Spaces for connection

Annual report 2023

Universal registration document

aedifica
housing with care

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Villa Florian - Blaricum (NL)

Required components

In accordance with Articles 3:6 and 3:32 of the Belgian Code of Companies and Associations, the required components of Aedifica's annual financial report 2023 are included in the following chapters:

- Financial review
  pages 62-82
- Corporate governance statement
  pages 83-110
- Risk factors
  pages 111-120
- Financial statements
  pages 121-178

This annual financial report provides an overview of the activities and financial statements for the financial year ending on 31 December 2023.

aedifica-reit

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Ce rapport annuel est également disponible en français[1].
Dit jaarverslag is eveneens beschikbaar in het Nederlands[1].

1. The English version of the document represents the original document as submitted and approved by the FSMA, as competent authority under the Prospectus Regulation. The Dutch and French versions are translations and were prepared under Aedifica's responsibility.

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As a developer and investor in healthcare real estate, Aedifica wants to offer buildings that are sustainable and futureproof without losing sight of what matters most to us: the quality of life of the people who live there. Our goal is to give people the space they need to receive care in the way they prefer and to make their lives as pleasant as possible.

When we first conducted interviews with a number of people who live and work in our care properties as part of our annual report last year, we quickly noticed how much everyone focused on the social aspect of real estate. They perceived our care homes not merely as places to receive care, but as meeting places that create connection.

This year, we wanted to give you another glimpse into the daily life in care homes through some authentic portraits of people who live there. All seven people were asked the same question: where do you feel happiest here? Each of them took us to one of the common areas of their building. Unconsciously, in doing so, they confirmed our conclusion from last year.

Bernadette takes us to the swimming pool, where she swims a few laps every morning with a friend, and tells us about the creative room where she participates in a variety of activities with the other residents. Hilde and Hubert show us the restaurant where they have lunch every day. Rinus and Theo invite us to the coffee morning they host every Wednesday to which the whole neighbourhood is welcome.

Irja takes us to the common living room where she enjoys chatting with other residents, while Emma tells us about the physical therapy room where she took back control of her life.

When we ask them about their favourite space, they all spontaneously think of common areas where they can meet other residents or people from the neighborhood. That sense of connection is vital for people's well-being. As a property owner, we contribute to this by offering concepts that respond to that social aspect.

I would like to thank our seven experts by experience for bringing their stories here. I hope that through their experiences you will get a better picture of the added value for society that we create at Aedifica.

Stefaan Gielens,
CEO

Residents perceive our care homes not merely as places where they receive care, but as meeting places that create connection.

Stefaan Gielens
CEO

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A meeting spot for the whole neighbourhood

It is Wednesday when we set foot through the entrance of Het Gouden Hart (The Golden Heart) in Leiden. It is pleasantly crowded. In the high hall, a group of elderly people sits around a wide table. A weekly coffee morning is organised here, where residents of the care residence and people from the neighbourhood are all welcome.

Rinus Caljouw, 85, a neighbourhood resident, and Theo de Jager, 95, a flamboyant resident, attend the weekly coffee mornings each Wednesday to share the latest news from inside and outside the building. They need not be deep conversations; social chit chat suits them both just fine.

Rinus owned a moving company. After a merger, he spent some time in India. He returned bursting with self-knowledge and concern for our world. Each month, Rinus puts his thoughts on paper in poetry form and shares them with the group. 'If you are always there for others with all your heart, then you have understood what this life is all about,' reads this month's wisdom. 'People love to stick it on their refrigerator,' says Rinus. As a local resident, he has integrated well into the community of the care residence and even celebrated his birthday there.

In addition to family and neighbours, residents of the care home were invited as well.

Theo was a pilot. First, he flew fighter jets, then he did transports for the United Nations and then he was a test pilot. He lived in the United States, Sudan, Ghana, Senegal, Sweden and Portugal and ended up here two years ago when walking became difficult and he was in need of care. Now he chairs the client board of the care residence and is committed to the well-being of the residents and their comfort in the building. 'Sometimes it's about small things that make life more pleasant for the residents, such as better cutlery or fixing loose stones at the entrance,' Theo explains. The client council was also involved in the process of selecting the new site manager.

'Our coffee mornings are always fascinating,' says Theo, 'they break through our mutual differences. We don't always have much in common, but that doesn't prevent us from making it a pleasant morning together.' Rinus agrees. 'We sit next to someone different every week, so we always get to know new people.'

HGH Leiden is a care residence in the heart of Leiden that provides a home for 58 elderly people.

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Like a fish in the water

The shutters slide open gently. As we step into the pool area, it is pleasantly warm, and the sun falls on our faces through the floor-to-ceiling windows. As our attention wanders to the ceiling painting in which white clouds are set against a soft blue sky, a beautiful view of the 'Damse Vaart' in Bruges unfolds before us.

Bernadette begins her daily swim. Elegantly but carefully, she moves through the water with her glasses on, trying to keep her hair dry. Every morning, she comes with some friends to the pool – her favourite place – 'to stay in shape and healthy,' she says. She is, after all, only 95. She regularly participates in the aqua gym, and she also finds the hot tub enjoyable. Moving does her good, Bernadette says, as 'we sit enough during the day!'

Her apartment is a gem: fresh flowers adorn the coffee table, antique vases perched on the cabinet, a large dresser with glass doors reveals her set of old China and a beautiful Tiffany lamp provides a warm atmosphere. Bernadette shows us another beautiful view from her terrace with glass see-through walls. She utters that the window is not quite clean, takes a chair and quickly begins to wipe down the glass.

Bernadette is a busy bee. At the care home, she participates in wine tastings, trips to markets and museums, walks and aperitif concerts. She is also always present at cocktail afternoons. Everyone brings their own bottle, after which they mix and shake in all colours and flavours. Moreover, there is also the creative space, where a group of sewing enthusiasts regularly go about their business. 'I love that we have that space,' Bernadette says, 'because we can organise all kinds of activities there, such as flower arranging classes.' Sometimes things can get a little quieter, too. In such moments, she heads to the reading lounge, not far from the bar, where books on Da Vinci, Raphael, Rome and current news magazines line the shelf.

'What I like so much is that here we are free and have every opportunity to do things we find pleasurable. Everything is possible and nothing is forced, but I like participating in a lot of things. We have the space for it in this building and it would be a shame not to take advantage of it,' Bernadette concludes.

Militza Brugge is located in the Hanzepark near the Damse Vaart in Bruges and accommodates 120 elderly people.

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The fun and happy place where mom lives

We meet Emma in Dartford, where she resides at the Peter Gidney Neurological Centre, part of the Beechcare care home. She is in an electric wheelchair, which is both her lifeline and a symbol of her independence. Pink is her favourite colour, hamburgers are her favourite food and A-ha is her favourite band, but Emma's favourite person is Susie, her daughter.

Emma, who just turned 50, is bubbly and humorous and speaks in one-word sentences. She moves around in her electric wheelchair as if she were a Formula One driver preparing for a race. Emma enjoys participating in activities at the care home, such as quizzes or bingo. Every day, she rides around the ward where she resides and has developed friendships with the other residents. In addition, Emma occasionally takes trips around the neighbourhood and goes to the mall to buy clothes or to enjoy a nice lunch at the local pub.

Since she was admitted here in May 2021, Emma has come a long way. Initially, she had a manual wheelchair, but because she could not propel herself, she depended on others to get around. She was quiet and withdrawn and chose to stay in bed most days. She had a limited ability to express her needs, so she was often sad and found it difficult to express why she felt so down.

However, the physical therapy room offered her a new perspective. Through the holistic therapeutic approach that is committed to treating body, mind and soul, and with the encouragement and support of the care team, Emma began participating in physical therapy sessions several times a week. As a result, she developed a greater degree of independence in terms of her mobility, which also helped her regain a sense of personal independence and become more confident by the day.

She can now communicate her needs in short, one-word answers. This is a big step for her, given the huge turnaround she has made in three years. The centre has become a 'home' for Emma where she feels joy and independence and has regained her happy disposition.

Susie was only 4 years old when Emma was admitted. Although Susie was well supported by her grandfather Tim, Emma felt she had no part in her child's growing up. Thanks to the progress she has been able to make through therapy, Emma has now been able to build a strong bond with her daughter, who she sees three times a week. Susie now no longer sees the residential care centre as a hospital, but as a fun and happy place where mom lives.

Beechcare care home is located in Dartford and provides a home for 65 people, both the elderly and adults of younger age who need continuing care.

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A source of company

The sidewalk is covered with a layer of fresh snow as we walk to the Nonna Lumina building. This brand-new care facility in the heart of Oulu was only recently completed but is already filling up nicely. We are welcomed by 84-year-old Irja Huovinen, who was one of the first to arrive here last December.

Irja made a conscious decision to move to a care apartment. Independent living was becoming difficult, and she judged that she needed support. Her biggest concern was her social life: she wanted to move to a place where she could have a lot of contact with peers. She found that at Nonna Lumina.

When we ask about her favourite room, she doesn't have to think for long. Excited, she takes us to one of the three large and cosy communal living rooms. 'Here we can do all kinds of activities, or just chat with each other. There is always a cheerful bustle.'

'Here I feel at home and part of the community,' Irja tells us. One can often find her in the living room playing board games, reading, watching TV, doing crafts, or taking exercise classes. 'If I want company, I can always find it here. I enjoy exchanging news and spending time with others,' Irja says.

After a tour of the living room, she takes us to her corner apartment on the eighth floor, which boasts a wide panoramic view. 'I have the best view of Oulu,' she says proudly. Then she talks about the facilities the care property offers, including a gym, a sauna and a terrace on the top floor. 'I actually have everything I could wish for here. I have access to all the services I need. There is 24/7 support, I have lots of social contact and there is a choice of activities. Living here makes my life much easier and more pleasant.'

Located in Oulu's city centre, Nonna Lumina provides a home for 110 elderly people.

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One small step to great ease

For Hubert Schotte and Hilde Heyns, the restaurant is the place to be. ‘We consciously eat simple and healthy,’ Hilde explains. Hubert was a neuropsychiatrist and Hilde was a nurse for school children during her career. Health is a life motto for this couple.

Four years ago, when they were 83 and 81, they decided to move here from across the water. They could follow the construction of the care home from their living room. They were thus already familiar with the building when they became residents there themselves. ‘It’s not quite like home,’ says Hubert, ‘but it was a conscious choice to come and live here. We find peace and freedom here and we have been able to stay in our familiar surroundings.’

The couple has several daily rituals. In the morning, Hubert prepares breakfast in their apartment. Then they do some shopping in the neighbourhood or make a trip to the city centre for a cup of coffee. They then have lunch in Militza Brugge’s spacious and sunny restaurant, where they enjoy fresh food daily. ‘That’s all it has to be,’ says Hilde, who used to be the cook at home. If Hubert could choose, vol-au-vent or red cabbage would be on the menu. For Hilde, it would be mussels.Their cosy apartment feels like a familiar cocoon: there is furniture they brought from home and on the wall hangs a beautifully painted portrait of Hilde as a child alongside two large abstracts. A little further on the same wall hang garlands and beads of their grandchildren. They make a lot of time for them, too. Although friends and family are always welcome in the care home’s restaurant, Hubert prefers to go to dinner in town with the whole gang. This, for him, is pure enjoyment.

They are clearly comfortable in this generously proportioned space filled with plenty of light falling through the windows and overlooking a spacious outdoor terrace. ‘Sometimes I miss a garden,’ says Hubert, ‘but of course you can’t have everything. We do have other things instead: shopping and walking spots nearby, the Hanzepark as your own garden, cafes and restaurants as your own kitchen, and theatres and museums as an extension of your living room.’

‘We are happy with our choice to live here,’ concludes Hilde, ‘we have a warm place to ourselves as well as the pleasant common areas in the building and we don’t have to worry about anything else. A home brings with it responsibility and maintenance, and we don’t have to worry about that now. It’s a good feeling.’

Militza Brugge is located in the Hanzepark near the Damse Vaart in Bruges and accommodates 120 elderly people.

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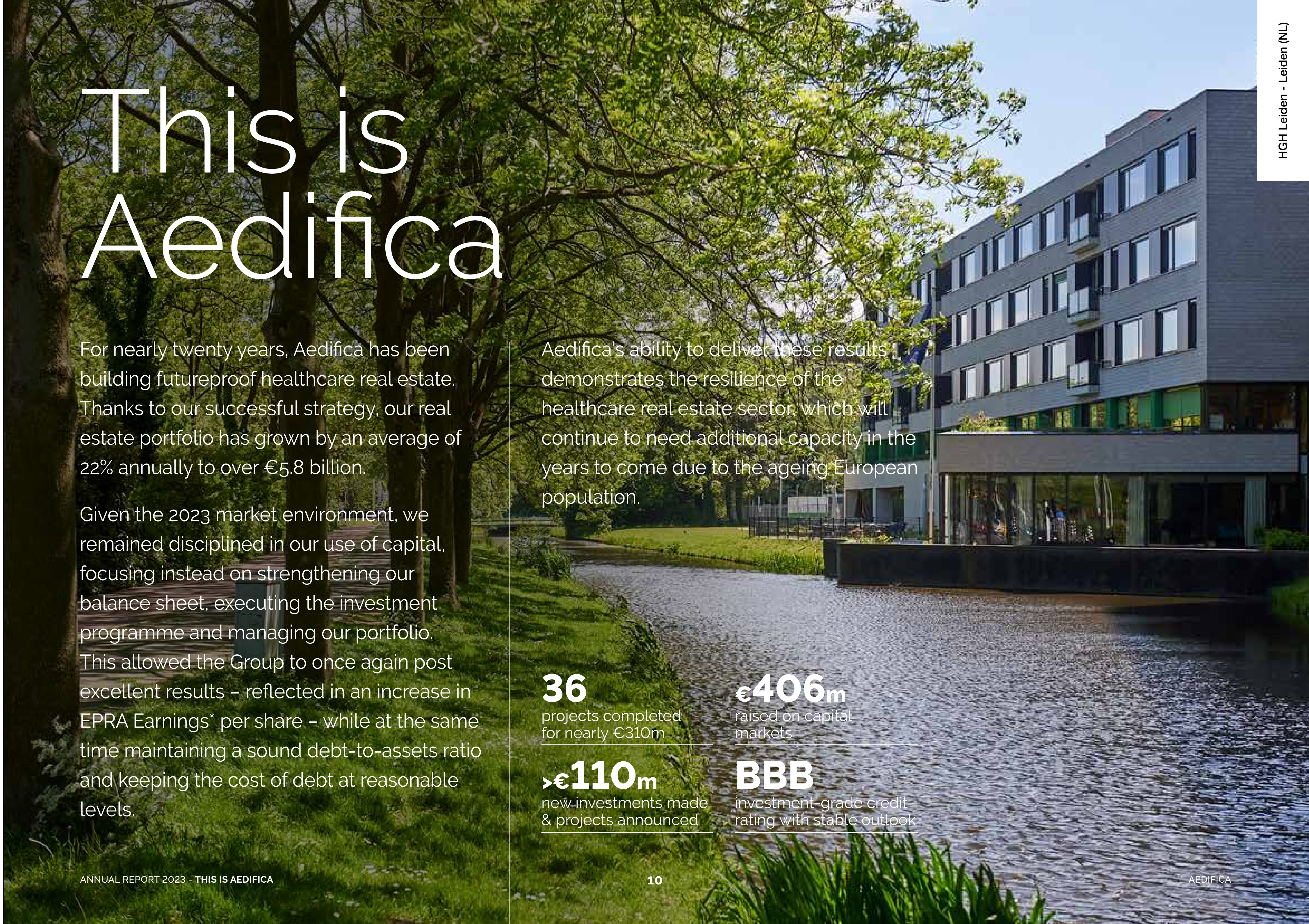

HGH Leiden - Leiden (NL)

This is Aedifica

For nearly twenty years, Aedifica has been building futureproof healthcare real estate. Thanks to our successful strategy, our real estate portfolio has grown by an average of 22% annually to over €5.8 billion.

Given the 2023 market environment, we remained disciplined in our use of capital, focusing instead on strengthening our balance sheet, executing the investment programme and managing our portfolio. This allowed the Group to once again post excellent results – reflected in an increase in EPRA Earnings* per share – while at the same time maintaining a sound debt-to-assets ratio and keeping the cost of debt at reasonable levels.

Aedifica's ability to deliver these results demonstrates the resilience of the healthcare real estate sector, which will continue to need additional capacity in the years to come due to the ageing European population.

36
projects completed for nearly €310m

€406m
raised on capital markets

>€110m
new investments made & projects announced

BBB
investment-grade credit rating with stable outlook

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Klein Veldekens - Geel (BE)

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 their users 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 18 years: combining a high-quality diverse portfolio that generates recurring and indexed rental income with industry leading long-term partners, an experienced team and a collaborative mindset.

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. The share is also part of the new BEL ESG index, which tracks companies that perform best on ESG criteria.

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Heerenhage - Heerenveen (NL)

Why invest?

1 Pure-play
healthcare REIT in Europe

2 Solid underlying demographic trends
> p35

3 Long-term growth potential

4 Public financing
supporting our tenants

5 19 years
weighted average lease term
> p30

6 Fair value of portfolio
showing resilience > p73

7 Strong track record
in investment, equity & debt financing

8 Attractive dividend
amply covered by operating cash flows > p81

2005

- **Founding** of Aedifica
- Portfolio of **apartments & hotels**

2006 EURONEXT

- Listing on **Euronext Brussels**
- First investments in **healthcare real estate**

2012

- **€100m** raised on capital markets

2013

- First investments in **Germany**

2015

- **€150m** raised on capital markets

2016

- First investments in the **Netherlands**

2017

- **€220m** raised on capital markets

2019 EURONEXT

- First investments in the **United Kingdom**
- Secondary listing on **Euronext Amsterdam**
- **€420m** raised on capital markets
- **Pure-play healthcare REIT:** divestment of apartments & hotels

2020 BEL20 by EURONEXT

- First investments in **Finland & Sweden**: public bid on Hoivatilat Oyj
- **€710m** raised on capital markets
- Entry in **BEL20** share index

2021

- First investments in **Ireland & Spain**
- **€330m** raised on capital markets
- €500m **sustainability bond**

2022

- **€310m** raised on capital markets
- Launch of **net zero GHG pathway**

2023 BEL ESG

- Entry in **BEL ESG** index
- **€410m** raised on capital markets

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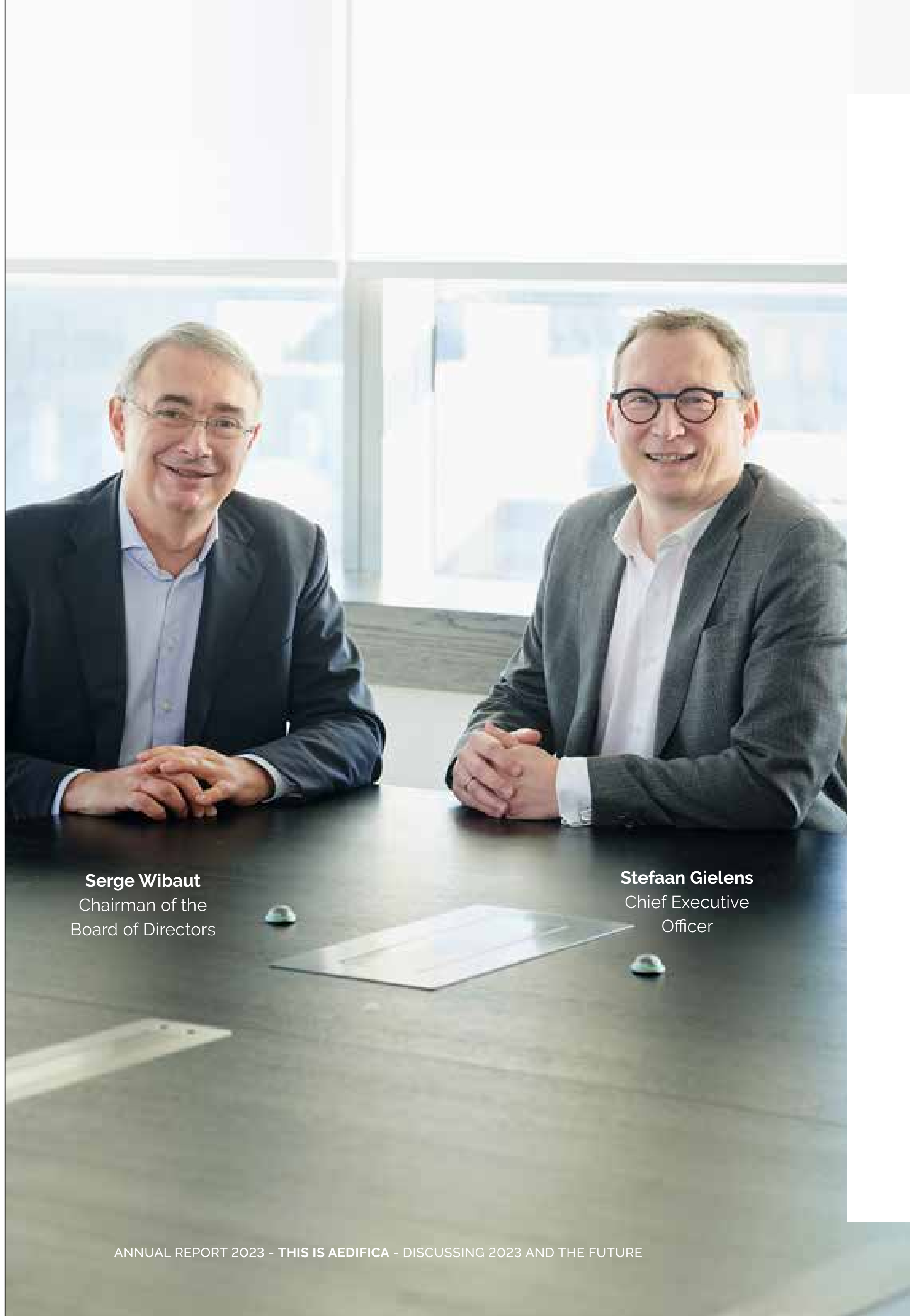

Serge Wibaut
Chairman of the
Board of Directors

Stefaan Gielens
Chief Executive
Officer

DISCUSSING 2023 AND THE FUTURE

With Aedifica's solid results in mind, Serge Wibaut, Chairman of the Board of Directors, and Stefaan Gielens, Chief Executive Officer, reflect together on the 2023 financial year. In doing so, they already look ahead to what 2024 has in store.

ACTIVE MANAGEMENT OF PORTFOLIO AND INVESTMENT PROGRAMME

Serge Wibaut: 2023 was a somewhat atypical year for Aedifica compared to previous financial years. Because of the changed market environment, we had to slow down our growth pace and focus on strengthening our balance sheet, executing the investment programme and managing the portfolio.

