not yet committed – investments which are assumed to be carried out during the 2022 financial year, amounting to approx. €450 million, and generating rental incomes in line with today's market practice for 4 months on average, and (iii) additional – not yet committed – projects with assumed cash payments of approx. €100 million during the 2022 financial year.

- **Financial assumptions:**

- Debt-to-assets ratio below 50% at the end of 2022.
- Changes in the fair value of hedging instruments for financial debts (IAS 39) are not modelled as they have no impact on EPRA Earnings*, and are not estimable. Thus, these changes have no impact on the projections presented below.
- **Divestment assumption:** assumption related to the sale of some assets as part of a limited portfolio rotation amounting to approx. €100 million.
- **Taxes:** taxes mainly include tax on profits of consolidated subsidiaries, tax on profits generated by Aedifica NV/SA abroad and Belgian tax on Aedifica NV/SA's non-deductible expenditures. As a result of international growth, the tax burden increases.

5.2 FINANCIAL PROJECTIONS

On the basis of the currently available information and the projected real estate portfolio, and without any unforeseen developments, the Board of Directors estimates the rental income for the 2022 financial year to reach €269 million. This results in €175 million in EPRA Earnings*. Taking into account the higher number of shares resulting from the 2021 capital increases (see section 3.2), the Board of Directors anticipates EPRA Earnings* per share of €4.77 per share – an increase of 9.6% compared to 2021 – and a gross dividend of €3.70 per share – an increase of 8.8%. This outlook is based on an assumption of €450 million of additional cash-generating investments outside the development pipeline.

The outlook takes into account the current knowledge and assessment of the (geo)political and financial context and the Covid-19 pandemic. The Board of Directors continues to pay close attention to the shifting economic, financial and (geo)political context, as well as the associated impact on the Group's activities, the economic growth, interest curves, development costs and energy costs.

Outlook for 2022	
Estimated rental income	€269 million
EPRA Earnings*	€175 million
EPRA Earnings* per share	€4.77
Gross dividend	€3.70



RESIDENTIE KARTUIZERHOF • LIERDE, BE

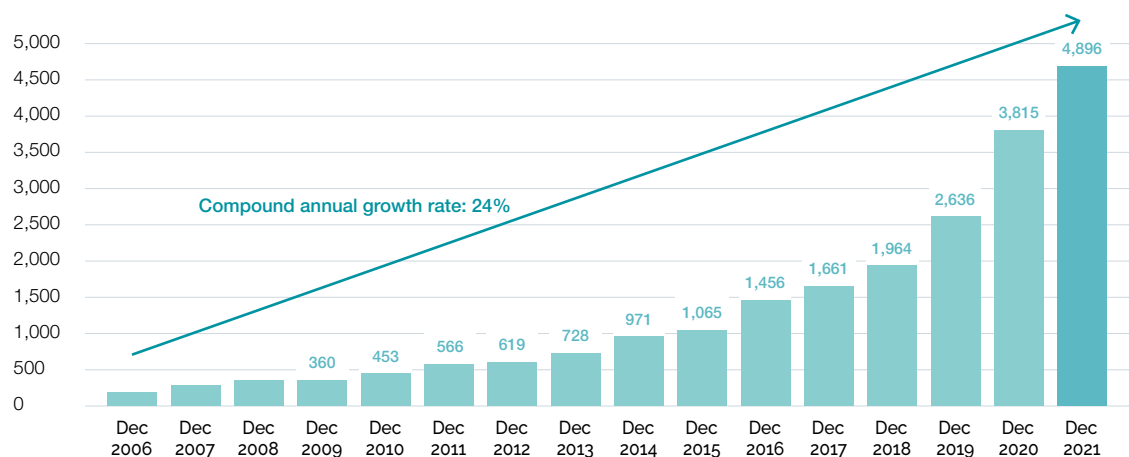


DE STATENHOF • LEIDEN, NL

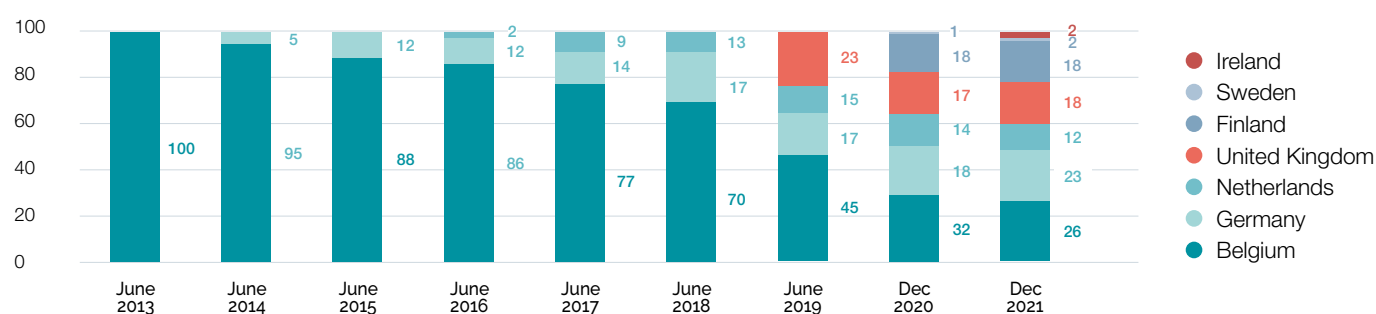
Property report

1. OUR PORTFOLIO AS OF 31 DECEMBER 2021

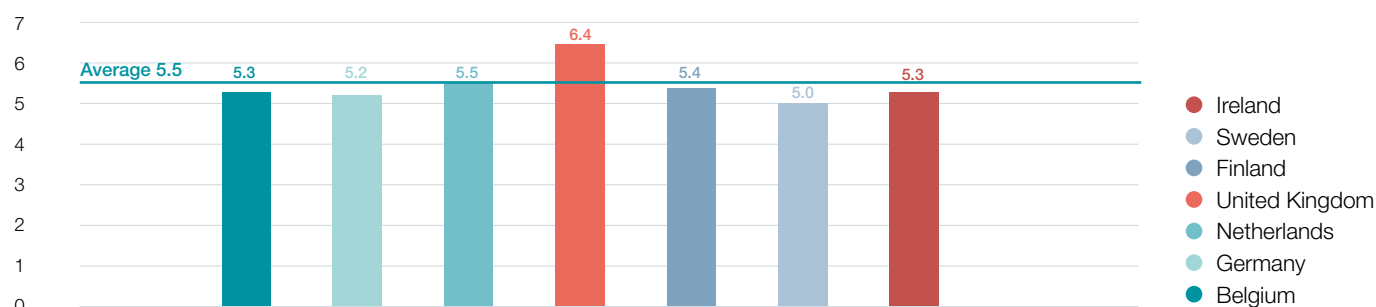
INVESTMENT PROPERTIES IN FAIR VALUE (IN € MILLION)



GEOGRAPHICAL BREAKDOWN IN FAIR VALUE (%)

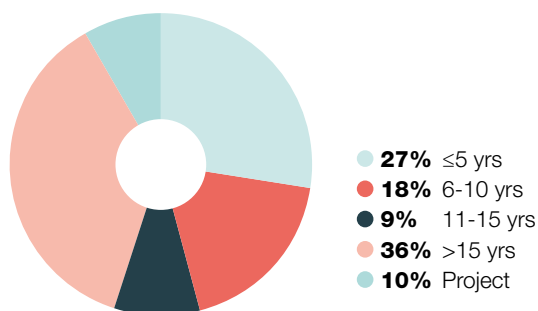
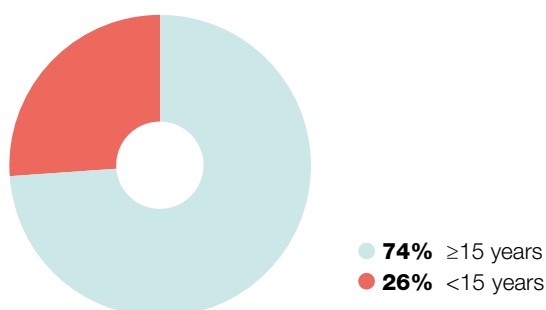


GROSS YIELD BY COUNTRY (%)

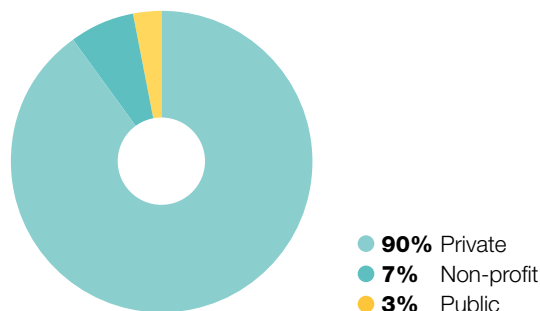
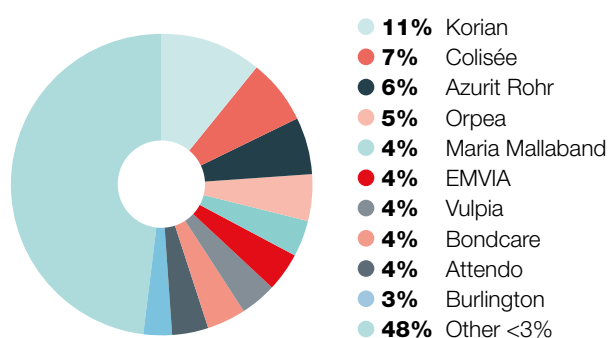


**BREAKDOWN BY BUILDING
(IN FAIR VALUE)**

None of the buildings in Aedifica's portfolio represents more than 3% of total consolidated assets.

**BUILDING AGE IN M²
BASED ON AGE OF CONSTRUCTION
PHASES WITHIN EACH ASSET****UNEXPIRED LEASE TERM (%)**

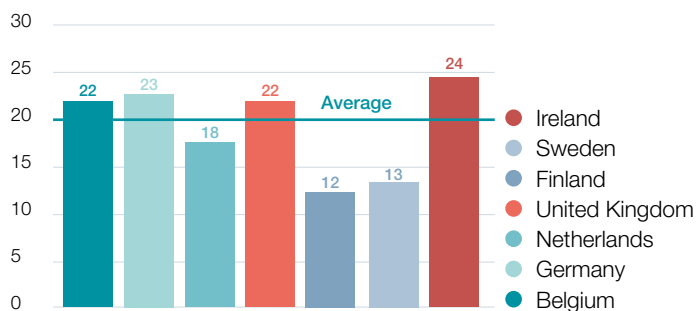
20 years
WAULT

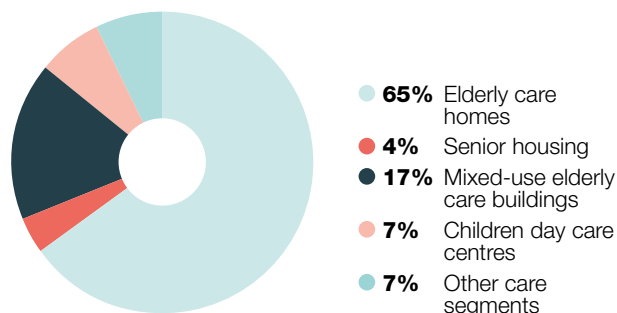
BREAKDOWN OF CONTRACTUAL RENTS BY TENANT SECTOR (%)**BREAKDOWN OF CONTRACTUAL RENTS BY TENANT GROUP (%)****OCCUPANCY RATE (%)**

Overall occupancy rate for the year ended 31 December 2021 is 100%.

PROPERTY PORTFOLIO IN INSURED VALUE

Aedifica's investment properties are insured for a total value of €5,012 million.

WEIGHTED AVERAGE UNEXPIRED LEASE TERM (IN YEARS)

BREAKDOWN BY FACILITY TYPE IN FAIR VALUE (%)**ELDERLY CARE HOMES**

Elderly care homes provide long-term accommodation for seniors who continuously rely on collective domestic services, assistance with daily tasks and nursing or paramedical care.

SENIOR HOUSING

Senior housing is aimed at elderly people who want to live independently with access to care and services on request. The care properties consist of individual housing units where the elderly live independently, with common service facilities that can be used on an optional basis.

MIXED-USE ELDERLY CARE BUILDINGS

Mixed-use elderly care buildings combine within one building (or within several buildings on one site) housing units for both seniors requiring continuous care and seniors who want to live independently with care services available on demand. Moreover, the Group invests in care campuses that combine elderly care with other complementary care functions such as day-care centres, medical centres, medical practices, children day-care centres, housing for people with a disability, etc.

CHILDREN DAY CARE CENTRES

In northern Europe, we also invest in children day-care centres that provide childcare for children aged 0 to 6, either as stand-alone centres or in combination with other care or school facilities. These day nurseries ('pre-school') provide childcare for children aged 0 to 6.

OTHER CARE BUILDINGS

The other care buildings in our portfolio accommodate various care activities (some combined with housing) and various target groups (regardless of age) with high or specific permanent or temporary care needs due to disability, illness or other circumstances such as addiction treatment, emergency childcare, special education, etc.



MARIE-LOUISE · WEMMEL, BE

LAHDEN VALLESMAANNINKATU · LAHTI, FI



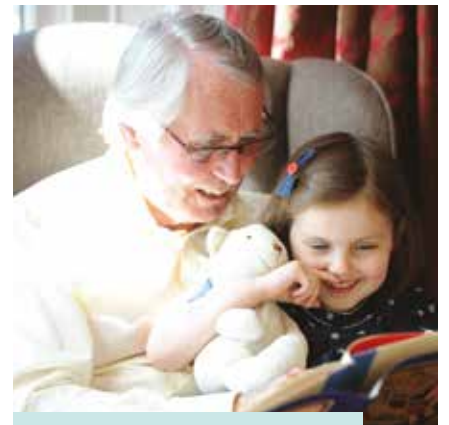
SENIORENHEIM AM DOM · HALBERSTADT, DE



OZC ORION · LEIDERDORP, NL



TUUSULAN ISOKARHUNKIERTO · TUUSULA, FI



LETHAM PARK · EDINBURGH, UK

BREAKDOWN OF CONTRACTUAL RENTS BY TENANT GROUP (31 DECEMBER 2021)

	Number of sites	% Contractual rents 31/12/2021	% Contractual rents 31/12/2020
Belgium	83	25%	29%
Korian Belgium ¹	28	8%	9%
Armonea ²	20	7%	8%
Vulpia	12	4%	5%
Orpea ³	9	3%	3%
Astor vzw	1	1%	1%
Orelia Group	1	0%	0%
My-Assist	1	0%	-
Vivalto Home	1	0%	0%
Emera ⁴	1	0%	0%
Other	9	2%	2%
Germany	101	21%	17%
Azurit Rohr	24	6%	1%
EMVIA	19	4%	3%
Vitanas	12	3%	4%
Residenz Management	8	1%	2%
Orpea ³	5	1%	2%
Argentum	7	1%	1%
Alloheim	4	1%	1%
Cosiq	3	1%	1%
Convivo	3	1%	1%
Korian Germany ¹	1	0%	0%
DRK Kreisverband Nordfriesland e. V.	1	0%	0%
Johanniter	1	0%	0%
Volkssolidarität	1	0%	0%
Procuritas	2	0%	-
ATV Lemförde GmbH	1	0%	-
Specht Gruppe	1	0%	-
Other	8	1%	2%
Netherlands	72	12%	14%
Korian Netherlands ¹	22	3%	3%
Vitalis	3	2%	2%
Martha Flora	10	1%	1%
NNCZ	5	1%	1%
Compartijn ³	6	1%	1%
Domus Magnus	4	1%	1%
Stichting Oosterlengte	3	0%	1%
Stichting Rendant	1	0%	0%
Stichting Leger des Heils Welzijns- en Gezondheidszorg	1	0%	0%
Zorghaven Groep	2	0%	-
Saamborgh	2	0%	0%
Wonen bij September ³	1	0%	0%
Stichting Fundis	2	0%	-
Other	10	2%	2%

1. Korian Group.

2. Colisée Group.

3. Orpea Group.

4. Emera Group.

	Number of sites	% Contractual rents 31/12/2021	% Contractual rents 31/12/2020
United Kingdom	102	20%	21%
Maria Mallaband	16	4%	4%
Bondcare Group	21	4%	4%
Burlington	21	3%	4%
Care UK	12	2%	2%
Renaissance	9	1%	2%
Excelcare	3	1%	-
Harbour Healthcare	5	1%	1%
Halcyon Care Homes	4	1%	1%
Caring Homes	4	1%	1%
Lifeways	2	1%	1%
Handsale	1	0%	0%
Hamberley Care Homes	1	0%	0%
Barchester	1	0%	0%
Other	2	1%	1%
Sweden	22	2%	1%
Olivia Omsorg	5	0%	0%
Ambea	3	0%	-
Kunskapsförskolan	2	0%	0%
Humana	3	0%	-
Frösunda Omsorg	3	0%	-
British mini	1	0%	0%
TP	1	0%	0%
Norlandia	1	0%	0%
Ersta Diakoni	1	0%	-
MoGård	1	0%	-
Caritas Fastigheter	1	0%	0%
Ireland	9	2%	-
Virtue ⁴	7	2%	-
Coolmine Caring Services Group	2	0%	-
Finland	198	18%	18%
Attendo	33	4%	4%
Municipalities	20	2%	2%
Touhula	30	2%	2%
Pilke	25	2%	2%
Mehiläinen	15	2%	2%
Norlandia	18	1%	1%
Vetrea	5	0%	1%
Esperi	3	0%	0%
Sentica	3	0%	0%
Aspa	3	0%	0%
Priimi	2	0%	0%
Musiikkikoulu Rauhala	2	0%	0%
Rinneke	2	0%	0%
KVPS	2	0%	0%
Auruslusäätiö	1	0%	-
Peurunka Oy	1	0%	-
Pihlajanterä Ry	1	0%	-
Other	32	4%	3%
	587	100%	100%

Aedifica's real estate portfolio is operated by more than 130 tenant groups. Three groups operate properties in multiple countries in which the Group operates: Korian, Orpea and Emera. The weight of these groups in Aedifica's contractual rents is broken down by country in the table below.

Tenant	Country	Number of sites	31/12/2021	31/12/2020
Korian		51	11%	13%
	Belgium	28	8%	9%
	Germany	1	0%	0%
	Netherlands	22	3%	3%
Orpea		21	5%	6%
	Belgium	9	3%	3%
	Germany	5	1%	2%
	Netherlands	7	1%	1%
Emera		8	2%	0%
	Belgium	1	0%	0%
	Ireland	7	2%	-



ESPOO MATINKARTANONTIE • ESPOO, FI

2. SUMMARY OF INVESTMENT PROPERTIES

2.1 INVESTMENT PROPERTIES AS OF 31 DECEMBER 2021

Name	Total surface (m ²)	Residents	Child- ren	Contractual rents ¹	Estimated rental value (ERV) ¹	Construction year (refurbishment)	Location
Marketable investment properties	1,893,950	30,638	11,251	€255,447,783	€255,530,857		
Belgium	507,461	8,552	0	€63,874,707	€62,385,240		
Korian Belgium	161,242	2,754	0	€20,039,456			
Kasteelhof	5,346	102	0	€545,997		1994 (2020)	Dendermonde
Ennea	1,848	34	0	€215,961		1998	Sint-Niklaas
Wielant	4,834	112	0	€576,354		1997 (2001)	Anzegem/Ingooigem
Résidence Boneput	2,993	76	0	€486,534		2003	Bree
Résidence Aux Deux Parcs	1,618	68	0	€455,174		1987 (2020)	Jette
Résidence l'Air du Temps	7,197	137	0	€931,737		1994 (2016)	Chênée
Au Bon Vieux Temps	7,868	104	0	€901,323		2016	Mont-Saint-Guibert
Op Haanven	6,587	111	0	€716,052		2001 (2016)	Veerle-Laakdal
Résidence Exclusiv	4,253	104	0	€757,801		1993 (2013)	Evere
Séniorie Mélopée	2,967	70	0	€529,022		1993 (2010)	Molenbeek St-Jean
Séniorie de Maretak	5,684	122	0	€563,184		2006 (2008)	Halle
Résidence du Plateau	8,069	143	0	€1,359,932		1994 (2007)	Wavre
De Edelweis	6,914	122	0	€822,791		1992 (2014)	Begijnendijk
Residentie Sporenpark	9,261	127	0	€1,131,763		2013	Beringen
Résidence Les Cheveux d'Argent	4,996	99	0	€460,586		1988 (2002)	Jalhay
't Hoge	4,632	81	0	€742,631		1972 (2018)	Kortrijk
Helianthus	4,799	67	0	€501,212		2006 (2014)	Melle
Villa Vinkenbosch	9,153	114	0	€1,002,469		2016 (2018)	Hasselt
Heydeveld	6,167	110	0	€663,198		2017	Opwijk
Oosterzonne	4,948	77	0	€774,563		2016	Zutendaal
De Witte Bergen	8,262	119	0	€1,095,504		2006	Lichtaart
Seniorenhof	3,116	52	0	€337,238		1997	Tongeren
Beerzelhof	5,025	61	0	€357,239		2007	Beerzel
Uilenspiegel	6,863	97	0	€779,490		2007	Genk
Coham	6,956	120	0	€939,061		2007	Ham
Sorgvliet	6,932	110	0	€867,291		2021	Linter
Ezeldijk	7,101	105	0	€766,360		2016	Diest
Les Jardins de la Mémoire	6,852	110	0	€758,988		2006 (2018)	Anderlecht
Armonea	131,789	2,163	0	€17,074,642			
Les Charmes en Famenne	3,165	96	0	€323,922		1975 (2012)	Houyet
Séniorie La Pairelle	6,016	140	0	€815,705		2012 (2015)	Wépion
Residentie Gaerveld	1,504	20	0	€181,200		2008	Hasselt
Gaerveld	6,994	115	0	€844,703		2008 (2010)	Hasselt
Pont d'Amour	8,984	146	0	€1,057,624		2011 (2015)	Dinant
Marie-Louise	1,959	30	0	€394,222		2014	Wemmel
Hestia	12,682	208	0	€1,476,436		2014 (2018)	Wemmel
Koning Albert I	7,775	110	0	€982,206		2012 (2014)	Dilbeek
Eyckenborch	8,771	141	0	€1,207,019		2004 (2014)	Gooik
Rietdijk	2,155	66	0	€375,056		1994 (2012)	Vilvoorde
Larenschhof	6,988	117	0	€1,112,730		2011 (2014)	Laarne
Ter Venne	6,634	102	0	€1,079,067		2010 (2012)	Sint-Martens-Latem
Plantijn	7,310	110	0	€1,122,653		1975 (2021)	Kapellen
Salve	6,730	117	0	€1,147,003		2014	Brasschaat
Huize Lieve Moenssens	4,597	78	0	€602,360		2017	Dilsen-Stokern
De Stichel	8,429	152	0	€962,676		2018	Vilvoorde
De Notelaar	8,651	94	0	€1,011,965		2011	Olen

1. See glossary.

Name	Total surface (m²)	Residents	Child-ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Overbeke	6,917	113	0	€883,346		2012	Wetteren
Senior Flandria	7,501	108	0	€656,552		1989	Bruges
Rembertus	8,027	100	0	€838,197		2020	Mechelen
Vulpia	91,625	1,327	0	€10,681,070			
't Spelthof	4,076	100	0	€807,156		2021	Binkom
Twee Poorten	8,413	129	0	€1,040,189		2014	Tienen
Demerhof	10,657	120	0	€1,001,463		2013	Aarschot
Halmolen	9,200	140	0	€1,091,349		2013	Halle-Zoersel
La Ferme Blanche	4,240	90	0	€574,693		2016	Remicourt
Villa Temporis	8,354	103	0	€819,036		1997 (2017)	Hasselt
Residentie Poortvelden	5,307	60	0	€477,929		2014	Aarschot
Leopoldspark	10,888	153	0	€1,285,784		2016	Leopoldsborg
Residentie Den Boomgaard	6,274	90	0	€715,483		2016	Glabbeek
Blaret	9,578	107	0	€1,123,521		2016	Sint-Genesius-Rode
Residentie Kartuizerhof	10,845	128	0	€998,445		2018	Sint-Martens-Lierde
Résidence de la Paix	3,793	107	0	€746,023		2017	Evere
Orpea	47,985	1,144	0	€7,311,928			
Château Chenois	6,354	100	0	€957,813		2006 (Project)	Waterloo
New Philip	3,914	111	0	€513,733		1991 (Project)	Forest
Jardins de Provence	2,280	72	0	€431,263		1996 (2008)	Anderlecht
Bel-Air	5,350	161	0	€784,115		1997 (Project)	Schaerbeek
Résidence Grange des Champs	3,396	75	0	€463,966		1994 (Project)	Braine-l'Alleud
Résidence Augustin	4,832	94	0	€570,510		2006 (Project)	Forest
Résidence Parc Palace	6,719	162	0	€1,347,922		1991 (Project)	Uccle
Résidence Service	8,716	175	0	€1,386,434		1976 (Project)	Uccle
Résidence du Golf	6,424	194	0	€856,172		1989 (Project)	Anderlecht
Astor vzw	15,792	132	0	€1,750,000			
Klein Veldekens	15,792	132	0	€1,750,000		2020	Geel
Orelia Group	6,013	101	0	€946,149			
Le Jardin Intérieur	6,013	101	0	€946,149		2018	Frasnes-lez-Avaing
Hof van Schoten	8,313	101	0	€851,073			
Hof van Schoten	8,313	101	0	€851,073		2014	Schoten
My-Assist	7,203	121	0	€875,000			
Domaine de la Rose Blanche	7,203	121	0	€875,000		2014	Durbuy
Vivalto home	6,003	107	0	€664,862			
Familiehof	6,003	107	0	€664,862		2016	Schelle
Dorian groep	5,400	115	0	€739,124			
De Duinpieper	5,400	115	0	€739,124		2021	Ostend
Résidence de La Houssière	4,484	94	0	€626,139			
Résidence La Houssière	4,484	94	0	€626,139		2006	Braine-le-Comte
Buitenhof VZW	4,386	80	0	€584,500			
Buitenhof	4,386	80	0	€584,500		2005 (2008)	Brasschaat
Sint Franciscus	5,824	58	0	€335,602			
Klein Veldeken	5,824	58	0	€335,602		1998 (2014)	Asse
Emera	4,020	84	0	€428,450			
In de Gouden Jaren	4,020	84	0	€428,450		2005	Tienen
Bremdael VZW	3,500	66	0	€356,750			
Bremdael	3,500	66	0	€356,750		1994 (2012)	Herentals
Pierre Invest SA	2,272	65	0	€475,572			
Bois de la Pierre	2,272	65	0	€475,572		1955 (2018)	Wavre
Le Carrosse	1,290	36	0	€102,414			
La Boule de Cristal	1,290	36	0	€102,414		1993 (1998)	Wanlin
Other	320	4	0	€31,975			
Villa Bois de la Pierre	320	4	0	€31,975		1955 (2000)	Wavre

1. See glossary.

Name	Total surface (m²)	Residents	Child- ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Germany	510,981	9,136	0	€54,488,897	€54,917,423		
Azurit Rohr	148,967	2,742	0	€15,135,647			
Seniorenresidenz Sonneberg	4,876	101	0	€583,416		1889 (2011)	Sonneberg
Seniorenresidenz Cordula 1	4,970	75	0	€312,051		1970 (2017)	Rothenberg
Seniorenresidenz Cordula 2	1,204	39	0	€162,267		1993 (2017)	Rothenberg
Pflege-und Betreuungs- zentrum Dornum	11,203	106	0	€426,000		1993 (2016)	Dornum
Sz Weimar	7,609	144	0	€883,008		2019	Weimar
Sz Haus Asam	6,701	168	0	€919,800		1996	Rohr
Sz Laaberg	6,710	105	0	€574,875		2004	Tann-Eiberg
Sz Grünstadt	5,201	140	0	€766,500		2003	Grünstadt
Sz Berghof	2,838	78	0	€427,050		2005	Rinteln
Sz Abundus	7,023	150	0	€821,250		1993	Abundus
Sz Bad Höhenstadt	4,668	95	0	€520,125		1998	Fürstenzell
Sz Hutthurm	5,344	108	0	€591,300		1992	Sz Hutthurm
Sz Gensingen	7,269	144	0	€840,960		2007	Gensingen
Sz Hildegardis	14,927	196	0	€1,159,635		2017	Langenbach
Pz Wiesengrund	3,054	52	0	€303,680		2006	Langenbach
Sz Großalmerode	3,202	83	0	€513,920		2017	Großalmerode
Sz Bad Köstritz	8,448	196	0	€1,073,100		2014	Bad Köstritz
Sz Talblick	4,647	95	0	€520,125		2010	Grasellenbach
Sz Birken	3,075	83	0	€454,425		2010	Birken-Honigsessen
Sz Altes Kloster	4,939	80	0	€493,480		2009	Much
Sz Alte Zwirnerei	8,350	104	0	€569,400		2010	Gersdorf
Sz St. Benedikt	7,768	124	0	€656,270		2017	Passeau
Sz Sorgenloch	7,995	148	0	€837,310		2014	Sörge Loch
Sz Borna	6,946	128	0	€725,700		2012	Borna
EMVIA	97,209	1,471	0	€10,484,319			
Berlin Zehlendorf	4,540	180	0	€989,123		2002	Berlin
Schwerin	5,000	87	0	€646,800		2019	Schwerin
Seniorenquartier Kaltenkirchen	6,650	123	0	€916,800		2020	Kaltenkirchen
Seniorenquartier Lübbecke	4,240	80	0	€576,276		2019	Lübbecke
Seniorenwohnpark Hartha	10,715	177	0	€769,931		1996 (2010)	Tharandt
Seniorenpflegezentrum Zur alten Linde	4,208	82	0	€387,069		2004	Rabenau
Seniorenquartier Wolfsburg	17,742	141	0	€1,561,410		2021	Wolfsburg
Seniorenquartier Heiligenhafen	7,391	104	0	€734,880		2021	Heiligenhafen
Seniorenquartier Espelkamp	9,458	113	0	€857,874		2021	Espelkamp
Seniorenquartier Beverstedt	5,475	80	0	€563,850		2020	Beverstedt
Seniorenquartier Kaemenas Hof	7,057	75	0	€700,253		2021	Bremen
Seniorenquartier Weyhe	7,373	109	0	€871,570		2021	Weyhe
Seniorenquartier Cuxhaven	7,360	120	0	€908,484		2021	Cuxhaven
Vitanas	86,611	1,614	0	€7,513,690			
Am Kloster	5,895	136	0	€757,143		2002	Halberstadt
Rosenpark	4,934	79	0	€473,228		2001	Uehlfeld
Patricia	7,556	174	0	€1,057,497		2001 (2010)	Nürnberg
St. Anna	7,176	161	0	€934,970		2001	Höchststadt
Frohnau	4,101	107	0	€594,852		2018	Berlin
Am Schnäfersee	12,658	187	0	€650,879		Project	Reinickendorf

Name	Total surface (m²)	Residents	Child- ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Am Stadtpark	7,297	135	0	501,192		Project	Berlin
Am Bäkepark	3,828	90	0	456,000		1999	Berlin
Rosengarten	7,695	165	0	€550,000		Project	Berlin
Am Parnassturm	7,042	84	0	€296,333		Project	Plön
Am Marktplatz	4,880	79	0	€148,545		Project	Wankendorf
Am Tierpark	13,549	217	0	€1,093,050		Project	Ueckermünde
Residenz Management	24,564	442	0	€3,427,566			
Die Rose im Kalletal	4,027	96	0	€686,451		2009	Kalletal
Haus Matthäus	2,391	50	0	€367,677		2009	Olpe-Rüblinghausen
Haus Elisabeth	3,380	80	0	€588,284		2010	Wenden-Rothemühle
Bremerhaven I	6,077	85	0	€939,841		2016	Bremerhaven
Bremerhaven II	2,129	42	0	€306,396		2003	Bremerhaven
Cuxhaven	810	9	0	€106,918		2010	Cuxhaven
Sonnenhaus Ramsloh	5,750	80	0	€432,000		2006	Saterland-Ramsloh
Orpea	20,507	444	0	€3,180,003			
Seniorenresidenz Mathilde	3,448	75	0	€572,777		2010	Enger
Seniorenresidenz Klosterbauerschaft	3,497	80	0	€609,585		2010	Kirchlengern
Sz Bonifatius	3,967	80	0	€620,679		2009	Rheinbach
Seniorenresidenz Am Stübchenbach	5,874	130	0	€808,447		2010	Bad Harzburg
Seniorenresidenz Kierspe	3,721	79	0	€568,514		2011	Kierspe
Argentum	20,396	420	0	€2,307,493			
Haus Nobilis	3,186	70	0	€530,275		1950 (2015)	Bad Sacha
Haus Alaba	2,560	64	0	€227,261		1903 (1975)	Bad Sacha
Haus Concolor	5,715	74	0	€515,124		1950 (2008)	Bad Sacha
Haus Arche	531	13	0	€75,754		1900 (1975)	Bad Sacha
Seniorenheim am Dom	4,310	126	0	€671,079		2008	Halberstadt
Seniorenheim J.J. Kaendler	4,094	73	0	€288,000		1955 (2020)	Meissen
Alloheim	18,695	388	0	€2,326,357			
SZ AGO Herkenrath	4,000	80	0	€586,606		2010	Bergisch Gladbach
SZ AGO Dresden	5,098	116	0	€583,233		2012	Dresden
SZ AGO Kreischa	3,670	84	0	€416,517		2011	Kreischa
Bonn	5,927	108	0	€740,000		2018	Bonn
Convivo	11,845	202	0	€1,386,305			
Park Residenz	6,113	79	0	€650,400		1899 (2001)	Neumünster
Seniorenhaus Wiederitzsch	3,275	63	0	€365,000		2018	Leipzig
Haus am Jungfernstieg	2,457	60	0	€370,905		2010	Neumünster
Cosiq	17,060	264	0	€1,699,041			
Seniorenresidenz an den Kienfichten	4,332	88	0	€460,069		2017	Dessau-Rosslau
Pflegeteam Odenwald	1,202	32	0	€228,684		1995 (2012)	Wald-Michelbach
Wohnstift am Weinberg	11,526	144	0	€1,010,288		Project	Kassel
SARA	12,196	162	0	€1,140,000			
SARA Seniorenresidenz	12,196	162	0	€1,140,000		1964 (2021)	Bitterfeld-Wolfen
Korian Germany	7,618	151	0	€901,228			
Haus Steinbachhof	7,618	151	0	€901,228		2017	Chemnitz
Procuritas GmbH	7,050	127	0	€953,000			
Haus Wedau	3,892	70	0	€460,000		2007	Duisburg
Haus Marxloh	3,158	57	0	€493,000		2007	Duisburg
Aspida	5,095	120	0	€707,925			
Pflege-campus Plauen	5,095	120	0	€707,925		2020	Plauen

1. See glossary.

Name	Total surface (m²)	Residents	Child- ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Advita Pflegedienst	6,422	91	0	€489,396			
Advita Haus Zur Alten Berufsschule	6,422	91	0	€489,396		2016	Zschopau
Johanniter	3,950	74	0	€523,443			
Johanniter-Haus Lüdenscheid	3,950	74	0	€523,443		2006	Lüdenscheid
Seniorenresidenz Laurentiusplatz	5,506	79	0	€515,400			
Laurentiusplatz	5,506	79	0	€515,400		2018	Wuppertal
ATV Lemförde GmbH	4,741	85	0	€444,000			
Seniorenresidenz Lemförde	4,741	85	0	€444,000		2007	Lemförde
Deutsches Rotes Kreuz Kreisverband Nordfriesland e. V.	4,088	83	0	€543,331			
DRK Käthe-Bernhardt-Haus	4,088	83	0	€543,331		2008	Husum
Volkssolidarität	4,141	83	0	€455,303			
Goldene Au	4,141	83	0	€455,303		2010	Sonneberg
Auriscare	4,320	94	0	€355,449			
BAVARIA Senioren- und Pflegeheim	4,320	94	0	€355,449		Project	Sulzbach-Rosenberg
Netherlands	311,935	2,727	0	€29,723,418	€31,416,175		
Korian Netherlands	53,342	563	0	€6,673,259			
Saksen Weimar	2,291	42	0	€549,671		2015	Arnhem
Spes Nostra	2,454	30	0	€488,056		2016	Vleuten
HGH Kampen	3,610	37	0	€529,416		2017	Kampen
HGH Leersum	2,280	26	0	€434,454		2018	Leersum
Stepping Stones Leusden	1,655	21	0	€266,039		2019	Leusden
Zorghuis Smakt	2,111	30	0	€214,649		1950 (2010)	Smakt
Zorgresidentie Mariëndaal	8,728	75	0	€816,098		1870 (2011)	Velp
Sorghuys Tilburg	1,289	22	0	€285,168		2020	Berkel-Enschot
De Statenhof	6,468	58	0	€568,956		2017	Leiden
Residentie Boldershof	2,261	33	0	€382,144		1974 (2020)	Amersfoort
HGH Harderwijk	4,202	45	0	€594,978		2020	Harderwijk
Franeke	10,750	70	0	€653,818		2016	Franeke
Stepping Stones Zwolle	1,770	24	0	€331,330		2020	Zwolle
Villa Casimir	1,273	20	0	€185,981		2020	Roermond
Villa Nuova	2,200	30	0	€372,500		2021	Vorden
Stichting Vitalis Residentiële Woonvormen	90,981	446	0	€4,165,856			
Imstenrade	57,181	263	0	€2,227,334		2006	Heerlen
Genderstate	8,813	44	0	€538,478		1991	Eindhoven
Petruspark	24,987	139	0	€1,400,043		2018	Eindhoven
Martha Flora	16,633	183	0	€3,033,416			
Martha Flora Hilversum	4,055	31	0	€588,400		2017	Hilversum
Martha Flora Den Haag	2,259	28	0	€592,258		2018	Den Haag
Martha Flora Rotterdam	2,441	29	0	€556,003		2019	Rotterdam
Martha Flora Bosch en Duin	2,241	27	0	€481,573		2018	Bosch en Duin
Martha Flora Hoorn	780	12	0	€84,933		2012	Hoorn
Martha Flora Dordrecht	2,405	28	0	€393,250		2021	Dordrecht
Martha Flora Hulsberg	2,452	28	0	€337,000		2021	Hulsberg
NNCZ	38,440	340	0	€2,901,040			
Wolfsbos	11,997	93	0	€821,543		2013	Hoogeveen
De Vecht	8,367	79	0	€697,280		2012	Hoogeveen
De Kaap	6,254	61	0	€593,960		2017	Hoogeveen
Krakeel	5,861	57	0	€512,911		2016	Hoogeveen
WZC Beatrix	5,961	50	0	€275,347		1969 (1996)	Hoogeveen

Name	Total surface (m²)	Residents	Child- ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Compartijn	15,606	173	0	€2,838,336			
Huize de Compagnie	3,471	42	0	€614,349		2019	Ede
Huize Hoog Kerckebosch	2,934	32	0	€565,818		2017	Zeist
Huize Ter Beegden	1,983	19	0	€323,434		2019	Beegden
Huize Roosdael	2,950	26	0	€449,428		2019	Roosendaal
Huize Groot Waardijn	1,918	26	0	€437,619		2019	Tilburg
Huize Eeresloo	2,350	28	0	€447,688		2019	Duizel
Domus Magnus	8,072	99	0	€2,172,797			
Holland	2,897	34	0	€882,847		2013	Baarn
Benvenuta	924	10	0	€229,129		2009	Hilversum
Molenenk	2,811	40	0	€736,282		2017	Deventer
Villa Walgaerde	1,440	15	0	€324,540		2017	Hilversum
Stichting Oosterlengte	18,878	152	0	€1,135,960			
Het Dokhuis	4,380	32	0	€427,332		2017	Oude Pekela
LTS Winschoten	11,698	84	0	€346,553		2020	Winschoten
Verpleegcentrum Scheemda	2,800	36	0	€362,075		2020	Scheemda
Stichting Rendant	13,142	126	0	€1,121,520			
Nieuw Heerenhage	13,142	126	0	€1,121,520		2021	Heerenveen
Stichting Laverhof	13,191	108	0	€1,193,702			
Zorgcampus Uden	13,191	108	0	€1,193,702		2019	Uden
Stichting Zorggroep Noorderboog	13,555	140	0	€861,816			
Oeverlanden	13,555	140	0	€861,816		2017	Meppel
Stichting Nusantara	4,905	70	0	€645,760			
Rumah Saya	4,905	70	0	€645,760		2011	Ugchelen
U-center BV	7,416	59	0	€602,551			
U-center	7,416	59	0	€602,551		2015	Epen
Stichting Leger des Heils Welzijns- en Gezondheidszorg	6,014	75	0	€649,635			
De Merenhoef	6,014	75	0	€649,635		2019	Maarsse
Zorggroep Apeldoorn	2,653	48	0	€441,034			
Pachterserf	2,653	48	0	€441,034		2011	Apeldoorn
Zorghaven Groep	3,489	36	0	€487,106			
Zuyder Haven Oss	1,674	18	0	€272,419		2018	Oss
Buyten Haven Dordrecht	1,815	18	0	€214,687		2016	Dordrecht
Cardea	2,565	63	0	€322,678			
OZC Orion	2,565	63	0	€322,678		2014	Leiderdorp
Wonen bij September	1,466	20	0	€257,376			
September Nijverdal	1,466	20	0	€257,376		2019	Nijverdal
Omega	1,587	26	0	€219,576			
Meldestraat	1,587	26	0	€219,576		2019	Emmeloord
United Kingdom²	286,394	6,541	0	€52,472,663	€51,549,501		
				£44,139,556	£43,363,000		
Bondcare Group	64,483	1,484	0	£8,821,881			
Alexander Court	3,347	82	0	£547,433		2002	Dagenham
Ashurst Park	2,145	47	0	£470,000		1990 (2016)	Tunbridge Wells
Ashwood	2,722	70	0	£382,800		2001 (2017)	Hayes
Beech Court	2,135	51	0	£391,395		1999	Romford
Beechcare	2,739	65	0	£703,687		1989 (2017)	Darenth
Bentley Court	3,755	77	0	£380,000		2009 (2016)	Wednesfield
Brook House	3,155	74	0	£506,143		2001 (2017)	Thamesmead
Chatsworth Grange	2,558	66	0	£271,443		1998 (2017)	Sheffield
Clarendon	2,132	51	0	£335,384		1998 (2017)	Croydon
Coniston Lodge	3,733	92	0	£421,680		2003	Feltham

1. See glossary.

2. Amounts in £ and SEK were converted into € based on the exchange rate of 31 December 2021 (1.18879 £/€ and 10.2887 SEK/€).

3. Asset classified as held for sale.

Name	Total surface (m ²)	Residents	Child- ren	Contractual rents ¹	Estimated rental value (ERV) ¹	Construction year (refurbishment)	Location
Derwent Lodge	2,612	62	0	£538,915		2000	Feltham
Green Acres	2,352	62	0	£263,465		2000 (2017)	Leeds
Lashbrook House	1,741	46	0	£0		1995 (2016)	Lower Shiplake
Meadowbrook	3,334	69	0	£276,000		1991 (2015)	Gobowen
Moorland Gardens	3,472	79	0	£421,544		2004	Luton
Springfield	3,153	80	0	£336,184		2000	Ilford
The Fountains	2,510	62	0	£360,165		2000	Rainham
The Mount	1,229	35	0	£0		2001 (2015)	Wargrave
The Grange	7,693	160	0	£723,025		2005	Southall
The Hawthorns	4,558	73	0	£742,618		2011	Woolston
The Uplands	3,411	81	0	£750,000		2007	Shrewsbury
Maria Mallaband	50,213	1,142	0	£9,144,799			
Ashmead	4,557	110	0	£1,033,072		2004	Putney
Belvoir Vale	2,158	56	0	£742,630		1991 (2016)	Widmerpool
Blenheim	2,288	64	0	£284,148		2000 (2015)	Ruislip
Coplands	3,445	79	0	£598,029		1998 (2016)	Wembley
Eltandia Hall	3,531	83	0	£659,121		1999	Norbury
Glennie House	2,279	52	0	£125,152		2005 (2014)	Auchinleck
Heritage	2,972	72	0	£863,721		2002 (2015)	Tooting
Kings Court (MM)	2,329	60	0	£257,950		2000 (2016)	Swindon
Knights Court	3,100	80	0	£552,152		1998 (2017)	Edgware
Ottery	3,513	62	0	£704,899		2019	Ottery St Mary
River View	5,798	137	0	£963,465		2001	Reading
The Windmill	2,332	53	0	£215,935		2007 (2015)	Slough
Deepdene	3,009	66	0	£865,152		2006	Dorking
Princess Lodge	4,087	85	0	£305,844		2006	Swindon
Minster Grange	4,815	83	0	£973,528		2012	York
Burlington	49,705	1,234	0	£7,108,554			
Bessingby Hall	2,471	65	0	£413,167		2005 (2014)	Bessingby
Cherry Trees ³	3,178	81	0	£241,186		1990 (2017)	Barnsley
Crystal Court	2,879	60	0	£566,610		2012	Harrogate
Figbam House	2,131	63	0	£528,230		2017	Beverley
Foresters Lodge	2,241	69	0	£373,719		2017	Bridlington
Grosvenor Park	2,312	61	0	£303,000		2004 (2016)	Darlington
Highfield Care Centre	3,260	88	0	£408,040		2003 (2015)	Castleford
Maple Court	3,045	64	0	£489,850		2018	Scarborough
Maple Lodge	1,673	55	0	£229,865		1989 (2017)	Scotton
Priestley	1,520	40	0	£252,500		2002 (2016)	Birstall
Riverside View	2,362	59	0	£303,000		2004 (2016)	Darlington
Southlands	1,812	48	0	£279,730		1995 (2015)	Driffield
The Elms & Oakwood	5,361	80	0	£419,331		1995 (2016)	Louth
The Grange	2,919	73	0	£326,007		2005 (2015)	Darlington
The Hawthornes	1,512	40	0	£278,154		2003 (2017)	Birkenshaw
The Lawns	2,459	62	0	£235,672		2005 (2017)	Darlington
The Limes	3,414	97	0	£716,215		2017	Driffield
The Lodge	2,226	53	0	£180,000		2003 (2016)	South Shields
The Sycamores	1,627	40	0	£363,792		2003 (2016)	Wakefield
York House	1,302	36	0	£200,485		1999 (2016)	Dewsbury
Care UK	32,368	740	0	£3,894,046			
Armstrong House	2,799	71	0	£324,875		2006 (2016)	Gateshead
Cheviot Court	2,978	73	0	£551,842		2006 (2016)	South Shields
Church View	1,653	42	0	£139,073		2004 (2015)	Seaham
Collingwood Court	2,525	63	0	£500,663		2005 (2016)	North Shields
Elwick Grange	2,493	60	0	£308,186		2002	Hartlepool
Grangewood Care Centre	2,317	50	0	£322,650		2005 (2016)	Houghton Le Spring

Name	Total surface (m²)	Residents	Children	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Hadrian House	2,487	55	0	£307,073		2002 (2016)	Blaydon
Hadrian Park	2,892	73	0	£251,444		2004	Billingham
Ponteland Manor	2,160	52	0	£178,014		2003 (2016)	Ponteland
Stanley Park	3,240	71	0	£431,683		2006 (2015)	Stanley
The Terrace	2,190	40	0	£244,769		1800 (2016)	Richmond
Ventress Hall	4,635	90	0	£333,775		1994 (2017)	Darlington
Renaissance	22,414	512	0	£3,077,489			
Beech Manor	2,507	46	0	£217,827		1995 (2017)	Blairgowrie
Jesmond	2,922	65	0	£462,701		2008 (2015)	Aberdeen
Kingsmills	2,478	60	0	£573,245		1997 (2010)	Inverness
Letham Park	2,954	70	0	£377,284		1995 (2017)	Edinburgh
Meadowlark	2,005	57	0	£171,870		1989 (2015)	Forres
Persley Castle	1,550	40	0	£229,457		1970 (2017)	Aberdeen
The Cowdray Club	2,581	35	0	£355,878		2009 (2016)	Aberdeen
Torry	3,028	81	0	£349,327		1996 (2016)	Aberdeen
Whitecraigs	2,389	58	0	£339,900		2001	Glasgow
Excelcare	14,007	244	0	£2,247,000			
Abbot Care Home	6,827	98	0	£781,000		2016	Harlow
Stanley Wilson Lodge	3,766	75	0	£626,000		2010	Saffron Walden
St Fillans	3,414	71	0	£840,000		2012	Colchester
Halcyon Care Homes	10,144	198	0	£2,111,950			
Hazel End	3,210	66	0	£734,400		2019	Bishops Stortford
Marham House	3,435	66	0	£703,800		2020	Bury St. Edmunds
Corby Priors Hall Park	3,499	66	0	£673,750		2021	Corby
Hamberley Care Homes	7,177	129	0	£1,743,520			
Richmond Manor	3,808	69	0	£949,520		2020	Amphill
Abbotts Wood Manor	3,369	60	0	£794,000		2021	Hailsham
Lifeways	3,880	67	0	£1,244,000			
Heath Farm	2,832	47	0	£884,000		2009	Scopwick
Sharmers Fields House	1,048	20	0	£360,000		2008 (2010)	Leamington Spa
Caring Homes	8,898	221	0	£1,512,432			
Brooklyn House	1,616	38	0	£349,020		2009 (2016)	Attleborough
Guysfield	2,052	51	0	£409,316		2000 (2015)	Letchworth
Hillside House and Mellish House	3,629	92	0	£485,434		2005 (2016)	Sudbury
Sanford House	1,601	40	0	£268,662		1998 (2016)	East Dereham
Harbour Healthcare	12,742	339	0	£1,567,662			
Bentley Rosedale Manor	2,896	78	0	£392,341		2010 (2017)	Crewe
Cromwell Court	2,896	67	0	£271,016		1995	Warrington
Hilltop Manor	2,809	80	0	£320,000		1995 (2015)	Tunstall
Oak Lodge	1,699	45	0	£300,000		1995 (2018)	Chard
Tree Tops Court	2,442	69	0	£284,305		1990 (2015)	Leek
Handsale	4,107	80	0	£855,000			
Priestly Fields	4,107	80	0	£855,000		2021	Congleton
Barchester	1,554	49	0	£310,000			
Highfields (Notts)	1,554	49	0	£310,000		2008 (2016)	Edingley
Conniston Care	4,702	102	0	£501,223			
Athorpe Lodge and The Glades²	4,702	102	0	£501,223		1985 (2017)	Sheffield
Finland	229,694	2,994	10,641	€46,517,596	€46,460,436		
Attendo	53,610	1,278	0	€10,241,357			
Koy Vihdin Vanhan sepän tie	1,498	40	0	€327,438		2015	Nummela
Koy Kouvola Vinttikaivontie	1,788	48	0	€390,606		2015	Kouvola

1. See glossary.

2. Asset classified as held for sale.

Name	Total surface (m²)	Residents	Child- ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Koy Lahden Vallesmanninkatu A	1,199	30	0	€254,827		2015	Lahti
Koy Orimattilan Suppulanpolku	1,498	40	0	€344,717		2016	Orimattila
Koy Espoon Vuoripirtintie (Hoivakoti 2.kerroksessa)	1,480	35	0	€306,684		2016	Espoo
Koy Kajaanin Erätie	1,920	52	0	€351,687		2017	Kajaani
Koy Heinolan Lähteentie	1,665	41	0	€330,196		2017	Heinola
Koy Uudenkaupungin Puusepänkatu	1,209	30	0	€254,123		2017	Uusikaupunki
Koy Porvoon Fredrika Runebergin katu	973	29	0	€261,094		2017	Porvoo
Koy Pihtiputaan Nurmelaanpolku	1,423	40	0	€255,260		2004 (2017)	Pihtipudas
Koy Nokian Näsiäkatu	1,665	41	0	€340,320		2017	Nokia
Koy Oulun Ukkoherrantie B	878	20	0	€197,451		2017	Oulu
Koy Keravan Männiköntie	862	27	0	€247,720		2017	Kerava
Koy Lohjan Ansatie	1,593	40	0	€339,272		2017	Lohja
Koy Uudenkaupungin Merimetsopolku C (HKO)	655	15	0	€142,448		2017	Uusikaupunki
Koy Nurmijärven Ratakuja	856	20	0	€184,839		2017	Nurmijärvi
Koy Rovaniemen Matkavaarantie	977	21	0	€181,275		2018	Rovaniemi
Koy Mikkelin Yläntie 8	982	22	0	€185,783		2018	Mikkeli
Koy Euran Käräjämaentie	2,400	42	0	€113,809		2018	Eura
Koy Vaasan Vanhan Vaasankatu	1,195	25	0	€215,640		2018	Vaasa
Koy Oulun Sarvisuontie	1,190	27	0	€220,278		2019	Oulu
Koy Vihdin Hiidenrannantie	1,037	23	0	€221,352		2019	Nummela
Koy Kokkolan Ankkurikuja	1,218	31	0	€227,617		2019	Kokkola
Koy Kuopion Portti A2	2,706	65	0	€598,310		2019	Kuopio
Koy Pieksämäen Ruustinnantie	792	20	0	€150,666		2020	Pieksämäki
Koy Kouvolan Ruskeasuonkatu	3,019	60	0	€497,057		2020	Kouvola
Kotka Metsäkulmankatu	1,521	40	0	€309,895		2010	Kotka
Vasaa Tehokatu	3,068	78	0	€466,967		2010	Vaasa
Oulu Isopurjeentie	3,824	86	0	€735,189		2010	Oulu
Teuva Tuokkolantie	834	18	0	€126,520		2010	Teuva
Kokkola Ilkantie	3,353	73	0	€689,438		2016	Kokkola
Kokkola Metsämäentie	1,078	26	0	€185,525		2014	Kokkola
Kokkola Kärrytie	790	23	0	€169,456		2008	Kokkola
Lohjan Sahapiha (child day-care)	2,470	50	0	€417,900		2021	Lohja
Municipalities (multiple tenants)	28,653	189	1,872	€5,843,230			
Koy Raahen Palokunnanhoivi	423	0	60	€80,496		2010	Raahe
Koy Siilinjärven Sinisiipi	568	0	72	€100,947		2012	Toivala
Koy Mäntyharjun Lääkärinkuja	1,667	41	0	€284,527		2017	Mäntyharju
Koy Uudenkaupungin Merimetsopolku B (PK)	661	0	78	€136,707		2017	Uusikaupunki
Koy Siilinjärven Risulantie	2,286	30	0	€553,241		2018	Siilinjärvi
Koy Ylivieskan Mikontie 1	847	15	0	€208,188		2018	Ylivieska
Koy Ylivieskan Ratakatu 12	1,294	30	0	€278,124		2018	Ylivieska
Koy Raahen Vihastekarinkatu	800	0	120	€153,562		2018	Raahe
Koy Jyväskylän Ailakinkatu	721	0	75	€199,140		2019	Jyväskylä

Name	Total surface (m ²)	Residents	Child- ren	Contractual rents ¹	Estimated rental value (ERV) ¹	Construction year (refurbishment)	Location
Koy Siilinjärven Nilsiantie	1,086	0	100	€205,133		2019	Siilinjärvi
Koy Laihian Jarrumiehentie	630	0	75	€66,000		2019	Laihia
Koy Mikkelin Sahalantie	1,730	0	150	€442,217		2019	Mikkeli
Koy Rovaniemen Santamäentie	2,200	0	203	€359,863		2020	Rovaniemi
Koy Vaasan Uusmetsäntie	2,519	0	210	€445,560		2020	Vaasa
Koy Oulun Ruismetsä	2,140	0	205	€465,019		2020	Oulu
Oulun Salonpään koulu	2,026	0	206	€597,600		2021	Oulunsalo
Koy Kuopion Männistönkatu PK	2,104	0	168	€308,336		2021	Kuopio
Koy Oulun Valjastie	1,901	0	150	€439,560		2021	Oulu
Raahe care home	2,450	60	0	€431,693		2021	Raahe
Kaskinen Bladintie	600	13	0	€87,316		2009	Kaskinen
Touhula	23,356	0	2,742	€5,192,249			
Koy Nurmijärven Laidunalue	477	0	57	€97,420		2011	Nurmijärvi
Koy Oulun Paulareitti	1,128	0	144	€248,213		2013	Oulu
Koy Kuopion Sipulikatu	564	0	72	€129,521		2013	Kuopio
Koy Oulun Rakkakiventie ²	1,133	0	146	€241,107		2014	Oulu
Koy Porvoon Peippolankuja	564	0	70	€135,690		2014	Porvoo
Koy Pirkkalan Lehtimäentie	1,185	0	143	€271,954		2014 (2015)	Pirkkala
Koy Espoon Fallåkerinrinne	891	0	75	€203,600		2014	Espoo
Koy Ylöjärven Mustarastaantie ²	1,333	0	164	€300,373		2014	Ylöjärvi
Koy Tampereen Lentävänniemenkatu	1,205	0	143	€259,828		2015 (2019)	Tampere
Koy Turun Vähäheikkiläntie	1,464	0	157	€320,472		2015	Turku
Koy Turun Vakiniituntie	567	0	60	€143,341		2015	Turku
Koy Vantaan Koetilankatu	890	0	108	€214,372		2015	Vantaa
Koy Espoon Tikasmäentie	912	0	108	€208,261		2015	Espoo
Koy Kangasalan Mäntyveräjätie	561	0	72	€137,886		2015	Kangasala
Koy Ylöjärven Työväentalontie	707	0	84	€153,935		2015	Ylöjärvi
Koy Vantaan Vuohirinne	896	0	108	€201,139		2016	Vantaa
Koy Porvoon Vanha Kuninkaantie	670	0	84	€154,115		2016	Porvoo
Koy Espoon Meriviitantie	769	0	96	€180,069		2016	Espoo
Koy Vantaan Punakiventie	484	0	58	€120,354		2016	Vantaa
Koy Mikkelin Ylännentie 10	625	0	72	€137,857		2016	Mikkeli
Koy Espoon Vuoripirtintie	472	0	54	€106,421		2016	Espoo
Koy Kirkkonummen Kotitontunkuja	565	0	72	€139,258		2017	Kirkkonummi
Koy Varkauden Kaura-ahontie	1,260	0	150	€232,400		2012	Varkaus
Koy Kotkan Loitsutie	620	0	78	€120,129		2017	Kotka
Koy Tornion Torpin Rinnakkaiskatu	635	0	72	€124,957		2017	Tornio
Koy Lahden Jahtikatu	894	0	72	€238,225		2018	Lahti
Koy Kalajoen Hannilantie	663	0	75	€125,822		2018	Kalajoki
Koy Iisalmen Petter Kumpulaisentie	644	0	72	€131,702		2018	Iisalmi

1. See glossary.

2. Asset classified as held for sale.

	Name	Total surface (m²)	Residents	Child- ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
	As Oy Oulun Figuuri	330	0	41	€62,564		2018	Oulu
	As Oy Kangasalan Freesia	252	0	35	€51,265		2018	Kangasala
Mehiläinen		19,090	437	0	€3,971,218			
	Koy Oulun Kehätie²	1,178	30	0	€271,892		2014	Oulu
	Koy Porin Ojantie	1,629	40	0	€344,996		2015	Pori
	Koy Jyväskylän Väliharjuntie	1,678	42	0	€360,707		2015	Vaajakoski
	Koy Espoon Hirvisuontie	823	20	0	€168,185		2017	Espoo
	Koy Hollolan Sarkatie	1,663	42	0	€368,593		2017	Hollola
	Koy Vihdin Pengerkuja²	665	15	0	€135,852		2018	Vihti
	Koy Hämeenlinnan Jukolanraitti	1,925	40	0	€348,850		2018	Hämeenlinna
	Koy Sipoon Aarretie	964	21	0	€183,738		2018	Sipoo
	Koy Äänekosken Likolahdenkatu	771	15	0	€134,928		2019	Äänekoski
	Koy Riihimäen Jyrätie	741	16	0	€151,341		2019	Riihimäki
	Koy Oulun Siilotie	1,868	45	0	€384,684		2020	Oulu
	Oulun Villa Sulka	2,973	60	0	€663,276		2016	Oulu
	Mikkelin Kastanjakuja	963	20	0	€174,300		2019	Mikkeli
	Kuopion Oiva	619	17	0	€142,236		2019	Kuopio
	Nokian Luhtatie	630	14	0	€137,640		2018	Nokia
Pilke		20,073	0	2,344	€4,156,089			
	Koy Mäntsälän Liedontie	645	0	66	€152,322		2013	Mäntsälä
	Koy Lahden Vallesmanninkatu B	561	0	72	€129,063		2015	Lahti
	Koy Kouvolan Kaartokuja	566	0	68	€132,109		2016	Kouvola
	Koy Nokian Vikkulankatu	993	0	126	€173,150		2016	Nokia
	Koy Vantaan Tuovintie	584	0	73	€141,199		2016	Vantaa
	Koy Porin Palokärjentie²	986	0	108	€177,586		2016	Pori
	Koy Rovaniemen Ritarinne	1,186	0	132	€279,771		2016	Rovaniemi
	Koy Vantaan Mesikukantie	1,490	0	184	€311,181		2016	Vantaa
	Koy Varkauden Savontie	657	0	72	€127,960		2017	Varkaus
	Koy Pirkkalan Perensaarentie	1,313	0	168	€282,849		2017	Pirkkala
	Koy Jyväskylän Mannisenmäentie	916	0	102	€164,231		2017	Jyväskylä
	Koy Kaarinan Nurminiitynkatu	825	0	96	€170,351		2017	Kaarina
	Koy Porin Koekatu	915	0	96	€179,569		2018	Pori
	Koy Kajaani Valonkatu	635	0	75	€143,535		2018	Kajaani
	Koy Mikkelin Väänäsenpolku	648	0	72	€128,755		2018	Mikkeli
	Koy Sotkamon Kirkkotie	547	0	72	€143,427		2018	Sotkamo
	Koy Oulun Soittajanlenkki	1,091	0	120	€220,411		2018	Oulu
	Koy Rovaniemen Mäkirannantie	530	0	75	€81,153		1989	Rovaniemi
	Koy Joutsenon Päiväkotie²	658	0	76	€123,852		2019	Lappeenranta
	Koy Oulun Soittajanlenkki, expansion	654	0	75	€135,949		2019	Oulu
	As Oy Lahden Vuorenkilpi	703	0	90	€163,997		2019	Lahti
	Koy Rovaniemen Gardininkuja	653	0	76	€139,638		2020	Rovaniemi
	Koy Kontiolahden Päiväperhosenkatu	690	0	70	€139,871		2020	Lehmo
	Nurmijärvi Luhtavillantie	1,153	0	120	€221,760		2021	Klaukkala
	Lohjan Sahapiha (care home)	478	0	60	€92,400		2021	Lohja

Name	Total surface (m²)	Residents	Child- ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Norlandia	14,693	46	1,508	€2,991,706			
Koy Sipoon Satotalmantie²	497	0	60	€104,306		2016	Sipoo
Koy Jyväskylän Haperontie	700	0	84	€136,245		2016	Jyväskylä
Koy Espoon Oppilaantie	1,045	0	120	€198,118		2017	Espoo
Koy Kuopion Rantaraitti	822	0	96	€162,540		2017	Kuopio
Koy Ruskon Päälistönmäentie	697	0	84	€150,495		2017	Rusko
Koy Kouvolaan Pappilantie²	567	0	65	€114,616		2017	Myllykoski
Koy Uudenkaupungin Merilinnuntie	702	0	84	€146,276		2018	Uusikaupunki
Koy Lahden Piisamkatu	697	0	84	€145,276		2018	Lahti
Koy Turun Lukkosepänkatu	882	0	100	€189,694		2018	Turku
Koy Sipoon Aarrepuistonkuja	668	0	75	€146,036		2018	Sipoo
Koy Sastamalan Tyrväänkyläntie	706	0	84	€128,312		2018	Sastamala
Koy Keuruun Tehtaantie	538	0	60	€111,115		2018	Keuruu
Koy Mynämäen Opintie	697	0	84	€145,850		2019	Mynämäki
Koy Ruskon Päälistönmäentie	505	0	60	€104,303		2019	Rusko
Koy Siilinjärvi Honkarannantie²	921	0	120	€192,099		2019	Siilinjärvi
Koy Haminan Lepikönranta	575	0	80	€135,038		2019	Hamina
Koy Jyväskylän Väyrypojanpolku	769	0	84	€160,802		2019	Jyväskylä
Tuusulan Isokarhunkierro	2,709	46	84	€520,586		2020	Tuusula
Esperi	8,329	194	0	€1,985,887			
Koy Loviisan Mannerheiminkatu	1,133	29	0	€308,590		2015	Loviisa
Koy Kajaanin Menninkäisentie	1,178	30	0	€289,331		2016	Kajaani
Koy Iisalmen Kangaslammentie	802	20	0	€176,971		2018	Iisalmi
Seinäjäki Kutojankatu	5,217	115	0	€1,210,995		2018	Seinäjäki
Kristillinen koulu	7,915	0	717	€1,548,695			
Järvenpään Yliopettajankatu	1,784	0	180	€310,376		2020	Järvenpää
Koy Espoon Matinkartanontie	6,131	0	537	€1,238,318		2021	Espoo
Vetrea	6,540	138	0	€1,208,525			
Koy Lappeenrannan Orioninkatu	935	22	0	€189,315		2018	Lappeenranta
Porvoon Haarapääskyntie	886	17	0	€141,235		2019	Porvoo
Kangasalan Rekiäläntie	1,240	28	0	€255,632		2019	Kangasala
Koy Iisalmen Satamakatu	2,630	53	0	€477,451		2020	Iisalmi
Jyväskylä Sulkulantie	850	18	0	€144,893		2017	Jyväskylä
Multiple tenants (Mehiläinen & other)	4,154	53	0	€1,087,043			
Vantaa Asolantie	4,154	53	0	€1,087,043		2012	Vantaa
Sentica	2,642	0	318	€560,935			
Koy Raisio Tenavakatu	622	0	75	€139,497		2013	Raisio
Koy Maskun Ruskontie	1,201	0	147	€259,216		2014 (2018)	Masku
Koy Paimion Mäkiläntie	820	0	96	€162,222		2018	Paimio

1. See glossary.

2. Asset classified as held for sale.

Name	Total surface (m ²)	Residents	Child- ren	Contractual rents ¹	Estimated rental value (ERV) ¹	Construction year (refurbishment)	Location
Aspa	2,433	70	0	€449,520			
KEVA Lohja Porapojankuja	774	15	0	€127,827		2021	Lohja
Loimaan Villa Inno	1,093	23	0	€203,197		2019	Loimaa
Kouvola Oiva	566	32	0	€118,496		2019	Kouvola
Priimi	2,100	0	233	€398,807			
Jyväskylän Harjutie	943	0	91	€169,200		2021	Vaajakoski
Kuopion Amerikanraitti	1,157	0	142	€229,607		2017 (2021)	Kuopio
Rinneke	1,999	42	0	€327,360			
Koy Turun Lemmontie	926	21	0	€166,080		2021	Turku
Oulu Ukkoherantie A	1,073	21	0	€161,280		2021	Oulu
Hovi Group	1,978	32	0	€345,015			
Nokia Kivimiehenkatu	1,978	32	0	€345,015		2012	Nokia
KVPS	1,616	30	0	€299,619			
Koy Jyväskylän Palstatie	825	15	0	€146,183		2019	Jyväskylä
Koy Lahden keva makarantie	791	15	0	€153,436		2020	Lahti
Paltan Palveluasunnot	1,507	24	54	€280,847			
Koy Turun Paltankatu	1,507	24	54	€280,847		2019	Turku
Pääkaupungin turvakoti	1,018	14	0	€250,317			
Koy Helsingin Työjohtajankadun Seppä 3	1,018	14	0	€250,317		2021	Helsinki
Musiikkikoulu Rauha	1,609	0	195	€340,230			
Koy Laukaan Hytösenkuja	730	0	87	€169,797		2015	Laukaa
Koy Laukaan Saratie	879	0	108	€170,433		2018	Laukaa
Huhtihovi	1,199	30	0	€241,200			
Salo Papinkuja	1,199	30	0	€241,200		2021	Salo
Pihlajantertiö	1,613	33	0	€259,812			
Espoo Rajamännynahde	1,613	33	0	€259,812		2002	Espoo
CTM	1,457	27	0	€276,727			
Koy Janakkalan Kekkonahontie	1,457	27	0	€276,727		2019	Janakkala
Rebekan Hoitokoti	1,222	30	0	€253,890			
Koy Iisalmen Vemmelkuja	1,222	30	0	€253,890		2019	Iisalmi
Peurunka	1,086	22	0	€290,529			
Laukaa Peurungantie	1,086	22	0	€290,529		2020	Laukaa
Förkkeli	1,096	16	0	€207,278			
Oulun Maininki	1,096	16	0	€207,278		2017	Oulu
Sotehotellit	1,521	32	0	€246,528			
Koy Ulvilan Kulmalantie	1,521	32	0	€246,528		2020	Ulvila
Dagmaaria	1,199	32	0	€216,799			
Porin Kerhotie	1,199	32	0	€216,799		2021	Pori
Suomen Kristilliset Hoivakodit	1,178	27	0	€226,548			
Kajaani Uittontie	1,178	27	0	€226,548		2021	Kajaani
Serafiinakoti	1,180	30	0	€207,000			
Hämeenlinna Kampuskaarre	1,180	30	0	€207,000		2021	Hämeenlinna
K-P Hoitopalvelu	911	25	0	€226,418	226,418		
Koy Kokkolan Vanha Ouluntie	911	25	0	€226,418		2017	Kokkola
Validia	1,053	17	0	€252,715	243,680		
Koy Kuusankosken Keva	1,053	17	0	€252,715		2021	Kouvola
Siriuspäiväkodit	985	0	108	€218,868			
Koy Limingan Kauppakaari	564	0	72	€132,424		2013	Tupos
Oulunsalon Vihannestie	421	0	36	€86,444		2021	Oulu

Name	Total surface (m²)	Residents	Child-ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Vantaan Turvakoti	844	14	0	€192,912			
Koy Vantaan Koivukylän Puistotie	844	14	0	€192,912		2019	Vantaa
Ikifit	995	30	0	€204,543			
Koy Kangasalan Hilmanhov	995	30	0	€204,543		2009	Kangasala
Hoivakymppi Oy	832	17	0	€192,038			
Jyväskylä Martikaisentie	832	17	0	€192,038		2014	Jyväskylä
Autismisäätiö	1,042	12	0	€184,800			
Kotka Särnäjänskatu	1,042	12	0	€184,800		2021	Kotka
Lapin Turkoosi Oy	960	0	120	€172,138			
Koy Rovaniemen Muonakuja	960	0	120	€172,138		2020	Rovaniemi
Folkhälsan	783	0	84	€151,223			
Koy Turun Teollisuuskatu	783	0	84	€151,223		2017	Turku
Kotoisin	824	18	0	€161,156			
Kempeleen Ihmemaantie	824	18	0	€161,156		2021	Kempele
Peikkometsä	659	0	72	€147,472			
Koy Lahden Kurenniityntie	659	0	72	€147,472		2020	Villahde
Tuike	677	0	75	€141,639			
Koy Iisalmen Eteläinen Puistoraitti	677	0	75	€141,639		2018	Iisalmi
Pikkutassu	646	0	72	€138,342			
Koy Kajaanin Hoikankatu	646	0	72	€138,342		2019	Kajaani
Jaarlin Päiväkodit	565	0	72	€130,032			
Koy Hämeenlinnan Vanha Alikartanontie	565	0	72	€130,032		2015	Hämeenlinna
Murunen	430	0	55	€98,341			
Koy Ylivieskan Alpuumintie	430	0	55	€98,341		2019	Ylivieska
Vacant	1,425	35	0	€0			
Vaasa Mäkikaivontie	1,425	35	0	€0		2010	Vaasa
Sweden²	15,991	120	610	€3,892,002 SEK40,043,640	€4,042,782 SEK41,594,971		
Olivia Omsorg	3,128	36	0	SEK 8,301,456			
Gråmunkehöga LSS Boende	494	6	0	SEK 1,408,464		2020	Uppsala
Tierp LSS Boende	494	6	0	SEK 1,350,000		2021	Tierp
Almungeberg 1:21	535	6	0	SEK 1,342,344		2018	Uppsala
Almungeberg 1:22	535	6	0	SEK 1,414,164		2021	Uppsala
Hässlinge 2:3	1,070	12	0	SEK 2,786,484		2018 (2020)	Enköping
Ambea	2,272	30	0	SEK 5,569,392			
Emmekalv 4:325	540	6	0	SEK 1,445,592		2019	Oskarshamn
Steglitsan 2	800	12	0	SEK 2,061,900		2020	Växjö
Saga 2	932	12	0	SEK 2,061,900		2021	Växjö
Kunskapsförskolan	2,244	0	250	SEK 5,434,824			
Norrtälje Östhamra Förskola	1,158	0	125	SEK 2,838,372		2020	Norrtälje
Älmhult Kunskapsgatan	1,086	0	125	SEK 2,596,452		2020	Älmhult
Humana	1,610	18	0	SEK 4,268,292			
Nyby 3:68	540	6	0	SEK 1,422,708		2019	Laholm
Hovsta Gryt 7:2	535	6	0	SEK 1,422,708		2019	Örebro
Törsjö 3:204	535	6	0	SEK 1,422,876		2021	Örebro

1. See glossary.

2. Amounts in £ and SEK were converted into € based on the exchange rate of 31 December 2021 (1.18879 £/€ and 10.2887 SEK/€).

3. Although still under construction, these sites already generate limited rental incomes. This explains why they were included in this table and why the estimated rental value is not mentioned.

Name	Total surface (m²)	Residents	Child- ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Frösunda Omsorg	1,668	18	0	SEK 3,975,156			
Bälinge Lövsta 9:19	540	6	0	SEK 1,326,432		2012	Uppsala
Sunnersta 120:2 & 120:4	593	6	0	SEK 1,326,432		2013	Uppsala
Bälinge Lövsta 10:140	535	6	0	SEK 1,322,292		2013	Uppsala
British mini	1,499	0	140	SEK 3,532,980			
Eskilstuna Mesta 6:56	1,499	0	140	SEK 3,532,980		2020	Eskilstuna
TP	1,097	0	120	SEK 2,408,100			
Förskola Kallinge	1,097	0	120	SEK 2,408,100		2021	Ronneby
Norlandia	905	0	100	SEK 2,259,996			
Upplands Väsby Havregatan	905	0	100	SEK 2,259,996		2021	Upplands Väsby
Ersta Diakoni	535	6	0	SEK 1,466,544			
Västlunda 2:12	535	6	0	SEK 1,466,544		2020	Vallentuna
MoGård	540	6	0	SEK 1,435,116			
Anderbäck 1:60	540	6	0	SEK 1,435,116		2020	Nyköping
Caritas Fastigheter	494	6	0	SEK 1,391,784			
Heby LSS Boende	494	6	0	SEK 1,391,784		2020	Heby
Ireland	31,494	568	0	€4,478,500	€4,759,300		
Virtue	28,117	483	0	€3,723,000			
Bridhaven	7,299	184	0	€1,400,000		1989	Mallow
Waterford	3,888	64	0	€515,000		2018	Waterford
New Ross	3,200	62	0	€370,000		2018	New Ross
Bunclody	5,590	62	0	€345,000		2018	Bunclody
Killerig	4,800	45	0	€170,000		2016	Carlow
Altadore	3,340	66	0	€923,000		2015	Glenageary
Coolmine Caring Services Group	3,377	85	0	€755,500			
Milbrook Manor	3,377	85	0	€755,500		2001 (Project)	Saggart
Investment properties in joint venture - 50% share held by Aedifica	644	11	0	€97,867			
Netherlands	1,288	21	0	€195,735	€195,735		
Korian Netherlands	1,288	21	0	€195,735			
Zorghuis Hengelo	1,288	21	0	€195,735		2017	Hengelo
Properties in development³	129,989	2,008	0	€2,772,005			
Germany	77,705	1,204	0	€724,838			
EMVIA	35,574	555	0	€330,304			
Langwedel	8,250	113	0	€72,881		Project	Langwedel
Sehnde	6,012	90	0	€45,117		Project	Sehnde
Seniorenquartier Schwerin	5,235	87	0	€30,567		Project	Schwerin
Twistringen	5,660	99	0	€47,400		Project	Twistringen
Uetze	7,138	112	0	€50,400		Project	Uetze
Hamburg-Rissen	3,279	54	0	€83,939		Project	Hamburg
Specht Gruppe	23,594	384	0	€193,096			
Seniorenquartier Gera	6,673	123	0	€19,476		Project	Gera
Seniorenquartier Gummersbach	10,564	161	0	€119,020		Project	Gummersbach
Stadtlohn	6,357	100	0	€54,600		Project	Stadtlohn
Argentum	5,292	91	0	€120,000			
Haus Wellengrund	5,292	91	0	€120,000		Project	Stemwede-Levern
Residenz Management	7,650	80	0	€52,728			
Quartier am Rathausmarkt	7,650	80	0	€52,728		Project	Bremervörde
Specht & Tegler	5,595	94	0	€28,710			
Fredenbeck	5,595	94	0	€28,710		Project	Fredenbeck

Name	Total surface (m²)	Residents	Child-ren	Contractual rents¹	Estimated rental value (ERV)¹	Construction year (refurbishment)	Location
Netherlands	29,751	395	0	€1,251,833			
Martha Flora	6,217	76	0	€230,876			
Martha Flora Goes	2,405	28	0	€66,189		Project	Goes
Martha Flora Oegstgeest	1,428	20	0	€74,832		Project	Oegstgeest
Martha Flora Breda	2,384	28	0	€89,855		Project	Breda
Stichting Fundis	4,738	60	0	€175,800			
Alphen Raadhuisstraat	2,307	27	0	€83,250		Project	Alphen a/d Rijn
Waarder Molendijk	2,431	33	0	€92,550		Project	Waarder
Saamborgh	4,902	76	0	€280,050			
LLT Almere Buiten	2,352	38	0	€157,500		Project	Almere
Tiel Bladergroenstraat	2,550	38	0	€122,550		Project	Tiel
SVE	4,981	52	0	€211,470			
Hilversum SVE	4,981	52	0	€211,470		Project	Hilversum
Korian Netherlands	4,098	53	0	€176,875			
Vinea Domini	2,175	27	0	€71,875		Project	Witmarsum
Natatorium	1,923	26	0	€105,000		Project	Velp
Valuas Zorggroep	1,925	26	0	€90,000			
Koestraat Zwolle	1,925	26	0	€90,000		Project	Zwolle
Amado Almere - Stichting Pinahuis	2,890	52	0	€86,762			
De Volder Staete	2,890	52	0	€86,762		Project	Almere
United Kingdom²	10,957	193	0	€394,084			
				£331,500			
Halcyon Care Homes	3,456	66	0	£125,000			
Wellingborough Glenvale Park	3,456	66	0	£125,000		Project	Wellingborough
Maria Mallaband	3,702	61	0	£107,500			
Aylesbury Martin Dalby	3,702	61	0	£107,500		Project	Buckinghamshire
Burlington	3,799	66	0	£99,000			
Shipley Canal Works	3,799	66	0	£99,000		Project	Shipley
Ireland	11,576	216	0	€401,250			
Virtue	6,063	119	0	€268,750			
Dublin Stepside	6,063	119	0	€268,750		Project	Kilgobbin
Coolmine Caring Services Group	5,513	97	0	€132,500			
St. Doolagh's	5,513	97	0	€132,500		Project	Balgriffin
Projects in development³ in joint venture - 50% share held by Aedifica	5,893	73	0	€182,311			
Netherlands	11,785	146	0	€364,621			
Korian Netherlands	11,785	146	0	€364,621			
HGH Lelystad	4,301	45	0	€129,375		Project	Lelystad
HGH Soest	2,634	36	0	€96,576		Project	Soest
HGH Woudenberg	2,150	36	0	€106,000		Project	Woudenberg
Stepping Stones Blaricum	2,700	29	0	€32,670		Project	Blaricum
Total investment properties	2,030,476	32,730	11,251	€258,499,966			

1. See glossary.

2. Amounts in £ and SEK were converted into € based on the exchange rate of 31 December 2021 (1.18879 £/€ and 10.2887 SEK/€).

3. Although still under construction, these sites already generate limited rental incomes. This explains why they were included in this table and why the estimated rental value is not mentioned.

2.2. INVESTMENT PROGRAMME AS OF 31 DECEMBER 2021

Projects and renovations (in € million) ²	Operator	Current budget	Invest. as of 31/12/2021	Future invest.
Projects in progress		524	136	388
Completion 2022		302	119	182
Belgium		6	4	2
Residentie 't Spelthof	Vulpia	6	4	2
Germany		95	36	60
Am Stadtpark	Vitanas	5	2	3
Am Tierpark	Vitanas	1	0	0
Quartier am Rathausmarkt ⁴	Residenz Management	16	6	10
Rosengarten	Vitanas	8	4	4
Seniorenheim Haus Wellengrund ⁴	Argentum	8	7	1
Seniorenquartier Langwedel ^{4,5}	EMVIA Living	16	4	12
Wohnstift am Weinberg	Cosiq	10	7	3
Am Parnasssturm	Vitanas	3	1	3
Seniorenzentrum Berghof	Azurit	2	0	2
Twistringen ^{4,6}	EMVIA Living	13	5	8
Uetze ^{4,6}	EMVIA Living	15	0	14
Netherlands		50	25	25
Residentie Boldershof	Korian Netherlands	1	0	1
Vinea Domini ⁴	Korian Netherlands	4	3	1
LLT Almere Buiten ^{4,9}	Saamborgh	7	6	1
Martha Flora Goes ^{4,9}	Martha Flora	5	3	1
Het Gouden Hart Soest ^{4,7,9}	Korian Netherlands	3	3	0
Het Gouden Hart Woudenberg ^{4,7}	Korian Netherlands	4	2	2
Martha Flora Oegstgeest ⁴	Martha Flora	5	2	3
Martha Flora Breda ⁴	Martha Flora	5	0	5
Stepping Stones Blaricum ^{4,7,9}	Korian Netherlands	4	3	1
Alphen Raadhuisstraat ^{4,8}	Stichting Fundis	4	0	4
Waarder Molendijk ^{4,8}	Stichting Fundis	5	0	5
HGH Lelystad ^{4,7,9}	Korian Netherlands	4	4	1
United Kingdom		39	10	29
Burlington projects	Burlington	2	0	1
Blenheim MMCG	Maria Mallaband	7	0	7
Shipley Canal Works ⁴	Burlington	8	3	5
Wellingborough Glenvale Park ⁴	Halcyon Care Homes	12	4	8
Aylesbury Martin Dalby ⁴	Maria Mallaband	10	2	8
Finland		74	30	41
Finland – pipeline 'child day care centres'	Multiple tenants	4	2	2
Finland – pipeline 'elderly care homes'	Multiple tenants	31	15	16
Finland – pipeline 'other'	Multiple tenants	39	13	22
Sweden		2	1	2
Sweden – pipeline 2022	Multiple tenants	2	1	2
Ireland		36	11	25
Tramore Nursing Home	Mowlam Healthcare	15	5	10
St. Doolagh's ⁴	Coolmine Caring Services Group	17	5	12
Millbrook Manor	Coolmine Caring Services Group	4	1	3

4. 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.

5. Part of the first agreement with Specht Gruppe.

6. Part of the second framework agreement with Specht Gruppe.

7. 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.

8. This project is being developed within the joint venture with Dunavast-Sonneborgh, in which Aedifica holds a 75% stake.

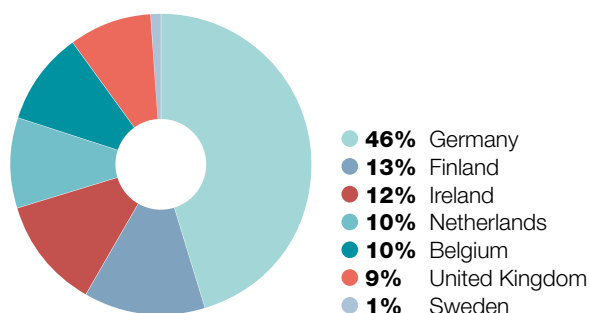
9. This project has already been completed after 31 December 2021 (see section 1.2 of the Financial Report).

Projects and renovations (in € million)	Operator	Current budget	Invest. as of 31/12/2021	Future invest.
Completion 2023		199	16	183
Belgium		6	4	2
Bois de la Pierre	Pierre Invest SA	2	0	2
Germany		96	9	87
Am Schäfersee	Vitanas	10	3	7
Seniorenquartier Sehnde ^{1,2}	EMVIA Living	12	1	11
Seniorenquartier Gera ^{1,2}	Specht Gruppe	16	1	15
Seniorenquartier Schwerin ^{1,2}	EMVIA Living	11	3	8
Haus Marxloh	Procuritas	4	0	4
Seniorenzentrum Talblick	Azurit	1	0	1
Stadtlohn ^{1,3}	Specht Gruppe	15	0	15
Fredenbeck ^{1,3}	Specht Gruppe	13	0	13
Hamburg-Rissen ^{1,3}	EMVIA Living	14	0	13
Netherlands		20	0	20
Natatorium	Korian Netherlands	3	0	3
De Volder Staete ¹	Amado Zorg & Stichting Pinahuis	10	0	10
Tiel Bladergroenstraat ¹	Saamborgh	7	0	7
Finland		26	2	24
Finland – pipeline 'child day-care centres'	Multiple tenants	2	0	2
Finland – pipeline 'elderly care homes'	Multiple tenants	8	1	8
Finland – pipeline 'other'	Multiple tenants	16	2	14
Ireland		54	5	49
Kilbarry Nursing Home	Mowlam Healthcare	15	2	13
Kilkenny Nursing Home	Mowlam Healthcare	15	3	11
Dublin Stepside ¹	Virtue	25	0	25
Completion 2024		22	0	22
Germany		22	0	22
Am Marktplatz	Vitanas	2	0	2
Seniorenquartier Gummersbach ^{1,2}	Specht Gruppe	20	0	20
Completion 2025		1	0	1
Germany		1	0	1
Bavaria Senioren- und Pflegeheim	Auriscare	1	0	1
Projects subject to outstanding conditions		232	0	232
Completion 2022		26	0	26
Netherlands		5	0	5
Zwolle Koestraat ¹	Valuas	5	0	5
United Kingdom		15	0	15
Chard MMCG	Maria Mallaband	15	0	15
Sweden		6	0	6
Singö 10:2 & Bergshammar Ekeby 6:66	Multiple tenants	6	0	6
Completion 2023		12	0	12
United Kingdom		12	0	12
Guysfield	Caring Homes	12	0	12
Completion 2024		164	0	164
Belgium		35	0	35
Renovation project Orpea Brussels	Orpea	18	0	18
Résidence le Douaire	Vulpia	17	0	17
Germany		130	0	130
Specht Gruppe pipeline 2 (2024) ³	Specht Gruppe	130	0	130

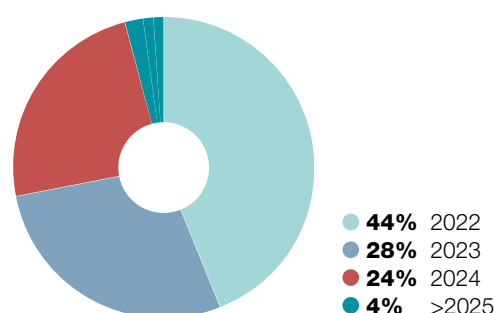
Projects and renovations (in € million)	Operator	Current budget	Invest. as of 31/12/2021	Future invest.
Completion 2025		14	0	14
Belgium		14	0	14
Renovation project Orpea Brussels	Orpea	14	0	14
Completion 2026		11	0	11
Belgium		11	0	11
Renovation project Orpea Brussels	Orpea	11	0	11
Completion 2027		4	0	4
Belgium		4	0	4
Renovation project Orpea Brussels	Orpea	4	0	4
Acquisitions subject to outstanding conditions		7	0	7
Completion 2022		7	0	7
Germany		7	0	7
Seniorenhaus Lessingstrasse ⁴	Seniorenhaus Lessingstrasse	7	0	7
Land reserve		4	4	0
TOTAL INVESTMENT PROGRAMME		767	140	627
Changes in fair value			8	
Roundings			2	
On balance sheet			150	

Approx. €52,5 million need to be added to the total investment budget given the announcement of development projects in the United Kingdom and Ireland after 31 December 2021 (see section 1.2 of the Financial Report). Of the total investment budget, €33 million has already been carried out since 31 December 2021 (see section 1.2 of the Financial Report).

GEOGRAPHICAL BREAKDOWN PIPELINE (%)



EXPECTED COMPLETION DATE PIPELINE (%)



1. 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.
2. Part of the first framework agreement with Specht Gruppe.
3. Part of the second framework agreement with Specht Gruppe.
4. This project has already been completed after 31 December 2021 (see section 1.2 of the Financial Report).

3. THE HEALTHCARE REAL ESTATE MARKET¹

EUROPEAN TRENDS

In the European Union, the population of persons older than 80 years of age has increased by approx. 25% over the past decade to more than 26 million people (2020). This segment of the population is growing faster than other age groups. It is expected that this older segment of the European population will double to approx. 50 million people by 2050. In the coming decades, this demographic trend will further stimulate demand for healthcare real estate.

European residential care centres are operated by different types of operators: public, non-profit and private operators. Their market share in the various countries differs, depending on the local social security system. At the European level, private care operators manage approx. 31% of the total number of beds in residential care centres (+300 bps in two years). Care providers in the consolidating private segment develop their activities on both domestic and foreign markets, while governments have only limited resources to meet the growing demand for care and are therefore more often focused on financing care and care dependency than on providing care as a public operator. As a result, both private and public operators rely on private investors to fund healthcare real estate infrastructure that meets the needs of the ageing population.

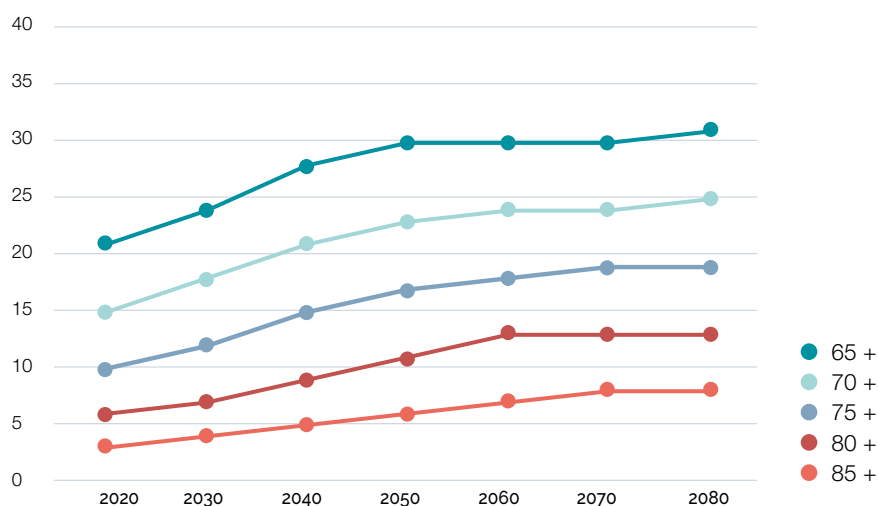
At the European level, the investment volume in residential care centres has increased sharply in recent years, in spite of the Covid-19 pandemic:

from approx. €2 billion in 2015 to a record level of approx. €7.6 billion in 2020 – a testament to the resilience of the sector. It is mainly international investors who are responsible for this increase in investment volume. This trend is expected to continue in the near future as the European consolidation of private healthcare providers is well under way and creating new opportunities for real estate investors. However, due to this strong interest in healthcare real estate, prime net yields continued to decline.

Although the Covid-19 pandemic exerted pressure on care operators and temporarily impacted the occupancy rates of care homes (occupancy decreased by approx. 5-10% in some countries but has recovered in the second half of 2021 as vaccination programmes were rolled out), healthcare real estate remained an attractive segment for investors due to the solid market fundamentals that remained intact (ageing, consolidation, public funding). The impact of the pandemic on operators' income remained relatively limited, partly because the additional costs incurred in terms of staff and protective measures were (partially) compensated by the financial support packages from governments. The vaccination programmes that were rolled out across Europe have given a new perspective to care operators and have had a positive effect on the operators' occupancy levels.

The number of people aged 80 and over in Europe will double to 50 million by 2050. This demographic trend will further increase the demand for healthcare real estate.

POPULATION AGEING IN EUROPE (%)



1. Source: Cushman & Wakefield, CBRE, Jones Lang LaSalle, Eurostat, ONS & Aedifica.

BELGIUM

5.6% of the Belgian population is over the age of 80, and by 2040, this segment of the population is expected to increase to 7.5%. Over the past few years, the number of beds has steadily grown to approx. 150,000 units spread across the country. Based on the demographic forecasts and the increase in life expectancy, it appears that the current increase in supply will not meet demand over time. Approx. 30% of the care home beds in Belgium are managed by the public sector, while the non-profit sector operates approx. 35% and the private sector operates the remaining 35% of the beds. However, there are regional differences: in Flanders, approx. 50% of the beds are managed by the non-profit sector, while the private sector operates approx. 50% of the beds in Wallonia and even over 60% of the beds in Brussels. The three largest private players in Belgium currently manage approx. 25,000 beds (approx. 17% of the total number of beds). The investment volume in Belgian care homes in 2021 is estimated at approx. €340 million (compared to €400 million in 2020). The prime net yield (based on triple net long leases) currently ranges from 4% to 4.5%, depending on the region.

Despite the Covid-19 pandemic, healthcare real estate remained attractive to investors due to the solid market fundamentals (ageing, consolidation, public funding).



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GERMANY

In Germany, the number of people over the age of 80 will almost double to approx. 12% of the total population by 2050. Currently, there are approx. 970,000 beds available in more than 15,000 care homes. These care homes are operated by non-profit operators (approx. 53%), private operators (approx. 42%) and public operators (approx. 5%). Although the German healthcare real estate market is increasingly consolidating and privatising, it remains highly fragmented, with the ten largest private operators currently holding a market share of only approx. 13.6%. Forecasts predict that up to 366,000 extra beds will be needed by 2040. Thus, the ageing population offers significant prospects for growth and consolidation. In some regions, demand already exceeds supply. However, the possibilities for creating new capacity in care homes are limited, due to the lack of construction sites as well as the high costs of plots of land and construction works (due to increasing ecological requirements and a shortage of building materials). Consequently, there is currently more investment in existing sites and renovations. Another problem facing operators is a shortage of trained healthcare workers. Not only in rural regions, but also in metropolitan areas it is becoming increasingly difficult to recruit qualified care professionals. To make careers as a nurse more attractive, the new federal government has committed itself not only to a nursing premium, but also to improve working conditions and close the pay gap between nurses and geriatricians. Investor demand for healthcare real estate remains high, although supply is limited. In 2021, approx. €3.8 billion was invested in healthcare real estate, an increase of 8% compared to last year's investment volume, largely due to a sizeable portfolio transaction. The prime net yield has further decreased to approx. 3.9%.

The German healthcare real estate market remains highly fragmented: the ten largest private operators have a market share of only 14%.

NETHERLANDS

4.95% of the population in the Netherlands is currently over 80 years of age. This age group is expected to more than double to 10.7% of the total population by 2050. As a result of this demographic evolution, approx. 160,000 extra beds in residential care homes are expected to be needed by 2050, on top of the necessary redevelopment of the outdated existing care infrastructure. Of the current capacity of approx. 130,000 beds, approx. 94% are operated by non-profit operators. Private operators account for the remaining 6% and mainly operate small-scale sites with an average capacity of approx. 22 residents. Although the market share of the private sector is still small compared to the non-profit sector, the private sector has grown considerably in recent years. In the Netherlands, too, the healthcare market is consolidating. Pan-European players in particular are currently actively expanding their portfolios. Healthcare real estate remains an attractive long-term investment option, with approx. €1 billion invested in 2021. The most important factor for the decline in the total transaction volume was the shortage in quality investment properties. Yields continued to decrease over the past year as investors were afraid to lose their place at the negotiating table in light of the shortage of quality investment properties. The prime net yield is approx. 4.50% and is expected to decrease further in the future due to the great interest in healthcare real estate.

UNITED KINGDOM

An increasingly ageing population with higher care needs is expected to increase demand for healthcare real estate significantly in the United Kingdom in the near future and offers favourable prospects for occupancy rates. Currently, 5.1% of the UK population is over the age of 80; this age group is expected to double to nearly 10% of the total population by 2060. The United Kingdom has a total of approx. 470,000 beds in residential care centres. With approx. 5,500 care home operators, many of which are independent private players operating small and outdated buildings, the UK's senior care market is still very fragmented. The five largest care home operators have a market share of 15% of the total bed capacity, while the top 10 account for approx. 21%. The senior care market in the UK is financed by a mix of public funds (Local Authorities and the National Health Service) and private funds (self-payers). The share of residents who finance their stay with private funds has risen sharply in recent years (approx. 45% of the market). Persons who meet certain conditions as regards care needs can obtain social care services from Local Authorities (approx. 46%) after an evaluation of their financial situation. The National Health Service finances seniors with primary care needs (approx. 9%). In 2021, the investment volume in the UK healthcare real estate market amounted to approx. £2.3 billion, of which approx. £1.1 billion was invested in care homes. Net yields remain diversified: prime real estate drops to approx. 4%, while mid-market real estate has a yield of 7% or more. One of the challenges facing care operators in 2022 is a lack of qualified staff due to the Brexit and the Covid-19 pandemic, which might lead to rising costs and profit compression.

FINLAND

In Finland, approx. 5.7% of the total population was over 80 years old in 2020. This age group is projected to almost double to 10.8% of the population by 2040. Finland has a total of approx. 55,000 beds in residential care centres. Private healthcare operators have a market share of around 50%. In the 2014-2018 period, the number of residents in private care homes grew by approx. 5% per year. In 2020, more than 60% of children aged 1 to 6 were enrolled full or part-time in a day care centre. Approx. 25% of day care centres are operated by the private sector. However, the share of private day care centres varies by municipality (up to 40% in some municipalities) and is expected to increase in the future. In Finland, municipalities are responsible for providing care to their residents. A municipality has two basic options to manage the provision of care: either to provide care itself as a public operator, or to organise care through outsourcing to private or non-profit care operators. In Finland, care services are funded by municipalities through national and local taxes. After a record €1.4 billion was invested in Finnish healthcare real estate in 2020, the investment volume dropped to around €200 million in 2021 as no large portfolios were traded and more investments were made in social real estate (such as schools, etc.). However, the demand for healthcare real estate remains high, while supply is limited. The prime net yield amounts to approx. 4.0-4.25%.

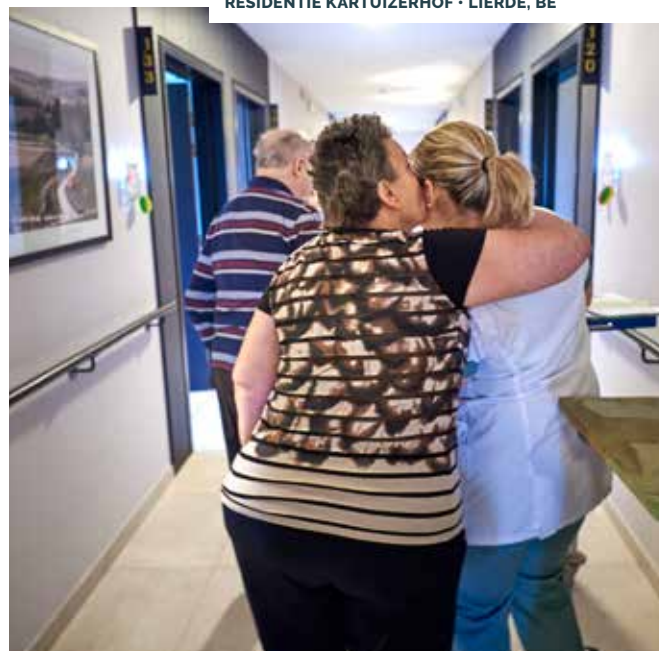
SWEDEN

Approx. 5.4% of the total population in Sweden is over 80 years of age. That number is expected to rise to 10.5% by 2070. In 2020, approx. 138,000 people were living in residential care centres (of which approx. 108,000 in elderly care homes and 30,000 in housing for people with special care needs). 46% of Swedish municipalities report a shortage of housing for people with special care needs and 35% report a shortage of housing for elderly people with care needs. In Sweden, municipalities are responsible for providing care to their residents. Municipalities have various options for providing adequate care, but the focus seems to shift to giving freedom of choice so that people can choose their own care provider. Private care operators, who have seen their market share rise sharply in recent years, are seen as a central part of that freedom of choice. In Sweden, care services are generally financed with public funds. The pandemic did not affect the interest of investors, who continued to consider healthcare real estate as a safe investment. In 2021, the investment volume in the Swedish healthcare real estate market amounted to approx. €1 billion (up from approx. €700 million in 2020 and in line with the record level of 2019). The prime net yield for elderly care homes amounts to 3.25%.

IRELAND

In Ireland (population 4.9 million), data from 2019 shows that approx. 14.2% of the total population is over 65 years old and approx. 3.2% is over 80. By 2030, almost a quarter of a million people (5.1%) will be over 80 and this will double to about 10.9% of the population by 2040. Ireland has a total of approx. 32,000 beds in care homes including those in the public and private sector. Just 20% are operated by the public sector while 70% are operated by the private sector (split 50:50 between groups and individual operators) and 10% are run by the non-profit sector. In Ireland, all care homes are entered into the 'Nursing Home Support Scheme' (budget of €956 million in 2021) which provides a guaranteed weekly rate per bed and is supported by government

RESIDENTIE KARTUIZERHOF - LIERDE, BE



money to make up the shortfall for any residents that cannot afford care. The investment volume in Irish healthcare real estate increased to a record amount of almost €600 million during 2021 due to large portfolio transactions and an unprecedented amount of single asset deals as consolidation continues at pace. The demand for healthcare real estate remains high among new active investors, while supply is limited. Much of the remaining stock to be acquired is older, and in many cases, not futureproofed. Over the last 12-24 months, the prime net yield has decreased to approx. 5%. The Covid-19 situation in Ireland is relatively well under control since early 2021 as the vaccination programme has been rolled. Overall, healthcare real estate has proven to be resilient, with many deals being closed during the pandemic.

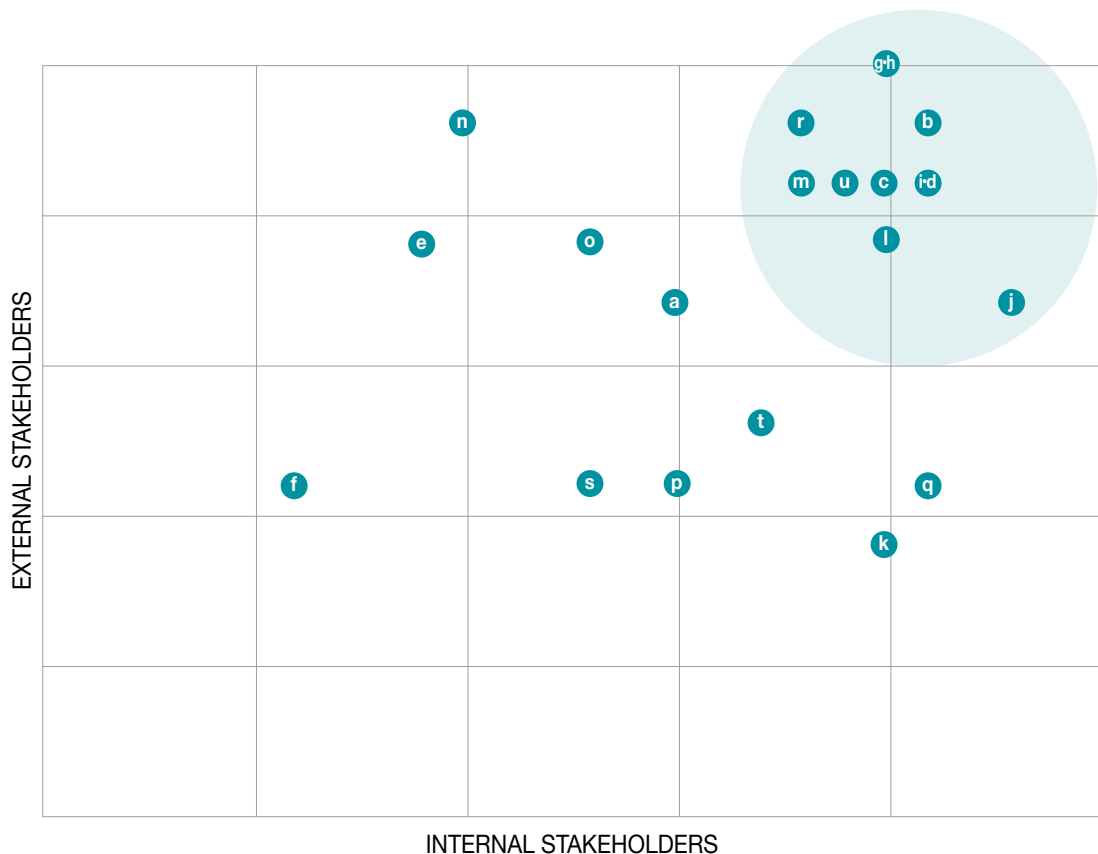
SPAIN

In Spain (population 47.3 million), data from 2020 shows that approx. 19.6% of the total population is over 65 years old and approx. 6.0% is over 80. By 2030, almost 3.1 million people (6.5%) will be over 80 and their number will rise to approx. 7.3% of the population by 2035. Spain has a total of approx. 383,000 beds in care homes (and an additional 26,000 beds under construction), including those in the public and private sector. 61.5% are operated by the private sector, while 38.5% are operated by the public sector. In 2021, the total investment volume in Spanish care homes has increased to approx. €600 million, doubling from 2020. Investor interest drove the prime net yield down from 4.75% to 4.50% over the course of the year. This is because several new players made their first acquisitions, while parties already active in the Spanish market continued to expand their position. Moreover, Spanish healthcare operators have ambitious expansion plans, as the current building stock is outdated and there are few attractive buildings on the market. Over the past two years, healthcare real estate has proven to be resilient, with many deals being closed during the pandemic.

CSR report in brief

At Aedifica we put 'housing with care' at the centre of all our business activities. This equally applies to our Corporate Social Responsibility strategy, performance and initiatives. We are committed to living up to this motto in an environmentally and socially responsible manner, in close cooperation with our operational partners. We believe that the growth of our company goes hand in hand with supporting the people and communities around us, without this compromising our planet.

- a** Carbon neutral organisation
- b** Building certifications
- c** Climate change adaptation
- d** Life-Cycle assessments (LCA)
- e** Provide sustainable mobility solutions
- f** Biodiversity
- g** Efficient operations by operators
- h** Carbon neutral portfolio
- i** Engage with operators to reduce environmental impact
- j** Talent development and training in the workplace
- k** Diversity and equal opportunities
- l** Health and well-being employees
- m** Housing operators' satisfaction, service quality
- n** Health, safety and well-being at asset level
- o** Provide quality healthcare services for society
- p** Invest in research and development
- q** Access to (green) finance
- r** Ethics, compliance and integrity
- s** Sustainable procurement
- t** Data protection and cyber security
- u** Compliance with (local) changing building regulations



MATERIALITY MATRIX

In 2021, we have undertaken another materiality assessment with the support of an independent external consultant. The assessment included a peer review, interviews with internal and external stakeholders, an online survey and internal presentations. The outcomes are presented in the materiality matrix above, with the most material topics plotted on the top right. Our sustainability efforts in the coming years will primarily focus on these topics. Based on the new matrix, we have updated our CSR framework and set out new commitments for the future, assuming our

responsibility and responding to the topics of importance to the Group to the maximum extent possible.

Those topics not presented in the top right of the matrix are relevant to our industry but are considered less material for Aedifica in the coming years. This does not mean that we are not interested in these matters or that we won't focus or communicate on them at all: it means Aedifica's efforts regarding those topics would not be as impactful considering our day-to-day operations.



OUR PORTFOLIO

REDUCING
ENVIRONMENTAL
IMPACT,
OPERATIONAL
COSTS AND RISKS



OUR PARTNERS

STRENGTHENING
RELATIONSHIPS IN
THE HEALTHCARE
REAL ESTATE
SECTOR



OUR ORGANISATION

BEING A LEADER IN
THE HEALTHCARE
REAL ESTATE
SECTOR

OUR CSR FRAMEWORK

Our Corporate Social Responsibility Strategy is focused on three main areas: reducing our environmental footprint, strengthening our stakeholder relationships and continuing to grow into a sustainable organisation that leads the healthcare real estate sector in Europe.

➤ For more details on Aedifica's CSR framework, see page 37.

ACTION PLAN FOR 2025

Aedifica has developed a 2025 Action Plan, which was first published in the 2018 Sustainability Report and puts Aedifica's long-term goals into practice through concrete action points. The plan provides a practical framework for making the real estate portfolio more sustainable by, among other things, investing in energy-efficient systems (such as solar panels, thermal storage facilities, etc.) and for developing the relationship with Aedifica's various stakeholders (such as employees, shareholders, residents, etc.), while keeping in mind responsible business practices.

In the 2021 CSR Report (to be published in June 2022), Aedifica will provide an update on the Group's progress in implementing the Action Plan and disclose the renewed objectives and actions for the coming years.

ALL INFORMATION
CONCERNING AEDIFICA'S
CORPORATE SOCIAL
RESPONSIBILITY EFFORTS CAN
BE FOUND IN OUR ANNUAL
CSR REPORTS, WHICH ARE
AVAILABLE ONLINE.

➤ WWW.AEDIFICA.EU



OUR PORTFOLIO

REDUCING OUR
ENVIRONMENTAL
IMPACT,
OPERATIONAL
COSTS AND RISKS



COMMITMENTS

- ACHIEVING NET ZERO EMISSIONS FOR THE REAL ESTATE PORTFOLIO BY 2050
- APPLYING BUILDING ASSESSMENT (BA) STRATEGY TO 100% OF OUR PROPERTIES IN OPERATION BY 2025
- UNDERTAKING A CLIMATE CHANGE RISK ASSESSMENT IN 2023

Aedifica commits to achieving net zero emissions for its entire portfolio by 2050 to meet the objectives of the Paris Agreement and thus contribute to addressing the climate crisis. Our action plan sets out how we will deliver on our promise to reduce the environmental footprint of our portfolio and that of our tenants.

- (re)developing energy efficient buildings
- investing in energy-efficient installations
- introducing tools for building assessments
- engaging with our operators to reduce their energy consumption

SUSTAINABLE FINANCE FRAMEWORK

In order to support Aedifica's commitment to achieving the objectives of its Action Plan, the Group has developed a Sustainable Finance Framework (on which a Secondary Party Opinion has been obtained). The proceeds from the financial instruments that will be issued under this framework are used exclusively for the (re)financing of sustainable buildings, projects concerning energy efficiency and projects of a social nature. To be eligible for this type of financing, the buildings or projects must meet the sustainability criteria described in the Sustainable Finance Framework. These criteria are aligned with the United Nations Sustainable Development Goals (SDGs).

In September 2021, Aedifica successfully issued its first benchmark Sustainability Bond under its Sustainable Finance Framework for a total amount of €500 million.

➔ See page 50.

Aedifica commits to achieving net zero emissions for its entire portfolio by 2050 to meet the objectives of the Paris Agreement.

OUR PATHWAY TO CARBON NEUTRALITY

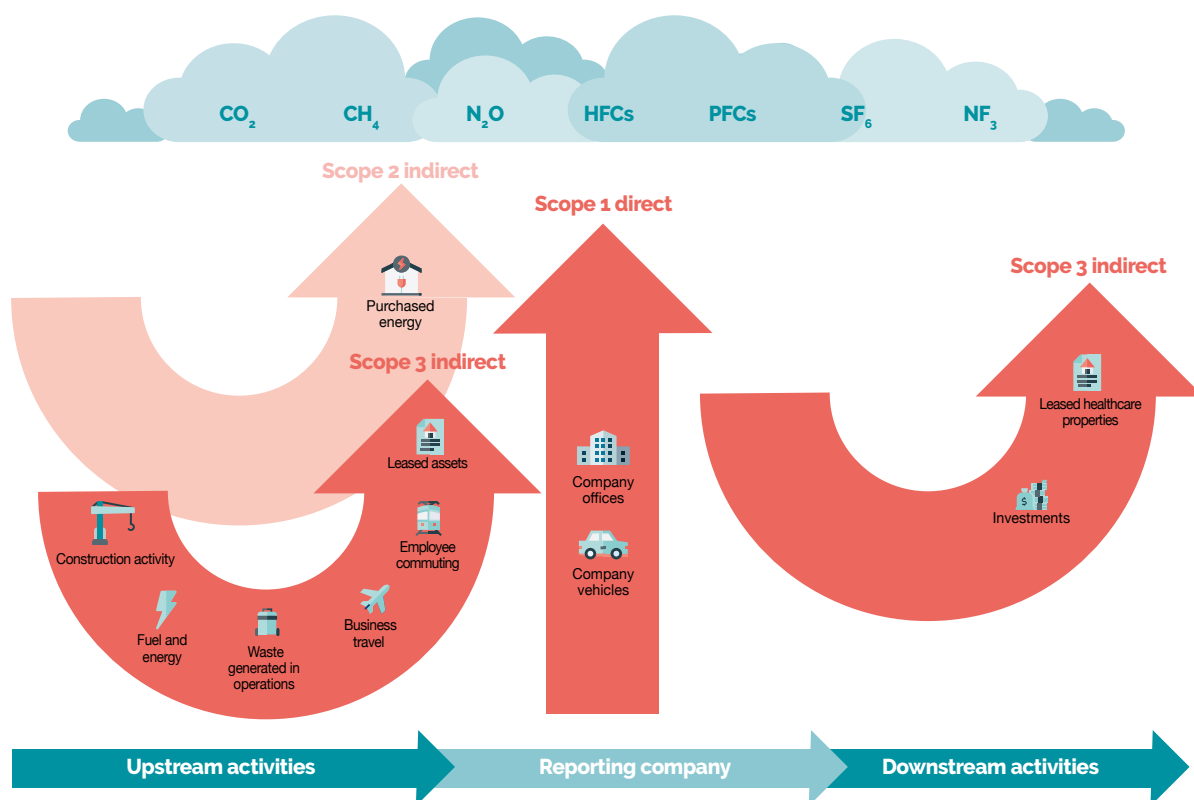
Reducing the impact of global warming will largely depend on further eliminating greenhouse gas emissions as a result of energy consumption.

The scope 1 and 2 carbon emissions of our business activities are very limited. Aedifica is not directly involved in the operations of its care homes (generating scope 3 downstream emissions). As the operators are responsible for the daily management and maintenance of the buildings (including the technical equipment) and the way they purchase electricity, the Group only has a limited impact on the direct environmental performance of its buildings. However, as a leading healthcare real estate investor, Aedifica takes responsibility and actively shares its knowledge with its operators on how to develop, maintain and operate our assets in an efficient, safe and sustainable manner.

In order to achieve carbon neutrality, Aedifica will be implementing a net zero carbon pathway. Net zero greenhouse gas emissions do not only refer to direct emissions (scope 1), but also to indirect emissions (scopes 2 and 3). Aedifica's greatest challenge will be to reduce scope 3 downstream carbon emissions (mainly energy consumed by operators and residents) which are more difficult to control. This will require a comprehensive approach and cross-company cooperation, as will be outlined in the pathway¹. In addition, a short-term reduction target of 20% by 2025 has already been set for our scope 1 and scope 2 emissions.

In order to achieve carbon neutrality, Aedifica will be implementing a net zero carbon pathway.

1. A detailed overview of Aedifica's net zero carbon pathway will be provided in Aedifica's 2021 CSR report (to be published in June 2022).



BUILDING ASSESSMENTS FOR FUTUREPROOF ASSETS

Aedifica has developed a Building Assessment framework that provides our technical property management team with a structure to monitor the quality of each building along three essential pillars.

1. Identifying if sufficient resources are allocated to maintenance
2. Assessing and benchmarking sustainability performance
3. Monitoring compliance with all applicable regulations

Under triple net leases, these aspects are normally addressed by the operator, but as an owner Aedifica continues to monitor the quality and implementation of these issues.

The sustainability pillar of the building assessment framework provides for the implementation of a sustainable development framework in each country. This framework defines technical requirements regarding energy efficiency, environmental aspects (e.g. measures to reduce water consumption and improve biodiversity), as well as health criteria (e.g. ventilation flow rates for air quality) and quality of life criteria for residents (e.g. accessibility) for future developments projects. Our development projects in the Netherlands typically already meet most of these criteria, as the Dutch version of our sustainable development framework is similar to the GPR-standard.

➔ See pages 10-11.

Over the next two years, Aedifica will carry out a climate change risk assessment to validate the findings of the physical risk analysis conducted under the compliance pillar, focusing on the potential risks and opportunities resulting from climate change. This will provide the corporate team with a better understanding of the different risks (flooding, drought, heat stress, etc.) and the priorities on which Aedifica and its operators should focus to adapt to these risks at building level.

BUILDING ASSESSMENT FRAMEWORK



MAINTENANCE

- In-depth internal assessments - according to the principles of the standard NEN2767
- On-site visits are being performed by our operations team
- Share uniform approach between countries
- Follow-ups with the operators



SUSTAINABILITY

- Energy data collection on annual basis
- Define and implement sustainable development guideline per country
- Energy Performance Certificates (EPCs) and Energy Audits provide input for measures needed to improve the energy performance, including onsite renewable energy generation



COMPLIANCE

- Legislation and risk framework - across a standardised matrix (adapted to local regulations), a building is assessed for compliance. This ranges from building permits and elevator certificates to flood risk assessment
- Provide assurance regarding the compliance of the structure and the installations to ensure the health and safety of residents and staff



OUR PARTNERS

STRENGTHENING
OUR RELATIONSHIPS
IN THE HEALTHCARE
REAL ESTATE
SECTOR



COMMITMENTS

- INCREASING THE RESPONSE RATE OF OPERATORS PARTICIPATING IN ENGAGEMENT SURVEY
- IMPLEMENTING A GREEN AWARENESS PROGRAMME FOR TENANTS
- ORGANISING OPERATOR DAYS IN EACH REGION EVERY THREE YEARS
- ORGANISING ANNUAL COMMUNITY DAYS FOR EMPLOYEES

Aedifica is committed to bringing together the various stakeholder groups that have an impact on the daily lives of the residents and care staff who live and work in our buildings. The Group wants to be a partner to all these stakeholders, actively listening, sharing information and educating them on the latest trends in the real estate industry. Above all, relationships with our operators and communities are essential to creating long-term sustainable value.

PARTNERS

We continue to engage our partners by reaching out to them proactively and maintaining good relations. In this way, we try to understand their needs and discuss the issues they consider important. This open attitude underpins the Group's identity and long-term vision.

- continuously available to operators
- organising formal and informal contact moments
- organising satisfaction surveys

OPERATOR ENGAGEMENT: MEASURE SUCCESS

In 2021, an engagement survey to measure the operator satisfaction was organised. Overall, over 100 participants spread over 6 countries have completed the survey, representing a large part of our portfolio. The results of the survey provide useful insights about our current services and interactions, as well as potential additional needs and strategic priorities of operators. These results serve as a basis for improvements to Aedifica's collaboration and dialogue with its tenants.

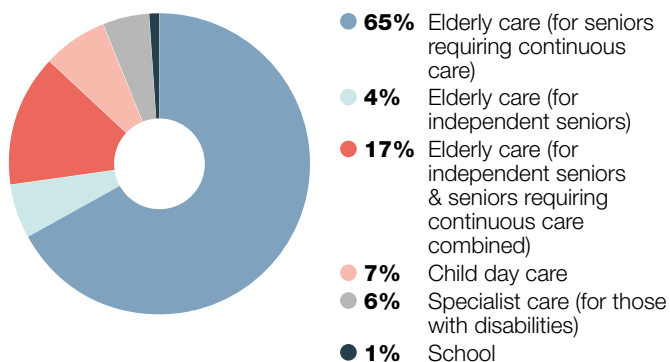
OPERATOR DAYS

Aedifica understands the challenging context in which our operators have to work every day. Their primary concern is providing healthcare to people in need and not necessarily the management and technical maintenance of the buildings. That is why Aedifica will be organising Operator Days in every country where it operates. Once every three years, Aedifica will invite all representatives of its care properties and share knowledge and best practices on the efficient management of properties, investment in innovation, new real estate-related care solutions and the risks and opportunities of climate change. By organising these Operator Days in each region, we can share knowledge gained in different regions and by working with multiple operators.

CONTRIBUTING TO SOCIETY BY PROVIDING QUALITY CARE PROPERTIES

As a healthcare real estate investor, Aedifica contributes to a better society by creating innovative residential care concepts for a variety of care clients. Our main focus remains on elderly people requiring different types of residential care. However, during the past few years, we have also specialised in other types of housing and care accommodation, such as care facilities for people with disabilities, children day-care centres and schools.

BREAKDOWN OF CARE TYPES IN FAIR VALUE (%)



COMMUNITY ENGAGEMENT

In order to understand and connect with our communities, Aedifica stimulates its employees to actively contribute towards the health and well-being of the residents and the communities of the buildings we own. During **Community Days**, employees will be able to take one day off to invest their time in increasing the attractiveness of our properties, supporting elderly residents or doing other volunteering activities.

In 2021, Aedifica donated over 55,000 € to **charity** and non-profit organisations.

- Be.Source: an initiative that supports actions to improve the living conditions of vulnerable elderly people.
- Boost for talents: an initiative that aims to give equal educational opportunities to young people from disadvantaged backgrounds.
- Music: as research shows that music has a positive effect on people suffering from dementia, Aedifica continued to support the Philomela Foundation, an organisation that provides classical concerts for residents of care homes in the Netherlands. Aedifica also organised a series of Christmas concerts.
- Pflegecampus Plauen: Aedifica made a donation to this care campus that brings together different generations to purchase rehabilitation equipment.
- In Finland, employees visited a shelter to donate bed linen.

SHARING KNOWLEDGE

Every year we welcome interns to our offices and offer them the opportunity to gain valuable experience in a work environment. In addition, the members of our Executive Committee often share their knowledge at seminars in Belgium and abroad. Aedifica CEO Stefaan Gielens is a frequent guest lecturer in the postgraduate programme in real estate studies at KU Leuven. He also regularly participates in panel discussions within the real estate sector, as do other members of the Executive Committee.



CONCERT ORGANISED BY STICHTING PHILOMELA IN THE DE MERENHOEF CARE HOME-
MAARSSEN, NL



OUR ORGANISATION

BEING A LEADER IN
THE HEALTHCARE
REAL ESTATE
SECTOR



COMMITMENTS

- ROLLING OUT THE AEDIFICA ACADEMY TO ALL REGIONS
- ORGANISING ANNUAL EMPLOYEE SATISFACTION SURVEY
- MANDATORY ANNUAL ETHICS TRAINING FOR EMPLOYEES
- IMPLEMENTING HEALTH & WELL-BEING PROGRAMME IN OUR OFFICES

At Aedifica, we take 'housing with care' seriously in all our business activities. The principles of care that we apply to our real estate portfolio are also extended to our own workforce. By paying attention to the health and well-being of our employees and their families, we ensure that Aedifica remains an attractive place to work. Through embedding our company values in our operations, we aim to lead the healthcare real estate sector:

OUR VALUES

Care

- Implementing a robust health and well-being programme, developed by and for our employees
- Providing flexible working conditions so employees have a positive work-life balance

Agile

- Offering employees a development plan that increases personal and professional skills to meet the challenging needs of our industry
- Having succession planning in place for all key positions

Transparency

- Updating our internal codes, standards and guidelines to reflect industry best practice
- Informing employees on the Code of Ethics annually

Leadership

- Measuring engagement levels through independent surveys to identify further improvements to our organisation and truly become an industry leader
- Inspiring and recognising the talent working at Aedifica

GOOD GOVERNANCE

Aedifica has a corporate culture characterised by honesty and integrity, a sense of responsibility, strict ethics and compliance with statutory rules and corporate governance standards. The Group also expects the same mentality from the parties with which it works. To guarantee these high ethical business standards, we have prepared a number of policy documents around topics such as sustainability and human rights.

➔ [Corporate Governance Statement](#)

A GREAT PLACE TO WORK

Similar to last year, Aedifica held an employee engagement survey in 2021. However, this was the first time we worked together with the 'Great Place to work' programme on a group level (the Finnish Hoivatilat team has been recognised as a Great Place to Work for several years). The survey gives us an in-depth insight into what our employees find important and provides us with the right tools to improve our staff's well-being and create a happy workforce. After the survey and an in-depth analysis of the company culture, Aedifica was already recognised as a great workplace in its first participation, allowing it to carry the Great Place to Work® Certified label throughout 2022.



TALENT DEVELOPMENT

At Aedifica, we have created a workplace culture in which employees receive continuous feedback combined with one formal yearly performance review with their manager. Aedifica actively supports internal staff rotation because it tends to lead to improved skills and a better understanding of our company's culture and internal processes.

In addition, Aedifica invests in the talent development of its staff by offering the 'Aedifica Academy' training programme.

EMPLOYEE HEALTH AND WELL-BEING

A Health & Well-being Committee was set up in 2021 and met three times during the year. The Committee includes members of Human Resources, head office employees and representatives from our local teams. The Committee has been working on our community engagement programme and will finalise an action plan in early 2022 based on the findings of the annual employee engagement survey.



In 2022, the HR team will start rolling out the Aedifica Academy to all countries in which the Group operates. Aedifica Academy is a training programme that not only consists of a number of mandatory trainings on key topics within the company and the industry, but also allows employees to create their own programme for personal and professional development. The Aedifica Academy builds on the Hoivatilat University that our Finnish colleagues established two years ago.

Corporate governance statement



As a reference player in the European listed healthcare real estate sector, Aedifica attaches great importance to transparent, ethical and sound governance of the Company based on the conviction that this contributes to sustainable value creation in the long term for all of Aedifica's stakeholders. The Board of Directors shall ensure that the corporate governance principles and processes developed for this purpose are appropriate for the Company at all times and comply with the applicable corporate governance regulations and standards.

99%

ATTENDANCE RATE BOARD
AND COMMITTEE MEETINGS

**New Dealing
Code**

Human Rights Policy

**Anti-Money
Laundering Policy**

**Charter for Responsible
Supplier Relations**

IMPLEMENTED IN 2021

Corporate governance statement

This chapter provides an overview of the rules and principles on which the Company organises its corporate governance.

These rules for transparent, ethical and sustainable governance aimed at long-term value creation for all stakeholders (shareholders, tenants and their residents, employees, the community and the environment) can also be found in Aedifica's internal policies including:

- Articles of Association
- Corporate Governance Charter
- Dealing Code
- Code of Conduct
- Internal procedure for reporting irregularities
- Remuneration policy
- Anti-bribery and corruption policy
- Anti-money laundering policy
- Internal privacy policy
- Environmental policy
- Human rights policy
- Charter for responsible supplier relations

1. GOVERNANCE MODEL

Aedifica has opted for a monistic or one-tier governance structure as stipulated in Articles 7:85 et seq. BCCA.

This means that the Company is managed by a Board of Directors that has the power to perform all acts necessary or useful to achieve the purpose of the Company, with the exception of those acts for which the General Meeting is authorised according to the law, and is led by an Executive Committee that has been entrusted by the Board of Directors with the day-to-day management and operational functioning of the Company.

In order to increase the overall effectiveness of the Board of Directors through focus, supervision and monitoring of important areas, the Board has established three specialised committees, consisting mainly of Independent Directors who have the expertise required to be members of such committees, namely the Audit and Risk Committee, the Nomination and Remuneration Committee and the Investment Committee.

As required by RREC legislation and corporate governance rules, the Company also has an independent control function, the effectiveness whereof is ensured by the internal audit, compliance and risk management functions.

As Aedifica's corporate mission (offering sustainable real estate solutions to professionals whose core business is the provision of care to persons in need throughout Europe) aims to sustainably pursue the interests of all its stakeholders, it has a Sustainability Steering Committee that examines how the Company's sustainability objectives can be integrated into its policies and is responsible for developing and monitoring the sustainability action plan. The Sustainability Steering Committee's proposals and plans are validated by the Executive Committee, which regularly reports on these matters to the Board of Directors.

Finally, given the geographical diversity of the countries in which Aedifica operates and in order to exchange relevant experience from these various markets, Aedifica has a G10 group through which the members of the Executive Committee and the country managers meet regularly.

This governance structure can be represented schematically as shown hereafter.



2. REFERENCE CODE

In accordance with Article 3:6 §2 BCCA and the Royal Decree of 12 May 2019 specifying the code to be complied with regarding corporate governance by listed companies, Aedifica applies the Belgian Corporate Governance Code 2020 ('CG Code 2020'), taking into account the particularities relating to RREC legislation. The CG Code 2020 can be accessed on the website www.corporategovernancecommittee.be. The CG Code 2020 applies the comply or explain principle, whereby deviations from the recommendations must be justified.

On the date of this Annual Financial Report, Aedifica complies with all provisions of the CG Code 2020.

The Corporate Governance Charter containing all the information on the governance rules applicable within the Company can be accessed on the Company's website (www.aedifica.eu).

3. INTERNAL CONTROL AND RISK MANAGEMENT

Aedifica has implemented an effective internal control and risk management system, as required by the RREC legislation and by corporate governance rules.

The development of this internal control and risk management system is the responsibility of Aedifica's Executive Committee. The Board of Directors is responsible for determining and evaluating the risks the Company may face and for monitoring the effectiveness of internal control.

In accordance with RREC legislation, Aedifica has appointed a risk manager, a compliance officer and an internal auditor.

3.1 RISK MANAGEMENT

Ms Ingrid Daerden (CFO, Executive Director and member of the Executive Committee) was appointed risk manager. She ensures the implementation of measures and procedures for identifying, monitoring and avoiding the risks that the Company may face. When risks actually occur, she takes measures to limit the impact of these risks and to assess and monitor their consequences as much as possible.

3.2 COMPLIANCE

Mr Thomas Moerman (General Counsel) was appointed compliance officer. He ensures that the Company, its Directors, members of the Executive Committee, employees and agents comply with the legal rules relating to the integrity of the Company.

3.3 INTERNAL AUDIT

The person in charge of the internal audit function continuously and independently assesses the activities of the Company and examines the effectiveness of the existing internal control procedures and methods. The internal audit function is performed by an external consultant, BDO Risk Advisory Services (represented by Mr Pierre Poncelet), under the supervision and responsibility of Ms Katrien Kesteloot (Independent Director).

Aedifica bases its risk management and internal control system on the COSO internal control model (Committee of Sponsoring Organisations of the Threadway Commission - www.coso.org). This model (2013 version) defines the requirements of an effective internal control system by 17 principles spread over five components:

- internal control environment
- risk analysis
- control activities
- information and communication
- supervision and monitoring

3.4 INTERNAL CONTROL ENVIRONMENT

Principle 1: the organisation demonstrates its commitment to integrity and ethical values.

- Regarding ethics, Aedifica has several internal policy guidelines that apply to its Directors, members of the Executive Committee and its employees. It has an ethical charter ('Code of Conduct') that is part of the Corporate Governance Charter. This Code of Conduct lays down rules on conflicts of interest, professional secrecy, purchase and sale of shares, misuse of corporate property and respect for individuals. In addition, Aedifica also has a policy against bribery and corruption and a human rights policy. Moreover, there are also internal procedures in place for reporting (suspected) irregularities and violations of the ethical standards pursued by Aedifica.
- Regarding integrity, Aedifica complies with all legal requirements regarding conflicts of interest (see below). In addition, Aedifica also has a policy on the prevention of the use of the financial system for the purposes of money laundering and terrorist financing.

Principle 2: the Board of Directors is independent from management and supervises the development and operation of internal controls.

Aedifica's Board of Directors has 11 members, 7 of whom are independent members within the meaning of Article 7:87 §1 BCCA. In view of their experience and their specific profiles, the Directors have the necessary competences in the context of the exercise of their mandate (see skills matrix below). The Board of Directors monitors the effectiveness of the risk management and internal control measures taken by the Executive Committee.

Principle 3: the Executive Committee determines, under the supervision of the Board of Directors, the structures, reporting procedures and the appropriate rights and responsibilities to achieve the objectives.

Aedifica has a Board of Directors, an Audit and Risk Committee, a Nomination and Remuneration Committee, an Investment Committee and an Executive Committee, the roles of which are described below. In accordance with the RREC legislation, the members of the Executive Committee are responsible for the day-to-day management of the Company, on which they report regularly to the Board of Directors. The Executive Committee is also responsible for the implementation and effectiveness of internal control and risk management measures.

Principle 4: the organisation undertakes to attract, train and retain competent employees within the organisation.

The competence of the Executive Committee and of the staff is ensured by the implementation of recruitment processes based on defined profiles and by the organisation of appropriate trainings. Aedifica supports the personal development of its employees and offers them a comfortable and stimulating working environment tailored to their needs, by identifying their talents, and by helping to strengthen them. Staff changes are planned based on the career planning of employees and the likelihood of temporary (maternity leave, parental leave, etc.) or permanent (particularly retirement) departures.

Principle 5: the organisation communicates with external parties regarding matters affecting the functioning of internal control.

Each employee has at least one performance interview per year with his or her supervisor, based on a schedule that maps out the relations between the company and the employee. In addition, the remuneration and evaluation policy for the Executive Committee and staff is based on the setting of realistic and measurable objectives. A new benchmark study of the Executive Committee's remuneration was ordered in early 2022.

3.5 RISK ANALYSIS

Principle 6: the organisation describes the objectives clearly enough to be able to identify and evaluate the risks relating to these objectives.

Aedifica's objectives are clearly described in this annual financial report on pages 34-37. The Company acts with due care in respect of risk culture.

Principle 7: the organisation identifies the risks for the achievement of its objectives and analyses these risks to determine how it should manage them.

The Board of Directors identifies and evaluates Aedifica's main risks on a quarterly basis and publishes its findings in the annual and half-yearly financial reports and interim statements. Risks are also monitored on an ad hoc basis outside the quarterly identification and assessment exercises by the Board of Directors at its meetings. In this respect, Aedifica, with the help of a specialised consultant, has initiated in 2020 an in-depth review of its strategic risks. Aedifica's appetite for these risks has been assessed and the controls put in place have been documented. The risk analysis is regularly monitored and gives rise to remediation actions in relation to any identified vulnerabilities. More information on the risks can be found in the 'Risk factors' chapter in this annual financial report.

Principle 8: the organisation pays attention to the risk of fraud when assessing the risks that could jeopardise the achievement of the objectives.

Any attempt to commit fraud is immediately investigated in order to mitigate the potential impact on the Company and to prevent further attempts.

At the end of 2020 the Company adopted an anti-bribery and corruption policy and a policy on the prevention on the use of the financial system for the purposes of money laundering and terrorist financing. The policies clarify certain rules of conduct for the Company and its employees in these fields.

Principle 9: the organisation identifies and assesses changes that could have a significant impact on the internal control system.

Significant changes are identified and analysed on a continuous basis by both the Executive Committee and the Board of Directors. This analysis is incorporated in the 'Risk factors' chapter.

3.6 CONTROL ACTIVITIES

Principle 10: the organisation selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.

Each acquisition or disposal transaction can be reconstructed as to its origin, the parties involved, its nature, and the time and place at which it was carried out, on the basis of notarial deeds (direct acquisition or by way of contribution in kind, merger, demerger or partial demerger) or private deeds (indirect acquisition), and is subject, prior to its conclusion, to a control of compliance with the Company's Articles of Association and with the legal and regulatory provisions in force:

- Review of variances between budget and actuals, on a monthly basis by the Executive Committee, and on a quarterly basis by the Audit and Risk Committee and the Board of Directors.
- Daily monitoring of key indicators, such as occupancy rate, trade receivables, aged debtors and cash position.
- The principle of dual approval:
 - signing of contracts: two Directors jointly or two Executive Committee members acting jointly;
 - approval of invoices: the responsible manager and a member of the Executive Committee, jointly;
 - payment of invoices: accountant in charge of the treasury and CFO (or CEO), jointly;
 - a specific delegation of authority is in place for treasury operations.

In addition, the Company has introduced control measures to address its main financial risks:

- interest rate risk: implementation of hedges (mainly IRS and caps), contracted only with reference banks;
- counterparty risk: use of different reference banks to ensure diversification of the origin of bank financing;
- currency risk: hedging instruments (mainly forward contracts) are used to hedge against a variation in the £/€ rate on future cash flows in £. A macro-hedge is also put in place to mitigate £/€ variations on the balance sheet. A part of the debt is contracted in £, which allows to mitigate the exchange rate variations on the valuation of the buildings. Following the acquisition of Hoivatilat, Aedifica is also exposed to the SEK/€ exchange rate risk.

Principle 11: the organisation selects and develops general IT controls to promote the achievement of its objectives.

The technology used by the Company is selected according to an 'integrated system approach'. Aedifica relies on a fully operational ERP (SAP) to conduct its business. To manage the debt, Aedifica uses a treasury management system (Reval) which communicates daily with the ERP. The security of access and the continuity of the systems data are entrusted to a partner based on a 'service level agreement'. In addition, leases are registered, and the most important contracts and documents are adequately preserved outside Aedifica's premises.

Principle 12: the organisation develops control activities with a policy that determines what is expected and with procedures that put that policy into practice.

The formalisation of documentation is part of a continuous process improvement objective, which also considers the balance between formalisation and company size.

3.7 INFORMATION AND COMMUNICATION

Principle 13: the organisation uses relevant and high-quality information to support the functioning of internal control.

The information system used by the Company enables it to reliable and complete information on a timely basis, meeting both internal control and external reporting needs. Since July 2020, the Company has switched to a single ERP system for the entire group (SAP), except for Hoivatilat.

Principle 14: the organisation communicates internally the information, including the objectives and responsibilities for internal control, that is necessary to support the operation of this internal control.

The internal control information is communicated in a transparent manner within the Company with the aim of clarifying for everyone the organisation's policies, procedures, objectives, roles and responsibilities. Communication is adapted to the size of the Company and consists mainly of general staff communication, working meetings and email exchanges.

Principle 15: the organisation communicates with third parties on matters that affect the functioning of internal control.

Extensive external communication (for shareholders – publication of occasional and periodic information – but also general communication to other stakeholders) is essential for a listed company and Aedifica is dedicated to it on a daily basis. External communication of internal control follows to the process of preparing and publishing periodic information (drafted by the Executive Committee, reviewed by the Audit and Risk Committee and approved by the Board of Directors).

3.8 SUPERVISION AND MONITORING

Principle 16: the organisation selects, develops and carries out continuous and/or one-off evaluations to check whether the internal control components are present and whether they are functioning.

In order to ensure that the components of the internal control are properly applied, Aedifica has set up an internal audit function covering its main processes. The internal audit is organised according to a multi-year cycle. The specific scope of the internal audit is determined annually in consultation with the Audit and Risk Committee, the person responsible for the internal audit within the meaning of the RREC legislation (Ms Katrien Kesteloot, Independent Director – see above) and the internal auditor (see above). In view of the independence requirements and taking into account the principle of proportionality, Aedifica has chosen to outsource the internal audit to a specialised consultant who is under the supervision and responsibility of the internal person responsible for the internal audit.

Principle 17: the organisation evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including effective management and the Board of Directors, as appropriate.

The recommendations issued by internal audit are communicated to the Audit and Risk Management Committee. The Committee ensures that the appropriate corrective measures are taken by the management.



HUIZE ERESLOO – DUIZEL, NL

4. SHAREHOLDER STRUCTURE

As of 31 December 2021, based on the transparency notices received, BlackRock, Inc. (transparency notice dated 5 July 2019) holds at least 5% of the voting rights in Aedifica (see page 139). No other shareholder holds more than 5% of the capital. Notices under transparency legislation and control chains are available on the website.

According to the definition of Euronext, the free float amounts to 100%. There are no preferred shares. Each Aedifica share entitles the holder to one vote at the General Meeting of Shareholders, except in cases of suspension of voting rights provided for by law. There is no legal or statutory limitation of voting rights whatsoever.

As of 31 December 2021, Aedifica is not subject to any control within the meaning of Article 1:14 BCCA, and has no knowledge of agreements that could lead to a change of control.

5. BOARD OF DIRECTORS AND COMMITTEES

5.1 CURRENT COMPOSITION OF THE BOARD OF DIRECTORS

On 31 December 2021, Aedifica's Board of Directors consisted of eleven members, seven of whom are independent within the meaning of Article 7:87 BCCA and Article 3.5 of the CG Code 2020. The Directors are listed on pages 104-107. They are appointed for a maximum term of three years by the General Meeting, which can remove them at any time. Directors can be reappointed. The full biographies for each of the members of the Board of Directors are available on Aedifica's website.

Aedifica takes into account various diversity aspects (such as gender, age, professional background, international experience, etc.) for the composition of its Board of Directors and its Executive Committee, in accordance with the Law of 3 September 2017 on the publication of non-financial information and information on diversity by certain large companies and groups. Further information can be found in section 6 of this corporate governance statement.

**SERGE WIBAUT**

Chair – Independent Director
Member of Audit and Risk Committee
Belgian – 64 years

Aedifica Board mandate

- Since 23.10.2015
- End of term: 05.2024

Experience

Over 20 years in banking and financial sector, including various senior leadership positions

Aedifica shareholding

200

Other active mandates

Securex Assurance, Cigna Life Insurance Company of Europe NV/SA, Reacfin NV/SA, Scottish Widows Europe

Mandates expired during the last 5 years

ADE, Alpha Insurance, Securex NV/SA, Eurinvest Partners NV/SA

**STEFAN GIELENS, MRICS**

Chief Executive Officer –
Executive Manager
Belgian – 56 years

Aedifica Board mandate

- Since 03.02.2006
- End of term: 05.2024

Experience

More than 15 years as CEO of Aedifica which has evolved under his leadership from a small start-up to a European pure play healthcare real estate investor

Aedifica shareholding

14,701

Other active mandates

Director of Happy Affairs BV and as permanent representative of Happy Affairs BV, director in Antem NV/SA

Mandates expired during the last 5 years

Director of Immo NV/SA and Forum Estates NV/SA

**SVEN BOGAERTS**

Executive Director
Chief Mergers & Acquisitions Officer –
Chief Legal Officer – Executive Manager
Belgian – 44 years

Aedifica Board mandate

- Since 08.06.2020
- End of term: 05.2023

Experience

Almost 20 years, including 14 years as attorney
specialised in business real estate transactions

Aedifica shareholding

3,936

Other active mandates

/

Mandates expired during the last 5 years

Director of Immo NV/SA

**INGRID DAERDEN**

Executive Director
Chief Financial Officer – Executive Manager
Belgian – 47 years

Aedifica Board mandate

- Since 08.06.2020
- End of term: 05.2023

Experience

Over 20 years, including 10 years in real estate
financing

Aedifica shareholding

3,532

Other active mandates

/

Mandates expired during the last 5 years

Director and business manager of JIND BV
(the company was dissolved and liquidated),
director of Immo NV/SA; CFO of the OTN
Systems Group

**JEAN FRANKEN**

Independent Director
Chair of investment committee
Member of Nomination and Remuneration
Committee
Belgian – 72 years

Aedifica Board mandate

- Since 1.07.2013
- End of term: 05.2022

Experience

Over 40 years in real estate sector, including
various senior leadership positions

Aedifica shareholding

1,200

Other active mandates

/

Mandates expired during the last 5 years

Director of Immo NV/SA



PERTTI HUUSKONEN

Independent Director
Fin – 65 years

Aedifica Board mandate

- Since 08.06.2020
- End of term: 05.2023

Experience

Almost 40 years in real estate, including various senior leadership positions

Aedifica shareholding

660

Other active mandates

Chair of the Board of Directors and CEO of Lunacon Oy, Vice Chair of the Board of Directors of Ahlström Kiinteistöt Oy and Hoivatilat and Chair of the Board of Directors of Avain Yhtiöt

Mandates expired during the last 5 years

Chair of the Board of Directors of Lehto Group Oy and of Partnera Oy, Vice Chair of the Board of Directors of KPY Novapolis Oy, member of the Board of Directors of Pro Kapital Group AS and of Kaleva Kustannus Oy



KATRIEN KESTELOORT

Independent Director
Member of the Audit and Risk Committee
Responsible for internal audit
Belgian – 59 years

Aedifica Board mandate

- Since 23.10.2015
- End of term: 05.2024

Experience

Over 30 years in healthcare sector, notably over 20 years as CFO of UZ Leuven (university hospital)

Aedifica shareholding

71

Other active mandates

CFO University Hospitals Leuven, director of Hospex NV/SA, VZW/ASBL Faculty Club KU Leuven and Rond VZW/ASBL, Chair of the Board of Directors and member of the Audit Committee of Emmaüs VZW/ASBL, member of the Treasury & Investment Committee UZL/LRD/KU Leuven

Mandates expired during the last 5 years

PhD in Economic Sciences and academic career at KU Leuven, member of various advisory bodies in the Flemish and Federal authorities, expert adviser in hospital funding at the Ministry of Social Affairs and Public Health. Professor at KU Leuven



ELISABETH MAY-ROBERTI

Independent Director
Chair of the Nomination and Remuneration
Belgian – 58 years

Aedifica Board mandate

- Since 23.10.2015
- End of term: 05.2024

Experience

Over 20 years in real estate sector, notably as Secretary General – General Counsel of Interparking Group (AG Insurance)

Aedifica shareholding

216

Other active mandates

Various positions and mandates within the Interparking Group

Mandates expired during the last 5 years

Uniparc Nederland BV



LUC PLASMAN

Independent Director
Member of the Nomination and Remuneration
and of the Investment Committee
Belgian – 68 years

Aedifica Board mandate

- Since 27.10.2017
- End of term: 05.2023

Experience

Almost 40 years in real estate sector, including
various senior leadership positions

Aedifica shareholding

381

Other active mandates

Director of Vana Real Estate NV/SA, Business
Manager of Elpee BV and Secretary General
of BLSC

Mandates expired during the last 5 years

Various mandates within the Wereldhave
Belgium Group, Managing Director of Immo
Guwy NV/SA and Chair of BLSC



CHARLES-ANTOINE VAN AELST

Executive Director
Chief Investment Officer – Executive Manager
Belgian – 36 years

Aedifica Board mandate

- Since 08.06.2020
- End of term: 05.2023

Experience

Almost 15 years, starting as corporate analyst
with Aedifica evolving to investment manager
and chief investment officer

Aedifica shareholding

3,839

Other active mandates

Director of Immo NV/SA and Davidis NV/SA

Mandates expired during the last 5 years

/



MARLEEN WILLEKENS

Independent Director
Chair of the Audit and Risk Committee
Belgian – 56 years

Aedifica Board mandate

- Since 27.10.2017
- End of term: 05.2023

Experience

Almost 30 years as professor of accounting
and auditing at the KU Leuven and BI
Norwegian Business School Oslo (Norway)

Aedifica shareholding

37

Other active mandates

Professor at KU Leuven, part-time research
professor at BI Norwegian Business School,
independent director and Chair of the Audit
Committee of Intervest NV/SA

Mandates expired during the last 5 years

Various mandates at KU Leuven and BI
Norwegian Business School and Chair of the
Competence Examination Jury of the Institute
of Registered Auditors

5.2 DIRECTOR SKILLS AND EXPERIENCE

The members of the Board of Directors collectively bring together a wide set of competences required to lead the Company taking into account the Group's activities and status as listed regulated real estate company. These competences range from strong experience in the real estate and healthcare market to functional skills in domains like audit & risk, M&A and sustainability.