Stefaan Gielens: Indeed, we remained disciplined in our use of capital in 2023, focusing our resources on only a limited number of investments. We were still able to announce a number of new development projects for the Hoivatilat team in Finland at attractive yields. In addition, with 36 completed projects totalling nearly €310 million, we did deliver a record amount in projects from our investment programme. In 2024, we are again expecting to deliver around €295 million in projects, further reducing our investment programme to €120 million by the end of the year – not considering the addition of new projects throughout the year.

SW: The market environment has also led us to reconsider a few projects and review our standing portfolio. Active management of the pipeline resulted in nine projects being withdrawn from our committed pipeline. As part of our asset rotation programme, we sold eighteen buildings that no longer met our criteria, including five Brussels-based care homes operated by Orpea.

SG: Managing our portfolio also required us to transfer the operations of certain care homes to new tenants, aiming to proactively reduce tenant risks in our portfolio. Intervening in time has allowed us to guarantee continuity of care and operations.

Meanwhile, we can see signs that the tide is turning. Operators' occupancy rates for mature assets appear to be well above 80% in all countries and increasing year-over-year, demonstrating the resilience of the sector. With higher occupancy rates, the financial health of care operators is expected to improve again. Moreover, this trend is not only evident in strong markets such as the UK, but we also see positive signs in markets that were struggling, such as Germany.

A HEALTHY BALANCE SHEET

SW: Despite the volatile macroeconomic environment, we also proved our financial resilience in 2023. At 1.9%, we managed to keep the average cost of debt at a reasonable level thanks to the interest rate hedges we had in place – with a weighted average maturity of over 5 years – covering nearly all our financial debt.

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SG: Following our €380 million capital increase in early July, we were able to strengthen our equity position and reduce the consolidated debt-to-assets ratio to 39.7% at the end of 2023, well below the 45% threshold set out in our financial policy. S&P confirmed our healthy balance sheet at the end of July by reaffirming its BBB investment-grade rating with a stable outlook.

SW: We also strengthened our financial resources by contracting €645 million in new long-term bank financing, of which €540 million was refinancing. With €911 million in headroom on committed credit lines at the end of 2023, we have ample resources to finance the execution of the investment programme and liquidity needs in 2024.

SG: With the healthy balance sheet we pursued in 2023, we are also well positioned to seize new opportunities, if and when they arise in 2024. Portfolio valuation appears to have stabilised around -0.5% per quarter on a like-for-like basis towards the end of 2023. Even if this were to become the trend throughout 2024, we expect the debt-to-assets ratio to remain well below 45% by the end of 2024.

With such excellent results and our healthy balance sheet, we have not only confirmed the resilience of healthcare real estate, but also armed ourselves for the future.

SOLID RESULTS SUPPORTING AN INCREASING DIVIDEND

SW: Even when focusing on what really mattered, our healthy balance sheet, scaling down the investment programme and fine-tuning the portfolio, we were once again able to post solid results in 2023.

SG: Rental income increased by 15% to €314 million, driven not only by additional income from completed projects, but also by rent indexation of 5.6%. This resulted in €220 million in EPRA Earnings, up 21% year-on-year and supported by a one-off tax refund of €9.0 million after obtaining the 'FBI' regime in the Netherlands.

SW: Those excellent results allow us, despite the increased number of shares following the capital increases, to propose a gross dividend of €3.80 per share to the General Meeting, keeping the pay-out ratio at a conservative level. Again benefiting from the reduced withholding tax of 15%, our shareholders have a net dividend yield of 6% at the end of 2023.

SG: Moreover, we expect EPRA Earnings to increase to €223 million in 2024, resulting in expected EPRA Earnings per share of €4.70 based on the increased number of shares following the 2023 capital increases, which will still allow us to increase the gross dividend for 2024 by 3% to €3,90 and maintain a conservative pay-out ratio of approx. 83%.

LOOKING AHEAD

SW: With such results and balance sheet, we have not only confirmed the resilience of healthcare real estate, but also armed ourselves for the new financial year. Once market sentiment turns, the cost of capital cools down and the investment climate rebounds, we shall be ready to seize opportunities. The question is when the tipping point will be.

SG: Perhaps in the second half of 2024? Within our property segment, there are already indications that we are heading in the right direction. Operators are again in a better financial position. Not only because of their increased occupancy rates, but also because income per resident seems to be rising. Furthermore, population ageing across Europe is gaining speed. More people are ageing, living longer and experiencing diseases associated with old age that require specific care. This will drive demand for additional capacity in the second half of the twenties.

Moreover, as a specialised investor and developer of healthcare real estate concepts, we are well positioned to respond to their needs and offer people quality buildings in which they can not only receive care in the way they prefer, but also feel genuinely at home.

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Aedifica in 2023

Belgium

80 sites
8,100 residents
514,800 m^2
€1,236m fair value
€47m in pipeline
20 years WAULT
5.7% gross yield

Germany

100 sites
>10,200 residents
580,500 m^2
€1,157m fair value
€72m in pipeline
21 years WAULT
5.4% gross yield

Netherlands

72 sites
>3,100 residents
345,600 m^2
€651m fair value
€13m in pipeline
16 years WAULT
6.2% gross yield

United Kingdom[1]

114 sites
7,300 residents
329,400 m^2
€1,046m fair value
€77m in pipeline
22 years WAULT
6.4% gross yield

Finland

201 sites
3,600 residents & **11,200** children
272,800 m^2
€1,027m fair value
€116m in pipeline
12 years WAULT
5.8% gross yield

Sweden

26 sites
140 residents & **600** children
17,300 m^2
€75m fair value
€21m in pipeline
12 years WAULT
6.1% gross yield

Ireland

22 sites
2,300 residents
117,200 m^2
€393m fair value
€43m in pipeline
23 years WAULT
5.6% gross yield

Spain

2 sites under construction
300 residents
15,500 m^2
€3m fair value
€25m in pipeline
30 years WAULT

1. To keep Aedifica's reporting simple, properties in the Channel Islands and Isle of Man are presented under the UK portfolio.
2. Fair value of marketable investment properties including assets classified as held for sale*, rights of use related to plots of land held in 'leasehold' in accordance with IFRS 16 and land reserve.
3. Weighted average unexpired lease term.
4. Based on the fair value (re-assessed every three months). For healthcare real estate, gross yield and net yield are generally equal ('triple net' contracts) with operating charges, maintenance costs and rents on empty spaces related to the operations generally being supported by the operator in Belgium, the United Kingdom, Ireland, Spain 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' contacts).

Total portfolio

617
sites

35,100
residents

11,800
children

2,193,000 m^2
total surface

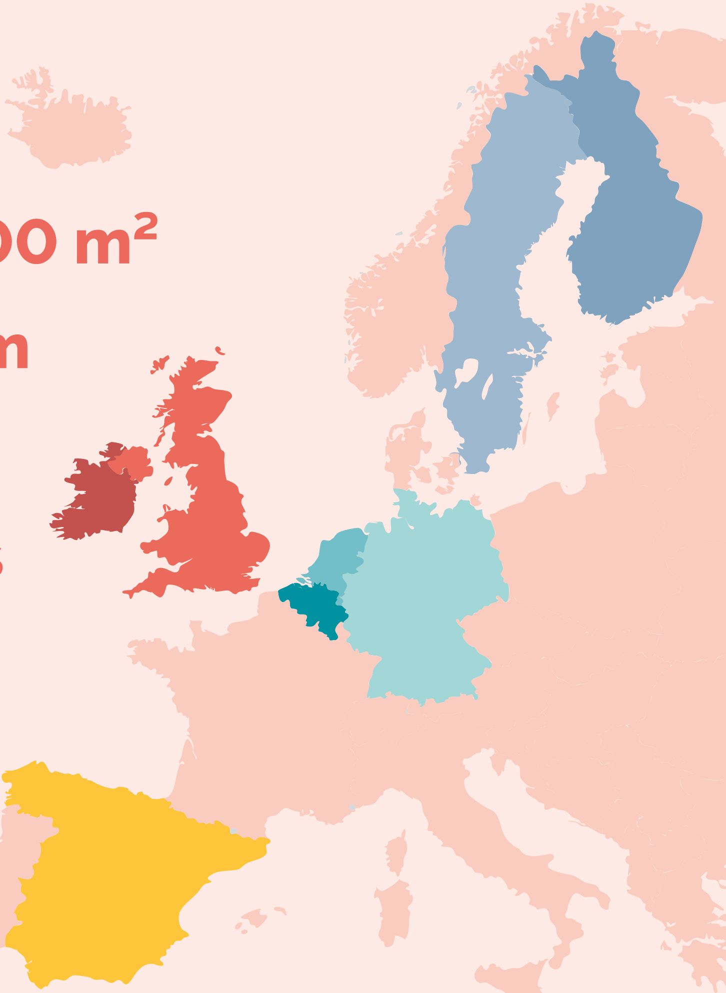
€5,680m
fair value[2]

€413m
in pipeline

19 years
WAULT[3]

5.8%
gross yield[4]

100%
occupancy rate



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Consolidated key figures & EPRA performance indicators [1]

Property-related key figures	**31/12/2023**	**31/12/2022**	**31/12/2021**
Fair value of real estate portfolio* (in € million) [2]	5,849	5,704	4,896
Number of properties	617	622	587
Gross yield based on fair value (in %)	5.8%	5.5%	5.5%
EPRA Net Initial Yield (NIY) (in %)	5.3%	4.9%	4.9%
EPRA Topped-up NIY (in %)	5.4%	5.1%	5.1%
Occupancy rate (in %)	100%	100%	100%
EPRA Vacancy Rate (in %)	0.1%	0.4%	0.5%
WAULT (in years)	19	19	20
Like-for-like rental growth (group currency, in %)	5.2%	4.2%	1.9%

Financial key figures	**31/12/2023**	**31/12/2022**	**31/12/2021**
Rental income (in € million)	314.2	273.1	232.1
EPRA Earnings* (in € million)	219.6 [3]	181.4	151.5
Net result (owners of the parent) (in € million)	24.5	331.8	281.8
EPRA Cost Ratio (including direct vacancy costs)* (in %)	15.4%	15.9%	16.7%
EPRA Cost Ratio (excluding direct vacancy costs)* (in %)	15.4%	15.9%	16.7%
Debt-to-assets ratio (in %)	39.7%	43.6%	42.6%
Average cost of debt (in %)	1.7%	1.3%	1.4%
Average cost of debt (incl. commitment fees, in %)	1.9%	1.4%	1.5%
Weighted average maturity of drawn credit lines (in years)	4.4	4.7	5.7
Interest Cover Ratio* (ICR) [4]	5.9	7.5	7.0
Hedge ratio (in %)	95.8%	88.7% [5]	90.3%
Weighted average maturity of hedging (in years)	5.1	6.6	6.6
Net debt/EBITDA* [6]	8.4	10.5	10.6

Key figures per share	**31/12/2023**	**31/12/2022**	**31/12/2021**
EPRA Earnings* (in €/share)	5.02	4.76	4.35
Net result (owners of the parent) (in €/share)	0.56	8.71	8.10
EPRA NRV* (in €/share)	84.17	88.20	85.1
Net asset value (in €/share) [7]	75.20	78.83	73.34
Dividend (gross, in €/share)	3.80	3.70	3.40

€5.02/share

EPRA Earnings*

€3.80/share

proposed gross dividend

* Alternative Performance Measure (APM) in accordance with ESMA (European Securities and Market Authority) guidelines published on 5 October 2015. Aedifica has used Alternative Performance Measures in accordance with ESMA guidelines in its financial communication for many years. Some of these APMs 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 the Company's results and performance. The APMs used in this annual report are identified with an asterisk (*). Performance measures defined by IFRS standards or by Law are not considered to be APMs, neither are those that 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. See the section 'Summary of the consolidated financial statements' on page 70 & following for more information on key figures stemming from the financial statements.
2. Including marketable investment properties, assets classified as held for sale*, development projects, rights of use related to plots of land held in 'leasehold' in accordance with IFRS 16 and land reserve.
3. This amount includes a one-off tax refund of approx. €9.0 million following the obtention of the Fiscal Investment Institutions (Fiscale Beleggingsinstellingen, 'FBI') regime in the Netherlands for the financial years from 2016 to 2021 (see page 72). Excluding the tax refund, EPRA Earnings* amounted to €210.5 million (+16% compared to 31 Dec. 2022) or €4.82/share.
4. Calculated based on the definition set out in the prospectus of Aedifica's Sustainability Bond: the ratio of 'operating result before result on portfolio' (lines I to XV of the consolidated income statement) to 'net interest charges' (line XXI) on a 12-month rolling basis.
5. The 88.7% hedge ratio includes forward starting swaps starting at the beginning of January 2023. On 31 December 2022, the hedge ratio stood at 78.2%.
6. Not adjusted for projects under construction.
7. For financial years prior to 2023: after deduction of the dividend.

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Portfolio

>140 operator groups
diversified tenant base

+18%
increase in EPC coverage

Climate change
risk assessment conducted

2023 Environmental Data Report
to be published in June 2024

> pages 27-44

Partners

25%
properties with green lease annex

41%
leases with quality-of-care commitment

32%
increase in participation in new operator survey

€40,000
in charity donations

> pages 45-52

Organisation

127
employees

42 years
average age

21 hours
training per employee

89%
of staff would recommend Aedifica as a great place to work

> pages 53-61

Financial review

+15%
increase in rental income y/y

+5.2%
increase in rental income LFL

+21%
increase in EPRA Earnings* y/y

€911 million
headroom on credit lines to finance CAPEX and liquidity needs

50%
of drawn credit lines are linked to sustainability

> pages 62-82

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36 projects
completed totalling €309 million

€113million
in new investments & developments

> pages 63-64

't Spelthof - Binkom (BE)

Optimising portfolio & pipeline

Asset management

Eighteen buildings were divested in 2023, which not only reduced our exposure to the Orpea group and the Brussels region, but also allowed us to remove from our portfolio some buildings that no longer met our sustainability criteria. In addition, we transferred the operations of certain care homes to new operators in order to guarantee continuity of operations while proactively reducing tenant risks.

> pages 32 & 65

Recalibrating the investment programme

Given the volatile macroeconomic environment, we reconsidered some previously announced investments. Active management of our investment programme has led to nine projects totalling approx. €82 million being withdrawn and one project of €13 million being re-added.

> page 34

A healthy balance sheet

Over €400 million raised on capital markets

Aedifica completed two capital increases in 2023, confirming the market's confidence in our strategy. Following the optional dividend in May generating approx. €26 million, we launched a €380 million rights issue in June, bringing the total raised to around €406 million.

> page 68

€645 million contracted in long-term bank financing

In 2023, we strengthened our financial resources by contracting €645 million in bank loans, of which €540 is refinancing and €105 million is new financing.

> page 67

Investment-grade credit rating reaffirmed

In July, S&P reaffirmed Aedifica's BBB investment-grade rating with a stable outlook, reflecting the strength of our balance sheet and liquidity.

> page 68

Inclusion in BEL ESG index & improving ESG ratings

Our CSR approach is paying off, as evidenced by the share's inclusion in the new BEL ESG index and excellent scores from various ESG assessments. In the GRESB, the Group achieved an excellent score of 75/100 for the 2022 reference year, highlighting Aedifica's efforts to reduce its greenhouse gas emissions.

> page 25

More than just a 'Great Place to Work'

For the third year in a row, our participation in the Great Place to Work survey earned Aedifica recognition as a 'Great Workplace', allowing us to carry the label again in 2024. Moreover, in 2023 we went one step further as our Finnish team was lauded as the seventh best workplace in Europe.

> page 55

218 hours of community volunteering

A few years ago, we launched our Community Days programme, offering staff the opportunity to spend one working day a year volunteering at one of our care properties, allowing them to connect with our various stakeholders. In 2023, we took our Community Days to the next level by further rolling out the concept to the Finnish team. A total of 51 employees performed 218 hours of volunteering in eight of our care residences.

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Strategy & value creation

As an investor and developer, Aedifica specialises in innovative and sustainable real estate that meets the needs of care operators and their clients across Europe, focusing in particular on housing for elderly people with high care needs.

We do not just invest in properties, we want to create value for society. Through our buildings, we aim to improve the quality of life of their users and reduce their impact on the environment. Our tailored real estate solutions help our tenants succeed. We make our people thrive by offering them a healthy and inclusive workplace. Our portfolio's rental income provides stable returns for investors.

Thanks to our successful strategy over the past eighteen years, Aedifica has established itself as a market reference in listed healthcare real estate in Europe.
And we are not done yet.

Hoge Haeghe - Almere (NL)

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How we create value

Trends

Ageing population

Europe's population is ageing, driving the need for specific healthcare real estate.

Urbanisation

Europe continues to urbanise, creating demand for integrated healthcare real estate concepts with a variety of services.

Consolidation

Private and public care providers increasingly rely on private investors to fund their healthcare real estate infrastructure as they are further expanding or adapting their activities.

Public funding

European governments continue to finance the care needs of their populations with public funds.

Resources

Portfolio

- Well-located plots of land
- Quality buildings
- Pre-let development pipeline

Partners

- Operators
- Developers
- Communities

Organisation

- Diverse, motivated and collaborative team
- Expertise and knowledge developed over 18 years
- Transparent, ethical and sound governance

Financial strength

- Strong balance sheet
- Diverse sources of financing
- BBB investment-grade credit rating with stable outlook (S&P)
- Easy access to capital markets

Strategy

Our purpose

We want to provide sustainable and innovative healthcare real estate that improves the quality of life of the people that live and work in our buildings by putting them centre stage and giving them the space to receive the care they need in the way they prefer.

Our focus

Capitalising on demographic trends and long-term partnerships with our operators, we focus on building a high-quality European healthcare real estate portfolio and understanding the long-term care and housing needs of the ageing population.

Our activities

- Acquiring & developing
- Diversifying
- Improving
- Strengthening
- Caring

The value we create

Futureproof care properties across Europe

- By investing in sustainable and energy-efficient buildings, we contribute to a climate-neutral society.
- The design and amenities of our care properties improve the quality of life of their users.
- Addressing society's changing concepts of living, our buildings create thriving communities centred around care.

35,100 residents

11,800 children

617 properties

Strong partnerships with key stakeholders

- Through our long-term partnerships with operators, suppliers and local authorities, we create a solid foundation to fulfil our company's purpose and pursue continued growth.

>140 operator groups

19 years WAULT

Thriving work environment

- We create a healthy, diverse and inclusive environment which enables our people to thrive and achieve their potential.

127 employees

Great Place to Work

Solid and stable returns for investors

- Our portfolio generates predictable long-term revenues, offering attractive opportunities for current and future investors.

€314m rental income

€3.80 gross dividend/share

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Strategy

Our purpose

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Our focus

Capitalising on demographic trends and long-term partnerships with our operators, we focus on building a high-quality European healthcare real estate portfolio and understanding the long-term care and housing needs of the ageing population.

Our activities

Acquiring & developing

- We invest in buildings that we lease to care providers.
- We develop high-quality sustainable real estate, either with our own local team in Finland or through partnerships with dedicated developers and operators in other countries. In-house development gives us the flexibility to deliver tailored real estate concepts with multiple (healthcare) services to meet the needs of our tenants and their clients.
- We always pursue value accretive acquisitions and developments while paying constant attention to ESG standards.

Diversifying

- By diversifying the building types within our portfolio and even combining types of care within a single campus, we cater in a flexible way to society's changing needs.
- Geographical diversification prevents over-reliance on a specific care concept or single social security system and enables further diversification of our tenant base.
- By diversifying our tenant base, we also diversify our income streams and mitigate risks related to a specific operator.

Improving

- Committing to achieve net zero greenhouse gas emissions for our entire portfolio by 2050, we cooperate with our tenants to upgrade our existing buildings to minimise the ecological footprint and environmental risks while also reducing our operators' costs.
- In addition to environmental upgrades, we also optimise internal comfort to improve the quality of life of our properties' users, making our portfolio truly futureproof.

Strengthening

- Building and strengthening relationships with our operators and communities is essential to creating long-term sustainable value. It helps us understand the needs we have to cater to, so we can provide them tailored real estate solutions that help them succeed, while growing our income and creating value for society.

Caring

- By taking good care of our employees, we enable and motivate them in their work to fulfil our company's purpose. We actively pay attention to the health and well-being of our employees and their families. We invest in the personal development of our staff by offering trainings. In providing a healthy place to work and an attractive remuneration package, we attract and retain the best talent in the industry.

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Our approach to Corporate Social Responsibility

Aedifica creates value for its stakeholders and society at large in a sustainable way. Corporate Social Responsibility is therefore an integral part of our strategy.

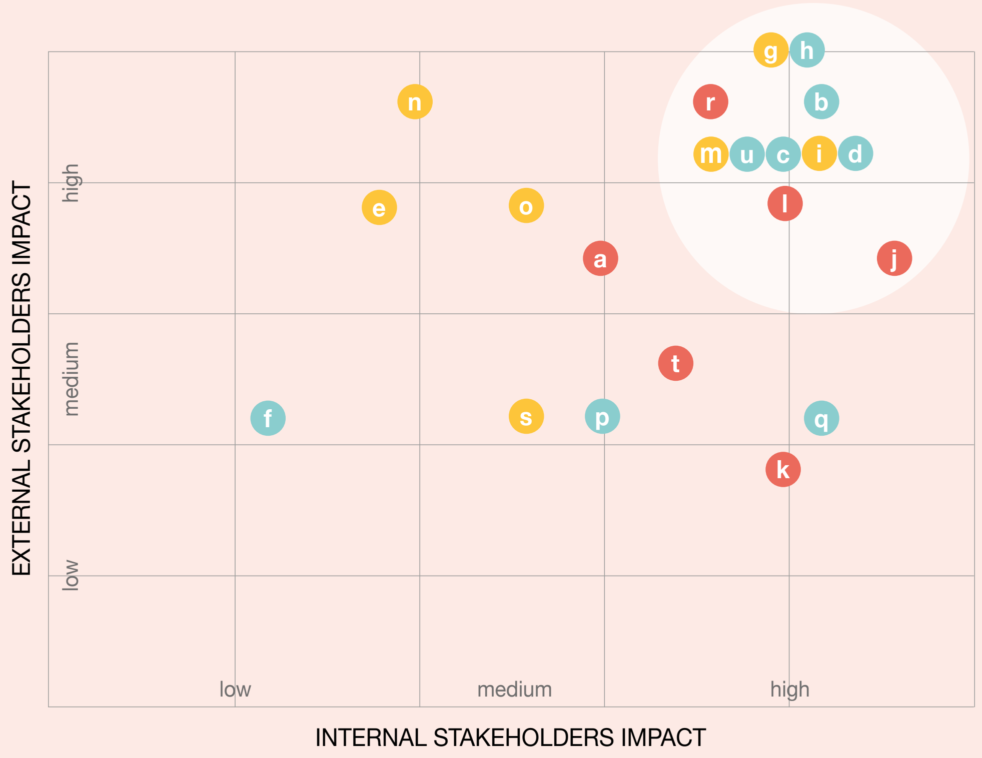
To structure and maximise our Corporate Social Responsibility efforts, we established a CSR framework based on a materiality analysis. We paired a number of ambitious goals to that framework, so that we can make targeted progress and communicate about it in an insightful way. Moreover, with these targets, Aedifica is also contributing to the United Nations Sustainable Development Goals (SDGs).