SKILLS AND EXPERTISE OF AEDIFICA'S BOARD OF DIRECTORS



5.3 MANDATES THAT EXPIRE AT THE ORDINARY GENERAL MEETING

The Director's mandate of Mr Jean Franken will expire immediately after the Ordinary General Meeting of 10 May 2022 and as Mr Franken will at that time have exceeded the age limit of 72, his mandate will not be proposed for renewal.

The Nomination and Remuneration Committee reviewed in that context the composition of the Board of Directors to ensure that the relevant skills and experience (see above) are and continue to be represented to best oversee Aedifica's long-term strategy and the daily implementation thereof.

This review resulted in the proposal of the Board to the Ordinary General Meeting for the appointment – subject to approval by the FSMA – of:

- Ms Henrike Waldburg as Independent Non-Executive Director

Ms Henrike Waldburg is Head of Investment Management Global at Union Investment Real Estate GmbH, one of the largest real estate investment managers in Europe. In that capacity she has responsibility for Union Investment's transactions in the Americas and Asia Pacific and all retail transactions in Europe. Ms Waldburg will add to the Board over 20 years of solid investment management experience and expertise in Germany, Europe, USA and Asia-Pacific, gained in her tenure with Union Investment and previous positions at Ernst & Young and Arthur Andersen. She is a Fellow of the Royal Institution of Chartered Surveyors, executive board member of the European Council of Shopping Places and a member of the Board of Advisors of IRE|BS Immobilienakademie GmbH (International Real Estate Business School, University of Regensburg, Germany). She holds academic degrees from RWTH Aachen, European

Business School (ebs Oestrich Winkel), SGMI St. Gallen and ESMT European School of Management and Technology, Berlin.

- Mr Raoul Thomassen as Executive Director

Mr Thomassen is today already member of the Executive Committee and Chief Operating Officer. Next to his strong international experience as senior manager in international real estate investment, asset management and project development companies, he will in particular bring to the Board of Directors, other than his overall real estate experience, skills in the field of ESG and sustainability.

The full biography of Ms Henrike Waldburg and Mr Thomassen can be found on Aedifica's website.

5.4 ROLE AND RESPONSIBILITY OF THE BOARD OF DIRECTORS

The Board of Directors aims to achieve sustainable value creation for Aedifica's shareholders and other stakeholders by defining the Company's strategy and policy and developing entrepreneurial, responsible and ethical leadership that can implement this strategy and policy within a framework that enables effective control and risk management.

5.5 ACTIVITY REPORT OF THE BOARD OF DIRECTORS

During the 2021 financial year, the Board of Directors met 13 times.

In addition to the usual recurring topics (in particular operational and financial reporting, communication policy, strategy and investment policy), the Board of Directors also met to discuss (among other things) the following topics:

- Strategy:
 - the strategy and development of the company;
- Operational:
 - Covid-19 crisis and impact on the portfolio.
- Investment:
 - analysis and approval of investment, divestment and development/redevelopment cases;
 - acquisition of healthcare real estate in new markets.
- Financial:
 - the capital increase via an accelerated bookbuild (ABB) within the scope of the authorised capital;
 - two capital increases within the scope of the authorised capital via a contribution in kind to acquire real estate;
 - sustainable bond issuance.
- Governance:
 - evaluation of the Board of Directors;
 - evaluation of the Executive Committee, determination of its objectives, fixed and variable remuneration;
 - composition of the Board of Directors and the Executive Committee.
- Human resources:
 - internal organisation of the Company and development of the organisational structure across the various countries in which the Aedifica Group operates.
- Internal control:
 - the organisation and activities of internal control (compliance, risk management and internal audit function).
- ESG:
 - 2020 sustainability report and the sustainability action plan;
 - GRESB participation.



MARTHA FLORA BOSCH EN DUIN • BOSCH EN DUIN, NL

5.6 COMMITTEES OF THE BOARD OF DIRECTORS

Three specialised committees were established within the Board of Directors: an Audit and Risk Committee, a Nomination and Remuneration Committee and an Investment Committee, which assist and advise the Board of Directors in their specific areas. These committees do not have decision-making authority, but form an advisory body and report to the Board of Directors, which then makes the decisions.

All committees are eligible to invite members of the Executive Committee as well as executive and management staff to attend committee meetings and to provide relevant information and insights related to their area of responsibility. Moreover, each committee is entitled to speak to any relevant person without a member of the Executive Committee being present.

Each committee can also, at the Company's expense, seek external professional advice on topics falling under the specific powers of the committee. However, the Chair of the Board of Directors must be informed of this in advance and with due regard at all times given the financial consequences for the Company. After each committee meeting, the Board of Directors receives a report on the findings and recommendations of the relevant committee as well as oral feedback at a subsequent board meeting.

Audit and Risk Committee

As at 31 December 2021, the Audit and Risk Committee consists of three Independent Directors: Ms Willekens (Chair of the Audit and Risk Committee), Ms Kesteloot and Mr Wibaut. Although the CEO and the CFO are not part of the Audit and Risk Committee, they attend the meetings.

The current composition of the Audit and Risk Committee and the tasks entrusted to the committee satisfy the conditions imposed by the Law of 17 December 2008 on the establishment of an audit committee within listed and financial companies. Aedifica's Independent Directors satisfy the criteria set out in Article 7:87 BCCA and Article 3.5 of the CG Code 2020. Moreover, all members of the Audit and Risk Committee have the necessary accounting and audit competence, both due to their level of education and their experience in this matter.

The Audit and Risk Committee assists the Board of Directors in fulfilling its monitoring responsibilities for control purposes in the broadest sense.

In general and without prejudice to the organisation of the internal audit function referred to in Article 17 of the RREC Law, the Audit and Risk Committee ensures the internal audit of the Company. The specific tasks of the Audit and Risk Committee may evolve depending on the circumstances.

In carrying out its task, the Audit and Risk Committee's main duties are:

- monitoring the financial reporting process;
- monitoring the effectiveness of the internal control and risk management systems;
- monitoring internal audit and its effectiveness;
- monitoring the statutory audit of the annual accounts and the consolidated annual accounts, including monitoring of questions and recommendations formulated by the statutory auditor;
- external audit, including the assessment and monitoring of the auditor's independence.

The Audit and Risk Committee reports regularly to the Board of Directors on the performance of its duties and in any event when the Board of Directors draws up the annual accounts, consolidated accounts and condensed financial statements intended for publication.

The committee met six times during the 2021 financial year. The auditor of the Company was heard two times by the Audit and Risk Committee during the financial year.

The task of the Audit and Risk Committee is to monitor the accuracy and veracity of the reporting of the annual and six-monthly accounts, the quality of the internal and external control and the information provided to shareholders and the market. The main points discussed during the 2021 financial year were:

- quarterly review of the accounts, periodic press releases and financial reports;
- examination, together with the Executive Committee, of internal management procedures and independent control functions;
- monitoring of normative and legal developments;
- discussion of the internal audit report.

Nomination and Remuneration Committee

As at 31 December 2021, the Nomination and Remuneration Committee consists of three Independent Directors: Ms May-Roberti (Chair of the Nomination and Remuneration Committee), Mr Franken and Mr Plasman. Although Mr Wibaut (Chair of the Board of Directors) and Mr Gielens (CEO) are not part of this committee, both are invited to participate to some extent in certain meetings of the committee, depending on the topics being discussed.

The current composition of the Nomination and Remuneration Committee and the tasks entrusted to the committee meet the conditions imposed by the Law of 6 April 2010. The Nomination and Remuneration Committee consists entirely of Independent Directors within the meaning of Article 7:87 BCCA and Article 3.5 of the CG Code 2020, and has the required expertise in terms of remuneration policy.

The task of the Nomination and Remuneration Committee is to assist the Board of Directors by:

- making recommendations in all matters relating to the composition of the Board of Directors and its committees and of the Executive Committee;
- assisting in the selection, evaluation and appointment of the members of the Board of Directors and its committees and of the Executive Committee;
- assisting the Chair of the Board of Directors in evaluating the performance of the Board of Directors, its committees and the Executive Committee;
- drawing up the remuneration policy and the remuneration report; and
- making recommendations on the remuneration of Directors and members of the Executive Committee, including variable remuneration and long-term incentives, whether linked or not to shares (in the form of share options or other financial instruments), and severance payments.

During the financial year 2021, the committee met 8 times, mainly to discuss the following points:

- composition and evaluation of the Board of Directors;
- composition and evaluation of the members of the Executive Committee and their remuneration, including the granting of variable remuneration for the 2021 financial year;
- preparation of the remuneration report; and
- organisation of the Company.

Investment Committee

As at 31 December 2021, the Investment Committee consisted of three Independent Directors and one Executive Director: Mr Franken (Chair of the Investment Committee), Mr Wibaut, Mr Plasman and Mr Gielens.

The Investment Committee is an advisory committee, the task of which consists of advising the Board of Directors on investments and divestments that the Executive Committee submits to the Board of Directors.

The intention in setting up the Investment Committee is to speed up the Company's decision-making process regarding investment and divestment dossiers.

During the 2021 financial year, the committee met 8 times to analyse and evaluate numerous investment opportunities. Additionally, the members of the committee regularly consulted informally (electronically or by telephone) when a formal meeting was not necessary.

5.7 ATTENDANCE OF DIRECTORS AND REMUNERATION OF NON-EXECUTIVE DIRECTORS

More information on the attendance of Directors and the remuneration of Non-Executive Directors can be found in the remuneration policy (see Aedifica's Corporate Governance Charter) and the remuneration report (see page 115).

5.8 EXECUTIVE COMMITTEE AND EFFECTIVE MANAGEMENT

Composition

The Executive Committee is composed of the following persons, who are also all Executive Managers in the meaning of the RREC Law.

Name	Position	Start of mandate
Stefaan Gielens	Chief Executive Officer (CEO)	3 February 2006
Ingrid Daerden	Chief Financial Officer (CFO)	1 September 2018
Raoul Thomassen	Chief Operating Officer (COO)	1 March 2021
Charles-Antoine Van Aelst	Chief Investment Officer (CIO)	1 October 2017
Sven Bogaerts	Chief Legal Officer/Chief Mergers & Acquisitions Officer (CLO/CM&AO)	1 October 2017

STEFAN GIELENS, MRICS

Chief Executive Officer – Executive Manager Belgian – 56 years

Stefaan Gielens is CEO and chairs the Executive Committee. In that capacity, he monitors the Group's general activities and is also the driving force behind the Group's strategy and internationalisation. He is a Managing Director, member of the Investment Committee and is also a Director of several of Aedifica's subsidiaries. His mandate as CEO is of indefinite duration.

INGRID DAERDEN

Chief Financial Officer – Executive Manager Belgian – 47 years

As Chief Financial Officer, Ingrid Daerden is responsible for the financial activities of the Group. She is a member of Aedifica's Executive Committee and risk manager. She is also a Director of Aedifica and several of Aedifica's subsidiaries. Her mandate as CFO is of indefinite duration.

SVEN BOGAERTS

Chief Mergers & Acquisitions Officer – Chief Legal Officer – Executive Manager Belgian – 44 years

As Chief Legal and M&A Officer, Sven Bogaerts is responsible for the Group's Legal Department and its national and international M&A activities. He is a member of Aedifica's Executive Committee and he is also a Director of Aedifica and several Aedifica subsidiaries. His mandate as CLO/CM&AO is of indefinite duration.



EXECUTIVE COMMITTEE – CHARLES-ANTOINE VAN AELST, RAOUL THOMASSEN, STEFAAN GIELENS, INGRID DAERDEN & SVEN BOGAERTS (FROM LEFT TO RIGHT)

CHARLES-ANTOINE VAN AELST

Chief Investment Officer – Executive Manager
Belgian – 36 years

As Chief Investment Officer, Charles-Antoine Van Aelst is responsible for the Group's investment activities. He is a member of Aedifica's Executive Committee and is also a Director of Aedifica and several Aedifica subsidiaries. His mandate as CIO is of indefinite duration.

RAOUL THOMASSEN

Chief Operating Officer – Executive Manager
Dutch – 47 years

As Chief Operational Officer, Raoul Thomassen is responsible for the business operations and daily functioning of the Group. He is a member of the Executive Committee. His mandate as COO is of indefinite duration.

Other active mandates: Listo Consulting BV, Director of Profin Green Iberia NL BV, director of Profin Green Iberia NL BV in Profin Green Iberia ES SL

Mandates expired during the last 5 years: Chair of ICSC Europe Retail Asset Management Committee

Number of Aedifica shares: 1,046

The members of the Executive Committee are appointed by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

Remuneration

More information on the remuneration of the members of the Executive Committee can be found in the remuneration policy (see Aedifica's Corporate Governance Charter) and the remuneration report (see page 118).

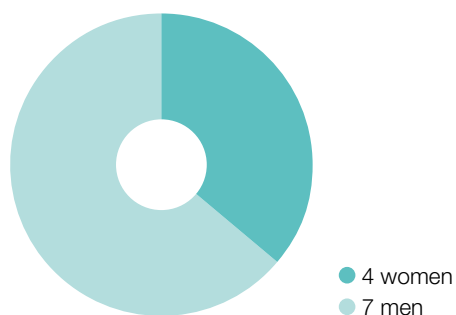
Role and responsibilities of the Executive Committee

The role of the Executive Committee consists primarily of overseeing the day-to-day management of Aedifica, in accordance with the values, strategy and policy guidelines determined by the Board of Directors, organising and managing supporting functions, proposing strategy to the Board of Directors, examining and (within the delegated powers) deciding on investments and divestments, general management of the real estate portfolio, and preparation of the financial statements and all operational reporting.

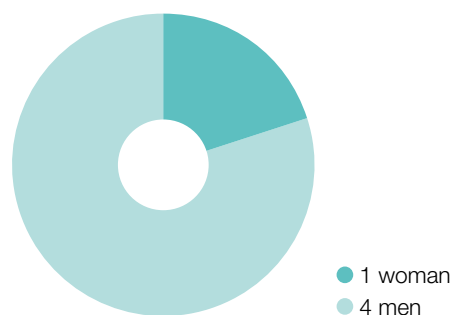
In accordance with Article 16 of the Company's Articles of Association, the Board of Directors delegated to the Executive Committee special limited decision-making and representation powers to allow it to fulfil its role.

For the division of powers between the Executive Committee and the Board of Directors and for the other aspects of the operation of the Executive Committee, please refer to Aedifica's Corporate Governance Charter.

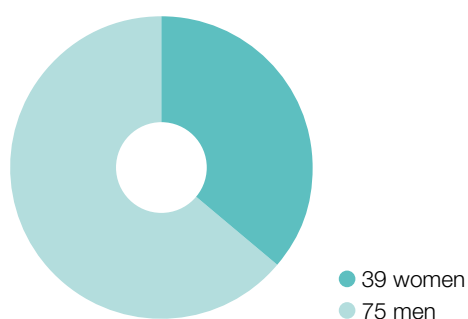
GENDER DIVERSITY OF THE BOARD OF DIRECTORS



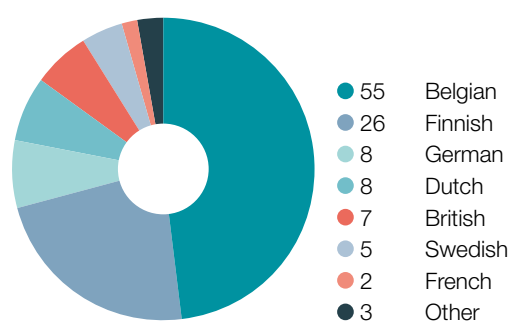
GENDER DIVERSITY OF THE EXECUTIVE COMMITTEE



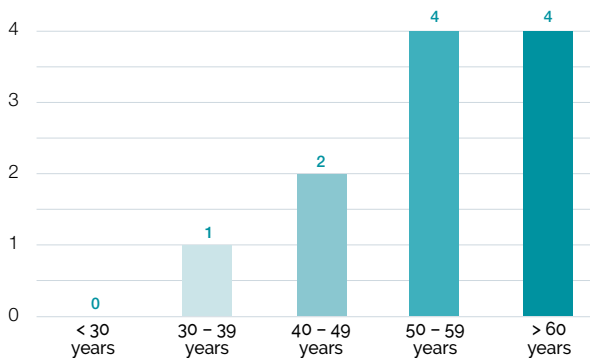
GENDER DIVERSITY OF AEDIFICA GROUP EMPLOYEES



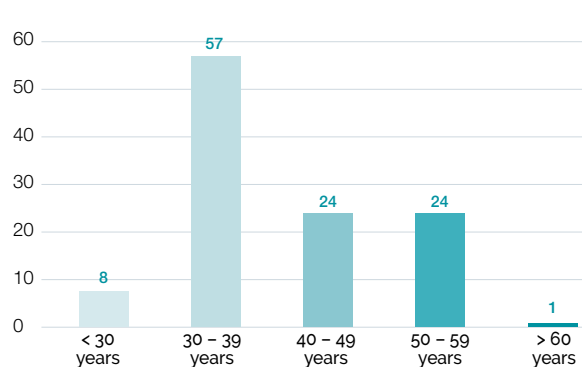
NATIONALITIES



AGE OF BOARD OF DIRECTORS

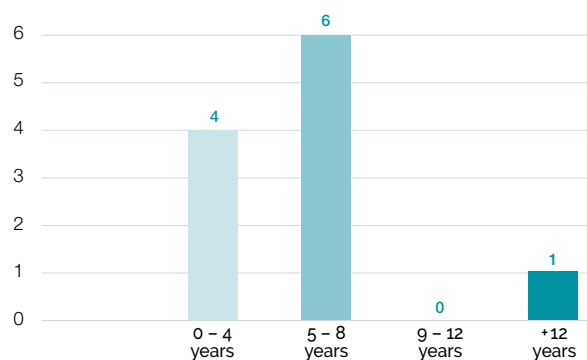


AGE OF STAFF



At Aedifica, we are committed to creating an inclusive work environment and welcome diversity in all its forms: age, gender, cultural background, religion, etc.

DURATION OF OFFICE OF THE DIRECTORS



6. DIVERSITY POLICY

Aedifica's Board of Directors strongly believes that diversity (based on, among other things, gender, age, professional background, nationality, culture, etc.), equality of opportunity and respect for human capital form the basis of the proper functioning of the Group at all levels. These values enrich the Company's vision, exchange of views and internal dynamics and thus contribute to Aedifica's growth.

Aedifica takes diversity into account when appointing and renewing Directors' mandates and designating members of the specialised committees and the Executive Committee. This attention to diversity in all its aspects means that there is not so much focus on one aspect of diversity, but always on the complementarity of competences, national and international experience, personalities and profiles in the composition of these bodies, in addition to the expertise and integrity required for the performance of these functions. This objective is put into practice by the Board of Directors by evaluating the existing and required competences, knowledge and experience prior to each appointment.

HR SELECTION POLICY

Focus on diversity

=

Focus on complementarity of multiple diversity aspects

Competences

National &
international
experience

Personality
& profile

Expertise &
integrity

The result of Aedifica's special attention to diversity is reflected in the composition of the Board of Directors and the Executive Committee, which shows diversity in terms of both gender, cultural and academic background and nationality. Pursuant to Article 7:86 BCCA, at least one third of the members of the Board of Directors are of a different gender from the other members. This legal rule does not apply to the Executive Committee; nevertheless, the Company also strives for gender diversity in the composition of the Executive Committee.

The precise gender make-up fluctuates over time as positions become vacant and given the complementarity between different members and the Company's attention to various types of diversity (of which gender is one). In addition to gender diversity and the growing focus on the international composition of the Board of Directors and the Executive Committee, the Group ensures that its diversity principles regarding age and professional background are also reflected in the composition of the Board of Directors and the Executive Committee. Both governing bodies are composed of members of different ages with complementary backgrounds, professional experiences and competences (see sections 5.1 and 5.7 above).

Aedifica is convinced that diversity principles are not limited to the Board of Directors or the Executive Committee alone. In addition to the diversity criteria required by law, the Group also takes diversity in all its forms into account when selecting its country managers and employees, who form a complementary team with good variation in terms of gender, age, education, cultural background, etc. This stimulates internal creativity and ensures a good mix of experience and innovation.

Diversity and complementarity are not limited to the Board of Directors, it is the basis for the whole Aedifica-team.

7. EVALUATION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

Under the leadership of its Chair, the Board of Directors regularly (and at least every three years) evaluates its size, composition, performance and that of its committees.

This evaluation has four objectives:

- to assess the functioning of the Board of Directors and its committees;
- to check whether important subjects are thoroughly prepared and discussed;
- to assess each Director's actual contribution on the basis of his or her attendance at meetings of the Board of Directors and committees and his or her constructive contribution to the discussions and decision-making;
- to assess whether the current composition of the Board of Directors and committees is in line with the needs of the Group.

In addition, every five years the Board of Directors evaluates whether the current monistic governance structure of the Company remains appropriate.

The Board of Directors is assisted in this evaluation by the Nomination and Remuneration Committee and, if necessary, by external experts.

The contribution of each Director is regularly evaluated so that the composition of the Board of Directors can, if necessary, be adapted to any changed circumstances. In the event of a reappointment, the contribution and performance of the Director are evaluated on the basis of a predetermined and transparent procedure. The Board of Directors ensures that there are appropriate plans for monitoring the Directors and ensures that the balance of competences and experience in the Board of Directors is maintained in all appointments and reappointments (of both Executive and Non-Executive Directors).

Non-Executive Directors regularly evaluate their interaction with the Executive Committee. To this end, they meet at least once a year without the members of the Executive Committee.

End of 2020/beginning of 2021 the Board of Directors evaluated its effectiveness and interaction with the Executive Committee in accordance with the formal procedure described in the Corporate Governance Charter (including anonymous survey and feedback sessions on the outcome of the survey). Overall, the Board of Directors was positive about its role, responsibilities, composition and functioning and of that of its committees, as well as about the interaction with the Executive Committee. Moreover, it concluded that each director individually has fulfilled the role of Director in a proper and constructive manner.

Items for improvement included amongst others, the further diversification in terms of gender and internationalisation of the Board of Directors.

8. REMUNERATION REPORT

This Remuneration Report was drafted according to the provisions of article 3:6 §3 BCCA and complies with the principles of the 2020 CG Code. It has also been drafted taking into account the European Commission's non-binding draft guidelines for the standardised presentation of the remuneration report¹.

The Remuneration Report provides a complete overview of the remuneration, including all benefits in whatever form, granted or due, during the 2021 financial year to each of the Non-Executive Directors and members of the Executive Committee in application of the remuneration policy, where applicable comparing the actual performance to the targets set.

On 11 May 2021, the General Meeting of Aedifica approved the new remuneration policy with a large majority (95.20% of the votes casted). This new policy took effect on 1 January 2021 and can be consulted on our website. The remuneration report over the extended financial year 2019/2020 was also approved by a large majority of the shareholders (88.88% of the votes casted).

The Board of Directors did not deviate in any matter from the approved remuneration policy.

8.1 REMUNERATION OF THE NON-EXECUTIVE DIRECTORS FOR THE 2021 FINANCIAL YEAR

The Company's Ordinary General Meeting has set the following remuneration for the Non-Executive Directors²:

- Board of Directors
 - Chairman: annual fixed fee €90,000 + €1,000 per meeting attended
 - Member: annual fixed fee €35,000 + €1,000 per meeting attended
- Audit and Risk Committee
 - Chairman: annual fixed fee €15,000 + €900 per meeting attended
 - Member: annual fixed fee €5,000 + €900 per meeting attended
- Nomination and Remuneration Committee / Investment Committee
 - Chairman: annual fixed fee €10,000 + €900 per meeting attended
 - Member: €900 per meeting attended

Additionally, the Board of Directors has decided to grant a special travel allowance of €300 per (round) trip to Mr Huuskonen in application of the power granted to it under the remuneration policy to offer on a case-by-case basis to Non-Executive Directors who attend meetings of the Board of Directors in a country other than their country of residence, a special travel allowance of €300 to cover their travel time.



SENIOREQUARTIER WOLFSBURG
• WOLFSBURG, DE

IN 2021, AEDIFICA POSTED SOLID RESULTS

 **+91**
CARE PROPERTIES

 **Improvement**
OF ALL SUSTAINABILITY SCORES

 **+5,100**
RESIDENTS

 **€4.35/share**
EPRA EARNINGS*

 **+€1.1 bn**
FAIR VALUE REAL
ESTATE PORTFOLIO*

 **42.6%**
DEBT-TO-ASSETS RATIO

1. Draft Guidelines on the standardised presentation of the remuneration report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828 as regards the encouragement of long-term shareholder engagement.
2. See decisions of the Ordinary General Meetings of 28 October 2016, 22 October 2019 and 11 May 2021.



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The table below provides an overview of the Non-Executive Directors' attendance at Board and committee meetings and the remuneration received for the 2021 financial year as Director of Aedifica.

The amounts of the remuneration correspond to the amounts approved by the Ordinary General Meetings referred to above and are, based on a comparative study of Willis Towers Watson of 2020 with the BEL20 companies as reference peer group, below the 25th percentile of the market.

The structure of the remuneration corresponds to the remuneration policy: a fixed cash-based straight forward remuneration. Non-Executive Directors do not receive performance-related remuneration (such as bonuses, shares or stock options), benefits in kind, or benefits related to pension plans. Consequently, the ratio of fixed to variable remuneration is 100% fixed and 0% variable.

However, in accordance with the remuneration policy and in order to comply with the spirit of principle 7.6 of the 2020 CG Code the Non-Executive Directors are obliged to annually register in the Company's

share register a number of shares equivalent to 10% of their gross annual fixed remuneration as member of the Board of Directors, calculated based on the average stock market price for the month December of the previous year. In application of this rules the Non-Executive Directors other than the Chairperson had to register a minimum of 37 shares in the share register, whereas the Chairperson had to register a minimum of 94 shares.

All Non-Executive directors have complied with this rule. These shares must be held in registered form until at least one year after the Non-Executive Director leaves the Board of Directors and, in any case, for at least three years after the shares have been registered.

The combination of a fixed cash-based remuneration and the obligation for the Non-Executive Directors to invest in the Company's capital, coupled to a long-term holding obligation of the acquired shares, allows the Company to reward the members of the Board of Directors appropriately for their work based on market-competitive fee levels, whilst also strengthening the link with the Company's strategy, long-term interest and sustainability.

Name	Board of Directors Attendance	Audit and Risk Committee Attendance	Nomination and Remuneration Committee Attendance	Investment Committee Attendance	Fixed remuneration (€)	Attendance fees (€)	Travel allowance (€)	Total remuneration (€)
Jean Franken	13/13	-	8/8	6/6	45,000	25,600		70,600
Pertti Huuskonen	13/13	-	-	-	35,000	13,000	300	48,300 ³
Katrien Kesteloot	13/13	6/6	-	-	40,000	18,400		58,400
Elisabeth May-Roberti	13/13	-	8/8	-	45,000	20,200		65,200
Marleen Willekens	13/13	6/6	-	-	50,000	18,400		68,400
Luc Plasman	12/13	-	8/8	6/6	35,000	24,600		59,600
Serge Wibaut	13/13	5/6	-	6/6	95,000	22,900		117,900
Total					345,000	143,100	300	488,400

3. After the takeover of Hoivatilat by Aedifica in the beginning of 2020, the Board of Directors of Hoivatilat still counts three independent Finnish Directors. Their mandate is remunerated in line with the customary practices that already existed within Hoivatilat prior to the takeover. Mr Huuskonen is one of the three Independent Directors and also acts as vice-chairman of the Board of Directors of Hoivatilat. For this mandate he has received for the financial year 2021 a remuneration of €45,396 (€39,996 fixed; €5,400 attendance fees) which is not reflected in the above table regarding the remuneration of the Aedifica Board mandates. This brings Mr Huuskonen's total remuneration received from Aedifica (Group) on €93,696.

8.2 REMUNERATION OF THE MEMBERS OF THE EXECUTIVE COMMITTEE FOR THE 2021 FINANCIAL YEAR

8.2.1 Aedifica's remuneration philosophy

The main principles underlying Aedifica's remuneration policy for the members of its Executive Committee are based on a balanced approach between market competitive standards, the ratio between fixed and variable pay and the economic and social contribution of the Company linked to certain non-financial parameters of the variable pay:

- compensation at market-competitive levels (considering both fixed and variable components of remuneration), achieved by benchmarking against a market peer group;
- pay-for-performance that drives financial and non-financial performance and generates long-term sustainable and profitable growth. The remuneration target aims for 55% of total compensation in base salary and 45% in short- and long-term variable compensation in order to maintain a strong alignment with the Company's financial performance goals, its long-term value creation strategy and risk tolerance. Short- and long-term variable remuneration are weighted equally (50/50);
- differentiation based on experience and responsibility, such that the compensation of individual members of the Executive Committee is aligned with their respective responsibilities, relevant experience, required competencies and performance;
- balancing all stakeholders' interests, with due consideration to shareholder and societal views, by complying with best practices in corporate governance, defining targets for the variable compensation plans based on financial and non-financial targets and a transparent, simple and clear remuneration policy.

8.2.2 Remuneration structure

8.2.2.1 Fixed remuneration

The fixed remuneration consists of a fixed cash remuneration, as set out in the management agreements with individual members of the Executive Committee.

Since the financial year 2009/2010, the Company has also granted to the members of the Executive Committee, as part of their fixed remuneration, an annual cash bonus from which net proceeds after taxes are to be used entirely to purchase Aedifica shares at a discount. This 'long-term incentive plan' was first announced in the 2008/2009 Annual Financial Report and is described further hereafter.

Whereas the new remuneration policy (approved by the 2021 General Meeting) provides in a new – performance based – variable long-term incentive plan, the current long-term incentive plan was in line with the remuneration policy nonetheless extended until 2022. The new performance based long-term incentive plan will deliver its first award only in early 2024, upon completion of the first three-year performance cycle (2021-2023) and subject to achievement of the KPIs over the performance cycle. Therefore, as explained in the remuneration policy, in order to avoid a material loss in remuneration over the years 2021 and 2022 for the members of the Executive Committee, the current fixed long-term incentive plan was extended until 2022 and will cease to exist in 2023.

In that respect, the Board of Directors decided on 16 March 2021 in application of Article 7:91 BCCA and the remuneration policy to grant, within the framework of the annual (current) fixed long-term incentive plan, a gross remuneration of €175,000 for the CEO and €100,000 for each other member of the Executive Committee¹ for the period 1 January 2021 until 31 December 2021 under the terms and conditions as explained hereafter (the '2021 LTIP'). After deducting withholding taxes, the executives purchased shares at a unit price equal to the last known closing share price multiplied by a factor amounting to 100/120th, in accordance with comment 36/16 of the Belgian Income Tax Code, i.e., at a share price of €84.25 (the closing share price on 15 April 2021 of €101.10, multiplied by 100/120). In execution of this 'long-term incentive plan', the CEO acquired 964 shares, the CFO 552 shares, the CLO/CM&AO and CIO 551 shares and the COO 459 shares. The 2021 LTIP provides for a vesting scheme spread over a three-year period (year 0: 0% vested; year 1: 20% vested; year 2: 50% vested; year 3: 100% vested) and for vesting conditions that are aligned with what is market practice and generally considered to be acceptable, in line with the terms and conditions of the previous long term incentive plans as adapted by decision of the Board of Directors of 17 December 2020 to accommodate shareholders concern (see remuneration report 2019/2020) (in particular the removal of the takeover and change of control clauses from the good leaver exceptions).

Save for indexation, the amounts of the fixed cash remuneration did not change compared to the financial year 2019/2020 (except for the increase of the fixed remuneration of the CIO to align it more closely with the remuneration of the other members of the Executive Committee – as announced in the remuneration report 2019/2020). The amounts under the long-term incentive plan 2021 are also equal to the previous plan.

The members of the Executive Committee receive no additional compensation to carry out the duties related to their office as Director of Aedifica and its subsidiaries and receive no remuneration from Aedifica's subsidiaries.

1. Reduced pro rata temporis for the COO to €83,333.33 taking into account the start of his management agreement per 1 March 2021.

Overview of shares vested in 2021 under long-term incentive plans

The table below details the number of shares acquired by the members of the Executive Committee in previous years in application of the

long-term incentive plans (reported in previous annual reports) and which have vested during the calendar year 2021.

Name	Identification of plan	Acquisition date of LTIP shares	Total number of LTIP shares acquired	Acquisition price of LTIP shares	Number of LTIP shares vested in 2021	Number of shares not yet vested
Stefaan Gielens	Ad Hoc LTIP	24/07/2019	1,173	79.17	234	939
		15/06/2020	171	81.33	34	137
	2019/2020 LTIP	12/12/2019	1,215	89.50	243	972
	2020 LTIP	17/12/2020	501	81.08	100	401
	2021 LTIP	15/04/2021	964	84.25	/	964
Ingrid Daerden	Ad Hoc LTIP	24/07/2019	588	79.17	118	470
	2019/2020 LTIP	12/12/2019	680	107.40	136	544
	2020 LTIP	17/12/2020	286	81.08	57	229
	2021 LTIP	15/04/2021	552	84.25	110	442
Sven Bogaerts	Ad Hoc LTIP	24/07/2019	586	79.17	117	469
	2019/2020 LTIP	12/12/2019	648	107.40	130	518
	2020 LTIP	17/12/2020	286	81.08	57	229
	2021 LTIP	15/04/2021	551	84.25	110	441
Charles-Antoine van Aelst	Ad Hoc LTIP	24/07/2019	586	79.17	117	469
	2019/2020 LTIP	12/12/2019	633	107.40	127	507
	2020 LTIP	17/12/2020	286	81.08	57	229
	2021 LTIP	15/04/2021	551	84.25	110	441
Raoul Thomassen	2021 LTIP	15/04/2021	459	84.25	92	367

8.2.2.2 Variable remuneration

Short-term variable remuneration

As described in the remuneration policy, the members of the Executive Committee are entitled to an annual bonus subject to the realisation of both collective and personal objectives.

The target bonus for performance is equal to 40% of fixed annual remuneration. For actual performance below the defined threshold, no bonus is due. Moreover, the actual bonus is capped at a maximum of 50% of annual fixed remuneration paid for performance at, or in excess of the maximum recognised performance level. The aggregate annual bonus may thus vary between 0% and 50% of the fixed annual remuneration, depending on the realisation of the performance targets.

The targets, thresholds and maximum performance levels are determined each year at the beginning of the annual performance cycle.

The actual bonus earned is determined based on the following balanced mix of collective and personal, financial and non-financial key performance indicators (KPIs) and their corresponding weighting factors (% weight shown in brackets):

Collective KPIs (85%)		Personal KPIs (15%)
EPS (70%)	Operating margin (15%)	Personal targets supporting the Company's strategic imperatives

On 22 February 2022, the Board of Directors concluded, based on the recommendation of the Nomination and Remuneration Committee and after validation of the financial results per 31 December 2021 by the Audit and Risk Committee that the quantitative and qualitative criteria set out for the annual short term incentive plan 2021 in the Board's decision of 16 March 2021 and of 30 March 2021 and determined in line with the remuneration policy were met for payment of the variable remuneration to the members of the Executive Committee for the financial year 2021, as follows:

Period 1 January 2021 – 31 December 2021	Relative weighting	Achievement on 31 December 2021
Consolidated EPRA Earnings* per share based on a weighted average number of shares over the period of 33,086,572 shares	70%	EPRA Earnings* per share of €4.35 based on a weighted average number of shares over the period of 36,308,157 shares In excess of maximum recognised performance (125% of target bonus attributed)
Consolidated EBIT margin* (operating result before result on portfolio divided by net rental income)	15%	Consolidated EBIT margin* of 83.5% In excess of maximum recognised performance (125% of target bonus attributed)
Individuals qualitative and organisation-building targets	15%	Individual targets levels achieved from 'in line with expectations' to 'outstanding' (between 100% and 125% of target bonus attributed)

Long-term variable remuneration

As described in the remuneration policy, the members of the Executive Committee are entitled to a long-term incentive award that is granted conditionally, the vesting of which is contingent on the realisation of key performance indicators (KPIs) over a period of three years (the performance cycle).

The target incentive award for performance is equal to 40% of the annual fixed remuneration at the time of granting. For actual performance below the retained threshold performance level defined, no award is due. Moreover, the actual award is capped at a maximum 50% of the annual fixed remuneration at grant which is paid for actual performance at or in excess of the maximum recognised performance level. The aggregate long-term incentive may thus vary between 0 and 50% of the annual fixed remuneration at grant, depending on the realisation of the targets.

The actually earned incentive award is determined on the basis of the following mix of collective, financial and non-financial, KPI-types (key performance indicators) and corresponding weighting factors:

Financial KPI type (70%)	Non-financial KPI type (30%)
Relative shareholder return	Environmental, social and governance (ESG) criteria
Earnings per share	
Dividend per share	

The Board of Directors determines for each three-year performance cycle the specific financial and non-financial KPIs (and their respective target, threshold and maximum performance levels recognised) selected within the framework of the above-mentioned KPI-types.

The incentive award is paid out in cash at the beginning of the year following the performance cycle, subject to applicable tax and social security regulations. The members of the Executive Committee can opt to invest the net cash award (after deduction of withholding tax), to acquire Company shares at 100/120th of the market share price, provided that the Company shares are made unavailable and are not transferable during a period of at least 2 years following the acquisition of the shares.

On 30 March 2021 the Board of Directors selected the specific KPIs for the first performance cycle of the long-term incentive plan (period 2021-2023) within the range of categories of financial and non-financial KPIs set out in the Remuneration Policy. The realisation of the KPIs for this performance cycle of the long-term incentive plan will be evaluated early 2024. A first payment under this plan (insofar as the KPIs are achieved) will take place in 2024.

Period 1 January 2021 – 31 December 2023	Relative weighting	Achievement on 31 December 2021
Financial KPI		
Average EPS growth (CAGR)	70%	Performance period ongoing
Non-financial KPI		
EPC Coverage of Aedifica Group portfolio	15%	Performance period ongoing
Employee satisfaction	15%	Performance period ongoing

8.2.2.3 Post-retirement benefits

The members of the Executive Committee benefit from a group insurance policy consisting of a 'defined-contribution scheme', managed through private insurance plans with a guaranteed return. The contributions under this pension scheme are exclusively financed by the Company and do not require personal contributions from the beneficiaries.

8.2.2.4 Other components of the remuneration

The members of the Executive Committee benefit from hospitalisation and invalidity insurance and coverage for accidents at work. Each Executive Manager benefits from a company car. In the 2021 financial year, the cost to the Company (rental charge and petrol) was €16,665 excl. VAT for the CEO and a combined total of €60,395 excl. VAT for the other Executive Managers. Each Executive Manager also uses a company provided laptop and a smartphone. Moreover, the Company grants each executive a fixed allowance for representation expenses of €300 per month.

8.2.3 Total Remuneration

Name	Fixed remuneration		Variable remuneration (€)				Total remuneration (€)	Ratio of fixed / variable remuneration (€)
	Annual fixed remuneration (€)	Long term incentive plan 2021 (€)	One-year variable	Multi-year variable	Pension plan contribution (€)	Other benefits (€)		
Stefaan Gielens (CEO)	506,566	175,000	253,283	/	72,618	34,925	1,042,393	76/24
Ingrid Daerden (CFO)	311,374	100,000	152,687	/	38,170	9,290	611,522	75/25
Raoul Thomassen (COO)¹	199,883	83,333	99,942	/	26,637	11,258	421,053	76/24
Charles-Antoine van Aelst (CIO)	275,000	100,000	137,500	/	30,144	13,738	556,383	75/25
Sven Bogaerts (CLO/CM&AO)	301,996	100,000	146,468	/	34,315	7,941	590,720	75/25

1. The mandate of Mr Thomassen started on 1 March 2021.

For information purposes, note that the ratio between the total remuneration of the CEO for 2021 and the average remuneration of personnel amounts to 8; the ratio between the total remuneration of the CEO for 2021 and the lowest remuneration of personnel amounts to 26.

8.2.4 Contractual provisions of the management agreements

8.2.4.1 Termination of management agreements

The management agreements signed with the members of the Executive Committee may be terminated either by each party giving notice according to the applicable legal and contractual conditions, or in the following circumstances:

- immediately in case of serious misconduct;
- immediately in the event that the market authority (FSMA) withdraws the fit and proper approval of the Executive Committee member;
- immediately if the Executive Committee member does not act as Executive Committee member during a period of 3 months, except in case of illness or accident;
- immediately if the Executive Committee member cannot act as Executive Committee member during a period of 6 months, in case of illness or accident.

The only case in which a contractual indemnity granted to a member of the Executive Committee could exceed 12 months of remuneration is in the event that the management agreement with the CEO is terminated by Aedifica within six months after a change of control (including a public takeover bid) and without serious fault on the part of the CEO; in this case, the CEO is eligible to obtain an indemnity equal to 18 months' remuneration. The Nomination and Remuneration Committee recalls that this clause was included in the management agreement signed with the CEO in 2006. In accordance with article 12 of the Act of 6 April 2010, this indemnity payment does therefore not require approval by the

General Meeting. Since then, no such contractual clauses have been included in the agreements concluded with (other) members of Aedifica's Executive Committee.

In 2021 there were no departures from the Board of Directors or the Executive Committee and no severance payments have therefore been paid.

8.2.4.2 Clawback

In line with the remuneration policy, the management agreements with the members of the Executive Committee provide for a clawback mechanism for both the (performance based) short- and long-term incentive plans whereby the Company has the right to reclaim from the beneficiary all or part of a variable remuneration up to 1 year after payment if it appears during that period that payment has been made based on incorrect information concerning the achievement of the performance targets underlying the variable remuneration or concerning the circumstances on which the variable remuneration was dependent.

There were no circumstances in 2021 which could have resulted in the use of the clawback.

8.2.5 Share ownership requirement

All members of the Executive Committee possess the minimum number of shares in the Company as stipulated by the remuneration policy (see pages 104-107 for specific number of shares held), except for Mr Thomassen who only took up his position as COO and member of the Executive Committee on 1 March 2021 and has until 28 February 2026 to reach the minimum threshold.



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8.3 COMPARATIVE INFORMATION ON THE CHANGE OF REMUNERATION AND COMPANY PERFORMANCE OVER THE PAST 5 FINANCIAL YEARS

In an interest to increase transparency of past, current and future remuneration and in alignment with investor interests and the legislative environment, the table on the opposite page demonstrates the change of remuneration for members of the Board of Directors, the CEO and each of the other members of the Executive Committee (in office over the past financial year) in comparison to performance of the Group and average remuneration of Aedifica employees over a 5-year period.

The Non-Executive Directors have always received a fixed remuneration (annual remuneration + attendance fee) in cash. Since the financial year 2015/2016, the amounts of (elements of) the remuneration of the Non-Executive Directors have only been changed further to decisions of the General Meetings of 28 October 2016¹, 22 October 2019² and 11 May 2021³.

Finally, the numbers in the below table are also influenced by:

- the decision of the Board of Directors of 22 October 2019 to grant to Mr Hohl, Non-Executive Director at that time, an additional fixed annual remuneration of €5,000 for his special assignment at that time as responsible for the internal audit (in accordance with Article 17 of the RREC legislation), due until the end of this director mandate (26 October 2020);
- the remuneration of Mr Franken in his capacity as Director of Immo NV/SA on behalf of the Company in accordance with article 73 of the RREC Law (according to which an Independent Director of Aedifica had to sit in the Board of Immo as (then) Institutional RREC) for the period from 31 October 2018 until 27 March 2019 (including) (total remuneration for the aforementioned period of €6,000 fixed remuneration and €4,000 attendance fees); and
- the expansion of the Board of Directors on 8 June 2020 with Mr Pertti Huuskonen, independent Non-Executive Director.

Other than that, the changes to the remuneration of the Non-Executive Directors vary thus only from year to year in view of the number of meetings of the Board of Directors and of the Board committees and attendance rates.



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1. Decision of the Ordinary General Meeting of 28 October 2016 to increase 1) the fixed annual remuneration of (i) the Chair of the Board of Directors from €13,600 to €50,000, (ii) the Chairs of the Board Committees from €11,330 to €25,000 and (iii) the other Directors from €11,330 to €15,000, and 2) the attendance fees per Director per meeting for meetings of (i) the Board of Directors from €850 to €1,000 and (ii) the Board Committees from €800 to €900.
2. Decision of the Ordinary General Meeting of 22 October 2019: 1) to increase the fixed annual remuneration of the Chair of the Audit and Risk Committee from €10,000 to €15,000 (resulting in a total fixed annual remuneration as Director and Chair of the Audit and Risk Committee of €30,000); and 2) to grant an additional fixed annual remuneration of €5,000 to each other member of the Audit and Risk Committee.
3. Decision of the Ordinary General Meeting of 11 May 2021 to increase 1) the fixed annual remuneration by €40,000 from €50,000 to €90,000 for the chairperson of the Board of Directors and 2) the fixed annual remuneration by €20,000 from €15,000 to €35,000 for each other Non-Executive Director.

Annual change in %	FY 2016/2017 vs 2015/2016	FY 2017/2018 vs 2016/2017	FY 2018/2019 vs 2017/2018	FY 2019/2020 ⁴ vs 2018/2019	FY 2021 vs 2019/2020
Remuneration of the Non-Executive Directors					
	59%	2%	2%	15%	29%
Remuneration of the CEO (total)					
Stefaan Gielens	14%	7%	23%	12%	- 10%
Average remuneration of the other members of the Executive Committee (total)					
Sven Bogaerts			33%	62%	- 7%
Ingrid Daerden				15%	-8%
Charles-Antoine van Aelst			28%	37%	8%
Raoul Thomassen			-	-	- ⁵
Total cost of Executive Committee (including CEO)	14%	37%⁶	14%	15%⁷	-10%⁸
Company's performance⁹					
Investment properties (including assets held for sale)	34%	13%	33%	62%	29%
Investment properties (including assets held for sale) + WIP	19%	31%	25%	64%	28%
Rental income	32%	16%	29%	34%	24%
EPRA Earnings	40%	22%	24%	34%	30%
EPRA EPS	30%	3%	15%	9%	3%
Average remuneration on a full-time equivalent basis of employees of Aedifica NV/SA¹⁰					
Employees of the Company	13.8%	4.6%	17.7%	13.1%	4%

4. For comparative purposes, the remuneration paid by the Company over the extended financial year 2019/2020 (running from 1 July 2019 until 31 December 2020) was annualised from 18 months to 12 months.

5. No comparison can be made since Mr Thomassen's mandate only started on 1 March 2021.

6. The substantial change in remuneration can be explained by the changed composition of the Executive Committee which increased in number of members (from 4 to 6 members).

7. The change in remuneration can be explained by an increase in the remuneration of the members of the Executive Committee as from 1 July 2019 as decided by the Board of Directors during the financial year 2018/2019 on the basis of a benchmark performed by the independent specialist consultant Willis Towers Watson in 2019. The benchmark group consisted of 32 companies from Belgium, Germany, France and the Netherlands: AG Real Estate, Ascencio, Atenor, Banimmo, Befimmo, Cofinimmo, Home Invest, ImmoBel, Leaseinvest, Montea, Warehouses De Pauw, GAGFAH M Immobilien-Management, LEG Immobilien, Altarea Cogedim, Crédit Agricole Immobilier, Icade, Orpea, Poste Immo, Société Foncière Lyonnaise, Alterra Vastgoed, Redevco, Vastned Groep, Wereldhave, Alinso Group, Codic International, Deutsche Wohnen, Hochtief, Foncière des Régions, Gécina, Klépierre, Unibail Rodamco and OVG Real Estate.

8. The downwards change in total remuneration of the Executive Committee can be explained by (i) Raoul Thomassen's mandate as COO and member of the Executive Committee which only started as from 1 March 2021 and (ii) the remuneration base for the extended FY 2019/2020 which is equal to the received remuneration over 18 months annualised on 12 months.

9. The calculation for the financial year 2019/2020 is based on annualised figures, except for the first two parameters (investment properties including assets held for sale/+ work in progress), which are based on the balance sheet total as at 31 December 2020.

10. The average remuneration of employees is calculated on the basis of 'wages and direct social benefits' on an annual basis divided by the number of employees on an annual basis.

8.4 MAIN CHANGES FOR 2022

8.4.1 Non-Executive Directors

The level of remuneration is regularly assessed and benchmarked against a market peer group in order to enable the Company to continue to attract and retain internationally experienced director profiles for the Company, taking into account and evolving with the size, growth and internationalisation of the Company. The last benchmark was conducted in 2020. No change is foreseen in the remuneration of the Non-Executive Directors in 2022.

8.4.2 Members of the Executive Committee

The Board of Directors sets the fixed remuneration annually, taking into account factors such as:

- position and corresponding responsibilities;
- experience and competencies;
- applicable (social and tax) regulations;
- international growth of the Company;
- performance of the Company;
- benchmarks with peers provided by the Nomination and Remuneration Committee (ensuring that the Company can attract and retain experienced executive profiles).

The annual fixed remuneration may be reviewed and adapted taking into account the preceding factors and within the framework of the approved remuneration policy. The Board of Directors ordered in that respect a benchmark study from the independent specialist consultant Willis Towers Watson that will be executed in the first half of 2022 in order to assess the market conformity of the remuneration of the members of the Executive Committee.

In accordance with his management agreement, Mr Thomassen is contractually entitled to a step-up in his fixed remuneration after the expiry of one year in office (i.e. as from 1 March 2022).

Finally, the Board of Directors decided on 22 February 2022 in application of the Article 7:91 BCCA and within the framework of the remuneration policy to grant to the members of the Executive Committee for the financial year 2022, within the context of the (current) annual long-term incentive plan, a gross remuneration of €175,000 (+ indexation over 2021) for the CEO and €100,000 (+ indexation over 2021) for each other member of the Executive Committee, under the same terms and conditions as in the '2021 LTIP' of which the net proceeds will have to be entirely used to acquire Aedifica shares (as described above). In accordance with the remuneration policy, this fixed long-term incentive plan will cease to exist in 2023 and was thus awarded for the last time for 2022 by the above Board decision (see above).

9. REGULATIONS AND PROCEDURES

9.1 CONFLICTS OF INTEREST

The Directors, the members of the Executive Committee, the persons entrusted with the day-to-day management, the Executive Managers and the mandataries of the Company cannot act as counterparty in transactions with the Company or with a company that controls it, nor can they derive any benefit from transactions with the above-mentioned companies, except when the transaction is carried out in the interest of the Company, within the planned investment policy and in accordance with normal market conditions. Where appropriate, the Company must inform the FSMA of such transactions in advance.

The transactions referred to in the first paragraph, as well as the information referred to in the prior notification, are immediately made public and are explained in the annual financial report and, where appropriate, in the half-year financial report.

The prior notification does not apply to transactions provided for in Article 38 of the Law of 12 May 2014 on regulated real estate companies. Article 7:96 BCCA and Article 7:97 BCCA remains fully applicable, as does Article 37 of the above-mentioned Law.

During the 2021 financial year, there was no conflict of interest whatsoever regarding a real estate transaction. The two conflicts of interest that occurred during the financial year related to the remuneration of the members of the Executive Committee. These are explained below.

Minutes of the meeting of the Board of Directors of 16 March 2021

In accordance with article 7:96 of the Belgian Code on Companies and Associations and article 37 of the Belgian Regulated Real Estate Act, Mr Stefaan Gielens, Ms Ingrid Daerden, Mr Sven Bogaerts and Mr Charles-Antoine van Aelst each declared that they have a possible interest of a patrimonial nature which conflicts with the Company's interest, about which they will inform the Statutory Auditor. Mr Raoul Thomassen, who is not a member of the Board of Directors (and thus has no conflict of interest within the meaning of article 7:96 of the Belgian Code on Companies and Associations), also declared – in his capacity of member of the Executive Committee and effective leader – to have an interest of a patrimonial nature that conflicts with the Company's interest within the meaning of article 37 of the Belgian Regulated Real Estate Act.

This conflict of interest arises because the Board of Directors will deliberate and resolve on certain elements of the remuneration of the members of the Executive Committee.

All members of the Executive Committee then leave the meeting.

Short term variable remuneration for the ExCom members for the period Q5/Q6 of financial year 2019/2020

The Board of Directors has set on 22 September 2020 in line with the remuneration practice at that time the key performance indicators (KPIs) and performance targets for the variable remuneration of the members of the Executive Committee for the period from 1 July 2020 until 31 December 2020 (which have been included in the addenda to the management contracts).

As a reminder,

- the variable remuneration for the period 1 July 2020 – 31 December 2020 was established as a (gross) amount capped at 50% of the total remuneration over the same period, excluding benefits in kind, the pension plan and the long-term incentive plan (the 'theoretical variable remuneration');
- the retained key performance indicators (and their weighting) for the variable remuneration were as follows: the (consolidated) EPRA Earnings* per share (weighting 80%), the consolidated operating margin* (operating result before result on portfolio divided by net rental result) (weighting 20%).

The realisation of the performance targets and the proposed amounts to be granted to the members of the Executive Committee have been the subject of an overall evaluation by the Nomination and Remuneration Committee on 12 March 2021 on the basis of the financial figures as approved by the Board of Directors on 23 February 2021.

The Nomination and Remuneration Committee notes that the members of the Executive Committee have exceeded the performance targets and proposes consequently to the Board of Directors to grant to the CEO and the other members of the Executive Committee the maximum amount of the variable remuneration for the covered period. For the avoidance of doubt, the former COO shall be entitled to the variable remuneration only pro rata temporis for the duration of her mandate (namely, for the period 1 July 2020 – 31 October 2020); the new COO does not yet benefit from this variable remuneration (as he only started his mandate as from 1 March 2021).

The Board of Directors approves the proposal of the Nomination and Remuneration Committee.

Remuneration policy

The draft remuneration policy (applicable as from 1 January 2021 subject to approval by the General Meeting) was approved by the Board of Directors on 23 February 2021 save for the (types of) KPIs of the short- and long-term incentive plan which still had to be decided by the Board of Directors.

Upon deliberation, the Nomination and Remuneration Committee now proposes the following (types of) KPIs and respective relative weighting, to be included in the remuneration policy:

Short-term incentive

Collective KPIs (85%)		Personal KPIs (15%)
EPS (70%)	Operating margin (15%)	Personal targets supporting the Company's strategic imperatives

The target, threshold and maximum performance levels will be determined each year by the Board of Directors at the beginning of the annual performance cycle (see agenda item 2.e).

Long-term incentive

Financial KPI type (70%)	Non-Financial KPI type (30%)
Relative shareholder return Earnings per share Dividend per share	Environmental, social and governance criteria (ESG)

The Board of Directors will determine for each three-year performance cycle the specific financial and non-financial KPIs (and their respective target, threshold and maximum recognised performance levels) selected within the framework of the above-mentioned KPI-types.

The Board of Directors approves this proposal of the Nomination and Remuneration Committee and its elaboration in the remuneration policy.

Long-term remuneration for the ExCom members: LTIP 2021 (transition regime)

Since the newly proposed long-term incentive plan will deliver its first award only early 2024, after the expiration of the first three-year performance cycle (2021-2023) and subject to achievement of the KPIs over the covered performance cycle, it is proposed in the new remuneration policy to extend the current long-term incentive plan for the coming two years in 2021 and 2022, in order to avoid a material loss in remuneration for the members of the Executive Committee in 2021 and 2022.

In application thereof, the Nomination and Remuneration Committee proposes to grant to the members of the Executive Committee the right to participate in a 'long term incentive plan' for the financial year 2021, under the same terms and conditions as the previous long term incentive plan (i.e., the 2020 LTIP), for a gross amount equal to the gross amount of the 2020 LTIP, but annualised (recall that the 2020 LTIP only covered the last 6 months of the extended financial year 2019/2020), namely a gross amount of €175,000 for the CEO and €100,000 for each other member of the Executive Committee.

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors decides in application of article 7:91 BCCA to grant to the members of the Executive Committee the right to participate in a 'long term incentive plan' for the financial year 2021 for a gross amount of €175,000 for the CEO and €100,000 for each other member of the Executive Committee, under the same terms and conditions as the 2020 LTIP.

Short-term variable remuneration for the ExCom members for the financial year 2021: KPIs + performance levels

In accordance with the remuneration policy (as approved by the Board of Directors – see supra), the KPIs and their respective relative weighting for the short-term variable annual bonus of the members of the Executive Committee are as follows:

Collective KPIs (85%)		Personal KPIs (15%)
EPS (70%)	Operating margin (15%)	Personal targets supporting the Company's strategic imperatives

The Nomination and Remuneration Committee has made a proposal on the performance levels (target, minimum threshold and maximum performance level) and corresponding bonus levels of the collective KPIs under the short-term variable bonus which is discussed by the Board of Directors. As described in the remuneration policy, the target bonus for target performance is 40% of the annual fixed remuneration. Since no bonus is due for actual performance below the retained threshold level, and in case of performance at, or in excess of the maximum recognised performance level, the bonus is capped at a maximum of 50% of the annual fixed remuneration, the variable short-term bonus will

consequently vary between 0 and 50% of the annual fixed remuneration, depending on the realisation of the targets.

Upon deliberation, the Board of Directors approves the Nomination and Remuneration Committee's proposal and requests the Nomination and Remuneration Committee to prepare the addenda to the management agreements to include this decision.

Minutes of the meeting of the Board of Directors of 30 March 2021

In accordance with article 7:96 of the Belgian Code on Companies and Associations and article 37 of the Belgian Regulated Real Estate Act, Mr Stefaan Gielens, Ms Ingrid Daerden, Mr Sven Bogaerts and Mr Charles-Antoine van Aelst each declared that they have a possible interest of a patrimonial nature which conflicts with the Company's interest, about which they will inform the Statutory Auditor. Mr Raoul Thomassen, who is not a member of the Board of Directors (and thus has no conflict of interest within the meaning of article 7:96 of the Belgian Code on Companies and Associations), also declared – in his capacity of member of the Executive Committee and effective leader – to have an interest of a patrimonial nature that conflicts with the Company's interest within the meaning of article 37 of the Belgian Regulated Real Estate Act.

This conflict of interest arises because the Board of Directors will deliberate and resolve on certain elements of the remuneration of the members of the Executive Committee.

All members of the Executive Committee then leave the meeting.

Long-term variable remuneration for the ExCom members for the performance cycle 2021-2023: KPIs + performance levels

In accordance with the remuneration policy (as approved by the Board of Directors), the specific KPIs and performance levels for the performance cycle 2021-2023 in the context of the long-term variable remuneration for the members of the Executive Committee should be based on the following mix of collective financial and non-financial types of KPIs and their respective relative weighting:

Financial KPI type (70%)	Non-Financial KPI type (30%)
Relative shareholder return Earnings per share Dividend per share	Environmental, social and governance (ESG) criteria

The Nomination and Remuneration Committee has made on that basis a proposal on the specific KPIs, applicable performance levels (target, minimum threshold and maximum performance level) and corresponding bonus levels for the performance cycle 2021-2023 which is discussed by the Board of Directors. As described in the remuneration policy, the variable long-term bonus will vary between 0 and 50% of the annual fixed remuneration at grant, depending on the realisation of the targets: no bonus is due for actual performance below the retained threshold level; in case of performance at, or in excess of the maximum recognised performance level, the bonus is capped at a maximum 50% of the annual fixed remuneration at grant.

Upon deliberation, the Board of Directors approves the Nomination and Remuneration Committee's proposal for the performance cycle

2021-2023 and requests the Nomination and Remuneration Committee to prepare the addenda to the management agreements to include this decision.

9.2 COMPLIANCE OFFICER

The independent compliance function is performed in accordance with Article 17 of the Law of 12 May 2014 on regulated real estate companies (see above). Mr Thomas Moerman, General Counsel, performs the function of compliance officer. His duties include monitoring compliance with the rules of conduct and the declarations relating to transactions in shares of the Company carried out by Directors and other persons appointed by the latter on their own account in order to limit the risk of insider trading.

Monitoring transactions with Aedifica shares

The compliance officer draws up the list of persons who have information that they know or should know is privileged information and updates this list. He ensures that the persons concerned are informed of their inclusion on that list.

In addition, he ensures that the Board of Directors determines the so-called 'closed periods'. During these periods, transactions in Aedifica's financial instruments or financial derivatives are prohibited for Aedifica's Directors and for all persons on the aforementioned list, as well as for all persons with whom they are closely linked. The closed periods are as follows:

- the 30 calendar days preceding the publication date of the annual and half-year results;
- the 15 calendar days preceding the publication date of the quarterly results;
- any period during which inside information is known;
- any other period that the compliance officer considers to be a sensitive period, taking into account the developments occurring within the Company at that moment;

always ending one hour after publication of the annual, half-year or quarterly results respectively by means of a press release on the Company's website.

Restrictions on transactions by Directors and members of the Executive Committee

Directors, members of the Executive Committee and persons closely related to them who intend to carry out transactions involving financial instruments or financial derivatives of Aedifica must notify the compliance officer in writing at least 48 hours before the transactions are carried out. If the compliance officer himself intends to carry out such transactions, he must notify the chair of the Board of Directors in writing at least 48 hours before the transactions are carried out. The compliance officer or, where applicable, the chair of the Board of Directors, shall inform the person concerned within 48 hours of receipt of the written notification whether, in his opinion, there are reasons to believe that the planned transaction constitutes a regulatory violation. The Directors, the members of the Executive Committee and the persons closely related to them must confirm the execution of the transactions to the Company within two working days. The compliance officer must keep a

written record of all notifications regarding the planned and completed transactions and confirm receipt of such notifications in writing.

The Directors, the members of the Executive Committee and the persons closely related to them must report to the FSMA any transactions in shares of the Company that they carry out of their own account. The reporting obligation referred to above must be fulfilled no later than three working days after the transactions have been carried out.

9.3 REPORTING IRREGULARITIES

Aedifica has an internal procedure for reporting potential or actual violations of the applicable legal regulations, its Corporate Governance Charter and its Code of Conduct. This procedure for reporting irregularities constitutes an appendix to the Corporate Governance Charter.

9.4 RESEARCH AND DEVELOPMENT

Aedifica does not carry out any research and development activities as referred to in Articles 3:6 and 3:32 BCCA.

9.5 CAPITAL INCREASES WITHIN THE SCOPE OF THE AUTHORISED CAPITAL

Pursuant to Article 7:203 BCCA, the Board of Directors gives an explanation below of the capital increases decided upon by the Board of Directors during the financial year and, where applicable, gives an appropriate explanation regarding the conditions and actual consequences of the capital increases, whereby the Board of Directors limited or excluded the shareholders' preferential right.

Pursuant to a decision by the Board of Directors of 9 June 2021 to increase the capital within the scope of the authorised capital by contribution in cash, with cancellation of the legal preferential right and without allocation of an irreducible priority allocation right, the capital (see section 3.2 of the Financial Report) was increased on 15 June 2021 by €73,885,794.65 to bring it from €873,081,308.72 to €946,967,103.37. 2,800,000 new shares, with no nominal value, were issued. Those new shares will participate pro rata temporis in the Company's profits for the 2021 financial year as from 15 June 2021.

Within the scope of the authorised capital (see section 3.2 of the Financial Report), and by a decision of the Board of Directors of 29 June 2021, the capital was increased by €4,868,335.01 to bring the amount of €946,967,103.37 to €951,835,438.38 via a contribution in kind. 184,492 new shares, with no nominal value, were issued. They are of the same type and enjoy the same rights and benefits as existing shares. Those new shares will participate pro rata temporis in the Company's profits for the 2021 financial year as of 15 June 2021.

Within the scope of the authorised capital (see section 3.2 of the Financial Report), and by a decision of the Board of Directors of 8 September 2021, the capital was increased by €6,256,358.83 to bring the amount of €951,835,438.38 to €958,091,797.21 via a contribution in kind. 237,093 new shares, with no nominal value, were issued. They are of the same type and enjoy the same rights and benefits as existing shares. Those new shares will participate pro rata temporis in the Company's profits for the 2021 financial year as of 15 June 2021.

An appropriate explanation regarding the conditions and the actual consequences of the capital increase of 15 June 2021, whereby the preferential right of the shareholders was cancelled without allocation of an irreducible priority allocation right, is given in the special report of the Board of Directors drawn up in application of Article 7:179, §1, first paragraph and Article 7:191, second paragraph of the BCCA dated 15 June 2021. In the event of a capital increase via contribution in kind, the shareholders have no preferential right and no special report is drawn up in application of Article 7:191 BCCA.

PRIESTY FIELDS - CONGLETON, UK



9.6 ELEMENTS THAT ARE LIABLE TO HAVE CONSEQUENCES IN THE EVENT OF A PUBLIC TAKEOVER BID

In accordance with Article 34 of the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market, Aedifica lists and, where appropriate, explains the following elements, insofar as these elements are liable to result in a public takeover bid.

Capital structure

Underwritten and fully paid-up capital

There is only one type of share, with no indication of nominal value: all shares are subscribed and all are fully paid up. As at 31 December 2021, the capital amounts to €958,091,797.21. It is represented by 36,308,157 shares, each representing 1/36,308,157nd of the capital.

Rights and obligations attached to Aedifica shares

All holders of Aedifica shares have equal rights and obligations. As regards these rights and obligations, reference is first made to the regulations applicable to Aedifica: the Belgian Companies and Associations Code, the Law of 12 May 2014 on regulated real estate companies, and the Royal Decree of 13 July 2014 on regulated real estate companies. Reference must also be made to the relevant provisions contained in the Articles of Association (see section 4 of the 'Permanent documents' chapter).

Legal, statutory or conventional restrictions on the transfer of securities

The transfer of Aedifica's shares is not subject to any legal or statutory restrictions. In order to guarantee sufficient liquidity to investors (and potential investors) in Aedifica's shares, Article 21 of the Law of 12 May 2014 provides that Aedifica's shares are admitted to trading on a regulated market. All 36,308,157 Aedifica shares are listed on Euronext Brussels and Euronext Amsterdam (regulated markets).

Special controlling rights

Aedifica does not have holders of securities to which special controlling rights are attached.

Mechanism for controlling any employee share plan when controlling rights are not directly exercised by employees

Aedifica has no (such) employee share plan.

Legal or statutory restrictions on the exercise of voting rights

As at 31 December 2021, Aedifica did not own any of its own shares.

Shareholder agreements known to Aedifica that may restrict the transfer of securities and/or the exercise of voting rights

As far as Aedifica is aware, there are no shareholder agreements that may restrict the transfer of securities and/or the exercise of voting rights.

Rules for the appointment and replacement of the members of the management body and for the amendment of Aedifica's Articles of Association

Appointment and replacement of the members of the management body

In accordance with Article 10 of the Articles of Association, the members of the Board of Directors are appointed for a maximum term of three years by the General Meeting of Shareholders, which can also remove them at any time. They may be re-elected. The mandate of the outgoing and non-re-elected directors ends immediately after the General Meeting that provides for the new appointments.

If one or more mandates become vacant, the remaining Directors, meeting in council, can provisionally provide for replacement until the next General Meeting, which then decides on the final appointment. This right becomes an obligation each time the number of Directors effectively in office or the number of Independent Directors no longer reaches the statutory minimum. A Director appointed to replace another person shall complete the mandate of the person he or she replaces.

Amendments to the Articles of Association

As regards amendments to the Articles of Association, reference is made to the regulations applicable to Aedifica. In particular, it should be noted that any draft amendment to Aedifica's Articles of Association must be approved in advance by the FSMA.

Powers of the management body, in particular regarding the possibility of issuing or repurchasing shares

In accordance with Article 6.4 of the Articles of Association, the Board of Directors is authorised to increase the capital one or more times, on the dates and according to the modalities determined by the Board of Directors, up to a maximum amount of:

- 1) 50% of the capital amount on the date of the Extraordinary General Meeting of 30 July 2021, rounded down to the euro cent, if applicable, for capital increases by way of contribution in cash, whereby a provision is made for the possibility of exercising the statutory preferential subscription right or the priority allocation right by the shareholders of the Company;
 - 2) 50% of the capital amount on the date of the Extraordinary General Meeting of 30 July 2021, rounded down to the euro cent, if applicable, for capital increases within the scope of the distribution of an optional dividend;
 - 3) 10% of the capital amount on the date of the Extraordinary General Meeting of 30 July 2021, rounded down to the euro cent, if applicable, for a) capital increases by way of contribution in kind, b) capital increases by way of contribution in cash without the possibility of exercising the preferential right or the irreducible priority allocation right, or c) any other form of capital increase;
- on the understanding that the capital within the scope of the authorised capital can never be increased by an amount higher than the capital on the date of the Extraordinary General Meeting that approves the authorisation.

This permission is granted for a renewable period of 5 years, starting from the publication of the decision of the Extraordinary General Meeting of 30 July 2021 in the Appendices to the Belgian Official Gazette.

As at 31 December 2021, the balance of the authorised capital amounts to 1) €475,917,719.19 if the capital increase to be realised provides for the possibility of the shareholders of the Company exercising the preferential right or the irreducible priority allocation right, 2) €475,917,719.19 for capital increases within the framework of the distribution of an optional dividend, and 3) €88,927,185 for a. capital increases by way of contribution in kind, b. capital increases by way of contribution in cash without the possibility of the shareholders of the Company exercising the preferential right or the irreducible priority allocation right, or c. any other form of capital increase. Taking into account the total maximum amount of the authorised capital (€951,835,438.38), the Company is able to raise its capital by €945,579,079.55.

Moreover, in accordance with Article 6.2 of the Articles of Association, Aedifica can acquire, pledge or dispose of its own shares, in accordance with the conditions provided for in the Belgian Companies and Associations Code, subject to notification of the transaction to the FSMA. As at 31 December 2021, Aedifica had pledged none of its own shares.

Important agreements to which Aedifica is a party and which enter into force, are amended or expire in the event of a change of control over Aedifica following a public takeover bid

It is common practice that credit agreements contain so-called change of control clauses that allow the lender to demand immediate repayment of the outstanding loans, interest and other outstanding amounts in the event of a change of control over the Company.

The following credit agreements contain such change of control clauses:

- the credit agreements with BNP Paribas Fortis established on 15 June 2016, 24 February 2017, 14 November 2017, 31 October 2019 and 23 June 2021;
- the credit agreements with KBC Bank established on 28 June 2016, 12 November 2019 and 8 June 2021;
- the credit agreements with Caisse d'Epargne Hauts De France established on 4 January 2018;
- the credit agreements with Banque européenne du Crédit Mutuel established on 25 May 2018 and 21 December 2018;
- the credit agreements with Belfius Bank established on 27 June 2016, 14 May 2018, 21 December 2018, 18 May 2020 and 12 July 2021;
- the credit agreements with ING Belgium established on 19 February 2016, 20 September 2016, 14 February 2017, 15 May 2018 and 15 July 2021;
- the credit agreements with BNP Paribas Niederlassung Deutschland established on 6 November 2019;
- the credit agreements with Triodos Bank established on 3 February 2017 and 15 May 2018;
- the credit agreements with Argenta Spaarbank and Argenta Assuranties established on 20 December 2017;
- the syndicated loan agreement with the BPCE group established on 29 June 2018;
- the credit agreements with ABN Amro Bank established on 12 March 2021, 27 July 2021 and 22 November 2021;

- the credit agreements with Société générale established on 13 March 2020 and 31 August 2020;
- the credit agreements with Hoivatilat and OP Corporate Bank established on 5 March 2021.

In addition, the treasury notes issued on 17 December 2018 under the long-term treasury notes programme contain a change of control clause triggering an increase of the interest margin in the event of change of control over the Company.

The Note Purchase Agreement of 17 February 2021 and the debt instruments subsequently issued on 3 March 2021 between the Company and the holders of such debt instruments also contain provisions granting early redemption of the debt instruments in the event of a change of control over the Company.

The Sustainability Notes issued by the Company on 2 September 2021 also contain provisions granting early redemption of the debt instruments in the event of a change of control over the Company.

Each of these clauses relating to a change of control was approved by the General Meeting (see minutes of previous General Meetings), with the exception of the clauses included in the credit and debt agreements dating from after the last Ordinary General Meeting of 11 May 2021 and in the above-mentioned Sustainable Note, for which approval of the change of control clause will be requested at the General Meeting of 10 May 2022.

Agreements established between Aedifica and its Directors or employees providing for compensation if, following a public takeover bid, the Directors resign or must resign without a valid reason or the employment of the employees is terminated

If the management agreement with the CEO is terminated within six months of a public takeover bid by one of the parties without serious misconduct, the CEO is entitled to a severance payment equal to eighteen months' remuneration.

No such contractual clause was included in the agreements established with the other members of the Executive Committee or with Aedifica employees.



HUIZE HOOG KERCKEBOSCH • ZEIST, NL

10. GROUP STRUCTURE

As of 31 December 2021, Aedifica NV/SA holds perimeter companies in seven different countries: Belgium, Luxembourg, Germany, the Netherlands, the United Kingdom (including Jersey), Finland, Sweden, Ireland and Spain.

All real estate located in **Belgium** is held by Aedifica NV/SA.

The real estate located in **Germany** is held by Aedifica NV/SA, Aedifica's Luxembourg subsidiaries and by some of Aedifica's Germany subsidiaries.

All real estate located in the **Netherlands** is held by Aedifica's Dutch subsidiaries. The assets held by AK JV NL, a Dutch joint venture with the Korian group, is 50% owned by Aedifica. The assets held by Aedifica Sonneborgh Real Estate BV, a Dutch joint venture with Dunavast-Sonneborgh, is 75% owned by Aedifica.

All real estate located in the **United Kingdom** is held by Aedifica's Jersey and UK subsidiaries.

All real estate located in **Finland** is owned by Finnish subsidiaries of Hoivatilat Oyj, which in turn is controlled by Aureit Holding Oy.

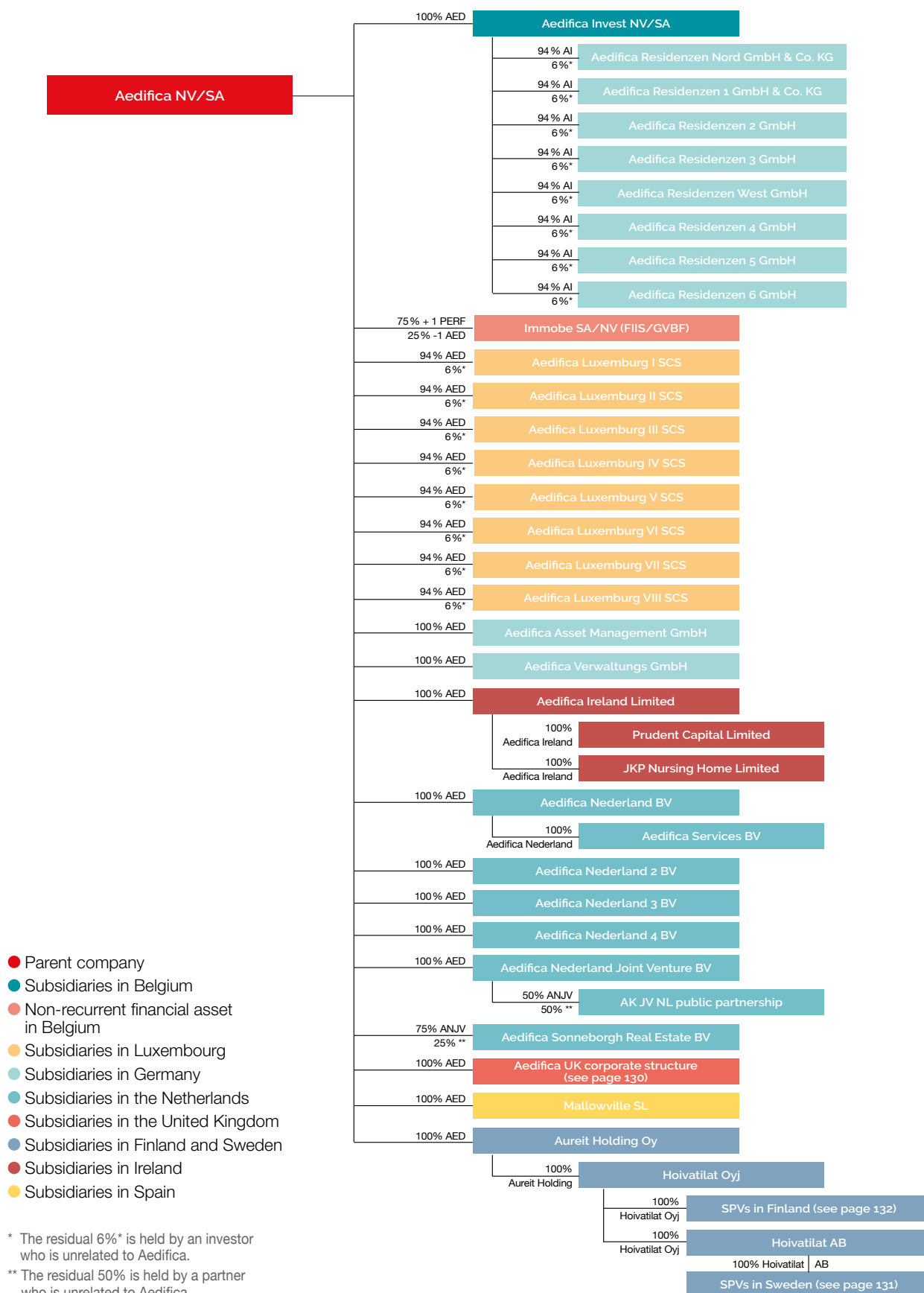
All real estate located in **Sweden** is owned by Swedish subsidiaries of Hoivatilat Oyj, which in turn is controlled by Aureit Holding Oy.

All real estate located in **Ireland** is owned by Aedifica's Irish subsidiaries.

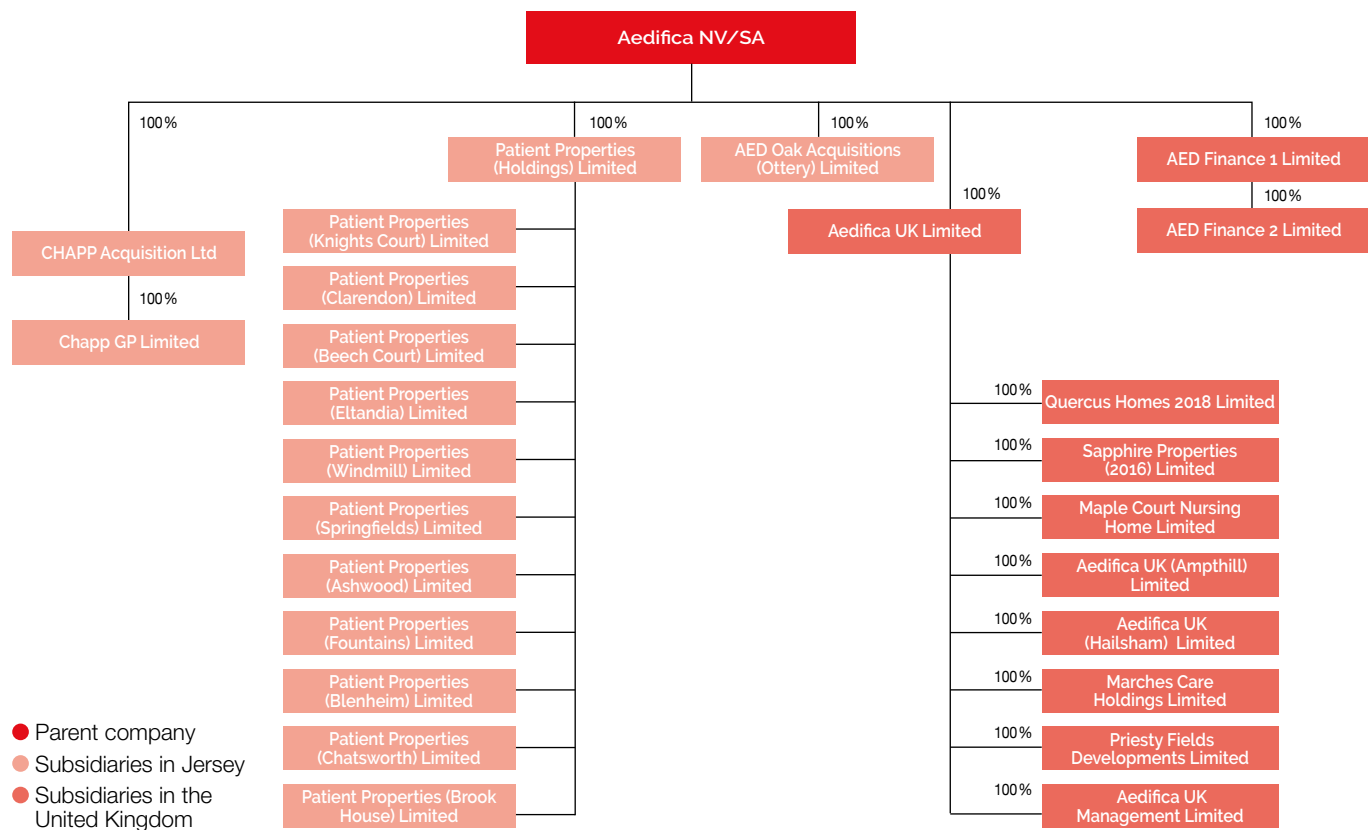
All real estate located in **Spain** is owned by a Spanish subsidiary.

The organisational chart on pages 129-132 shows the Group's subsidiaries as well as its share in each subsidiary.

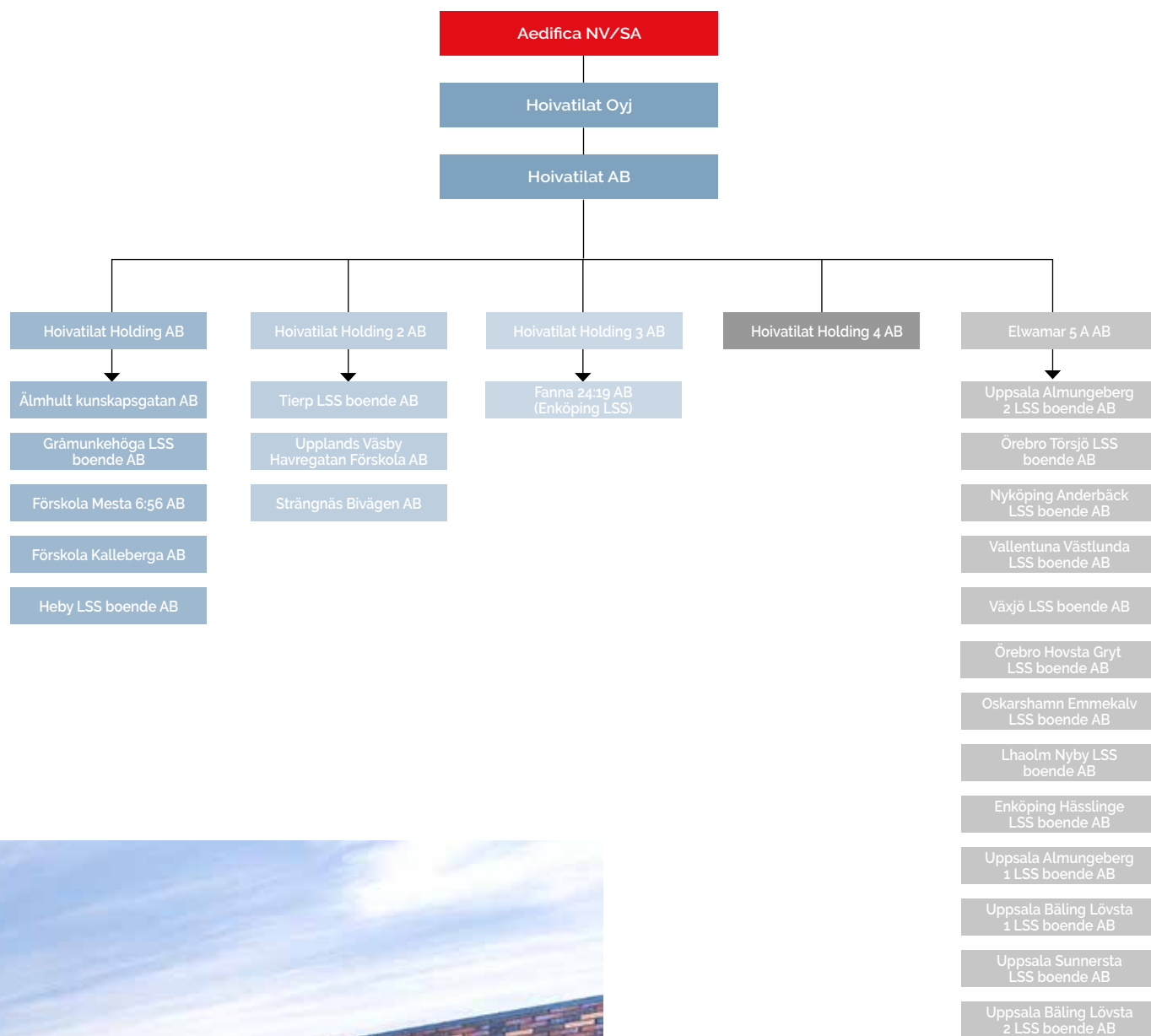


AEDIFICA NV/SA: GROUP STRUCTURE AS OF 31 DECEMBER 2021

AEDIFICA - UK CORPORATE STRUCTURE AS OF 31 DECEMBER 2021



AEDIFICA - HOIVATILAT'S SPVS IN SWEDEN AS OF 31 DECEMBER 2021



VERPLEEGCENTRUM SCHEEMDA
• SCHEEMDA, NL

AEDIFICA - HOIVATILAT'S SPVS IN FINLAND AS OF 31 DECEMBER 2021

As Oy Seinäjoen Kutojankatu
Hoivatilat Oy
Koy Espoon Fallåkerinrinne
Koy Espoon Hirvisuontie
Koy Espoon Kurttilantie
Koy Espoon Kuurinkallio
Koy Espoon Matinkartanontie
Koy Espoon Meriviitatie
Koy Espoon Oppilaantie
Koy Espoon Rajamännynahde
Koy Espoon Tikasmäentie
Koy Espoon Vuoripirtintie
Koy Euran Kärjäjämäentie
Koy Hakalahden Majakka
Koy Haminan Lepikönrantra
Koy Heinolan Lähteentie
Koy Helsingin Ensikodintie 4
Koy Helsingin Kansantie
Koy Helsingin Pakarituovantie
Koy Helsingin Työnjohtajankadun Seppä 3
Koy Hollolan Sarkatie
Koy Hämeenlinna Kampuskaarre
Koy Hämeenlinnan Jukolanraitti
Koy Hämeenlinnan Vanha Alikartanontie
Koy Iisalmen Eteläinen Puistoraitti
Koy Iisalmen Kangaslamintie
Koy Iisalmen Petter Kumpulaisentie
Koy Iisalmen Satamakatu
Koy Iisalmen Vemmelkuja
Koy Janakkalan Kekanahontie
Koy Joutsenon Päiväkotie
Koy Jyväskylän Ailakinkatu
Koy Jyväskylän Haperontie
Koy Jyväskylän Harjutie
Koy Jyväskylän Haukankaari
Koy Jyväskylän Mannisenmäentie
Koy Jyväskylän Martikaisentie
Koy Jyväskylän Palstatie
Koy Jyväskylän Sulkulantie
Koy Jyväskylän Väliharjuntie
Koy Jyväskylän Vävyöjanpolku
Koy Järvenpään Yliopettajankatu
Koy Kaarinan Nurmintyöntkatu
Koy Kajaanin Erätie
Koy Kajaanin Hoikankatu
Koy Kajaanin Menninkäisentie
Koy Kajaanin Uitontie
Koy Kajaanin Valonkatu
Koy Kalajoen Hannilantie
Koy Kangasalan Hilmanhovi
Koy Kangasalan Mäntyveräjätie
Koy Kangasalan Rekiäläntie
Koy Kaskisten Bladintie
Koy Kempeleen Ihmemaantie
Koy Keravan Lehmuskatu
Koy Keravan Männiköntie
Koy Keuruun Tehtäantie
Koy Kirkkonummen Kotitontunkuja
Majakka Kiinteistö Oy
Koy Kokkolan Ankkurikuja
Koy Kokkolan Kaarjelankatu 68
Koy Kokkolan Vanha Ouluntie
Koy Kontiolahden Päiväperhosenkatu
Koy Kotka Särmäjäntie 6
Koy Kotkan Loitsutie
Koy Kotkan Metsäkulmankatu
Koy Kouvola Vainiolankuja
Koy Kouvola Kaartokuja
Koy Kouvola Pappilantie

Koy Kouvola Rannikkotie
Koy Kouvola Ruskeasuonkatu
Koy Kouvola Vinttikaivontie
Koy Kuopion Amerikanraitti
Koy Kuopion Männistönkatu
Koy Kuopion Opistokatu
Koy Kuopion Pirtinkaaari
Koy Kuopion Portti A2
Koy Kuopion Rantaraitti
Koy Kuopion Sipiläkatu
Koy Lahden Jahtikatu
Koy Lahden Kurenniityntie
Koy Lahden Makarantie
Koy Lahden Piisamikatu
Koy Lahden Vallesmanninkatu A
Koy Lahden Vallesmanninkatu B
Koy Laihan Jarrumiehentie
Koy Lappeenrannan Orioninkatu
Koy Laukaan Hytösenkuja
Koy Laukaan Peurungantie
Koy Laukaan Saratie
Koy Limingan Kauppakaari
Koy Lohjan Ansatie
Koy Lohjan Porapojankuja
Koy Lohjan Sahapiha
Koy Loimaan Itsenäisyydenkatu
Koy Loviisan Mannerheiminkatu
Koy Maskun Ruskontie
Koy Mikkelin Kastanjakuja
Koy Mikkelin Sahalantie
Koy Mikkelin Väänäsenpolku
Koy Mikkelin Ylännentie 10
Koy Mikkelin Ylännentie 8
Koy Mynämäen Opintie
Koy Mäntsälän Liedontie
Koy Mäntyläharjun Lääkärintie
Koy Nokian Kivimiehenkatu
Koy Nokian Luhtatie
Koy Nokian Näsiäkatu
Koy Nokian Vikkulankatu
Koy Nurmijärven Laidunalue
Koy Nurmijärven Ratakuja
Koy Nurmijärvi Luhtavillantie
Koy Orimattilan Suppulanpolku
Koy Oulun Isopurjeentie
Koy Oulun Jahtivoudeintie
Koy Oulun Juhlamarssi
Koy Oulun Kehätie
Koy Oulun Paulareitti
Koy Oulun Raamipolku
Koy Oulun Rakkakiventie
Koy Oulun Ruismetsä
Koy Oulun Salonpään koulu
Koy Oulun Sarvisuontie
Koy Oulun Siilotie
Koy Oulun Soittajanlenkki
Koy Oulun Ukkoherantie A
Koy Oulun Ukkoherantie B
Koy Oulun Valjastie
Koy Oulun Villa Sulkakuja
Koy Oulunsalon Vihannestie
Koy Paimion Mäkiläntie
Koy Pieksämäen Ruustinnantie
Koy Pihtiputaan Nurmelaanpolku
Koy Pirkkalan Lehtimäentie
Koy Pirkkalan Pereensaarentie
Koy Porin Kerhotie
Koy Porin Koekatu
Koy Porin Ojantie

Koy Porin Palokärjentie
Koy Porvoon Fredrika Runebergin katu
Koy Porvoon Haarapääskyntie
Koy Porvoon Peippolankuja
Koy Porvoon Vanha Kuninkaantie
Koy Raahe Kirkkokatu
Koy Raahen Palokunnanhovi
Koy Raahen Vihastekarinkatu
Koy Raisio Tenavakatu
Koy Riikimäen Jyrätie
Koy Rovaniemen Gardininkuja
Koy Rovaniemen Matkavaarantie
Koy Rovaniemen Muonakuja
Koy Rovaniemen Mäkirannantie
Koy Rovaniemen Ritarinne
Koy Rovaniemen Santamäentie
Koy Ruskon Päälistönmäentie
Koy Salon Papinkuja
Koy Sastamalan Tyrväänkyläntie
Koy Siilinjärven Honkarannantie
Koy Siilinjärven Nilsiantie
Koy Siilinjärven Risulantie
Koy Siilinjärven Sinisiipi
Koy Sipoon Aarrepuistonkuja
Koy Sipoon Aaretie
Koy Sipoon Satotalmantie
Koy Sotkamon Kirkkotie
Koy Tampereen Haiharansuu
Koy Tampereen Lentävänniemenkatu
Koy Tampereen Sisunaukio
Koy Teuvan Tuokkolantie
Koy Tornion Torpin Rinnakkaiskatu
Koy Turun Lemmontie
Koy Turun Lukkosepänkatu
Koy Turun Malin Trällinkuja
Koy Turun Paltankatu (care home)
Koy Turun Teollisuuskatu
Koy Turun Vakiniituntie
Koy Turun Vähäheikkiläntie
Koy Tuusulan Isokarhunkierro
Koy Ulvilan Kulmalantie
Koy Uudenkaupungin Merilinnuntie
Koy Uudenkaupungin Merimetsäpolku B
Koy Uudenkaupungin Merimetsäpolku C
Koy Uudenkaupungin Puusepänkatu
Koy Vaasan Mäkiäivontie
Koy Vaasan Tehokatu
Koy Vaasan Uusmetsäntie
Koy Vaasan Vanhan Vaasankatu
Koy Valkeakosken Kirkkotie
Koy Vantaan Asolantie (care home)
Koy Vantaan Koetilankatu
Koy Vantaan Koivukylän Puistotie
Koy Vantaan Mesikukantie
Koy Vantaan Punakiventie
Koy Vantaan Tuovintie
Koy Vantaan Vuohirinne
Koy Varkauden Kaura-ahontie
Koy Varkauden Savontie
Koy Vihtin Hiidenrannantie
Koy Vihtin Pengerkuja
Koy Vihtin Vanhan sepän tie
Koy Ylivieskan Alpuumintie
Koy Ylivieskan Mikontie 1
Koy Ylivieskan Ratakatu 12
Koy Ylöjärven Mustarastaantie
Koy Ylöjärven Työväentalontie
Koy Äänekosken Likolahdenkatu



OULU VALJASTIE • OULU, FI

Aedifica on stock market

Aedifica offers investors an alternative to direct real estate investments, combining all the benefits of optimal real estate income with a limited risk profile. The Group's investment strategy offers shareholders attractive returns, a recurring dividend and opportunities for growth and capital appreciation at the same time.



3.0 %

GROSS DIVIDEND YIELD
AS OF 31 DECEMBER 2021



€ 4.2 bn

MARKET CAPITALISATION
AS OF 31 DECEMBER 2021



50 %

PREMIUM TO NET ASSET VALUE
AS OF 31 DECEMBER 2021



174 %

SHARE PRICE INCREASE
SINCE IPO

Aedifica on the stock market

Since 2020, the Aedifica share is included in the BEL 20, the leading share index of the 20 most important shares on Euronext Brussels, confirming the market's confidence in Aedifica's investment strategy. In addition, the share has also been traded on Euronext Amsterdam since November 2019. This secondary listing and the inclusion in the BEL 20 not only ensure a greater visibility, but also increases the liquidity of the share on the stock exchange.

Euronext Brussels
& Amsterdam
ISIN code:
BE0003851681
Trading: continuous



1. STOCK PRICE AND VOLUME

Aedifica's shares (AED) have been quoted on Euronext Brussels since October 2006. Since November 2019, Aedifica has also been trading on Euronext Amsterdam via a secondary listing.

Aedifica is registered in the BEL 20 Index with a weighting of approx. 2.9% (31 December 2021). In addition, the Aedifica share is also included in the EPRA, GPR 250, GPR 250 REIT and Stoxx Europe 600 indices. The share price fluctuated between €94.30 and €127.30 over the course of the financial year 2021 and closed the financial year at €114.90, an increase of ca. 17% compared with 31 December 2020 (€98.30).

Based on the stock price on 31 December 2021, Aedifica share shows a premium of:

- 48.5% as compared to the net asset value per share excluding changes in fair value of hedging instruments*;
- 50.0% as compared to the net asset value per share.

This premium to the net asset value is a sign of confidence in Aedifica's track record and reflects Aedifica's pure play focus on healthcare real estate, the future growth of the Group, the stable nature of the generated long-term profits and the attractive dividend.

The graph on the right shows the evolution of the premium of Aedifica's share price compared to the net asset value per share.

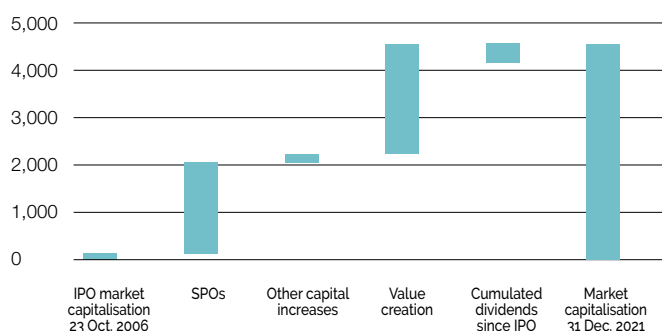
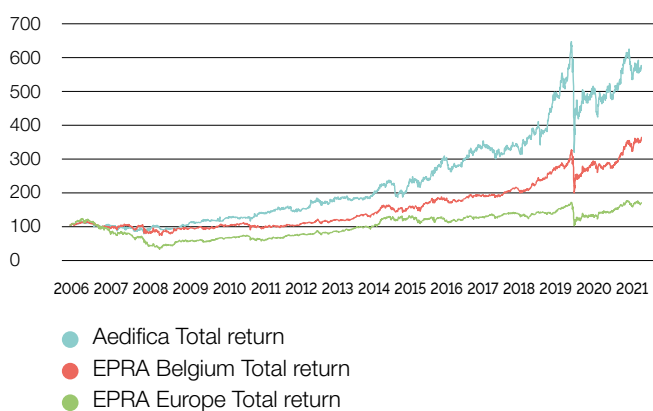
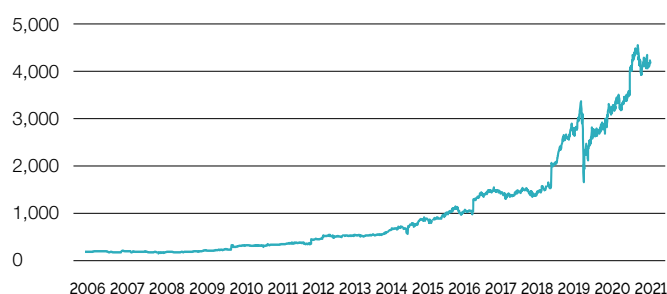
Between Aedifica's IPO (after deduction of the coupons which represented the preferential or priority allocation rights issued as part of the abovementioned capital increases) and 31 December 2021, Aedifica's stock price increased by 174.4%, as compared to an increase of 2.99% for the BEL 20 index and a decrease of 6.92% for the EPRA Europe index over the same period.

The liquidity of Aedifica shares has remained stable during the financial year. The average daily volume was approx. €5,551,000 or approx. 51,000 shares, resulting in a velocity of 37.6%. Aedifica continues its efforts to further broaden its investor base by regularly taking part in roadshows and events for both institutional and private investors.

Our inclusion in the BEL 20 is a reward for the international growth achieved in recent years and confirms the market's confidence in Aedifica.

DELPHINE NOIRHOMME
INVESTOR RELATIONS MANAGER

VALUE CREATION (IN € MILLION)

PREMIUM AND DISCOUNT OF SHARE PRICE IN RELATION
TO THE NET ASSET VALUE PER SHARE
FROM 23 OCTOBER 2006 (IPO) TO 31 DECEMBER 2021COMPARISON – INDICES IN TOTAL RETURN
FROM 23 OCTOBER 2006 (IPO) TO 31 DECEMBER 2021MARKET CAPITALISATION
FROM 23 OCTOBER 2006 (IPO) TO 31 DECEMBER 2021
(IN € MILLION)

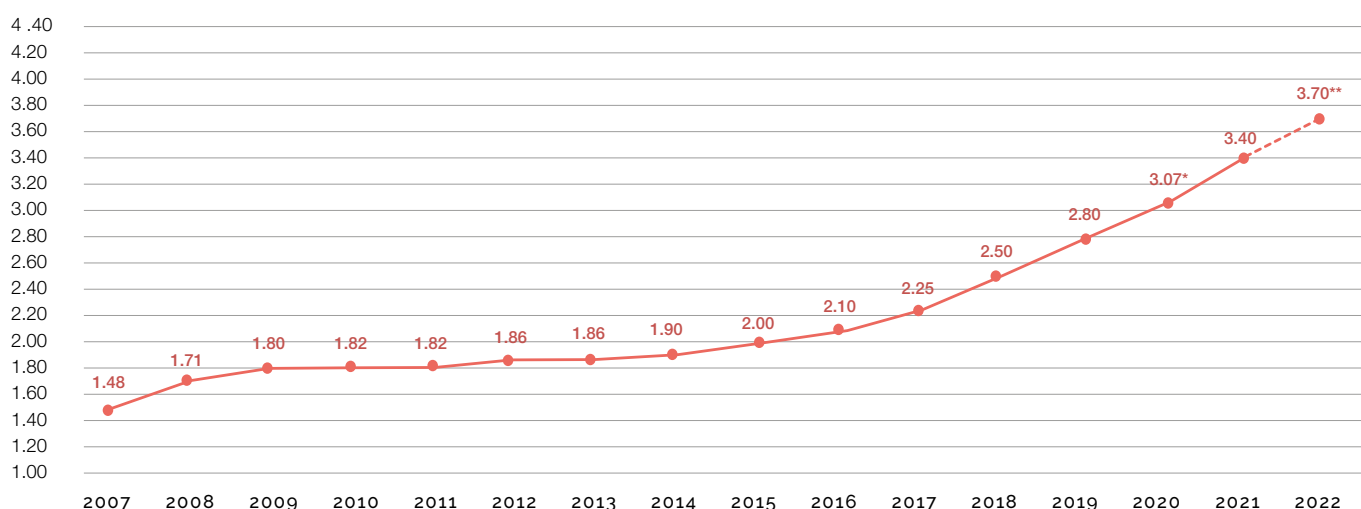
Number of shares	31/12/2021 (12 months)	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Total number of shares on the stock market [°]	36,308,157	33,086,572	33,086,572
Total number of treasury shares	0	0	0
Number of shares outstanding after deduction of treasury shares	36,308,157	33,086,572	33,086,572
Weighted average number of shares outstanding (IAS 33)	34,789,526	27,472,976	26,512,206
Number of dividend rights ^{°°}	34,851,824		26,628,340

[°] 2,800,000 new shares were listed on the stock market on 15 June 2021, 184,492 new shares were listed on the stock market on 29 June 2021 and 237,093 new shares on 8 September 2021.

^{°°} Based on the rights to the dividend for the shares issued during the year.

Aedifica share	31/12/2021	30/12/2020
Share price at closing (in €)	114.90	98.30
Net asset value per share excl. changes in fair value of hedging instruments* (in €)	77.35	65.75
Premium (+) / Discount (-) excl. changes in fair value of hedging instruments*	48.5%	49.5%
Net asset value per share (in €)	76.60	64.17
Premium (+) / Discount (-)	50.0%	53.2%
Market capitalisation	4,171,807,239	3,252,410,028
Free float ¹	100.0%	100.0%
Total number of shares listed	36,308,157	33,086,572
Denominator for the calculation of the net asset value per share	36,308,157	33,086,572
Average daily volume	50,797	52,062
Velocity ²	37.6%	74.9%
Gross dividend per share (in €) ³	3.40	4.60
Dividend gross yield ⁴	3.0%	4.7%

GROSS DIVIDEND EVOLUTION (€/SHARE)



* Pro rata of the €4.60 dividend (18 months) over 12 months.

** Outlook (see pages 58-59).

1. Percentage of the capital of a company held by the market, according to the definition of Euronext. See press release of 3 July 2019 and section 3 of this chapter.
2. Total volume of share exchanged annualised divided by the total number of shares listed on the market, according to the definition of Euronext.
3. 2021: proposed dividend to the Annual General Meeting.
4. Gross dividend per share divided by the closing share price.

2. DIVIDEND

For the financial year 2021, Aedifica's Board of Directors proposes a gross dividend of €3.40 per share. The dividend will be split between coupon No. 28 (€1.5370 for the period 1 January 2021 to 14 June 2021) and coupon No. 29 (€1.8630 for the period covering 15 June 2021 to 31 December 2021). The dividend will be paid in May 2022, after approval of the financial statements by the General Meeting of 10 May 2022.

As a RREC investing more than 80% of its portfolio in European (residential) healthcare real estate, the withholding tax on dividend for Aedifica's investors amounts to only 15%⁷. The Belgian government decided in 2021 to increase the threshold to apply the reduced withholding tax rate from 60% to 80% for dividends attributed or made payable as from 1 January 2022. Aedifica is monitoring this threshold in line with the guidelines from the Belgian government. The total net dividend per share after deduction of the withholding tax of 15 % will amount to €2.89 (€1.3065 for coupon No. 28 and €1.5836 for coupon No. 29).

3. SHAREHOLDING STRUCTURE

The table below lists Aedifica's shareholders holding more than 5% of the voting rights. (as of 31 December 2021, based on the number of shares held by the shareholders concerned as of 5 July 2019; Aedifica has not received any transparency notifications regarding a status after 5 July 2019). Declarations of transparency and control strings are available on Aedifica's website. According to Euronext's definition, the free float is 100%.

	# of voting rights	Date of the notification	% of the total number of voting rights
BlackRock, Inc.	1,230,883	5 July 2019	5.00%
Other shareholders			95.00%
Total			100%

4. BOND

Aedifica also relies on the debt capital market and issued a benchmark Sustainability bond in September 2021.

Type	ISIN-code	Nominal amount (in € million)	Duration (years)	Maturity date	Coupon
Sustainability bond	BE6330288687	500	10	09/09/2031	0.75%

5. SHAREHOLDERS' CALENDAR⁵

Annual General Meeting 2022	10/05/2022
Interim statement 31/03/2022	11/05/2022
Payment of the dividend ⁶ relating to the 2021 financial year	As from 17/05/2022
Coupon	28
Ex-coupon date	11/06/2021
Coupon	29
Ex-coupon date	13/05/2022
CSR Report 2021	10/06/2021
Half year results 30/06/2022	05/08/2022
Interim statement 30/09/2022	09/11/2022
Annual press release 31/12/2022	February 2023
2022 Annual Financial Report	March 2023
Annual General Meeting 2023	09/05/2023
Payment dividend relating to the 2022 financial year	As from 16/05/2023

Financial service responsible for the dividend payment: ING Belgium (main paying agent) or any other financial institutions.

€3.40/share
PROPOSED GROSS
DIVIDEND FOR 2021

15%
REDUCED WITHHOLDING
TAX RATE

5. These dates are subject to change.

6. The dividend will be distributed over coupons No. 28 (pro rata temporis dividend for the period from 1 January 2021 up to and including 14 June 2021) and No. 29 (pro rata temporis dividend for the period from 15 June 2021 up to and including 31 December 2021).

7. For more information on the 80% threshold for the reduced withholding tax on dividends, see page 148

Risk factors

Aedifica carries out its activities in a constantly changing environment, which implies certain risks. Since the materialisation of these risks could have a negative effect on the Group, they are considered as part of every investment decision. Aedifica aims to manage these risks to the best of its ability. Thus, they are monitored on a regular basis by the Board of Directors and a risk management policy has been put in place, as detailed on page 101 in the 'Corporate Governance Statement' chapter.





Risk factors

This chapter only describes the risk factors that are specific and of material importance for Aedifica. This overview is thus not exhaustive and was prepared on the basis of the information that was available as of 18 March 2022. It is acknowledged that other risk factors may exist, which are currently unknown, remote or considered as benign for the Company, its operations and/or its financial position.

1. MARKET RISKS

1.1 REAL ESTATE MARKET RISK

Rent levels, vacancy rates and property values are highly influenced by market supply and demand. The principal risks that may arise from this are:

- a decrease in rental income due to vacancy and turnover costs;
- a decrease in contractual rents and the value of the portfolio when new leases are established or existing ones renewed;
- capital losses on disposals;
- a drop in the rental yield due to higher acquisition prices.

Aedifica anticipates these risks by pursuing an investment policy that is diversified in terms of geographical spread, care operators and health-care real estate segments. Each segment of the market in which Aedifica invests targets different types of tenants and has distinctive characteristics (with respect to regulations, lease terms, tenants' funding, etc.). Given that rental income comes from long-term leases, the Group has a

good view on future revenue streams (the weighted average unexpired lease term (WAULT) of Aedifica's contracts stands at 20 years).

Aedifica also intends to continue to expand its portfolio in order to reduce the weight of each individual property, improve asset management, and increase the operating margin* through economies of scale. To this end, the Group maintains close relations with its main tenants and is advised by qualified local experts in each country. Nevertheless, the Group's diversification, portfolio growth and asset management cannot fully eliminate the risks outlined above.

1.2 CONCENTRATION RISK

Given the dynamism of the large care operators and the consolidation that has been going on in the private sector for a number of years, there is a risk of concentration of the tenant base, with a large proportion of the rents coming from a single tenant group. Such a concentration within the portfolio can result from acquisitions by the Group, but can also occur in a passive way through acquisitions and mergers of existing tenants. Concentration of the tenant base can influence the Group's degree of diversification and cause a drop in income and cash flows when a tenant leaves or experiences financial difficulties. Furthermore, if the 20% diversification threshold set forth in Article 30 of the Belgian Law of 12 May 2014 (RREC law) would be exceeded, the Company would not be allowed to make any investments, divestments or undertake other actions that would result in this percentage increasing further.

The impact of tenant concentration on the diversification of Aedifica's tenant base has been offset by the strong growth of the portfolio. The integration of new tenants with solid business models (private as well as non-profit and public operators) provides a better spread of rental income over a larger group of tenants and this has significantly reduced the concentration risk. On 31 December 2021, Aedifica had a diversified tenant base of more than 130 operator groups. The five largest tenant groups represent 33% of Aedifica's contractual rents and the largest tenant group (Korian) represents only 11% (see pages 64-66 of the Property Report for more information on tenant concentration). No tenant group exceeds the statutory limit of 20% of the Group's consolidated assets.

MARTHA FLORA HILVERSUM
• HILVERSUM, NL



Aedifica anticipates risks by pursuing a diversified investment policy in terms of geographical spread, care operators and healthcare real estate segments.



REMBERTUS • MECHELEN, BE

1.3 INFLATION RISK

All rents are subject to indexation (although the indexation mechanism differs between the countries in which the Group operates). Since Aedifica's WAULT stands at 20 years, the future like-for-like evolution of rental income and the valuation of these assets depends to a large extent on inflation. The impact of inflation on rental income can be summarised as follows: an increase in the index of 100 bps would generate approx. €2.6 million in additional rental income.

In addition, in a context of increasing nominal interest rates, lower inflation implies higher real interest rates, which in turn implies that financial charges are growing faster than the indexation of rental income. Aedifica has taken the necessary steps to mitigate these risks (see section 3.1 – interest rate risk below). However, these measures cannot completely eliminate the inflation risk and the risk of higher real interest rates which could have a negative impact on the Group's assets, business, financial position and prospects.

In the event of negative inflation, most contracts, but not all, set a floor at the level of the initial rent.

1.4 ECONOMIC RISK

The Group's activities are impacted by the general economic climate and are subject to economic cycles, as these affect the available income of existing tenants (and hence their ability to meet their financial commitments), the demand for rental properties and the valuation of real estate, as well as the availability and cost of financing. A downturn in key macroeconomic indicators could have a negative impact on Aedifica's business and its development prospects. Furthermore, there is a potential risk that co-contractors (service providers, banks providing credit and hedging, contractors, etc.) default or go bankrupt.

To mitigate these risks, Aedifica continues to diversify its investments within the limits of its investment strategy, both geographically and in accordance with other diversification themes (including building types, tenants, healthcare real estate segments, possibilities for alternative use, public funding, etc.). Moreover, it should be noted that healthcare real estate is a resilient real estate segment with strong growth potential. This is due to demographically-driven increases in the demand for healthcare properties in the countries where Aedifica operates, at the same time as supply tends to stagnate or grow more slowly as a result of restrictions imposed by public authorities. Furthermore, the healthcare sector benefits from the long-term support of public authorities that fund care in general, and care dependency in particular, through their social security systems. Despite the Group's diversification efforts, a negative shift in the main macro-economic indicators or defaults by its various partners may still have a negative impact on the Group's assets, business, financial position and prospects.



SENIORENNQUARTIER KAEMENAS HOF ·
BREMEN, DE

Due to the continued ageing of the European population, the Covid-19 pandemic will not have a material impact on the long-term demand for healthcare real estate.

1.5 RISKS LINKED TO THE COVID-19 PANDEMIC

The global COVID-19 pandemic has led to higher mortality rates in the segment of people aged 80 years and older and has created specific operating challenges and risks for the tenants that operate Aedifica's (elderly care) buildings:

- staff shortages due to sickness or quarantine measures;
- higher costs due to protective measures;
- (temporary) lower occupancy rates due to excess mortality, a negative public perception of residential care for the elderly and temporary admission stops.

These challenges and risks can lead to a decrease in the revenues of Aedifica's tenants and may in turn impact their capacity to pay rent. This can lead to a temporary or permanent reduction of Aedifica's rental income and can influence the valuation of its investment properties. As such, the main risk to Aedifica that could arise from the COVID-19 pandemic is the impact of the pandemic on other identified risks.

The pandemic is evolving quickly and the consequences and risks for Aedifica's tenants are influenced by various factors and uncertainties: tenant size and solvency, (local) governmental measures, local spread of the virus and (local) lock-down measures, availability of staff, perception of the public vis-à-vis the sector, (booster) vaccination programmes, etc. In the long term, the pandemic can also have an impact on the financing systems of the healthcare sector. The consequences of these risks for the Group (should they occur) cannot be predicted at this stage given their uncertain nature. However, due to the (continued) ageing of the European population (see page 86), the pandemic will not have a material impact on the long-term demand for healthcare real estate.

As of 31 December 2021, the pandemic had no material impact on the results of the Group (also see page 49).

2. RISKS LINKED TO AEDIFICA'S REAL ESTATE PORTFOLIO

2.1 RENTS AND TENANTS

Aedifica's total turnover consists of rental income from buildings leased to professional care operators. When tenants leave on an expiry date or when the lease agreement lapses, new leases may yield lower rents than the current leases. A gloomy economic climate or other factors that can have a material impact on the rent payment capacity of tenants (for example, the COVID-19 pandemic can lead to a decrease in the occupancy rate, putting pressure on the rent payment capacity of care operators) can also lead to the renegotiation of current leases. Such renegotiations can lead to rent reductions whereby the rent levels of tenants are rebalanced with their future income potential in order to ensure the sustainability of the cash flows generated by the buildings. This could have a negative impact on the Group's income and cash flows. The concentration of the tenant base (see page 142) could further increase this risk.

Aedifica is also exposed to the risk of financial default by its tenants. Tenant default can have a negative impact on the Group's results and therefore on earnings per share and the capacity to pay dividends. Furthermore, the Group is not insured in the event of such tenant defaults. To mitigate this risk, Aedifica ensures that there is a thorough analysis of the business plan of the operators, that there is constant monitoring of the financial performance of existing tenants and that there is a rigorous procedure for the invoicing and follow-up of tenants with payment difficulties. Moreover, in most cases a rental guarantee is agreed with the operator (in the form of bank guarantees, blocked accounts or other guarantees), in line with established market practice.

Despite these measures, the risk of loss of rental income cannot be ruled out. As of 31 December 2021, the charges on the provisions for doubtful debts amounted to approx. €0.7 million on approx. €232.1 million in rental income. A loss of €10 million in rental income would reduce earnings per share by approx. €0.29. A decrease in rental income can also have a negative effect on the valuation of the property concerned.

2.2 VALUATION OF THE BUILDINGS

The fair value of investment properties (accounted for in accordance with IAS 40) fluctuates over time and depends on various factors over which Aedifica does not have complete control (such as decreasing demand or occupancy rates, an increase in the transfer charges, etc.). A potential impairment loss on properties of the portfolio could have a negative impact on the results and financial situation of the Group. Each quarter, the fair value of investment properties is assessed by independent valuation experts. As of 31 December 2021, a change of 1% in the fair value of investment properties would have an impact of approx. €48.4 million on the net income, approx. €1.39 on the net asset value per share and approx. 0.4% on the consolidated debt-to-assets ratio. Over the course of the financial year, the fair value of marketable investment properties increased by 3.8% on a like-for-like basis*.

2.3 DEVELOPMENT ACTIVITIES

Aedifica acquires buildings in development and also develops its own projects (specifically in Finland and Sweden and to a limited extent in other countries), which allows the Group to supervise the development works and ensure that the delivered buildings are of high quality. These development activities entail the following potential risks:

- finding the right partners to carry out the building work;
- building delays can lead to a loss of potential income;
- budget overruns as compared to initial investment budget;
- the bankruptcy of a construction company can lead to delays and additional costs;
- increased building costs;
- a complex permit process can lead to delays and additional costs;
- health and safety on construction sites;
- other organisational problems.

While the risks arising from development activities cannot be avoided, the Group does its best to negotiate contracts that minimise them:

- the projects in which Aedifica invests are always backed by a pre-let agreement;
- investments in turnkey projects;
- obtaining a building permit is always a preceding condition for the project.

As of 31 December 2021, Aedifica's total investment budget for development projects amounts to approx. €767 million.

2.4 MANAGEMENT

To maintain the quality of Aedifica's real estate (and its independent valuation), the Group has developed an internal property management structure, under which property managers visit and inspect the buildings on a regular basis, engage with tenants and evaluate whether the safety and maintenance of the buildings meet quality standards. On the basis of this dialogue, investments are made in renovations or extensions when necessary. Although Aedifica always enters into long-term relationships with its tenants and the Group regularly monitors the quality of its portfolio and – where necessary – invests in renovations, the risk cannot be excluded that the perceived quality of its buildings may deteriorate significantly and have an impact on the valuation of the buildings (see above).

The buildings in Aedifica's portfolio are insured against fire and other disasters. The insurance policies are usually taken out by the tenants and also cover rental vacancies during the reconstruction of buildings.

In addition, there is also a risk that when a tenant leaves, his/her/its rental guarantee does not cover the financial risk of renovations or changes to the building.



3. FINANCIAL RISKS¹

3.1 INTEREST RATE RISK

A substantial part of Aedifica's financial debts are floating-rate borrowings. This allows Aedifica to benefit from low interest rates on the non-hedged part of its borrowings. To mitigate the risk of increasing interest rates, Aedifica follows a policy aimed at securing for a period of several years the interest rates related to at least 60% of its current or highly probable indebtedness. It should be noted that the Company assumed certain fixed-rate debts which came from pre-existing investment credits tied to real estate companies which were acquired or absorbed by the Company. Aedifica extended and increased its hedge ratio by closing new forward starting swaps and some caps to hedge the interest rate risk. In addition, the USPP and the benchmark bond issue have rebalanced Aedifica's mix of fixed and floating rate debt. On 31 December 2021, the financial debt is hedged against interest rate risk for 90.3%, i.e. the ratio of the sum of the fixed rate debt and the notional amount of derivatives divided by the total financial debt. The hedging's weighted average maturity is 6.6 years.

This policy is supported by the fact that an increase in nominal interest rates, when not coupled with a simultaneous increase in inflation, implies an increase in real interest rates that cannot be offset by increasing rental incomes through indexation alone. Moreover, in case of accelerating inflation, there is a delay between the timing of the increase of the nominal interest rates and the timing of the indexation of rental income.

In order to manage the interest rate risk, Aedifica has put in place hedges (interest rate swaps and caps). All hedges are entered into with leading banks and relate to existing or highly probable risks. An analysis of Aedifica's hedges is included in Note 33 of the Consolidated Financial Statements.

3.2 DEBT STRUCTURE

Aedifica's debt-to-assets ratio is monitored and published each quarter and its evolution is projected during the approval process of each major investment project. As of 31 December 2021, the consolidated debt-to-assets ratio amounted to 42.6%. Aedifica's theoretical additional debt capacity based on the maximum debt-to-assets ratio allowed under its corporate status as a RREC (65% of total assets) and under current bank covenants (60% of total assets) is set out on page 56.

In its relations with financial counterparties, Aedifica is bound to observe a number of financial parameters, as part of certain credit facilities and/or the legal regimes to which all or certain entities of the Aedifica group are subject. Non-compliance with financial parameters could lead to:

- sanctions (e.g. the loss of the RREC status) and/or increased regulatory oversight in the event of non-compliance with the statutory financial parameters (e.g. exceeding the 65% threshold for the consolidated debt-to-assets ratio);
- a cancellation or renegotiation of credit facilities, or mandatory early repayment of outstanding amounts as well as reduced confidence among investors and/or financial institutions, in the event of non-compliance with contractual covenants (e.g. exceeding the 60% threshold for the consolidated debt-to-assets ratio, change of control of the Group, etc.), which in turn could lead to reduced liquidity. As Aedifica

does not have controlling shareholders (only one shareholder exceeds the 5% transparency notification threshold), there is a potential risk of a hostile takeover that can trigger the so-called 'change of control' clause;

- some or all of these defaults could allow creditors to (i) seek early repayment of such debts as well as other debts subject to cross-default or cross-acceleration provisions, (ii) declare all outstanding loans due and payable and/or (iii) cancel undrawn commitments;
- in line with market practice, credit facilities include market disruption clauses and material adverse change (MAC) clauses which, in some extreme circumstances, can generate additional costs for the Company, and in even more extreme cases can even lead to the early termination of a credit facility.

Although the potential impact would be significant, Aedifica evaluates the risk as unlikely.

3.3 LIQUIDITY RISK

The Group may be exposed to a liquidity risk if its existing financing agreements are not renewed at maturity, if no additional new funding sources can be found to finance the portfolio growth or due to a lack of cash flow in the event of early termination of credit facilities.

To finance its activities and investments, Aedifica relies heavily on its ability to raise financial resources. This ability can be disrupted by a variety of (external) factors, such as disruptions in international financial debt and equity markets, a reduction in the lending capacity of banks, a deterioration in the creditworthiness of the Aedifica group, a negative perception of investors with regard to real estate companies, etc. Any of these events could cause Aedifica to experience difficulties in accessing funding under its existing or new credit facilities or in the capital markets. As a consequence, Aedifica might not be able (i) to meet its financial obligations (including interest payments, loan repayments, operating costs or development costs), or (ii) to finance its activities.

If the Company would be exposed to a liquidity issue, it could, in the worst case, be forced to dispose of assets.

As of 31 December 2021, the Group has drawn €1,811 million (31 December 2020: €1,669 million) from the total amount of €2,788 million of confirmed bank financing, medium-term notes and bonds. The remaining headroom is sufficient to cover the Group's short-term financial needs as well as the existing development projects until the end of the 2022 financial year. The 2022 financial plan includes payments in the context of the committed pipeline of development projects amounting to approx. €350 million.

In 2018, Aedifica launched a programme to issue treasury notes with varying maturities. The short-term treasury notes are fully hedged by the available funds on confirmed long-term credit lines and thus they do not increase the liquidity risk. Details regarding Aedifica's credit lines are described in Note 32 of the Consolidated Financial Statements.

As Aedifica's financial model is based on a structural indebtedness, cash balances remain relatively limited. They amounted to approx. €15.3 million as of 31 December 2021 (at consolidated level).

1. See pages 146-147 for more information about Aedifica's financial risk management.

3.4 RISK OF A DOWNGRADING OF CREDITWORTHINESS

Aedifica has a credit rating assessed by an independent rating agency. In August 2021, S&P Global assigned the Group a BBB investment-grade rating with a stable outlook (see page 50). This rating can be adjusted at any time. A rating downgrade could lead to an increase in the Group's financing cost. In addition, a downgrade could also affect the appetite of credit providers to partner with Aedifica, which could compromise the Group's access to the debt market and thus its ability to finance its operations and growth.

3.5 EXCHANGE RATE RISK

Aedifica earns approx. 22% of its income and incurs part of its expenses in the United Kingdom and Sweden and is therefore exposed to an exchange rate risk. Future fluctuations in the exchange rate may affect the value of Aedifica's investment properties, rental income and the net result, all of which are expressed in euros. An active hedging policy is in place to limit the £/€ exchange rate risk and its impact on Aedifica's result, if and when it is deemed necessary.

A 10% change of the £/€ exchange rate has an impact of approx. €83.2 million on the fair value of the Group's investment properties located in the United Kingdom, approx. €5.0 million on the Group's annual rental income and approx. €5.5 million on the Group's net result.

A 10% change of the SEK/€ exchange rate has an impact of approx. €7.9 million on the fair value of the Group's investment properties located in Sweden, approx. €0.2 million on the Group's annual rental income and approx. €0.7 million on the Group's net result.

4. LEGAL AND REGULATORY RISKS

4.1 RISKS LINKED TO REGULATORY CHANGES

New regulations or changes to existing regulations (at European, national or local level), including those relating to healthcare, property rental, taxation, the environment, urban development, mobility policy, privacy and sustainable development, the renewal of licences with which Aedifica or its tenants must comply, or a change in the application or interpretation of such regulations by the administration (including the tax administration) or the courts, can increase the administrative costs and liabilities of the Group, and may have a major impact on the return, the fair value of the investment properties and on the tenants.

In particular, it is changes in the healthcare financing system that pose the greatest risk to the Group. Often the revenues of care operators are derived in part from subsidies (direct or indirect) granted by local social security systems. These systems depend on national and local governments and can be reformed from time to time depending on the political situation. A reform of these financing systems in one of the regions in which Aedifica operates (e.g. as a result of the pressure exerted by the COVID-19 pandemic on social security systems), could potentially have an impact on the solvency of care operators, thus creating the risk that they would not be able to meet their contractual obligations towards the Group.

Although Aedifica strictly monitors compliance with regulations, drawing on all necessary expertise, the risks associated with regulatory changes cannot be ruled out.

4.2 RISKS LINKED TO THE CORPORATE STATUS AND TAX REGIMES

As a 'public regulated real estate company under Belgian law' ('public RREC') – and in order to keep this status – Aedifica is subject to the requirements of the law of 12 May 2014 on regulated real estate companies, as amended from time to time (the 'RREC Act'), which contain restrictions regarding (amongst others) the activities, the debt-to-assets ratio, the result processing, conflicts of interest and corporate governance.

As a public RREC, Aedifica benefits from a specific tax regime. Its result (rental income and capital gains on disposals, after deduction of operating costs and financial expenses) is exempt from corporate income tax at the level of the public RREC (i.e. the public RREC is subject to corporate income tax at the normal rate, but only on a limited taxable basis, consisting of the sum of (i) the abnormal or benevolent advantages

SENIORENZENTRUM WEIMAR
• WEIMAR, DE



TUUSULA ISOKARHUNKIERTO
• TUUSULA, FI



REMBERTUS • MECHELEN, BE

it receives and (ii) the expenses and costs that are not deductible as business expenses, other than write-downs and capital losses on shares), while subsidiaries that do not have the status of a RREC or a specialised real estate investment fund remain subject to corporate income tax. To the extent that Aedifica directly holds real estate that is not located in Belgium, the Group may be subject to local taxes. The Company's subsidiaries that are not registered in Belgium are also subject to the provisions of the locally applicable common corporate income tax laws. If Aedifica is unable to meet the requirements of the RREC status (this would suppose major and re-iterated disregard for the provisions of the RREC Act), there is a risk that the market authority (the FSMA) will impose sanctions and that Aedifica might lose its RREC status. In that case, the Group would lose the benefits of its special tax regime as a public RREC and the benefit of the reduced withholding tax rate of 15% on its dividends (see section 4.3 below). Furthermore, the loss of the RREC status is generally considered in credit facilities as a reason for the early repayment of all loans granted to the Company, which could in turn lead to a reduced liquidity (see section 3.3 above).

Companies (other than RRECs or specialised real estate investment funds) which were, or are, absorbed by the Company, owe an exit tax payable on their unrealised capital gains and exempted reserves. The exit tax is calculated taking into account the provisions of the circular Ci. RH. 423/567.729 of 23 December 2004; the prescribed interpretation or practical application of this circular is subject to change at the Government's discretion at any time, which could, depending on the change, have a significant negative impact on the acquisition cost of real estate and thus on the overall profitability of the Group. Since the exit tax only applies to acquisitions in Belgium and, in recent years, Aedifica has carried out most of its investments in other countries, the potential impact of this risk is limited.

With regard to the Dutch activities, the Group has applied for its Dutch subsidiary to be recognised as a 'Fiscale Beleggingsinstelling' ('FBI'), a transparent tax regime. As a matter of prudence, the Group recognised a generally applicable corporate income tax burden in the income statement to account for the possibility that the Company may not obtain an 'FBI' status. In the meantime, Aedifica, assisted by external consultants, continues to work towards obtaining the FBI status, which could have a positive impact on the Group's results.

4.3 RISK OF THE WITHHOLDING TAX ON DIVIDENDS

The Belgian withholding tax on dividends amounts in principle to 30%, subject to reduction or exemption under the applicable Belgian provisions or tax treaties. However, a reduced withholding tax rate of 15% applies to dividends distributed by RRECs that invest at least 80% of their real estate directly or indirectly in 'healthcare real estate' (Article 269, §1, 3° of the Belgian Income Tax Code '92). In 2021, the Belgian government decided to increase the threshold for the application of the reduced rate of 15% from 60% to 80% for dividends attributed or made payable as of 1 January 2022. Healthcare real estate is defined as immovable property that is located in a member state of the European Economic Area and is exclusively or mainly used or intended as residential units adapted to residential care or health care. Following the Brexit, a transition regime has been provided for the inclusion of Aedifica's UK portfolio in the 80% threshold until the end of 2025. The Group monitors this threshold in accordance with the Belgian government's guidelines. As Aedifica invests more than 80% of its property portfolio in healthcare real estate, shareholders benefit from this reduced rate of 15%. If the Group were no longer to comply with this 80% threshold, shareholders would have to pay the standard withholding tax rate (30% instead of 15%). In addition, there is a political risk that the reduced withholding tax rate might be abolished or its terms adjusted in such a way that Aedifica's shareholders would no longer be entitled to it. While this risk would not have a material impact on the Group's activities, the cancellation of the reduced withholding tax rate could make the Aedifica share less attractive and lead to a temporary decrease in the share price.

5. BUSINESS RISKS

5.1 GROWTH MANAGEMENT RISK

Aedifica's steady growth could lead to a scarcity of available financing (in the form of either debt or equity). To counter this risk, the Group is developing an ever-expanding network of actual and potential providers of financial resources. It is also important that there is a positive perception of Aedifica's access to the capital markets. In 2021, the Group further diversified its financial resources through the issuance of its first Sustainability Bond amounting to €500 million.

There is also an operational risk if, due to the pace of growth, the Group proves unable to integrate all its activities, acquisitions and takeovers correctly (e.g. when mistakes or operational problems occur, or when there are shortcomings in the follow-up of acquisitions). To counter these risks and to meet the challenges of its growth and internationalisation, the Group regularly updates its procedures, without compromising its flexibility and agility (see page 28). In addition, the Group implemented an ERP system in 2020 and a treasury management system in 2021. The Group is also expanding its team to include individuals with specialised competencies.

5.2 INTERNATIONALISATION RISK

The internationalisation of the Group's activities can bring new risks related to the increasing complexity in the management of daily activities (specific characteristics of each foreign market, cultural barriers, language barriers, integration, property management, etc.) and the accumulation of regulatory risks in the different countries. These risks can have an impact on the reputation and prospects of the Group.

To mitigate these risks, Aedifica calls upon local experts to support its international development and implements the required structures and procedures to ensure smooth international development. By developing an operating model based on close cooperation and interaction between local teams in the countries in which Aedifica operates, local proximity and agility are combined with economies of scale in terms of operational excellence and know-how. An additional benefit of this operating model is that it can be easily rolled out to new markets.

5.3 REPUTATION RISK

Reputation and visibility are key issues for a listed group in full growth. With Aedifica's growth and internationalisation, the possibility and impact of the risk of reputational damage is increasing. The Group must not only ensure its reputation and visibility in the different countries in which it operates, its reporting is also analysed more carefully by an ever-growing group of investors and analysts. To mitigate reputation risk, the Group communicates in a transparent way on its financial and sustainability performance in line with sector standards (e.g. EPRA and GRI).

The treatment of residents by tenants could also impact the Group's reputation. As high-quality treatment and comfort of residents are of utmost importance to Aedifica, all reports from local healthcare authorities are thoroughly monitored. In case of irregularities, operators are evaluated and asked to implement a plan to avoid any future infringements.

Should Aedifica's reputation suffer, this could affect its growth prospects and make access to capital more difficult. The Group currently has an excellent reputation thanks to its long-standing track record and it remains in close contact with its stakeholders in order to maintain this reputation. However, the Group cannot completely eliminate the risk of damage to its reputation.

5.4 RISK OF LACK OF GROWTH

Since its incorporation, the Group's portfolio has expanded at a compound annual growth rate (CAGR) of 24%. Aedifica's growth contributes to the premium included in the share price compared to the net asset value per share (on 31 December 2021, this premium was approx. 50%). Lack of growth hence constitutes a risk for a company like Aedifica as it could affect the stock market's expectations and could lead to a decline in the share price. Furthermore, a lack of growth could also trigger a breach of trust with the Group's various stakeholders or make access to capital more difficult. However, Aedifica is committed to maintain its sense of dynamism and entrepreneurship: the key team members are constantly expanding their networks and Aedifica invests in the development of country teams, which enables the Group to stay abreast of what is happening in its (local) markets and to easily identify new opportunities.



HUIZE ERESLOO • DUIZEL, NL

6. RISKS RELATED TO SUPPORTING PROCESSES

6.1 RISKS RELATED TO TEAM MEMBERS

Aedifica's international growth has increased the Group's visibility, which may trigger headhunters to recruit members of the Aedifica team. The unexpected departure of certain key staff members could expose Aedifica to a certain risk of disorganisation and loss of knowledge and could have adverse consequences for the Group's development.

Consequently, Aedifica has developed a human resources policy aimed at retaining its employees within the company to the greatest extent possible through (amongst other things) an appropriate remuneration policy, offering a training programme and the possibility of internal career development. The Group continuously invests in a healthy, safe and pleasant work environment to keep its employees safe and motivated. In order to monitor employee engagement and satisfaction, Aedifica conducts an annual employee survey, which is used to introduce new measures to improve employee satisfaction.

In addition, the Group has a proactive recruitment policy which has led to the creation of several new positions in recent years. The risk of loss of knowledge due to the departure of key figures is further mitigated, on the one hand, by staff growth and, on the other, by the development of a high-performance operating model and the standardisation of business processes which ensure that Aedifica's experience and know-how remain within the company and continue to circulate efficiently among its team members.

6.2 IT RISKS

Good management of the IT infrastructure is of fundamental importance for Aedifica. A loss or unavailability of data could cause a disruption of management and investment activities, and a disruption of the internal and external reporting process. To mitigate these risks, Aedifica has an IT team that is assisted by an external partner in managing the IT infrastructure (hardware and software) and in the security and storage of data. In addition, local and cloud backups are performed regularly. A cyber security policy has been signed as well, insuring the Group against various types of cybercrime. However, the Group cannot completely eliminate IT risks.

6.3 INTEGRITY RISK

As the Group grows, so does the risk of practices that could compromise Aedifica's integrity, such as tax fraud, corruption, bribery or conflicts of interest. An erosion of the integrity could seriously damage the Group's reputation and have a severe impact on the activities of Hoivatilat, which regularly works with local authorities and the public sector. To mitigate this risk, Aedifica has implemented the necessary business processes and developed a code of conduct and an anti-bribery and corruption policy to which both its team members and its business partners must adhere. However, the risk of Aedifica's integrity being compromised cannot be completely eliminated.



KLEIN VELDEKENS • GEEL, BE



LE JARDIN INTÉRIEUR • FRASNES-LES-AVAING, BE

7. RISKS RELATED TO CORPORATE SOCIAL RESPONSIBILITY¹

7.1 RISKS RELATED TO CSR TRANSPARENCY

As a result of international growth, the Group's activities are being monitored by an increasingly large group of institutional investors and financial institutions. For them, it is important that Aedifica has sound CSR scores in order to justify an investment in the Group or the granting of financing. Aedifica is therefore exposed to the risk of being insufficiently transparent regarding its objectives and performance in the area of corporate social responsibility, which could potentially cause the Group to lose investors or financing. A lack of ESG transparency could also lead to reputational damage. To mitigate these risks, Aedifica has developed an ambitious CSR action plan (see CSR Report, published and updated on an annual basis). In addition, the Group has entered into a dialogue with its tenants to raise their awareness of CSR measures and to support them in complying with these measures.

7.2 CLIMATE CHANGE RISK

Climate change can result in warmer summers across the European continent, which may require modifications to buildings to keep indoor temperatures comfortable (such as air conditioning, additional insulation, etc.). This may lead to a complete rethink of the way buildings are designed, with more attention being paid to the (active and passive) cooling of buildings. In addition, climate change may lead to rising sea levels and extreme weather conditions that could damage buildings, such as the 2021 floods that partially impacted some of the Group's properties in Germany. To mitigate these risks, building cooling, environmental aspects and flood risks are taken into account to the maximum extent when developing projects and in the due diligence process of acquisitions.

1. See Aedifica's CSR Report for a complete overview of CSR-related risks.

EPRA





4.35/share
EPRA EARNINGS



0 %
EPRA VACANCY RATE



**EPRA BPR
Gold Award**
FOR 2019/2020



1.5%
WEIGHT IN THE EPRA
EUROPE INDEX

EPRA



The EPRA ('European Public Real Estate Association') is the voice of Europe's publicly traded real estate sector and the most widely used global benchmark for listed real estate. The Aedifica share has been included in the 'FTSE EPRA/NAREIT Developed Europe Index' since March 2013.

At 31 December 2021, Aedifica is included in the EPRA Europe index with a weight of approx. 1.5% and in the EPRA Belgium index with a weight of approx. 19.5%.

In September 2021, Aedifica received a 7th consecutive 'EPRA BPR Gold Award' for its Annual Financial Report (financial year 2019/2020), thus remaining in the leading group of European companies evaluated by EPRA.

1. EPRA key performance indicators

			31/12/2021 (12 months)	31/12/2020 (18 months)
EPRA Earnings*	Earnings from operational activities	x €1,000	151,479	162,718
		€ / share	4.35	6.14
EPRA Net Reinstatement Value*	Net Asset Value adjusted in accordance with the Best Practice Recommendations (BPR) Guidelines published by EPRA in October 2019 for application as from 1st January 2020. EPRA NRV* assumes that entities never sell assets and provide an estimation of the value required to rebuild the entity	x €1,000	3,208,203	2,450,824
		€ / share	88.36	74.01
EPRA Net Tangible Assets*	Net Asset Value adjusted in accordance with the Best Practice Recommendations (BPR) Guidelines published by EPRA in October 2019 for application as from 1st January 2020. EPRA NTA* assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	x €1,000	2,761,180	2,083,669
		€ / share	76.05	62.92
EPRA Net Disposal Value*	Net Asset Value adjusted in accordance with the Best Practice Recommendations (BPR) Guidelines published by EPRA in October 2019 for application as from 1st January 2020. EPRA NDV* represents the value accruing to the company's shareholders under an asset disposal scenario, resulting in the settlement of deferred taxes, the liquidation of financial instruments and the recognition of other liabilities for their maximum amount, net of any resulting tax.	x €1,000	2,626,745	1,944,086
		€ / share	72.35	58.70
EPRA Net Initial Yield (NIY)	Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchaser's costs	%	4.9%	5.2%
EPRA Topped-up NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods or other unexpired lease incentives such as discounted rent periods and step rents	%	5.1%	5.3%
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio	%	0.5%	0.2%
EPRA Cost Ratio (including direct vacancy costs)*	Administrative & operating costs (including costs of direct vacancy) divided by gross rental income	%	16.7%	18.5%
EPRA Cost Ratio (excluding direct vacancy costs)*	Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income	%	16.7%	18.5%

2. EPRA Earnings*

EPRA Earnings*	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
<i>x €1,000</i>			
Earnings (owners of the parent) per IFRS income statement	281,824	103,894	173,068
Adjustments to calculate EPRA Earnings*, exclude:			
(i) Changes in value of investment properties, development properties held for investment and other interests	-160,211	-11,496	-31,476
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	-534	1,827	559
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	0	0	0
(iv) Tax on profits or losses on disposals	559	0	0
(v) Negative goodwill / goodwill impairment	3,540	0	0
(vi) Changes in fair value of financial instruments and associated close-out costs	-14,813	5,587	2,169
(vii) Acquisition costs on share deals and non-controlling joint venture interests (IFRS 3)	0	6,427	6,427
(viii) Deferred taxes in respect of EPRA adjustments	46,452	11,041	14,811
(ix) Adjustments (i) to (viii) above in respect of joint ventures	-6,011	-1,180	-3,007
(x) Non-controlling interests in respect of the above	673	68	167
Roundings	0	0	0
EPRA Earnings* (owners of the parent)	151,479	116,168	162,718
Number of shares (Denominator IAS 33)	34,789,526	27,472,976	26,512,206
EPRA Earnings* per Share (EPRA EPS* - in €/share)	4.35	4.23	6.14
EPRA Earnings* diluted per Share (EPRA diluted EPS* - in €/share)	4.35	4.22	6.13

3. EPRA Net Asset Value indicators

Situation as per 31 December 2021	EPRA Net Reinstatement Value*	EPRA Net Tangible Assets*	EPRA Net Disposal Value*
<i>x €1,000</i>			
NAV per the financial statements (owners of the parent)	2,781,171	2,781,171	2,781,171
NAV per the financial statements (in €/share) (owners of the parent)	76.60	76.60	76.60
(i) Effect of exercise of options, convertibles and other equity interests (diluted basis)	2,235	2,235	2,235
Diluted NAV, after the exercise of options, convertibles and other equity interests	2,778,936	2,778,936	2,778,936
Include:			
(ii.a) Revaluation of investment properties (if IAS 40 cost option is used)	0	0	0
(ii.b) Revaluation of investment properties under construction (IPUC) (if IAS 40 cost option is used)	0	0	0
(ii.c) Revaluation of other non-current investments	0	0	0
(iii) Revaluation of tenant leases held as finance leases	0	0	0
(iv) Revaluation of trading properties	0	0	0
Diluted NAV at Fair Value	2,778,936	2,778,936	2,778,936
Exclude:			
(v) Deferred taxes in relation to fair value gains of IP	118,586	118,586	
(vi) Fair value of financial instruments	27,317	27,317	
(vii) Goodwill as a result of deferred taxes	45,161	45,161	45,161
(vii.a) Goodwill as per the IFRS balance sheet		-206,887	-206,887
(vii.b) Intangibles as per the IFRS balance sheet		-1,934	
Include:			
(ix) Fair value of fixed interest rate debt			9,535
(ix) Revaluation of intangibles to fair value	0		
(xi) Real estate transfer tax	238,203	0	
Include/exclude:			
Adjustments (i) to (v) in respect of joint venture interests	0	0	0
Adjusted net asset value (owners of the parent)	3,208,203	2,761,180	2,626,745
Number of shares outstanding (excl. treasury shares)	36,308,157	36,308,157	36,308,157
Adjusted net asset value (in €/share) (owners of the parent)	88.36	76.05	72.35
<i>x €1,000</i>			
	Fair value	as % of total portfolio	% of deferred tax excluded
Portfolio that is subject to deferred tax and intention is to hold and not to sell in the long run	3,584,425	75%	100%

Situation as per 31 December 2020	EPRA Net Reinstatement Value*	EPRA Net Tangible Assets*	EPRA Net Disposal Value*
<i>x €1,000</i>			
NAV per the financial statements (owners of the parent)	2,123,130	2,123,130	2,123,130
NAV per the financial statements (in €/share) (owners of the parent)	64.17	64.17	64.17
(i) Effect of exercise of options, convertibles and other equity interests (diluted basis)	845	845	845
Diluted NAV, after the exercise of options, convertibles and other equity interests	2,122,285	2,122,285	2,122,285
Include:			
(ii.a) Revaluation of investment properties (if IAS 40 cost option is used)	0	0	0
(ii.b) Revaluation of investment properties under construction (IPUC) (if IAS 40 cost option is used)	0	0	0
(ii.c) Revaluation of other non-current investments	0	0	0
(iii) Revaluation of tenant leases held as finance leases	0	0	0
(iv) Revaluation of trading properties	0	0	0
Diluted NAV at Fair Value	2,122,285	2,122,285	2,122,285
Exclude:			
(v) Deferred taxes in relation to fair value gains of IP	72,687	72,687	
(vi) Fair value of financial instruments	52,212	52,212	
(vii) Goodwill as a result of deferred taxes	45,161	45,161	45,161
(vii.a) Goodwill as per the IFRS balance sheet		-206,887	-206,887
(vii.b) Intangibles as per the IFRS balance sheet		-1,790	
Include:			
(ix) Fair value of fixed interest rate debt			-16,473
(ix) Revaluation of intangibles to fair value	0		
(xi) Real estate transfer tax	158,479	0	
Include/exclude:			
Adjustments (i) to (v) in respect of joint venture interests	0	0	0
Adjusted net asset value (owners of the parent)	2,450,824	2,083,669	1,944,086
Number of shares outstanding (excl. treasury shares)	33,116,464	33,116,464	33,116,464
Adjusted net asset value (in €/share) (owners of the parent)	74.01	62.92	58.70
<i>x €1,000</i>	Fair value	as % of total portfolio	% of deferred tax excluded
Portfolio that is subject to deferred tax and intention is to hold and not to sell in the long run	2,594,842	69%	100%

4. EPRA NIY & EPRA Topped-up NIY

EPRA Net Initial Yield (NIY) and EPRA Topped-up NIY	31/12/2021										
	BE	DE	NL	UK	FI	SE	IE	ES	Non-allocated	Inter-segment items	Total
<i>x €1,000</i>											
Investment properties – wholly owned	1,218,690	1,102,436	587,375	825,057	881,952	79,350	105,755	2,500	-	-	4,803,115
Investment properties – share of JVs/Funds	-	-	-	-	-	-	-	-	-	-	0
Trading properties (including share of JVs)	-	-	-	6,660	28,700	-	-	-	-	-	35,360
Less: developments	-5,473	-44,923	-23,270	-10,051	-50,802	-1,021	-13,914	-2,500	-	-	-151,954
Completed property portfolio	1,213,217	1,057,513	564,105	821,666	859,850	78,329	91,841	-	-	-	4,686,521
Allowance for estimated purchasers' costs	30,615	75,350	45,785	54,636	21,496	1,193	9,127	-	-	-	238,203
Gross up completed property portfolio valuation	1,243,832	1,132,863	609,890	876,302	881,346	79,522	100,968	-	-	-	4,924,724
Annualised cash passing rental income	62,397	51,538	31,208	49,617	45,805	3,892	4,680	-	-	-	249,136
Property outgoings ^o	-627	-1,319	-1,623	-2,949	-1,875	-141	-14	-	-	-	-8,547
Annualised net rents	61,770	50,219	29,585	46,668	43,930	3,751	4,666	-	-	-	240,589
Add: notional rent expiration of rent free periods or other lease incentives	1,478	3,676	47	3,250	713	0	200	-	-	-	9,364
Topped-up net annualised rent	63,248	53,895	29,632	49,918	44,643	3,751	4,866	-	-	-	249,953
EPRA NIY (in %)	5.0%	4.4%	4.9%	5.3%	5.0%	4.7%	4.6%	-	-	-	4.9%
EPRA Topped-up NIY (in %)	5.1%	4.8%	4.9%	5.7%	5.1%	4.7%	4.8%	-	-	-	5.1%

EPRA Net Initial Yield (NIY) and EPRA Topped-up NIY	31/12/2020										
	BE	DE	NL	UK	FI	SE	IE	ES	Non-allocated	Inter-segment items	Total
<i>x €1,000</i>											
Investment properties – wholly owned	1,161,872	689,357	530,831	628,572	724,177	21,905	-	-	-	-	3,756,714
Investment properties – share of JVs/Funds	0	0	0	0	0	0	-	-	-	-	0
Trading properties (including share of JVs)	165	0	0	5,963	0	0	-	-	-	-	6,128
Less: developments	-10,618	-55,137	-15,063	-1,233	-56,907	-2,362	-	-	-	-	-141,320
Completed property portfolio	1,151,419	634,220	515,768	633,302	667,270	19,543	-	-	-	-	3,621,522
Allowance for estimated purchasers' costs	29,035	45,594	24,933	41,938	16,682	298	-	-	-	-	158,479
Gross up completed property portfolio valuation	1,180,454	679,814	540,701	675,240	683,952	19,841	-	-	-	-	3,780,001
Annualised cash passing rental income	61,492	33,902	29,309	41,560	36,806	1,135	-	-	-	-	204,205
Property outgoings ^o	-53	-2,367	-1,006	-4,311	-263	-100	-	-	-	-	-8,100
Annualised net rents	61,440	31,535	28,303	37,249	36,542	1,035	-	-	-	-	196,105
Add: notional rent expiration of rent free periods or other lease incentives	70	2,007	622	1,298	612	0	-	-	-	-	4,610
Topped-up net annualised rent	61,509	33,542	28,925	38,548	37,155	1,035	-	-	-	-	200,715
EPRA NIY (in %)	5.2%	4.6%	5.2%	5.5%	5.3%	5.2%	-	-	-	-	5.2%
EPRA Topped-up NIY (in %)	5.2%	4.9%	5.3%	5.7%	5.4%	5.2%	-	-	-	-	5.3%

^o The scope of the real-estate charges to be excluded for calculating the EPRA Net Initial Yield is defined in the EPRA Best Practices and does not correspond to 'real-estate charges' as presented in the consolidated IFRS accounts.