Our material issues

For the revision of our CSR framework in 2021, Aedifica conducted a materiality assessment that included a peer review, interviews with internal and external stakeholders and an online survey. The results are shown in the materiality matrix, 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 this matrix, we have updated our CSR framework and set new goals for the future, assuming our responsibility and responding as much as possible to the issues of interest to the Group.

The topics that are not in the top right of the matrix are relevant to our industry but are considered less material to Aedifica in the coming years. This does not mean that we are not interested in these topics or that we will not work on them or communicate about them. It just means that Aedifica's efforts on these topics will have less impact on our day-to-day activities.

The 'Business review' chapter of this annual report provides more details regarding the 2023 performance on the most material topics. In June 2024, we will also publish a report with additional environmental performance data.



Portfolio

- b Building certifications
- c Climate change adaptation
- d Life-cycle assessments (LCA)
- f Biodiversity
- h Climate-neutral portfolio
- p Invest in research and development
- q Access to (green) finance
- u Compliance with (local) changing building regulations

Partners

- e Provide sustainable mobility solutions
- g Efficient operations by operators
- i Engage with operators to reduce environmental impact
- m Operators' satisfaction, service quality
- n Health, safety and well-being at asset level
- o Provide quality healthcare services for society
- s Sustainable procurement

Organisation

- a Climate-neutral organisation
- j Talent development and training in the workplace
- k Diversity and equal opportunities
- l Health and well-being employees
- r Ethics, compliance and integrity
- t Data protection and cyber security

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Our CSR framework

Following our 2021 materiality review, we updated our CSR framework to enable us to work towards our Company's purpose and address our key CSR topics. Our CSR framework helps us make sustainability part of everything we do and focus on the issues where we can have the greatest impact.

Our Corporate Social Responsibility Framework is focused on three main areas: reducing our environmental footprint, strengthening our stakeholder relationships and continuing to be an attractive organisation that makes its people thrive.

Portfolio

Reducing environmental impact, operational costs and risks

- Measuring and reducing environmental impact
- Minimising risks (safety, technical, materials, etc.)
- Complying with (future) building regulations
- Optimising internal comfort
- Stimulating eco-efficient investments by operators and/or third parties
- Meeting the needs of future senior housing

Partners

Strengthening relationships within the healthcare real estate sector

- Optimising relationships with operators
- Sharing knowledge in the healthcare sector concerning sustainable real estate
- Connecting with our communities and better understanding the needs of clients and operators

Organisation

Making our people thrive

- Investing in the training and development of our team
- Running a robust health & well-being programme
- Remaining attractive for future healthcare real estate experts
- Providing a work environment for a diverse workforce
- Meeting ethical standards at its core foundation
- Having governance policies and procedures in place

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Our CSR goals

Following the materiality assessment and the update of our CSR framework in 2021, we have revamped our action plan and committed ourselves to more ambitious CSR goals. These goals allow us to focus our efforts on reducing our environmental impact, and work with key stakeholders (such as employees, shareholders, residents, etc.) to achieve these targets, while maintaining responsible business practices.

In the Business Review chapters, you can track how far we have progressed in achieving these objectives.

NON-FINANCIAL REPORTING

Aedifica is not subject to the Non-Financial Reporting Directive and is also not yet subject to the Corporate Sustainability Reporting Directive (CSRD) or EU Taxonomy. For several years, however, Aedifica has already conceived its Annual Financial Report as a report that not only includes financial information, but also non-financial information.

This Annual Report incorporates a large amount of CSR-related information. Similar to last year, Aedifica will therefore not publish a separate CSR report, but only an **Environmental Data Report in June 2024** providing an update of our environmental performance, including KPIs.

	Goals	Actions taken in 2023	Status	Page
PORTFOLIO	Achieving net zero emissions for our real estate portfolio by 2050	Portfolio evaluation using CRREM and interim target set for 2030 (targets were set for country management and the Executive Committee).	on track	
	Applying Building Assessment (BA) strategy to 100% of our properties in operation by 2025	Ongoing. A group-wide platform was implemented to support compliance assessment.	on track	
	Conducting a climate change risk assessment in 2023	Climate change risk assessment for physical and transition risks conducted in collaboration with an external partner.	√	38
PARTNERS	Increasing the response rate of operators participating in engagement survey	Operator engagement survey conducted in 2023, with response rate increasing by 32%.	√	48
	Implementing a green awareness programme for tenants	The green lease annex was added to both newly signed and several existing leases.	ongoing	49
	Organising Operator Days in each region every three years	Operator Days organised in Belgium and the UK.	ongoing	48
	Organising annual Community Days for employees	Community Days organised in Belgium & Finland. 51 employees performed 218 hours of community support.	√	50
ORGANISATION	Rolling out Aedifica Academy in all regions	Aedifica Academy was launched for all teams. Over 2,650 hours of training were offered to employees.	√	57
	Organising an annual employee satisfaction survey	With a participation rate of 90% and a Trust Index Score of 82%, almost 9 in 10 employees would recommend Aedifica as a great place to work.	√	55
	Mandatory annual ethics training for employees	100% of employees have received ethics training.	√	57 & 60
	Implementing a health & well-being programme for employees	Initiatives to improve communication, social cohesion and employee engagement.	ongoing	

130 kWh/m²
net energy use intensity target for 2030

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Excellent ESG ratings

Aedifica has participated in ESG assessments by independent rating agencies to improve and benchmark its efforts and communication on sustainability and check its resilience to long-term and ESG risks. These assessments were conducted within the framework of EPRA Sustainability Reporting and the Global Real Estate Sustainability Benchmark (GRESB). Other rating agencies also publish reports on Aedifica's sustainability performance, such as Sustainalytics and MSCI.

The ratings awarded to Aedifica in 2023 again prove that our CSR approach is on the right track. In the GRESB[1], we achieved an excellent score of 75/100 for the 2022 reference year, highlighting our efforts to reduce our greenhouse gas emissions. This seven-point improvement over last year is significant, especially considering that the average GRESB score of all participants improved by only one point.

In addition, we maintained our excellent Sustainalytics Risk Rating and MSCI score, while our CSR reporting was awarded a 4th consecutive 'EPRA sBPR Gold Award'.

Inclusion in new BEL ESG index

Aedifica's CSR strategy is not only reflected in good scores on ESG assessments. The Group was also rewarded for its efforts with inclusion in the new BEL ESG index that was launched in early 2023. That index comprises the 20 shares on Euronext Brussels that perform best on ESG criteria, based among other things on their Sustainalytics Risk Rating. At the end of 2023, Aedifica's Sustainalytics Risk Rating was 'Low' with a rating of just 11.1.

75/100

Aedifica improved its GRESB score by 7 points

	2023	2022	2021	2020	2019
EPRA sBPR	Gold	Gold	Gold	Gold	Silver + Most Improved
GRESB	75 **	68 **	66 **	57 *	–
Sustainalytics Risk Rating	Low (11.1)	Low (11.1)	Low (11.9)	Low (17.8)	–
MSCI	A	A	BBB	BB	BB

Aedifica & the SDGs

The United Nations Sustainable Development Goals are considered a blueprint for a better and more sustainable future for us all. The SDGs cover a wide range of sustainable issues such as poverty, health, education, climate change, and environmental degradation, and are a call to action for governments, organisations, and civil society. Aedifica uses the SDGs as an overarching framework to shape its CSR strategy. We have revised our focus on the SDGs following the 2021 materiality assessment and will focus our efforts on four aspects where we can make a meaningful contribution.

Aedifica's contribution

5. Gender equality

Aedifica strives for equal opportunities for employees at all levels of our organisation. We monitor employee engagement and training opportunities and conduct an annual gender pay gap analysis to reduce inequalities. Within our supply chain and in our interactions with other stakeholders, we aim to promote diversity and equal opportunities.

7. Affordable and clean energy

Investing in energy efficiency is critical to achieving our greenhouse gas reduction goal. That is why we invest in advanced technologies that reduce energy consumption, on-site renewable energy generation such as solar, and benchmark the energy intensities of our entire portfolio to identify opportunities and raise operators' awareness of their relative inefficiencies.

12. Responsible consumption and production

We will introduce a material passport for each (re)development and renovation project to better manage the natural resources needed during construction works. This material passport will provide detailed information on the materials used, helping us understand our consumption patterns and promoting responsible consumption and production. We will raise awareness among our tenants to significantly reduce waste production in their operations and increase recycling wherever possible.

13. Climate action

We have developed a building assessment framework that includes a climate change risk assessment to better understand the impact of climate change on our organisation and our operators. We will work with local authorities to create resilient communities.

Our net zero GHG pathway lays the foundation to minimise our greenhouse gas emissions each year, pursuing the ultimate goal of net zero GHG emissions by 2050.

UN GLOBAL COMPACT

In addition to its public commitment to the SDGs, Aedifica has endorsed the UN Global Compact, the UN corporate social responsibility initiative, and its principles in the areas of human rights, labour, environment and anti-corruption.

United Nations Global Compact

1. GRESB (Global Real Estate Sustainability Benchmark) is an independent real estate benchmark that assesses the sustainability policy of real estate companies.

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Chartwell Manor - Aylesbury (UK)

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617
care properties

>140
opertor groups

127
employees

€314m
2023 rental income

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Portfolio

Kansantie school, Helsinki (FI)

Clondalkin Nursing Home - Dublin (IE)

Loughshinny Nursing Home - Dublin (IE)

Our property types

Elderly care homes

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

Senior housing

Senior housing is designed for elderly people who want to live independently with access to care and services on demand. These care properties consist of individual housing units where the elderly live independently, with communal service facilities that can be used on an optional basis.

Childcare centres

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

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, we invest in care campuses that combine elderly care with other complementary care functions such as day-care centres, medical centres, medical practices, childcare centres, housing for people with a disability, etc.

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 domestic violence, addiction therapy, emergency childcare, special education, etc.

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1. Our portfolio

1.1 Our portfolio as at 31 December 2023

Overview of fair value, contractual rents and gross yields by country[1]

	# Sites	Total surface (m²)	# Residents	# Children	Fair value of marketable investment properties[2]	Contractual rent	Estimated rental value (ERV)	Gross yield[3]
Belgium	80	514,801	8,107	-	€1,235,917,303	€70,223,282	€63,986,370	5.7%
Germany	100	580,510	10,232	-	€1,157,294,024	€62,016,040	€62,636,430	5.4%
Netherlands	72	345,576	3,137	-	€651,180,000	€40,246,539	€40,897,338	6.2%
United Kingdom	114	329,369	7,260	-	£905,996,066 €1,045,800,318	£57,653,494 €66,550,005	£61,478,386 €70,965,116	6.4%
Finland	201	272,799	3,594	11,197	€1,027,080,000	€59,486,004	€60,314,488	5.8%
Sweden	26	17,305	140	610	SEK 833,200,000 €74,788,032	SEK 50,997,763 €4,577,559	SEK 50,715,555 €4,552,228	6.1%
Ireland	22	117,193	2,301	-	€393,083,797	€21,989,800	€20,364,772	5.6%
Spain	2	15,449	300	-	€2,577,924	€124,261	€125,386	-
Right of use related to plots of land held in 'leasehold'					€73,172,857			
Land reserve					€18,670,744			
Total	**617**	**2,193,002**	**35,071**	**11,807**	**€5,679,565,002**	**€325,213,490**	**€323,842,129**	**5.8%**

> **For a detailed overview of the portfolio at asset level, see 'Summary of investment properties' in the chapter 'Additional information'.**
pages 192-209

617
care properties

2,193,000
m²

35,100
residents

>11,800
children

5.8%
average gross yield

1. Amounts in £ and SEK were converted into € based on the exchange rate of 31 December 2023 (0.86632 €/£ and 11.14082 €/SEK).
2. Including assets classified as held for sale*.
3. 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, Spain 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).

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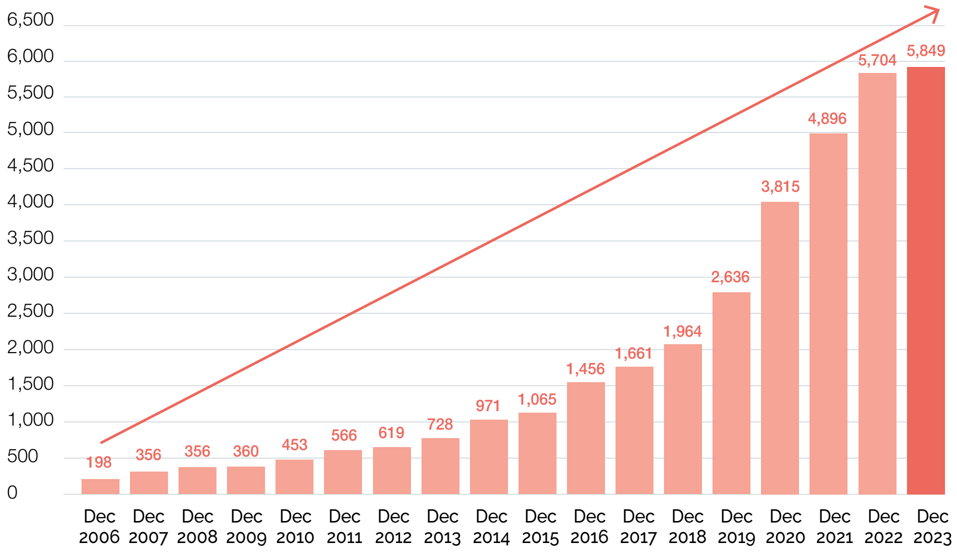
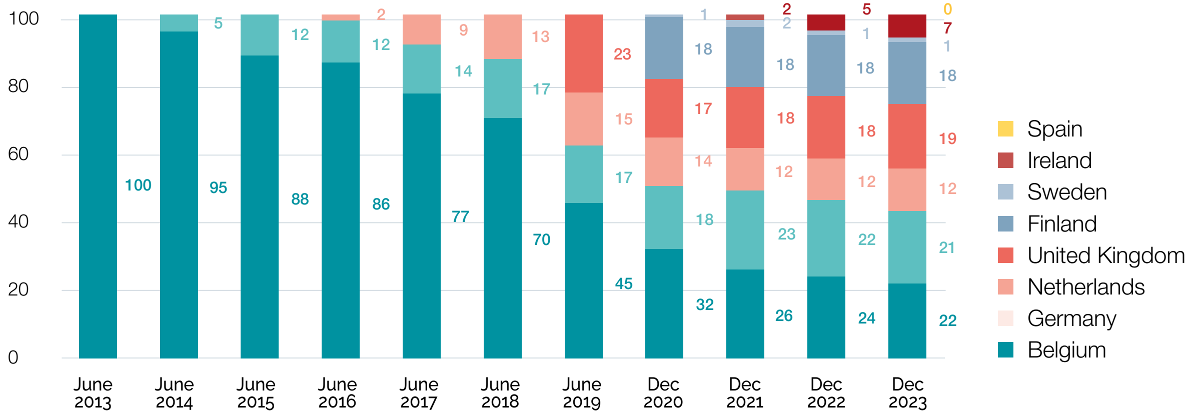
INVESTMENT PROPERTIES IN FAIR VALUE (IN € MILLION)

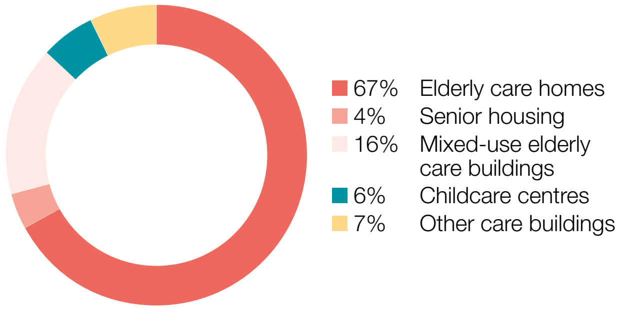


22%
compound annual growth rate

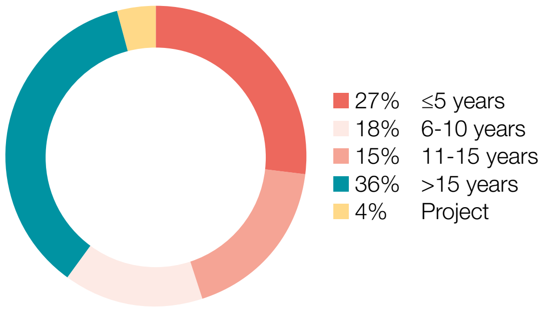
GEOGRAPHICAL BREAKDOWN IN FAIR VALUE (%)



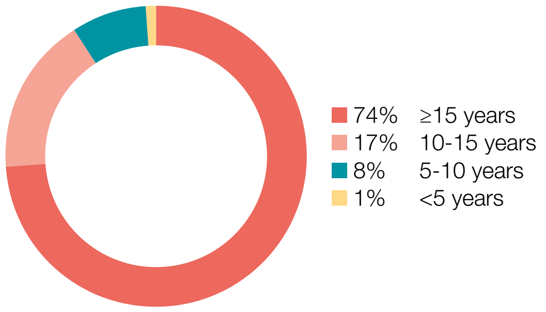
BREAKDOWN BY FACILITY TYPE IN FAIR VALUE (%)



AGE OF BUILDINGS IN M²



UNEXPIRED LEASE TERM (%)



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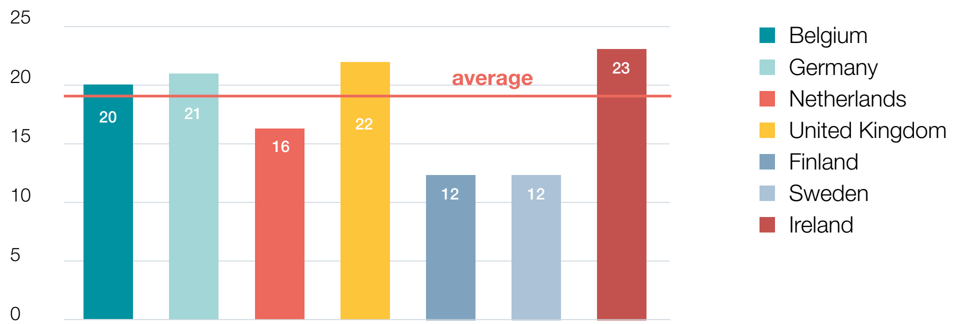
WEIGHTED AVERAGE UNEXPIRED LEASE TERM BY COUNTRY (IN YEARS)



Insured value

Aedifica's investment properties are insured for a total value of €6,020 million.

Breakdown by building (in fair value)

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

19 years

WAULT

100%

overall occupancy rate

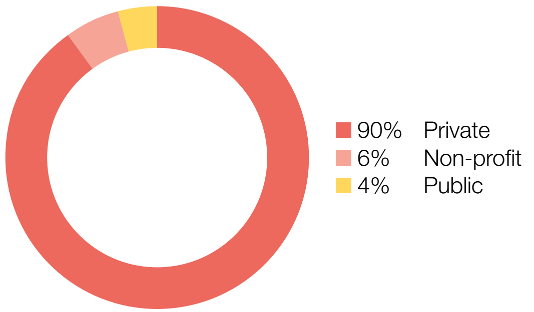
OPERATOR OCCUPANCY RATES TRENDING TOWARDS PRE-PANDEMIC LEVELS

After the COVID-19 pandemic, care home operators across Europe see their occupancy rates increase again and trending towards pre-pandemic levels, demonstrating the resilience of the sector. In all countries, operator occupancy rates for stabilised assets are well above 80% and increasing year-on-year. For the regions for which we were able to collect a representative sample of data, we have listed in the table below the occupancy rates of operators as at 30 September 2023, as well as their year-on-year growth (expressed in base points). Only 'stabilised' assets[1] are considered in the table.

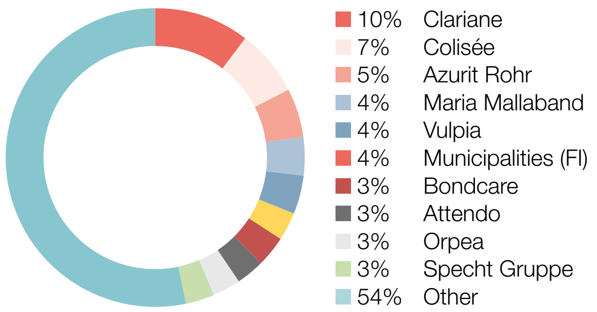
Operator occupancy rate	30/09/2023	Y/Y growth (in base points) on a like-for-like basis	Data coverage[2]
Belgium	95%	+365	87%
Germany	83%	+410	77%
Netherlands	85%	+360	66%
United Kingdom	91%	+210	94%
Ireland	94%	+160	100%

1. Assets are considered 'stabilised' and included in the scope once they have been operating for at least two years. Assets are excluded from the scope if they are (partially) vacant for renovation works.
2. Based on the contractual rent of stabilised assets.