5. Investment properties – rental data

Investment properties – Rental data	31/12/2021						
	Gross rental income ¹	Net rental income ²	Lettable space (in m ²)	Contractual rents ³	Estimated rental value (ERV) on empty spaces	Estimated rental value (ERV)	EPRA Vacancy rate (in %)
x €1,000							
Segment							
Belgium	62,548	61,945	507,461	63,875	-	62,385	0.0%
Germany	44,969	43,699	588,686	55,214	-	54,917	0.0%
Netherlands	29,132	27,457	348,223	31,255	661	31,514	2.1%
United Kingdom	48,575	45,627	289,471	52,867	-	50,771	0.0%
Finland	38,276	36,384	221,756	46,518	563	44,799	1.3%
Sweden	1,958	1,818	15,991	3,892	-	4,043	0.0%
Ireland	2,504	2,490	43,070	4,880	-	4,759	0.0%
Spain	-	-	-	-	-	-	0.0%
Non-allocated	-	-	-	-	-	-	0.0%
Intersegment items	-	-	-	-	-	-	0.0%
Total marketable investment properties	227,962	219,420	2,014,658	258,500	1,223	253,188	0.5%
Reconciliation to income statement							
Properties sold during the 2021 financial year	1,175	1,225					
Properties held for sale	2,295	2,295					
Other Adjustments	-	-					
Total marketable investment properties	231,432	222,940					

Investment properties – Rental data	31/12/2020 (18 months)						
	Gross rental income ¹	Net rental income ²	Lettable space (in m ²)	Contractual rents ³	Estimated rental value (ERV) on empty spaces	Estimated rental value (ERV)	EPRA Vacancy rate (in %)
x €1,000							
Segment							
Belgium	86,182	86,125	495,424	61,562	-	60,490	0.0%
Germany	49,168	46,672	433,680	35,909	-	35,468	0.0%
Netherlands	35,082	34,130	359,812	29,932	41	29,683	0.1%
United Kingdom	56,685	52,369	261,066	42,859	-	41,739	0.0%
Finland	26,624	26,162	189,161	37,418	366	37,472	1.0%
Sweden	272	77	4,731	1,135	-	1,135	0.0%
Ireland	-	-	-	-	-	-	0.0%
Spain	-	-	-	-	-	-	0.0%
Non-allocated	-	-	-	-	-	-	0.0%
Intersegment items	-	-	-	-	-	-	0.0%
Total marketable investment properties	254,013	245,535	1,743,873	208,814	406	205,987	0.2%
Reconciliation to income statement							
Properties sold during the 2019/2020 financial year	1,103	1,123					
Properties held for sale	1,045	1,045					
Other Adjustments	-	-					
Total marketable investment properties	256,161	247,703					

1. The total 'gross rental income' defined in EPRA Best Practices, reconciled with the consolidated IFRS income statement, corresponds to the 'net rental income' of the consolidated IFRS accounts.
2. The total 'net rental income' defined in EPRA Best Practices, reconciled with the consolidated IFRS income statement, corresponds to the 'property operating result' of the consolidated IFRS accounts.
3. The current rent at the closing date plus future rent on leases signed as at 31 December 2020 or 31 December 2021.

6. Investment properties – like-for-like net rental income

Investment properties - Like-for-like net rental income	31/12/2021					31/12/2020 (12 months - restated period)	Like-for- like net rental income
	Net rental income on a like-for-like basis °	Acquisitions	Disposals	Transfers due to completion	Net rental income of the period °°	Net rental income on a like-for-like basis °	
x €1,000							
Segment							
Belgium	58,137	2,649	0	1,159	61,945	56,691	2.55%
Germany	33,823	5,869	717	3,290	43,699	32,209	5.01%
Netherlands	23,292	2,781	-79	2,115	28,109	22,931	1.57%
United Kingdom	38,756	5,647	626	1,858	46,888	37,669	2.89%
Finland	22,619	15,372	0	0	37,991	23,617	-4.23%
Sweden	18	1,800	0	0	1,818	-45	-139.62%
Ireland	-2,504	4,994	0	0	2,490	0	-
Spain	0	0	0	0	0	-	-
Non-allocated	0	0	0	0	0		-
Intersegment items	0	0	0	0	0		-
Total marketable investment properties	174,142	39,112	1,264	8,422	222,940	173,071	0.62%
Reconciliation to income statement							
Properties sold during the 2021 financial year					0		
Properties held for sale					0		
Other adjustments					0		
Total marketable investment properties					222,940		

° Marketable investment properties owned throughout the 2 financial years.

°° The total 'net rental income' defined in EPRA Best Practices, reconciled with the consolidated IFRS income statement, corresponds to the "property operating result" of the consolidated IFRS accounts.

7. Investment properties – valuation data

Investment properties - Valuation data		31/12/2021			
		Fair value	Changes in fair value	EPRA NIY (in %)	Reversion rate (in %)
<i>x €1,000</i>					
Segment					
Belgium		1,213,217	23,931	5.0	-2%
Germany		1,057,513	31,359	4.4	-1%
Netherlands		564,105	13,363	4.9	-1%
United Kingdom		821,666	25,960	5.3	-4%
Finland		859,850	54,636	5.0	-5%
Sweden		78,329	5,542	4.7	4%
Ireland		91,841	-1,272	4.6	-3%
Spain		0	0	0.0	0%
Total marketable investment properties including assets as held for sale*		4,686,521	153,519	4.9	-3%
Reconciliation to the consolidated IFRS balance sheet					
Development projects		151,954	6,692		
Total investment properties including assets classified as held for sale*, or real estate portfolio*		4,838,475	160,211		

Investment properties - Valuation data		31/12/2020			
		Fair value	Changes in fair value	EPRA NIY (in %)	Reversion rate (in %)
<i>x €1,000</i>					
Segment					
Belgium		1,151,419	27,416	5.2	-2%
Germany		634,220	26,827	4.6	-1%
Netherlands		515,768	3,510	5.2	-1%
United Kingdom		633,302	-5,339	5.5	-3%
Finland		667,270	-10,375	5.3	-1%
Sweden		19,543	-109	5.2	0%
Ireland		0	0	0.0	0%
Spain		0	0	0.0	0%
Total marketable investment properties including assets as held for sale*		3,621,522	41,930	5.2	-2%
Reconciliation to the consolidated IFRS balance sheet					
Development projects		141,320	-16,881		
Total investment properties including assets classified as held for sale*, or real estate portfolio*		3,762,842	25,049		

8. Investment properties – lease data

Investment properties - Lease data x €1,000	31/12/2021				
	Current rent of leases expiring (x €1.000)				
	Average remaining maturity° (in years)	Not later than one year	Later than one year and not later than two years	Later than two years and not later than five years	Later than five years
Segment					
Belgium	22	0	0	32	63,843
Germany	23	456	0	0	54,758
Netherlands	18	0	0	82	31,173
United Kingdom	22	0	0	0	52,867
Finland	12	708	0	422	45,387
Sweden	13	0	129	0	3,763
Ireland	24	0	0	0	4,880
Spain	0	0	0	0	0
Total marketable investment properties including assets as held for sale*	20	1,164	129	536	256,671

° Termination at following possible break.

9. Properties being constructed or developed

Situation as per 31 December 2021

(in € million)	Cost to date	Costs to completion	Future interest to be capitalised	Forecast total cost	Forecast completion date	Lettable space (in m²)	% Pre-let	ERV on completion
Total	140	619	8	767	2026	± 198.000	100%	36.0

Situation as per 31 December 2020

(in € million)	Cost to date	Costs to completion	Future interest to be capitalised	Forecast total cost	Forecast completion date	Lettable space (in m²)	% Pre-let	ERV on completion
Total	128	624	3	756	2023	± 195.000	100%	39.6

The breakdown for these projects is provided in section 2.2. of the property report.

10. EPRA Cost Ratios*

EPRA Cost ratios* (x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Administrative/operating expense line per IFRS statement	-38,791	-35,981	-47,883
Rental-related charges	-686	-2,752	-3,344
Recovery of property charges	0	0	0
Charges and taxes not recovered by the tenant on let properties according to the income statement	116	0	0
Other rental-related income and charges	-1,013	-10	53
Technical costs	-1,432	-544	-680
Commercial costs	-61	-329	-358
Charges and taxes on unlet properties	-2	0	0
Property management costs	-5,433	-4,396	-6,246
Other property charges	-667	-876	-1,227
Overheads	-30,930	-27,096	-36,096
Other operating income and charges	1,317	22	15
EPRA Costs (including direct vacancy costs)* (A)	-38,791	-35,981	-47,883
Charges and taxes on unlet properties	2	0	0
EPRA Costs (excluding direct vacancy costs)* (B)	-38,789	-35,981	-47,883
Gross Rental Income (C)	232,118	187,535	259,505
EPRA Cost Ratio (including direct vacancy costs)* (A/C)	16.7%	19.2%	18.5%
EPRA Cost Ratio (excluding direct vacancy costs)* (B/C)	16.7%	19.2%	18.5%
Overhead and operating expenses capitalised (including share of joint ventures)	618	786	816

Aedifica capitalises some project management costs.

11. Capital expenditure

Capital expenditure	31/12/2021	31/12/2020
Property related capex		
(1) Acquisitions	625,372	1,152,561
(2) Development	273,370	251,050
(3) Investment properties	11,109	35,563
Incremental lettable space	7,703	20,203
No incremental lettable space	3,406	15,360
Capex related incentives	0	0
Other	0	0
(4) Capitalised interests	3,321	2,959
Capital expenditure	913,172	1,442,133

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1. Consolidated Financial Statements

1.1 Consolidated Income Statement

(x €1,000)	Notes	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
I. Rental income	4	232,118	187,535	259,505
II. Writeback of lease payments sold and discounted		0	0	0
III. Rental-related charges	4	-686	-2,752	-3,344
Net rental income		231,432	184,783	256,161
IV. Recovery of property charges	5	0	0	0
V. Recovery of rental charges and taxes normally paid by tenants on let properties	5	4,244	3,499	3,810
VI. Costs payable by the tenant and borne by the landlord on rental damage and repair at end of lease	5	0	0	0
VII. Charges and taxes not recovered by the tenant on let properties according to the income statement	5	-4,128	-3,499	-3,810
VIII. Other rental-related income and charges	5	-1,013	-10	53
Property result		230,535	184,773	256,214
IX. Technical costs	6	-1,432	-544	-680
X. Commercial costs	6	-61	-329	-358
XI. Charges and taxes on unlet properties	6	-2	0	0
XII. Property management costs	6	-5,433	-4,396	-6,246
XIII. Other property charges	6	-667	-876	-1,227
Property charges		-7,595	-6,145	-8,511
Property operating result		222,940	178,628	247,703
XIV. Overheads	7	-30,930	-27,096	-36,096
XV. Other operating income and charges	8	1,317	22	15
Operating result before result on portfolio		193,327	151,554	211,622
XVI. Gains and losses on disposals of investment properties	9	534	-1,827	-559
XVII. Gains and losses on disposals of other non-financial assets	10	0	0	0
XVIII. Changes in fair value of investment properties	11	160,211	5,070	25,049
XIX. Other result on portfolio	12	-3,540	0	0
Operating result		350,532	154,797	236,112
XX. Financial income	13	843	488	478
XXI. Net interest charges	14	-27,548	-25,135	-33,688
XXII. Other financial charges	15	-5,457	-3,676	-5,545
XXIII. Changes in fair value of financial assets and liabilities	16	14,813	-5,587	-2,169
Net finance costs		-17,349	-33,910	-40,924
XXIV. Share in the profit or loss of associates and joint ventures accounted for using the equity method	17	6,371	1,978	4,575
Profit before tax (loss)		339,554	122,865	199,763
XXV. Corporate tax	18	-56,473	-18,856	-26,401
XXVI. Exit tax	18	-256	112	60
Tax expense		-56,729	-18,744	-26,341
Profit (loss)		282,825	104,121	173,422
Attributable to:				
Non-controlling interests		1,001	227	354
Owners of the parent		281,824	103,894	173,068
Basic earnings per share (€)	19	8.10	3.78	6.53
Diluted earnings per share (€)	19	8.10	3.78	6.52

In order to allow comparison with the previous period (due to the extension of the 2019/2020 financial year), the figures as of 31 December 2020 were derived on a 12-month basis (with the exception of the denominators (IAS 33) which were recalculated for each period). The periods 12/2021 (12 months) and 12/2020 (18 months) were audited. For the restated period, the auditors conducted a number of review procedures and no issues were identified.

1.2 Consolidated Statement of Comprehensive Income

(x €1,000)	31/12/2021	31/12/2020
I. Profit (loss)	282,825	173,422
II. Other comprehensive income recyclable under the income statement		
A. Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties	0	0
B. Changes in the effective part of the fair value of authorised cash flow hedge instruments as defined under IFRS	4,273	-3,419
D. Currency translation differences linked to conversion of foreign activities	39,626	-6,092
H. Other comprehensive income, net of taxes	3,306	5,149
Comprehensive income	330,029	169,061
Attributable to:		
Non-controlling interests	1,001	354
Owners of the parent	329,028	168,707

1.3 Consolidated Balance Sheet

ASSETS	Notes	31/12/2021	31/12/2020
(x €1,000)			
I. Non-current assets			
A. Goodwill	20	161,726	161,726
B. Intangible assets	21	1,934	1,790
C. Investment properties	22	4,861,062	3,808,539
D. Other tangible assets	23	2,369	2,813
E. Non-current financial assets	24 & 33	7,479	1,162
F. Finance lease receivables		0	0
G. Trade receivables and other non-current assets		0	0
H. Deferred tax assets	25	3,116	2,902
I. Equity-accounted investments	17	40,522	36,998
Total non-current assets		5,078,208	4,015,930
II. Current assets			
A. Assets classified as held for sale	22	35,360	6,128
B. Current financial assets		0	0
C. Finance lease receivables		0	0
D. Trade receivables	26	20,434	12,698
E. Tax receivables and other current assets	27	7,368	5,177
F. Cash and cash equivalents	28	15,335	23,546
G. Deferred charges and accrued income	29	5,162	3,696
Total current assets		83,659	51,245
TOTAL ASSETS		5,161,867	4,067,175

EQUITY AND LIABILITIES	Notes	31/12/2021	31/12/2020
(x €1,000)			
EQUITY	30		
I. Issued capital and reserves attributable to owners of the parent			
A. Capital		917,101	836,401
B. Share premium account		1,301,002	1,054,109
C. Reserves		281,244	106,733
a. Legal reserve		0	0
b. Reserve for the balance of changes in fair value of investment properties		349,234	288,647
c. Reserve for estimated transaction costs resulting from hypothetical disposal of investment properties		-125,020	-85,908
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS		-12,784	-23,233
e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS		-26,872	-25,901
f. Reserve of exchange differences relating to foreign currency monetary items		72	0
g. Foreign currency translation reserves		24,869	-14,757
h. Reserve for treasury shares		0	0
k. Reserve for deferred taxes on investment properties located abroad		-24,696	-9,463
m. Other reserves		3,015	-1,806
n. Result brought forward from previous years		87,532	-25,241
o. Reserve- share NI & OCI of equity method invest		5,894	4,395
D. Profit (loss) of the year		281,824	173,068
Equity attributable to owners of the parent		2,781,171	2,170,311
II. Non-controlling interests		4,226	2,625
TOTAL EQUITY		2,785,397	2,172,936
LIABILITIES			
I. Non-current liabilities			
A. Provisions	31	0	0
B. Non-current financial debts	32	1,756,679	1,062,297
a. Borrowings		959,522	985,412
c. Other		797,157	76,885
C. Other non-current financial liabilities	24	96,154	108,060
a. Authorised hedges	33	33,326	51,220
b. Other		62,828	56,840
D. Trade debts and other non-current debts		500	0
E. Other non-current liabilities		0	0
F. Deferred tax liabilities	25	121,283	74,609
Non-current liabilities		1,974,616	1,244,966
II. Current liabilities			
A. Provisions	31	0	0
B. Current financial debts	32	324,398	604,402
a. Borrowings		48,398	313,902
c. Other		276,000	290,500
C. Other current financial liabilities	24	2,616	2,077
D. Trade debts and other current debts	34	50,109	32,067
a. Exit tax		298	2,295
b. Other		49,811	29,772
E. Other current liabilities		0	0
F. Accrued charges and deferred income	35	24,731	10,727
Total current liabilities		401,854	649,273
TOTAL LIABILITIES		2,376,470	1,894,239
TOTAL EQUITY AND LIABILITIES		5,161,867	4,067,175

1.4 Consolidated Cash Flow Statement

(x €1,000)	Notes	31/12/2021	31/12/2020 (18 months)
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (loss)	19	281,824	173,068
Non-controlling interests		1,001	354
Tax expense	18	56,729	26,342
Amortisation and depreciation	5 & 7	1,660	2,035
Write-downs	4	685	3,353
Change in fair value of investment properties (+/-)	11	-160,211	-25,049
Gains and losses on disposals of investment properties	9	-534	559
Net finance costs	13 & 14 & 15	32,162	38,755
Changes in fair value of the derivatives	16	-14,813	2,169
Goodwill impairment	12	3,540	0
Change in fair value of investments in entities consolidated through equity method	17	-3,525	-3,067
Changes in trade receivables (+/-)		-8,419	-4,360
Changes in tax receivables and other current assets (+/-)		-2,132	-966
Changes in deferred charges and accrued income (+/-)		-3,195	-748
Changes in trade payables and other current debts (excl. exit tax) (+/-)		20,570	-625
Changes in accrued charges and deferred income (+/-)		15,381	-459
Changes in net assets resulting from foreign exchange differences linked to the conversion of foreign operations (+/-)		-6,891	-17,523
Cash generated from operations		213,832	193,838
Taxes paid		-15,560	-12,736
Net cash from operating activities		198,272	181,102
CASH FLOW RESULTING FROM INVESTING ACTIVITIES			
Goodwill	20	-3,540	-161,726
Purchase of intangible assets		-144	-1,274
Purchase of real estate companies and marketable investment properties		-557,448	-707,576
Purchase of tangible assets		-579	-1,559
Purchase of development projects		-312,708	-360,691
Disposals of investment properties		53,668	23,348
Net changes in non-current receivables		-176	-606
Net investments in other assets		0	0
Net cash from investing activities		-820,927	-1,210,084
CASH FLOW FROM FINANCING ACTIVITIES			
Capital increase, net of costs°		281,156	654,125
Disposals of treasury shares		0	0
Dividend for previous fiscal year and interim dividend		-47,748	-130,158
Net changes in borrowings		417,860	540,776
Net changes in other non-current financial liabilities		782	12,163
Net financial items received (+) / paid (-)		-37,606	-39,783
Repayment of financial debts of acquired or merged companies°°		0	0
Repayment of working capital of acquired or merged companies°°		0	0
Net cash from financing activities		614,444	1,037,123
TOTAL CASH FLOW FOR THE PERIOD			
Total cash flow for the period		-8,211	8,141
RECONCILIATION WITH BALANCE SHEET			
Cash and cash equivalents at beginning of period		23,546	15,405
Total cash flow for the period		-8,211	8,141
Cash and cash equivalents at end of period	28	15,335	23,546

° Some types of capital increases (contributions in kind, partial demergers) do not result in any cash flow.

°° On 31 December 2020, repayments of financial debts and of working capital of acquired or merged companies are included in the cash flow resulting from investing activities under the line "Purchase of real estate companies and marketable investment properties".

1.5 Consolidated Statement of Changes in Equity

(x €1,000)	1/07/2019	Capital increase in cash	Capital increase in kind	Interim dividend	Acquisitions / disposals of treasury shares	Consolidated comprehensive income	Appropriation of the previous year's result	Other transfer relating to asset disposals	Transfers between reserves	Other and roundings	31/12/2020
Capital	624,713	198,311	13,377	0	0	0	0	0	0	1	836,401
Share premium account	565,068	455,814	33,227	0	0	0	0	0	0	0	1,054,109
Reserves	116,271	0	0	-75,309	0	-4,360	69,273	0	0	857	106,732
a. Legal reserve	0	0	0	0	0	0	0	0	0	0	0
b. Reserve for the balance of changes in fair value of investment properties	171,274	0	0	0	0	0	115,578	1,796	0	-1	288,647
c. Reserve for estimated transaction costs resulting from hypothetical disposal of investment properties	-40,977	0	0	0	0	0	-44,941	10	0	0	-85,908
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	-24,960	0	0	0	0	1,731	-4	0	0	0	-23,233
e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	-18,991	0	0	0	0	0	-6,910	0	0	0	-25,901
f. Reserve of exchange differences relating to foreign currency monetary items	-4,573	0	0	0	0	0	0	0	4,573	0	0
g. Foreign currency translation reserves	-4,093	0	0	0	0	-6,092	0	0	-4,573	0	-14,757
h. Reserve for treasury shares	0	0	0	0	0	0	0	0	0	0	0
k. Reserve for deferred taxes on investment properties located abroad	-3,824	0	0	0	0	0	-5,638	0	0	-1	-9,463
m. Other reserves	796	0	0	0	0	0	-796	-1,805	0	-1	-1,806
n. Result brought forward from previous years	41,619	0	0	-75,309	0	0	11,984	0	-4,395	860	-25,240
o. Reserve- share NI & OCI of equity method invest	0	0	0	0	0	0	0	0	4,395	0	4,395
Profit (loss)	123,497	0	0	0	0	173,068	-123,497	0	0	0	173,068
Equity attributable to owners of the parent	1,429,549	654,125	46,603	-75,309	0	168,707	-54,223	0	0	858	2,170,311
Non-controlling interests	103	0	0	0	0	354	0	0	0	2,168	2,625
TOTAL EQUITY	1,429,652	654,125	46,603	-75,309	0	169,061	-54,223	0	0	3,027	2,172,936

(x €1,000)	1/01/2021	Capital increase in cash	Capital increase in kind	Interim dividend	Acquisitions / disposals of treasury shares	Consolidated comprehensive income	Appropriation of the previous year's result	Other transfer relating to asset disposals	Transfers between reserves	Other and roundings	31/12/2021
Capital	836,401	69,603	11,098	0	0	0	0	0	0	-1	917,101
Share premium account	1,054,109	211,714	35,179	0	0	0	0	0	0	0	1,301,002
Reserves	106,732	0	0	0	0	47,204	125,887	0	0	1,421	281,244
a. Legal reserve	0	0	0	0	0	0	0	0	0	0	0
b. Reserve for the balance of changes in fair value of investment properties	288,647	0	0	0	0	0	34,048	-3,886	30,424	0	349,234
c. Reserve for estimated transaction costs resulting from hypothetical disposal of investment properties	-85,908	0	0	0	0	0	-39,982	871	0	-1	-125,020
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	-23,233	0	0	0	0	10,452	-3	0	0	0	-12,784
e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	-25,901	0	0	0	0	0	-970	0	0	-1	-26,872
f. Reserve of exchange differences relating to foreign currency monetary items	0	0	0	0	0	0	72	0	0	0	72
g. Foreign currency translation reserves	-14,757	0	0	0	0	39,626	0	0	0	1	24,869
h. Reserve for treasury shares	0	0	0	0	0	0	0	0	0	0	0
k. Reserve for deferred taxes on investment properties located abroad	-9,463	0	0	0	0	0	-15,233	0	0	0	-24,696
m. Other reserves	-1,806	0	0	0	0	0	1,805	3,015	0	1	3,015
n. Result brought forward from previous years	-25,240	0	0	0	0	-2,874	144,651	0	-30,424	1,421	87,533
o. Reserve- share NI & OCI of equity method invest	4,395	0	0	0	0	0	1,499	0	0	0	5,894
Profit (loss)	173,068	0	0	0	0	281,824	-173,068	0	0	0	281,824
Equity attributable to owners of the parent	2,170,311	281,317	46,277	0	0	329,028	-47,181	0	0	1,420	2,781,171
Non-controlling interests	2,625	0	0	0	0	1,001	0	0	0	600	4,226
TOTAL EQUITY	2,172,936	281,317	46,277	0	0	330,029	-47,181	0	0	2,020	2,785,397

1.6 Notes to the Consolidated Financial Statements

Note 1: General information

Aedifica NV/SA (referred to in the financial statements as 'the Company' or 'the Parent') is a limited liability company having opted for public Regulated Real Estate Company (RREC) status under Belgian law. The Company is entered in the Brussels Registry of Legal Entities (R.L.E., or 'R.P.M.' in French / 'R.P.R.' in Dutch) under No. 0877.248.501. Its primary shareholders are listed in Note 30 of this annual financial report. The address of its office is the following:

Rue Belliard 40, B-1040 Brussels (telephone: +32 (0)2 626 07 70).

The Aedifica group (referred to in the financial statements as 'the Group') is composed of the parent-company and its subsidiaries. The subsidiaries of the Aedifica group are listed in Note 40.

Aedifica is listed on Euronext Brussels (2006) and Euronext Amsterdam (2019).

Publication of the Consolidated Financial Statements was approved by the Board of Directors on 22 February 2022. Aedifica's shareholders have the opportunity to amend the Consolidated Financial Statements after publication at the Annual General Meeting, which will take place on 10 May 2022.

Note 2: Accounting policies

Note 2.1: Basis of preparation

The Consolidated Financial Statements cover the 12-month period from 1 January 2021 to 31 December 2021. They have been prepared in accordance with the International Financial Reporting Standards ('IFRS') and the interpretations as published by the International Accounting Standards Board ('IASB') and the International Financial Reporting Interpretations Committee ('IFRIC'), to the extent to which they are applicable to the Group's activities and are effective for the financial years starting on or after 31 December 2020. The Consolidated Financial Statements have also been prepared in accordance with the Royal Decree of 13 July 2014 on Regulated Real Estate Companies. The Consolidated Financial Statements are prepared in euros, and presented in thousands of euros.

The Consolidated Financial Statements have been prepared with application of the historical cost convention, except for the following assets and liabilities, which are measured at fair value: investment properties, investment properties held for sale, financial assets and liabilities held for hedging purposes or not (mainly derivatives), put options granted to non-controlling shareholders and equity-accounted investments.

The Consolidated Financial Statements have been prepared in accordance with accrual accounting principles on a going concern basis.

The preparation of the Consolidated Financial Statements in conformity with IFRS requires significant judgment in the application of accounting policies (including the classification of lease contracts, identification of business combinations, and calculation of deferred taxes) and the use of certain accounting estimates (such as impairment tests involving goodwill). Underlying assumptions are based on prior experience, input from third parties (notably real estate experts), and on other relevant factors. Actual results may vary on the basis of these estimations. Consequently, the assumptions and estimates are regularly revisited and modified as necessary.

The new and amended standards and interpretations listed below are compulsory for the Group since 1 January 2021, but had no significant impact on the current Consolidated Financial Statements:

- 'Amendments to References to the Conceptual Framework in IFRS Standards' published in March 2018;
- amendments to IAS 1 and IAS 8 'Definition of Material';
- amendments to IFRS 7 and 9 and IAS 39 'Interest Rate Benchmark Reform';
- amendments to IFRS 4, 7, 9 and 16 and IAS 39 'Interest Rate Benchmark Reform – Phase 2';
- amendment to IFRS 3 'Business Combinations';
- amendment to IFRS 4 'Insurance contracts: deferral of IFRS 9';
- amendment to IFRS 16 'Leases: COVID-19-related rent concessions' published in May 2020.

Certain new standards, amendments and interpretations of existing standards have been published and will be compulsory for financial years starting on or after 1 January 2022. These amendments, which the Group did not apply early, are as follows (situation as at 3 March 2022):

- new standard for IFRS 14 'Regulatory Deferral Accounts' (for which no application date can be determined because the EU has decided not to start the approval process of this provisional standard, pending the publication of a final standard);
- new standard for IFRS 17 'Insurance Contracts' (applicable as from 1 January 2023);
- 'Annual Improvements to IFRS Standards 2018-2020' (applicable as from 1 January 2022,);
- new amendment to IFRS 3 'Business Combinations' (applicable as from 1 January 2022,);
- new amendment to IFRS 16 'Leases: COVID-19-related rent concessions' (applicable as from 1 January 2022);

- amendment to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as Current or Non-current' (applicable as from 1 January 2023, subject to EU approval);
- amendment to IAS 1 'Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies' (applicable as from 1 January 2023);
- amendment to IAS 8 'Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates' (applicable as from 1 January 2023);
- amendment to IAS 12 'Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction' (applicable as from 1 January 2023, subject to EU approval);
- amendment to IAS 16 'Property, plant and equipment' (applicable as from 1 January 2022);
- amendment to IAS 37 'Provisions, contingent liabilities and contingent assets' (applicable as from 1 January 2022);
- Amendments to IFRS 17 'Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information' (applicable as from 1 January 2023, subject to EU approval).

Note 2.2: Summary of significant accounting policies

The main significant accounting policies applied during the preparation of the Consolidated Financial Statements are presented below. These methods were applied consistently to all previous financial years.

The numbering of the paragraphs below refers to the lines presented on the balance sheet and income statement.

Consolidation principles – Subsidiaries

All entities for which Aedifica (directly or indirectly) holds more than half of the voting rights or has the power to control operations are considered subsidiaries and included in the scope of comprehensive consolidation. The comprehensive consolidation consists of incorporating all assets and liabilities of subsidiaries, as well as income and expenses. Minority interests are included in a separate line of the balance sheet and the income statement. In accordance with IFRS 10, subsidiaries are fully consolidated as from the date on which control is transferred to the Group; they are de-consolidated as from the date that control ceases. All intercompany transactions, balances, and unrealised gains and losses on transactions between the Group's companies are eliminated.

Consolidation principles – Associates and joint-ventures

All entities for which Aedifica (directly or indirectly) does not hold more than half of the voting rights or does not have the power to control operations, but over which Aedifica has joint control or significant influence, are considered associates or joint-ventures and are consolidated using the equity method. The participation is initially recognised at cost and is subsequently adjusted to take account of changes after the acquisition of the investor's share of the net assets of the concerned entity.

Consolidation principles – Partnership

All agreements whereby the parties that have joint control of an arrangement which give rights to the assets and obligations for the liabilities relating to the arrangement and that, following the framework of IFRS 11, are determined as joint operations, are consolidated following a proportional consolidation.

Foreign currency

Aedifica primarily operates in the euro zone. Euro is the functional currency of the Group and the Consolidated Financial Statements. The functional currency of the UK subsidiaries is the pound sterling and that of the Swedish subsidiaries is the Swedish krona. Foreign currency transactions are translated to the respective functional currency of the Group entities at the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from settling these, or from retranslating monetary assets and liabilities held in foreign currencies, are booked in the Income Statement. Exceptions to this rule are foreign currency loans hedging investments in foreign subsidiaries and intra-group loans meeting the definition of a net investment in a foreign operation. In such cases, exchange differences are booked in a separate component of shareholders' equity until the disposal of the investment.

Consolidation of foreign entities

Assets and liabilities of the foreign entities are translated into euro at exchange rates ruling at the balance sheet date. The income statement is translated at the average rate for the period or at spot rate for significant items. Resulting exchange differences are booked in other comprehensive income and recognised in the Group income statement when the operation is sold.

The principal exchange rates used to translate foreign currency denominated amounts in book year 2021 are:

- balance sheet: 1 € = 0.84119 £
- income statement: 1 € = 0.85973 £
- balance sheet: 1 € = 10.2887 SEK
- income statement: 1 € = 10.14555 SEK

I.A. Goodwill

Business combinations are recognised using the purchase method in accordance with IFRS 3. The excess of the acquisition cost over the fair value of the Group's share of the net identifiable assets of the acquired business at the date of acquisition is recognised as goodwill (an asset). In the event that this value is negative, it is recognised immediately in profit. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

I.B. Intangible Assets

Intangible assets are capitalised as assets at their acquisition cost and are amortised using the straight-line method at annual rates between 14.29% (7 years) and 33% (3 years).

I.C. Investment Properties**1. Initial recognition****1.1. Acquisition value**

If the acquisition of a building takes place by cash payment, through the acquisition of shares of a real estate company, through the non-monetary contribution of a building against the issuance of new shares, by merger through takeover of a property, or by a partial de-merger, the deed costs, audit and consultancy costs, reinvestment bank fees, costs of lifting security on the financing of the absorbed company, and other costs relating to the merger are also considered part of the acquisition cost and capitalised in the asset accounts on the balance sheet.

1.2. Fair value

Properties in the Group's portfolio or which enter into its portfolio, either with payment in cash or in kind, are valued by independent experts at their fair value.

The fair value of investment properties located in Belgium is calculated as follows:

- buildings with an investment value greater than €2.5 million: Fair value = investment value / (1+ the average transaction cost defined by the BE-REIT Association);
- buildings with an investment value less than €2.5 million:
 - 1) where the expert considers that the building can be divided and sold in separate units (notably individual apartments), the fair value is defined as the lower of the separated investment value / (1 + % transfer tax levied in the region where the building is located) and the investment value / (1+ the average transaction cost defined by the BE-REIT Association);
 - 2) where the expert considers that the building cannot be divided and sold in separate units, the fair value is the investment value / (1 + % transfer tax levied in the region where the building is located).

The average transaction cost defined by the BE-REIT Association is revised annually and adjusted as necessary in increments of 0.5%. Experts attest to the percentage deducted and retained in regular reports to shareholders; it currently amounts to 2.5%.

The fair value of investment properties located abroad take into account locally applicable legal costs.

Transfer taxes on acquisitions and any change in the fair value of properties during the financial year are directly recognised in the income statement.

1.3. Treatment of differences at the time of acquisition

If, for acquisitions such as those defined in section I.C.1.1 ('Acquisition value') above, the fair value determined by the independent expert is different than the acquisition value defined in section I.C.1.1, the difference is booked in the income statement under line 'XVIII. Changes in fair value of investment properties'.

2. Accounting for works projects (subsequent expenditures)

Costs incurred by Aedifica for works carried out on investment properties are accounted for using one of two distinct methods, depending on the nature of the costs. The cost of repairs and maintenance, which neither add new functionality nor constitute a significant enhancement or upgrade to the building, are recognised as incurred expenses and are thus deducted from the year's profit. Subsequent expenditures related to two types of works projects are capitalised as assets on the Company's balance sheet:

- a) major renovations and extensions: these usually take place every 25 to 35 years and represent an almost complete renovation of the building, often reusing parts of the original building and applying the most up-to-date building techniques. Upon completion of these major renovation projects, the buildings are considered as new and are presented as such in the real estate portfolio.
- b) upgrades: these consist of occasional works that add new functionality, increase capacity, or significantly enhance or upgrade the building, making it possible to raise rents, and thus increase the building's estimated rental income.

The costs relating to these works are also capitalised in the balance sheet for the reason and to the extent that the experts usually recognise a corresponding increase in the value of the building. Costs that may be capitalised include: materials, contractor fees, technical studies, and staff fees or costs. Any excess of these costs over fair value is recognised as an expense in the income statement.

Borrowing costs are capitalised for all qualifying projects with a duration of more than one year.

3. Recurring remeasurement and remeasurement in the event of share transactions

3.1. Depreciation

In accordance with IAS 40, Aedifica applies the fair value model and does not recognise depreciation on its properties, the rights in rem on properties, or on properties rented to the Company under finance leases.

3.2. Share transactions

Real estate properties held by Aedifica and by the subsidiaries under its control are valued by experts each time the Company proceeds to issue new shares, list shares on the stock exchange, or repurchase shares other than through the stock exchange. While Aedifica is not bound by this valuation, any issue or repurchase price set below this level must be justified (in the form of a special report).

A new valuation is not required when a share issuance falls within four months of the last valuation of the property concerned, so long as the experts confirm that neither the economic situation nor the physical state of the property make a new valuation necessary.

3.3. Quarterly revaluations

Each quarter, valuation experts perform a calculation of fair value based on the conditions of the properties and on fluctuations observed in the real estate market. This valuation is carried out on a building-by-building basis and covers Aedifica's entire real estate portfolio, including properties held by its subsidiaries.

These valuations are binding for Aedifica and must be reflected in the accounts. Thus, the carrying amount of the properties in the accounts corresponds to the fair value at which they are assessed by Aedifica's independent valuation experts.

3.4. Accounting for changes in fair value

Changes in the fair value of real estate properties, as determined by independent experts, arise each time the value is assessed. They are accounted for in the income statement.

4. Asset disposals

Upon disposal of an investment property, the gain or loss on disposal is recognised in the income statement, in line 'XVI. Gains and losses on disposals of investment properties'.

5. Owner-occupied investment property

Any investment property occupied by Aedifica is transferred to the line 'other tangible assets' of the balance sheet. Its fair value at the time of the transfer becomes its deemed acquisition cost. If the Company only occupies a small part of the building, the whole building is recognised as 'investment property' in the balance sheet and continues to be carried at fair value.

6. Development projects

Buildings under construction, renovation, or extension, which are considered development projects are recognised on the balance sheet at historical cost, including transfer taxes, non-recoverable VAT and indirect expenses (capitalised interest, insurance, legal fees, architectural fees, consulting fees, etc.). If the historical cost deviates from the fair value appraised by the independent expert, the deviation is recognised in the income statement in order to bring the carrying amount in line with the fair value. Costs incurred in the preliminary phase of development projects are recognised at their historical value.

7. Rights of use on plots of land

Rights of use recognised in the balance sheet for concession or leasehold purposes or similar leases (as a result of IFRS 16 coming into force) are also considered as investment properties.

I.D. Other tangible assets

Tangible assets with definite useful lives, which fall outside the scope of investment property, are initially recognised at their acquisition cost. The components approach is not applied (based on materiality criteria). Depreciation is charged on a linear basis using the pro rata temporis method. As residual values are considered marginal, accumulated depreciation is expected to cover the total acquisition cost of each item included in other tangible assets.

The following depreciation rates are applied:

- plant, machinery and equipment: 20%;
- other furniture: 20%;
- vehicles: 25%
- IT: 20% to 33%.

As required by IFRS 16, this balance sheet line also includes the value of the right of use of company cars and buildings used by the Group as offices. This value is depreciated on a straight-line basis over the term of the contracts.

I.E. Non-current financial assets**1. Hedging instruments**

When a derivative provides cash flow hedges to cover a specific risk arising from a financial asset or a firm commitment or a highly probable transaction liability and meets the criteria for hedge accounting under IFRS 9, the effective portion of the income or expense is recognised directly in equity (line 'I.C.d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS'). The ineffective portion is recognised in the income statement.

When a derivative does not meet the criteria for hedge accounting under IFRS 9, it is recognised on the balance sheet at its fair value, and changes in fair value are recognised in the income statement as they occur.

2. Other financial and non-current assets

Financial assets classified as held for sale are valued at fair value (market value if available, otherwise acquisition value). Changes in fair value are recognised in equity (under 'I.C.i. Reserve for the balance of changes in fair value of financial assets available for sale'). Receivables are valued at amortised cost.

I.H. Deferred tax assets

When a building is acquired outside of Belgium and the net income is consequently subject to foreign tax, a deferred tax is recognised on the balance sheet in relation to the unrealised loss (temporary difference between the fair value and the assessed value used for tax purposes of the building in question).

I.I. Participations in associates and joint-ventures

Participations in associates and joint-ventures are the Group's participating interests in companies over which the Group has no or only joint control. These shares in associates and joint-ventures are recognised at fair value in the income statement and are consolidated using the equity method. They only relate to Immo NV/SA.

II.A. Assets held for sale

Properties that are considered non-strategic and which are intended to be sold are included in line II.A. They are recognised at fair value, in accordance with IFRS 5.

II.C/D/E. Receivables

Receivables are measured at amortised cost. Impairment losses are recognised using the simplified expected credit loss (ECL) method in accordance with IFRS 9.

II.G. Deferred charges and accrued income

Costs incurred during the year, which relate partially or in full to the following year, are recognised on a proportional basis as deferred charges. Revenues and portions of revenues earned over the course of one or several subsequent financial years, but which are also related to the current year, are recognised in income for the amount earned in the current year.

I.A. et II.A. Provisions

A provision is recognised on the balance sheet when the Group has an implicit or explicit legal obligation as a result of a past event, and for which it is very probable the resources will be used to extinguish this obligation. Provisions are measured by calculating the present value of expected cash flows using a market interest rate. They are reflected as a liability on the balance sheet.

I.C.b. Other non-current financial liabilities – Other

The Company can commit itself to acquire the non-controlling shareholdings owned by third parties in subsidiaries, should these third parties wish to exercise their put options. The exercise price of such options granted to non-controlling interest is reflected on the balance sheet on line 'I.C.b. Other non-current financial liabilities – Other'.

As required by IFRS 16, this balance sheet line also includes the long-term portion of the lease debt for company cars, buildings used by the Group as offices and the rights of use for concession or leasehold purposes – or similar leases. This value is amortised using the 'effective interest rate method'.

I.F. Deferred tax liabilities

When a building is acquired outside of Belgium and the net income is consequently subject to foreign tax, a deferred tax is recognised on the balance sheet in relation to the unrealised capital gain (temporary difference between the fair value and the assessed value used for tax purposes of the building in question).

II.B/D/E. Current debts

Debts are recognised at amortised cost at the year-end date. Debts denominated in foreign currencies are converted into Euros using the spot rate on the year-end date. Foreign exchange gains or losses arising from the revaluation of foreign currency borrowings are recognised in the income statement, except for foreign exchange gains and losses relating to the hedging of a foreign net investment, which are recognised directly in other comprehensive income.

II.F. Accrued charges and deferred income

Damages and interests paid by a lessee for breach of contract are recognised in the income statement at the time of receipt.

I. to XV. Operating result before result on portfolio

The objective of lines I through XV is to reflect the operating profit generated by the Company's rental property portfolio, including general operating costs.

All of Aedifica's leases are classified as operating leases for which Aedifica is the lessor. Lease income is recognised on a straight-line basis over the lease term, in accordance with IAS 17.

XVI. to XIX. Operating result

The objective of lines XVI through XIX is to reflect in the income statement all transactions and accounting adjustments related to the value of the Company's portfolio:

- realised capital gains and losses: capital gains and losses are included in the line 'Gains and losses on disposals of investment properties';
- unrealised gains and losses (carried at fair value): changes in the portfolio's fair value are included in the income statement under 'changes in fair value of investment properties';
- commissions paid to real estate agents and other transaction costs: commissions related to the sale of buildings are deducted from the sale price in determining the gain or loss on disposal which is recognised in the operating result. Fees paid to real estate and technical experts are recognised as current expenses.

The result on disposals of investment properties represents the difference between sales proceeds (excluding transaction costs) and the latest reported fair value of the properties sold. The result is realised at the moment of the transfer of risks and rewards.

Generally, transfer taxes are to be paid by the person buying the building. However, in the case of 'acte en main' disposals, the transfer taxes are to be paid by the seller and are thus deducted from the sale price and the gain effectively realised.

In the event of a disposal, transfer taxes do not need to be deducted from the difference between the received amount and the carrying value of the sold properties in order to calculate the capital gain or loss effectively realised, as they have already been recognised in the income statement at the moment of acquisition.

XXV. to XXVI. Corporate tax and exit tax

Line XXV includes current and deferred taxes.

Income tax is recognised in the income statement. It is the estimated tax attributable to the taxable income of the year using the tax rate prevailing at the balance sheet date, together with any adjustment to tax liabilities relating to previous years.

When a building is acquired outside of Belgium and the net income is consequently subject to foreign tax, a deferred tax is recognised on the balance sheet in relation to the unrealised capital gain and the unrealised loss (temporary difference between the fair value and the assessed value used for tax purposes of the building in question). Except for the portion relating to items directly recognised in equity, deferred tax is recognised in the income statement.

Line XXVI includes the exit tax. This is the tax on the capital gain resulting from the approval of a Belgian company as a RREC or the merger of a non-RREC company with a RREC. When a company that does not have the status of a RREC but is eligible for this regime, enters in the consolidation scope of the Group for the first time, an exit tax provision is recorded, taking into account the anticipated date of the merger or approval. Any adjustment to this exit tax liability is recognised in the income statement.

When the merger or approval takes place, the provision becomes a liability and any difference is also recognised in the income statement.

Commitments and contingencies

The Board of Directors values commitments and contingencies at the nominal value of the legal obligation as stated in the contract; in the absence of a nominal value or in exceptional cases, these values are disclosed for information purposes.

Group insurance

Aedifica's insurance contracts in Belgium are considered as defined contribution plans. These contracts are analysed in Note 31.

Hoivatilat's 'equity incentive plan'

The employees of Hoivatilat Oyj benefit from an equity incentive plan. This plan provides the participants with the opportunity to receive Aedifica shares or a cash equivalent as a reward for achieving the targets of the earnings criteria separately set by the Hoivatilat Board for each earning period.

The Board of Directors will decide separately for each participant the amount of their maximum award for each earning period. The maximum award is expressed as Aedifica shares or equivalent.

The plan foresees 2 parts:

- A number of shares of Hoivatilat Oyj which are converted into Aedifica shares.
- A cash contribution used to cover the applicable taxes and other charges.

Aedifica has the choice between delivering new or existing Aedifica shares or a cash settlement.

Following the recommendations from IFRS 2 the amounts related to the equity incentive plan are recognised in equity in the consolidated accounts.

Note 3: Operating segments**Note 3.1: Presented segments**

Pursuant to the divestments that were carried out in the course of the 2018/2019 financial year and Aedifica's focus on healthcare real estate, it was decided to adjust the segmented information of the operational result and to classify it geographically as from the financial year that started on 1 July 2019. This segmentation reflects the geographical markets in which Aedifica operates and is consistent with the Group's organisation and internal reporting on the basis of which management makes key operational decisions, as defined by IFRS 8.

The accounting policies described in Note 2 were used for the internal reporting and the segment reporting that follows.

Each group of entities that fall under common control is considered as a single customer under IFRS 8. Revenues generated through transactions with a single customer representing more than 10% of the Company's total revenues must be disclosed. This requirement applies to:

- the 51 properties (in the segments 'Belgium', 'Netherlands' and 'Germany') rented out to legal entities controlled by the Korian group, for which rents represent 12% of the Company's total 2021 rental income (15% in the prior financial year).

Rents mentioned here represent the turnover realised by the Company over the course of the financial year, which differ from the contractual rents (representing the agreements in place at the time of the year-end closure) on which the analyses included in the Property Report of this Annual Financial Report are based.

Note 3.2: Segment information

		31/12/2021										
		BE	DE	NL	UK	FI	SE	IE	ES	Non-allocated	Inter-segment items	TOTAL
SEGMENT RESULT												
I.	Rental income	62,548	44,971	30,429	49,911	39,797	1,958	2,504	0	-	-	232,118
II.	Writeback of lease payments sold and discounted	-	-	-	-	-	-	-	-	-	-	-
III.	Rental-related charges	-	-2	-695	-75	86	-	-	-	-	-	-686
Net rental income		62,548	44,969	29,734	49,836	39,883	1,958	2,504	0	-	-	231,432
IV.	Recovery of property charges	-	-	-	-	-	-	-	-	-	-	-
V.	Recovery of rental charges and taxes normally paid by tenants on let properties	118	1,842	687	354	1,118	-	125	0	-	-	4,244
VI.	Costs payable by the tenant and borne by the landlord on rental damage and repair at end of lease	-	-	-	-	-	-	-	-	-	-	-
VII.	Charges and taxes not recovered by the tenant on let properties according to the income statement	-93	-1,794	-644	-354	-1,118	-	-125	0	-	-	-4,128
VIII.	Other rental-related income and charges	-11	-151	-635	101	-270	-47	-	-	-	-	-1,013
Property result		62,562	44,866	29,142	49,937	39,613	1,911	2,504	0	-	-	230,535
IX.	Technical costs	-97	-148	-242	-5	-833	-93	-14	-	-	-	-1,432
X.	Commercial costs	-	0	-45	-	-16	0	-	-	-	-	-61
XI.	Charges and taxes on unlet properties	-2	-	-	-	-	-	-	-	-	-	-2
XII.	Property management costs	-518	-1,212	-659	-3,044	-	-	-	-	-	-	-5,433
XIII.	Other property charges	0	193	-87	0	-773	-	-	-	-	-	-667
Property charges		-617	-1,167	-1,033	-3,049	-1,622	-93	-14	-	-	-	-7,595
Property operating result		61,945	43,699	28,109	46,888	37,991	1,818	2,490	0	-	-	222,940
XIV.	Overheads	-	-	-	-	-	-	-	-	-30,930	-	-30,930
XV.	Other operating income and charges	-	-	-	-	-	-	-	-	1,317	-	1,317
OPERATING RESULT BEFORE RESULT ON PORTFOLIO		61,945	43,699	28,109	46,888	37,991	1,818	2,490	0	-29,613	-	193,327
SEGMENT ASSETS												
Marketable investment properties		1,213,217	1,057,513	564,105	815,006	831,150	78,329	91,841	-	-	-	4,651,161
Development projects		5,473	44,923	23,270	10,051	50,802	1,021	13,914	2,500	-	-	151,954
Right of use of plots of land		-	3,142	-	-	54,805	-	-	-	-	-	57,947
Investment properties												4,861,062
Assets classified as held for sale		-	-	-	6,660	28,700	-	-	-	-	-	35,360
Other assets		40,522	-	-	-	161,726	-	-	-	63,197	-	265,445
Total assets												5,161,867
SEGMENT INVESTMENTS OF THE FISCAL YEAR ¹												
Marketable investment properties		19,381	298,428	26,975	112,588	24,996	44,846	92,898	-	-	-	620,112
Development projects		8,246	101,828	48,063	23,217	82,387	7,972	18,756	2,591	-	-	293,060
Investment properties		27,627	400,256	75,038	135,805	107,383	52,818	111,654	2,591	-	-	913,172
GROSS YIELD IN FAIR VALUE		5.3%	5.2%	5.5%	6.4%	5.4%	5.0%	5.3%	0.0%	-	-	5.5%

1. 'Segment investment of the fiscal year' includes the amount of acquisitions and capex costs, whereas the figures for the previous financial year included only the amount of acquisitions.

		31/12/2020 (18 months)										
		BE	DE	NL	UK	FI	SE	IE	ES	Non-allocated	Inter-segment items	TOTAL
SEGMENT RESULT												
I.	Rental income	58,228	35,625	24,627	41,754	27,029	272	-	-	-	-	187,535
II.	Writeback of lease payments sold and discounted	-	-	-	-	-	-	-	-	-	-	-
III.	Rental-related charges	23	-2	-393	-1,981	-399	-	-	-	-	-	-2,752
Net rental income		58,251	35,623	24,234	39,773	26,630	272	-	-	-	-	184,783
IV.	Recovery of property charges	-	-	-	-	-	-	-	-	-	-	-
V.	Recovery of rental charges and taxes normally paid by tenants on let properties	178	1,767	459	387	708	-	-	-	-	-	3,499
VI.	Costs payable by the tenant and borne by the landlord on rental damage and repair at end of lease	-	-	-	-	-	-	-	-	-	-	-
VII.	Charges and taxes not recovered by the tenant on let properties according to the income statement	-178	-1,767	-459	-387	-708	-	-	-	-	-	-3,499
VIII.	Other rental-related income and charges	-14	-358	61	-147	451	-3	-	-	-	-	-10
Property result		58,237	35,265	24,295	39,626	27,081	269	-	-	-	-	184,773
IX.	Technical costs	-37	-101	-206	74	-177	-97	-	-	-	-	-544
X.	Commercial costs	-	-21	-9	-5	-199	-95	-	-	-	-	-329
XI.	Charges and taxes on unlet properties	-	-	-	-	-	-	-	-	-	-	-
XII.	Property management costs	-	-1,089	-391	-2,916	-	-	-	-	-	-	-4,396
XIII.	Other property charges	-18	-215	-105	-1	-537	-	-	-	-	-	-876
Property charges		-56	-1,426	-710	-2,848	-913	-192	-	-	-	-	-6,145
Property operating result		58,181	33,839	23,584	36,779	26,168	77	-	-	-	-	178,628
XIV.	Overheads	-	-	-	-	-	-	-	-	-27,096	-	-27,096
XV.	Other operating income and charges	-	-	-	-	-	-	-	-	22	-	22
OPERATING RESULT BEFORE RESULT ON PORTFOLIO		58,181	33,839	23,584	36,779	26,168	77	-	-	-27,074	-	151,554

		31/12/2020 (18 months)										
		BE	DE	NL	UK	FI	SE	IE	ES	Non-allocated	Inter-segment items	TOTAL
SEGMENT RESULT												
I.	Rental income	86,682	49,174	35,537	60,811	27,029	272	0	0	-	-	259,505
II.	Writeback of lease payments sold and discounted	-	-	-	-	-	-	-	-	-	-	-
III.	Rental-related charges	-15	-6	-393	-2,531	-399	-	-	-	-	-	-3,344
Net rental income		86,667	49,168	35,144	58,280	26,630	272	0	0	-	-	256,161
IV.	Recovery of property charges	-	-	-	-	-	-	-	-	-	-	-
V.	Recovery of rental charges and taxes normally paid by tenants on let properties	84	2,124	507	387	708	-	0	0	-	-	3,810
VI.	Costs payable by the tenant and borne by the landlord on rental damage and repair at end of lease	-	-	-	-	-	-	-	-	-	-	-
VII.	Charges and taxes not recovered by the tenant on let properties according to the income statement	-84	-2,124	-507	-387	-708	-	0	0	-	-	-3,810
VIII.	Other rental-related income and charges	-12	-366	130	-147	451	-3	-	-	-	-	53
Property result		86,655	48,802	35,274	58,133	27,081	269	0	0	-	-	256,214
IX.	Technical costs	-32	-141	-250	17	-177	-97	-	-	-	-	-680
X.	Commercial costs	-	-50	-9	-5	-199	-95	-	-	-	-	-358
XI.	Charges and taxes on unlet properties	0	-	-	-	-	-	-	-	-	-	0
XII.	Property management costs	0	-1,568	-498	-4,180	-	-	-	-	-	-	-6,246
XIII.	Other property charges	-9	-293	-387	-1	-537	-	-	-	-	-	-1,227
Property charges		-41	-2,052	-1,144	-4,169	-913	-192	-	-	-	-	-8,511
Property operating result		86,614	46,750	34,130	53,964	26,168	77	0	0	-	-	247,703
XIV.	Overheads	-	-	-	-	-	-	-	-	-36,096	-	-36,096
XV.	Other operating income and charges	-	-	-	-	-	-	-	-	15	-	15
OPERATING RESULT BEFORE RESULT ON PORTFOLIO		86,614	46,750	34,130	53,964	26,168	77	0	0	-36,081	-	211,622
SEGMENT ASSETS												
Marketable investment properties		1,151,254	634,220	515,768	627,339	667,270	19,543	-	-	-	-	3,615,394
Development projects		10,618	55,137	15,063	1,233	56,907	2,362	-	-	-	-	141,320
Right of use of plots of land		-	-	-	-	51,825	-	-	-	-	-	51,825
Investment properties												3,808,539
Assets classified as held for sale		165	-	-	5,963	-	-	-	-	-	-	6,128
Other assets		36,998	-	-	-	161,726	-	-	-	53,784	-	252,508
Total assets												4,067,175
SEGMENT INVESTMENTS OF THE FISCAL YEAR												
Marketable investment properties		82,884	169,050	132,036	113,521	581,460	-	-	-	-	-	1,078,951
Development projects		-	5,260	-	-	67,770	580	-	-	-	-	73,610
Investment properties		82,884	174,310	132,036	113,521	649,230	580	-	-	-	-	1,152,561
GROSS YIELD IN FAIR VALUE		5.3%	5.7%	5.8%	6.8%	5.6%	5.8%	-	-	-	-	5.8%

Note 4: Net rental income

(x €1,000)	31/12/2021	31/12/2020 (12 months – restated period)	31/12/2020 (18 months)
Rents earned	230,915	187,495	259,445
Guaranteed income	0	0	0
Cost of rent free periods	0	0	0
Indemnities for early termination of rental contracts	1,203	40	60
RENTAL INCOME	232,118	187,535	259,505
Rents payable as lessee	-1	-2	-2
Write-downs on trade receivables	-685	-2,750	-3,342
RENTAL-RELATED CHARGES	-686	-2,752	-3,344
NET RENTAL INCOME	231,432	184,783	256,161

The Group rents its buildings exclusively under operating leases.

The increase in rents earned compared to the restated period is related to the growth of the portfolio during the 2021 financial year.

The schedule of future minimum lease payments to be collected under non-cancellable operating leases required by IAS 17 is based on the following assumptions, which are extremely conservative:

- long-term leases: no inflation.

Future minimum lease payments to be collected under non-cancellable operating leases are presented as follow:

(x €1,000)	31/12/2021	31/12/2020 (18 months)
Not later than one year	258,500	208,464
Later than one year and not later than five years	1,030,413	829,866
Later than five years	3,923,979	3,107,193
TOTAL	5,212,891	4,145,523

Rental income includes contingent rents amounting to €1,082 k (31 December 2021: €1,197 k).

In 2019/2020, a depreciation for doubtful debts of €1.9 million was recognised for Four Seasons for the period from 1 October 2019 until the transfer of the buildings to the new tenants in April 2020. The main other depreciations have been recognised for Majesticare (€0.6 million) and Touhula (€0.4 million).

In 2021, the main depreciation for doubtful debts relates to Ontzorgd Wonen (€0.7 million) in the Netherlands.

Note 5: Property result

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
NET RENTAL INCOME	231,432	184,783	256,161
Indemnities on rental damage	0	0	0
RECOVERY OF PROPERTY CHARGES	0	0	0
Rebiling of rental charges invoiced to the landlord	1,798	1,876	2,206
Rebiling of property taxes and other taxes on let properties	2,446	1,623	1,604
RECOVERY OF RENTAL CHARGES AND TAXES NORMALLY PAID BY TENANTS ON LET PROPERTIES	4,244	3,499	3,810
COSTS PAYABLE BY THE TENANT AND BORNE BY THE LANDLORD ON RENTAL DAMAGE AND REPAIR AT END OF LEASE	0	0	0
Rental charges invoiced to the landlord	-1,715	-1,876	-2,206
Property taxes and other taxes on let properties	-2,413	-1,623	-1,604
CHARGES AND TAXES NOT RECOVERED BY THE TENANT ON LET PROPERTIES ACCORDING TO THE INCOME STATEMENT	-4,128	-3,499	-3,810
Cleaning	-274	-125	-187
Energy	-773	-292	-335
Depreciation of furniture	0	7	-6
Employee benefits	0	-1	-1
Other	34	401	582
OTHER RENTAL-RELATED INCOME AND CHARGES	-1,013	-10	53
PROPERTY RESULT	230,535	184,773	256,214

Note 6: Property operating result

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
PROPERTY RESULT	230,535	184,773	256,214
Repair and maintenance	-1,282	-967	-1,017
Insurance	-98	29	-53
Employee benefits	0	410	441
Expert fees	-52	-16	-51
TECHNICAL COSTS	-1,432	-544	-680
Letting fees paid to real estate brokers	0	-123	-124
Marketing	0	-205	-234
Fees paid to lawyers and other legal costs	0	0	0
Employee benefits	0	-1	0
Other	-61	0	0
COMMERCIAL COSTS	-61	-329	-358
Charges	-2	0	0
CHARGES AND TAXES ON UNLET PROPERTIES	-2	0	0
Fees paid to external property managers	-2,958	-2,763	-4,061
Internal property management expenses	-2,475	-1,633	-2,185
PROPERTY MANAGEMENT COSTS	-5,433	-4,396	-6,246
Property taxes and other taxes	-667	-876	-1,227
OTHER PROPERTY CHARGES	-667	-876	-1,227
PROPERTY OPERATING RESULT	222,940	178,628	247,703

Note 7: Overheads

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Lawyers/notaries	-1,713	-1,293	-1,880
Auditors/accountants	-439	-2,143	-2,932
Real estate experts	-1,354	-1,274	-1,817
IT	-632	-563	-708
Insurance	-457	-180	-235
Public relations, communication, marketing, publicity	-656	-382	-519
Directors and executive management	-3,793	-3,751	-6,053
Employee benefits	-10,862	-8,687	-11,016
Depreciation and amortisation of other assets	-1,660	-1,417	-2,030
Tax expense	-2,945	-2,201	-2,263
Other	-6,419	-5,206	-6,644
Financial services	-529	-122	-234
Fleet	-241	-226	-304
HQ	-953	-940	-1,277
Other professional fees	-4,537	-3,217	-3,976
Other	-159	-701	-853
TOTAL	-30,930	-27,097	-36,097

Audit fees

(x €1,000)	31/12/2021	31/12/2020 (18 months)
Statutory (audit Aedifica SA)	110	72
Statutory audit (subsidiaries)	176	291
Opinion reports foreseen in the Belgian Companies and Associations Code	16	35
Other opinion reports (comfort letter, etc.)	23	39
Tax advice missions	0	0
Other missions unconnected with the statutory audit	0	125
TOTAL	325	562

Related party transactions

Related party transactions (as defined under IAS 24 and the Belgian Companies and Associations Code) relate exclusively to the remuneration of the members of the Board of Directors and the Executive Committee (€3,793 k in 2021; €6,053 k in 2019/2020).

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Short-term benefits	3,505	3,490	5,560
Post-employment benefits	235	235	333
Other long-term benefits	0	0	0
Termination benefits	0	0	0
Share-based payments	53	26	160
Total	3,793	3,751	6,053

Employee benefits expense

Total employee benefits (excluding Executive Managers and Directors – see ‘Related party transactions’ above) are broken down in the income statement as follows:

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Cleaning costs (see Note 5)	0	-1	-1
Technical costs (see Note 6)	0	410	441
Commercial costs	0	-1	0
Overheads (see Note 7)	-10,862	-8,687	-11,016
Property management costs (see Note 6)	-2,475	-1,633	-2,185
Capitalised costs	-715	-847	-817
TOTAL	-14,052	-10,759	-13,578

Headcount at the end of the financial year and full-time equivalents (excluding Directors):

	31/12/2021	31/12/2020 (18 months)
Headcount at the year-end	114	105
Employees	109	101
Executive management personnel	5	4
FULL-TIME EQUIVALENT (EXCL. EXECUTIVE MANAGEMENT PERSONNEL)	106.9	95.1

The number of employees has increased due to the expansion of the team and the acquisition of Layland Walker Ltd in October 2021 (renamed Aedifica UK Management after the transaction).

Note 8: Other operating income and charges

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Recovery of damage expenses	42	13	-35
Other	1,275	9	50
TOTAL	1,317	22	15

The increase in ‘Other operating income’ is mainly related to the recovery of VAT in the UK.

Note 9: Gains and losses on disposals of investment properties

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Net sale of properties (selling price - transaction costs)	53,487	17,044	23,432
Carrying amount of properties sold (fair value of assets sold)	52,953	18,871	23,991
TOTAL	534	-1,827	-559

The table with the main disposals of the financial year are detailed in Note 38.

Note 10: Gains and losses on disposals of other non-financial assets

Over the course of the current and previous financial years, Aedifica has not recognised any gains or losses from the sale of other non-financial assets.

Note 11: Changes in fair value of investment properties

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Positive changes	299,935	123,208	154,205
Negative changes	-139,724	-118,138	-129,156
TOTAL	160,211	5,070	25,049
of which: marketable investment properties	153,519	14,816	41,930
development projects	6,692	-9,746	-16,881

Note 12: Other result on portfolio

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Goodwill impairment	-3,540	0	0
Other	0	0	0
TOTAL	-3,540	0	0

During the financial year under review, the Group recognised a goodwill impairment related to the acquisition of Layland Walker Ltd (see Note 20 for more information).

Note 13: Financial income

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Interests earned	-6	61	75
Other	849	427	403
TOTAL	843	488	478

The financial income of 2021 includes non-recurring income of €0.2 million, which represents the fee paid to Aedifica as a result of the contributions in kind of 29 June 2021 and 8 September 2021, in compensation for the grant of full dividend rights for the 2021 financial year to the shares issued on these days. It also included €0.3 million of realised and unrealised foreign exchange differences and €0.3 million of reinvoiced interests.

The financial income of 2019/2020 includes non-recurring income of €0.3 million, which represents the fee paid to Aedifica as a result of the contribution in kind of 9 July 2020, in compensation for the grant of full dividend rights for the 2019/2020 financial year to the shares issued on that day. It also included €0.1 million of realised and unrealised foreign exchange differences.

Note 14: Net interest charges

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Nominal interest on borrowings	-20,240	-18,469	-24,320
Bilateral loans - floating rate	-10,892	-11,398	-14,137
Short-term treasury notes - floating rate	-439	-484	-580
Investment credits - floating or fixed rate	-1,814	-5,845	-8,698
Long-term treasury notes - fixed rate	-1,390	-741	-905
Bond - Fixed rate	-1,171	0	0
Private placement - fixed rate	-4,534	0	0
Charges arising from authorised hedging instruments			
Authorised hedging instruments qualifying for hedge accounting as defined under IFRS	-4,711	-3,540	-4,461
Authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	-4,245	-4,340	-6,525
Subtotal	-8,956	-7,880	-10,986
Income arising from authorised hedging instruments			
Authorised hedging instruments qualifying for hedge accounting as defined under IFRS	0	0	0
Authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	0	0	0
Subtotal	0	0	0
Capitalised interest charges	3,320	1,990	2,491
Interest cost related to leasing debts booked in accordance with IFRS 16	-984	-729	-824
Other interest charges	-688	-47	-49
TOTAL	-27,548	-25,135	-33,688

Charges and income arising from hedging instruments represent Aedifica's cash interest payments or receipts related to the derivatives presented in Note 24 and detailed in Note 33. Changes in the fair value of these derivatives are recognised in the income statement and are listed in Note 16.

Note 15: Other financial charges

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Bank charges and other commissions	-4,224	-3,076	-5,246
Other	-1,233	-600	-299
TOTAL	-5,457	-3,676	-5,545

The item 'Bank charges and other commissions' includes €2,785 k of commitment fees (2019/2020: €3,416 k).

The item 'Other' includes -€824 k of realised and unrealised foreign exchange differences (2019/2020: -€147 k).

Note 16: Charges in fair value of financial assets and liabilities

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Authorised hedging instruments			
Authorised hedging instruments qualifying for hedge accounting as defined under IFRS	-31	8	-3
Authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	15,679	-4,742	-970
Subtotal	15,648	-4,734	-973
Other	-835	-853	-1,196
TOTAL	14,813	-5,587	-2,169

The Line 'Other' represents the changes in fair value of the put options granted to non-controlling shareholders (see Notes 24 and 43).

Note 17: Share in the profit or loss of associates and joint ventures

On 1 July 2018, Aedifica transferred the 'apartments' branch of activities to a separate company (Immo NV/SA), which was initially wholly controlled by Aedifica NV/SA.

Aedifica NV/SA gradually sold its shares in Immo NV/SA (in 2 phases) to Primonial European Residential Fund:

- phase 1: sale of 50% (minus one share) during the second quarter of the 2018/2019 financial year (see press release of 31 October 2018 for more information);
- phase 2: sale of an additional 25% (plus two shares) during the third quarter of the 2018/2019 financial year (see press release of 27 March 2019 for more information).

Following the sale of the second phase, Immo NV/SA is no longer a perimeter company and is consolidated using the equity method.

(x €1,000)	31/12/2021	31/12/2020
Carrying amount at the beginning of the year	36,998	33,931
Acquisition of shares of associates and joint ventures accounted for using the equity method	0	0
Disposal of shares of a subsidiary resulting in their equity method accounting (formerly under full consolidation)	0	0
Share in the profit or loss of associates and joint ventures accounted for using the equity method	6,371	4,575
Impact of dividends received on equity	-2,847	-1,508
Other	0	0
Carrying amount at the end of the year	40,522	36,998
Company	Immo SA	
Segment	Apartment buildings	
Country	Belgium	
% held by Aedifica SA	24.97%	
Partner shareholders	Primonial European Residential Holdco Sarl	
Date of company creation	June 2018	
Amount of the Aedifica SA share in the result (x €1,000)	31/12/2021	
Net result (100%)	25,516	
Other elements of the global result	0	
Global result	25,516	
% held by Aedifica SA	24.97%	
Share in the profit or loss of associates and joint ventures accounted for using the equity method	6,371	
Amount of the interest at Aedifica SA (x €1,000)		
Equity-accounted investments	40,522	

Note 18: Tax

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Parent			
Profit before tax (loss)	202,654	116,183	193,416
Effect of the Belgian REIT tax regime	-202,654	-116,183	-193,416
Taxable result in Belgium based on non-deductible costs	2,185	1,069	1,191
Belgian current tax at rate of 29,58%	-646	-316	-352
Belgian current tax regularisation for the previous year	-103	0	-14
Foreign current tax	-2,489	-2,060	-2,639
Subtotal	-3,238	-2,376	-3,005
Subsidiaries			
Belgian current tax	-5	0	0
Foreign current tax	-7,034	-5,327	-8,525
Subtotal	-7,039	-5,327	-8,525
Corporate tax	-10,277	-7,703	-11,530
Exit tax	-256	112	60
Parent	-1,121	-2,664	-3,611
Foreign deferred taxes: originations	0	878	1,300
Foreign deferred taxes: reversals	-1,121	-3,542	-4,911
Subsidiaries	-45,075	-8,489	-11,260
Foreign deferred taxes: originations	-287	2,181	1,514
Foreign deferred taxes: reversals	-44,788	-10,670	-12,774
Deferred taxes	-46,196	-11,153	-14,871
TOTAL TAX	-56,729	-18,744	-26,341

The corporate taxes are composed of current taxes, deferred taxes and exit tax.

Current taxes consist primarily of Belgian tax on Aedifica's non-deductible expenditures (since Belgian REITs benefit from a specific tax regime, leading to the taxation of only non-deductible costs, such as regional taxes, car costs, representation costs, social costs, donations, etc.), tax generated abroad and tax on the result of the consolidated subsidiaries.