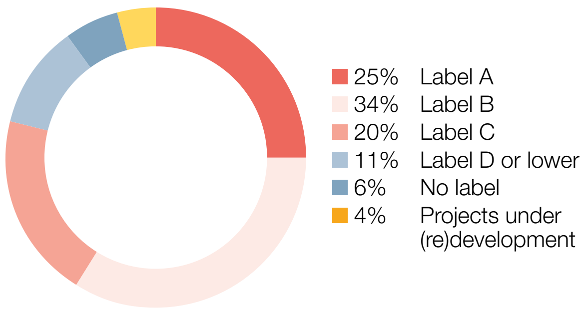
BREAKDOWN OF CONTRACTUAL RENTS BY TENANT SECTOR (%)



BREAKDOWN OF CONTRACTUAL RENTS BY TENANT GROUP (%)



BREAKDOWN OF EPC LEVELS (% OF TOTAL M²)



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BREAKDOWN OF CONTRACTUAL RENTS BY TENANT GROUP

Tenant group	Number of sites	31/12/2023	31/12/2022
Belgium	**80**	**24%**	**24%**
Korian Belgium [1]	28	7%	7%
Armonea [2]	21	7%	6%
Vulpia	13	4%	4%
Orpea [3]	4	1%	3%
Militza	2	1%	1%
Vivalto Home [4]	1	0%	0%
Emera [5]	1	0%	0%
Other <1%	10	2%	3%
Germany	**100**	**19%**	**20%**
Azurit Rohr	23	5%	5%
Residenz Management [6]	14	3%	1%
Vitanas	12	3%	3%
Specht & Tegeler	7	1%	1%
Orpea [3]	5	1%	1%
Argentum	7	1%	1%
EMVIA	4	1%	4%
Alloheim	5	1%	1%
Cosiq	3	1%	1%
Procuritas	2	0%	0%
Korian Germany [1]	1	0%	0%
Specht Gruppe [6]	2	0%	0%
Other <1%	15	3%	3%
Netherlands	**72**	**12%**	**12%**
Korian Netherlands [1]	22	3%	3%
Vitalis	3	1%	2%
Martha Flora	10	1%	1%
NNCZ	5	1%	1%
Compartijn [3]	6	1%	1%
Domus Magnus	4	1%	1%
Stichting Oosterlengte	3	1%	0%
Saamborgh	2	0%	0%
Stichting Rendant	1	0%	0%
Stichting Fundis	2	0%	0%
Zorghaven Groep	2	0%	0%
Wonen bij September [3]	1	0%	0%
Other <1%	11	2%	2%
United Kingdom	**114**	**20%**	**20%**
Maria Mallaband	17	4%	4%
Bondcare Group	21	3%	3%
North Bay Group [7]	22	3%	3%
Care UK	12	1%	2%
Emera [5]	7	1%	1%
Anchor Hanover Group	5	1%	1%
Renaissance	9	1%	1%
Danforth Care	3	1%	1%
Excelcare	3	1%	1%
Caring Homes	4	1%	1%
Lifeways	2	0%	0%
Harbour Healthcare	3	0%	1%
Other <1%	6	2%	1%
Finland	**201**	**18%**	**17%**
Municipalities/ Wellbeing counties	31	4%	3%
Attendo	31	3%	3%
Mehiläinen	19	2%	2%
Norlandia [8]	14	1%	2%
Touhula	22	1%	2%
Pilke	21	1%	1%
Esperi	4	1%	0%
Kristillinen koulu	2	1%	1%
Ikifit	3	0%	0%
Rinnekoti	4	0%	0%
KVPS	2	0%	0%
Sentica	3	0%	0%
Aspa	3	0%	0%
Musiikkikoulu Rauhala	2	0%	0%
Siriuspäiväkodit	2	0%	0%
Other <1%	38	3%	3%
Sweden	**26**	**1%**	**1%**
Team Olivia	5	0%	0%
Ambea	4	0%	0%
Kunskapsförskolan	2	0%	0%
Humana	3	0%	0%
NHC Group Services	3	0%	0%
MoGård	2	0%	0%
Norlandia [8]	1	0%	0%
Other <1%	6	0%	0%
Ireland	**22**	**7%**	**5%**
Bartra Healthcare	4	3%	2%
Virtue [5]	8	2%	2%
Silver Stream Healthcare	3	1%	1%
Mowlam Healthcare	3	1%	-
Coolmine Caring Services Group	3	1%	0%
Grace Healthcare [4]	1	0%	-
Spain	**2**	**0%**	**0%**
Neurocare Home	2	0%	0%
TOTAL	**617**	**100%**	**100%**

1. Clariane group.
2. Colisée group.
3. Orpea group.
4. Vivalto group.
5. Emera group.
6. Specht Gruppe.
7. Formerly known as the Burlington group.
8. Norlandia group.

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Aedifica's real estate portfolio is operated by more than 140 tenant groups. Five groups operate properties in multiple countries in which the Group operates: Clariane, Orpea, Emera, Norlandia and Vivalto. The weight of these groups in Aedifica's contractual rents is broken down by country in the table below.

Tenant	Country	Number of sites	31/12/2023	31/12/2022
Clariane group		**51**	**10%**	**10%**
	Belgium	28	7%	7%
	Germany	1	0%	0%
	Netherlands	22	3%	3%
Orpea group		**16**	**3%**	**5%**
	Belgium	4	1%	3%
	Germany	5	1%	1%
	Netherlands	7	1%	1%
Emera group		**16**	**3%**	**3%**
	Belgium	1	0%	0%
	United Kingdom	7	1%	1%
	Ireland	8	2%	2%
Norlandia group		**15**	**1%**	**2%**
	Finland	14	1%	2%
	Sweden	1	0%	0%
Vivalto group		**2**	**1%**	**0%**
	Belgium	1	0%	0%
	Ireland	1	0%	-

Oulu Upseerinkatu - Oulu (FI)

TRANSFER OF OPERATIONS OF CARE HOMES TO NEW OPERATORS

In 2023, the operations of certain care homes were transferred to new operators in order to guarantee continuity of operations while proactively reducing tenant risks. The main transfers are listed below:

- Twelve care homes[1] were transferred from EMVIA Living to Residenz Management[2] and Specht & Tegeler. Following these transfers, Residenz Management and Specht & Tegeler now operate sixteen and seven Aedifica care properties representing 3.2% and 1.3% of the Group's contractual rental income, respectively, while EMVIA Living operates four Aedifica care properties representing 0.9% of contractual rental income.
- The operation of the Klein Veldekens care campus was transferred from Astor VZW to Armonea, part of the Colisée group. Following the transfer, Armonea now operates 21 Aedifica care properties, representing 6.5% of the Group's contractual rental income.

1. Seniorenquartier Kaemena Hof, Seniorenquartier Weyhe, Seniorenquartier Kaltenkirchen, Seniorenquartier Lübbecke, Schwerin, Seniorenquartier Espelkamp, Seniorenquartier Beverstedt, Seniorenquartier Wolfsburg, Seniorenquartier Sehnde, Seniorenquartier Cuxhaven, Seniorenquartier Schwerin and Seniorenresidenz Twistringen.
2. An entity of Specht Gruppe.

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1.2 Our investment programme as at 31 December 2023

Projects and renovations (in € million) [1]	Operator	Current budget	Invest. as at 31/12/2023	Future invest.
Projects in progress		**347**	**168**	**179**
Completion 2024		228	140	88
BE		**11**	**5**	**6**
Résidence Véronique	Vulpia	10	5	5
In de Gouden Jaren	Emera	1	0	1
DE		**35**	**28**	**7**
Seniorenquartier Gera [2,3]	Specht Gruppe	16	14	1
Haus Marxloh [3]	Procuritas	4	4	0
Fredenbeck [2]	Specht & Tegeler	15	10	5
NL		**13**	**7**	**6**
De Volder Staete	Amado Zorg & Stichting Pinahuis	13	7	6
UK		**33**	**15**	**18**
North Bay Group projects	North Bay Group	1	0	1
St Mary's Lincoln	North Bay Group	16	6	10
York Bluebeck Drive	Torwood Care	16	9	7
FI		**60**	**42**	**18**
Finland – pipeline 'elderly care homes'	Multiple tenants	9	8	2
Finland – pipeline 'other'	Multiple tenants	51	35	16
SE		**21**	**15**	**7**
Sweden – pipeline 2024	Multiple tenants	21	15	7
IE		**43**	**22**	**21**
Altadore	Virtue	1	0	1
Dublin Stepaside [2]	Virtue	26	18	8
Sligo Finisklin Road [2]	Coolmine Caring Services Group	16	4	12
ES		**12**	**6**	**6**
Tomares Miró	Neurocare Home	12	6	6

Projects and renovations (in € million) [1]	Operator	Current budget	Invest. as at 31/12/2023	Future invest.
Completion 2025		83	25	58
BE		**19**	**0**	**19**
Militza Gent	My-Assist	19	0	19
DE		**1**	**1**	**0**
Bavaria Senioren- und Pflegeheim	Auriscare	1	1	0
UK		**1**	**0**	**1**
St. Joseph's	LV Care Group	1	0	1
FI		**49**	**23**	**26**
Finland – pipeline 'childcare centres'	Multiple tenants	23	11	12
Finland – pipeline 'elderly care homes'	Multiple tenants	19	9	10
Finland – pipeline 'other'	Multiple tenants	7	3	4
ES		**13**	**1**	**12**
Zamora Av. de Valladolid [2]	Neurocare Home	13	1	12
Completion 2026		5	1	5
DE		**5**	**1**	**5**
Am Parnassturm	Vitanas	4	1	3
Sz Berghof	Azurit	2	0	2
Completion 2027		30	1	29
DE		**30**	**1**	**29**
Seniorenquartier Gummersbach [2]	Specht Gruppe	30	1	29
Projects subject to outstanding conditions/ forward purchases		**67**	**0**	**67**
Completion 2024		67	0	67
BE		**17**	**0**	**17**
Résidence le Douaire	Vulpia	17	0	17
UK		**42**	**0**	**42**
Dawlish [3]	Maria Mallaband	16	0	16
Spaldrick House	LV Care Group	11	0	11
Biddenham St James	Maria Mallaband	15	0	15
FI		**7**	**0**	**7**
Finland – pipeline 'childcare centres'	Multiple tenants	7	0	7
TOTAL INVESTMENT PROGRAMME		**413**	**168**	**245**
Changes in fair value			-2	
Roundings & other			3	
On balance sheet			169	

1. The figures in this table are rounded amounts. The sum of certain figures might therefore not correspond to the stated total. Amounts in £ and SEK were converted into € based on the exchange rate of 31 December 2023 (0.86632 €/£ and 11.14082 €/SEK).
2. Although still under construction, development projects often already generate limited rental income, 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.
3. This project has already been completed after 31 December 2023 (see page 66).

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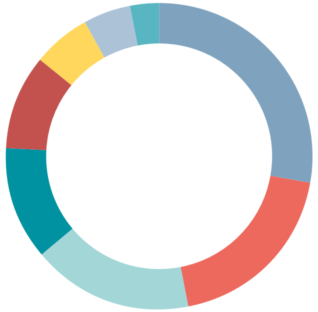
Given the completion of nine projects since 31 December 2023, the total investment budget will be reduced by approx. €59 million (see page 66).

5.6%

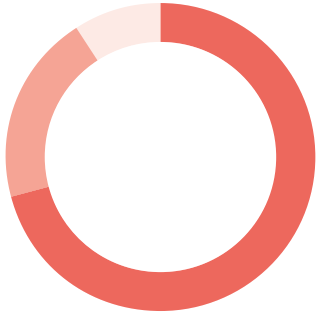
average net yield on cost of pipeline

GEOGRAPHICAL BREAKDOWN PIPELINE (%)



- 28% Finland
- 19% United Kingdom
- 17% Germany
- 12% Belgium
- 10% Ireland
- 6% Spain
- 5% Sweden
- 3% Netherlands

EXPECTED COMPLETION DATE PIPELINE (%)



- 71% 2024
- 20% 2025
- 9% >2026

Huize Hoog Kerckebosch - Zeist (NL)

MANAGING THE PIPELINE

Active management of the investment programme has led to nine projects totalling approx. €82 million being withdrawn in 2023. They include five projects in Germany, two projects in the UK, a development project in Sweden and the Orpea renovation project in Brussels. De Volder Staete – a development project in the Netherlands of approx. €13 million that was removed from the pipeline last year – has been re-added.

Aedifica anticipates a further reduction in the size of its investment programme through the completion of projects to approx. €120 million by the end of 2024 (not considering the addition of new projects throughout the year).

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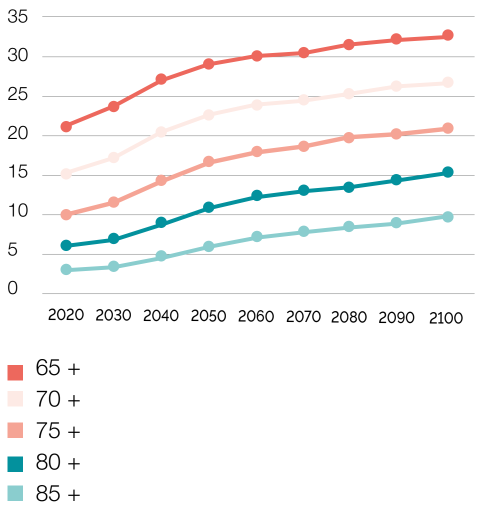
1.3 Market trends[1]

Population ageing in Europe (%)[2]



European trends

In the European Union and the United Kingdom, the population of persons over 80 years old has increased to more than 30 million people (2023). 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 over 60 million people by 2060. In the coming decades, this demographic trend will further stimulate demand for healthcare real estate, underpinning the resilience of the sector.

European operators can be divided into three categories: public, non-profit and private operators. Their market share in the various countries differs depending on the local social security system. At European level, private care operators manage approx. 32% of the total number of beds in residential care centres (+400 bps in three years). Care providers in the consolidating private segment are developing their activities in both domestic and foreign markets. European governments are facing the challenge of addressing several key societal needs. As a result, they are more often focusing on financing care and care dependency rather than providing care as public operators. Also, both private and public operators will have to rely more often on private investors to finance healthcare real estate infrastructure that meets the needs of the ageing population.

Healthcare operators are facing similar phenomena across Europe. They are finding it increasingly difficult to attract and retain new (young) people, leading to healthcare systems struggling to keep up with rising demand. In addition, inflation puts further pressure on the operating costs of residential care centres, through higher energy bills and upward pressure on wages. On the other hand, after a dip in operators' occupancy rates following the COVID-19 pandemic, occupancy is recovering to pre-pandemic levels in most regions[3], which should result in a gradual improvement of the financial health of operators.

At European level, the investment volume in healthcare real estate has increased significantly in recent years (e.g. the investment volume for residential care facilities has increased from approx. €2 billion in 2015 to approx. €12.4 billion in 2022). Although investment volumes across Europe declined significantly in 2023 due to increased financing costs, this upward trend is expected to continue in the medium to long term. This is because the demographic trend of an ageing population will accelerate from the mid-2020s, while development activity to provide more capacity in terms of specific healthcare infrastructure seems to slow down in the short term due to increased financing costs.

The number of people over 80 in Europe will double to 60 million by 2060. This demographic trend will further increase the demand for healthcare real estate.

Charles-Antoine van Aelst
CIO

1. This section was prepared by Aedifica based on information from the valuation experts.
2. This chart was prepared using publicly available information from Eurostat and the UK Office for National Statistics.
3. See page 30.

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	Belgium	Germany	Netherlands	United Kingdom
Population aged ≥80	from 5.5% now to 10.2% in 2060	from 7.2% now to 10.5% in 2060	from 4.9% now to 10.2% in 2060	from 5.2% now to 9.6% in 2060
# care home beds	150,000 units in 1,500 care facilities Based on the demographic forecasts and the increase in life expectancy, the current increase in supply will not meet demand over time.	985,000 units in 16,115 care facilities Forecasts predict that approx. 168,000 extra beds will be needed by 2040, offering significant prospects for growth and consolidation. In some regions, demand already exceeds supply. Opportunities to create new capacity in care homes are limited by the lack of building sites and the high cost of plots and building materials. Consequently, there is currently more investment in existing sites and renovations.	125,000 units in 2,400 care facilities Estimates suggest that around 150,000 additional beds will be needed by 2050 to provide the same level of care as today (on top of the necessary redevelopment of outdated existing care infrastructure). However, the Dutch government plans to limit the number of extra beds in the coming years.	480,600 units in 12,400 care facilities An increasingly ageing population with higher healthcare needs is expected to significantly drive demand for healthcare real estate in the UK in the near future.
Operator market	Approx. 30% of the care home beds in Belgium are managed by the public sector, while the non-profit sector and the private sector both operate approx. 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 (17% of the total number of beds).	Approx. 54% of care home beds are operated by non-profit operators, 42.5% by private operators and 4.5% by public operators. Although the German market is increasingly consolidating and privatising, it remains highly fragmented, with the ten largest private operators currently holding a market share of only 14%.	Approx. 90% of care home beds are operated by non-profit operators. Private operators account for approx. 10% and mainly operate small-scale sites with an average capacity of 24 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.	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 13% of the total bed capacity, while the top 10 account for 18%.
Investment volume	€285 million in 2023 (€570 million in 2022)	€1 billion in 2023 (€2.4 billion in 2022)	€600 million in 2023 (€1.3 billion in 2022)	£923 million in 2023 (£2.4 billion in 2022)
Prime net yield	4.75% - 5.25%	approx. 5.1%	approx. 5.0%	4.50% - 4.75% (6.5% - 7.5% for mid-market real estate)
Other remarks		Higher energy costs, staff shortages and stricter regulations, complicate financing for operators and make investors more cautious, leading to longer transaction processes.		The UK elderly care market is financed by a mix of public (Local Authorities and the National Health Service) and private funds (self-payers). The latter category's market share has risen sharply in recent years (46%). People who meet certain conditions regarding care needs can get social care services from Local Authorities after an assessment of their financial situation (43%). The NHS provides funding to seniors with primary care needs (9%).

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	Finland	Sweden	Ireland	Spain
Population aged ≥80	from 5.9% now to 11.1% in 2060	from 5.5% now to 9.3% in 2060	from 3.6% now to 10.6% in 2060	from 6.1% now to 15.1% in 2060
# care home beds	80,000 units in 2,650 care facilities The demand for healthcare real estate remains high, while supply is limited.	88,000 units for elderly people and 28,000 units for people with special care needs Approx. 50% of Swedish municipalities report a shortage of housing for people with special care needs while 33% report a shortage of housing for elderly people with care needs.	26,000 units in 420 care facilities Demand for healthcare real estate remains high due to care operator consolidation and interest from REITs, while supply is limited because vendors' price expectations are not being met. Much of the remaining stock in private ownership is older, and in many cases, not futureproofed. The high interest rate environment resulted in lower levels of transactions in 2023 than in previous years.	395,000 units in 5,560 care facilities and an additional 28,000 beds under construction Investor interest is moderate, investors and operators are very selective about real estate quality and location. The prime market is seen as a safe haven compared to the secondary segment. However, the fundamentals of the sector remain very strong (population, rising demand, mismatch between supply and demand, ageing of current supply, etc.).
Operator market	Finnish well-being services counties – funded through national taxes – are responsible for providing care to residents. Either they provide care themselves as public operators, or they organise care by outsourcing to private or non-profit care operators. Private healthcare operators have a market share of approx. 55%.	Swedish municipalities – financed with public funds – are responsible for providing care to their residents. The focus of some municipalities seems to shift to giving freedom of choice so that people can choose their own care provider. Private care operators are a central part of that freedom of choice and have seen their market share rise sharply in recent years.	Approx. 20% of care home beds are operated by the public sector while approx. 70% are operated by the private sector (split 50:50 between groups and individual operators) and 10% are run by non-profit operators.	62% of care home beds are operated by the private sector, while 38% are operated by the public sector.
Investment volume	€350 million in 2023 (€1.3 billion in 2022)	€750 million in 2023 (€675 million in 2022)	€140 million in 2023 (€430 million in 2022)	€250 million in 2023 (€433 million in 2022)
Prime net yield	approx. 4.9%	approx. 5.5%	5.0% - 5.5%	approx. 5.4%
Other remarks	Over 70% of children aged 1 to 6 are enrolled full- or part-time in a day-care centre. Approx. 28% of day care centres are operated by private operators and their share is expected to increase in the future.		Virtually all care homes are entered into the 'Nursing Home Support Scheme' (budget of €1.4 billion for 2024) which provides a guaranteed weekly rate per bed and is supported by government funds to make up the shortfall for any residents that cannot afford care.	

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2.Tackling climate change

2.1 Minimising the impact of climate change on our portfolio

Climate change may lead to warmer summers on the European continent, which may require adjustments to buildings to keep indoor temperatures comfortable for building occupants. This is particularly crucial in elderly care, as this vulnerable group is sensitive to high temperatures. This rise in temperatures may lead to a complete rethinking of the way buildings are designed, with more attention paid to active and passive cooling of buildings. Moreover, climate change may lead to sea level rise and extreme weather events that could damage buildings, such as the 2021 floods that affected some of the Group's properties in Germany.

To mitigate climate change risks, we have implemented a building assessment framework (see page 41) that includes a review of 42 risk items carried out at different stages of a building's life cycle. As part of this building assessment, we have conducted a climate change risk assessment in 2023 to better understand the physical and transition risks to our portfolio.

The first iteration of the climate change risk assessment was conducted with the help and expertise of an external partner, paving the way for further development in-house in the future. The methodology is aligned with the TCFD (Task Force on Climate-related Financial Disclosures) and based on principles similar to disaster risk models, drawing on climate and socio-economic modelling data from a variety of sources. This comprehensive climate and socio-economic data covers physical risks such as extreme temperature, drought, wildfires, (pluvial/fluvial) floods, water stress and cyclones, in addition to transition risks. Although the assessment did not consider asset-level risk mitigation strategies, it did explore opportunities related to energy efficiency, material use, resilience, innovation and new markets.

Next steps include targeted actions, recognising that some physical risks require government intervention, while others can be addressed by operators or owners. A thorough review of existing and recommended mitigation measures is planned, in response to identified risks such as fluvial flooding and extreme temperatures. This commitment to proactive risk management underlines our dedication to dealing with climate challenges in a dynamic and evolving landscape.

Aedifica's greatest challenge will be to reduce greenhouse gas emissions from energy consumed by its operators and residents.

Raoul Thomassen
COO

Oulu Valjastie - Oulu (FI)

REDUCING THE ENVIRONMENTAL FOOTPRINT OF OUR PORTFOLIO & OUR TENANTS

- (Re)developing energy-efficient buildings
- Investing in energy-efficient installations
- Introducing building assessment tools
- Engaging with operators to reduce their energy consumption

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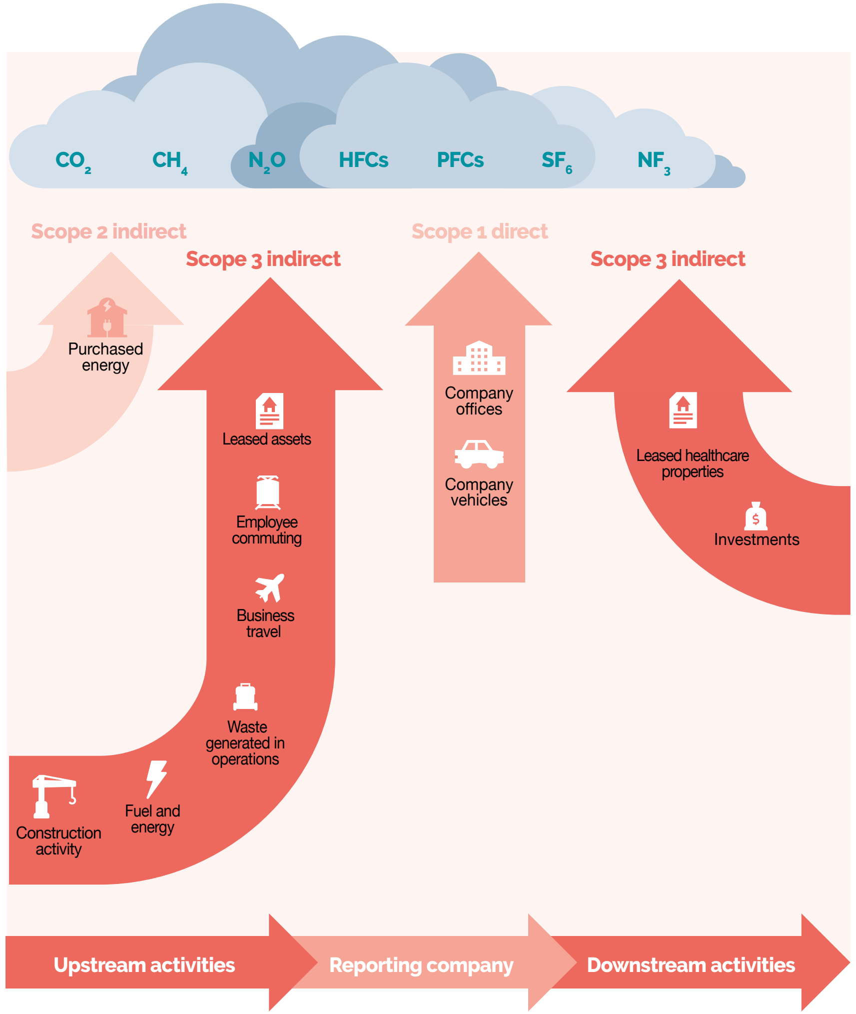
2.2 Reducing our impact on climate change

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. 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 greenhouse gas emissions (GHG) 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 cooperates with its operators on how to develop, maintain and operate our assets in an efficient, safe and sustainable manner.

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 GHG emissions (mainly energy consumed by operators and residents) which are more difficult to control.

As this requires a comprehensive approach and thorough cooperation with our operators, we have developed a net zero GHG pathway.



Environmental Data Report

to be published in June 2024

Energy data coverage evolution[1]

40%
2018

43%
2019

70%
2020

83%
2021

83%
2022

1. Expressed as a percentage of the square meters of reporting buildings relative to the total square meters of buildings in Aedifica's portfolio for the year under review. Additional data received after the publication of previous reports, enhanced coverage. Impact of additional data collected as per May 2023: 40% in 2018, 43% in 2019, 85% in 2020, 91% in 2021.

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2.3 Net zero GHG pathway

In order to achieve climate neutrality, Aedifica is implementing a net zero greenhouse gas pathway addressing every aspect of our business activities. Each of these activities contributes to our goal of reaching net zero greenhouse gas emissions by 2050. This will be a challenging journey in which collaboration and knowledge sharing within the industry is essential. Aedifica is committed to accompanying its stakeholders on this journey.

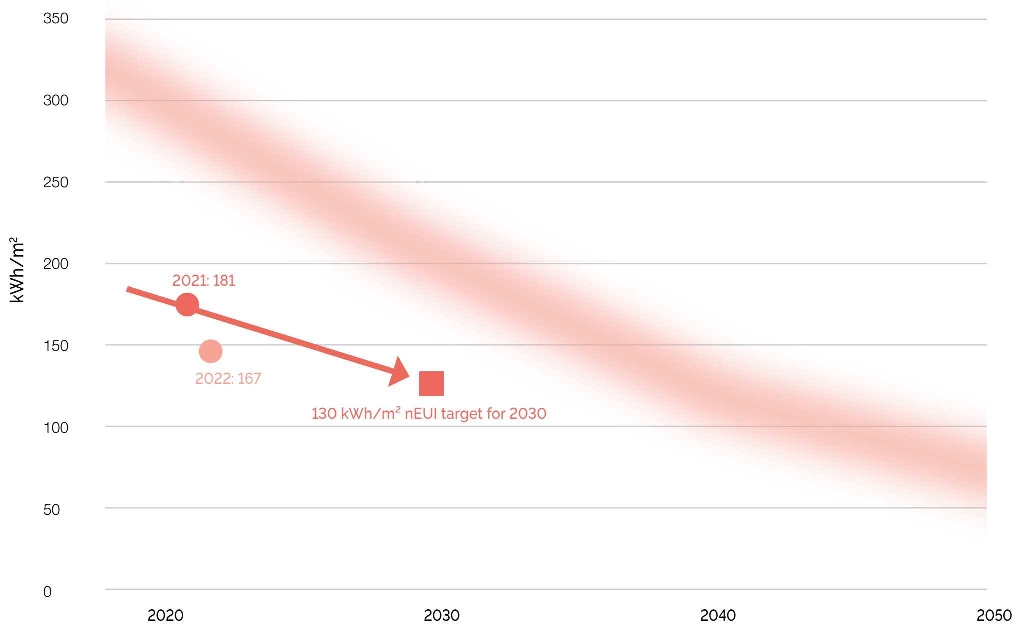
As a property owner, Aedifica's main objective over the next decade is to reduce the net energy use intensity (nEUI) of its portfolio:

- by upgrading buildings to reduce gross energy demand;
- by generating renewable energy on site to reduce net energy demand from the energy grid.

Moreover, purchasing green energy to meet the remaining net energy demand will have an additional positive impact on decarbonisation. The science based Carbon Risk Real Estate Monitor (CRREM) serves as a tool and benchmark in the annual evaluation of building performance and to guide portfolio development in the various countries where Aedifica operates.

An interim target was set for 2030 to reduce the nEUI for the entire Aedifica portfolio to an average of 130 kWh/m², while targets were also set for the Executive Committee and country managers.The targets and measurements were made in accordance with CRREM definitions.

PATHWAY TO NET ZERO GHG EMISSIONS IN THE EUROPEAN HEALTHCARE SECTOR [1]



Business activities	Actions to be taken this decade
Development	• Performing life cycle assessments • Implementing sustainable development guidelines • Introducing a building passport to measure embodied carbon
Acquisitions and divestments	• Performing ESG assessments for acquisitions • Using CRREM-based pathways
Standing investments	• Rolling out a building assessment tool • Benchmarking performance • Setting country and asset level targets • Green investments
Collaboration with operators	• Rolling out green lease contracts and educating operators • Organising Operator Days • Implementing smart meters
Management operations	• Monitoring and off-setting carbon impact • Educating employees • Updating green travel policies

167 kWh/m²
Aedifica actual 2022 [2]

130 kWh/m²
nEUI target for 2030

1. The bandwidth shows the combined pathways committed by the different governments for the healthcare sector in their countries (the eight countries where Aedifica operates) as part of the Paris Accord, expressed in net energy use intensity (kWh/m²).
2. The emissions KPI refers to the year 2022 and will be updated in the Environmental Data Report to be published in June 2024.

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2.4 Building assessment framework

Aedifica has developed a building assessment framework that provides our technical property management team with a structure to monitor the quality of each building. Although Aedifica is not directly involved in the operation of our care homes, we have an impact on how infrastructure is designed, built and maintained in accordance with evolving regulations and current construction techniques. The building assessment framework is based on three pillars: proper monitoring of the overall maintenance condition, the energy consumption and sustainability character of our buildings and their compliance with all applicable regulations.

The sustainability pillar of the building assessment framework provides local Aedifica teams with a roadmap for minimising the environmental impact of their respective portfolio. This framework defines technical requirements for energy efficiency, environmental aspects (e.g., measures to reduce water consumption and improve biodiversity), health criteria (e.g., ventilation rates for air quality) and quality of life criteria for residents (e.g., accessibility) for future development projects. Our development projects in the Netherlands generally already meet most of these criteria, as the Dutch version of our sustainable development framework is similar to the GPR standard.

Moreover, as part of the building assessment, we also carry out a review of 42 risk items. For each development, acquisition and standing investment, we assess a spectrum of potential risks, including loss of general use of the building, flood risk, stability risk, fire risk, explosion risk, environmental impact, energy/sustainability certification and health and safety issues.

Building assessment framework

Maintenance

- Detailed desktop and on-site condition assessments according to the principles of the NEN2767 standard.
- On-site visits conducted by our operations team or independent third parties.
- Uniform approach across the countries where Aedifica operates.
- Follow-up actions with operators.

Sustainability

- Energy data collection and validation on annual basis.
- Evaluating the progress of the net zero GHG pathway using the science based CRREM tool.
- Assessing climate change risk adaptation.
- Defining and implementing sustainable development guidelines per country.
- Energy labels and energy audits provide input for measures needed to improve energy efficiency (including on-site renewable energy generation) as well as input for the CRREM pathways per asset.

Compliance

- Legislation and risk framework – a standardised matrix (adapted to local and regional legislation and regulations) to check a building for compliance. This ranges from building permits and elevator certificates to flood risk assessments.
- Ensuring structural and facility compliance to guarantee the health and safety of residents and employees by monitoring and supporting operators in their responsibilities for the technical management of buildings.

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2.5 Improving building certification

To properly assess the intrinsic energy performance of the assets in our portfolio, we continuously collect information from our operators and benchmark their relative environmental performance. For this purpose, we compare actual energy consumption with the energy levels stated in the applicable EPC[1] standard.

EPCs were first introduced as part of the EU Energy Performance of Buildings Directive and will continue to play an important role in the future as part of EU Taxonomy regulations. EPCs give us an independent picture of a building's energy efficiency by documenting not only a label, but also an estimate of its energy intensity. Buildings with an EPC of level C or better are considered compliant with the country's standards/ambitions.

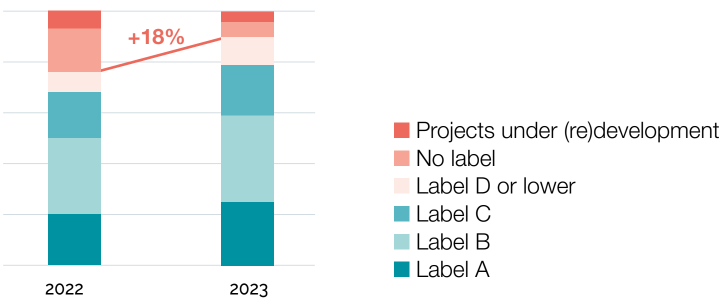
Since we started identifying the existing certificates in our portfolio in 2020, we have been able to compile a comprehensive overview. We increased the EPC coverage of the entire portfolio from 76% in 2022 to 90% in 2023 (+18%).

Building on the insights from our EPC overview, we have developed a clear roadmap to structurally improve the energy efficiency of the portfolio:

- For new developments, the sustainable development framework will help achieve our energy intensity targets.
- Based on the building assessment framework for existing assets, renovation plans will be explored with the operators.
- Funding through sustainable financial instruments will facilitate investments in sustainable new construction projects or specific sustainability projects in the existing portfolio.
- Energy inefficient buildings will be considered for asset rotation when renovation is not feasible.

90%
EPC coverage

BREAKDOWN OF EPC LEVELS[2] (% OF TOTAL M² OF PORTFOLIO)



Cert-Tot	Floor area (m²)	Floor area (%)	Asset value (€ million)
Label A	546,000	25%	1,329
Label B	740,000	34%	2,118
Label C	445,000	20%	1,155
Label D or lower	245,000	11%	565
No label	128,000	6%	329
Projects under (re)development	86,000	4%	93

1. Energy Performance Certificate. EPCs provide an independent assessment of a building's energy efficiency by documenting not only a label but also an estimate of its energy intensity. As the EPC scale used to classify buildings in Belgium differs by region and building type, and to improve comparability within the portfolio, the energy intensity for Belgian buildings is being re-mapped to the 'EPC Public Buildings' scale. Note that the 'EPC Public Buildings' category is currently being phased out and replaced by 'EPC Non-Residential Buildings'.
2. EPC coverage and EPC breakdown by categories have been subject to a 'limited assurance' review by EY Bedrijfsrevisoren BV (see page 221).

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2.6 Walking the talk

At every stage of our value creation process, we strive to reduce our impact on the environment by acquiring efficient buildings and (re)developing buildings to optimise energy consumption, user comfort and reduce operating costs for operators.

Seniorenquartier Sehnde

- Development project
- Location: Sehnde – Germany
- Completed in March 2023
- Capacity: 90 residents
- Investment: approx. €14 million[1]

When constructing Seniorenquartier Sehnde, we not only looked at how to make the building as comfortable as possible, but also considered energy efficiency. We made sure our brand-new care home in the eponymous town meets the high energy efficiency standard 'KfW-EH 55', reflecting our ongoing commitment to sustainability. With a net energy use intensity of approx. 100 kWh/m², this building accommodates elderly care for 90 residents in an energy efficient way.

In addition, 55% of heating and cooling needs are met by renewable energy sources, significantly reducing the building's carbon footprint.

Edingley Lodge

- Renovation project
- Location: Edingley – United Kingdom
- Completed in April 2023
- Capacity: 49 residents
- Investment: approx. €3 million

In 2023, Aedifica invested in the renovation of Edingley Lodge, a care home in the small British village of Edingley that houses 49 residents. Thanks to the implementation of various measures, we improved the energy performance certificate from level 'D' to 'B', indicating a significant improvement in energy efficiency. As a result of the renovation project, the net energy use intensity decreased to approx. 180 kWh/m².

Measures taken include additional insulation of the building envelope, reduction of air permeability, installation of automatic lighting controls and integration of renewable energy generation through solar panels. As a result, energy consumption after renovation has decreased to roughly one-third of typical levels in existing buildings.

Clondalkin Nursing Home

- Acquisition
- Location: Dublin – Ireland
- Acquired in July 2023
- Capacity: 150 residents
- Investment: approx. €38 million

Clondalkin Nursing Home in Dublin was acquired by Aedifica in mid-2023. With a net energy use intensity of approximately 106 kWh/m², the newly constructed building was awarded an A3 Building Energy Rating (BER).

With its thoroughly insulated envelope, this state-of-the-art building exemplifies high-level compactness and energy efficiency. A Combined Heat and Power unit reduces energy consumption. Moreover, in Clondalkin Nursing Home, energy efficiency and comfort for residents come hand in hand. The new building blends seamlessly into the historic environment in which it is embedded. Natural ventilation enhances comfort while reducing reliance on mechanical systems. Additional sustainability measures are being explored, demonstrating the long-term dialogue we have with our tenants on sustainability.

1. Including plot of land and construction.

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Developing a sustainable school campus in Oulu

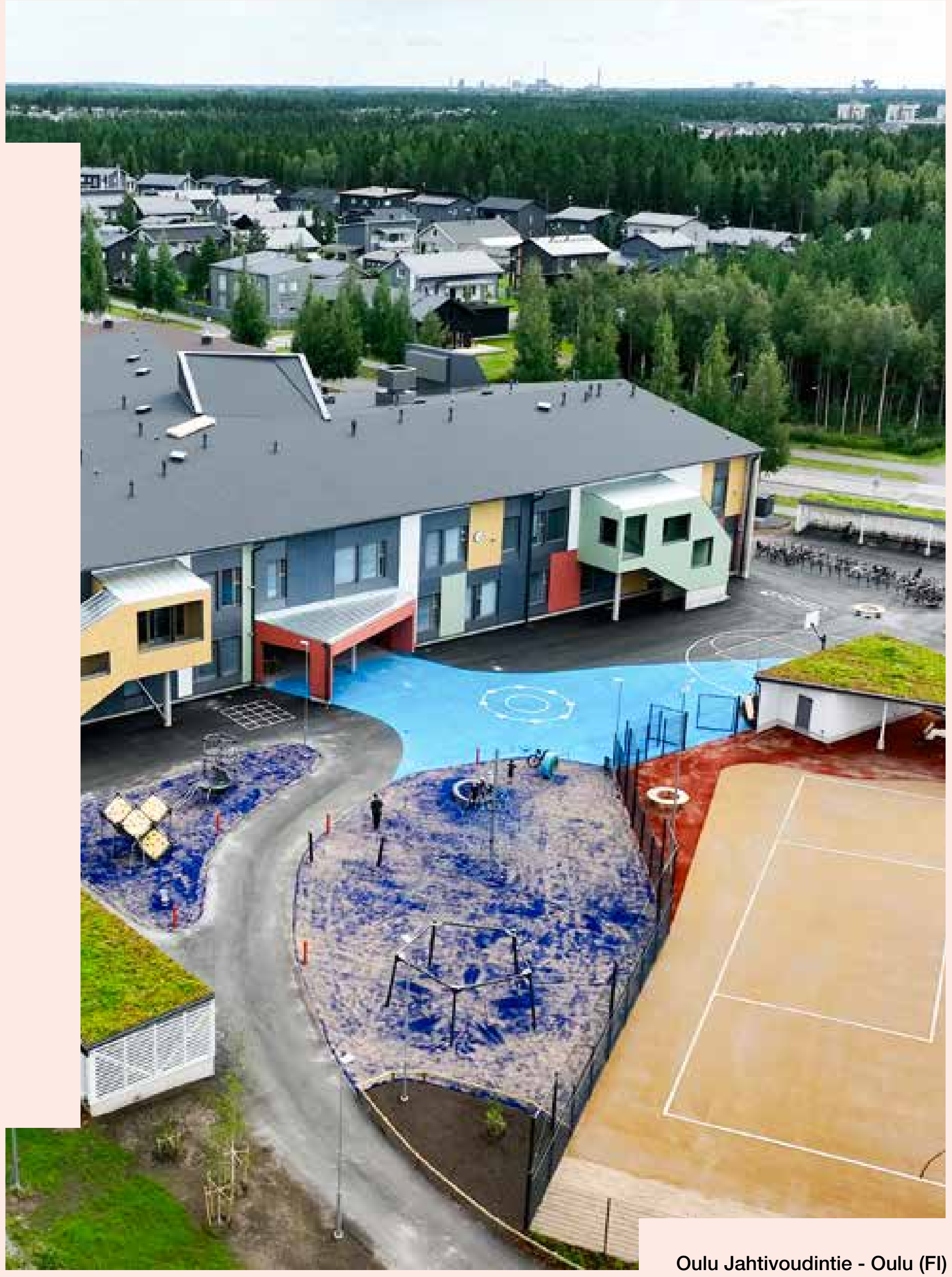
- Acquisition & development project
- Location: Oulu – Finland
- Initial building acquired in August 2022, project completed in June 2023
- Total capacity: 640 students
- Total investment: approx. €19 million

Aedifica, through its local Hoivatilat team, joined forces with the city of Oulu to extend the Riistakuja school into a large campus of two buildings connected by a common playground.

During summer 2022, we therefore completed the acquisition of the initial school building, which had been constructed by the city of Oulu in 2016. With a surface area of over 3,400 m², the school can accommodate 300 pupils. After the completion of the acquisition, construction work started on the Jahtivoudintie extension project that was designed and developed by our colleagues at Hoivatilat. The new building was completed in June 2023 after less than a year. With this addition of over 3,600 m², the school campus could therefore accommodate 340 additional students at the start of the new school year.

In the development process, we paid special attention to environmental standards and energy efficiency. With a net energy use intensity of approx. 150 kWh/m², both buildings on the school campus achieved EPC level 'B'. The campus is heated by district heating, which will become carbon-neutral over the next few years. By connecting to a collective heat source, we are therefore facilitating the transition to renewable energy sources.

As with all our development projects, we not only considered the environmental performance of the campus, but also prioritised the comfort and well-being of its end users: the pupils. In doing so, we went beyond designing a stimulating learning environment and also redeveloped the common playground. Moreover, to ensure the safety and accessibility of the school campus, we also relocated the adjacent light traffic lane.



Oulu Jahtivoudintie - Oulu (FI)

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Partners

Aedifica is in constant dialogue with its stakeholders. We do this not only by communicating transparently towards investors and analysts about our performance and the work we do, but also by engaging in an open dialogue with our operators. We also keep our finger on the pulse of the communities in which we operate.

In 2023, this was reflected in a tangible way in successful editions of our Operator Days and Community Days, support for various charities, involvement in training programmes at universities, participation in various sector events and investor fairs, and more.

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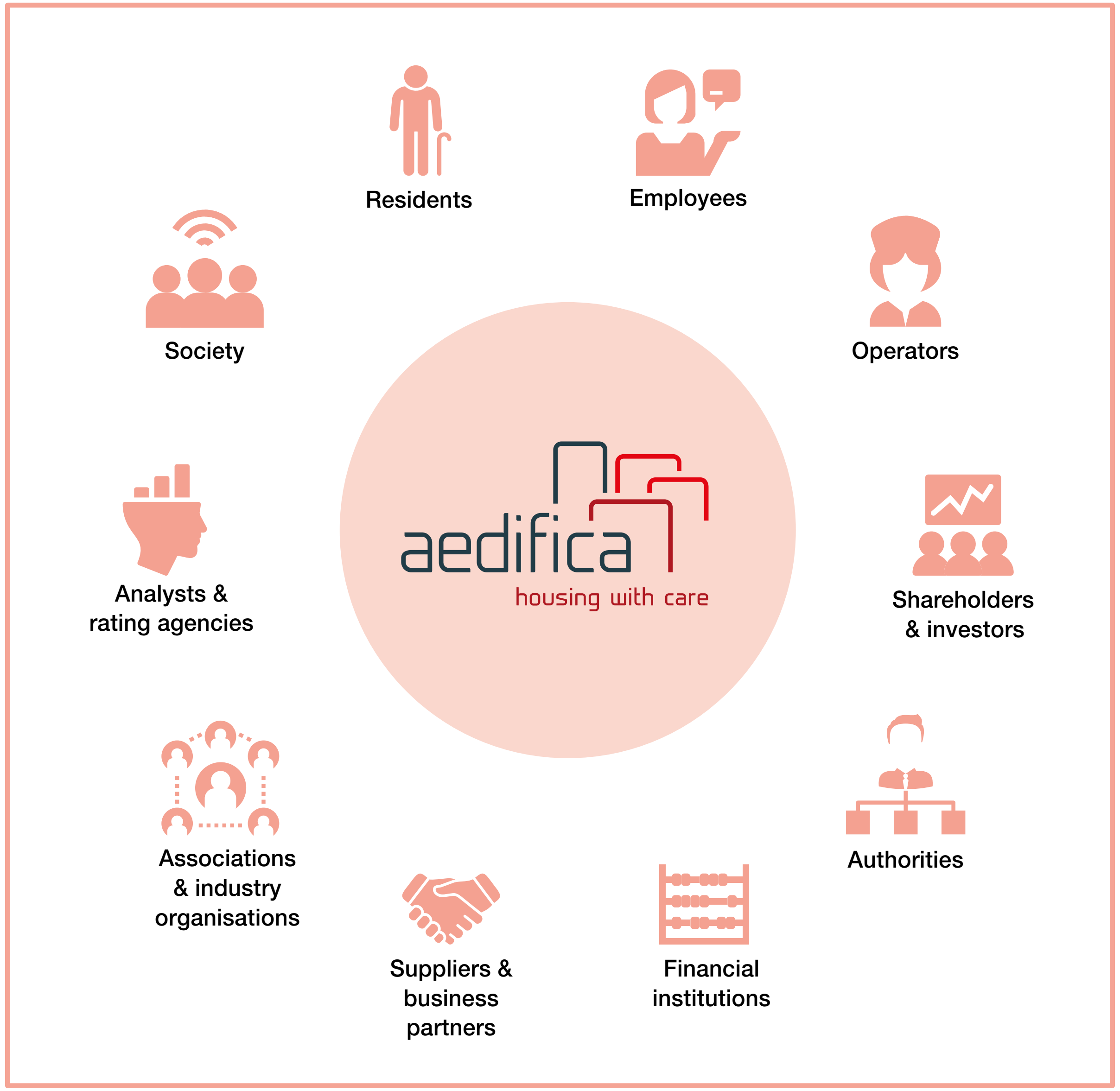
1. Our key stakeholders

Aedifica is committed to bringing together the various stakeholders that impact the daily lives of the residents and care staff who live and work in our buildings. We aim to be a partner to all these stakeholders by 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.