Deferred taxes generally arose from the recognition at fair value of buildings located abroad in conformity with IAS 40. This deferred tax (with no monetary impact, that is to say, non-cash) is thus excluded from the EPRA Earnings* (see Note 25).

Note 19: Earnings per share

The earnings per share ('EPS' as defined by IAS 33) is calculated as follows:

	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Profit (loss) (Owners of the parent) (x €1,000)	281,824	103,894	173,068
Weighted average number of shares outstanding during the period	34,789,526	27,472,976	26,512,206
Basic EPS (in €)	8.10	3.78	6.53
Diluted EPS (in €)	8.10	3.78	6.52

Aedifica uses EPRA Earnings* to comply with the EPRA's recommendations and to measure its operational and financial performance; however, this performance measure is not defined under IFRS (see Note 44). In Aedifica's case, it represents the profit (attributable to owners of the Parent) after removing changes in fair value of investment properties (attributable to owners of the Parent) (and the movements of deferred taxes related to these), hedging instruments and the result of the sale of investment properties.

It is calculated as follows:

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
Profit (loss) (Owners of the parent)	281,824	103,894	173,068
Less: Changes in fair value of investment properties (see Note 11)	-160,211	-5,069	-25,049
Less: Gain and losses on disposal of investment properties (see Note 9)	-534	1,827	559
Less: Deferred taxes in respect of EPRA adjustments (see Notes 18 and 25)	46,452	11,041	14,811
Less: Tax on profits or losses on disposals (see Notes 9 and 18)	559	0	0
Less: Changes in fair value of financial assets and liabilities (see Note 16)	-14,813	5,587	2,169
Less: Negative goodwill / goodwill impairment (see Note 12)	3,540	0	0
Add : Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of EPRA corrections	-6,011	-1,180	-3,007
Add: Non-controlling interests in respect of the above	673	68	167
Roundings	0	0	0
EPRA Earnings*	151,479	116,168	162,718
Weighted average number of shares outstanding during the period	34,789,526	27,472,976	26,512,206
EPRA Earnings* per share (in €)	4.35	4.23	6.14
EPRA Earnings* diluted per Share (in €)	4.35	4.22	6.13

The calculation in accordance with the model recommended by EPRA is included in the EPRA chapter of the Annual Financial Report.

Note 20: Goodwill

(x €1,000)	31/12/2021	31/12/2020
Gross value at the beginning of the year	162,061	335
Cumulative impairment losses at the beginning of the year	-335	-335
Carrying amount at the beginning of the year	161,726	0
Additions / Transfer	3,617	161,726
Impairment losses	-3,617	0
CARRYING AMOUNT AT THE END OF THE YEAR	161,726	161,726
of which: gross value	165,679	162,061
cumulative impairment losses	-3,953	-335

In accordance with the requirements of IAS 36 – Impairment of Assets, the Group primarily analysed the carrying amount of goodwill.

The initial goodwill (€335 k) arose from the acquisition of Schloss Bensberg Management GmbH. This goodwill was set at zero during the 2017/2018 financial year.

The goodwill addition in 2020 (€161,726 k) arose from the acquisition of Hoivatilat Oyj. It results from the positive difference between the acquisition cost (the price paid for the shares of Hoivatilat Oyj) and the fair value of the net asset acquired, including deferred tax effect corresponding to the theoretical assumption required under IAS/IFRS of an immediate disposal of the assets and liabilities at the closing date. The tax rate applied for Finland is 20%.

The goodwill addition in 2021 (€3,617 k, corresponding to £3,043 k in the books of Aedifica UK Ltd, the buyer) arose from the acquisition of Layland Walker Ltd (renamed Aedifica UK Management Ltd), Aedifica's UK asset management company. It results from the positive difference between the acquisition cost (the price paid for the shares of Layland Walker Ltd) and the fair value of the net asset acquired.

Impairment test

On 31 December 2021, the goodwill of the Hoivatilat Oyj acquisition was subject to an impairment test by comparing the fair value of investment properties and development projects (including deferred tax effect plus the goodwill) to the value in use of these investment properties and development projects.

The fair value of investment properties and development projects is established by an independent expert in accordance with the Group valuation rules as presented in Note 2.

The value in use is established by the Group according to expected future net cash flows based on the rents of the underlying investment properties and development projects (as per tenants' lease agreements), the expenses to maintain and manage the property portfolio, and the theoretical renovation costs of the properties. The value in use also considers the net future cash flows of a non-committed development pipeline of €100 million per year during the first 4 years, based on the plans of the subsidiary's Management. The main assumptions in the establishment of the value in use are the indexation rate and the discount rate.

Assumptions used in the calculation of the value in use of Hoivatilat:

- the cash flow horizon is 45 years with a final value that is determined as a perpetuity of 80% of the last cash flow;
- renewal costs are estimated at 20% of the cost price every 15 years;
- the yield on cost that is used to determine the non-committed pipeline rents is based on the assumptions used by experts in the valuation of the existing portfolio;
- the indexation considered on the cash flows stands at 2%;
- the discount rate amounts to 4.25%.

On 31 December 2021, the fair value of investment properties and development projects (net of deferred tax liability carried on the balance sheet) plus goodwill amounts to €1,079,560 k. The value in use, calculated on the same date according to the principles set out above, amounts to €1,104,586 k.

Sensitivity analysis	Change in inflation		Change in discount rate	
	+0.50%	-0.50%	+0.50%	-0.50%
Change of value in use (in %)	13%	-11%	-12%	14%

As Aedifica UK Management Ltd will not provide asset management services outside the Group, the value in use is considered to be zero. Consequently, the goodwill has been fully amortised by 31 December 2021 (£3,043 k corresponding to €3,540 k in P&L converted at the average exchange rate for the period).

Note 21: Intangible assets

Intangible assets all have a limited useful life and consist mainly of computer software. In 2020, the Company installed an ERP system. Amortisation is recognised in income under the line 'overheads' (see Note 7).

(x €1,000)	31/12/2021	31/12/2020
Gross value at the beginning of the year	2,698	939
Depreciation and cumulative impairment losses at the beginning of the year	-909	-533
Carrying amount at the beginning of the year	1,790	407
Entries: items acquired separately	657	1,790
Disposals	-3	-31
Amortisations to income statement	-511	-406
Amortisations related to acquisitions and disposals	1	30
CARRYING AMOUNT AT THE END OF THE YEAR	1,934	1,790
of which: gross value	3,353	2,698
amortisations and cumulative impairment losses	-1,419	-909

Note 22: Investment properties

(x €1,000)	Marketable investment properties	Development projects	TOTAL
CARRYING AMOUNT AS OF 1/07/2019	2,264,504	51,205	2,315,709
Acquisitions	1,078,951	73,610	1,152,561
Disposals	-23,907	0	-23,907
Capitalised interest charges	0	2,491	2,491
Capitalised employee benefits	0	468	468
Other capitalised expenses	35,563	251,050	286,613
Transfers due to completion	220,623	-220,623	0
Changes in fair value (see Note 11)	41,930	-16,881	25,049
Other expenses booked in the income statement	0	0	0
Transfers to equity	-1,382	0	-1,382
Assets classified as held for sale	-888	0	-888
CARRYING AMOUNT AS OF 31/12/2020	3,615,394	141,320	3,756,714
CARRYING AMOUNT AS OF 1/01/2021	3,615,394	141,320	3,756,714
Acquisitions	609,003	16,369	625,372
Disposals	-53,134	0	-53,134
Capitalised interest charges	0	3,321	3,321
Capitalised employee benefits	0	1,117	1,117
Other capitalised expenses	22,851	272,253	295,104
Transfers due to completion	289,139	-289,139	0
Changes in fair value (see Note 11)	153,519	6,692	160,211
Other expenses booked in the income statement	0	0	0
Transfers to equity	43,621	21	43,642
Assets classified as held for sale	-29,232	0	-29,232
CARRYING AMOUNT AS OF 31/12/2021	4,651,161	151,954	4,803,115

The fair value is supported by market evidence and is based on valuations provided by valuation experts with relevant and recognised professional qualifications and recent experience in the geographic areas and property types included in Aedifica's portfolio. All investment properties are located in Belgium, Germany, the Netherlands, the United Kingdom, Finland, Sweden, Ireland and Spain.

The fair value of the marketable investment properties as of 31 December 2021 is assessed by independent valuation experts. The average capitalisation rate applied to contractual rents is 5.52% (in accordance with the valuation methodology – presented in the first bullet of section 1.11 of the Standing Documents included in the 2021 Annual Financial Report). A positive 0.10% change in the capitalisation rate would lead to a negative change of approx. €83 million in the portfolio's fair value.

Development projects are described in detail in the Property Report included in the present Annual Financial Report.

The portfolio of investment properties includes a right of use of €58 million related to plots of land held in 'leasehold' in accordance with IFRS 16.

Assets classified as held for sale (line II.A. included in the assets on the balance sheet) amount to €35.4 million as of 31 December 2021. They mainly relate to nine care properties in Finland and one care property in the United Kingdom that are considered to be non-strategic assets.

Acquisitions made during the financial year are described in detail in the Financial Report included in the present Annual Financial Report.

All investment properties are considered to be at 'level 3' on the fair value scale defined under IFRS 13. This scale includes three levels: Level 1: observable listed prices in active markets; Level 2: observable data other than the listed prices included in level 1; Level 3: unobservable data. During the 2021 financial year, there were no transfers between level 1, level 2 and level 3.

The valuation methodologies (approach under which a capitalisation rate is applied to the estimated rental value and another approach based on the present value of future cash flows) are described in section 1.11 of the standing documents of the present Annual Financial Report.

The quantitative information presented below in relation to the determination of the fair value of investment properties based on unobservable data (level 3) is taken from various reports produced by the valuation experts:

Type of asset	Fair value as of 31/12/2021 (x €1,000)	Assessment method	Unobservable data ¹	Min	Max	Weighted average
HEALTHCARE REAL ESTATE	4,686,521					
Belgium	1,213,217	DCF & Capitalisation	ERV / m ²	77	279	128
			Inflation	1.5%	1.8%	1.6%
			Discount rate	4.7%	6.9%	5.4%
			Capitalisation rate	3.7%	7.6%	5.0%
			Residual maturity (year)	3	29	22
Netherlands	564,105	DCF & Capitalisation	ERV / m ²	39	305	135
			Inflation	1.8%	2.0%	1.9%
			Discount rate	4.5%	8.0%	5.9%
			Capitalisation rate	4.0%	12.5%	5.6%
			Residual maturity (year)	10	26	18
Germany	1,057,514	DCF & Capitalisation	ERV / m ²	39	225	119
			Inflation	2.0%	2.0%	2.0%
			Discount rate	4.1%	7.0%	5.5%
			Residual maturity (year)	1	30	23
United Kingdom	821,666	DCF & Capitalisation	ERV / m ²	63	344	174
			Capitalisation rate	4.6%	12.9%	6.0%
			Residual maturity (year)	12	35	22
Finland	859,850	DCF & Capitalisation	ERV / m ²	127	295	206
			Inflation	1.9%	1.9%	1.9%
			Discount rate	3.8%	9.5%	4.5%
			Residual maturity (year)	2	25	12
Sweden	78,329	DCF & Capitalisation	ERV / m ²	2,195	2,195	2,629
			Inflation	2.0%	2.0%	2.0%
			Discount rate	6.1%	6.7%	6.5%
			Residual maturity (year)	2	19	13
Ireland	91,841	DCF & Capitalisation	ERV / m ²	47	276	198
			Inflation	4.5%	5.1%	4.9%
			Residual maturity (year)	24	25	24
DEVELOPMENT PROJECTS	150,449	DCF & Capitalisation	ERV / m ²	58	280	165
			Inflation	1.5%	2.0%	1.6%
			Discount rate	3.2%	6.9%	4.1%
			Capitalisation rate	3.6%	7.0%	4.8%
			Residual maturity (year)	9	35	24
Total	4,836,971					

¹ ERV / m² is expressed in local currency.

The valuation of the buildings is based on an occupancy rate of 100% for the entire healthcare real estate portfolio. The different parameters applied in the capitalisation method can vary depending on the location of the assets, the quality of the building, quality of the operator, lease length etc., which explains the significant differences between the minimum and maximum amounts for these unobservable data. The capitalisation rate is determined by the valuation expert based on economic data and benchmarking and takes into account a risk premium.

Type of asset	Fair value as of 31/12/2020 (x €1,000)	Assessment method	Unobservable data ¹	Min	Max	Weighted average
HEALTHCARE REAL ESTATE	3,621,522					
Belgium	1,151,419	DCF & Capitalisation	ERV / m ²	56	257	126
			Inflation	1.5%	1.5%	1.5%
			Discount rate	3.6%	6.8%	4.9%
			Capitalisation rate	4.1%	7.2%	5.2%
			Residual maturity (year)	1	30	21
Netherlands	515,768	DCF & Capitalisation	ERV / m ²	18	302	135
			Inflation	1.9%	2.0%	2.0%
			Discount rate	5.0%	7.0%	6.0%
			Capitalisation rate	3.7%	6.9%	5.5%
			Residual maturity (year)	11	27	18
Germany	634,220	DCF & Capitalisation	ERV / m ²	39	210	124
			Inflation	2.0%	2.0%	2.0%
			Discount rate	4.6%	6.8%	5.8%
			Residual maturity (year)	2	30	22
United Kingdom	633,302	DCF & Capitalisation	ERV / m ²	63	487	166
			Capitalisation rate	4.5%	13.8%	6.2%
			Residual maturity (year)	13	34	22
Finland	667,270	DCF & Capitalisation	ERV / m ²	135	391	202
			Inflation	1.8%	1.8%	1.8%
			Discount rate	3.8%	8.0%	4.8%
			Residual maturity (year)	3	25	12
Sweden	19,543	DCF & Capitalisation	ERV / m ²	2,292	2,733	2,423
			Inflation	2.0%	2.0%	2.0%
			Discount rate	6.7%	7.0%	6.9%
			Residual maturity (year)	15	20	17
DEVELOPMENT PROJECTS	134,563	DCF & Capitalisation	ERV / m ²	58	295	146
			Inflation	1.5%	2.0%	1.9%
			Discount rate	3.8%	7.0%	5.0%
			Capitalisation rate	4.6%	7.2%	5.0%
			Residual maturity (year)	10	30	24
Total	3,756,085					

¹ ERV / m² is expressed in local currency.

In accordance with legal provisions, properties are revalued four times per year based on valuation reports prepared by the ten valuation experts appointed by the Company. These valuations are based on:

- information provided by the Company such as contractual rents, rental contracts, investment budgets, etc. These data are extracted from the Company's information system and are thus subject to the Company's internal control environment;
- assumptions and valuation models used by the valuation experts, based on their professional judgment and market knowledge.

Reports provided by the valuation experts are reviewed by the Company's Senior Valuation & Asset Manager, the Group Controller and the Executive Managers. This includes a review of the changes in fair value over the period. When the Executive Managers consider that the valuation reports of the valuation experts are coherent, the valuation report is submitted to the Audit Committee. Following a favourable opinion of the Audit and Risk Committee, these reports are submitted to the Board of Directors.

The sensitivity of the fair value measurement to a change of the abovementioned unobservable data is generally as follows (all else being equal):

Unobservable data	Effect on the fair value	
	in case of decrease of the unobservable input value	in case of increase of the unobservable input value
ERV / m ²	negative	positive
Capitalisation rate	positive	negative
Inflation	negative	positive
Discount rate	positive	negative
Residual maturity (year)	negative	positive

Interrelations between unobservable data are possible, as they are determined in part by market conditions.

Note 23: Other tangible assets

(x €1,000)	31/12/2021	31/12/2020
Gross value at beginning of the period	4,944	2,220
Depreciation and cumulative impairment losses at beginning of period	-2,131	-894
Carrying amount at beginning of period	2,813	1,326
Additions	763	3,000
Disposals	-59	-275
Depreciations to income statement	-1,148	-1,629
Depreciations related to acquisitions and disposals	1	392
CARRYING AMOUNT AT END OF PERIOD	2,369	2,813
of which: gross value (excl. IFRS 16)	2,332	2,272
Right of use assets (in accordance with IFRS 16)	3,180	2,672
depreciations and cumulative impairment losses	-1,635	-1,267
Depreciations on right of use assets (in accordance with IFRS 16)	-1,509	-864

Amortisation is recognised in income under the line 'overheads' (see Note 7).

Note 24: Non-current financial assets and other financial liabilities

(x €1,000)	31/12/2021	31/12/2020
Receivables		
Collateral	93	438
Other non-current receivables	666	490
Available-for-sale financial assets		
Investments in related entities (Note 40)	0	0
Assets at fair value through profit or loss		
Hedging instruments (see Note 33)	6,720	234
Other non-current financial assets		
Hedging instruments (see Note 33)	0	0
Other		
Investments in related entities (Note 40)	0	0
TOTAL NON-CURRENT FINANCIAL ASSETS	7,479	1,162
Liabilities at fair value through profit or loss		
Hedging instruments (see Note 33)	-20,575	-30,362
Other	-5,697	-5,287
Total non-current financial liabilities		
Hedging instruments (see Note 33)	-12,751	-20,858
Non current lease liability (in accordance with IFRS 16)	-57,131	-51,553
TOTAL OTHER NON-CURRENT FINANCIAL LIABILITIES	-96,154	-108,060
Total current financial liabilities		
Current lease liability (in accordance with IFRS 16)	-2,616	-2,077
TOTAL OTHER CURRENT FINANCIAL LIABILITIES	-2,616	-2,077

The collateral at fair value (€93 k; 31 December 2020: €438 k) includes blocked funds in Germany.

Assets and liabilities recognised at fair value through profit or loss consist primarily of hedging instruments. However, they hedge interest rate risks. The cash flows generated by all hedges, as well as the changes in fair value taken into income, are presented in Notes 14 and 16.

The other liabilities recognised at fair value through profit or loss (€5,697 k; 31 December 2020: €5,287 k) include the put options granted to non-controlling shareholders (see Notes 16 and 43).

Note 25: Deferred taxes

The deferred taxes recognised in the balance sheet arise from the acquisitions of investment properties located outside of Belgium. They generally result from the temporary difference between the buildings' fair value and the assessed value used for tax purposes.

The increase in deferred taxes is mainly due to the increase in the fair value of the properties.

Changes in deferred taxes are as follows (see also Note 18):

(x €1,000)	Assets	Liabilities
CARRYING AMOUNT AS OF 1/07/2019	0	-11,848
Originations	1,764	-16,653
Reversals	0	18
Scope changes	1,137	-46,126
CARRYING AMOUNT AS OF 31/12/2020	2,902	-74,609
(x €1,000)	Assets	Liabilities
CARRYING AMOUNT AS OF 31/12/2020	2,902	-74,609
Originations	102	-388
Reversals	-135	-45,774
Scope changes	246	-511
CARRYING AMOUNT AS OF 31/12/2021	3,116	-121,283

Note 26: Trade receivables

(x €1,000)	31/12/2021	31/12/2020
TRADE RECEIVABLES - NET VALUE	20,434	12,698

It is anticipated that the carrying amount of trade receivables will be recovered within twelve months. This carrying amount represents an estimate of the fair value of assets that do not generate interest.

The credit risk associated with trade receivables is limited thanks to the diversity of the client base and rental guarantees (€148 million; 31 December 2020: €125 million) received from tenants to cover their commitments. In the United Kingdom, collateral on the companies is used as a guarantee. The carrying amount on the balance sheet is presented net of the provision for doubtful debts. Thus, the risk of exposure to credit risk is reflected in the carrying amount of receivables recognised on the balance sheet.

Trade receivables are analysed as follows:

(x €1,000)	31/12/2021	31/12/2020
under 90 days	3,304	3,176
over 90 days	1,727	3,431
Subtotal	5,031	6,607
Not due	19,471	9,474
Write-downs	-4,068	-3,383
CARRYING AMOUNT	20,434	12,698

Write-downs have evolved as follows:

(x €1,000)	31/12/2021	31/12/2020
At beginning of period	-3,383	-41
Addition	-770	-3,815
Utilisation	0	0
Reversal	86	473
Mergers / Transfers	0	0
AT END OF PERIOD	-4,068	-3,383

Note 27 : Tax receivables and other current assets

(x €1,000)	31/12/2021	31/12/2020
Tax	5,981	3,575
Other	1,387	1,602
TOTAL	7,368	5,177

Tax receivables are composed of tax credits.

Note 28: Cash and cash equivalents

(x €1,000)	31/12/2021	31/12/2020
Short-term deposits	0	0
Cash at bank and in hands	15,335	23,546
TOTAL	15,335	23,546

The above amounts were available as at 31 December 2021 and 31 December 2020.

Note 29: Deferred charges and accrued income

(x €1,000)	31/12/2021	31/12/2020
Accrued rental income	-268	-573
Deferred property charges	602	291
Accrued interests and deferred financial charges	16	0
Deferred charges on future projects	3,789	2,530
Other	1,023	1,448
TOTAL	5,162	3,696

Note 30: Equity

Aedifica has completed three capital increases during the 2021 financial year:

- 9 June 2021: capital increase of approx. €286 million (including share premium) by issuing 2,800,000 new Aedifica shares in the context of an accelerated private placement ('accelerated bookbuilding') with institutional investors;
- 29 June 2021: capital increase of approx. €20 million (including share premium) by way of the contribution in kind of the building and plot of land of the Domaine de la Rose Blanche care home in Durbuy (Belgium) in Aedifica NV/SA;
- 8 September 2021: capital increase of approx. €27 million (including share premium) by way of the contribution in kind of 100% of the shares in the Swedish real estate company that (indirectly) controls 14 buildings and the related plots of land in Sweden in Aedifica NV/SA.

The capital has evolved in the following manner since the beginning of the financial year:

	Number of shares	Capital (x €1,000)
Situation at the beginning of the previous year	24,601,158	649,170
Capital increase of 28 April 2020	2,460,115	64,917
Capital increase of 10 July 2020	435,596	11,494
Capital increase of 27 October 2020	5,499,373	145,116
Capital increase of 17 December 2020	90,330	2,384
Situation at the end of the previous year	33,086,572	873,081
Capital increase of 15 June 2021	2,800,000	73,886
Capital increase of 29 June 2021	184,492	4,868
Capital increase of 8 September 2021	237,093	6,256
Situation at the end of the year	36,308,157	958,092

Capital is presented above before subtracting the costs of raising capital (the capital value presented on the balance sheet, is shown net of these costs, in accordance with IFRS).

The table below lists Aedifica's shareholders holding more than 5% of the voting rights (as of 31 December 2021, based on the number of shares held by the shareholders concerned on 5 July 2019 – see also section 3 of the chapter 'Aedifica on the stock market'). At the closing date of this report, Aedifica has not received any additional transparency notifications that would change the situation on 5 July 2019. The declarations of transparency (including control strings) are available on Aedifica's website. According to the definition of Euronext, Aedifica's free float amounts to 100%.

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

The capital increases are disclosed in the 'Standing Documents' section of the present Annual Financial Report. All subscribed shares are fully paid-up, with no par value. The shares are registered or dematerialised shares and grant one vote each. All 36,308,157 shares issued as of 31 December 2021 are listed on the regulated markets of Euronext Brussels and Euronext Amsterdam.

Aedifica NV/SA holds no treasury shares.

The Board of Directors is authorised to increase the capital in one or more instalments, on the dates and in accordance with the terms and conditions as will be determined by the Board of Directors, by a maximum amount of:

- 1) 50% of the amount of the capital on the date of the extraordinary general meeting of 30 July 2021, as the case may be, rounded down to the euro cent for capital increases by contribution in cash whereby the possibility is provided for the exercise of the preferential subscription right or the priority allocation right by the shareholders of the Company,
- 2) 50% of the amount of the capital on the date of the extraordinary general meeting of 30 July 2021, as the case may be, rounded down to the euro cent for capital increases in the framework of the distribution of an optional dividend,
- 3) 10% of the amount of the capital on the date of the extraordinary general meeting of 30 July 2021, rounded down to the euro cent for a. capital increases by contribution in kind, b. capital increases by contribution in cash without the possibility for the shareholders of the Company to exercise the preferential right or priority allocation right, or c. any other kind of capital increase,

provided that the capital within the context of the authorised capital can never be increased by an amount higher than the capital on the date of the extraordinary general meeting that approves the authorisation. This authorisation is granted for a renewable period of five years, calculated from the publication of the minutes of the extraordinary general meeting of 30 July 2021, in the annexes to the Belgian Official Gazette. For each capital increase, the Board of Directors will determine the price, the issue premium (if any) and the terms and conditions of issue of the new securities.

The capital increases that are thus decided on by the Board of Directors may be subscribed to in cash, in kind, or by means of a mixed contribution, or by incorporation of reserves, including profits carried forward and issue premiums as well as all equity components under the Company's statutory IFRS financial statements (drawn up in accordance with the regulations applicable to the regulated real estate companies) which are subject to conversion into capital, with or without the creation of new securities. These capital increases can also be realised through the issue of convertible bonds, subscription rights or bonds repayable in shares or other securities which may give rise to the creation of the same securities.

On 31 December 2021, the balance of the authorised capital amounts to:

- 1) €475,917,719.19 for capital increases by contribution in cash whereby the possibility is provided for the exercise of the preferential subscription right or the priority allocation right by the shareholders of the Company;
 - 2) €475,917,719.19 for capital increases in the framework of the distribution of an optional dividend;
 - 3) €88,927,185 for a. capital increases by contribution in kind, b. capital increases by contribution in cash without the possibility for the shareholders of the Company to exercise the preferential right or priority allocation right, or c. any other kind of capital increase;
- provided that the capital within the context of the authorised capital can never be increased by an amount that exceeds the legal maximum amount of the capital of €945,579,079.55, on the dates and in accordance with the terms and conditions as will be determined by the Board of Directors.

The Board of Directors has proposed a dividend distribution of €3.40 gross per share, i.e. a total dividend of €118,496 k, to be divided over two coupons (coupon no. 28: €1.5370; coupon no. 29: €1.8630).

Taking into account the Royal Decree of 13 July 2014, on 31 December 2021 the available (statutory) reserves calculated in accordance with Article 7:212 of the Companies and Associations Code amount to €92,001 k, after the dividend distribution proposed above (31 December 2020: €60,918 k). Detailed calculations are provided in the notes to the attached Abridged Statutory Accounts.

Aedifica defines capital in accordance with IAS 1p134 as the sum of all equity accounts. The equity level is monitored using the consolidated debt-to-assets ratio (calculated in accordance with the provisions of the Royal Decree of 13 July 2014 – see Note 41), which cannot exceed 60% according to the credit agreements in place with the Company's banks (see Notes 32 & 36). Equity is monitored with a view to the continuity of business activities and the financing of growth.

Note 31: Provision

Aedifica takes out group insurance for all of its employees and the members of its Executive Committee (Executive Managers). The purpose of these contributions is to provide the following benefits:

- payment of a 'Life' benefit to the member if alive on the date of retirement;
- payment of a 'Death' benefit to the member's beneficiaries in the event of death before retirement;
- payment of disability benefits in the event of a non-occupational accident or long-term illness;
- exemption from premiums in the same cases.

For Belgian employees, it consists of a defined contribution group insurance plan for which there are no personal contributions from the beneficiaries.

In accordance with the law of 18 December 2015, Belgian workers benefit from a minimum guaranteed return on the 'Life' portion of the premiums. For 'branch 21' type insurance policies, the new guaranteed rate applies to new contributions (employer/personal) paid from 1 January 2016, but the old guarantee (3.25% on the employer's contributions and 3.75% on the worker's) remains applicable for the minimum reserve built up as at 31 December 2015. As from 2016, the minimum return required by the law on supplementary pensions fell to 1.75%. This may generate a liability in the employer's accounts. This minimum return obligation is not applicable to the pension plan for the members of the Management Committee members with self-employed status.

The amounts covered by way of long-term benefits granted to members of the Management Committee are included in the remuneration report in the 2021 annual financial report.

In respect of these pension schemes, Aedifica held outsourced assets of €870 k as at 31 December 2021.

An actuarial valuation (using the Traditional Unit Credit (TUC) method) provides that the bonds are calculated on the basis of projected minimum reserves at the minimum guaranteed rate and discounted at the discount rate as described in the IAS 19 standard. The assets are considered to correspond to the sum of the mathematical reserves per individual and the available portion of the financing fund. This valuation results in a net liability of less than €17 k as at 31 December 2021.

In previous years, an additional defined contribution plan was introduced in Germany, the Netherlands and the United Kingdom. For these plans, the problem of having to recognise a provision does not arise since, according to IAS 19, this is not a 'defined benefit' plan.

Note 32: Borrowings

(x €1,000)	31/12/2021	31/12/2020
Non-current financial debts	1,756,679	1,062,297
Credit institutions	959,522	985,412
Other	797,157	76,885
Current financial debts	324,398	604,402
Credit institutions	48,398	313,902
Other	276,000	290,500
TOTAL	2,081,077	1,666,699

The classification between current and non-current financial debts is based on the maturity dates of the credit lines on which the drawings are made instead of based on the maturity dates of the drawings.

On 31 December 2021, Aedifica had committed credit facilities totalling €1,987 million granted by 19 credit providers.

- Aedifica can use up to €1,878 million depending on its needs, as long as the debt-to-assets ratio does not exceed 60% and other covenants are met (in line with market practice). Interests are set for periods of up to 12 months, at a fixed margin set with reference to the Euribor rate prevailing at the start of the interest period. €233 million of these credits facilities were directly contracted by Hoivatilat Oyj.
- Aedifica also has amortising facilities with fixed interest rates between 0.8% and 6.0% amounting to €54 million and variable interest rates amounting to €55 million, of which €52 million are credits held directly or indirectly by Hoivatilat Oyj.

Aedifica NV/SA also has a treasury notes programme (extended to €500 million in December 2021) of which €350 million (previously €250 million) is available for treasury notes with a duration of less than one year and €150 million is available for treasury notes with a duration of more than one year.

ISIN code	Nominal amount (in € million)	Maturity (years)	Issue date	Maturity date	Coupon (%)
BE6310388531	15	10	21/12/2018	21/12/2028	2.176%
BE6322837863	40	7	25/06/2020	25/06/2027	1.466%
BE6323122802	12	10	15/07/2020	15/07/2030	1.850%
BE6325869145	10	7	16/12/2020	16/12/2027	1.274%
BE6326201553	10	7	14/01/2021	14/01/2028	1.329%

- Under this programme, Aedifica has completed 5 private placements (see table above) amounting to €87 million. These amounts are presented on line 'Other' of the 'Non-current financial debts'.
- As of 31 December 2021, the short-term portion of the treasury notes programme (listed under the heading 'Other' of the 'Current financial debts') is used for an amount of €250 million.

Hoivatilat Oyj also issues treasury notes in its own name. As of 31 December 2021, the outstanding amount was €26 million (listed under the heading 'Other' of the 'Current financial debts').

The entire outstanding amount of the treasury notes programme is fully hedged by the available funds on confirmed long-term credit lines.

Moreover, in early 2021, Aedifica successfully issued a bond ('USPP') of £180 million through a private placement with US, UK and Canadian institutional investors. The bonds have maturities of 7 and 12 years with a coupon of 2.58% and 2.79% respectively. Proceeds from this US private placement – received on 4 March 2021 – were used to repay the £150 million bridge facility.

Furthermore, on 2 September 2021, Aedifica successfully issued its first benchmark Sustainability Bond for an amount of €500 million with a tenor of 10 years and a coupon of 0.75% per annum.

Loans contracted under Aedifica's Sustainable Finance Framework amount to €580 million, 28% of the drawn debt as of 31 December 2021, underlining the Group's wish to further diversify its sources of financing and to integrate ESG criteria into its financial policy.

Over the course of the financial year, the average effective interest rate* (including credit margin and the effect of the hedging instruments) amounted to 1.4% after deduction of capitalised interest (1.5% in 2019/2020) or 1.6% before deduction of capitalised interest (1.6% in 2019/2020). Taking into account the duration of the drawings, the carrying amount of the financial debts with variable interest rate approximates their fair value (€1,232 million). The interest rate hedges are discussed in Note 33. The fair value of the financial debts with fixed interest rate (€855 million) is estimated at €842 million.

As of 31 December 2021, the Group did not mortgage or pledge any Belgian, Dutch or British building to its creditors. In Germany, Finland and Sweden, however, it is common practice for real estate to be mortgaged as part of bank financing. As of 31 December 2021, the ratio between the secured financial debt and the assets was 5%.

Taking into account the elements mentioned above, the maturity dates of Aedifica's financial debts as of 31 December 2021 are as follows:

Financial debt (in € million) ¹	Lines	Utilisation	of which treasury notes
31/12/2022	389	319	276
31/12/2023	371	166	-
31/12/2024	432	256	-
31/12/2025	540	175	-
31/12/2026	351	189	-
31/12/2027	92	92	50
>31/12/2027	889	889	37
Total as of 31 December 2021	3,064	2,087	363
Weighted average maturity (in years) ²	4.7	5.7	-

¹ Amounts in £ were converted into € based on the exchange rate of 31 December 2021 (1.18879 £/€).

² Without regard to short-term treasury notes and uncommitted credit lines.

Without regard to short-term financing (short-term treasury notes), the weighted average maturity of the financial debts as of 31 December 2021 is 5.7 years.

Note 33: Hedging instruments

Aedifica takes on a large proportion of its financial debts at floating rates and is therefore able, where appropriate, to benefit from low interest rates on the unsecured portion of its borrowings. In order to limit the interest rate risk, Aedifica has put in place hedges that allow for the conversion of floating-rate debt to fixed-rate debt, or to capped-rate debt ('cash flow hedges').

Furthermore, the acquisition of the healthcare real estate portfolio in the United Kingdom in February 2019 has exposed the Group to foreign exchange risk. Aedifica hedges the net cash flows resulting from the financial income from intra-group loans, other intra-group revenues and the financial charges of the external debt in pound sterling, gradually, on a tranche-by-tranche basis, with forward contracts to smooth out exchange rate fluctuations. Aedifica has also hedged some capital expenditures in the United Kingdom.

1. Management of interest rate risk

1.1 Framework

All hedges (interest rate swaps or 'IRS' and caps) are related to existing or highly probable risks. Aedifica applies hedge accounting to previously negotiated derivatives that meet the criteria to allow hedge accounting. In accordance with market practices, Aedifica has chosen not to apply hedge accounting to recently negotiated derivatives, even if they meet those strict criteria. Nevertheless, all derivatives provide economic hedging against interest rate risk, regardless of their accounting method. All hedges are provided in the framework of the hedging policy set out in Note 36. The fair value of these instruments is assessed on the basis of the present value of the estimated expected cash flows based on market data. This fair value is adjusted in accordance with IFRS 13 to reflect the company's own credit risk ('debit valuation adjustment' or 'DVA') and the counterparty's credit risk ('credit valuation adjustment' or 'CVA'). The tables below list the Company's hedging instruments.

INSTRUMENT Analysis as at 31/12/2020	Notional amount (x €1,000)	Beginning	Periodicity (months)	Duration (years)	Hedge accounting (yes/no)	Interest rate (in %)	Fair value (x €1,000)
IRS	25,000	02/08/2019	3	8	Yes	0.33	-1,286
IRS	75,000	02/01/2020	3	2	Yes	0.33	-669
IRS	50,000	01/01/2021	3	3	Yes	0.80	-2,022
IRS	50,000	03/01/2022	3	2	Yes	0.73	-1,275
IRS	25,000	02/05/2019	3	6	Yes	1.10	-1,870
IRS	50,000	01/02/2022	3	2	No	0.34	-880
IRS	25,000	01/07/2019	3	6	No	1.69	-2,517
IRS ^{oo}	3,208	30/09/2019	3	12	No	1.55	-357
IRS	50,000	01/01/2021	3	2	Yes	0.64	-1,207
IRS ^o	9,253	01/04/2011	3	32	Yes	4.89	-6,297
IRS	25,000	03/02/2020	3	10	Yes	0.66	-2,217
IRS	15,000	01/07/2019	3	10	No	2.01	-3,097
IRS	8,000	01/07/2019	3	10	No	2.05	-1,680
IRS	12,000	01/07/2019	3	10	No	1.99	-2,461
IRS	50,000	01/02/2022	3	3	No	0.46	-1,463
IRS ^o	22,371	31/07/2014	3	29	No	4.39	-11,754
IRS	25,000	03/07/2019	3	10	No	1.04	-3,114
IRS	50,000	01/11/2019	3	5	Yes	0.78	-2,540
IRS	50,000	03/01/2022	3	1	Yes	0.65	-606
IRS	50,000	03/02/2025	3	4	No	0.15	-816
IRS	50,000	01/11/2019	3	3	Yes	0.39	-869
IRS	7,500	03/12/2018	1	5	No	0.46	-226
IRS	5,000	11/12/2018	1	5	No	0.66	-177
IRS	7,500	03/12/2018	3	5	No	0.47	-230
IRS	5,000	27/12/2018	6	5	No	0.7	-184
IRS	10,000	19/03/2019	6	5	No	0.83	-450
IRS	15,000	31/03/2020	1	5	No	0.46	-609
IRS	10,000	01/12/2018	1	5	No	0.63	-346
CAP	50,000	01/05/2020	3	2	No	0.00	2
CAP	50,000	01/07/2017	3	4	No	0.50	0
CAP	50,000	01/01/2019	3	2	No	0.35	0
CAP	50,000	01/11/2016	3	5	No	0.50	0
CAP	50,000	01/11/2019	3	2	No	0.50	0
CAP	50,000	01/11/2017	3	4	No	0.25	0
CAP	100,000	01/04/2019	3	2	No	0.25	0
CAP	100,000	01/01/2019	3	2	No	0.00	0
CAP	100,000	01/01/2019	3	2	No	0.00	0
CAP	50,000	04/05/2020	3	1	No	0.00	0
CAP	100,000	04/01/2021	3	4	No	0.25	120
CAP	50,000	01/07/2021	3	3	No	0.00	54
CAP	50,000	01/07/2021	3	3	No	0.00	58
TOTAL	1,629,832						-50,986

^o Notional amount depreciable over the duration of the swap. Aedifica and the bank may liquidate in advance these contracts every 10 years.

^{oo} Notional amount depreciable over the duration of the swap.

INSTRUMENT Analysis as at 31/12/2021	Notional amount (x €1,000)	Beginning	Periodicity (months)	Duration (years)	Hedge accounting (yes/no)	Interest rate (in %)	Fair value (x €1,000)
IRS	25,000	02/08/2019	3	8	Yes	0.33	-453
IRS	75,000	02/01/2020	3	2	No	0.33	-4
IRS	50,000	01/01/2021	3	3	Yes	0.80	-1,135
IRS	50,000	03/01/2022	3	2	Yes	0.73	-1,063
IRS	25,000	02/05/2019	3	6	Yes	1.10	-1,115
IRS	50,000	01/02/2022	3	2	No	0.34	-647
IRS	25,000	01/07/2019	3	6	No	1.69	-1,620
IRS	50,000	01/07/2024	3	4	No	0.08	353
IRS°	2,917	30/09/2019	3	12	No	1.55	-224
IRS	50,000	01/01/2021	3	2	Yes	0.64	-584
IRS°	9,021	01/04/2011	3	32	Yes	4.89	-4,996
IRS	25,000	03/02/2020	3	10	Yes	0.66	-1,022
IRS	15,000	01/07/2019	3	10	No	2.01	-2,148
IRS	8,000	01/07/2019	3	10	No	2.05	-1,170
IRS	12,000	01/07/2019	3	10	No	1.99	-1,704
IRS	50,000	01/02/2022	3	3	No	0.46	-941
IRS°	21,388	31/07/2014	3	29	No	4.39	-9,139
IRS	25,000	03/07/2019	3	10	No	1.04	-1,781
IRS	200,000	01/07/2024	3	4	No	-0.02	2,231
IRS	50,000	01/11/2019	3	5	Yes	0.78	-1,411
IRS	50,000	03/01/2022	3	1	Yes	0.65	-586
IRS	50,000	03/02/2025	3	4	No	0.15	295
IRS	100,000	01/07/2024	3	4	No	0.07	763
IRS	50,000	01/07/2024	3	4	No	0.12	276
IRS	50,000	02/01/2025	3	4	No	0.05	494
IRS	50,000	02/01/2025	3	4	No	0.06	477
IRS	50,000	01/11/2019	3	3	Yes	0.39	-387
IRS	7,500	03/12/2018	1	5	No	0.46	-123
IRS	5,000	11/12/2018	1	5	No	0.66	-98
IRS	7,500	03/12/2018	3	5	No	0.47	-124
IRS	5,000	27/12/2018	6	5	No	0.70	-101
IRS	10,000	19/03/2019	6	5	No	0.83	-269
IRS	15,000	31/03/2020	1	5	No	0.46	-288
IRS	10,000	01/12/2018	1	5	No	0.63	-192
CAP	50,000	01/05/2020	3	2	No	0.00	0
CAP	50,000	01/11/2016	3	5	No	0.50	0
CAP	50,000	01/11/2019	3	2	No	0.50	0
CAP	50,000	01/11/2017	3	4	No	0.25	0
CAP	200,000	01/01/2024	3	1	No	0.00	401
CAP	100,000	04/01/2021	3	4	No	0.25	568
CAP	100,000	01/07/2021	3	3	No	0.00	431
CAP	50,000	01/07/2021	3	3	No	0.00	216
CAP	50,000	01/07/2021	3	3	No	0.00	216
TOTAL	1,978,326						-26,606

° Notional amount depreciable over the duration of the swap. Aedifica and the bank may liquidate in advance these contracts every 10 years.

°° Notional amount depreciable over the duration of the swap.

The total notional amount of €1,978 million presented in the table above is broken down as follows:

- operational and active instruments: €528 million;
- operational instruments which became out of the money (caps): €500 million;
- instruments with forward start: €950 million.

The total fair value of the hedging instruments presented in the table above (-26,606 k) can be broken down as follows: €6,720 k on line I.E. of the asset side of the consolidated balance sheet and €33,326 k on line I.C.a. of the liability side of the consolidated balance sheet. Taking into account the carrying amount of the upfront premiums paid for the caps (€711 k), the effect of the changes in fair value of interest rate hedging instruments on equity amounts to -€27,317 k.

1.2 Derivatives for which hedge accounting is applied

(x €1,000)	31/12/2021	31/12/2020
Changes in fair of the derivatives		
Beginning of the year	-20,856	-20,922
Changes in the effective portion of the fair value of hedging instruments (accrued interests)	4,273	-3,419
Transfer to the income statement of interests paid on hedging instruments	3,641	3,485
Transfer to the reserve account regarding revoked designation	224	0
Transfer to the reserve account of the net gain or loss on matured hedges	1,204	0
AT YEAR-END	-11,514	-20,856

The amounts recorded in equity will be transferred to net finance costs in line with the payment of interest on the hedged financial debt, between 1 January 2022 and 31 July 2043.

The year-end equity value includes the effective part (as defined in IFRS 9) of the change in fair value (+€7,917 k) of the financial instruments corresponding to the derivatives for which hedge accounting may be applied, and the ineffective portion of the 2019/2020 financial year (loss of €3 k) that was appropriated in 2019/2020 by decision of the Annual General Meeting held in October 2020. These financial instruments are 'level 2' derivatives (according to IFRS 13p81). The ineffective part (according to IAS 39) amounts to -€31 k as of 31 December 2021.

1.3 Derivatives for which hedge accounting is not applied

The financial result includes an income of €17,011 k (31 December 2020: an income of €691 k), arising from the change in the fair value of derivatives for which hedge accounting is not applied (in line with IFRS 9, as listed in the aforementioned framework) and the linear amortisation of the fair value of terminated derivatives as of their date of termination, which amounts to a loss of €1,332 k (31 December 2020: a loss of €1,661 k) (see Note 16). The latter is recognised on line 'II. H. Other comprehensive income, net of taxes' of the Consolidated Statement of Comprehensive Income. These financial instruments are 'level 2' derivatives (as defined in IFRS 13p81). The financial result also includes the amortisation of the premiums paid at the time of the subscription to the caps, which amounts to €815 k (31 December 2020: €2,081 k).

1.4 Sensitivity analysis

The fair value of the hedging instruments is determined by the interest rates on the financial markets. These changes partly explain the change in the fair value of the hedging instruments between 1 January 2021 and 31 December 2021. This resulted in an income of €15,648 k, recognised in the income statement, and to an income of €9,248 k, recognised in equity.

A change in the interest rate curve would impact the fair value of instruments for which hedge accounting is applied (in accordance with IFRS 9), and recognised in equity (line 'I.C.d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS'). All else being equal, a positive change of 10 bps of the interest rate curve at the balance sheet date would have a positive impact on equity in the amount of €951 k (€1,923 k as of 31 December 2020). A negative change of 10 bps would have a negative impact in the same range. The impact of a change in the interest rate on the fair value of the instruments for which hedge accounting is not applied cannot be determined as precisely, since options can be embedded within these instruments. The fair value of these options will change in a non-symmetric and non-linear pattern, and is a function of other parameters (e.g. volatility of interest rates). The sensitivity of the 'mark-to-market' value of these instruments to an increase of 10 bps of the interest rate is estimated to have a positive impact of €3,670 k (€1,305 k on 31 December 2020) on the income statement. A decrease of 10 bps in the interest rate would have a negative impact of €3,635 k on the income statement.

2. Management of foreign exchange risk

All hedges (forward purchase contracts of foreign currencies) are related to existing or highly probable risks. The hedging instruments are derivatives for which Aedifica will not systematically apply hedge accounting and which provide economic hedging against foreign exchange risk. All hedges are provided in the framework of the hedging policy set out in Note 36. The fair value of these instruments is assessed on the basis of the present value of the estimated cash flows based on market data. These financial instruments are 'level 2' derivatives (according to IFRS 13p81). As of 31 December 2021, Aedifica had no hedging contracts in place. During the financial year, Aedifica partially hedged the net cash flows resulting from the financial income from intra-group loans, other intra-group revenues and the financial charges of the external debt in pound sterling or capital expenditures in the United Kingdom with forward contracts.

Note 34: Trade payables and other current debts

(x €1,000)	31/12/2021	31/12/2020
Trade debts	41,399	18,768
Exit tax	298	2,295
Taxes, social charges and salaries debts		
Tax	4,291	8,696
Salaries and social charges	3,928	2,285
Other		
Dividends of previous years	193	23
TOTAL	50,109	32,067

The majority of trade payables and other current debts (recognised as 'financial liabilities at amortised cost' under IFRS 9, excluding taxes covered by IAS 12 and remuneration and contributions to social security plans covered by IAS 19) should be settled within 12 months. The carrying amount constitutes an approximation of their fair value.

Note 35: Accrued charges and deferred income

(x €1,000)	31/12/2021	31/12/2020
Property income received in advance	10,198	3,688
Financial charges accrued	7,173	3,387
Other accrued charges	7,360	3,652
TOTAL	24,731	10,727

This increase is related to the Group's international growth.

Note 36: Financial risk management

Aedifica's financial policy aims to ensure permanent access to financing, monitor the debt-to-assets-ratio and monitor and minimise the interest rate and exchange rate risks. However, the Company remains subject to financing risks; a change in interest rates or exchange rates could have a negative impact the Group's assets, operations, financial position and prospects.

1. Debt structure

Aedifica's debt-to-assets ratio (as defined in the Royal Decree of 13 July 2014 on Belgian RRECs) is detailed on page 56 of this Annual Financial Report. As of 31 December 2021, it amounts to 40.0% at the statutory level and to 42.6% at the consolidated level. This section also discloses the maximum ratio permitted before the Company reaches the maximum debt-to-assets ratio permitted for Belgian REITs (65% of total assets) or arising due to bank covenants (60% of total assets). The debt-to-assets ratio is monitored on a quarterly basis and its evolution is estimated during the approval process of each major investment project. When the debt-to-assets threshold of 50% is exceeded, a financial plan with an implementation schedule must be elaborated, describing the measures that will be taken to prevent the consolidated debt-to-assets ratio from exceeding the maximum permissible threshold of 65% (Article 24 of the Royal Decree of 13 July 2014). However, the Company intends to maintain an appropriate long-term debt-to-assets ratio of approx. 45% to 50%.

Aedifica's financial model relies on a structural indebtedness. As a result, cash balances are usually low, amounting to €15.3 million as of 31 December 2021.

As of 31 December 2021, the Group did not mortgage or pledge any Belgian, Dutch or British building to its creditors. In Germany, Finland and Sweden, however, it is common practice for real estate to be mortgaged as part of bank financing. As of 31 December 2021, the ratio between the secured financial debt and the assets was 5%. It is possible that in the context of supplementary financing, additional mortgages will be granted.

2. Liquidity risk

Aedifica enjoys a strong and stable relationship with its financial institutions, which form a diversified pool, comprising an annually increasing number of European institutions. Details of Aedifica's credit facilities are disclosed in Note 32.

As of 31 December 2021, the Group has drawn €1,811 million (31 December 2020: €1,669 million) from the total amount of €2,788 million of confirmed bank financing, medium-term notes and bonds. The remaining headroom is sufficient to cover the Group's short-term financial needs as well as the existing development projects until the end of the 2022 financial year. The 2022 financial plan includes payments in the context of the committed pipeline of development projects amounting to approx. €350 million.

Aedifica aims to further diversify its financing sources. In this context, Aedifica launched a programme in 2018 to issue treasury notes with varying maturities. The short-term treasury notes are fully hedged by the available funds on confirmed long-term credit lines. As of 31 December 2021, medium-term notes amount to €87 million (31 December 2020: €77 million).

Given the regulatory status of Belgian REITs/RRECs, and the type of property in which Aedifica invests, the risk of non-renewal of mature credit facilities is remote even in the context of a credit crunch, except in the event of unforeseen and extreme circumstances. However, there is a risk that credit margins may increase after the maturity date of these credit lines.

Aedifica may be exposed to a liquidity risk which could arise due to a lack of cash flow in the event of early termination of the credit facilities. Should the Company fail to comply with the provisions (covenants), which were included in the credit facility arrangements to take into account key financial ratios, the facilities might be cancelled, renegotiated, or forced into repayment. The covenants in place are in line with market practice and notably require that the debt-to-assets ratio (as defined by the Royal Decree of 13 July 2014) does not exceed 60% and that the EBITDA should exceed twice the net financial charges. Moreover, there is a risk of early termination in the event of a change of control, in case of non-compliance with the Company's obligations, and, more generally speaking, in the event of default as defined in these arrangements. A default situation related to one contract can lead to a default situation related to all contracts ('cross-default clauses'). Based on the information available to date, and the prospects for the foreseeable future, there is no indication of a possible early termination of one or more of the existing credit facilities. However, this risk cannot be ignored completely. Moreover, Aedifica does not itself retain control over certain commitments which could lead to the early termination of credit facilities, such as in the event of a change of control.

As of 31 December 2021, the undiscounted future cash flows related to the credit facilities include €319 million maturing within 1 year, €787 million maturing within 1 to 5 years, and €981 million maturing in more than 5 years. The credit facilities also give rise to an interest expense of €16 million that is due within 1 year (31 December 2020: €607 million capital and €9.5 million interest due within 1 year).

The undiscounted contractual future cash flows related to hedging instruments are analysed as follows:

As at 31/12/2021 (x €1,000)	Due within the year	Due between one to five years	Due after more than five years	TOTAL
Derivatives for which hedge accounting is applied	-3,519	-5,331	-4,207	-13,057
Derivatives for which hedge accounting is not applied	-3,824	-10,382	-9,577	-23,783
As at 31/12/2020 (x €1,000)	Due within the year	Due between one to five years	Due after more than five years	TOTAL
Derivatives for which hedge accounting is applied	-3,192	-7,578	-4,847	-15,618
Derivatives for which hedge accounting is not applied	-3,394	-12,110	-11,075	-26,578

3. Interest rate risk

A substantial part of Aedifica's financial debts are floating-rate borrowings. This allows Aedifica to benefit from low interest rates on the non-hedged part of its borrowings. To mitigate the risk of increasing interest rates, Aedifica follows a policy aimed at securing for a period of several years the interest rates related to at least 60% of its current or highly probable indebtedness. It should be noted that the Company assumed certain fixed-rate debts which came from pre-existing investment credits tied to real estate companies which were acquired or absorbed by the Company. Aedifica extended and increased its hedge ratio by closing new forward starting swaps and some caps to hedge the interest rate risk. In addition, the USPP and the benchmark bond issue have rebalanced Aedifica's mix of fixed and floating rate debt. On 31 December 2021, the financial debt is hedged against interest rate risk for 90.3%, i.e. the ratio of the sum of the fixed rate debt and the notional amount of derivatives divided by the total financial debt. The hedging's weighted average maturity is 6.6 years.

This policy is supported by the fact that an increase in nominal interest rates, when not coupled with a simultaneous increase in inflation, implies an increase in real interest rates that cannot be offset by increasing rental incomes through indexation alone. Moreover, in case of accelerating inflation, there is a delay between the timing of the increase of the nominal interest rates and the timing of the indexation of rental income.

For example: assuming that the structure and level of financial debts remain unchanged, and assuming that no hedges have been entered into, simulations show that a 100 bps positive deviation (increase) in the 2022 interest rates over the forecast rates would lead to an approx. additional

€2.3 million interest expense for the year ending 31 December 2022. Taking into account the hedging instruments at present, the increase in interest expense would amount to just €1.2 million.

In order to manage the interest rate risk, Aedifica has put in place hedges (interest rate swaps and caps). All hedges are entered into with leading banks and relate to existing or highly probable risks. An analysis of the Group's hedges is provided in the Financial Report and in the Consolidated Financial Statements (Note 33). The hedges can be entered into for long periods; however, 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.

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 against income statement and/or equity (balance line 'I.C.d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS'). A sensitivity analysis is provided in Note 33.

Certain external developments could cause an increase of the credit spreads at the Group's expense, in accordance with the 'increased cost' clauses included in the banking agreements. Such clauses allow the lending banks to increase the cost price of the granted credit, among other things, in case these banks are subjected by their supervisory authority to more severe solvability, liquidity or other capital requirements. However, it should be noted that during the crises which have hit the financial markets since 2007, no bank has ever invoked one of these clauses towards the Group. However, this cannot be seen as a safeguard for the future.

4. Banking counterparty risk

Signing a credit facility or hedging instrument with a bank generates a counterparty risk in the event of counterparty default. In order to mitigate this risk, Aedifica trades with several leading national and European banks to diversify its funding and hedging sources, while remaining cautious about the balance between cost and quality of the services provided, it being understood that the counterparty risk cannot be excluded and the failure by one or more of Aedifica's financing or hedging counterparties could have a negative impact on the Group's assets, operations, financial position and prospects.

In line with market practice, the agreements signed with banks include market shock clauses and material adverse change clauses ('MAC' clauses) which could lead to, in extreme circumstances, additional costs for the Group or possibly the early termination of the credit facility. However, it should be noted that during the crises which have hit the financial markets since 2007, no bank has ever invoked one of these clauses towards the Group.

5. Exchange rate risk

Aedifica generates its revenue and costs in the euro area and also in British pounds (since the acquisition of the UK portfolio in February 2019) and Swedish krona (since the acquisition of Hoivatilä in January 2021, through the Swedish subsidiary). Future fluctuations in the exchange rate may affect the value of Aedifica's investment properties, rental income and the net result, all of which are expressed in euros. A 10% change of the GBP/EUR exchange rate has an impact of approx. €83.2 million on the fair value of the Group's investment properties located in the United Kingdom, approx. €5.0 million on the Group's annual rental income and approx. €5.5 million on the Group's net result. A 10% change of the SEK/EUR exchange rate has an impact of approx. €7.9 million on the fair value of the Group's investment properties located in Sweden, approx. €0.2 million on the Group's annual rental income and approx. €0.7 million on the Group's net result.

Aedifica partly financed its UK portfolio by a bond issue in British pounds. The £180 million bond was issued in early 2021 through a private placement (£170 million with a maturity of 7 years and £10 million with a maturity of 12 years). This bond provides a partial natural hedge against exchange rate fluctuations on the balance sheet and limits the impact on the debt-to-assets ratio.

The Company applies an active hedging policy covering the GBP/EUR exchange risk impacting Aedifica's results, as deemed necessary, which takes into account, among other things, the volatility of the exchange rate observed from time to time and the cost of hedging (which itself is dependent on various elements). 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.

Note 37: Contingencies and commitments

1. Commitments

The acquisition values mentioned below respect the requirements laid down in Article 49 § 1 of the Belgian Act of 12 May 2014 on Regulated Real Estate Companies (at the time of the signing of the agreements which generated the commitment).

NAME	Country	Type	Progress	Budget (in € million)
Alphen Raadhuisstraat	NL	Construction	Ongoing (forward funding)	4
Am Marktplatz	DE	Renovation	Ongoing (forward funding)	2
Am Parnassturm	DE	Renovation	Ongoing (forward funding)	3
Am Schäfersee	DE	Renovation	Ongoing (forward funding)	10
Am Stadtpark	DE	Renovation	Ongoing (forward funding)	5
Am Tierpark	DE	Renovation	Ongoing (forward funding)	1
Bavaria Senioren- und Pflegeheim	DE	Renovation	Ongoing (forward funding)	1
Blenheim MMCG	UK	Renovation & extension	Ongoing (forward funding)	7
Burlington projects	UK	Renovation & extension	Ongoing (forward funding)	2
Chard MMCG	UK	Construction	Project/forward purchase subject to outstanding conditions	15
Dublin Stepside	IE	Construction	Ongoing (forward funding)	25
Finland – pipeline 'child day-care centres'	FI	Construction	Ongoing (forward funding)	7
Finland – pipeline 'elderly care homes'	FI	Construction	Ongoing (forward funding)	39
Finland – pipeline 'other'	FI	Construction	Ongoing (forward funding)	55
Fredenbeck	DE	Construction	Ongoing (forward funding)	13
Waarder Molendijk	NL	Construction	Ongoing (forward funding)	5
Guysfield	UK	Renovation & extension	Project/forward purchase subject to outstanding conditions	12
Hamburg-Rissen	DE	Construction	Ongoing (forward funding)	14
HGH Lelystad ^{1,2}	NL	Construction	Ongoing (forward funding)	4
Het Gouden Hart Soest ^{1,2}	NL	Construction	Ongoing (forward funding)	3
LLT Almere Buiten ¹	NL	Construction	Ongoing (forward funding)	7
Wellingborough Glenvale Park	UK	Construction	Ongoing (forward funding)	12
Bois de la Pierre	BE	Construction	Ongoing (forward funding)	2
Martha Flora Breda	NL	Construction	Ongoing (forward funding)	5
Martha Flora Goes ¹	NL	Construction	Ongoing (forward funding)	5
Martha Flora Oegstgeest	NL	Construction	Ongoing (forward funding)	5
Millbrook Manor	IE	Renovation & extension	Ongoing (forward funding)	4
Aylesbury Martin Dalby	UK	Construction	Ongoing (forward funding)	10
Kilkenny Nursing Home	IE	Construction	Ongoing (forward funding)	15
Tramore Nursing Home	IE	Construction	Ongoing (forward funding)	15
Kilbarry Nursing Home	IE	Construction	Ongoing (forward funding)	15
Natatorium	NL	Construction	Ongoing (forward funding)	3
Land reserve	EU	Landreserve	Land reserve	4
Haus Marxloh	DE	Renovation & extension	Ongoing (forward funding)	4
Renovation project Orpea Brussels	BE	Renovation	Project/forward purchase subject to outstanding conditions	47
Quartier am Rathausmarkt	DE	Construction	Ongoing (forward funding)	16
Residentie Boldershof	NL	Renovation & extension	Ongoing (forward funding)	1
Rosengarten	DE	Renovation	Ongoing (forward funding)	8
Tiel Bladergroenstraat	NL	Construction	Ongoing (forward funding)	7
Seniorenhaus Lessingstrasse ¹	DE	Acquisition	Acquisition subject to outstanding conditions	7
Seniorenheim Haus Wellengrund	DE	Construction	Ongoing (forward funding)	8
Seniorenquartier Gera	DE	Construction	Ongoing (forward funding)	16
Seniorenquartier Gummersbach	DE	Construction	Ongoing (forward funding)	20
Seniorenquartier Langwedel	DE	Construction	Ongoing (forward funding)	16
Seniorenquartier Schwerin	DE	Construction	Ongoing (forward funding)	11
Seniorenquartier Sehnde	DE	Construction	Ongoing (forward funding)	12
Shipley Canal Works	UK	Construction	Ongoing (forward funding)	8
Specht Gruppe pipeline 2 (2024)	DE	Construction	Ongoing (forward funding)	130
St. Doolagh's	IE	Construction	Ongoing (forward funding)	17
Stadtlohn	DE	Construction	Ongoing (forward funding)	15
Singö 10:2 & Bergshammar Ekeby 6:66	SE	Acquisition	Project/forward purchase subject to outstanding conditions	6

NAME	Country	Type	Progress	Budget (in € million)
Stepping Stones Blaricum ^{1,2}	NL	Construction	Ongoing (forward funding)	4
Sweden - pipeline 2022	SE	Construction	Ongoing (forward funding)	2
Seniorenzentrum Berghof	DE	Renovation & extension	Ongoing (forward funding)	2
Seniorenzentrum Talblick	DE	Renovation & extension	Ongoing (forward funding)	1
't Spelthof	BE	Extension	Ongoing (forward funding)	6
Twistringten	DE	Construction	Ongoing (forward funding)	13
Uetze	DE	Construction	Ongoing (forward funding)	15
Vinea Domini	NL	Renovation	Ongoing (forward funding)	4
De Volder Staete	NL	Construction	Ongoing (forward funding)	10
Résidence le Douaire	BE	Construction	Project/forward purchase subject to outstanding conditions	17
Wohnstift am Weinberg	DE	Renovation	Ongoing (forward funding)	10
Het Gouden Hart Woudenberg ²	NL	Construction	Ongoing (forward funding)	4
Zwolle Koestraat	NL	Construction	Project/forward purchase subject to outstanding conditions	5
TOTAL				767

¹ This project has already been completed after 31 December 2021 (see Note 39).

² These projects are 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.

Earn-outs

For some acquisition deals, a portion of the acquisition price has been set based on future contingent events, such as the payment of an earn-out, upon completion of a care residence within the limits of the maximum budget committed by Aedifica.

2. Contingent liabilities

2.1 Credit facilities

Under its credit agreements, Aedifica has granted securities on certain real estate assets within the legally authorised limits. In total, this concerns approx. 5% of total assets.

2.2 Acquisition of shares in property companies, mergers and de-mergers

Aedifica benefits from warranties provided by the sellers of shares in property companies acquired.

3. Contingent assets

3.1 Securities received on rental agreements

Aedifica benefits from rental guarantees (in line with market practice and applicable regulations), in the form of bank guarantees, restricted bank deposits or guarantor backings.

3.2 Securities received following acquisitions

In case of acquisitions, contributions in kind, mergers and de-mergers, Aedifica benefits from the declarations and securities in line with market practices.

4. Other

4.1 Sundry options

- Long leases on healthcare sites: in some cases, Aedifica has granted preferential rights, renewal rights or purchase options to the lessees/tenants. Aedifica also benefits from a number of preferential rights granted by rest homes lessees/tenants.
- Sale or purchase options (related to some development projects): in some cases, Aedifica has granted options to third parties, and/or benefits from options allowing it to sell buildings (e.g. when it appears that pieces of buildings will not be used for the development projects).

Note 38 : Acquisitions and disposals of investment properties

The main investment property acquisitions of the financial year are the following:

ACQUISITIONS	Country	Properties valuation° (in million €)	Register of corporations	Acquisition date°°	Acquisition method
Hamberley Hailsham	UK	17	-	28/01/2021	Acquisition of a building
Abbot Care Home	UK	19	-	14/01/2021	Acquisition of a building
Stanley Wilson Lodge	UK	14	-	14/01/2021	Acquisition of a building
St Fillans Care Home	UK	15	-	14/01/2021	Acquisition of a building
Stepping Stones Blaricum	NL	1	-	26/01/2021	Acquisition of a land and project via Aedifica Nederland Join Venture BV
Bridhaven	IE	26	-	12/02/2021	Acquisition of a building
Espoo Rajamännynahde	FI	5	-	22/02/2021	Acquisition of a building
Laukaa Peurungantie	FI	4	-	22/02/2021	Acquisition of a building
Martha Flora Oegstgeest	NL	3	-	25/02/2021	Acquisition of a land and project via Aedifica Nederland 3 BV
Shipley Canal Works	UK	2	-	05/03/2021	Acquisition of a land and project via Sapphire Properties (2016) Limited
Zuyder Haven Oss	NL	5	-	30/03/2021	Acquisition of a building
Buyten Haven Dordrecht	NL	4	-	30/03/2021	Acquisition of a building
Aylesbury Martin Dalby	UK	3	-	17/05/2021	Acquisition of a land and project via Sapphire Properties (2016) Limited
Martha Flora Breda	NL	3	-	28/05/2021	Acquisition of a land and project via Aedifica Nederland 4 BV
SARA Seniorenresidenz Haus III	DE	10	-	31/05/2021	Acquisition of a building
Waterford care home	IE	9	-	17/06/2021	Acquisition of a building
New Ross care home	IE	7	-	17/06/2021	Acquisition of a building
Bunclody care home	IE	6	-	17/06/2021	Acquisition of a building
Killerig care home	IE	3	-	17/06/2021	Acquisition of a building
Sz Alte Zwirnerei	DE	12	-	18/06/2021	Acquisition of a building
Sz Bad Köstritz	DE	22	-	18/06/2021	Acquisition of a building
Sz Gensingen	DE	17	-	18/06/2021	Acquisition of a building
Sz Grünstadt	DE	15	-	18/06/2021	Acquisition of a building
Sz Sörgerloch	DE	17	-	18/06/2021	Acquisition of a building
Sz Haus Asam	DE	18	-	23/06/2021	Acquisition of a building
Sz Berghof	DE	7	-	23/06/2021	Acquisition of a building
Sz Abundus	DE	18	-	23/06/2021	Acquisition of a building
Sz Bad Höhenstadt	DE	10	-	23/06/2021	Acquisition of a building
Sz Huthurm	DE	12	-	23/06/2021	Acquisition of a building
Sz Hildegardis	DE	23	-	23/06/2021	Acquisition of a building
Pz Wiesengrund	DE	6	-	23/06/2021	Acquisition of a building
Sz Großalmerode	DE	11	-	23/06/2021	Acquisition of a building
Sz Talblick	DE	8	-	23/06/2021	Acquisition of a building
Sz Birken	DE	9	-	23/06/2021	Acquisition of a building
Kokkola Ilkantie	FI	9	-	28/06/2021	Acquisition of a building
Kokkola Metsämäentie	FI	3	-	28/06/2021	Acquisition of a building
Kokkola Kärrytie	FI	2	-	28/06/2021	Acquisition of a building
Domaine de la Rose Blanche	BE	20	-	29/06/2021	Acquisition of a building
Stadtlohn	DE	2	-	29/06/2021	Acquisition of a land and project via Aedifica Residenzen 5 GmbH
Twistringen	DE	2	-	29/06/2021	Acquisition of a land and project via Aedifica Residenzen 5 GmbH
Uetze	DE	4	-	29/06/2021	Acquisition of a land and project via Aedifica Residenzen 6 GmbH
Fredenbeck	DE	1	-	29/06/2021	Acquisition of a land and project via Aedifica Residenzen 5 GmbH
Hamburg-Rissen	DE	4	-	29/06/2021	Acquisition of a land and project via Aedifica Residenzen 6 GmbH
Wellingborough Glenvale Park	UK	3	-	02/07/2021	Acquisition of a land and project via Sapphire Properties (2016) Limited
De Volder Staete	NL	2	-	06/07/2021	Acquisition of a building
Sr Lemförde	DE	9	-	13/07/2021	Acquisition of a building
Milbrook Manor	IE	13	-	26/07/2021	Acquisition of a land and project via Aedifica IE Ltd

St.Doolagh's	IE	3	-	26/07/2021	Acquisition of a land and project via Aedifica IE Ltd
Sz St. Benedikt	DE	15	-	11/08/2021	Acquisition of a building
Sz Laaberg	DE	12	-	18/08/2021	Acquisition of a building
Dublin Stepside	IE	5	-	23/08/2021	Acquisition of a land and project via Aedifica IE Ltd
Bälinge Lövsta 9:19	SE	3	-	08/09/2021	Acquisition of a building
Sunnersta 120:2 & 120:4	SE	3	-	08/09/2021	Acquisition of a building
Bälinge Lövsta 10:140	SE	2	-	08/09/2021	Acquisition of a building
Almungeberg 1:21	SE	3	-	08/09/2021	Acquisition of a building
Hässlinge 2:3 (Part 1)	SE	3	-	08/09/2021	Acquisition of a building
Hässlinge 2:3 (Part 2)	SE	3	-	08/09/2021	Acquisition of a building
Nyby 3:68	SE	3	-	08/09/2021	Acquisition of a building
Emmekalv 4:325	SE	3	-	08/09/2021	Acquisition of a building
Hovsta Gryt 7:2	SE	3	-	08/09/2021	Acquisition of a building
Steglitsan 2	SE	5	-	08/09/2021	Acquisition of a building
Västlunda 2:12	SE	3	-	08/09/2021	Acquisition of a building
Anderbäck 1:60	SE	3	-	08/09/2021	Acquisition of a building
Törsjö 3:204	SE	3	-	08/09/2021	Acquisition of a building
Saga 2	SE	5	-	08/09/2021	Acquisition of a building
Almungeberg 1:22	SE	3	-	08/09/2021	Acquisition of a building
Sz Altes Kloster	DE	9	-	06/10/2021	Acquisition of a building
Altadore Nursing Home	IE	18	-	08/10/2021	Acquisition of a land and project via JKP Nursing Home Ltd.
Priesty Fields	UK	19	-	20/10/2021	Acquisition of a building
Haus Wedau	DE	9	-	25/10/2021	Acquisition of a building
Haus Marxloh	DE	6	-	25/10/2021	Acquisition of a building
The Uplands	UK	14	-	25/10/2021	Acquisition of a building
Corby Priors Hall Park	UK	4	-	26/11/2021	Acquisition of a land and project via Sapphire Properties (2016) Limited
Seniorenzentrum Borna	DE	15	-	01/12/2021	Acquisition of a building
Alphen Raadhuisstraat	NL	3	-	16/12/2021	Acquisition of a land and project via Aedifica Sonneborgh Real Estate BV
Waarder Molendijk	NL	3	-	16/12/2021	Acquisition of a building
Tiel Bladergroenstraat	NL	2	-	16/12/2021	Acquisition of a building
TOTAL		613			

° in order to determine the number of shares issued, the exchange ratio and/or the value of the acquired shares.

°° and consolidation date in the financial statements.

All these operations are detailed in section 1 of the Financial Report.

The main disposals of the financial year are the following:

DISPOSALS	Country	Selling price (in million €)	Disposal date
Randolph House	United Kingdom	1.3	08/02/2021
De Notelaer Olen (plot of land)	Belgium	0.3	22/03/2021
Service-Residenz Schloss Bensberg	Germany	17.5	30/06/2021
Martha Flora Lochem	Netherlands	2.0	02/08/2021
The Elms	United Kingdom	0.9	26/08/2021
Bois de la Pierre (plot of land)	Belgium	0.2	20/09/2021
Residentie La Tour	Netherlands	9.7	06/10/2021
Vinea Domini (plot of land)	Netherlands	0.0	19/11/2021
Devonshire House & Lodge Elburton Heights	United Kingdom	7.7	23/11/2021
De Notelaer Olen (plot of land)	Belgium	0.2	14/12/2021
Residentie Sibelius	Netherlands	14.2	22/12/2021
TOTAL		54.0	

Note 39: Post-closing events

The table below lists all post-balance sheet events up to and including 18 March 2022, the closing date of this report.

NAME	Date	Transaction	Country	Location
Portfolio of 9 Finnish care properties	28/01/2022	Disposal of a portfolio of 9 care properties in order to optimise the real estate portfolio	FI	Finland
Jyväskylä Haukankaari	31/01/2022	Completion of a development project	FI	Jyväskylä
Seniorenhaus Lessingstrasse	01/02/2022	Acquisition of a care home following the fulfilment of outstanding conditions	DE	Wurzen
LLT Almere Buiten	01/02/2022	Completion of a development project	NL	Almere
Het Gouden Hart Soest	04/02/2022	Completion of a development project	NL	Soest
Market Drayton Great Hales	17/02/2022	Announcement of a new development project	UK	Market Drayton
Het Gouden Hart Lelystad	25/02/2022	Completion of a development project	NL	Lelystad
Martha Flora Goes	28/02/2022	Completion of a development project	NL	Goes
Stepping Stones Blaricum	28/02/2022	Completion of a development project	NL	Blaricum
Dublin Crumlin	16/03/2022	Announcement of a new development project	IE	Dublin
Liminka Saunarannantie	16/03/2022	Announcement of a new development project	FI	Liminka
Kerava Lehmuskatu	16/03/2022	Announcement of a new development project	FI	Kerava

Note 40: List of subsidiaries, associates and joint ventures

The table below presents a full list of the companies covered by Articles 3:104 and 3:156 of the Royal Decree of 29 April 2019 pertaining to the execution of the Belgian Companies and Associations Code.

For the 2021 financial year, the Dutch subsidiaries of Aedifica NV will make use of the exemption provided for in Article 2:403 of the Dutch Civil Code. Consequently, the Dutch companies are exempted from filing individual financial statements with the trade register in the Netherlands.