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Stakeholders	Our mode of engagement	Our shared expectations
Operators	• Site visits, building condition checks • Operator satisfaction survey • Operator Days • Events • Continuous informal contact	• Energy efficient purpose-built care facilities • Long-term, sustainable relationship • Permits • New developments • Energy and water consumption • Occupancy rate • Building conditions and relevance • Quality of care
Employees	• Code of conduct, HR policies • Attractive remuneration package • Performance appraisal • Employee satisfaction survey • Day-to-day communication, townhall meetings, intranet • Aedifica Academy • Community Days	• Ethical labour conditions • Fair benefits • Inclusive and safe workplace • Employee health & well-being • Employee satisfaction and engagement • Corporate performance • Personal performance • Personal development through training and career evolution • Community involvement • Accessible and trustable management with strong ethical values
Suppliers & business partners	• Charter for Responsible Suppliers relations • Project development • Tenders	• Project development • Compliance with elderly healthcare standards • Health and safety • Environmental impact • Business ethics • Long-term collaboration
Shareholders, investors & financial institutions	• Annual General Meeting • Management & investor relations contact • Website & social media • Press releases, financial reporting • Roadshows & retail shareholders fairs • Ratings/performance from rating agencies	• Financial performance • Proper management of financial resources • Value creation, dividend distribution and long-term returns • Compliance with Corporate governance • Role in society • Responsible investment
Analysts & rating agencies	• Annual reports & press releases • Financial results announcements through press release & webinar • Participation to roadshows & conferences • Management & Investor relations contact • Assessment questionnaires • Thematic events • One-to-one meetings	• Transparent, accurate and reliable reporting and timely distributed information • Access to management • Clear and consistent investment strategy/policy • ESG assessment
Authorities, associations & industry organisations	• Industry roundtables • Compliance screening • Members meetings • Thematic events • One-to-one meetings	• Compliance with regulatory requirements • Market trends
Society & users/residents	• Website, social media • Annual reports and press releases • Sharing expertise at schools, universities & other trainings • Memberships • Community Days, community engagement programme	• Role in society • Community involvement • Research (future) needs

HGH Leiden-Leiden (NL)

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2.Strengthening relationships

2.1 Operator engagement

Partners in healthcare real estate

We are continuously committed to our partners by reaching out to them proactively and maintaining good relationships. In this way, we seek to understand their needs and discuss the issues they find important. This open attitude underpins the Group's identity and long-term vision.

Building and strengthening relationships with our operators and communities is essential for creating long-term sustainable value. Understanding the needs we have to meet helps us provide them with tailor-made real estate solutions that help them succeed and create value for society.

Ensuring quality of care in our properties

Aedifica's corporate mission is to provide sustainable real estate solutions to our partners so that they can assist and care for people in a safe and well-developed infrastructure that contributes to their dignity and quality of life. As the well-being of the care user is top priority, we are also mindful of the care provided in our residential care properties.

We are therefore amending our existing lease agreements to include an explicit commitment from tenants to

- provide quality care to the residents in our properties in accordance with the fundamental care standards that apply;
- subscribe to the ethical principles set out in our Charter for Responsible Supplier Relations (see page 52).

We also make agreements with our tenants to share reports of care inspections in order to have more timely insight into the quality of care that is provided in our residential care properties, as perceived by the authorities responsible for the inspections.

Over 41% of the leases of our residential care properties already include an express commitment from tenants to comply with care quality standards and report on care inspection reports.

Operator survey: gathering feedback

Every two years, Aedifica conducts a dedicated operator engagement survey to better understand areas where we can further improve our organisation and collaboration. As the last survey was carried out in 2021, a similar survey was conducted in 2023 to update the findings, compare the results and identify key trends in the healthcare sector.

The survey results provide useful insights into our current services and interactions, as well as potential additional operator needs and strategic priorities. Once received, the results are analysed and discussed within the Aedifica teams and with the operators themselves. By developing country-specific action plans, these results serve as the basis for improvements in Aedifica's cooperation and dialogue with its tenants.

With a response rate that was 32% higher than in 2021, tenants were again interested in participating in the survey. The top priorities for operators remained largely the same. Finding qualified staff and improving occupancy rates remain the biggest concerns for our tenants. In addition, they indicate a new priority: improving operating margin.

TOP PRIORITIES FOR OPERATORS

1. Access to qualified staff
2. Improving occupancy
3. Improving operating margin

41%

of our residential care properties have leases with a quality-of-care commitment

With this initiative, we want to inspire healthcare operators to seize ESG opportunities and join us in building a sustainable future.

Stéphanie Lomme
Country Manager Belgium

OPERATOR DAYS

Aedifica understands the challenging context in which our operators have to work every day. Their priority is providing healthcare to people in need and not necessarily the administration and technical maintenance of our buildings.

To support our tenants with their real estate issues, we organise Operator Days. At least once every three years, we invite representatives of tenants in each of the regions in which we operate to participate in a seminar to exchange knowledge and best practices. Topics covered include:

- efficient property management;
- investments in innovation;
- new real estate-related care solutions;
- climate change risks and opportunities.

OPERATOR DAYS IN BELGIUM & THE UK

In March 2023, Aedifica organised two Operator Days in Ghent and Leuven for its Belgian tenants. These two editions were a success with over 300 representatives attending. In a series of panels, industry experts discussed sustainability issues both from a theoretical point of view – focusing on the need for policies – and from a more practical one – by sharing best practices for making care homes more energy efficient.

Due to the great success of both events, two more Operator Days will be organised in Belgium in early 2024. These sessions will focus on sustainable care and improving the quality of life of care home residents. In addition to testimonials and expert panels, case studies from Finland designed and developed by our Hoivatilat team will be presented.

In May 2023, Aedifica also organised an operator event at The Shard in London with nearly 100 representatives participating.

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25%
of our properties have a green lease annex

At Aedifica we are committed to

- sharing best practices
- benchmarking energy and water intensities
- driving environmental collaboration in the form of green leases
- discussing CSR issues with local teams during Asset Management meetings and Operator Days

Green investments

Discover how we make our portfolio more sustainable

> pages 43-44

Focus on the long term

Aedifica focuses on long-term investments. This significantly influences the type of facilities we buy or develop, but also the type of relationships we want to build and maintain with our operators. For this reason, we always analyse the operator's business plan at the beginning of a project.

We typically enter into long-term triple net leases with care home operators. This means that these operators are responsible for the day-to-day management and maintenance of the buildings. We, on the other hand, focus entirely on optimising the buildings and the relationships with our operators. We continuously track trends and research the needs of (future) care home residents so that we can align our investments accordingly.

Our operator engagement survey shows that environmental performance falls just short of the top three key priorities of our operators. However, 69% of respondents indicated they are committed to achieving net zero emissions under the Paris Agreement. As landlords, this means that we will need to work together with our tenants to achieve this overarching goal, discuss green investment opportunities and assess property intensities to identify inefficiencies.

Green lease agreements

In that respect, Aedifica has developed a common frame of reference for cooperation with its operators. This has taken the form of a green lease annex, which will be an integral part of the leases in each of the countries in which Aedifica operates. The annex includes reciprocal obligations (e.g. sharing energy data, exchanging best practices, refraining from doing construction works that negatively affect the environmental performance of buildings) on the one hand, and recommendations that provide guidance on how to further improve the environmental performance of the assets on the other hand. The annex is being implemented progressively, after two years already 25% of the leases in our portfolio have a green lease annex.

Working together to minimise environmental impact

In terms of scope 3 downstream emissions, which in our case consist mainly of emissions from care home operations (see page 39), Aedifica continuously works with its tenants to review the results of Building Assessments and improve energy efficiency. While the nature of our leases does not allow us to directly intervene in the way tenants operate our buildings, we often find a common goal in energy efficiency, especially as increased energy costs put additional pressure on operators' margins.

In an increasing number of cases, cooperation in this area, institutionalised through the green lease agreement (see above), has led to further steps towards energy efficiency. In addition, operators that implemented recommendations from energy efficiency audits benefited from relatively short payback periods. This process encourages innovation, reduces operating costs for our tenants and supports Aedifica's commitment to reducing greenhouse gas emissions.

Seniorenhaus Lessingstrasse - Wurzen (DE)

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2.2 Community engagement

Aedifica values social commitment and cares about the communities in which it operates. We do this not only by financially supporting a number of charities every year, but also by organising 'Community Days' in which our employees contribute to the well-being of our community in a tangible way.

Community Days

A few years ago, Aedifica launched its Community Days programme, offering employees the opportunity to spend one working day a year volunteering at one of our care properties. Whether providing support during entertainment activities, completing small chores or taking walks with elderly residents, we always tailor our programme to the needs of the care property and the people living and working there.

Our Community Days therefore create unique added value by engaging and connecting our various stakeholders:

- Community Days have a positive effect on group spirit, as they also act as team-building activities that stimulate transversal cooperation between the different teams within Aedifica in a new context.
- Not only does the team strengthen ties among themselves, Community Days also allow them to better understand the communities in which we operate and sharpen their ties with the people who live and work in our buildings.
- Moreover, Community Days also give our staff a better idea of how people are actually using our buildings. This allows us to tailor our homes even better to the needs of the people living in them, further improving their quality of life.

After a few initial tests in Belgium, the concept was rolled out internationally in 2023. This time, our Finnish colleagues participated as well. In 2024, Community Days will also be organised for the other local Aedifica teams.

2023 Community Days in Belgium & Finland

8
care properties visited

51
participants

218
hours of volunteering

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Supporting charities

Through financial support to charities, partnerships with non-profit organisations and in-kind donations, Aedifica brings positive, sustainable change to society. In addition, Aedifica regularly supports charitable initiatives set up by its employees by matching the amount raised. As a matter of policy, Aedifica does not make donations to political parties or organisations under any circumstances.

In 2023, Aedifica focused its support to charities on projects that improve the quality of life of both people receiving healthcare services and the people providing them.

- **Philomela Foundation**
  Thanks to our support for the Philomela Foundation, the residents and staff of six care residences in the Netherlands were able to enjoy an interactive classical concert in 2023.
- **Cycling for charity**
  Ten Aedifica colleagues collectively cycled more than 1,000 km to raise money for a duo bike for the residents of De Witte Bergen care home in Lichtaart (BE).
- **Grand Prix Aedifica**
  We joined forces with the Special Olympics Committee to give athletes with disabilities the opportunity to participate in the Six Days of Ghent, an annual cycling event. This way, we not only gave them a platform to showcase their skills, but also highlighted the importance of inclusiveness in sports.
- **The Care Workers' Charity**
  We also financially supported The Care Workers' Charity in 2023. This organisation wants to improve the lives of care workers by providing various grants, such as crisis grants to ensure the basic needs of care workers are met, funeral grants, mental health support programmes, etc.
- **Mieli**
  We made a donation to Mieli, a Finnish expert organisation in mental health. The organisation provides crisis support and is committed to promoting and boosting mental health in every age group.

Community engagement, impact assessments and development programmes	
Comty-Eng	Aedifica makes active efforts to have a positive impact on local communities. See the notes in the 'Community engagement' section for more details on our community actions.
Headquarters	100%
Portfolio	100%

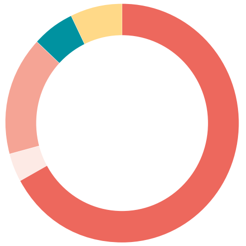
Contributing to society by providing qualitative care properties

As an investor in healthcare real estate, Aedifica contributes to a better society by developing innovative residential care concepts for a wide range of care clients. Our primary focus continues to be on the elderly who require various types of residential care.

In recent years, Aedifica has also focused on other types of housing and care facilities, including care facilities for people with disabilities, child day-care centres and schools.

In 2023, 617 properties provided a home to nearly 35,100 residents across Europe, while over 11,800 children were able to take their first steps in our childcare centres.

BREAKDOWN BY FACILITY TYPE IN FAIR VALUE (%)



€40,000
in charity donations in 2023

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2.3 Industry engagement

Sharing expertise

As a leader in healthcare real estate, we have a responsibility to invest in our sector, to share knowledge and collaborate with key stakeholders. We do this not only by organising Operator Days (see above), but also by supporting sector associations, participating in industry events and sharing knowledge in panels, seminars and university programmes.

Aedifica is one of the founding members of the **Senior Housing & Healthcare Association** (SHHA) This European association aims to bring together industry leaders (both operators and investors), share insights with the wider market, help create research and data, and encourage best practices. In 2023, Aedifica not only collaborated on a number of SHHA publications, but also participated in panel discussions organised by the association.

We also participate in **sector events**. In 2023, Aedifica's senior management took part in several events related to real estate and investment. Not only to represent the company, but also to participate in panel discussions and conduct workshops. Moreover, at our Operator Days, in addition to our tenants, we invite other industry partners who can add value to the event.

Our senior management is also involved in various **training and university programmes**. CEO Stefaan Gielens is a frequent guest speaker in the postgraduate programme in real estate studies at KU Leuven while other Executive Committee members and country managers also regularly share their knowledge in seminars and education programmes. Moreover, in 2023, middle management employees were frequently invited as guest speakers at the Karel de Grote Hogeschool and KU Leuven. In addition, we welcome interns to our offices and offer them the opportunity to gain valuable experience in an international work environment.

Driving our CSR approach into the value chain

To further embed sustainable best practices in the real estate market, we have developed a Charter for Responsible Supplier Relations inspired by the United Nations Global Compact (UNGC). It clarifies the social, ethical and sustainable responsibilities of suppliers when working with Aedifica. This includes adherence to Aedifica's business ethics, compliance with labour standards, our anti-bribery and corruption policy and our human rights policy, providing a healthy and safe workplace, and minimising the environmental impact.

Through this Charter for Responsible Supplier Relations, Aedifica aims to provide a framework for its main partners in all countries where it operates to jointly respect and promote the 10 fundamental UNGC principles. In addition, Aedifica itself is also making various commitments to build sustainable and balanced relationships with its suppliers.

All Grand Prix participants were honoured.

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Organisation

We are delighted that our staff have once again recognised Aedifica as a 'Great Place to Work'. I would like to thank all employees for the enthusiasm and commitment they show every day to make Aedifica such an enjoyable and vibrant place to work.

Stefaan Gielens
CEO

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1. Our team

127
employees

44
women

83
men

125
FTEs

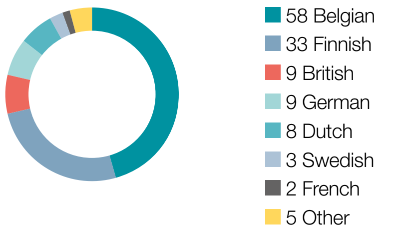
42
years average age

9
offices across Europe

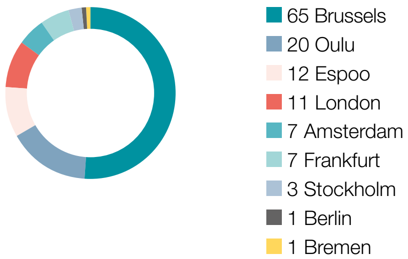
2,651
hours of training (+31%)

21
average hours of training per employee (+3%)

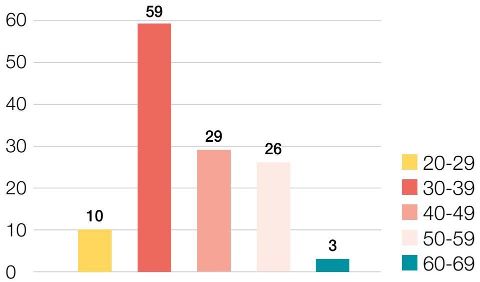
NATIONALITIES



BREAKDOWN OF STAFF BY OFFICE



AGE OF STAFF (IN YEARS)



The Aedifica team consists of 127 employees spread across nine different offices in six countries. Besides the head office in Brussels, we have established local teams in Germany, the Netherlands, Finland, Sweden and the UK.

As Aedifica has grown strongly in recent years and moved into new countries, we transformed our hierarchical structure into a functional matrix in 2021. Our objective in doing so was to be as efficient and customer-focused as possible. Moreover, the structure also had to be scalable to new countries, once we have been able to build a sufficiently large portfolio there.

Within the new structure, each local team concentrates on Aedifica's core activities, while relying on the Brussels head office for support services (Finance, Legal, HR, IT, etc.).

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.

HR SELECTION POLICY

focus on diversity
=
focus on complementary of multiple diversity aspects

competences	national & international experience	personality & profile	expertise & intergrity

The Hoivatilat team celebrating its win

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2. Making our people thrive

2.1 A great place to work

Employee survey

Retaining engaged and motivated staff is key to our company's success. Therefore, in 2023, we organised an employee survey in collaboration with an independent third party for the third year in a row. This provided valuable insight into our people's priorities and how effectively we are meeting them. It also gave us the right tools to improve staff well-being and create a happy workforce.

In this third participation, we further expanded the scope of the survey. Although the Finnish team has been participating on its own for much longer – and with great success – this was the first time their survey was fully integrated into that of the Aedifica group. This gave us a complete and coherent picture of employee satisfaction across the whole Group.

With a 90% participation rate, our third survey was again a great success. Besides an in-depth analysis of company culture, the survey evaluated our workplace in terms of Credibility, Respect, Fairness, Pride and Camaraderie. This resulted in an excellent Trust Index score of 82% for the whole Group. Moreover, 89% of staff reported that they would recommend Aedifica as a great place to work.

Aedifica was therefore recognised as a great place to work for the third year in a row, allowing the company to carry the Great Place to Work® Certified label through 2024.

Hoivatilat is one of Europe's best workplaces

As part of the 2022 Great Place to Work survey, Hoivatilat – Aedifica's Finnish subsidiary – was recognised as the best workplace in Finland in the small business category. This allowed the team to compete for the title of best workplace at European level. In September 2023, they achieved seventh place. The team has earned this recognition after years of working to create a thriving work environment and a warm and trusting corporate culture.

Top survey results

- Justice, Hospitality, Camaraderie, Team and Intimacy emerge as focus areas with the best scores
- People are treated fairly regardless of sexual orientation, race and gender
- Management is competent at running the business and ethical in its business practices

9 out of 10 employees would recommend Aedifica as a great place to work

1st best place to work in Finland

7th best place to work in Europe

Great Place To Work® Certified JAN 2024-JAN 2025 BELGIUM

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A diverse organisation

Aedifica believes that diversity, equal opportunities and respect for everyone are fundamental to the proper functioning of the company at all levels, i.e. at the level of its employees and the country managers, but also at Board and Executive Committee level (see pages 94-95). When selecting employees and country managers, we not only consider a candidate's individual skills and competences, but also diversity in all its forms, so that a complementary team can be assembled with a good spread in terms of gender, age, education, cultural background, etc.

This vision has resulted in a harmonised team consisting of people from different educational and cultural backgrounds, with a good mix of experience and a balanced gender ratio. Our strong focus on diversity fosters internal creativity, enriches the internal dynamics within Aedifica and contributes strongly to the growth of the Company. This is substantiated by our recent employee survey showing that our employees feel fairly treated, regardless of their race or sexual orientation.

In 2023, we had 127 employees of 12 different nationalities working at Aedifica (see page 54).

Employee new hires & turnover

Emp-New Hires & Turnover in 2023	31/12/2023		31/12/2022	
	(headcount)	%	(headcount)	%
New hires	18	14.2%	21	17.3%
Employee turnover	10	7.9%	15	13.5%

Employee gender diversity (Diversity-Emp) [1]

Diversity-Emp in 2023	Women		Men	
	(headcount)	%	(headcount)	%
Employees [2]	44	35%	83	65%
Executive Committee	1	20%	4	80%
Board of Directors	4	57%	3	43%

Gender pay ratio (Diversity-Pay)

Diversity-Pay in 2023	# people	Gender ratio	# FTEs	Remuneration % women/men
Employees [3]				
Women	43	35%	41.00	83%
Men	79	65%	79.00	
Executive Committee [4]				
Women	1	25%	1	123%
Men	3	75%	3	
Board of Directors [5]				
Women	4	67%		113%
Men	2	33%		

During the year, we welcomed 18 new employees to Aedifica as part of our onboarding programme. 35% of our employees are female.

Attractive remuneration

Our employees' remuneration consists of a fixed and a variable salary, supplemented by fringe benefits (such as a mobility budget, private health insurance and group insurance). The specific components of the remuneration package may vary from country to country, taking into account local legislation and the social security system. In principle, all staff are employed on an open-ended employment contract. Employees' variable remuneration is linked to individual performance and is paid annually.

Belgian employees benefit from a non-recurrent result-based bonus plan linked to pre-defined collective targets (a mix of financial and non-financial KPIs). Finnish and Swedish staff members benefit from an equity incentive plan based on pre-defined targets related to investment capex and EBIT margin.

Equal pay

How well employees are paid is directly related to their motivation, but this only works if they are treated fairly and equally. This is why we commit to equal pay for equal work, regardless of gender. To underpin this commitment, Aedifica conducts an annual gender pay gap analysis to identify and address potential imbalances. The female-to-male pay ratio among employees improved from 81% in 2022 to 83% in 2023. That difference stems from a higher number of men in senior management. However, in equal positions, pay is similar and based on objective criteria such as qualifications, experience and ability, regardless of the employee's gender.

The female-to-male pay ratio improved from

81% to 83%

Creating an attractive and meaningful workplace is critical in our industry to attract and retain talent.

Werner Dignef
HR Manager

1. As at 31 December 2023.
2. Including the Executive Committee.
3. Excluding the Executive Committee.
4. Excluding CEO.
5. Excluding Chair of the Board and Executive Committee members.

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2.2 Talent development

At Aedifica, we have created a workplace culture in which employees receive continuous feedback, in addition to a formal annual performance review by their manager. In 2023, 100% of our employees received a performance evaluation and development review.

As well as bringing in new talent, we have continued to invest in and develop our current employees, with nine employees over the last 12 months receiving a promotion or opportunity to move roles internally within Aedifica. Aedifica actively supports internal staff rotation, as it typically leads to improved skills and a better understanding of the company culture and internal processes.

Employee performance appraisals (Emp-Dev)	
Emp-Dev	100% of the staff receive performance and career development reviews (formalised once a year)

Aedifica Academy

Aedifica Academy is a training programme for all Group employees. It empowers everyone to create their own personal and professional development programme from a range of mandatory and optional courses. The Academy serves two main purposes: transferring functional and technical knowledge on the one hand and promoting the personal development of our employees on the other.

Employees are encouraged to supplement their own programme in the Academy: in addition to the courses offered by the Company, employees can also take external courses. These include job-specific training, such as postgraduate programmes at universities, as well as soft skills courses.

In 2023, Aedifica employees received an average of 20.9 hours of training per person, a 3% increase compared to 2022 (20.2 hours).

Training and development (Emp-Training)

Emp-Training	31/12/2023		31/12/2022	
	#	%	#	%
Total number of employees [1]	127		121	
Number of employees who followed training	127	100%	100	82.6%
Total number of training hours	2,651		2,020	
Average hours of training per employee	20.9		20.2	
Total number of training hours – women	874	33%	685	34%
Total number of training hours – men	1,777	67%	1,335	66%

Transferring functional & technical knowledge

Aedifica offers several courses and best practices specifically designed to disseminate functional and technical knowledge across the Group. They help our staff to perform their tasks efficiently and excel in their specific function. The courses cover a range of topics, including real estate investment, property management, financial analysis, etc. There is also a newcomer programme offered on an annual basis to induct new employees.

Employees also attended mandatory training on the Code of Conduct and the policies it incorporates by reference, to make sure they understand the Code and to help employees act in line with Aedifica's values. Since 2023, this training has been offered through e-learning. In 2023, mandatory e-learning courses were organised on the Anti-Bribery and Corruption Policy, on the Dealing Code and on information security.

Personal development & leadership

The Academy also provides courses that allow employees to further develop their skills in communication, language, time management, leadership, etc. By giving them the tools and resources they need to grow professionally, we help them reach their full potential and achieve their career goals.

1. At the end of the reporting period in FTE.

21
average hours of training per employee (+3%)

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Townhall meetings

Annually, we organise a number of townhall meetings to which all employees are invited. These meetings are scheduled on a regular basis to inform everyone about the company's strategy and performance in a consistent and clear manner. Besides fixed moments, such as the publication of interim and year-end results, meetings are also organised on an ad hoc basis for certain initiatives and business updates that are of interest to everyone.

In 2023, we organised a total of seven townhall meetings. In addition to discussing quarterly financial results, meetings were organised on employee survey results, our CSR strategy and market trends within the sector.

2.3 Health & well-being

At Aedifica, we take 'housing with care' seriously in all our business activities. The care principles we apply to our real estate portfolio also apply to our own workforce. By looking after the health and well-being of our employees, we ensure that Aedifica remains an attractive place to work. By embedding our corporate values into our operations, we aim to remain a leader in the healthcare real estate sector.

Employee health & well-being

Our Health & Well-being Committee makes every effort to improve staff well-being and satisfaction. The committee includes members of the Human Resources department, head office staff, and representatives of our local teams. Drawing on the results of the annual employee survey, they design and implement Aedifica's employee engagement programme covering topics such as work-life balance, health and safety in the office, employee growth and development, and employee recognition.

The committee has already launched a number of initiatives, such as healthier snacks in the office, courses on meeting culture, the telework policy in Belgium and a sports encouragement programme in Finland, etc.

There were two work-related accidents to report in 2023. However, these were accidents without serious or permanent consequences. We hold regular emergency drills at our head office and first aid can be provided in our offices if needed.

Employee health and safety (H&S-Emp)

H&S Emp	2023
Work-related accidents	2
Lost day rate	0%
Absenteeism rate [1]	3.4%

A better work-life balance with our telework policy and disconnection policy

In 2021, Aedifica introduced a telework policy for the employees at its head office in Belgium. This policy allows all employees to work up to 50% of their working hours from home. This flexible arrangement allows staff to reduce their commute and better balance their work and private lives. This also plays an important role in attracting people to work for Aedifica, as candidates increasingly ask about this.

In 2023, Aedifica also developed a disconnection policy for the employees at its head office in Belgium. This policy not only defines the modalities of the legal right to disconnection (i.e. the right for employees to be unavailable outside working hours), but also provides guidelines for the use of digital tools so that rest periods, holidays and the work-life balance of employees are safeguarded

1. The absenteeism rate has been subject to a 'limited assurance review' by EY Bedrijfsrevisoren BV/SRL (see page 221).

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Putting our corporate values into practice

Care

- Implementing a robust employee engagement 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 Conduct 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

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3. Ethics, compliance and integrity

Aedifica pursues a business culture characterised by honesty and integrity, a sense of responsibility, strict ethics, and compliance with the statutory rules and corporate governance standards. This has been part of Aedifica's heritage since its founding in 2005 and we will continue to follow this path.

In this context, Aedifica has developed various policies setting out the rules that shape such corporate culture. We seek to continuously improve and professionalise our policies to ensure the highest ethical and compliance standards.

Code of Conduct

Aedifica has developed a Code of Conduct that provides an ethical framework and offers guidelines to its employees on how to behave to live up to the high ethical values and standards we pursue. The Code of Conduct therefore ensures that our employees enhance and protect the good reputation of the Company, more specifically in its relationship with customers, shareholders and other stakeholders, as well as with society in general.

The Code of Conduct reflects Aedifica's core values, including our commitments to respecting human rights, preventing market abuse, fighting corruption, securing proper use of company property, and in that respect it incorporates by reference our other internal ethical policies (in particular, Dealing Code, Anti-Bribery and Corruption Policy, Speak-Up Policy and Human Rights Policy).

The Code of Conduct has been entirely renewed in 2023. Particular attention was paid to ensuring that the Code is easy to understand for all staff members, regardless of their personal background, by not only paying attention to the accessibility of the language, but also by better clarifying the interplay between the individual special policies and the overarching Code of Conduct, and by including practical cases per topic for illustration.

We communicate the Code on our intranet and through mandatory training for all employees. We have a stringent approach to bribery and corruption, fraud, (illegal) misconduct, insider trading, discrimination and all other forms of violations of our Code of Conduct.

The effectiveness of, and compliance with, the Code is structurally assessed by:

1. actively detecting and investigating any alleged misconduct and taking appropriate disciplinary action if misconduct is substantiated;
2. incorporating compliance with the Code of Conduct in our onboarding package for new employees;
3. monitoring that all staff (both internal and external), members of the Executive Committee and Directors have attended the mandatory training sessions on the Code of Conduct. Since 2023, these training sessions take the form of e-learning / e-testing courses;
4. reporting of incidents to the Executive Committee and the Board of Directors.

All employees are encouraged to report concerns about the Code of Conduct and possible infringements thereof. A special whistle-blowing procedure was created for employees to establish a safe environment to make such reports, in addition to the already existing direct reporting options towards supervisors and the HR team. In 2023, no complaints about alleged infringements of the Code of Conduct were received from employees. More generally, no violations of the Code of Conduct were identified in 2023.

Prevention of money laundering and terrorism financing risks

Aedifica has developed and implemented policies to counter money laundering and the financing of terrorism and proliferation. This allows the Group to subject the establishment of business relationships with customers or the conclusion of transactions with counterparties to a prior assessment of potential money laundering, terrorist financing and reputation risks. After entering into a business relationship, a system of continuous monitoring is put in place. Employees involved in implementing this policy are regularly informed and receive specific training.

We have no separate set of values that serve as the basis for how we conduct our business. Our policies are based on fundamental moral principles as honesty, fairness, responsibility, respect and caring, which should apply in all facets of life.

Sven Bogaerts
CLO/CM&AO

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Personal data protection

We are committed to respecting and protecting the privacy rights of our employees, customers, shareholders, suppliers and everyone with whom we do business. Personal data is managed in a professional, lawful and ethical manner, in accordance with our internal and external privacy policy and in compliance with applicable laws and regulations. We have implemented technical and organisational measures to prevent the accidental or unlawful destruction, loss, alteration or unauthorised disclosure of, or access to, personal data.

Cybersecurity

Aedifica relies heavily on various IT systems to collect, analyse and process (financial) information. Good management of the IT infrastructure is of fundamental importance for the Group. A loss, compromise or unavailability of, or major problems with, these systems could cause a disruption of management and investment activities, and a disruption of the internal and external reporting process. Data breaches could jeopardise the confidentiality of our data.

Cybersecurity is therefore a high priority for Aedifica, as cybersecurity attacks by nation states, phishing, ransomware and value chain attacks are becoming increasingly common and sophisticated. With the increasing use of a digital working environment (on-site and at home), the role of IT services in providing seamless access to all corporate resources as well as ensuring information security is more important than ever. To protect our systems and data, and those of our customers and shareholders, we are constantly vigilant and have the necessary measures in place.

Aedifica has an IT team assisted by an external partner for IT infrastructure management (hardware and software) and data security and storage. Internally, a cyber security plan has been developed to prevent and detect cyber-attacks and limit their impact. The plan was presented to and discussed in the Audit and Risk Committee during a special meeting of the committee on cyber security in 2023. The Audit and Risk Committee identified a number of action points, including the recommendation for an external assessment of the cyber security level. The Audit and Risk Committee reported on this meeting and the identified actions points to the Board of Directors and will discuss the outcome of the external assessment and the progress of the other action points in 2024. Besides the functional and technical aspects of the plan (aimed at further developing state-of-the-art IT security infrastructure and solutions), the cyber plan also provides for regular (mandatory) IT training for employees and Directors to make them aware of cyber security and prevent phishing and other cyber threats. Aedifica also has a cyber security insurance policy in place that provides adequate cover against various types of cybercrime.

In the past, Aedifica has been the victim of one data security breach due to a cyber-attack (namely in March 2021). This breach was reported to the data protection authority. The impact of that cyber-attack on Aedifica's operations was very limited and did also not cause a demonstrable loss of personal data nor did it result in high risk to the rights and freedom of the data subjects possibly concerned (if any). Since March 2021, Aedifica did not identify any other data security breaches.

In 2023, the Group was informed of one third party information security breach that occurred with one of Aedifica's service providers. According to the current state of the investigation, no personal data of Aedifica were compromised and the unauthorised access was limited to certain already publicly available information and the bank account number of an Aedifica subsidiary. The Group has taken the necessary measures to mitigate the theoretical risks caused by the third-party information security breach (in particular, increased monitoring of account movements).

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Highlights

36 projects
completed totalling €309m

€113m
in new investments & developments

39.7%
debt-to-assets ratio

€406m
raised on capital markets

BBB
investment-grade credit rating with stable outlook

1.9%
average cost of debt*
incl. commitment fees

4.4 years
weighted average maturity of drawn credit lines

5.9x
interest cover ratio[1]

95.8%
hedge ratio

8.4
net debt/EBITDA[2]

€220m
EPRA Earnings* (+21%)

€5.02/share
EPRA Earnings*

€314m
rental income +15% y/y, +5.2% LFL

€73.86/share
net asset value

€3.80/share
proposed gross dividend (+3%)

* 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. The ratio of 'operating result before result on portfolio' (lines I to XV of the consolidated income statement) to 'net interest charges' (line XXI) on a 12-month rolling basis.
2. Not adjusted for projects under construction.

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1. Financial performance[1]

1.1 Investments and disposals in 2023

€112.5 million in new investments & developments in 20 sites

New investments & projects	Type	Location	Date	Investment (€ million)[2]	Pipeline (€ million)[3]	Completion/ implementation	Lease	Operator
Belgium				**1.5**	**-**			
Bree Witte Torenstraat	Land reserve	Bree	14/09/2023	1.5	-			
Finland				**11.5**	**81.5**			
Espoo Kuurinkallio	Development	Espoo	16/01/2023	-	7	Q2 2024	15 yrs - NN	Pilke Humana Finland
Kuopio Torpankatu	Development	Kuopio	25/01/2023	-	5.5	Q1 2024	15 yrs - NN	Esperi
Sotkamo Härkökivenkatu	Development	Sotkamo	27/01/2023	-	2.5	Q1 2024	15 yrs - NN	Esperi
Salo Linnankoskentie	Development	Salo	07/03/2023	-	3.5	Q1 2024	15 yrs - NN	Sospro
Helsinki Landbontie	Development	Helsinki	24/03/2023	-	5	Q1 2024	15 yrs - NN	Kehitysvammatuki 57
Nurmijärvi Laidunalue	Extension	Nurmijärvi	31/03/2023	-	2	Q4 2023	15 yrs - NN	Touhula
Rovaniemi Gardininkuja	Development	Rovaniemi	29/04/2023	-	4	Q1 2024	15 yrs - NN	Suomen kristilliset hoivakodit
Hollola Kulmatie	Development	Hollola	23/05/2023	-	2.5	Q1 2024	15 yrs - NN	HDL
Espoo Palstalaisentie	Development	Espoo	24/05/2023	-	3	Q3 2024	15 yrs - NN	Peikkometsän Liikuntapäiväkoti
Oulu Siilotie K21	Development	Oulu	26/05/2023	-	29.5	Q4 2024	15 yrs - NN	Multiple tenants
Järvenpää Auertie	Development	Järvenpää	29/05/2023	-	2.5	Q2 2024	15 yrs - NN	Keusote wellbeing county
Tuusula Lillynkuja	Forward purchase	Tuusula	27/06/2023	-	7	Q3 2024	20 yrs - NN	City of Tuusula
Kerava Pianonsoittajankatu	Development	Kerava	02/09/2023	-	7.5	Q3 2024	20 yrs - NN	Ikifit
Nokia Tähtisumunkatu	Development	Nokia	30/11/2023	3	-	-	15 yrs - NN	HDL
Rovaniemi Koulukaari	Acquisition	Rovaniemi	29/12/2023	3.5	-	-	20 yrs - NN	City of Rovaniemi
Oulu Mäntypellonpolku	Acquisition	Oulu	29/12/2023	5	-	-	25 yrs - NN	City of Oulu
Sweden [4]				**5**				
Österåker Singö 10:2	Acquisition	Österåker	13/10/2023	2.5	-	-	15 yrs - NN	Ambea
Bergshammar Ekeby 6:66	Acquisition	Nyköping	13/10/2023	2.5	-	-	15 yrs - NN	MoGård
Spain				**1**	**12**			
Zamora Av. de Valladolid	Acquisition & development	Zamora	28/04/2023	1	12	Q4 2024	30 yrs - NNN	Neurocare Home
Total				**19**	**93.5**			

1. This financial review 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 often generate rental income (sites under construction also generate limited rental income (except in Finland and Sweden), in particular for the plots of land that have already been acquired).
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 page 33).
4. Amounts in SEK were converted into € based on the exchange rate of the transaction date.

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Completed projets	Type	Location	Date	Investment (€ million)[1]	Lease	Operator
Belgium				**3**		
Bois de la Pierre	Renovation & extension	Wavre	24/05/2023	3	27 yrs - NNN	Pierre Invest SA
Germany				**32**		
Seniorenquartier Langwedel [2]	Development	Langwedel	10/03/2023	3	30 yrs - NNN	Specht & Tegeler
Seniorenquartier Sehnde	Development	Sehnde	17/03/2023	12	30 yrs - NNN	Specht & Tegeler
Am Stadtpark	Renovation	Berlin	30/03/2023	7	WAULT 22 yrs - NN	Vitanas
Rosengarten	Renovation	Berlin	30/10/2023	10	WAULT 20 yrs - NN	Vitanas
Netherlands				**38**		
HGH Amersfoort	Renovation	Amersfoort	01/01/2023	1	WAULT 21 yrs - NNN	Korian NL
Residence Coestraete	Redevelopment	Zwolle	01/05/2023	5	25 yrs - NNN	Valuas
Amadeushuis Alphen a/d Rijn [3]	Development	Alphen a/d Rijn	03/05/2023	5	15 yrs - NN	Stichting Fundis
Villa Meirin	Redevelopment	Witmarsum	26/05/2023	8	25 yrs - NNN	Korian NL
Amadeushuis Waarder [3]	Development	Waarder	05/06/2023	5	15 yrs - NN	Stichting Fundis
Hof van Waal	Development	Tiel	14/07/2023	7	20 yrs - NNN	Saamborgh
HGH Almere [4]	Development	Almere	21/12/2023	7	20 yrs - NNN	Korian NL
United Kingdom [5]				**45**		
The Mayfield Care Home	Development	Whitby	16/03/2023	18	35 yrs - NNN	Danforth
Edingley Lodge [6]	Renovation	Edingley	17/04/2023	3	25 yrs - NNN	Barchester
St. Joseph's [7]	Renovation & extension	St Helier	02/08/2023	7	WAULT 24 yrs - NNN	LV Care Group
Le Petit Bosquet	Extension	St Lawrence	14/08/2023	4	WAULT 24 yrs - NNN	LV Care Group
Sleaford Ashfield Road	Development	Sleaford	29/11/2023	13	35 yrs - NNN	Torwood Care
Finland				**68.5**		
Rovaniemi Rakkakiventie	Development	Rovaniemi	28/02/2023	3	15 yrs - NN	Palvelukoti Kotipetäjä
Valkeakoski Juusontie	Development	Valkeakoski	15/03/2023	2	15 yrs - NN	Aurinkosilta
Oulu Pateniemenranta	Development	Oulu	27/06/2023	2	15 yrs - NN	Pilke
Oulu Jahtivoudintie	Development	Oulu	28/06/2023	9.5	25 yrs - NN	City of Oulu
Espoo Ylismäenkuja	Development	Espoo	30/06/2023	1	15 yrs - NN	Pilke
Oulu Upseerinkatu	Development	Oulu	14/07/2023	2.5	15 yrs - NN	English Speaking Playschool of Oulu
Tuusula Temmontie	Development	Tuusula	13/10/2023	2.5	20 yrs - NN	Kuntoutumiskoti Metsätähti
Helsinki Ensikodintie	Development	Helsinki	03/11/2023	16	30 yrs - NN	Helsingin Ensikoti
Tampere Teräskatu	Development	Tampere	30/11/2023	9	20 yrs - NN	City of Tampere
Oulu Vaarapiha	Development	Oulu	30/11/2023	15.5	15 yrs - NN	Nonna Group
Nokia Tähtisumunkatu	Development	Nokia	30/11/2023	3.5	15 yrs - NN	HDL
Nurmijärvi Laidunalue	Extension	Nurmijärvi	15/12/2023	2	15 yrs - NN	Touhula
Ireland				**122.5**		
Tramore Coast Road	Development	Tramore	20/01/2023	15	25 yrs - NNN	Mowlam Healthcare
Millbrook Manor	Extension	Saggart	30/03/2023	4	25 yrs - NNN	Coolmine Caring Services Group
Kilbarry Nursing Home	Development	Kilbarry	09/06/2023	15	25 yrs - NNN	Mowlam Healthcare
Kilkenny Nursing Home	Development	Kilkenny	19/07/2023	15	25 yrs - NNN	Mowlam Healthcare
Clondalkin Nursing Home	Forward purchase	Clondalkin	27/07/2023	38	25 yrs - NNN	Bartra Healthcare
St. Doolagh's	Development	Balgriffin	21/09/2023	17	25 yrs - NNN	Coolmine Caring Services Group
Dunshaughlin Business Park	Development	Dunshaughlin	17/11/2023	18.5	25 yrs - NNN	Grace Healthcare
Total				**309**		

Priestly Fields - Congleton (UK)

36 projects completed totalling €309 million

1. Investment amounts for completed development projects include only the works carried out, except for the investment amounts for the development projects The Mayfield Care Home, Sleaford Ashfield Road and Dunshaughlin Business Park, which also include the contractual value of the plot of land. For acquisitions of which the outstanding conditions have been fulfilled, the investment amount includes the contractual value of the plots of land and the existing buildings.
2. Completion of second construction phase.
3. This project was developed within the joint venture with Dunavast-Sonneborgh, in which Aedifica holds a 75% stake.
4. This project was developed within the joint venture with the Clariane group. Aedifica and Clariane each financed 50% of the total budget. This table only considers the part of the budget that was financed by Aedifica.
5. Amounts in £ were converted into € based on the exchange rate of the transaction date.
6. This project was not included in the investment programme.
7. Partial completion.

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Disposals	Location	Date	Selling price (€ million)
Belgium			**37.5**
Bel-Air	Schaarbeek	30/10/2023	
Jardins de Provence	Anderlecht	30/10/2023	
New Philip	Forest	30/10/2023	
Résidence du Golf	Anderlecht	30/10/2023	
Résidence Service	Uccle	29/11/2023	
Netherlands			**2.4**
Hilversum SVE	Hilversum	02/10/2023	
United Kingdom [1]			**8.8**
Hilltop Manor	Warrington	23/03/2023	
Cromwell Court	Tunstal	23/03/2023	
Finland			**25.6**
Kalajoki Hannilantie	Kalajoki	20/06/2023	
Kajaani Valonkatu	Kajaani	20/06/2023	
Kontiolahti Päiväper	Kontiolahti	20/06/2023	
Kotka Loitsutie	Kotka	20/06/2023	
Mikkeli Ylännetie 10	Mikkeli	20/06/2023	
Oulu Paulareitti	Oulu	20/06/2023	
Sastamela Tyrväänkyl	Sastamela	20/06/2023	
Varkaus Kaura-ahonti	Varkaus	20/06/2023	
Varkaus Savontie	Varkaus	20/06/2023	
Ylivieska Alpuuminti	Ylivieska	20/06/2023	
Total			**74.3**

18 divestments
to optimise property portfolio

5 ORPEA CARE HOMES IN BRUSSELS DIVESTED

In early 2023, as part of its strategic transformation, Orpea announced that the Group would cease its operational activities in a number of Belgian care homes, including five Aedifica properties in Brussels (Bel-Air, Jardins de Provence, New Philip, Résidence Service & Résidence du Golf). Consequently, Aedifica decided to sell these properties and negotiated a global deal with Orpea regarding the termination of the leases for the five Brussels-based assets and the lease terms for the four Belgian assets that remain operated by Orpea.

By the end of 2023, all care homes had been sold to various buyers. The divestments generated a total amount of €37.5 million, in line with the portfolio's latest fair value as estimated by Aedifica's independent real estate experts.

Apart from these divestments in Belgium, there is no impact on the operational activities or lease terms for the Dutch and German Orpea assets in the Aedifica portfolio. Rents are paid for all assets leased to Orpea.

On 31 December 2023, following the divestment of the five buildings in Brussels, Orpea operated sixteen Aedifica care homes (BE: 4; DE: 5; NL: 7), representing 3.2% of the Group's contractual rental income (BE: 1.0%; DE: 1.1%; NL: 1.1%). Moreover, Aedifica's total exposure to the Brussels market (across all tenants) represents only 1.8% of contractual rental income after the divestment.