NAME	Country	Category	Register of corporations	Capital held (in %)
Aedifica Invest NV	Belgium ¹	Subsidiary	0879.109.317	100
Immo NV	Belgium	Associate	0697.566.095	25 ¹¹
Aedifica Asset Management GmbH	Germany ²	Subsidiary	HRB100562	100
Aedifica Verwaltungs GmbH	Germany	Subsidiary	HRB111389	100
Aedifica Residenzen Nord GmbH & Co. KG	Germany	Subsidiary	HRB110850	94 ¹²
Aedifica Residenzen 1 GmbH & Co. KG	Germany	Subsidiary	HRB112641	94 ¹²
Aedifica Residenzen 2 GmbH	Germany	Subsidiary	HRB115795	94 ¹²
Aedifica Residenzen 3 GmbH	Germany	Subsidiary	HRB118227	94 ¹²
Aedifica Residenzen West GmbH	Germany	Subsidiary	HRB117957	94 ¹²
Aedifica Residenzen 4 GmbH	Germany	Subsidiary	HRB121918	94 ¹²
Aedifica Residenzen 5 GmbH	Germany	Subsidiary	HRB36193	94 ¹²
Aedifica Residenzen 6 GmbH	Germany	Subsidiary	HRB33909	94 ¹²
Aedifica Luxembourg I SCS	Luxembourg ³	Subsidiary	B128048	94 ¹²
Aedifica Luxembourg II SCS	Luxembourg	Subsidiary	B139725	94 ¹²
Aedifica Luxembourg III SCS	Luxembourg	Subsidiary	B143704	94 ¹²
Aedifica Luxembourg IV SCS	Luxembourg	Subsidiary	B117441	94 ¹²
Aedifica Luxembourg V SCS	Luxembourg	Subsidiary	B117445	94 ¹²
Aedifica Luxembourg VI SCS	Luxembourg	Subsidiary	B132154	94 ¹²
Aedifica Luxembourg VII SCS	Luxembourg	Subsidiary	B117438	94 ¹²
Aedifica Luxembourg VIII SCS	Luxembourg	Subsidiary	B117437	94 ¹²
Aedifica Nederland BV	Netherlands ⁴	Subsidiary	65422082	100
Aedifica Nederland 2 BV	Netherlands	Subsidiary	75102099	100
Aedifica Nederland Services BV	Netherlands	Subsidiary	75,667,800	100
Aedifica Nederland 3 BV	Netherlands	Subsidiary	77,636,309	100
Aedifica Nederland 4 BV	Netherlands	Subsidiary	81,056,664	100
Aedifica Nederland Joint Venture BV	Netherlands	Subsidiary	80,885,551	100
AK JV NL public partnership	Netherlands	Joint-venture	81,197,470	50 ¹³
Aedifica Sonneborgh Real Estate BV	Netherlands	Subsidiary	84,354,267	75 ¹⁴
CHAPP Holdings Limited	Jersey ⁵	Subsidiary	109,055	100
CHAPP GP Limited	Jersey	Subsidiary	109,054	100

NAME	Country	Category	Register of corporations	Capital held (in %)
Patient Properties (Holdings) Limited	Jersey	Subsidiary	122,972	100
Patient Properties (Beech Court) Limited	Jersey	Subsidiary	123,678	100
Patient Properties (Springfields) Limited	Jersey	Subsidiary	123,687	100
Patient Properties (Ashwood) Limited	Jersey	Subsidiary	123,701	100
Patient Properties (Fountains) Limited	Jersey	Subsidiary	123,683	100
Patient Properties (Blenheim) Limited	Jersey	Subsidiary	123,679	100
Patient Properties (Chatsworth) Limited	Jersey	Subsidiary	123,697	100
Patient Properties (Knights Court) Limited	Jersey	Subsidiary	123,685	100
Patient Properties (Clarendon) Limited	Jersey	Subsidiary	123,703	100
Patient Properties (Eltandia) Limited	Jersey	Subsidiary	123,682	100
Patient Properties (Windmill) Limited	Jersey	Subsidiary	123,699	100
Patient Properties (Brook House) Limited	Jersey	Subsidiary	123,680	100
AED Oak Acquisitions (Ottery) Limited	Jersey	Subsidiary	125,192	100
Aedifica UK Limited	United Kingdom ⁶	Subsidiary	12,351,073	100
Aedifica Finance 1 Limited	United Kingdom	Subsidiary	12,352,308	100
Aedifica Finance 2 Limited	United Kingdom	Subsidiary	12,352,800	100
Maple Court Nursing Home Limited	United Kingdom	Subsidiary	07295828	100
Quercus Homes 2018 Limited	United Kingdom	Subsidiary	11278772	100
Sapphire Properties (2016) Limited	United Kingdom	Subsidiary	09461514	100
Aedifica UK (Ampthill) Limited	United Kingdom	Subsidiary	11159774	100
Aedifica UK (Hailsham) Limited	United Kingdom	Subsidiary	11159930	100
Marches Care Holdings Limited	United Kingdom	Subsidiary	7097091	100
Priesty Fields Developments Limited	United Kingdom	Subsidiary	10806474	100
Aedifica Management Limited	United Kingdom	Subsidiary	4797971	100
Aureit Holding Oy	Finland ⁷	Subsidiary	3092783-5	100
Hoivatilat Oyj	Finland	Subsidiary	2241238-0	100
As Oy Seinäjoen Kutojankatu	Finland	Subsidiary	2779544-8	100
Koy Espoon Fallåkerinrinne	Finland	Subsidiary	2241238-0	100
Koy Espoon Hirvisuontie	Finland	Subsidiary	2620688-3	100
Koy Espoon Kurttilantie	Finland	Subsidiary	2755334-2	100
Koy Espoon Kuurinkallio	Finland	Subsidiary	3134900-2	100
Koy Espoon Matinkartanontie	Finland	Subsidiary	3201659-2	100
Koy Espoon Meriviitantie	Finland	Subsidiary	3117665-8	100
Koy Espoon Oppilaantie	Finland	Subsidiary	2720369-2	100
Koy Espoon Rajamännynahde	Finland	Subsidiary	2787263-4	100
Koy Espoon Tikasmäentie	Finland	Subsidiary	3194972-9	100
Koy Espoon Vuoripirtintie	Finland	Subsidiary	2669018-5	100
Koy Euran Kärjämäentie	Finland	Subsidiary	2748087-6	100
Koy Hakalahden Majakka	Finland	Subsidiary	2842931-9	100
Koy Haminan Lepikönranta	Finland	Subsidiary	2668724-2	100
Koy Heinolan Lähteentie	Finland	Subsidiary	2988685-3	100
Koy Helsingin Ensikodintie 4	Finland	Subsidiary	2752188-5	100
Koy Helsingin Kansantie	Finland	Subsidiary	3220641-7	100
Koy Helsingin Pakarituventie	Finland	Subsidiary	3214270-8	100
Koy Helsingin Työnjohtajankadun Seppä 3	Finland	Subsidiary	3131782-8	100
Koy Hollolan Sarkatie	Finland	Subsidiary	3009977-7	100
Koy Hämeenlinna Kampuskaarre	Finland	Subsidiary	2749865-4	100
Koy Hämeenlinnan Jukolanraitti	Finland	Subsidiary	3175924-7	100
Koy Hämeenlinnan Vanha Alikartanontie	Finland	Subsidiary	2826099-8	100
Koy Iisalmen Eteläinen Puistoraitti	Finland	Subsidiary	2669024-9	100
Koy Iisalmen Kangaslamintie	Finland	Subsidiary	2840090-3	100
Koy Iisalmen Petter Kumpulaisentie	Finland	Subsidiary	2826102-6	100
Koy Iisalmen Satamakatu	Finland	Subsidiary	2882785-1	100
Koy Iisalmen Vemmelkuja	Finland	Subsidiary	3005776-1	100
Koy Janakkalan Kekanahontie	Finland	Subsidiary	2917923-5	100
Koy Joutsenon Päiväkoti	Finland	Subsidiary	2911674-4	100
Koy Jyväskylän Ailakinkatu	Finland	Subsidiary	2907399-1	100
Koy Jyväskylän Haperontie	Finland	Subsidiary	2932895-8	100
Koy Jyväskylän Harjutie	Finland	Subsidiary	2763296-4	100

NAME	Country	Category	Register of corporations	Capital held (in %)
Koy Jyväskylän Haukankaari	Finland	Subsidiary	3172893-4	100
Koy Jyväskylän Mannisenmäentie	Finland	Subsidiary	3174128-2	100
Koy Jyväskylän Martikaisentie	Finland	Subsidiary	2816983-6	100
Koy Jyväskylän Palstatie	Finland	Subsidiary	2575556-5	100
Koy Jyväskylän Sulkulantie	Finland	Subsidiary	2923254-2	100
Koy Jyväskylän Väliharjuntie	Finland	Subsidiary	2850306-4	100
Koy Jyväskylän Vävypojanpolku	Finland	Subsidiary	2639227-6	100
Koy Järvenpään Yliopettajankatu	Finland	Subsidiary	2960547-6	100
Koy Kaarinan Nummiintyöntie	Finland	Subsidiary	2774063-1	100
Koy Kajaanin Erätie	Finland	Subsidiary	2838030-8	100
Koy Kajaanin Hoikankatu	Finland	Subsidiary	2749663-2	100
Koy Kajaanin Menninkäisentie	Finland	Subsidiary	2951667-6	100
Koy Kajaanin Uitontie	Finland	Subsidiary	2681416-8	100
Koy Kajaanin Valonkatu	Finland	Subsidiary	3164208-1	100
Koy Kalajoen Hannilantie	Finland	Subsidiary	2870293-6	100
Koy Kangasalan Hilmanhovi	Finland	Subsidiary	2768549-2	100
Koy Kangasalan Mäntyveräjätie	Finland	Subsidiary	2262908-8	100
Koy Kangasalan Rekiäläntie	Finland	Subsidiary	2688361-4	100
Koy Kaskisten Bladintie	Finland	Subsidiary	2940754-1	100
Koy Kempeleen Ihmemaantie	Finland	Subsidiary	2224949-9	100
Koy Keravan Lehmuskatu	Finland	Subsidiary	3112115-5	100
Koy Keravan Männiköntie	Finland	Subsidiary	3256470-8	100
Koy Keuruun Tehtaanatie	Finland	Subsidiary	2774061-5	100
Koy Kirkkonummen Kotitontunkuja	Finland	Subsidiary	2877302-1	100
Majakka Kiinteistöt Oy	Finland	Subsidiary	2692080-9	100
Koy Kokkolan Ankkurikuja	Finland	Subsidiary	2760856-9	100
Koy Kokkolan Kaartelankatu 68	Finland	Subsidiary	2955766-2	100
Koy Kokkolan Vanha Ouluntie	Finland	Subsidiary	2668743-7	100
Koy Kontiolahden Päiväperhosenkatu	Finland	Subsidiary	2771913-8	100
Koy Kotka Särnäajätkäkatu 6	Finland	Subsidiary	3115519-5	100
Koy Kotkan Loitsutie	Finland	Subsidiary	3169793-9	100
Koy Kotkan Metsäkulmankatu	Finland	Subsidiary	2795792-9	100
Koy Kouvola Vainiolankuja	Finland	Subsidiary	2225111-8	100
Koy Kouvolan Kaartokuja	Finland	Subsidiary	3134903-7	100
Koy Kouvolan Pappilantie	Finland	Subsidiary	2697590-6	100
Koy Kouvolan Rannikkotie	Finland	Subsidiary	2792313-9	100
Koy Kouvolan Ruskeasuonkatu	Finland	Subsidiary	2941695-8	100
Koy Kouvolan Vinttikäivontie	Finland	Subsidiary	2955751-5	100
Koy Kuopion Amerikanraitti	Finland	Subsidiary	2543325-9	100
Koy Kuopion Männistökatu	Finland	Subsidiary	2837113-7	100
Koy Kuopion Opistokuja	Finland	Subsidiary	3127190-3	100
Koy Kuopion Pirtinkaari	Finland	Subsidiary	3176660-7	100
Koy Kuopion Portti A2	Finland	Subsidiary	2873993-1	100
Koy Kuopion Rantaraitti	Finland	Subsidiary	2874104-6	100
Koy Kuopion Sipulikatu	Finland	Subsidiary	2770280-3	100
Koy Lahden Jahtikatu	Finland	Subsidiary	2509836-6	100
Koy Lahden Kurenniityntie	Finland	Subsidiary	2861249-8	100
Koy Lahden Makarantie	Finland	Subsidiary	3008794-4	100
Koy Lahden Piisamikatu	Finland	Subsidiary	2988683-7	100
Koy Lahden Vallesmanninkatu A	Finland	Subsidiary	2861251-9	100
Koy Lahden Vallesmanninkatu B	Finland	Subsidiary	2675831-1	100
Koy Laihia Jarrumiehentie	Finland	Subsidiary	2675827-4	100
Koy Lappeenrannan Orioninkatu	Finland	Subsidiary	2798400-3	100
Koy Laukaan Hytösenkuja	Finland	Subsidiary	2877591-6	100
Koy Laukaan Peurungantie	Finland	Subsidiary	2681456-3	100
Koy Laukaan Saratie	Finland	Subsidiary	2821700-9	100
Koy Limingan Kauppakaari	Finland	Subsidiary	2896187-4	100
Koy Lohjan Ansatie	Finland	Subsidiary	2553773-6	100
Koy Lohjan Porapojankuja	Finland	Subsidiary	2768296-1	100

NAME	Country	Category	Register of corporations	Capital held (in %)
Koy Lohjan Sahapiha	Finland	Subsidiary	3130512-2	100
Koy Loimaan Itsenäisyydenkatu	Finland	Subsidiary	3132701-4	100
Koy Loviisan Mannerheiminkatu	Finland	Subsidiary	2887703-1	100
Koy Maskun Ruskontie	Finland	Subsidiary	2648698-5	100
Koy Mikkelin Kastanjakuja	Finland	Subsidiary	2610017-3	100
Koy Mikkelin Sahalantie	Finland	Subsidiary	2915481-2	100
Koy Mikkelin Väänäsenpolku	Finland	Subsidiary	3004499-5	100
Koy Mikkelin Ylännentie 10	Finland	Subsidiary	2864738-3	100
Koy Mikkelin Ylännentie 8	Finland	Subsidiary	2751792-3	100
Koy Mynämäen Opintie	Finland	Subsidiary	2839320-5	100
Koy Mäntsälän Liedontie	Finland	Subsidiary	2957425-1	100
Koy Mäntyharjun Lääkärinkuja	Finland	Subsidiary	2505670-5	100
Koy Nokian Kivimiehenkatu	Finland	Subsidiary	2761813-4	100
Koy Nokian Luhtatie	Finland	Subsidiary	1056103-9	100
Koy Nokian Näsiäkatu	Finland	Subsidiary	2882228-4	100
Koy Nokian Vikkulankatu	Finland	Subsidiary	2772561-8	100
Koy Nurmijärven Laidunalue	Finland	Subsidiary	2720339-3	100
Koy Nurmijärven Ratakuja	Finland	Subsidiary	2415548-8	100
Koy Nurmijärvi Luhtavillantie	Finland	Subsidiary	2807462-6	100
Koy Orimattilan Suppulanpolku	Finland	Subsidiary	3202629-9	100
Koy Oulun Isopurjeentie	Finland	Subsidiary	2750819-7	100
Koy Oulun Jahtivoudintie	Finland	Subsidiary	2255743-2	100
Koy Oulun Juhlarssi	Finland	Subsidiary	2759228-8	100
Koy Oulun Kehätie	Finland	Subsidiary	3217953-5	100
Koy Oulun Paulareitti	Finland	Subsidiary	2613681-1	100
Koy Oulun Raamipolku	Finland	Subsidiary	2512290-1	100
Koy Oulun Rakkakiventie	Finland	Subsidiary	2798361-7	100
Koy Oulun Ruismetsä	Finland	Subsidiary	2577582-2	100
Koy Oulun Salonpään koulu	Finland	Subsidiary	3008792-8	100
Koy Oulun Sarvisuontie	Finland	Subsidiary	3100847-8	100
Koy Oulun Siilotie	Finland	Subsidiary	2899591-9	100
Koy Oulun Soittajanlenkki	Finland	Subsidiary	3006511-2	100
Koy Oulun Ukkoherantie A	Finland	Subsidiary	2920514-9	100
Koy Oulun Ukkoherantie B	Finland	Subsidiary	3141465-2	100
Koy Oulun Valjastie	Finland	Subsidiary	2781801-3	100
Koy Oulun Villa Sulkakuja	Finland	Subsidiary	3139840-2	100
Koy Oulunsalon Vihannestie	Finland	Subsidiary	2695880-7	100
Koy Paimion Mäkiläntie	Finland	Subsidiary	3127183-1	100
Koy Pieksämäen Ruustinnantie	Finland	Subsidiary	2853714-1	100
Koy Pihtiputaan Nurmelanpolku	Finland	Subsidiary	2903250-8	100
Koy Pirkkalan Lehtimäentie	Finland	Subsidiary	2860057-7	100
Koy Pirkkalan Pereensaarentie	Finland	Subsidiary	2593596-1	100
Koy Porin Kerhotie	Finland	Subsidiary	2808085-8	100
Koy Porin Koekatu	Finland	Subsidiary	3145625-4	100
Koy Porin Ojantie	Finland	Subsidiary	2835076-6	100
Koy Porin Palokärjentie	Finland	Subsidiary	2625961-9	100
Koy Porvoon Fredrika Runebergin katu	Finland	Subsidiary	2735199-4	100
Koy Porvoon Haarapääskyntie	Finland	Subsidiary	2760328-2	100
Koy Porvoon Peippolankuja	Finland	Subsidiary	2951666-8	100
Koy Porvoon Vanha Kuninkaantie	Finland	Subsidiary	2588814-9	100
Koy Raahe Kirkkokatu	Finland	Subsidiary	2746305-6	100
Koy Raahen Palokunnanhoivi	Finland	Subsidiary	3143874-2	100
Koy Raahen Vihastekarinkatu	Finland	Subsidiary	2326426-0	100
Koy Raisio Tenavakatu	Finland	Subsidiary	2917887-3	100
Koy Riihimäen Jyrätie	Finland	Subsidiary	2553772-8	100
Koy Rovaniemen Gardininkuja	Finland	Subsidiary	2956737-7	100
Koy Rovaniemen Matkavaarantie	Finland	Subsidiary	3100848-6	100
Koy Rovaniemen Muonakuja	Finland	Subsidiary	2838821-1	100
Koy Rovaniemen Mäkirannantie	Finland	Subsidiary	3110312-5	100

NAME	Country	Category	Register of corporations	Capital held (in %)
Koy Rovaniemen Ritarinne	Finland	Subsidiary	2994385-4	100
Koy Rovaniemen Santamäentie	Finland	Subsidiary	2754616-9	100
Koy Ruskon Päälistönmäentie	Finland	Subsidiary	3008789-9	100
Koy Salon Papinkuja	Finland	Subsidiary	2789540-6	100
Koy Sastamalan Tyrväänkyläntie	Finland	Subsidiary	3155224-6	100
Koy Siilinjärven Honkarannantie	Finland	Subsidiary	2872995-2	100
Koy Siilinjärven Nilsiantie	Finland	Subsidiary	2947087-4	100
Koy Siilinjärven Risulantie	Finland	Subsidiary	2934834-2	100
Koy Siilinjärven Sinisiipi	Finland	Subsidiary	2854061-5	100
Koy Sipoon Aarrepuistonkuja	Finland	Subsidiary	2479104-6	100
Koy Sipoon Aarretie	Finland	Subsidiary	2878144-3	100
Koy Sipoon Satotalmantie	Finland	Subsidiary	2870619-5	100
Koy Sotkamon Kirkkotie	Finland	Subsidiary	2743701-8	100
Koy Tampereen Haiharansuu	Finland	Subsidiary	2917890-2	100
Koy Tampereen Lentävänniemenkatu	Finland	Subsidiary	3192647-1	100
Koy Tampereen Sisunaukio	Finland	Subsidiary	2648697-7	100
Koy Teuvan Tuokkolantie	Finland	Subsidiary	2355346-8	100
Koy Tornion Torpin Rinnakkaiskatu	Finland	Subsidiary	2225109-7	100
Koy Turun Lemmontie	Finland	Subsidiary	2816984-4	100
Koy Turun Lukkosepänkatu	Finland	Subsidiary	2551472-9	100
Koy Turun Malin Trällinkuja	Finland	Subsidiary	2842686-3	100
Koy Turun Paltankatu (care home)	Finland	Subsidiary	3171440-1	100
Koy Turun Teollisuuskatu	Finland	Subsidiary	2845199-7	100
Koy Turun Vakiniituntie	Finland	Subsidiary	2729980-7	100
Koy Turun Vähäheikkiläntie	Finland	Subsidiary	2648689-7	100
Koy Tuusulan Isokarhunkierro	Finland	Subsidiary	2660277-1	100
Koy Ulvilan Kulmalantie	Finland	Subsidiary	3005414-9	100
Koy Uudenkaupungin Merilinnuntie	Finland	Subsidiary	2966954-1	100
Koy Uudenkaupungin Merimetsopolku B	Finland	Subsidiary	2878831-1	100
Koy Uudenkaupungin Merimetsopolku C	Finland	Subsidiary	2798800-4	100
Koy Uudenkaupungin Puusepänkatu	Finland	Subsidiary	2797654-8	100
Koy Vaasan Mäkikaivontie	Finland	Subsidiary	2766340-2	100
Koy Vaasan Tehokatu	Finland	Subsidiary	1743075-2	100
Koy Vaasan Uusmetsäntie	Finland	Subsidiary	2246849-9	100
Koy Vaasan Vanhan Vaasankatu	Finland	Subsidiary	3000725-4	100
Koy Valkeakosken Kirkkotie	Finland	Subsidiary	2882784-3	100
Koy Vantaan Asolantie (care home)	Finland	Subsidiary	3244769-1	100
Koy Vantaan Koetilankatu	Finland	Subsidiary	2319120-9	100
Koy Vantaan Koivukylän Puistotie	Finland	Subsidiary	2656382-1	100
Koy Vantaan Mesikukantie	Finland	Subsidiary	2933844-3	100
Koy Vantaan Punakiventie	Finland	Subsidiary	2755333-4	100
Koy Vantaan Tuovintie	Finland	Subsidiary	2675834-6	100
Koy Vantaan Vuohirinne	Finland	Subsidiary	2711240-8	100
Koy Varkauden Kaura-ahontie	Finland	Subsidiary	2691248-9	100
Koy Varkauden Savontie	Finland	Subsidiary	2798803-9	100
Koy Vihdin Hiidenrannantie	Finland	Subsidiary	2796607-5	100
Koy Vihdin Pengerkuja	Finland	Subsidiary	2616455-6	100
Koy Vihdin Vanhan sepän tie	Finland	Subsidiary	2855519-8	100
Koy Yliveskan Alpuumintie	Finland	Subsidiary	2625959-8	100
Koy Yliveskan Mikontie 1	Finland	Subsidiary	3004201-7	100
Koy Yliveskan Ratakatu 12	Finland	Subsidiary	2850860-7	100
Koy Ylöjärven Mustarastaantie	Finland	Subsidiary	2850859-4	100
Koy Ylöjärven Työväentalontie	Finland	Subsidiary	2620686-7	100
Koy Äänekosken Likolahdenkatu	Finland	Subsidiary	2690219-2	100
Hoivatilat AB	Sweden ^a	Subsidiary	559169-2461	100
Hoivatilat Holding AB	Sweden	Subsidiary	559192-8311	100
Hoivatilat Holding 2 AB	Sweden	Subsidiary	559204-7426	100
Älmhult Kungskapsgratan AB	Sweden	Subsidiary	559149-1732	100
Norrtälje Östhamra Förskola AB	Sweden	Subsidiary	559180-2078	100

NAME	Country	Category	Register of corporations	Capital held (in %)
Gråmunkehöga LSS Boende AB	Sweden	Subsidiary	559131-8877	100
Heby LSS boende AB	Sweden	Subsidiary	559073-5634	100
Förskola Mesta 6:56 AB	Sweden	Subsidiary	559195-0570	100
Förskola Kalleberga AB	Sweden	Subsidiary	559204-7392	100
Strängnäs Bivägen AB	Sweden	Subsidiary	559232-8685	100
Tierp LSS Boende AB	Sweden	Subsidiary	559218-2876	100
Upplands Väsby Havregatan Förskola AB	Sweden	Subsidiary	559234-9079	100
Hoivatilat Holding 3 AB	Sweden	Subsidiary	559296-1519	100
Fanna 24:19 AB (Enköping LSS)	Sweden	Subsidiary	559252-4788	100
Hoivatilat Holding 4 AB	Sweden	Subsidiary	559301-4979	100
Hoivatilat Holding 5 AB	Sweden	Subsidiary	559318-8286	100
Uppsala Almungeberg 2 LSS boende AB	Sweden	Subsidiary	559150-0938	100
Örebro Törsjö LSS boende AB	Sweden	Subsidiary	559163-1931	100
Nyköping Anderbäck LSS boende AB	Sweden	Subsidiary	559150-0979	100
Vallentuna Västlunda LSS boende AB	Sweden	Subsidiary	559152-7139	100
Växjö LSS boende AB	Sweden	Subsidiary	559190-6267	100
Örebro Hovsta Gryt LSS boende AB	Sweden	Subsidiary	559152-7147	100
Oskarshamn Emmekalv LSS boende AB	Sweden	Subsidiary	559163-3788	100
Lhaolm Nyby LSS boende AB	Sweden	Subsidiary	559149-6335	100
Enköping Hässlinge LSS boende AB	Sweden	Subsidiary	559152-2247	100
Uppsala Almungeberg 1 LSS boende AB	Sweden	Subsidiary	559131-1468	100
Uppsala Bäling Lövsta 1 LSS boende AB	Sweden	Subsidiary	556908-5391	100
Uppsala Sunnersta LSS boende AB	Sweden	Subsidiary	556900-2024	100
Uppsala Bäling Lövsta 2 LSS boende AB	Sweden	Subsidiary	556864-9460	100
Aedifica Ireland Limited	Ireland ⁹	Subsidiary	683,400	100
Prudent Capital Limited	Ireland	Subsidiary	562,309	100
JKP Nursing Home Limited	Ireland	Subsidiary	483,964	100
Mallowville SL	Spain ¹⁰	Subsidiary	B16839649	100

¹ With the exception of Immo NV (located Avenue Louise 331 in 1050 Brussels (Belgium)), all Belgian companies are located Rue Belliard 40 box 11 in 1040 Brussels (Belgium).

² All German companies are located Gervinusstraße 15-17 in 60322 Frankfurt am Main (Germany).

³ All Luxembourg companies are located rue Guillaume J. Kroll 12 C in 1882 Luxembourg (Luxembourg).

⁴ All Dutch companies are located Amstelplein 54, 1096 BC Amsterdam (Netherlands).

⁵ All Jersey companies are located 47 Esplanade in St. Heller JE1 0BD (Jersey).

⁶ All companies in the UK are located 8 Sackville Street in London W1S 3DG (United Kingdom).

⁷ All Finnish companies are located Kasarmintie 21, 90130 Oulu (Finland).

⁸ All Swedish companies are located Svärdvägen 21, 18233 Danderyd (Sweden).

⁹ All Irish companies are located 29 Earlsfort Terrace, Dublin 2, Ireland D02 AY28 (Ireland).

¹⁰ Travessera de Gràcia 11, 5^a pl., 08021 Barcelona (Spain).

¹¹ The residual 75% is held by an investor who is unrelated to Aedifica.

¹² The residual 6% is held by an investor who is unrelated to Aedifica.

¹³ The residual 50% is held by a partner who is unrelated to Aedifica.

¹⁴ The residual 25% is held by a partner who is unrelated to Aedifica.

Note 41: Belgian RREC status

(x €1,000)		31/12/2021	31/12/2020
Consolidated debt-to-assets ratio (max. 65%)			
Non-current financial debts		1,756,679	1,062,297
Other non-current financial liabilities (except for hedging instruments)	+	62,828	56,840
Trade debts and other non-current debts	+	500	0
Current financial debts	+	324,398	604,402
Other current financial liabilities (except for hedging instruments)	+	2,616	2,077
Trade debts and other current debts	+	50,109	32,067
Total liabilities according to the Royal Decree of 13 July 2014	=	2,197,130	1,757,683
Total assets		5,161,867	4,067,175
Hedging instruments	-	-6,720	-234
Total assets according to the Royal Decree of 13 July 2014	=	5,155,147	4,066,941
Debt-to-assets ratio (in %)	/	42.62%	43.22%
Additional debt capacity - debt ratio at 60%		895,958	682,482
Additional debt capacity - debt ratio at 65%		1,153,716	885,829

Prohibition to invest more than 20% of assets in real estate assets that form a single property

See section 1.2 of the 'Risk Factors' chapter of the 2021 Annual Financial Report.

Valuation of investment properties by a valuation expert

Aedifica's properties are valued quarterly by the following independent valuation experts: Cushman & Wakefield NV/SA, Stadim BV/SRL, CBRE GmbH, Jones Lang LaSalle SE, Cushman & Wakefield VOF, CBRE Valuation & Advisory Services BV, Cushman & Wakefield Debenham Tie Leung Ltd, Jones Lang LaSalle Finland Oy, JLL Valuation AB and CBRE Unlimited Company.

Note 42: Fair value

In accordance with IFRS 13, balance sheet elements for which the fair value can be computed are presented below and broken down according to the levels defined by IFRS 13:

(x €1,000)		31/12/2021				31/12/2020	
		Category	Level	Book value	Fair value	Book value	Fair value
Non-current assets							
Non-current financial assets				7,479	7,479	1,162	1,162
a. Hedges	C	2		6,720	6,720	234	234
b. Other	A	2		759	759	928	928
Equity-accounted investments	C	2		40,522	40,522	36,998	36,998
Current assets							
Trade receivables	A	2		20,434	20,434	12,698	12,698
Tax receivables and other current assets	A	2		7,368	7,368	5,177	5,177
Cash and cash equivalents	A	1		15,335	15,335	23,546	23,546
Non-current liabilities							
Non-current financial debts	A	2		-1,756,679	-1,747,144	-1,062,297	-1,078,770
Other non-current financial liabilities							
a. Authorised hedges	C	2		-33,326	-33,326	-51,220	-51,220
b. Other	A	2		-62,828	-62,828	-56,840	-56,840
Current liabilities							
Current financial debts	A	2		-324,398	-324,398	-604,402	-604,402
Trade debts and other current debts	A	2		-49,811	-49,811	-29,772	-29,772
Other current financial liabilities	A	2		-2,616	-2,616	-2,077	-2,077

These categories follow the classification specified by IFRS 9:

- category A: financial assets or liabilities (including accounts receivable and loans) carried at amortised cost;
- category B: assets or liabilities recognised at fair value through net income;
- category C: assets or liabilities that must be measured at fair value through the net income.

Authorised hedging instruments belong to category C, except for hedging instruments that meet the requirements of hedge accounting (see IFRS 9), where changes in fair value are recognised in equity.

Note 43: Put options granted to non-controlling shareholders

The Company has committed to acquire the non-controlling shareholdings (6% of the share capital) owned by third parties in Aedifica Luxembourg I SCS, Aedifica Luxembourg II SCS, Aedifica Luxembourg III SCS, Aedifica Luxembourg IV SCS, Aedifica Luxembourg V SCS, Aedifica Luxembourg VI SCS and Aedifica Residenzen Nord GmbH, should these third parties wish to exercise their put options. The exercise price of such options granted to non-controlling interest is reflected on the liability side of balance sheet on line 'I.C.b. Other non-current financial liabilities – Other' (see Notes 16 and 24).

Note 44: Alternative Performance Measures (APMs)

For many years, Aedifica has been using Alternative Performance Measures in its financial communications based on ESMA (European Securities and Market Authority) guidelines published on 5 October 2015. Some of these APMs are recommended by the European Public Real Estate Association (EPRA) while others have been defined by the industry or by Aedifica; the aim is to provide readers with a better understanding of the Company's results and performance. The APMs used in this annual financial report are identified with an asterisk (*). The performance measures which are defined by IFRS standards or by Law are not considered as APMs, nor are those which are not based on the consolidated income statement or the balance sheet. The APMs are defined, annotated and connected with the most relevant line, total or subtotal of the financial statements. The definition of the APMs, as applied to Aedifica's financial statements, may differ from those used in the financial statements of other companies

Note 44.1: Investment properties

Aedifica uses the performance measures presented below to determine the value of its investment properties; however, these measures are not defined under IFRS. They reflect alternate clustering of investment properties with the aim of providing the reader with the most relevant information.

(x €1,000)	31/12/2021	31/12/2020
Marketable investment properties	4,651,161	3,615,394
+ Right of use of plots of land	57,947	51,825
+ Development projects	151,954	141,320
Investment properties	4,861,062	3,808,539
+ Assets classified as held for sale	35,360	6,128
Investment properties including assets classified as held for sale*, or real estate portfolio*	4,896,422	3,814,667
- Development projects	-151,954	-141,320
Marketable investment properties including assets classified as held for sale*, or investment properties portfolio	4,744,468	3,673,347

Note 44.2: Rental income on a like-for-like basis*

Aedifica uses the net rental income on a like-for-like basis* to reflect the performance of investment properties excluding the effect of scope changes. Due to the extension of the financial year by six months up to and including 31 December 2020 and in order to allow comparison with the previous period, the rental income on a like-for-like basis* was calculated on a period of twelve months.

(x €1,000)	01/01/2021 - 31/12/2021	01/01/2020 - 31/12/2020
Rental income	232,118	187,535
- Scope changes	-51,537	-10,240
= Rental income on a like-for-like basis*	180,581	177,295

Note 44.3: Operating charges*, operating margin* and EBIT margin*

Aedifica uses operating charges* to aggregate the operating charges*. It represents items IV. to XV. of the income statement.

Aedifica uses the operating margin* and the EBIT margin* to reflect the profitability of its rental activities. They represent the property operating result divided by net rental income and the operating result before result on portfolio divided by net rental income, respectively.

31/12/2021

(x €1,000)	BE	DE	NL	UK	FI	SE	IE	ES	Non-allocated	Inter-segment items	TOTAL
SEGMENT RESULT											
Rental income (a)	62,548	44,971	30,429	49,911	39,797	1,958	2,504	-	-	-	232,118
Net rental income (b)	62,548	44,969	29,734	49,836	39,883	1,958	2,504	-	-	-	231,432
Property result (c)	62,562	44,866	29,142	49,937	39,613	1,911	2,504	-	-	-	230,535
Property operating result (d)	61,945	43,699	28,109	46,888	37,991	1,818	2,490	-	-	-	222,940
OPERATING RESULT BEFORE RESULT ON PORTFOLIO (e)	61,945	43,699	28,109	46,888	37,991	1,818	2,490	-	-29,613	-	193,327
Operating margin* (d)/(b)											96.3%
EBIT margin* (e)/(b)											83.5%
Operating charges* (e)-(b)											38,105

31/12/2020 (12 months - restated period)

(x €1,000)	BE	DE	NL	UK	FI	SE	IE	ES	Non-allocated	Inter-segment items	TOTAL
SEGMENT RESULT											
Rental income (a)	58,228	35,625	24,627	41,754	27,029	272	-	-	-	-	187,535
Net rental income (b)	58,251	35,623	24,234	39,773	26,630	272	-	-	-	-	184,783
Property result (c)	58,237	35,265	24,295	39,626	27,081	269	-	-	-	-	184,773
Property operating result (d)	58,181	33,839	23,584	36,779	26,168	77	-	-	-	-	178,628
OPERATING RESULT BEFORE RESULT ON PORTFOLIO (e)	58,181	33,839	23,584	36,779	26,168	77	-	-	-27,074	-	151,554
Operating margin* (d)/(b)											96.7%
EBIT margin* (e)/(b)											82.0%
Operating charges* (e)-(b)											33,229

31/12/2020 (18 months)

(x €1,000)	BE	DE	NL	UK	FI	SE	IE	ES	Non-allocated	Inter-segment items	TOTAL
SEGMENT RESULT											
Rental income (a)	86,682	49,174	35,537	60,811	27,029	272	-	-	-	-	259,505
Net rental income (b)	86,667	49,168	35,144	58,280	26,630	272	-	-	-	-	256,161
Property result (c)	86,655	48,802	35,274	58,133	27,081	269	-	-	-	-	256,214
Property operating result (d)	86,614	46,750	34,130	53,964	26,168	77	-	-	-	-	247,703
OPERATING RESULT BEFORE RESULT ON PORTFOLIO (e)	86,614	46,750	34,130	53,964	26,168	77	-	-	-36,081	-	211,622
Operating margin* (d)/(b)											96.7%
EBIT margin* (e)/(b)											82.6%
Operating charges* (e)-(b)											44,539

Note 44.4: Financial result excl. changes in fair value of financial instruments*

Aedifica uses the financial result excl. changes in fair value of financial instruments* to reflect its financial result before the non-cash effect of financial instruments; however, this performance measure is not defined under IFRS. It represents the total of items XX., XXI. and XXII. of the income statement.

(x €1,000)	31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
XX. Financial income	843	488	478
XXI. Net interest charges	-27,548	-25,135	-33,688
XXII. Other financial charges	-5,457	-3,676	-5,545
Financial result excl. changes in fair value of financial instruments*	-32,162	-28,323	-38,755

Note 44.5: Interest rate

Aedifica uses average effective interest rate* and average effective interest rate before deduction of capitalised or reinvoiced interests* and IFRS 16 to reflect the costs of its financial debts; however, these performance measures are not defined under IFRS. They represent annualised net interest charges (after or before capitalised or reinvoiced interests and IFRS 16) divided by weighted average financial debts.

(x €1,000)	31/12/2021	31/12/2020
XXI. Net interest charges	-27,548	-33,688
Capitalised or reinvoiced interests	3,647	2,491
Interest cost related to leasing debts booked in accordance with IFRS 16	-984	-824
Annualised net interest charges (a)	-27,171	-22,050
Annualised net interest charges before capitalised or reinvoiced interests and IFRS 16 (b)	-29,798	-23,141
Weighted average financial debts (c)	1,906,683	1,457,466
Average effective interest rate* (a)/(c)	1.4%	1.5%
Average effective interest rate before capitalised or reinvoiced interests and IFRS 16* (b)/(c)	1.6%	1.6%

On 31 December 2021, the average effective interest rate* (a)/(c) including commitment fees (see Note 15) would be 1.6% (31 December 2020: 1.7%).

Note 44.6: Equity

Aedifica uses equity excl. changes in fair value of hedging instruments* to reflect equity before non-cash effects of the revaluation of hedging instruments; however, this performance measure is not defined under IFRS. It represents the line 'equity attributable to owners of the parent' without cumulated non-cash effects of the revaluation of hedging instruments.

(x €1,000)	31/12/2021	31/12/2020
Equity attributable to owners of the parent	2,781,171	2,170,311
- Effect of the distribution of the final dividend 2019/2020	0	-47,181
Sub-total excl. effect of the distribution of the dividend 2019/2020	2,781,171	2,123,130
- Effect of the changes in fair value of hedging instruments	27,317	52,212
Equity excl. changes in fair value of hedging instruments*	2,808,488	2,175,342

Note 44.7: Key performance indicators according to the EPRA principles

Aedifica supports reporting standardisation, which has been designed to improve the quality and comparability of information. The Company supplies its investors with most of the information recommended by EPRA (see pages 152-163). The following indicators are considered as APMs:

- EPRA Earnings* represents the profit (attributable to owners of the Parent) after corrections recommended by the EPRA. In Aedifica's case, the EPRA Earnings* corresponds perfectly to the result excl. changes in fair value, which has previously been used in Aedifica's financial communication. The EPRA Earnings* is calculated in Note 19 (in accordance with the Aedifica model) and in the EPRA chapter of the Annual Financial Report (in accordance with the model recommended by EPRA).
- EPRA Net Reinstatement Value* represents the line 'equity attributable to owners of the parent' after corrections recommended by the EPRA. The EPRA Net Reinstatement Value assumes that entities never sell assets and provide an estimation of the value required to rebuild the entity. It is calculated in the EPRA chapter of the Annual Financial Report.
- EPRA Net Tangible Assets* represents the line 'equity attributable to owners of the parent' after corrections recommended by the EPRA. The EPRA Net Tangible Assets assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax. It is calculated in the EPRA chapter of the Annual Financial Report.
- EPRA Net Disposal Value* represents the line 'equity attributable to owners of the parent' after corrections recommended by the EPRA. The EPRA Net Disposal Value represents the value accruing to the company's shareholders under an asset disposal scenario, resulting in the settlement of deferred taxes, the liquidation of financial instruments and the recognition of other liabilities for their maximum amount, net of any resulting tax. It is calculated in the EPRA chapter of the Annual Financial Report.
- EPRA Cost Ratio (including direct vacancy costs)* and EPRA Cost Ratio (excluding direct vacancy costs)* represent aggregate operational costs as recommended by the EPRA. The EPRA Cost Ratios* are calculated in the EPRA chapter of the Annual Financial Report.

Note 45: Business combinations

During the 2021 financial year, the Group completed the following business combination:

- 26 October 2021: Aedifica UK Ltd, a British subsidiary of the Group, acquired 100% of the shares in Layland Walker Ltd (renamed Aedifica UK Management Ltd), the company that for the past eight years has been providing asset management services for the UK portfolio that Aedifica acquired in 2019.

Information regarding the net asset acquired, goodwill and their consideration are given in the table below.

(x £ 1.000)	Fair value
Tax receivables and other current assets	218
Deferred charges and accrued income	17
Cash and cash equivalents	115
Trade debts and other non-current debts	-34
Accrued charges and deferred income	-10
Net asset acquired	306
Goodwill	3,043
Consideration	3,349
of which cash consideration	3,349

2. Abridged Statutory Financial Statements 2021

The Abridged Statutory Financial Statements of Aedifica NV/SA, prepared under IFRS, are summarised below in accordance with Article 3:17 of Belgian Companies and Associations Code. The unabridged Statutory Financial Statements of Aedifica NV/SA, its Management Report and its Auditors' Report will be registered at the National Bank of Belgium within the legal deadlines. These documents will also be available for free on the Company's website (www.aedifica.eu) or on request at the Company's headquarters.

The statutory auditor released an unqualified opinion on the Statutory Financial Statements of Aedifica NV/SA.

Abridged Statutory Income Statement

Year ending on 31 December (x €1,000)		31/12/2021	31/12/2020 (12 months - restated period)	31/12/2020 (18 months)
I.	Rental income	85,482	74,744	110,255
II.	Writeback of lease payments sold and discounted	0	0	0
III.	Rental-related charges	-1	23	-67
Net rental income		85,481	74,767	110,188
IV.	Recovery of property charges	0	0	0
V.	Recovery of rental charges and taxes normally paid by tenants on let properties	1,158	1,377	1,608
VI.	Costs payable by the tenant and borne by the landlord on rental damage and repair at end of lease	0	0	0
VII.	Charges and taxes not recovered by the tenant on let properties according to the income statement	-1,111	-1,377	-1,608
VIII.	Other rental-related income and charges	-47	-79	-107
Property result		85,481	74,688	110,081
IX.	Technical costs	-163	-181	-264
X.	Commercial costs	0	0	0
XI.	Charges and taxes on unlet properties	-2	0	0
XII.	Property management costs	-95	-601	-822
XIII.	Other property charges	0	65	201
Property charges		-260	-717	-885
Property operating result		85,221	73,971	109,196
XIV.	Overheads	-17,175	-14,848	-21,950
XV.	Other operating income and charges	673	1,929	3,995
Operating result before result on portfolio		68,719	61,051	91,241
XVI.	Gains and losses on disposals of investment properties	199	0	0
XVII.	Gains and losses on disposals of other non-financial assets	0	0	0
XVIII.	Changes in fair value of investment properties	32,487	19,308	38,635
XIX.	Other result on portfolio	-2,239	462	-781
Operating result		99,166	80,822	129,095
XX.	Financial income	116,143	64,521	98,693
XXI.	Net interest charges	-25,505	-22,556	-31,362
XXII.	Other financial charges	-5,296	-3,128	-5,218
XXIII.	Changes in fair value of financial assets and liabilities	14,621	-4,620	-858
Net finance costs		99,963	34,218	61,255
XXIV.	Share in the profit or loss of associates and joint ventures accounted for using the equity method	3,525	1,144	3,066
Profit before tax (loss)		202,654	116,183	193,416
XXV.	Corporate tax	-4,359	-5,040	-6,615
XXVI.	Exit tax	-121	0	0
Tax expense		-4,480	-5,040	-6,615
Profit (loss)		198,174	111,143	186,801
Basic earnings per share (€)		5.70	4.05	7.05
Diluted earnings per share (€)		5.70	4.05	7.05

Abridged Statutory Statement of Comprehensive Income

Year ending on 31 December (x €1,000)	31/12/2021	31/12/2020
I. Profit (loss)	198,174	186,801
II. Other comprehensive income recyclable under the income statement		
A. Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties	0	0
B. Changes in the effective part of the fair value of authorised cash flow hedge instruments as defined under IFRS	4,273	-3,419
D. Currency translation differences linked to conversion of foreign activities	0	0
H. Other comprehensive income, net of taxes	6,179	5,150
Comprehensive income	208,626	188,532

Abridged Statutory Balance Sheet

ASSETS Year ending on 31 December (x €1,000)	31/12/2021	31/12/2020
I. Non-current assets		
A. Goodwill	0	0
B. Intangible assets	1,772	1,716
C. Investment properties	1,819,073	1,421,696
D. Other tangible assets	1,873	2,519
E. Non-current financial assets	2,166,278	2,121,515
F. Finance lease receivables	0	0
G. Trade receivables and other non-current assets	0	0
H. Deferred tax assets	1,071	0
Total non-current assets	3,990,067	3,547,446
II. Current assets		
A. Assets classified as held for sale	0	165
B. Current financial assets	0	0
C. Finance lease receivables	0	0
D. Trade receivables	11,024	8,310
E. Tax receivables and other current assets	466,381	6,049
F. Cash and cash equivalents	5,352	3,815
G. Deferred charges and accrued income	2,239	780
Total current assets	484,996	19,119
TOTAL ASSETS	4,475,063	3,566,565

EQUITY AND LIABILITIES		31/12/2021	31/12/2020
Year ending on 31 December (x €1,000)			
EQUITY			
A.	Capital	917,101	836,401
B.	Share premium account	1,301,002	1,054,109
C.	Reserves	219,634	69,562
	a. Legal reserve	0	0
	b. Reserve for the balance of changes in fair value of investment properties	221,638	181,026
	c. Reserve for estimated transaction costs resulting from hypothetical disposal of investment properties	-31,761	-26,769
	d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	-12,784	-23,233
	e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	-23,820	-22,964
	f. Reserve of exchange differences relating to foreign currency monetary items	70	-4,746
	g. Foreign currency translation reserves	0	0
	h. Reserve for treasury shares	0	0
	k. Reserve for deferred taxes on investment properties located abroad	-6,240	-2,630
	m. Other reserves	3,015	-1,805
	n. Result brought forward from previous years	63,622	-33,712
	o. Reserve- share NI & OCI of equity method invest	5,894	4,395
D.	Profit (loss) of the year	198,174	186,801
TOTAL EQUITY		2,635,911	2,146,873
LIABILITIES			
I. Non-current liabilities			
A.	Provisions	0	0
B.	Non-current financial debts	1,480,304	828,953
	a. Borrowings	683,147	752,068
	c. Other	797,157	76,885
C.	Other non-current financial liabilities	36,028	50,193
	a. Authorised hedges	32,130	48,998
	b. Other	3,898	1,195
D.	Trade debts and other non-current debts	0	0
E.	Other non-current liabilities	0	0
F.	Deferred tax liabilities	9,929	7,736
Non-current liabilities		1,526,261	886,882
II. Current liabilities			
A.	Provisions	0	0
B.	Current financial debts	290,033	516,210
	a. Borrowings	40,033	266,210
	c. Other	250,000	250,000
C.	Other current financial liabilities	606	441
D.	Trade debts and other current debts	12,150	12,245
	a. Exit tax	298	315
	b. Other	11,852	11,930
E.	Other current liabilities	0	0
F.	Accrued charges and deferred income	10,102	3,914
Total current liabilities		312,891	532,810
TOTAL LIABILITIES		1,839,152	1,419,692
TOTAL EQUITY AND LIABILITIES		4,475,063	3,566,565

Abridged Statutory Statement of Changes in Equity

(x €1,000)	01/07/2019	Capital increase in cash	Capital increase in kind	Interim dividend	Acquisitions / disposals of treasury shares	Consolidated comprehensive income	Appropriation of the previous year's result	Other transfer relating to asset disposals	Transfers between reserves	Other and roundings	31/12/2020
Capital	624,713	198,311	13,377	0	0	0	0	0	0	0	836,401
Share premium account	565,068	455,814	33,227	0	0	0	0	0	0	0	1,054,109
Reserves	106,674	0	0	-75,309	0	1,731	36,466	0	0	0	69,562
a. Legal reserve	0	0	0	0	0	0	0	0	0	0	0
b. Reserve for the balance of changes in fair value of investment properties	147,528	0	0	0	0	0	31,702	1,796	0	0	181,027
c. Reserve for estimated transaction costs resulting from hypothetical disposal of investment properties	-21,925	0	0	0	0	0	-4,854	10	0	0	-26,769
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	-24,960	0	0	0	0	1,731	-4	0	0	0	-23,233
e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	-18,991	0	0	0	0	0	-3,973	0	0	0	-22,964
f. Reserve of exchange differences relating to foreign currency monetary items	0	0	0	0	0	0	-4,746	0	0	0	-4,746
g. Foreign currency translation reserves	0	0	0	0	0	0	0	0	0	0	0
h. Reserve for treasury shares	0	0	0	0	0	0	0	0	0	0	0
k. Reserve for deferred taxes on investment properties located abroad	-1,694	0	0	0	0	0	-936	0	0	0	-2,630
m. Other reserves	798	0	0	0	0	0	-796	-1,805	0	0	-1,806
n. Result brought forward from previous years	25,919	0	0	-75,309	0	0	20,072	0	-4,395	0	-33,712
o. Reserve- share NI & OCI of equity method invest	0	0	0	0	0	0	0	0	4,395	0	4,395
Profit (loss)	90,689	0	0	0	0	186,802	-90,689	0	0	0	186,801
TOTAL EQUITY	1,387,144	654,125	46,604	-75,309	0	188,533	-54,223	0	0	0	2,146,873

(x €1,000)	01/01/2021	Capital increase in cash	Capital increase in kind	Interim dividend	Acquisitions / disposals of treasury shares	Consolidated comprehensive income	Appropriation of the previous year's result	Other transfer relating to asset disposals	Transfers between reserves	Other and roundings	31/12/2021
Capital	836,401	69,603	11,098	0	0	0	0	0	0	-1	917,101
Share premium account	1,054,109	211,714	35,179	0	0	0	0	0	0	0	1,301,002
Reserves	69,562	0	0	0	0	10,452	139,620	0	0	0	219,634
a. Legal reserve	0	0	0	0	0	0	0	0	0	0	0
b. Reserve for the balance of changes in fair value of investment properties	181,027	0	0	0	0	0	44,498	-3,886	0	0	221,639
c. Reserve for estimated transaction costs resulting from hypothetical disposal of investment properties	-26,769	0	0	0	0	0	-5,863	871	0	0	-31,761
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	-23,233	0	0	0	0	10,452	-3	0	0	0	-12,784
e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	-22,964	0	0	0	0	0	-856	0	0	0	-23,820
f. Reserve of exchange differences relating to foreign currency monetary items	-4,746	0	0	0	0	0	4,816	0	0	0	70
g. Foreign currency translation reserves	0	0	0	0	0	0	0	0	0	0	0
h. Reserve for treasury shares	0	0	0	0	0	0	0	0	0	0	0
k. Reserve for deferred taxes on investment properties located abroad	-2,630	0	0	0	0	0	-3,611	0	0	1	-6,240
m. Other reserves	-1,806	0	0	0	0	0	1,806	3,015	0	-1	3,014
n. Result brought forward from previous years	-33,712	0	0	0	0	0	97,334	0	0	0	63,622
o. Reserve- share NI & OCI of equity method invest	4,395	0	0	0	0	0	1,499	0	0	0	5,894
Profit (loss)	186,801	0	0	0	0	198,174	-186,801	0	0	0	198,174
TOTAL EQUITY	2,146,873	281,317	46,277	0	0	208,626	-47,181	0	0	-1	2,635,911

Abridged Statutory Appropriation Account

PROPOSED APPROPRIATION Year ending on 31 December (x €1,000)	31/12/2021	31/12/2020
A. Profit (loss)	198,174	186,801
B. Transfer to/from the reserves	43,494	42,286
1. Transfer to/from the reserve of the (positive or negative) balance of changes in fair value of investment properties (-/+)	51,484	44,498
2. Transfer to/from the reserve of the estimated transaction costs resulting from hypothetical disposal of investment properties (-/+)	-22,458	-5,863
3. Transfer to the reserve of the balance of the changes in fair value of authorised cash flow hedging instruments qualifying for hedge accounting (-)	-31	-3
4. Transfer to the reserve of the balance of the changes in fair value of authorised cash flow hedging instruments qualifying for hedge accounting (+)	0	0
5. Transfer to the reserve of the balance of the changes in fair value of authorised cash flow hedging instruments not qualifying for hedge accounting (-)	0	-856
6. Transfer to the reserve of the balance of the changes in fair value of authorised cash flow hedging instruments not qualifying for hedge accounting (+)	15,984	0
7. Transfer to/from the reserve of the balance of currency translation differences on monetary assets and liabilities (-/+)	-514	4,816
8. Transfer to the reserve of the fiscal latencies related to investment properties abroad (-/+)	-1,121	-3,611
9. Transfer to the reserve of the received dividends aimed at the reimbursement of financial debts (-/+)	0	0
10. Transfer to/from other reserves (-/+)	-3,015	1,806
11. Transfer to/from the result carried forward of the previous years (-/+)	0	0
12. Transfer to the reserve- share NI & OCI of equity method invest	3,165	1,499
C. Remuneration of the capital provided in article 13, § 1, para. 1	111,079	111,723
D. Remuneration of the capital - other than C	7,417	10,767
Proposed remuneration of the capital (C + D)	118,496	122,490
Result to be carried forward	36,184	22,025
SHAREHOLDERS' EQUITY THAT CAN NOT BE DISTRIBUTED ACCORDING TO ARTICLE 7:212 OF THE BELGIAN COMPANIES AND ASSOCIATIONS CODE (x €1,000)	31/12/2021	31/12/2020
Paid-up capital or, if greater, subscribed capital (+)	917,101	836,401
Share premium account unavailable for distribution according to the Articles of Association (+)	1,301,002	1,054,109
Reserve for positive balance of changes in fair value of investment properties (+)	218,903	191,087
Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS (+/-)	-12,815	-24,967
Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS (+/-)	-7,836	-23,820
Reserve of the balance of currency translation differences on monetary assets and liabilities (+)	0	70
Reserve for foreign exchange differences linked to conversion of foreign operations (+/-)	0	0
Reserve for the balance of changes in fair value of financial assets available for sale (+/-)	0	0
Reserve for actuarial differences of defined benefits pension plans (+)	0	0
Reserve of the fiscal latencies related to investment properties abroad (+)	0	0
Reserve of the received dividends aimed at the reimbursement of financial debts (+)	0	0
Other reserves declared as non-distributable by the general meeting (+)	0	0
Reserve- share NI & OCI of equity method invest	9,059	5,894
Legal reserve (+)	0	0
Shareholders' equity that cannot be distributed according to Article 7:212 of the Belgian Companies and Associations Code	2,425,414	2,038,774
Net asset	2,635,911	2,222,182
Interim dividend	0	-75,309
Final dividend	-118,496	-47,181
Net asset after distribution	2,517,415	2,099,692
Headroom after distribution	92,001	60,918

Corrected profit as defined in the Royal Decree of 13 July 2014

The corrected profit as defined in the Royal Decree of 13 July 2014 is calculated as follows, based on the Statutory Accounts:

(x €1,000)	31/12/2021	31/12/2020
Profit (loss)	198,174	186,801
Depreciation	789	1,780
Write-downs	0	15
Other non-cash items	-27,427	-10,308
Gains and losses on disposals of investment properties	-199	0
Changes in fair value of investment properties	-32,487	-38,635
Roundings	0	0
Corrected profit	138,850	139,653
Denominator [°] (in shares)	34,851,824	26,628,340
CORRECTED PROFIT PER SHARE[°] (in € per share)	3.98	5.24
Interim dividend	0	75,309
Final dividend	118,496	47,181
Total proposed dividend	118,496	122,490
PAY-OUT RATIO (MIN. 80%)	85%	88%

[°] Based on the rights to the dividend for the shares issued during the year.

Abridged statutory statement of changes in equity after appropriation of the year's result

(x €1,000)	Equity as per 31/12/2021	Proposed result's appropriation	Equity as per 31/12/2021 after proposed result's appropriation
Capital	917,101	0	917,101
Share premium account	1,301,002	0	1,301,002
Reserves	219,634	198,174	417,808
a. Legal reserve	0	0	0
b. Reserve for the balance of changes in fair value of investment properties	221,639	51,484	273,123
c. Reserve for estimated transaction costs resulting from hypothetical disposal of investment properties	-31,761	-22,458	-54,219
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	-12,784	-31	-12,815
e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	-23,820	15,984	-7,836
f. Reserve of exchange differences relating to foreign currency monetary items	70	-514	-444
g. Foreign currency translation reserves	0	0	0
h. Reserve for treasury shares	0	0	0
k. Reserve for deferred taxes on investment properties located abroad	-6,240	-1,121	-7,361
m. Other reserves	3,014	-3,015	-1
n. Result brought forward from previous years	63,622	154,680	218,302
o. Reserve- share NI & OCI of equity method invest	5,894	3,165	9,059
Profit (loss)	198,174	-198,174	0
TOTAL EQUITY	2,635,911	0	2,635,911

Additional information





1. External verification

1. Valuation experts' report¹

Gentlemen,

We are pleased to send you our estimate of the fair value of investment properties held by the Aedifica group as of 31 December 2021.

Aedifica assigned to each of the ten valuation experts the task of determining the fair value (from which the investment value is derived²) of one part of its portfolio of investment properties. Assessments are established taking into account the remarks and definitions contained in the reports and following the guidelines of the International Valuation Standards issued by the 'IVSC'.

We have acted individually as valuation experts and have a relevant and recognised qualification, as well as an ongoing experience for the location and the type of buildings assessed. The valuation expert's opinion of fair value was primarily derived using comparable recent market transactions on arm's length terms.

Properties are considered in the context of current leases and of all rights and obligations that these commitments entail. We have evaluated each entity individually. Assessments do not take into account a potential value that can be generated by offering the whole portfolio on the market. Assessments do not take into account selling costs applicable to a specific transaction, such as brokerage fees or advertising. Assessments are based on the inspection of real estate properties and information provided by Aedifica (i.e. rental status and surface area, sketches or plans, rental charges and property taxes related to the property, and compliance and pollution matters). The information provided was assumed to be accurate and complete. Assessments are made under the assumption that no non-communicated piece of information is likely to affect the value of the property.

Based on the ten assessments, the consolidated fair value of the portfolio amounted to €4,854,160,580³ as of 31 December 2021 including 100% of the fair value of the assets held by the partners of the partnership AK JV NL or €4,836,970,580 after deduction of the 50% share in the partnership AK JV NL held by the other partner company. The marketable investment properties⁴ held by Aedifica group amounted to €4,686,521,296 (excluding 50% of the value of the assets held by the other partner company in AK JV NL). Contractual rents amounted to €258,499,967 which corresponds to an initial rental yield of 5.52% compared to the fair value of marketable investment properties. The current occupancy rate amounts to 99.52%. Assuming that the marketable investment properties are 100% rented and that the current vacancy is let at market rent, contractual rent would amount to €259,723,163, i.e. an initial yield of 5.54% compared to the fair value of the marketable investment properties.

The above-mentioned amounts include the fair values and contractual rents of the UK based assets in pound sterling and converted into euro as well as the assets located in Sweden in Swedish Krona converted into euro taking the exchange rates as per 31/12/2021 (1.18879€/£ and 10.2887SEK/€; rates of the last business day of the quarter) into account.

As of 31 December 2021:

- the consolidated fair value of the assets located in Belgium amounted to €1,218,690,277; including €1,213,217,395 for marketable investment properties. Contractual rents amounted to €63,874,708 which corresponds to an initial yield of 5.3% to the fair value of the marketable investment properties.
- the consolidated fair value of the assets located in Germany amounted to €1,102,437,000; including €1,057,513,553 for marketable investment properties. Contractual rents amounted to €55,213,734 which corresponds to an initial yield of 5.2% to the fair value of the marketable investment properties.
- the consolidated fair value of the assets located in The Netherlands amounted to €604,565,000 including 100% of the fair value of the assets held by the partners of the partnership AK JV NL. The marketable investment properties after deduction of the 50% share held by the partner company amounted to €564,105,000. Contractual rents amounted to €31,255,429 which corresponds to an initial yield of 5.5% to the fair value of the marketable investment properties.
- the consolidated fair value of the assets located in the United Kingdom amounted to £699,633,000; including £691,178,123 for marketable investment properties. Contractual rents amounted to £44,471,056 which corresponds to an initial yield of 6.4% to the fair value of the marketable investment properties.

1. The expert report was reproduced with the agreement of Cushman & Wakefield Belgium NV/SA, Stadim BV/SRL, CBRE GmbH, Jones Lang LaSalle SE, Cushman & Wakefield VOF, CBRE Valuation & Advisory Services BV, Cushman & Wakefield Debenham Tie Leung Limited, Jones Lang LaSalle Finland Oy, JLL Valuation AB and CBRE Unlimited Company. The sum of all elements of the portfolio individually assessed by the abovementioned valuation experts constitutes Aedifica's whole consolidated portfolio.

2. 'Investment value' is defined by Aedifica as the value assessed by a valuation expert, of which transfer costs are not deducted (also known as 'gross capital value').

3. The abovementioned portfolio is broken down in two lines on the balance sheet (lines 'I.C. Investment properties' and 'II.A. Assets classified as held for sale').

4. 'Marketable investment properties' are defined by Aedifica as investment properties including assets classified as held for sale and excluding development projects. Marketable investment properties are hence completed properties that are let or lettable.

- the consolidated fair value of the assets located in Finland amounted to €909,147,400; including €859,850,000 for marketable investment properties. Contractual rents amounted to €46,517,597 which corresponds to an initial yield of 5.4% to the fair value of the marketable investment properties.
- the consolidated fair value of the assets located in Sweden amounted to SEK816,400,000; including SEK805,900,000 for marketable investment properties. Contractual rents amounted to SEK40,043,640 which corresponds to an initial yield of 5.0% to the fair value of the marketable investment properties.
- the consolidated fair value of the assets located in Ireland amounted to €105,755,000 ; including €91,841,054 for marketable investment properties. Contractual rents amounted to €4,879,750 which corresponds to an initial yield of 5.3% to the fair value of the marketable investment properties.
- the fair value of the plot of land in Spain amounted to €2,500,000.

In the context of a reporting in compliance with the International Financial Reporting Standards, our evaluations reflect the fair value. The fair value is defined by IAS 40 and IFRS 13 as 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'. The IVSC considers that the definition of fair value under IAS 40 and IFRS 13 is generally consistent with market value.

Opinions of the valuation experts¹

Valuation expert		Fair value of valued assets of portfolio as of 31 December 2021	Investment value (before deduction of transfer costs ²)
Cushman & Wakefield Belgium SA	Emeric Inghels	€608,131,000	€623,714,000
Stadim BV	Céline Janssens & Tim Leysen	€610,559,277	€625,823,680
CBRE GmbH	Danilo Tietz & Karina Melskens	€643,150,000	€686,493,928
Jones Lang LaSalle SE	Gregor Claasen	€459,287,000	€494,960,000
Cushman & Wakefield VOF	Jan Vriend & Niek Drent	€510,880,000 ³	€551,450,000 ³
CBRE Valuation & Advisory Services B.V.	Roderick Smorenburg & Annette Postma	€93,685,000 ³	€102,046,884 ³
Cushman & Wakefield Debenham Tie Leung Limited	Tom Robinson	£669,633,000 (€831,716,714 ⁴)	£746,143,981 (€887,008,503 ⁴)
Jones Lang LaSalle Finland Oy	Tero Lehtonen & Mikko Kuusela	€909,147,400	€931,876,085
Jones Lang LaSalle Finland Oy	Tero Lehtonen & Mikko Kuusela	€2,500,000	€2,550,000
JLL Valuation AB	Patrik Lofvenberg	SEK816,400,000 (€79,349,189 ⁵)	SEK828,832,487 (€80,557,552 ⁵)
CBRE Unlimited Company	Maureen Bayley	€105,755,000	€116,273,348.

1. The valuation expert values only a part of Aedifica's portfolio and does not take responsibility for the valuation of the portfolio as a whole. The valuation expert therefore signs only for the accuracy of the figures of the assets he values. No further liability for any other valuation expert will be accepted.

2. In this context, the transfer costs require adaptation to the market conditions. Based on the analysis of a large number of transactions in Belgium, the Belgian experts acting at the request of publicly traded real estate companies, reunited in a working group, came to the following conclusion: given the various ways to transfer property in Belgium, the weighted average of the transfer costs was estimated at 2.5%, for investment properties with a value in excess of €2.5 million. The investment value corresponds therefore to the fair value plus 2.5% of transfer costs. The fair value is also calculated by dividing the investment value by 1.025. Properties in Belgium below the threshold of €2.5 million remain subject to usual transfer costs (10.0% or 12.5% depending on their location). Their fair value corresponds thus to the value excluding transfer costs. Assets located in Germany, the Netherlands, the United Kingdom, Finland, Sweden and Ireland are not concerned by this footnote. In the assessment of their investment value, the usual local transfer costs and professional fees are taken into account.

3. Including 100% of the value of the assets held by the partners of the partnership AK JV NL.

4. Based on the exchange rate of 1.18879€/£ as per 31/12/2021; rate of the last business day of the quarter.

5. Based on the exchange rate of 10.2887SEK/€ as per 31/12/2021; rate of the last business day of the quarter.



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Independent auditor's report to the general meeting of Aedifica SA for the year ended 31 December 2021

As required by law and the Company's articles of association, we report to you as statutory auditor of Aedifica SA (the "Company") and its subsidiaries (together the "Group"). This report includes our opinion on the consolidated balance sheet as at 31 December 2021, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year ended 31 December 2021 and the disclosures (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 11 May 2021, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2023. We performed the audit of the Consolidated Financial Statements of the Group during 10 consecutive years.

Report on the audit of the Consolidated Financial Statements

Unqualified opinion

We have audited the Consolidated Financial Statements of Aedifica SA, that comprise of the consolidated balance sheet on 31 December 2021, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated Statement of changes in equity and the consolidated cash flow statement of the year and the disclosures, which show a consolidated balance sheet total of € 5.161.867 thousand and of which the consolidated income statement shows a profit for the year of € 282.825 thousand.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2021, and of its consolidated results for the year then ended, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") and with applicable legal and regulatory requirements in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our

responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect to independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.



**Audit report dated 30 March 2022 on the Consolidated Financial Statements
of Aedifica SA as of and for the year ended
31 December 2021 (continued)**

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

Valuation Investment Properties

Description of the key audit matter

Investment property amounts to a significant part (94%) of the assets of the Group.

In accordance with the accounting policies and IAS 40 standard "Investment property", investment property is measured at fair value, and the changes in the fair value of investment property are recognized in the income statement. The fair value of investment properties belongs to the level 3 in the fair value hierarchy as defined within the IFRS 13 standard "Fair Value Measurement". Some assumptions used for valuation purposes are based on data that can be observed only to a limited extent (discount rate, future occupancy rate, ...) and therefore require judgement from management.

The audit risk appears in the valuation of these investment properties and is therefore considered a Key Audit Matter.

Summary of the procedures performed

The Group uses external experts to make an estimate of the fair value of its buildings. We have assessed the valuation reports of the external experts (with the support of our internal valuation experts). More precisely, we have:

- assessed the objectivity, the independence and the competence of the external experts,
- tested the integrity of source data (contractual rentals, maturities of the rental contracts, ...) used in their calculations and reconciled with underlying contracts,
- assessed the models and assumptions used in their reports (discount rates, future occupancy rates, ...).

Finally, we have assessed the appropriateness of the information on the fair value of the investment properties disclosed in note 22 of the Consolidated Financial Statements.

Valuation Financial Instruments

Description of the key audit matter/

The Group uses interest rate swaps (IRS) and options (CAPs) to hedge its interest rate risk on its variable rate debts and has concluded forward exchange rate contracts during the financial year to hedge the risk of exchange rate fluctuations. The measurement of the derivatives at fair value is an important source of volatility of the result and/or the shareholders' equity. In accordance with IFRS 9 "Financial Instruments: Recognition and Measurement", these derivatives are valued at fair value (considered to belong to the level 2 in the fair value hierarchy defined by IFRS 13 "Fair Value Measurement"). The changes in fair value are recognized in the income statements except for some IRS for which the Group applies hedge accounting ("cash-flow hedging"), which allows to classify most of the changes in fair value in the caption of the shareholders' equity ("Reserve for the balance of changes in fair value of authorized hedging instruments qualifying for hedge accounting as defined under IFRS"). The audit risk appears on the one hand in the complexities involved in determining the fair value of these derivatives and on the other hand in the correct application of hedge accounting for the IRS contracts that were classified by the Group as cash flow hedges and are therefore a key audit matter.

Summary of the procedures performed

- We have compared the fair values of the derivatives with the values communicated by the counterparties and the credit risk adjustments calculated by an external specialist. We have assessed the most important assumptions and the calculations performed by this external specialist.
- Regarding the correct application of hedge accounting, we have evaluated the effectiveness tests performed by the external specialist involved by the Group and we have compared the volume of derivatives subject to hedge accounting with the volume of the variable rate debts projected on the future accounting years in order to identify any potential over-hedging which could potentially jeopardize the application of hedge accounting.
- Finally, we have assessed the appropriateness of the information on the financial instruments disclosed in note 33 of the Consolidated Financial Statements.



**Audit report dated 30 March 2022 on the Consolidated Financial Statements
of Aedifica SA as of and for the year ended
31 December 2021 (continued)**

Goodwill impairment

Description of the key audit matter

In January 2020, Aedifica acquired its Finnish subsidiary Hoivatilat resulting in a goodwill in Aedifica NV's Consolidated Financial Statements amounting to EUR 161,7 million.

In conformity with IAS 36 "Impairment of Assets", the Group carries out impairment tests at least once a year.

Management's assessment of potential impairments on this goodwill is based on a discounted cash flow method (DCF) of the underlying participation in Hoivatilat, which is based on budgets approved by the Board of Directors of the subsidiary. This analysis requires judgments and assessments by management of the assumptions used, including the determination of Hoivatilat's future cash flows as well as the determination of the discount rate, which are complex and subjective. Changes in these assumptions could lead to material changes in the estimated value, which may have a potential effect on potential impairments that need to be recorded at the level of goodwill, and is therefore considered a Key Audit Matter.

Summary of the procedures performed

- We have evaluated management's process to identify the impairment indicators;
- We have assessed the valuation methods used by management to determine Hoivatilat's recoverable value as well as the reasonableness of the key assumptions (discount rate and future cash flows) used in management's assessment of the recoverable

values (with the help of our internal valuation specialists);

- We have assessed the reasonableness of future cash flows included in the goodwill valuation test based on historical results and the available business plan and have verified that those future cash flows are based on business plans approved by the Board of Directors;
- We have tested the mathematical accuracy of valuation models;
- We have assessed the accuracy of management's sensitivity analysis;
- We have evaluated the adequacy and completeness of the information included in note 20 of the Consolidated Financial Statements.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with IFRS and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern. The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.



**Audit report dated 30 March 2022 on the Consolidated Financial Statements
of Aedifica SA as of and for the year ended
31 December 2021 (continued)**

Our responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the

objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

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

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Audit report dated 30 March 2022 on the Consolidated Financial Statements of Aedifica SA as of and for the year ended 31 December 2021 (continued)

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the

Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report.

Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISAs applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report, as well as to report on these matters.

Aspects relating to Board of Directors' report and other information included in the annual report

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:

- Summary of the consolidated financial statements of 31 December 2021 p.52-57
- EPRA p.154-163

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees related to additional services which are compatible with the audit of the Consolidated Financial Statements as referred to in article 3:65 of the Code of companies and associations were duly itemized and valued in the notes to the Consolidated Financial Statements.

European single electronic format ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (<https://www.fsma.be/en/data-portal>).

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements included in the annual financial report available on the portal of the



**Audit report dated 30 March 2022 on the Consolidated Financial Statements
of Aedifica SA as of and for the year ended
31 December 2021 (continued)**

FSMA (<https://www.fsma.be/en/data-portal>) of Aedifica SA per 31 December 2021 are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation.

Other communications.

- This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Brussels, 30 March 2022

EY Bedrijfsrevisoren BV
Statutory auditor
Represented by

Joeri Klaykens *
Partner
*Acting on behalf of a BV/SRL

**Statutory auditor's report of 30 March 2022 on the consolidated financial forecasts of Aedifica nv/sa****Statutory auditor's report on the consolidated financial forecasts of Aedifica nv/sa**

As a statutory auditor of the company, we have, upon request by the Board of Directors, prepared the present report on the forecasts of the EPRA earnings (as defined in August 2011 and amended in October 2019 in the report "Best Practices Recommendations" of the European Public Real Estate Association) per share for the 12 months periods ending 31 December 2022 (the "Forecast") of Aedifica nv/sa, included in Chapter 5 "Outlook for 2022" of the Caption "Financial report" of Aedifica's Annual Financial Report as approved by the Board of Directors of the company on 22 February 2022.

The assumptions included in Chapter 5 "Outlook for 2022" of the Caption "Financial report" of Aedifica's Annual Financial Report result in the following forecasts of the EPRA earnings for the accounting year ending 2022:

EPRA Earnings, per share, in EUR: 4,77 EUR

Board of Director's responsibility

It is the Company's board of directors' responsibility to prepare the consolidated financial forecasts and the main assumptions upon which the Forecast is based.

Auditor's responsibility

It is our responsibility to provide an opinion on the consolidated financial forecasts, prepared appropriately on the basis of the above assumptions. We are not required nor do we express an opinion on the possibility to achieve that result or on the assumptions underlying this Forecast.

We performed our work in accordance with the auditing standards applicable in Belgium, as issued by the Institute of Registered Auditors (*Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren*), including the related guidance of its research institute and the standard "International Standard on Assurance Engagements 3400" related to the examination of forecast information. Our work included an evaluation of the procedures undertaken by the Board of Directors in compiling the forecasts and procedures aimed at verifying the consistency of the methods used for the Forecast with the accounting policies normally adopted by Aedifica nv/sa.

We planned and performed our work so as to obtain all the information and explanations that we considered necessary in order to provide us with reasonable assurance that the forecasts have been properly compiled on the basis stated.



**Statutory auditor's report of 30 March 2022 on the consolidated
financial forecasts of Aedifica nv/sa**

Opinion

We have examined the EPRA earnings per share of Aedifica nv/sa for the 12 months periods ending 31 December 2022 in accordance with the International Standard on Assurance Engagements applicable to the examination of prospective financial information. Board of Director's is responsible for the forecast including the assumptions referenced above. In our opinion the forecast is properly prepared on the basis of the assumptions and is presented in accordance with the accounting policies applied by Aedifica nv/sa for the consolidated financial statements of 2021.

Since the Forecast and the assumptions on which they are based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the forecasts. Any differences may be material.

Brussels, 30 March 2022

EY Réviseurs d'Entreprises SRL
Statutory auditor
represented by

Joeri Klaykens*
Partner
* Acting on behalf of a SRL

2. Standing Documents

1. General information

1.1 Company name (Article 1 of the Articles of Association)

The legal form of the Company is that of a public limited liability company with the name 'AEDIFICA'.

The Company is a public regulated real estate company ('PRREC'), subject to the Belgian Act of 12 May 2014 on regulated real estate companies, as amended from time to time (the 'RREC Act'), whose shares are admitted to trading on a regulated market.

The company name and all of the documents which it produces, contain the words 'public regulated real estate company under Belgian law', or 'public RREC under Belgian law' or 'PRREC under Belgian law', or are immediately followed by these words.

The Company is subject to the RREC Act and to the Royal Decree of 13 July 2014 regulating real estate companies, as amended from time to time (the 'RREC Royal Decree') (the 'RREC Act' and the 'RREC Royal Decree' are hereafter together referred to as the 'RREC Legislation').

1.2 Registered office, e-mail address and website (Article 2 of the Articles of Association)

The registered office is located at 1040 Brussels, Rue Belliard / Belliardstraat 40 (box 11).

The Board of Directors is authorised to transfer the registered office within Belgium to the extent that such transfer does not require a change in the language of the Articles of Association to comply with the applicable language legislation. Such a decision does not require an amendment of the Articles of Association, unless the registered office of the Company is transferred to another Region. In the latter case the Board of Directors is authorised to decide on the amendment of the Articles of Association. If, as a result of the transfer of the registered office, the language of the Articles of Association has to be changed, only the general meeting can take this decision, taking into account the requirements for an amendment of the Articles of Association.

The Company may establish administrative offices, branches or agencies, both in Belgium and abroad by means of a simple resolution of the Board of Directors.

The Company can, in application of and within the limits of Article 2:31 of the Code of companies and associations, be contacted at the following e-mail address: shareholders@aedifica.eu. The Board of Directors may change the Company's e-mail address in accordance with the Code of companies and associations.

The Company's website is: www.aedifica.eu.

1.3 Constitution, legal form and publication

Aedifica was set up as a limited liability company incorporated under Belgian law (Société Anonyme/Naamloze Vennootschap) by Degroof Bank SA and GVA Finance SCA, by deed enacted on 7 November 2005 by Notary Bertrand Nerinx, Notary in Brussels, published in the annexes to the Belgian State Gazette (Moniteur belge/Belgisch Staatsblad) of 23 November 2005, under number 20051123/05168061.

Aedifica was recognised as a Belgian REIT by the Commission Bancaire, Financière et des Assurances (CBFA), which became the FSMA, on 8 December 2005. Aedifica was recognised as a RREC by the FSMA on 17 October 2014.

1.4 Registry of Legal Entities

The Company is entered in the Brussels Registry of Legal Entities (R.L.E., or 'R.P.M.' in French / 'R.P.R.' in Dutch) under No. 0877.248.501.

1.5 Duration (Article 5 of the Articles of Association)

The Company is incorporated for an indefinite duration.

1.6 Purpose (Article 3 of the Articles of Association)

The sole object of the Company is:

- (a) to make immovable property available to users, directly or through a company in which it holds a participation in accordance with the provisions of the RREC Legislation; and
- (b) within the limits set out in the RREC Legislation, to possess real estate as specified in the RREC Act. The notion real estate is to be understood as 'real estate' within the meaning of the RREC Legislation;

- (c) to conclude with a public client or to accede to, in the long term directly or through a company in which it holds a participation in accordance with the provisions of the RREC Legislation, where applicable in cooperation with third parties, one or more:
 - (i) DBF-agreements, the so-called 'Design, Build, Finance' agreements;
 - (ii) DB(F)M-agreements, the so-called 'Design, Build, (Finance) and Maintain' agreements;
 - (iii) DBF(M)O-agreements, the so-called 'Design, Build, Finance, (Maintain) and Operate' agreements; and/or
 - (iv) public works concession agreements with respect to buildings and/or other infrastructure of an immovable nature and related services, and on the basis of which:
 - (i) it is responsible for ensuring the availability, maintenance and/or exploitation for a public entity and/or the citizen as end user, in order to fulfil a social need and/or to enable the provision of a public service; and
 - (ii) it may bear, in whole or in part, the related financing, availability, demand and/or operational risk, in addition to any potential building risk, without therefore necessarily having any rights in rem; and
- (d) to develop, cause to develop, establish, cause to establish, manage, allow to manage, operate, allow to operate or make available, in the long term directly or through a company in which it holds a participation in accordance with the provisions of the RREC legislation, where applicable in cooperation with third parties:
 - (i) public utilities and warehouses for transport, distribution or storage of electricity, gas, fossil or non-fossil fuel and energy in general and associated goods;
 - (ii) utilities for transport, distribution, storage or purification of water and associated goods;
 - (iii) installations for the generation, storage and transport of renewable or non-renewable energy and associated goods; or
 - (iv) waste and incineration plants and associated goods.

In the context of making available immovable property, the Company can carry out all activities relating to the construction, conversion, renovation, development, acquisition, disposal, administration and exploitation of immovable property.

As an additional or temporary activity, the Company may invest in securities that are not real estate within the meaning of the RREC Legislation, insofar as these securities may be traded on a regulated market. These investments will be made in accordance with the risk management policy adopted by the Company and will be diversified so as to ensure an appropriate risk diversification. It may also hold non-allocated liquid assets in all currencies, in the form of a call or term deposit or in the form of any monetary instrument that can be traded easily.

The Company may moreover carry out hedging transactions, insofar as the latter's exclusive object is to cover interest rate and exchange rate risks within the context of the financing and administration of the activities of the Company as referred to in the RREC Act, to the exclusion of any speculative transactions.

The Company may lease out or take a lease on (under finance leases) one or more immovable properties. Leasing out (under finance leases) immovable property with an option to purchase may only be carried out as an additional activity, unless the immovable properties are intended for purposes of public interest, including social housing and education (in this case, the activity may be carried out as main activity).

The Company may carry out all transactions and studies relating to all real estate as described above, and may perform all acts relating to real estate, such as purchase, refurbishment, laying out, letting, furnished letting, subletting, management, exchange, sale, parcelling, placing under a system of co-ownership, and have dealings with all enterprises with a corporate object that is similar to or complements its own by way of merger or otherwise, insofar as these acts are permitted under the RREC Legislation and, generally, perform all acts that are directly or indirectly related to its object.

1.7 Prohibitions (Article 4 of the Articles of Association)

The Company may not:

- act as a real estate promotor within the meaning of the RREC Legislation, with the exception of occasional transactions;
- participate in a firm underwriting or guarantee syndicate;
- lend stock, with the exception of loans which are carried out in accordance with the provisions and under the conditions of the royal decree of 7 March 2006;
- acquire stock which is issued by a company or a private law association which has been declared bankrupt, has entered into an amicable settlement with its creditors, is the subject of a corporate reorganisation, has received a suspension of payment or which has been the subject of similar measures in another country;
- provide contractual arrangements or provisions in the Articles of Association with respect to the perimeter companies that would affect its voting power pursuant to the applicable law in function of a participation of 25% plus one share.

1.8 Financial year (Article 28 of the Articles of Association)

The financial year begins on the first of January of each year and ends on the thirty-first of December each year. The Board of Directors draws up an inventory and the annual accounts at the end of each financial year.

The annual and semi-annual financial reports of the company, which contain its consolidated accounts and the statutory auditor's report, are made available to the shareholders, in accordance with the provisions that apply to issuers of financial instruments that are admitted to trading on a regulated market and the RREC Legislation.

The annual and semi-annual financial reports of the Company and the annual accounts are published on the Company's website. The shareholders are entitled to obtain a free copy of the annual and semi-annual financial reports at the registered office.

1.9 General meetings (Article 19 and 20 of the Articles of Association)

The ordinary general meeting will be held on the **second Tuesday of May at 3 pm** at the venue specified in the convocation. If this day is a public holiday, the meeting will be held at the same time on the next business day. Special or extraordinary general meetings are held at the venue specified in the convocation.

The general meeting is convened by the Board of Directors. The threshold from which one or more shareholders may require a convocation of a general meeting in order to submit one or more proposals, is set at 10% of the capital, in accordance with the Code of companies and associations. One or more shareholders who jointly hold at least 3% of the capital may, under the conditions laid down in the Code of companies and associations, also ask to add items to the agenda of general meetings and submit proposals for resolutions relating to items to include or to be included on the agenda. Convocations are drawn up and distributed in accordance with the applicable provisions of the Code of companies and associations.

1.10 Accredited statutory auditor

The statutory auditor of the Company, accredited by the Financial Services and Markets Authority (FSMA), is EY Bedrijfsrevisoren BV, represented by Joeri Klaykens, Partner, located at De Kleetlaan 2 in 1831 Diegem.

The statutory auditor has an unlimited right of supervision over the operations of the Company.

The accredited statutory auditor was appointed for a 3-year period by the Ordinary General Meeting on 11 May 2021, and receives an indexed audit fee of €55,000 excluding VAT per year for auditing the consolidated and statutory annual accounts (see Note 7 for more information regarding the remuneration of the statutory auditor).

1.11 Valuation experts

To avoid conflicts of interest, Aedifica's real estate portfolio is assessed by ten independent valuation experts, namely:

- Cushman & Wakefield SA, represented (within the meaning of Article 24 of the RREC Act) by Mr Emeric Inghels, with registered offices at avenue marnix 23 (5th floor), 1000 Brussels;
- Stadim SRL, represented (within the meaning of Article 24 of the RREC Act) by Ms Céline Janssens and Mr Tim Leysen, with registered offices at Mechelsesteenweg 180, 2018 Antwerp;
- CBRE GmbH, represented (within the meaning of Article 24 of the RREC Act) by Mr Danilo Tietz and Ms Karina Melskens, with registered offices at Bockenheimer Landstrasse 24 (WestendDuo), 60323 Frankfurt;
- Jones Lang LaSalle SE, represented (within the meaning of Article 24 of the RREC Act) by Mr Gregor Claasen, with registered offices at Bockenheimer Landstrasse 55, 60325 Frankfurt;
- Cushman & Wakefield VOF, represented (within the meaning of Article 24 of the RREC Act) by Mr Jan Vriend and Mr Niek Drent, with registered offices at Gustav Mahlerlaan 362-364, 1082 ME Amsterdam;
- CBRE Valuation & Advisory Services BV, represented (within the meaning of Article 24 of the RREC Act) by Mr Roderick Smorenburg and Mr Annette Postma, with registered offices at Anthony Fokkerweg 15, 1059 CM Amsterdam;
- Cushman & Wakefield Debenham Tie Leung Ltd, represented (within the meaning of Article 24 of the RREC Act) by Mr Tom Robinson, with registered offices at 125 Old Broad Street, London EC2N 1AR;
- Jones Lang LaSalle Finland Oy, represented (within the meaning of Article 24 of the RREC Act) by Mr Tero Lehtonen and Mr Mikko Kuusela, with registered offices at Keskuskatu 5 B in 00100 Helsinki;
- JLL Valuation AB, represented (within the meaning of Article 24 of the RREC Act) by Mr Patrik Lofvenberg, with registered offices at Birger Jarlsgatan 25, 111 45 Stockholm;
- CBRE Unlimited Company, represented (within the meaning of Article 24 of the RREC Act) by Ms Maureen Bayley, with registered offices at 1 Burlington Road (3rd floor Connaught House), Dublin 4.

According to the RREC legislation, the valuation experts assess the entire portfolio every quarter and their assessment is recognised as the carrying amount ('fair value') of the buildings on the balance sheet.

Since 1 January 2011, the expert fee excluding VAT is determined as a fixed amount per type of property appraised.

Valuation methodology

The valuations are established on the basis of several widely used methodologies:

- Application of a capitalisation rate to the estimated rental value adapted for actual deviations as regards rental income and operating expenses on a going concern basis.
- Computation of the present value of future cash flows based on assumptions regarding future income (DCF method) and the exit value. The discount factor takes into account the interest rate on financial market as well as a risk premium specific to real estate investments. The impact of expected changes in inflation and interest rates is hence embedded in a conservative way in this evaluation.
- These assessments are also tested by reference to unit prices recorded when similar properties are sold, taking into account deviations arising from differences in the characteristics of the property.
- Development projects (constructions, renovations, extensions) are valued by deducting the costs upon completion of the projects from the anticipated value determined by applying the abovementioned methodologies. Costs incurred in the preliminary phase of construction, renovation or extension projects are considered at their historical value.

1.12 Financial services

Aedifica has established financial service conventions with the following banks:

- ING Belgium NV/SA, located avenue Marnix 24 in 1000 Brussels (main paying agent);
- ABN AMRO, located Gustav Mahlerlaan 10 (P.O. Box 283) in 1000 Amsterdam (share depository for the general meetings);
- Bank Degroof NV/SA, located rue Guimard 18 in 1040 Brussels (liquidity agent);
- KBC Bank NV/SA, located avenue du Port 2 in 1080 Brussels (liquidity agent).

In 2021, the remuneration for financial services amounted to €244 k (€183 k for the 2019/2020 financial year).

1.13 Places at which documents are available to the public

The Company's Articles of Association are available at the Commercial Court of Brussels and on the Company's website (www.aedifica.eu).

The statutory and consolidated accounts of the Group are registered at the National Bank of Belgium, in accordance with the related legal provisions. The decisions regarding the nomination and the dismissal of the members of the Board of Directors are published in the annexes to the Belgian State Gazette (Moniteur belge/Belgisch Staatsblad). The convening of general meetings is published in the annexes to the Belgian State Gazette (Moniteur belge/Belgisch Staatsblad) and in two financial newspapers. These meeting notices and all documents related to the general meetings are simultaneously available on the Company's website (www.aedifica.eu). All press releases, annual and semi-annual reports, as well as all financial information published by the Aedifica Group are available on the Company's website (www.aedifica.eu). The Auditor's Report and the valuation experts' report are available in the Annual Financial Reports provided on the Company's website (www.aedifica.eu). During the period of validity of the registration document, the following documents are available in print at the Company's headquarters, or electronically at www.aedifica.eu:

- Aedifica's Articles of Association;
- all reports, letters and other documents, historical financial information, valuation and declarations established by an expert at the request of Aedifica, for which a part is included or referred in the registration document;
- historical financial information of Aedifica and its subsidiaries for the two years preceding the publication of the registration document.

1.14 Investors' profile

Given the specific legal regime of RRECs, and in particular residential RRECs, the Aedifica shares can present an interesting investment for both private investors and institutional investors.

1.15 Historical financial information referred by reference

The Annual Financial Reports (which include the Consolidated Financial Statements – with an abridged version of the Statutory Accounts –, the Management Report, the Auditor's Report and the Property Report), the interim statements, the semi-annual reports, the description of the financial situation, the information regarding the related parties, and the historical information regarding Aedifica's subsidiaries, for the 2017/2018, 2018/2019 and 2019/2020 financial years are included by reference in this Annual Financial Report and are available at Aedifica's headquarters and the Company's website (www.aedifica.eu).

1.16 Significant change of the financial or trading situation

No significant change in the Group's financial or trading situation has occurred since the end of last financial year for which audited financial statements or half-year statements have been published.

1.17 Actions necessary to change the rights of the shareholders

The modification of shareholders' rights can only be done within the framework of an extraordinary general meeting, in accordance with Articles 7:153 and 7:155 of the Belgian Companies and Associations Code. The document containing the information on the rights of the shareholders referred to in Articles 7:130 and 7:139 of the Belgian Companies and Associations Code can be downloaded from the Company's website (www.aedifica.eu).

1.18 Strategy or factors of governmental, economical, budgetary, monetary or political nature which have substantially influenced, directly or indirectly, Aedifica's operations

See the 'Risks factors' chapter within this Annual Financial Report.

1.19 History and evolution of the Company – important events in the development of Aedifica's activities

In addition to paragraph 1.3 above, Aedifica's history was marked by its IPO on 23 October 2006 (see the chapter 'Aedifica in the stock market'), and by numerous acquisitions of real estate assets that have occurred since its creation (detailed in the occasional press releases, periodic press releases and annual and half-year financial reports available on the Company's website) and that led to a real estate portfolio of approx. €3.8 billion.

1.20 Rights to vote of the main shareholders

Voting rights for Aedifica's main shareholders are no different from those that arise from their share in the share capital.

2. Capital

Date	Description	Amount of capital (€)	Number of shares
7 November 2005	Initial capital paid up by Degroof Bank and GVA Finance	2,500,000.00	2,500
		2,500,000.00	2,500
29 December 2005	Contribution in cash	4,750,000.00	4,750
	Merger of "Jacobs Hotel Company SA"	100,000.00	278
	Merger of "Oude Burg Company SA"	3,599,587.51	4,473
	Transfer of reserves to capital	4,119,260.93	
	Capital decrease	-4,891,134.08	
		10,177,714.36	12,001
23 March 2006	Merger of "Sablon-Résidence de l'Europe SA"	1,487,361.15	11,491
	Merger of "Bertimo SA"	1,415,000.00	3,694
	Merger of "Le Manoir SA"	1,630,000.00	3,474
	Merger of "Olphi SA"	800,000.00	2,314
	Merger of "Services et Promotion de la Vallée (SPV) SA"	65,000.00	1,028
	Merger of "Emmane SA"	2,035,000.00	5,105
	Merger of "Ixelinvest SA"	219.06	72
	Merger of "Imfina SA"	1,860.95	8
	Contribution in kind of the business of "Immo SA"	908,000.00	908
	Contribution in kind (Lombard 32)	2,500,000.00	2,500
	Contribution in kind (Laeken complex - Pont Neuf and Lebon 24-28)	10,915,000.00	10,915
		31,935,155.52	53,510
24 May 2006	Contribution in kind (Louise 331-333 complex)	8,500,000.00	8,500
		40,435,155.52	62,010
17 August 2006	Contribution in kind (Laeken 119 and 123-125)	1,285,000.00	1,285
	Partial demerger of "Financière Wavrienne SA"	5,400,000.00	5,400
	Mixed demerger of "Château Chenois SA"	123,743.15	14,377
	Merger of "Medimmo SA"	1,000,000.00	2,301
	Merger of "Cledixa SA"	74,417.64	199
	Merger of "Société de Transport et du Commerce en Afrique SA"	62,000.00	1,247
	Mixed merger of "Hôtel Central & Café Central SA"	175,825.75	6,294
		48,556,142.06	93,113
26 September 2006	Split by 25 of the number of shares	48,556,142.06	2,327,825
	Contribution in kind (Rue Haute and Klooster Hotel)	11,350,000.00	283,750
		59,906,142.06	2,611,575
3 October 2006	Contribution in cash	23,962,454.18	1,044,630
		83,868,596.24	3,656,205
27 March 2007	Contribution in kind (Auderghem 237, 239-241, 266 et 272, Platanes 6 and Winston Churchill 157)	4,911,972.00	105,248
		88,780,568.24	3,761,453
17 April 2007	Merger of "Legrand CPI SA"	337,092.73	57,879
	Contribution in kind (Livourne 14, 20-24)	2,100,000.00	44,996
		91,217,660.97	3,846,328
28 June 2007	Partial demerger of "Alcasena SA"	2,704,128.00	342,832
	Contribution in kind (Plantin Moretus)	3,000,000.00	68,566
		96,921,788.97	4,275,726
30 November 2007	Partial demerger of "Feninvest SA"	1,862,497.95	44,229
	Partial demerger of "Résidence du Golf SA"	5,009,531.00	118,963
		103,793,817.92	4,438,918
30 July 2008	Partial demerger of "Famifamenne SA"	2,215,000.00	50,387
	Partial demerger of "Rouimmo SA"	1,185,000.00	26,956
		107,193,817.92	4,516,261
30 June 2009	Contribution in kind (Gaerveld service flats)	2,200,000.00	62,786
		109,393,817.92	4,579,047
30 December 2009	Contribution in kind (Freesias)	4,950,000.00	129,110
		114,343,817.92	4,708,157
30 June 2010	Partial demerger of "Carbon SA", "Eburon SA", "Hotel Ecu SA" and "Eurotel SA"	11,239,125.00	273,831
	Partial demerger of "Carlinvest SA"	2,200,000.00	51,350
		127,782,942.92	5,033,338
15 October 2010	Contribution in cash	51,113,114.26	2,013,334
		178,896,057.18	7,046,672
8 April 2011	Contribution in kind (Project Group Hermibouw)	1,827,014.06	43,651
		180,723,071.24	7,090,323
29 June 2011	Merger of "IDM A SA"	24,383.89	592
		180,747,455.13	7,090,915
5 October 2011	Contribution in kind of the shares of "SIRACAM SA"	3,382,709.00	86,293
		184,130,164.13	7,177,208
12 July 2012	Mixed demerger of "S.I.F.I. LOUISE SA"	800,000.00	16,868
		184,930,164.13	7,194,076
7 December 2012	Capital increase through contribution in cash	69,348,785.78	2,697,777
		254,278,949.91	9,891,853
24 June 2013	Merger of limited liability company "Terinvest"	10,398.81	8,622

	Merger of limited partnership "Kasteelhof-Futuro"	3,182.80	3,215	
		254,292,531.52	9,903,690	
12 June 2014	Contribution in kind (Binkom)	12,158,952.00	258,475	
		266,451,483.52	10,162,165	
30 June 2014	Contribution in kind (plot of land in Tienen)	4,000,000.00	86,952	
		270,451,483.52	10,249,117	
24 November 2014	Optional dividend	5,763,329.48	218,409	
		276,214,813.00	10,467,526	
4 December 2014	Partial demerger of "La Réserve Invest SA"	12,061,512.94	457,087	
		288,276,325.94	10,924,613	
29 June 2015	Capital increase through contribution in cash	82,364,664.56	3,121,318	
		370,640,990.50	14,045,931	
2 October 2015	Contribution in kind (plot of land in Opwijk)	523,955.84	19,856	
		371,164,946.34	14,065,787	
17 December 2015	Contribution in kind (Prinsenhof)	2,748,340.46	104,152	
		373,913,286.80	14,169,939	
24 March 2016	Contribution in kind (plot of land in Aarschot Poortvelden)	582,985.31	22,093	
		374,496,272.11	14,192,032	
2 December 2016	Optional dividend	3,237,042.22	122,672	
		377,733,314.33	14,314,704	
8 December 2016	Contribution in kind (Jardins de la Mémoire)	1,740,327.12	65,952	
		379,473,641.45	14,380,656	
28 March 2017	Capital increase through contribution in cash	94,868,410.37	3,595,164	
		474,342,051.82	17,975,820	
7 June 2018	Contribution in kind (Smakt and Velp)	5,937,488.85	225,009	
		480,279,540.67	18,200,829	
20 November 2018	Optional dividend	6,348,821.62	240,597	
		486,628,362.29	18,441,426	
7 May 2019	Capital increase through contribution in cash	162,209,454.10	6,147,142	
		648,837,816.39	24,588,568	
20 June 2019	Contribution in kind (surface rights of Bremdael)	332,222.20	12,590	
		649,170,038.59	24,601,158	
28 April 2020	Capital increase through contribution in cash	64,916,982.75	2,460,115	
		714,087,021.34	27,061,273	
10 July 2020	Contribution in kind (Kleine Veldekens)	11,494,413.08	435,596	
		725,581,434.42	27,496,869	
27 October 2020	Capital increase through contribution in cash	145,116,265.78	5,499,373	
		870,697,700.20	32,996,242	
17 December 2020	Contribution in kind (De Gouden Jaren)	2,383,608.51	90,330	
		873,081,308.71	33,086,572	
15 June 2021	Capital increase through contribution in cash	73,885,794.65	2,800,000	2
		946,967,103.36	35,886,572	
29 June 2021	Contribution in kind (Domaine de la Rose Blanche)	4,868,335.01	184,492	3
		951,835,438.37	36,071,064	
8 September 2021	Contribution in kind (Portfolio of specialist residential care centers in Sweden)	6,256,358.84	237,093	4
		958,091,797.21	36,308,157	

1 Shares without par value.

2 These shares are quoted on the stock market as from 15 June 2021 and give pro rata temporis dividend rights for the 2021 financial year. For the surplus, they enjoy the same rights and benefits as the other listed shares.

3 These shares are quoted on the stock market as from 29 June 2021 and give pro rata temporis dividend rights for the 2021 financial year. For the surplus, they enjoy the same rights and benefits as the other listed shares.

4 These shares are quoted on the stock market as from 8 September 2021 and give pro rata temporis dividend rights for the 2021 financial year. For the surplus, they enjoy the same rights and benefits as the other listed shares.

3. Extracts from the Articles of Association

3.1 Subscribed and fully paid-up capital (Article 6.1 of the Articles of Association)

The capital amounts to €958,091,797.21 (nine hundred fifty-eight million ninety-one thousand seven hundred ninety-seven euro and thirty-eight cents). It is represented by 36,308,157 (thirty-six million three hundred and eight thousand hundred fifty-seven) shares without nominal value, which each represent 1/36,308,157th of the capital. These shares are fully subscribed and paid up.

3.2 Acquisition, acceptance as pledge and alienation of own shares (Article 6.2 of the Articles of Association)

The Company may under the conditions set out in the law, acquire, accept as pledge or alienate its own shares and certificates relating thereto.

The Board of Directors is authorised, for a period of five years from the publication of the decision of the extraordinary general meeting of 8 June 2020 to approve this authorisation in the annexes to the Belgian Official Gazette, to acquire and accept as pledge shares of the Company and certificates relating thereto, at a unit price which may not be lower than 75% of the average price of the share during the last thirty days of its listing prior to the date of the transaction, nor higher than 125% of the average price of the share during the last thirty days of its listing prior to the date of the transaction, without the Company being authorised, by virtue of this authorisation, to hold or hold in pledge shares of the Company or certificates relating thereto representing more than 10% of the total number of shares.

To the extent necessary, the Board of Directors is also explicitly authorised to alienate the Company's own shares and certificates relating thereto to its personnel. In addition, the Board of Directors is explicitly authorised to alienate the Company's own shares and certificates relating thereto to one or more specific persons other than members of the personnel of the Company or its subsidiaries.

The authorisations under paragraph 2. and paragraph 3. apply to the Board of Directors of the Company, to the direct and indirect subsidiaries of the Company, and to any third party acting in its own name but on behalf of these companies.

3.3 Capital increase (Article 6.3 of the Articles of Association)

Every capital increase must take place in accordance with the Code of companies and associations and the RREC Legislation.

(a) Cash contribution

In case of a capital increase by means of a cash contribution pursuant to a resolution of the shareholders' meeting or in the context of the authorised capital as provided for in Article 6.4 of the Articles of Association, and without prejudice to the application of the mandatory provisions of the applicable company law, the preferential subscription right of the shareholders may be restricted or cancelled to the extent that the existing shareholders are granted a priority allocation right when new securities are allocated. When applicable, this priority allocation right must comply with the following conditions as set out in the RREC Legislation:

- 1) it must relate to all newly issued securities;
- 2) it must be granted to shareholders pro rata to the portion of the capital that is represented by their shares at the time of the transaction;
- 3) a maximum price for each share must be announced no later than the eve of the opening of the public subscription period;
- 4) the public subscription period must last for at least three trading days.

Without prejudice to the application of the mandatory provisions of the applicable company law, the priority allocation right, in any case, does not have to be granted, in case of contribution in cash subject to the following conditions:

- 1) the capital increase is executed within the limits of the authorised capital;
- 2) the cumulative amount of the capital increases, executed in accordance with this paragraph, over a period of 12 months, do not exceed 10% of the capital amount at the moment of the decision to increase the capital.

Without prejudice to the mandatory provisions of the applicable company law, the priority allocation right does not have to be granted in case of a cash contribution with restriction or cancellation of the preferential subscription right, in addition to a contribution in kind in the framework of the distribution of an optional dividend, provided that this is actually made payable to all shareholders.

(b) Contribution in kind

Without prejudice to the provisions of the Code of companies and associations, the following conditions must be complied with, in accordance with the RREC Legislation, in case of a contribution in kind:

- 1) the identity of the contributor must be mentioned in the report regarding the contribution in kind, as well as, if applicable, in the convocation of the general meeting that is convened for the capital increase;
- 2) the issue price may not be less than the lowest amount of (a) a net value per share that dates from no more than four months before the date of the contribution agreement, or, at the Company's discretion, before the date of the deed effecting the capital increase and (b) the average closing price during the thirty-day period prior to that same day.

It is permitted to deduct an amount from the amount referred to in item 2(b) that corresponds to the portion of the undistributed gross dividend to which the new shares would potentially not confer any right, provided that the Board of Directors specifically accounts for the

amount of the accumulated dividend to be deducted in its special report and the financial conditions of the transaction are explained in its annual financial report.

- 3) unless no later than the working day after the execution of the contribution agreement the issue price or, in the case referred to in Article 6.5 of the Articles of Association, the exchange ratio, as well as the relevant terms and conditions are determined and publicly disclosed, including the term within which the capital increase will actually be implemented, the deed effecting the capital increase must be executed within a maximum term of four months; and
- 4) the report referred to above under item 1) must also explain the impact of the proposed contribution on the position of the existing shareholders, in particular as regards their share in the profit, in the net value per share and in the capital, as well as the impact in terms of voting rights.

In accordance with the RREC Legislation, these additional conditions will not apply to the contribution of the right to a dividend for the purpose of distributing an optional dividend, insofar as this will actually be made payable to all shareholders.

3.4 Authorised capital (Article 6.4 of the Articles of Association)

The Board of Directors is authorised to increase the capital in one or more instalments, on the dates and in accordance with the terms and conditions as will be determined by the Board of Directors, by a maximum amount of:

- 1) 50% of the amount of the capital on the date of the extraordinary general meeting of 30 July 2021, as the case may be, rounded down to the euro cent for capital increases by contribution in cash whereby the possibility is provided for the exercise of the preferential subscription right or the priority allocation right by the shareholders of the Company,
- 2) 50% of the amount of the capital on the date of the extraordinary general meeting of 30 July 2021, as the case may be, rounded down to the euro cent for capital increases in the framework of the distribution of an optional dividend,
- 3) 10% of the amount of the capital on the date of the extraordinary general meeting of 30 July 2021, as the case may be, rounded down to the euro cent for a. capital increases by contribution in kind, b. capital increases by contribution in cash without the possibility for the shareholders of the Company to exercise the preferential right or priority allocation right, or c. any other kind of capital increase,

provided that the capital within the context of the authorised capital can never be increased by an amount higher than the capital on the date of the extraordinary general meeting that has approved the authorisation (in other words, the sum of the capital increases in application of the proposed authorisations cannot exceed the amount of the capital on the date of the Extraordinary General Meeting that has approved the authorisation).

This authorisation is granted for a renewable period of five years, calculated from the publication of the minutes of the Extraordinary General Meeting of 30 July 2021, in the annexes to the Belgian Official Gazette.

For each capital increase, the Board of Directors will determine the price, the issue premium (if any) and the terms and conditions of issue of the new securities.

The capital increases that are thus decided on by the Board of Directors may be subscribed to in cash, in kind, or by means of a mixed contribution, or by incorporation of reserves, including profits carried forward and issue premiums as well as all equity components under the Company's statutory IFRS financial statements (drawn up in accordance with the regulations applicable to the regulated real estate companies) which are subject to conversion into capital, with or without the creation of new securities. These capital increases can also be realised through the issue of convertible bonds, subscription rights or bonds repayable in shares or other securities which may give rise to the creation of the same securities.

Any issue premiums will be shown in one or more separate accounts under equity in the liabilities on the balance sheet. The Board of Directors is free to decide to place any issue premiums, possibly after deduction of an amount at most equal to the costs of the capital increase in the meaning of the applicable IFRS-rules, on an unavailable account, which will provide a guarantee for third parties in the same manner as the capital and which can only be reduced or abolished by means of a resolution of the general meeting deciding in accordance with the quorum and majority requirements for an amendment of the Articles of Association, except in the case of the conversion into capital.

If the capital increase is accompanied by an issue premium, only the amount of the capital increase will be deducted from the remaining available amount of the authorised capital.

The Board of Directors is authorised to restrict or cancel the preferential subscription right of shareholders, even in favour of one or more specific persons other than employees of the Company or of one of its subsidiaries, provided that, to the extent required by the RREC Legislation, a priority allocation right is granted to the existing shareholders when the new securities are allocated. Where applicable, this priority allocation right must comply with the conditions that are laid down in the RREC Legislation and Article 6.3(a) of the Articles of Association. In any event, it does not have to be granted in those cases of contribution in cash described in Article 6.3(a) paragraph 2 and paragraph 3 of the Articles of Association. Capital increases by means of contributions in kind are carried out in accordance with the conditions of the RREC Legislation and the conditions provided for in Article 6.3(b) of the Articles of Association. These contributions may also be based on the dividend right in the context of the distribution of an optional dividend.

The Board of Directors is authorised to record the ensuing amendments to the Articles of Association in an officially certified deed.

3.5 Mergers, de-mergers and equivalent transactions (Article 6.5 of the Articles of Association)

Pursuant to the RREC Legislation, the special provisions of Article 6.3(b) of the Articles of Association regarding a contribution in kind apply mutatis mutandis to mergers, de-mergers and equivalent transactions as referred to in the RREC Legislation.

3.6 Capital reduction (Article 6.6 of the Articles of Association)

The Company may reduce its capital subject to compliance with the relevant statutory provisions.

3.7 Nature of the shares (Article 7 of the Articles of Association)

The shares are registered or dematerialised shares, at the option of the shareholder. Shareholders may at any time request in writing the conversion of registered shares into dematerialised shares or vice versa.

Each dematerialised share is represented by an accounting entry in the name of the owner or holder at a recognised account holder or settlement institution.

A register of registered shares, if applicable in electronic form, is held at the Company's registered office.

3.8 Other securities (Article 8 of the Articles of Association)

The Company may issue all securities that are not prohibited by or under the law, with the exception of profit sharing certificates and similar securities, in accordance with the RREC Legislation.

3.9 Notification and disclosure of major shareholdings (Article 9 of the Articles of Association)

The shares of the Company must be admitted to trading on a Belgian regulated market, in accordance with the RREC Legislation.

According to article 18 of the law of 2 may 2007 on disclosure of major shareholdings in issuers whose shares are admitted to trading on a regulated market and laying down miscellaneous provisions and the thresholds provided for by law apply.

Without prejudice to the exceptions provided by law, no one may participate in voting at the general meeting of the Company with more voting rights than those associated with the securities that he has given notice at least twenty (20) days prior to the date of the general meeting. The voting rights attached to the unreported securities are suspended.

3.10 Convening of general meetings (Article 19 of the Articles of Association)

The general meeting is convened by the Board of Directors.

The threshold from which one or more shareholders may require a convocation of a general meeting in order to submit one or more proposals, is set at 10% of the capital, in accordance with the Code of companies and associations. One or more shareholders who jointly hold at least 3% of the capital may, under the conditions laid down in the Code of companies and associations, also ask to add items to the agenda of general meetings and submit proposals for resolutions relating to items to include or to be included on the agenda.

Convocations are drawn up and distributed in accordance with the applicable provisions of the Code of companies and associations.

3.11 Participation in the General Meeting (Article 20 of the Articles of Association)

The right to participate in and vote at a general meeting is only granted on the basis of the accounting registration of the shares in the shareholder's name by midnight (Belgian time) on the fourteenth day prior to the general meeting (hereinafter: the 'registration date'), either by their entry in the company's share register, their entry in the accounts of a recognised account holder or settlement institution, regardless of the number of shares that the shareholder holds on the day of the general meeting.

Owners of registered shares who wish to participate in the meeting must communicate their intention to the Company, or the person designated by the Company for this purpose, by means of the Company's e-mail address or in the manner specified in the convocation, or, as the case may be, by sending a power of attorney, no later than the sixth day prior to the date of the meeting.

Owners of dematerialised shares who wish to participate in the meeting must submit a certificate issued by a financial intermediary or a recognised account holder which indicates the number of dematerialised shares, registered in their accounts in the name of the shareholder on the registration date and for which the shareholder has indicated that he wishes to participate in the general meeting. They communicate the certificate to the Company or to the person designated by the Company for this purpose, as well as their wish to participate in the general meeting, via the e-mail address of the Company or in the manner specifically mentioned in the convocation, or, as the case may be, by sending a power of attorney, no later than the sixth day prior to the date of the general meeting.

In cases where the convocation expressly so provides, the shareholders have the right to participate in a general meeting remotely by means of an electronic means of communication made available by the Company. This electronic means of communication must enable the shareholder

to directly, simultaneously and continuously take note of the discussions during the meeting and to exercise the voting right on all matters on which the meeting is required to take a decision. If the convocation expressly so provides, this electronic means of communication will also enable the shareholder to participate in the deliberations and to exercise his or her right to ask questions. If the right to remotely participate in a general meeting is granted, either the convocation or a document consultable by the shareholder to which the convocation refers (such as the company's website) will also determine the manner(s) in which the company will verify and guarantee the capacity of shareholder and the identity of the person who wishes to participate in the meeting, as well as the manner(s) in which it will determine that a shareholder participates in the general meeting and will be considered present. In order to guarantee the security of the electronic means of communication, the convocation (or the document to which the convocation refers) may also set additional conditions.

3.12 Voting by proxy (Article 21 of the Articles of Association)

Each owner of securities entitling him to participate in the meeting may be represented at the general meeting by a proxy holder who may or may not be a shareholder. The shareholder may only appoint one person as proxy holder for any specific general meeting, except for the derogations provided for in the Code of companies and associations.

The Board of Directors draws up a proxy form. The proxy must be signed by the shareholder and must be communicated to the Company no later than the sixth day prior to the date of the meeting, by means of the Company's e-mail address or via the e-mail address or in the manner specified in the convocation.

If several persons hold rights in rem on the same share, the Company may suspend the exercise of the voting right attached to this share until a single person has been appointed to exercise the voting right.

If a security has been given in usufruct, all rights attached to it, including the right to vote, the right to participate in capital increases and the right to request the conversion of shares (into registered/dematerialised shares), are exercised by the usufructuary(s) and the bare owner(s) jointly, unless otherwise stipulated in a will, deed of gift or other agreement. In the latter case, the bare owner(s) and/or the usufructuary(s) must inform the Company in writing of this arrangement.

3.13 Remote voting before the general meeting (Article 22 of the Articles of Association)

To the extent that the Board of Directors has given permission to do so in the convocation letter, the shareholders are authorised to vote remotely prior to the general meeting by letter, via the Company's website or in the manner specified in the convocation, by means of a form made available by the Company. The form must state the date and place of the meeting, the name or denomination of the shareholder and his/her place of residence or registered office, the number of votes with which the shareholder wishes to vote at the general meeting, the nature of the shares he owns, the items on the agenda of the meeting (including proposals for resolutions), a space allowing to vote in favour of or against any decision or to abstain, as well as the term within which the voting form must reach the Company.

The form must explicitly state that it must be signed and it must reach the Company no later than the sixth day prior to the date of the meeting.

The Board of Directors shall determine, where appropriate, the terms and conditions under which the capacity and identity of the shareholder shall be verified.

3.14 Bureau (Article 23 of the Articles of Association)

All general meetings are chaired by the Chairman of the Board of Directors or, in his absence, by the director designated by the Directors present. The Chairman designates the Secretary. The meeting elects two vote tellers. The other Directors present complete the bureau.

3.15 Number of votes (Article 24 of the Articles of Association)

Each share confers the right to one vote, subject to the suspension of the right to vote provided for by law.

3.16 Deliberation (Article 25 of the Articles of Association)

No meeting can validly deliberate on items that do not appear on the agenda.

The general meeting can validly deliberate and vote, regardless of the share of the capital that is present or represented, except in those cases for which the Code of companies and associations requires an attendance quorum. The general meeting can only validly deliberate on amendments to the Articles of Association if at least half of the capital is present or represented. If this condition is not met, a new meeting must be convened. The second meeting will validly deliberate and decide regardless of the share of the capital that is represented by the shareholders who are present or represented.

Unless a statutory provision requires otherwise, all resolutions of the general meeting will be adopted by a simple majority of votes. Any amendment of the Articles of Association may only be approved with by at least three quarters of the votes cast or, in the case of an amendment of the object or aims of the Company, by four fifths of the votes cast, with abstentions neither in the numerator nor in the denominator being taken into account.

Voting takes place by a show of hands or roll call, unless the general meeting decides otherwise by means of a simple majority of the votes cast. Any draft of the amendment of the Articles of Association must be submitted in advance to the Financial Services and Markets Authority. An attendance list containing the names of the shareholders and the number of shares is signed by each or on behalf of them.

3.17 Minutes (Article 26 of the Articles of Association)

The minutes of the general meeting are signed by the members of the bureau and by the shareholders who request it. Copies of the minutes of the general meeting intended for third parties are signed by one or more Directors.

3.18 General meeting of bondholders (Article 27 of the Articles of Association)

The provisions of this article apply only to bonds in so far as the conditions of issue of the bonds do not deviate therefrom.

The Board of Directors and the statutory auditor(s) of the Company may convene the bond holders at the general meeting of the bond holders. They must also convene the general meeting at the request of bondholders representing one-fifth of the amount of the bonds in circulation. The convocation contains the agenda and is drawn up in accordance with the provisions of the Code of companies and associations. In order to be admitted to the general meeting of bondholders, bondholders must comply with the formalities laid down in the Code of companies and associations, as well as any formalities laid down in the conditions of issue of the bonds or in the convocations.

3.19 Distribution (Article 29 of the Articles of Association)

Within the limits set out by the Code of companies and associations and the RECC legislation, the company distributes a dividend to its shareholders, the minimum amount of which is determined in accordance with the RREC Legislation.

3.20 Interim dividends (Article 30 of the Articles of Association)

The Board of Directors may adopt a resolution, under its responsibility, to distribute interim dividends, in such cases and within such periods as permitted by the Code of companies and associations.

3.21 Dissolution - Liquidation

ARTICLE 31 - LOSS OF CAPITAL

When as a result of losses sustained, the net assets have fallen below one-half or below one-quarter of the capital, the management body must convene a general meeting within two months of the date on which the losses are identified or should have been identified according to legal or statutory provisions to decide on the dissolution of the Company or on recovery measures included in the agenda to safeguard the continuity of the Company.

ARTICLE 32 - APPOINTMENT OF LIQUIDATORS

The Company may at any time be dissolved by a resolution of the general meeting, which deliberates in the manner required by law, or it may be dissolved in the cases provided for by law.

In case of dissolution with liquidation, one or more liquidators are appointed by the general meeting.

ARTICLE 33 – DISTRIBUTION UPON LIQUIDATION

Upon liquidation, the distribution to the shareholders will only take place after the meeting to close the liquidation.

The Company's net assets, after settlement of all debts or consignment of the sums required for this purpose, are first used to refund the paid-up capital, and any balance will be distributed equally among all shareholders in proportion to their shareholding.

3.22 Statutory provisions on the members of administrative, management and supervisory bodies

The provisions on the members of administrative, management and supervisory bodies contained in the Articles of Association are presented below. For further information, please refer to the Corporate Governance charter (available at www.aedifica.eu) and the 'Corporate Governance Statement', included in this Annual Financial Report.

ARTICLE 10 - COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors consists of at least five members who are appointed for a maximum term of three years by the general meeting of shareholders. The general meeting may terminate the term of any member of the Board of Directors with immediate effect and without giving reasons. The Directors are eligible for re-election.

The Board of Directors shall have at least three independent members in accordance with applicable legal provisions.

Unless the appointment decisions of the general meeting provide otherwise, the Directors' term shall run from the general meeting at which they are appointed until the ordinary general meeting in the financial year in which the term of their mandate expires according to the appointment decision, even if this would exceed the maximum term of three years provided in the Articles of Association.

The general meeting may not, at the time of the revocation of the mandate, set a date as the end date of the mandate other than the date on which the decision was taken, nor grant severance pay.

If one or more mandates become vacant, the remaining Directors, convening as a board, may provide for temporary replacement(s) until the next general meeting. The next general meeting has to confirm or not the mandate of the co-opted member of the Board of Directors.

The Directors shall be natural persons only. They must possess the professional reliability and the appropriate competence which is required for the performance of their duties and they should not fall within the scope of the prohibitions laid down in the RREC Legislation. Their appointment is subject to the prior approval of the Financial Services and Markets Authority.

The possible remuneration of the Directors may not be determined on the basis of the activities and transactions carried out by the Company or its perimeter companies.

The Board of Directors may appoint one or more observers to attend all or part of its meetings, according to the modalities to be determined by the Board of Directors.

ARTICLE 11 - CHAIRMANSHIP – DELIBERATIONS OF THE BOARD OF DIRECTORS

The Board of Directors meets after convocation at the place indicated in this convocation or, as the case may be, by video conference, telephone or internet conference, as often as the interests of the Company so require. The Board of Directors must also be convened when two members make a request to that effect.

The Board of Directors chooses a Chairman from among its members. Meetings shall be chaired by the Chairman or, in his/her absence, by the longest serving member, and in the event of equal seniority, by the member with the highest age.

The Board of Directors can only validly deliberate and pass resolutions if the majority of its members are present or represented.

Convocations are sent out by electronic mail or, in the absence of an e-mail address communicated to the Company, by ordinary letter or by any other means of communication, in accordance with the applicable legal provisions.

Any Director who is unable to attend or absent may, by letter, e-mail or any other means of communication, delegate another director to represent him/her at a particular meeting of the Board of Directors and to vote in his/her place.

However, a member of the Board of Directors may not represent more than one of his/her colleagues.

Resolutions of the Board of Directors are adopted by a majority of votes.

The resolutions of the Board of Directors are recorded in the minutes and the minutes are kept in a special register for that purpose at the Company's registered office and signed by the Chairman of Board of Directors and by the Directors who request it.

The proxies are attached to the minutes.

Copies of these minutes intended for third parties shall be signed by one or more Directors.

The resolutions of the Board of Directors may be adopted by means of unanimous written consent of the Directors.

ARTICLE 12 - POWERS OF THE BOARD OF DIRECTORS

The Board of Directors has the most extensive powers to carry out all acts that are necessary or useful for the realisation of the object of the Company, with the exception of the acts for which, according to the law or the Articles of Association, the general meeting is competent.

The Board of Directors may delegate the daily management of the Company and the representation of the Company with regard to such management to one or more persons who do not necessarily have to be directors and, as the case may be, each act alone, jointly or as a collegiate body.

The Board of Directors may delegate to each proxyholder all special powers, within the limits set by the applicable legal provisions. The Board may, in accordance with the RREC Legislation, determine the remuneration of those to whom special powers have been delegated.

ARTICLE 13 - INTERNAL RULES

The Board of Directors may issue internal rules.

ARTICLE 14 - EFFECTIVE MANAGEMENT

The effective management of the Company is entrusted to at least two natural persons. They must possess the professional reliability and the appropriate competence which is required for the performance of their duties and they should not fall within the scope of the prohibitions laid down in the RREC Legislation. Their appointment is subject to the prior approval of the Financial Services and Markets Authority.

ARTICLE 15 – ADVISORY COMMITTEES

The Board of Directors may establish an audit committee, a nomination and remuneration committee, and determines the composition, their duties and powers, taking into account the applicable regulations. In addition, the Board of Directors may, under its responsibility, establish one or more advising committees, of which it determines the composition and the duties.

ARTICLE 16 - REPRESENTATION OF THE COMPANY - SIGNATURE OF INSTRUMENTS

The Company is validly represented in all its acts, including those to which a public or ministry official cooperates, as well as in legal proceedings, as plaintiff, as defendant or otherwise, by two directors acting jointly or within the limits of the daily management, either by the person to whom the daily management is entrusted, acting alone within the limits of this daily management, either by two of the persons to whom the daily management is entrusted, acting jointly within the limits of this daily management.

The Company is also validly represented by special representatives of the Company within the limits of the power of attorney.

ARTICLE 17 - AUDIT

The audit of the company is entrusted to one or more statutory auditors who are accredited by the Financial Services and Markets Authority. They perform the duties that are assigned to them under the Code for companies and associations and the RREC Legislation.

3.23 General provisions**ARTICLE 34 - ELECTION OF DOMICILE**

For the implementation of the Articles of Association, each shareholder, holder of subscription rights and bondholder who is domiciled abroad, and each director, each delegate to the daily management, each statutory auditor and liquidator must elect domicile in Belgium. If no election is made, he/she will be deemed to have chosen his/her domicile at the registered office of the Company, where all communications, demands, summonses and notifications can be validly served.

The holders of registered shares, subscription rights or bonds must notify the Company of any change of residence or e-mail address. Failing to do so, all communications, convocations or official notifications shall be validly served at the last known place of residence or e-mail address.

ARTICLE 35 - JURISDICTION OF COURTS

For all disputes among the Company, its shareholders, holders of subscription rights, bondholders, directors, delegates to the daily management, statutory auditors and liquidators relating to the Company's affairs and the implementation of these Articles of Association, exclusive jurisdiction is granted to the courts of the Company's registered office unless expressly waived by the Company.

ARTICLE 36 - ORDINARY LAW

The Company is moreover governed by the Code of companies and associations, the RREC Legislation, as well as all other regulatory provisions that apply to it. Provisions that are inconsistent with the mandatory legal provisions will be regarded as null and void. The invalidity of one article, or part of an article, of these Articles of Association will not affect the validity of any of the other (parts of) articles.

4. RREC

4.1 General definition

Aedifica is a limited liability Company ('NV/SA') having opted for a public Regulated Real Estate Company (RREC) status.

A Regulated Real Estate Company (RREC) is:

- set up in the form of a limited liability Company ('NV/SA') or limited partnership by shares ('CommVA/ SCA');
- set up on the basis of the RREC legislation (Law of 12 May 2014 and Royal Decree of 13 July 2014);
- quoted on the stock exchange, where at least 30% of shares are traded on the market;
- a Company of which the sole purpose is:
 - (a) to make immovable property available to users, directly or through a company in which it holds a participation in accordance with the provisions of the RREC Legislation; and
 - (b) within the limits set out in the RREC Legislation, to possess real estate as specified in the RREC Act. The notion real estate is to be understood as 'real estate' within the meaning of the RREC Legislation;
 - (c) to conclude with a public client or to accede to, in the long term directly or through a company in which it holds a participation in accordance with the provisions of the RREC Legislation, where applicable in cooperation with third parties, one or more:
 - (i) DBF-agreements, the so-called 'Design, Build, Finance' agreements;
 - (ii) DB(F)M-agreements, the so-called 'Design, Build, (Finance) and Maintain' agreements;
 - (iii) DBF(M)O-agreements, the so-called 'Design, Build, Finance, (Maintain) and Operate' agreements; and/or
 - (iv) public works concession agreements with respect to buildings and/or other infrastructure of an immovable nature and related services, and on the basis of which:
 - (i) it is responsible for ensuring the availability, maintenance and/or exploitation for a public entity and/or the citizen as end user, in order to fulfil a social need and/or to enable the provision of a public service; and
 - (ii) it may bear, in whole or in part, the related financing, availability, demand and/or operational risk, in addition to any potential building risk, without therefore necessarily having any rights in rem; and
 - (d) to develop, cause to develop, establish, cause to establish, manage, allow to manage, operate, allow to operate or make available, in the long term directly or through a company in which it holds a participation in accordance with the provisions of the RREC legislation, where applicable in cooperation with third parties:
 - (i) public utilities and warehouses for transport, distribution or storage of electricity, gas, fossil or non-fossil fuel and energy in general and associated goods;
 - (ii) utilities for transport, distribution, storage or purification of water and associated goods;
 - (iii) installations for the generation, storage and transport of renewable or non-renewable energy and associated goods; or
 - (iv) waste and incineration plants and associated goods.

RRECs are regulated by the Financial Services and Markets Authority (FSMA) and have to follow extremely strict rules governing conflicts of interest.

Until 17 October 2014, 'REIT' or 'Belgian REIT' referred to the status legally known in Belgium as 'sicafi' (French) or 'vastgoedbevak' (Dutch). As from 17 October 2014, 'REIT', 'Belgian REIT' or 'RREC' refers to 'société immobilière réglementée' (SIR, in French) or 'gereguleerde vastgoedvennootschap' (GVV, in Dutch), also translated as 'regulated real estate Company' (RREC).

4.2 Particular regulations

Real estate property

A public RREC may invest a maximum of 20% of its consolidated assets in real estate properties which form a single real estate complex. The FSMA can give an exemption under certain circumstances.

Accounting

European legislation specifies that RRECs, along with all listed companies, must prepare their consolidated annual accounts in accordance with the IAS/IFRS international standards. This also applies to the statutory accounts (under IFRS). Given that investment properties constitute their main assets, RRECs must pay particular attention to appraising the fair value of their properties (i.e., applying IAS 40).

Valuation

Real estate properties are assessed at their fair value on a quarterly basis by independent valuation experts and recorded in the balance sheet at this value. Depreciation is not recognised on investment properties.

Profit or loss

As return on capital, the Company is required to distribute a sum corresponding to at least the positive difference between the following amounts:

- 80% minimum of the amount equal to the sum of the adjusted result and of the net capital gains on the realisation of properties that are not exempt from mandatory distribution; and
- and the net decrease in the debt of the public RREC during the financial year.

Debt

The debt-to-assets ratio of the public RREC and its subsidiaries, and the statutory debt-to-assets ratio of public RRECs, may not exceed 65% (other than by the change in the fair value of assets) of total consolidated or statutory assets, after deduction of authorised hedging instruments. When exceeding the threshold of 50%, a financial plan with an implementation schedule must be elaborated, describing the measures taken to prevent the consolidated debt-to-assets ratio from exceeding the threshold of 65%.

Financing

A RREC may not provide financing, except to its subsidiaries.

Fiscal status

A RREC is not subject to corporate tax (except on non-recoverable expenses and abnormal or benevolent benefits), provided that at least 80% of corrected profit is distributed in the form of dividends. Refer to section 4 of chapter 'Risks factors' of this Annual Financial Report.

Companies – other than RRECs or specialised real estate investment funds – which were, or are, absorbed by the Company, owe an exit tax on their unrealised capital gains and exempted reserves. When real estate is acquired through a merger in which the Company acquires a normally taxed real estate company, an exit tax is owed on the deferred capital gains and tax-exempt reserves of the real estate company (taxable merger). For transactions as from 1 January 2020, the exit tax rate amounts to 15%. The additional crisis contribution is eliminated as from the 2021 tax year. For corporate restructurings, the tax year is equal to the calendar year in which the transaction takes place.

Tax year	Exit tax
2018	12.875% (12.5% + 3% of additional crisis contribution)
2019	12.75% (12.5% + 2% of additional crisis contribution)
2020	15.3% (15% + 2% of additional crisis contribution)
2021	15% (without additional crisis contribution)

The withholding tax on dividends distributed by Aedifica amounts to 15%. Pursuant to Articles 89, 90 and 91 of the Act of 18 December 2016, RRECs benefit from a reduced withholding tax rate of 15% (instead of 30%), provided that at least 80% of the Company's real estate portfolio is (directly or indirectly) invested in real estate properties which are situated in a member state of the European Economic Area and which are exclusively or primarily destined for care and housing units suited for healthcare. Aedifica's shareholders benefit from this reduced rate as more than 80% of the Company's portfolio is invested in senior housing.

Belgian RRECs (SIR/GVV) are investment instruments which can be compared to the Dutch FBI (Fiscale BeleggingsInstellingen), the French SIIC (Société d'Investissement Cotée en Immobilier) and the REIT (Real Estate Investment Trust) which exist in a number of countries, including the United States.

3. Statements

Persons responsible (Royal Decree 14 November 2007)

Mr Serge Wibaut, Chair of the Board of Directors of Aedifica NV/SA, and Mr Stefaan Gielens, CEO of Aedifica NV/SA, declare for and on behalf of Aedifica NV/SA, that to the best of their knowledge:

- the financial statements, prepared in accordance with the applicable accounting standards, give an accurate picture of the assets, financial situation and results of Aedifica NV/SA and the businesses included in the consolidation;
- the Annual Financial Report contains an accurate account of the development of the business, results and situation of Aedifica NV/SA and businesses included in the consolidation, and a description of the main risks and uncertainties they face.

Information from third parties

Aedifica NV/SA declares that the information provided by the valuation experts and by the accredited statutory auditor have been faithfully reproduced and included with their consent. As far as Aedifica NV/SA knows and is able to assure, in the light of data published by these third parties, no facts have been omitted that might render the information reproduced incorrect or misleading.

Forecast information

This report contains forecast information. This information is based on Company's estimates and projections and is, by its nature, subject to risks, uncertainties and other factors. Consequently, the results, financial situation, performance and figures, expressed or implicitly communicated, may differ substantially from those mentioned or suggested by the forecast information. Taking into account these uncertain factors, statements regarding future developments cannot be interpreted as a guarantee in any way.

Proceedings and arbitration procedures

The Board of Directors of Aedifica NV/SA declares that there exists no government intervention, proceeding or arbitration procedure that may have a significant influence, or may have had such an influence in the recent past, on the financial position or profitability of Aedifica NV/SA and that, as far as is known, there are no situations or facts that could give rise to such government intervention, proceeding or arbitration procedure.

Declaration concerning the Directors and the members of the Executive Committee

The Board of Directors declares that, to the best of its knowledge:

- none of the Directors and none of the members of the Executive Committee has ever been convicted for a fraud-related offence, that no official and/or public accusation has been expressed against one of them by statutory or regulatory authorities (including designated professional bodies) for at least the previous five years;
- none of the Directors and none of the members of the Executive Committee has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years;
- none of the Directors and none of the members of the Executive Committee has been involved in any bankruptcies, receiverships or liquidations for at least the previous five years, with the exception of the following:
 - Ms Ingrid Daerden was director and manager of JIND BV/SP. This company was voluntarily dissolved and liquidated on 2 July 2020;
- no employment contract has been concluded with the Non-Executive Directors, which provides for the payment of indemnities upon termination of the employment contract. However, there exists a (management) agreement between the Company and the Executive Directors and members of the Executive Committee providing for such indemnities;
- no option on the Company's shares has been given to date;
- no family ties exist between the Directors and/or members of the Executive Committee;
- the following Directors and members of the Executive Committee hold shares of the Company: Mr Serge Wibaut (200 shares), Mr Stefaan Gielens (14,701 shares), Mr Sven Bogaerts (3,936 shares), Ms Ingrid Daerden (3,532 shares), Mr Jean Franken (1,200 shares), Mr Pertti Huuskonen (660 shares), Ms Katrien Kesteloot (71 shares), Ms Elisabeth May-Roberti (216 shares), Mr Luc Plasman (381 shares), Mr Raoul Thomassen (1,046 shares), Mr Charles-Antoine van Aelst (3,839 shares) and Ms Marleen Willekens (37 shares).

4. Glossary

1. Definitions

Acquisition value

The acquisition value is the agreed value between parties on the basis of which the transaction is performed. If the acquisition of a building takes place by cash payment, through the acquisition of shares of a real estate Company, through the non-monetary contribution of a building against the issue of new shares, by merger through takeover of a property, or by a partial de-merger, the deed costs, audit and consultancy costs, reinvestment bank fees and costs of lifting security on the financing of the absorbed Company and other costs of the merger are also considered as part of the acquisition cost and capitalised in the asset accounts on the balance sheet.

Alternative performance measures (APM)

Since many years, Aedifica uses in its financial communication Alternative Performance Measures according to the guidelines issued by the ESMA on 5 October 2015. Some of these APM are recommended by the European Public Real Estate Association (EPRA) and others have been defined by the industry or by Aedifica in order to provide readers with a better understanding of its results and performance. The APM used in this annual financial report are identified with an asterisk (*). The performance measures which are defined by IFRS standards or by Law are not considered as APM, neither are those which are not based on the consolidated income statement or the balance sheet. The APM are defined, annotated and connected with the most relevant line, total or subtotal of the financial statements, in the notes of the financial statements or in EPRA chapter.

Closed period

Period during which any officer or any person covered on the lists established by the Company in accordance with Article 6.5 of the Corporate Governance Charter, as well as any person who is closely related to them, may not carry out any trading of Aedifica shares. Closed periods are shown in the corporate governance statement.

Contractual rents

Indexed rents, including rental guarantees, but excluding cost of rent-free periods for occupied surface area.

Debt-to-assets ratio

The Royal Decree of 13 July 2014 regarding RRECs defines the debt-to-assets ratio as follows:

'Total liabilities' in balance sheet

- I. Non-current liabilities – A. Provisions
 - I. Non-current liabilities – C. Other non-current financial liabilities - Hedges
 - I. Non-current liabilities – F. Deferred taxes liabilities
 - II. Current liabilities – A. Provisions
 - II. Current liabilities – C. Other current financial liabilities - Hedges
 - II. Current liabilities – Accrued charges and deferred income as provided in the annexes of the Royal Decree of 13 July 2014 on RRECs.
- / Total assets less authorised hedging instruments
- ≤ 65%

Double net

Type of contract under which the repair and maintenance of the roof, structure and facades of the building remain the responsibility of the owner while other costs and risks are borne by the operator. This type of contract is common for senior housing in Germany.

EBIT margin

Operating result before result on portfolio divided by net rental income.

EPRA

European Public Real Estate Association is an association, founded in 1999 in order to promote, develop and regroup listed European real estate companies. EPRA establishes standards of conduct in accounting, reporting and corporate governance matters, and harmonises these rules to different countries in order to provide quality and comparable information to investors. EPRA has created indices that serve as benchmarks for the real estate sector. All this information is available on the website www.epra.com.

EPRA Earnings*

Aedifica uses EPRA Earnings* to comply with the EPRA's recommendations and to measure its operational and financial performance; however, this performance measure is not defined under IFRS. It represents the profit (attributable to owners of the Parent) after corrections recommended by the EPRA. In Aedifica's case, the EPRA Earnings* corresponds perfectly to the result excl. changes in fair value, which was previously used in Aedifica's financial communication. The EPRA Earnings* is calculated in Note 19 (in accordance with the Aedifica model) and in the EPRA chapter of the Annual Financial Report (in accordance with the model recommended by EPRA).

Estimated rental value (ERV)

The estimated rental value (ERV) is the rental value as determined by independent valuation experts.

Exit tax

Companies applying for approved RREC status, or which merge with a RREC, are subject to an exit tax. This tax is similar to a liquidation tax on net unrealised gains and on tax-exempt reserves. See section 5.2 of the Standing Documents for more information on the current exit tax rates.

Fair value

The fair value of the Belgian investment properties is calculated as following:

- Buildings with an investment value over €2.5 million:
Fair value = investment value / (1+ average transaction cost rate defined by the BE-REIT Association)
- Buildings with an investment value under €2.5 million:
 1. when the expert considers a building can be sold in units, the fair value is defined as the lowest value between the investment value in units / (1 + % transfer taxes depending on the region where they are located) and the investment value / (1 + average transaction cost rate defined by the BE-REIT Association);
 2. when the expert considers a building cannot be sold in units, the fair value is the investment value / (1 + % transfer taxes depending on the region where they are located).

The average transaction cost rate defined by the BE-REIT Association is reviewed annually and adjusted as necessary in 0.5% increments.

The Belgian experts attest the deduction percentage retained in their periodic reports.

The fair value of investment properties located abroad take into account locally applicable legal costs.

Free float

Percentage of shares held by the public, according to the Euronext definition.

Gross dividend yield

Gross dividend per share divided by the stock market price as of closure.

Gross yield of the portfolio

For the total portfolio: (contractual rents + guaranteed income) / investment value, acquisition value or fair value of the concerned buildings.

IFRS

The international accounting standards (IFRS, or International Financial Reporting Standards, previously called IAS, or International Accounting Standards) are drawn up by the International Accounting Standards Board (IASB). European listed companies have been obliged to apply these standards in their consolidated accounts since the financial year commencing on or after 1 January 2005. Since 2007, RRECs have also been required to apply IFRS in their statutory accounts.

Inside information

Inside information about Aedifica is any information:

- which has not been made public;
- which is accurate, i.e. refers to an existing situation or a situation which can reasonably be expected to exist or an event which has occurred or which can reasonably be expected to occur, and which is sufficiently accurate to draw a conclusion on the possible effect of this situation or event on the price of Aedifica's financial instruments or financial derivatives;
- directly or indirectly related to Aedifica;
- and which, if made public, could affect the price of Aedifica's financial instruments or derivative financial instruments, information being considered price-sensitive for the financial instruments or derivative financial instruments if a reasonable investor could use this information as one of the reasons for his investment decision.

Interest Rate Swap (or IRS)

An interest rate exchange contract (usually short-term against long-term and floating against fixed) between two parties to exchange financial flows calculated on a fixed notional amount, frequency and maturity. Aedifica can use this instrument for hedging purposes only.

Investment properties

Investment properties including buildings intended for sale and development projects.

Investment value

Value assessed by the expert, of which transfer taxes are not deducted.

Long lease

Contract with an initial duration of at least 27 years and less than 99 years, giving a temporary right in rem to the tenant. The tenant has full use of the property during this period and pays an annual fee (rent) in return.

Market capitalisation

Closing stock market price multiplied by the total number of shares.

Marketable investment properties

Investment properties including buildings intended for sale and excluding development projects.

Net asset value per share

Total equity and liabilities divided by the number of shares outstanding (after deduction of the treasury shares).

Net rental income

Rental income

- Writeback of lease payments sold and discounted
- Rental-related charges

Occupancy rate

For the total portfolio: (contractual rents + guaranteed income) / (contractual rents + estimated rental value (ERV) on vacant areas of the property portfolio). We note that this occupancy rate includes the investment properties for which units are in renovation and hence temporarily not rentable.

Operating margin

Property operating result divided by net rental income.

Operating result before result on portfolio

The Royal Decree of 13 July 2014 regarding RRECs defines the operating result before result on portfolio as follows:

Property operating result

- Overheads
- ± Other operating income and charges

Pay-out ratio

Dividend per share divided by the corrected profit per share.

Profits excluding changes in fair value

Profit (attributable to owners of the parent)

- Changes in fair value of investment properties (IAS 40)
- Changes in fair value of financial assets and liabilities (IFRS 9)

Property operating result

The Royal Decree of 13 July 2014 regarding RRECs defines the property operating result as follows:

Property result

- Technical, commercial and property management costs
- Charges and taxes on unlet properties
- Other property charges

Profit to be paid out (or corrected profit)

The Royal Decree of 13 July 2014 regarding RRECs defines the profit to be paid out (or corrected profit) as follows:

The Company must distribute, as return on capital, an amount corresponding at least to the positive difference between the following amounts:

- 80% of an amount equal to the sum of the adjusted result (A) and the net capital gains on realisation of investment properties not exempt from the obligation of distribution (B). (A) and (B) are calculated according to the following scheme:

Corrected profit (A)

Profit of loss

+ Depreciations

+ Write-downs

- Reversals of write-downs

- Writeback of lease payments sold and discounted

± Other non-cash items

± Gains and losses on disposals of investment properties

± Changes in fair value of investment properties

= Corrected profit (A)

Net capital gains on realisation of investment properties not exempt from the obligation of distribution (B)

± Gains and losses on disposals of investment properties during the financial year (gains and losses compared to the acquisition value plus capital expenditures)

- Gains and losses on disposals of investment properties during the financial year, exempted from the obligation of distribution, subject to reinvestment within 4 years (gains compared to the acquisition value plus capital expenditure)

± Gains and losses on disposals of investment properties earlier exempted from the obligation of distribution and not reinvested within 4 years (gains and losses compared to the acquisition value plus capital expenditures)

= Net capital gains on realisation of investment properties not exempt from the obligation of distribution (B)

And

- net decrease during the financial year of the debt of the public RREC, as provided in Article 13 of the Royal Decree of 13 July 2014 (see definition of the debt-to-assets ratio).

Result on portfolio

The Royal Decree of 13 July 2014 regarding RRECs defines the result on portfolio as follows:

Gains and losses on disposals of investment properties

- Gains and losses on disposals of other non-financial assets

± Changes in fair value of investment properties

Transfer taxes

The transfer of ownership of a property in Belgium is subject to the payment of transfer taxes. The amount of these taxes depends on the method of transfer, the type of purchaser and the location of the property. The first two elements, and therefore the total amount of taxes to be paid, are only known once the transfer has been completed.

The range of taxes for the major types of property transfer includes:

- Sale of properties: 12.5% for properties situated in the Brussels Capital Region and in the Walloon Region, 12% for properties situated in the Flemish Region;
- Sale of real estate under the rules governing estate traders: 4.0 to 8.0%, depending on the Region;
- Surface and long lease agreements for real estate (up to 50 years for surface rights and up to 99 years for the long lease right): 2%, or 0.5% if the tenant is a non-profit organisation;
- Sales of properties where the purchaser is a public body (e.g. an agency of the European Union, the Federal Government, a regional government or a foreign government): tax exempt;
- Contribution in kind of real estate property against the issue of new shares in favour of the contributing party: tax exempt;
- Sale of shares of a real estate Company: no taxes;
- Merger, split and other forms of Company restructuring: no taxes;
- etc.

The effective rate of the transfer tax therefore varies from 0 to 12.5%, whereby it is not possible to predict which rate would apply to the transfer of a given property before that transfer has effectively taken place.

N.B. We note that, following the interpretations of IFRS by the Belgian Asset Managers Association (BEAMA), the book value of the investment properties under IFRS on the balance sheet is calculated by the expert by deducting a fixed percentage of transfer tax (currently 2.5%) from the investment value. However, for investment properties with a value of less than €2.5 million, the transfer taxes to be deducted vary depending on the rates applicable given the building's location.

Triple net

Type of contract under which operating charges, maintenance costs and rents on empty spaces related to the operations are borne by the operator.

Velocity

Total volume of shares exchanged over the year divided by the total number of listed shares, following the definition of Euronext.

2. Acronyms

APM: Alternative Performance Measure
CAGR: Compound Annual Growth Rate
CEO: Chief Executive Officer
CFO: Chief Financial Officer
CIO: Chief Investment Officer
CLO: Chief Legal Officer
CM&AO: Chief Mergers & Acquisitions Officer
COO: Chief Operating Officer
CPI: Consumer price index
CSR: Corporate Social Responsibility
DCF: Discounted Cash Flow
EBIT: Earnings Before Interests and Taxes
ECB: European Central Bank
EPRA: European Public Real Estate Association
ESMA: European Securities and Markets Authority
ERV: Estimated Rental Value
FBI: Federale Beleggingsinstelling
FSMA: Financial Services and Markets Authority
IAS: International Accounting Standards
IFRS: International Financial Reporting Standards
IPO: Initial Public Offering
IRREC: Institutional Regulated Real Estate Company
IRS: Interest Rate Swap
NN: Double Net
NNN: Triple Net
NZEB: Nearly zero-energy building
REIT: Real Estate Investment Trust
RREC: Regulated Real Estate Company
SARL: Société à Responsabilité Limitée
SCS: Société en Commandite Simple
SPV: Special Purpose Vehicle
WAULT: Weighted average unexpired lease term

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**CE RAPPORT FINANCIER ANNUEL EST
ÉGALEMENT DISPONIBLE EN FRANÇAIS¹**

**DIT JAARVERSLAG IS EVENEENS
BESCHIKBAAR IN HET NEDERLANDS¹**

1. The Dutch version of the document represents the original document. The French and English versions are translations and were prepared under Aedifica's responsibility.



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