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

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1.2 Investments and disposals after 31 December 2023

	Type	Location	Date	Investment (€ million)[1]	Lease	Operator
Netherlands				**25**		
Remaining stake of 50% in portfolio of 6 care residences (AK JV)	Acquisition	Various locations in the Netherlands	02/02/2024	25	WAULT 19 yrs - NNN	Korian NL
Total				**25**		

	Type	Location	Date	Investment (€ million)[3]	Lease	Operator
Germany				**20**		
Haus Marxloh	Renovation	Duisburg	31/01/2024	4	WAULT 22 yrs - NN	Procuritas
Seniorenquartier Gera	Development	Gera	29/02/2024	16	30 yrs - NNN	Modern Care
United Kingdom [2]				**16**		
Dawlish	Development	Dawlish	15/02/2024	16	30 yrs - NNN	Maria Mallaband
Finland				**23**		
Salo Linnankoskentie	Development	Salo	02/01/2024	3.5	15 yrs - NN	Sospro
Hollola Kulmatie	Development	Hollola	08/01/2024	2.5	15 yrs - NN	HDL
Sotkamo Härkökivenkatu	Development	Sotkamo	23/01/2024	2.5	15 yrs - NN	Esperi
Kuopio Torpankatu	Development	Kuopio	31/01/2024	5.5	15 yrs - NN	Esperi
Rovaniemi Gardininkuja	Development	Rovaniemi	29/02/2024	4	15 yrs - NN	Suomen kristilliset hoivakodit
Helsinki Landbontie	Development	Helsinki	04/03/2024	5	15 yrs - NN	Kehitysvammatuki 57
Total				**59**		

	Location	Date	Selling price (€ million)
United Kingdom [2]			**3.2**
Oak Lodge	Chard	02/02/2024	
Total			**3.2**

€25 million
in new investments

9 projects
completed totalling €59 million

1 divestment
to optimise property portfolio

1. The amounts in this column include the contractual value of the plots of land and the existing buildings. These investments often generate rental income (sites under construction also generate limited rental income (except in Finland and Sweden), in particular for the plots of land that have already been acquired).
2. Amounts in £ were converted into € based on the exchange rate of the transaction date.
3. Investment amounts for completed development projects include only the works carried out, except for the investment amount for the development project in Dawlish, which also includes the contractual value of the plot of land. For acquisitions of which the outstanding conditions have been fulfilled, the investment amount includes the contractual value of the plots of land and the existing buildings.

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1.3 Management of financial resources

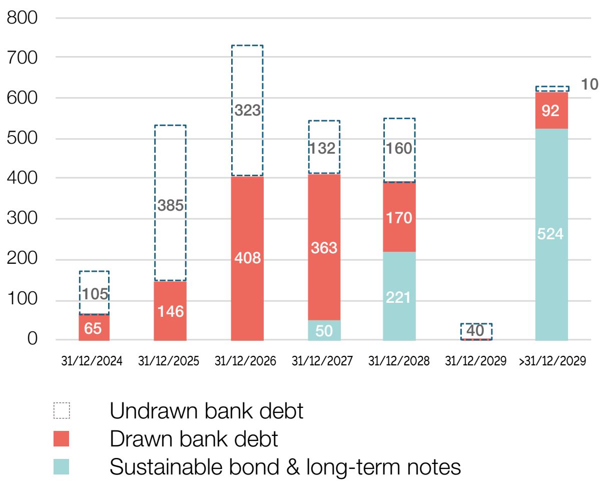
1.3.1 Financial debts

During the 2023 financial year, Aedifica strengthened its financial resources by securing new, long-term financing with eight banks.

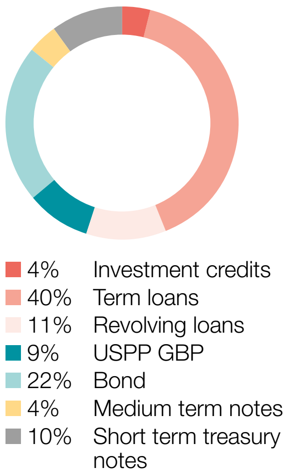
In total, Aedifica has contracted bank loans for €645 million, of which €540 million is refinancing and €105 million is new financing. The loans have due dates between 2026 and 2030.

As part of its financial policy, Aedifica aims to keep its debt-to-assets ratio below 45%. As at 31 December 2023, Aedifica's consolidated debt-to-assets ratio amounts to 39.7%.

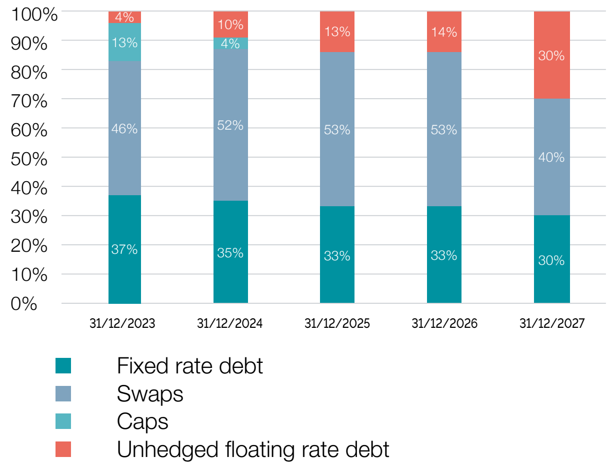
FINANCIAL DEBT MATURITY (IN € MILLION)



COMPOSITION OF FINANCIAL DEBTS (%)



INTEREST RATE HEDGING[1]



Taking this new long-term financing into account, the maturity dates of Aedifica's financial debts as at 31 December 2023 are as follows:

Financial debt (in € million) [2]	Committed financing		Short-term treasury notes
	Lines	Utilisation	
31/12/2024	170	65	243
31/12/2025	531	146	-
31/12/2026	730	408	-
31/12/2027	545	413	-
31/12/2028	552	392	-
31/12/2029	43	3	-
>31/12/2029	626	616	-
Total debt as at 31 December 2023	**3,196**	**2,042**	**243**

As at 31 December 2023, the weighted average maturity of the drawn financial debt is 4.4 years. Available committed financing amounts to €1,154 million. After deducting the backup for the short-term treasury notes, the available liquidity stands at €911 million.

Loans contracted under Aedifica's Sustainable Finance Framework or linked to sustainability KPIs amount to €1,282 million, of which €1,012 million is drawn on 31 December 2023 (50% of the drawn credit lines), underlining the Group's wish to further diversify its sources of financing and to integrate ESG criteria into its financial policy.

The average cost of debt* including commitment fees increased due to higher interest rates but remained at a reasonable level of 1.9% (31 December 2022: 1.4%) thanks to the interest rate hedges Aedifica had in place.

As at 31 December 2023, 95.8% of financial debt is hedged against interest rate risk, 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 5.1 years.

1. Based on projected debt.
2. Amounts in £ were converted into € based on the exchange rate of 31 December 2023 (0.86632 €/£).

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1.3.2 Equity

In 2023, Aedifica completed two capital increases, raising approx. €406 million. These capital increases strengthened Aedifica's equity position and partly financed development projects while maintaining a strong balance sheet.

Capital increase of €25.5 million

On 9 May 2023, Aedifica's Board of Directors decided to offer shareholders the possibility to contribute their 2022 net dividend claim in the capital of the Company in exchange for new shares. Shareholders were given the option to subscribe for one new share at an issue price of €67.31 in exchange for 44 coupons no. 30 (€1.5423 net) or 42 coupons no. 31 (€1.6027 net). The Group's shareholders opted for a contribution of their net dividend claim in exchange for new shares – instead of a dividend in cash – for approx. 21.3 % of their shares, resulting in a total capital increase of approx. €25.5 million through the issue of 379,474 new shares. The new shares have been listed since 31 May 2023 and are entitled to the full dividend for the 2023 financial year (coupon no. 33 and following).

Capital increase of €380.4 million

On 21 June 2023, Aedifica launched a public offering of new shares within the framework of a capital increase in cash within the authorised capital with priority allocation rights for a gross amount of approx. €380.4 million. On 4 July 2023, the Company issued 7,315,402 new shares at an issue price of €52 per share, i.e. €380,400,904.00 (including share premium). The new shares were issued with coupon no. 34 attached and will therefore only participate pro rata temporis in the results of the current 2023 financial year as from 4 July 2023. Within the framework of this transaction, coupon no. 33, representing the right to the pro rata temporis dividend for the period from 1 January 2023 up to and including 3 July 2023, was detached on 21 June 2023 (ex-coupon date: 22 June 2023).

Following this transaction, the total number of Aedifica shares amounts to 47,550,119 and the share capital amounts to €1,254,742,260.03.

1.3.3 Credit rating

In July 2023, S&P reaffirmed the BBB investment-grade rating with a stable outlook, reflecting the strength of the Group's balance sheet and its liquidity. 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.

€645 million
contracted in bank loans

Militza Brugge - Bruges (BE)

Loans contracted under Aedifica's Sustainable Finance Framework or linked to sustainability KPIs amount to nearly €1.3 billion. This underlines our efforts to integrate ESG criteria into our financial policy.

Ingrid Daerden

CFO

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1.3.4 Sustainable Finance Framework

As part of our efforts to achieve the CSR goals we have set, we are diversifying our sources of financing and integrating ESG criteria into our financial policy. In that context, we developed a Sustainable Finance Framework[1].

Proceeds from the financial instruments issued under this framework are used exclusively for the (re)financing of sustainable buildings, energy efficiency projects and projects of a social nature. To qualify for this type of financing, the buildings or projects must meet the sustainability criteria set out in the framework, which are based on the United Nations Sustainable Development Goals (SDGs).

In September 2021, Aedifica successfully priced its first benchmark sustainability bond for a total amount of €500 million.

Allocation of proceeds [2]

Sustainable finance instruments issued	31/12/2023
Medium Term Note 2020 (ISIN BE6322837863)	€40 million
Term Loan 2021	€40 million
Bond 2021 (ISIN BE6330288687)	€500 million
Bank loan 2022	€100 million
Total outstanding amount	**€680 million**
Unallocated amount	**-**

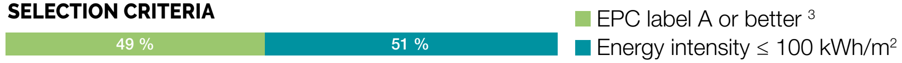
BREAKDOWN BY USE OF PROCEEDS CATEGORY

BREAKDOWN BY GEOGRAPHICAL AREA

BREAKDOWN OF NEW FINANCING VS. REFINANCING

BREAKDOWN OF ELIGIBLE ASSETS (ASSETS, CAPITAL EXPENDITURES)

SELECTION CRITERIA



	Assets	Surface	Amount
EPC label A or better [3]	40 assets	119,000 m²	€346 million
Energy intensity ≤ 100 kWh/m²	46 assets	135,000 m²	€356 million
Total	**86 assets [4]**	**254,000 m²**	**€702 million**

Impact reporting

Green buildings and energy efficiency

	Green buildings	Surface	Fair value	Average EPC level
Medium Term Note 2020	8 assets	17,000 m²	€54 million	A
Term Loan 2021	8 assets	12,000 m²	€44 million	A
Bond 2021	63 assets	181,000 m²	€501 million	A
Bank loan 2022	7 assets	44,000 m²	€103 million	B
Total	**86 assets**	**254,000 m²**	**€702 million**	

Climate change adaptation

The net energy use intensity (nEUI) of the selected assets is 21% below the average of the Group's portfolio.

Case studies

See pages 43-44 and Aedifica's website.

1. A second party opinion on the Sustainable Finance Framework was obtained from V.E and is available on the Group's website.
2. The allocation of proceeds as well as KPIs for sustainability-linked loans have been subject to a 'limited assurance' review by EY Bedrijfsrevisoren BV (see page 221).
3. These assets were selected based on their EPC label A. In most cases, these assets also meet the energy intensity requirement of ≤100 kWh/m².
4. In 2023, 6 previously allocated assets were divested and replaced by 3 eligible assets not previously allocated.

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1.4 Summary of the consolidated financial statements

1.4.1 Consolidated results

Consolidated income statement - analytical format (x €1,000)	31/12/2023	31/12/2022
Rental income	314,174	273,132
Rental-related charges	-1,134	-1,589
Net rental income	313,040	271,543
Operating charges*	-47,230	-41,869
Operating result before result on portfolio	265,810	229,674
EBIT margin* (%)	84.9%	84.6%
Financial result excl. changes in fair value*	-47,179	-36,239
Corporate tax	1,305	-11,970
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of EPRA Earnings	318	362
Non-controlling interests in respect of EPRA Earnings	-675	-441
EPRA Earnings* (owners of the parent)	**219,579**	**181,386**
Denominator (IAS 33)	43,706,129	38,113,384
EPRA Earnings* (owners of the parent) per share (€/share)	**5.02**	**4.76**
EPRA Earnings*	219,579	181,386
Changes in fair value of financial assets and liabilities	-50,878	123,242
Changes in fair value of investment properties	-143,636	84,877
Gains and losses on disposals of investment properties	-856	787
Tax on profits or losses on disposals	0	0
Goodwill impairment	-26,072	-18,103
Deferred taxes in respect of EPRA adjustments	24,314	-42,705
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of the above	-574	1,806
Non-controlling interests in respect of the above	2,658	488
Roundings	0	0
Profit (owners of the parent)	**24,535**	**331,778**
Denominator (IAS 33)	43,706,129	38,113,384
Earnings per share (owners of the parent - IAS 33 - €/share)	**0.56**	**8.71**

+15%
increase in rental income y/y

Priesty Fields - Congleton (UK)

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Consolidated rental income (x €1,000)	2023.01 - 2023.03	2023.04 - 2023.06	2023.07 - 2023.09	2023.10 - 2023.12	2023.01 - 2023.12	2022.01 - 2022.12	Var. (%) on a like-for-like basis* [1]	Var. (%) [2]
Belgium	18,022	18,247	18,479	18,502	**73,250**	**67,432**	+6.8%	+8.6%
Germany	14,969	15,368	15,466	15,357	**61,160**	**56,738**	+2.7%	+7.8%
Netherlands	9,206	9,444	9,672	9,881	**38,203**	**33,571**	+8.0%	+13.8%
United Kingdom	15,393	16,695	16,006	16,699	**64,793**	**57,472**	+3.3%	+15.0%
Finland	13,462	13,576	13,390	13,841	**54,269**	**44,725**	+9.3%	+21.3%
Sweden	1,062	1,047	1,015	1,102	**4,226**	**3,917**	+10.8%	+16.4%
Ireland	3,936	4,089	4,757	5,224	**18,006**	**9,245**	+4.6%	+94.8%
Spain	141	58	37	31	**267**	**32**	-	-
Total	**76,191**	**78,524**	**78,822**	**80,637**	**314,174**	**273,132**	**+5.2%**	**+15.0%**

+5.2%
like-for-like variation* in rental income

The consolidated turnover (**consolidated rental income**) for the 2023 financial year amounted to €314.2 million, an increase of approx. 15% compared to the turnover of 2022 (€273.1 million).

The increase in consolidated rental income can be attributed to the growth of Aedifica's portfolio through the delivery of development projects from the investment programme and is supported by the indexation of rental income.

The 5.2% like-for-like variation* in rental income can be broken down into +5.6% indexation of rents, +0.1% rent negotiations and -0.5% exchange rate fluctuation.

After deduction of the **rental-related charges** (€1.1 million), the **net rental income** amounts to €313.0 million (+15% compared to 31 December 2022).

The **property result** amounts to €312.9 million (31 December 2022: €271.9 million). This result, less other direct costs, leads to a **property operating result** of €301.7 million (31 December 2022: €262.6 million). This implies an operating margin* of 96.4% (31 December 2022: 96.7%).

After deducting overheads of €35.7 million (31 December 2022: €33.6 million) and taking into account other operating income and charges, the **operating result before result on the portfolio** has increased by 16% to reach €265.8 million (31 December 2022: €229.7 million). This implies an **EBIT margin*** of 84.9% (31 December 2022: 84.6%).

Taking into account the cash flows generated by hedging instruments, Aedifica's **net interest charges** amount to €45.0 million (31 December 2022: €30.7 million). 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 €47.2 million (31 December 2022: €36.2 million).

Corporate taxes are composed of current taxes, deferred taxes, tax on profits or losses on disposals and exit tax. In conformity with the special tax system of Belgian RRECs, the taxes included in the EPRA Earnings* (31 December 2023: income of €1.3 million; 31 December 2022: charge of €12.0 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. On 31 December 2023, current taxes include a non-recurring refund of corporate taxes in the Netherlands following the obtention of the **Fiscal Investment Institutions (Fiscale Beleggingsinstellingen, 'FBI') regime** for the period from 2016 to 2021 amounting to approx. €9.0 million (see page 72).

The **share in the result of associates and joint ventures** mainly includes the result of the participation in Immobe NV (consolidated since 31 March 2019 using the equity method).

EPRA Earnings* (see page 181) reached €219.6 million (31 December 2022: €181.4 million), or €5.02 per share (31 December 2022: €4.76 per share), based on the weighted average number of shares outstanding and taking into account the higher number of shares resulting from capital increases. This result (absolute and per share) is higher than the budgeted amount of >€4.95 per share announced in the Q3 interim financial report.

1. 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.
2. The variation is shown for each country in the local currency.

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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 and deferred taxes (arising from IAS 40):

- Over the entire financial year, the combined **changes in the fair value of marketable investment properties**[1] **and development projects** represent a decrease of €143.6 million for the period (31 December 2022: an increase of €84.9 million). Changed market conditions following the increase in interest rates have led to a decrease in expert valuations.
- 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. **Changes in the fair value of financial assets and liabilities** taken into the income statement as at 31 December 2023 represent a charge of €50.9 million (31 December 2022: an income of €123.2 million) following the softening of long-term interest rates during the fourth quarter.
- **Gains and losses on disposals of investment properties** (31 December 2023: -€0.9 million; 31 December 2022: €0.8 million) are also taken into account here.
- **Impairment of goodwill** (charge of €26.1 million as at 31 December 2023, compared to a charge of €18.1 million on 31 December 2022) resulting from the impairment testing on 31 December 2023. The estimated recoverable amount is negatively impacted by the increase in the discount rate.
- **Deferred taxes in respect of EPRA adjustments** (income of €24.3 million as of 31 December 2023, compared to a charge of €42.7 million on 31 December 2022) arose from the recognition at fair value of buildings located abroad, in conformity with IAS 40. In 2023, deferred taxes were positively impacted by obtaining the FBI regime for the Dutch subsidiaries.

Taking into account the non-monetary elements described above, the **profit (owners of the parent)** amounts to €24.5 million (31 December 2022: €331.8 million). The basic earnings per share (as defined by IAS 33) is €0.56 (31 December 2022: €8.71).

The **adjusted statutory result** as defined in the annex to the Royal Decree of 13 July 2014 regarding RRECs, amounts to €186.3 million (31 December 2022: €154.8 million) – as calculated in the Abridged Statutory Financial Statements on page 178 – or €4.25 per share (31 December 2022: €4.06 per share).

1. That change corresponds to the sum of the positive and negative variations of the fair value of the buildings as at 31 December 2022 or the time of entry of new buildings in the portfolio, and the fair value estimated by the valuation experts as at 31 December 2023. It also includes ancillary acquisition costs and changes in the right of use of plots of land and the land reserve.

FISCAL INVESTMENT INSTITUTIONS ('FBI') IN THE NETHERLANDS

In September 2022, the Dutch government announced its intention to exclude direct investments in real estate from the Fiscal Investment Institutions (Fiscale Beleggingsinstellingen, 'FBI') regime as from 1 January 2024. The entry into force of this measure was postponed to 1 January 2025.

Although Aedifica believed it met the conditions for claiming the FBI regime and submitted applications to the Dutch tax authorities to that effect, the Group opted as a matter of prudence for a common law tax burden on the results of its Dutch subsidiaries from the start of its operations in the Netherlands in 2016. Every year, the Group claimed the application of this regime for its subsidiaries operating in the Netherlands.

At the end of 2022, the Group finally received confirmation that the FBI requirements were met for the past fiscal years. Aedifica decided to reverse the accrued tax provisions of previous years in the income statement upon receipt of the final corporate tax assessment. During the first half of 2023, final corporate tax assessments and refunds for the period from 2016 to 2021 amounting to approx. €9.0 million were received and recognised in the income statement.

The final corporate tax assessment for 2022 was received early 2024. The accrued tax provisions for 2022 amount to approx. €4.2 million. For the year 2023, no provision for corporate income tax has been made in the Dutch subsidiaries. No provisions will be made for 2024 either.

UK REIT REGIME

To make Aedifica's investments in the United Kingdom more attractive and increase the contribution of UK operating cash flows to the Group's results, Aedifica decided to operate in the UK under the REIT regime.

In this context, Aedifica has transferred its real estate activities in the UK, Jersey and the Isle of Man to the recently incorporated AED UK Holdings Ltd. This wholly owned non-listed entity now holds the shares of all UK subsidiaries within the Aedifica group.

On 30 January 2024, the holding notified HMRC of its intention to become a REIT. As a result, the accounting period under the REIT regime is expected to begin on 1 February 2024.

Under REIT legislation, companies are exempt from UK corporation tax on UK property investment income and gains on UK property. However, REITs must distribute 90% of underlying tax-exempt property income (not gains) to shareholders within twelve months. These distributions are subject to a 20% withholding tax. Following the double tax treaty between the United Kingdom and Belgium, the net impact of the withholding tax amounts to only 15%.

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1.4.2 Consolidated balance sheet

Consolidated balance sheet (x €1,000)	31/12/2023	31/12/2022
Investment properties including assets classified as held for sale*	5,848,515	5,703,734
Other assets included in debt-to-assets ratio	254,372	258,587
Other assets	73,924	123,219
Total assets	**6,176,811**	**6,085,540**
Equity		
Equity excl. changes in fair value of hedging instruments*	3,511,954	3,163,877
Effect of the changes in fair value of hedging instruments	63,908	118,908
Non-controlling interests	5,039	6,564
Equity	3,580,901	3,289,349
Liabilities included in debt-to-assets ratio	2,421,708	2,601,510
Other liabilities	174,202	194,681
Total equity and liabilities	**6,176,811**	**6,085,540**
Debt-to-assets ratio (%)	39,7%	43,6%

Oulu Vaarapiha - Oulu (FI)

As at 31 December 2023, **investment properties including assets classified as held for sale*** represent 95% (31 December 2022: 94%) of **the assets recognised on Aedifica's balance sheet**, valued in accordance with IAS 40[1] at €5,849 million (31 December 2022: €5,704 million). This heading includes:

- **Marketable investment properties including assets classified as held for sale*** (31 December 2023: €5,588 million; 31 December 2022: €5,449 million) increase in the amount of €139 million. The net growth in the fair value of marketable investment properties is primarily attributable to €262 million from the completion of development projects, to €65 million from investment operations and to €22 million from exchange rate differences, and is partly compensated by -€122 million from the change in the fair value of marketable investment properties, -€72 million from divestment operations and -€16 million from transfers to land reserve. The changes in the fair value of marketable investment properties, as assessed by independent valuation experts, are broken down for the full year 2023 as follows:
    - Belgium: -€26.9 million (-2.1%)
    - Germany: -€66.6 million (-5.6%)
    - Netherlands: -€19.8 million (-3.1%)
    - United Kingdom: +€22.0 million (+2.3%)
    - Finland: -€17.0 million (-1.7%)
    - Sweden: -€6.8 million (-8.8%)
    - Ireland: -€7.6 million (-2.6%)
    - Spain: +€0.1 million
- **Development projects** (31 December 2023: €169 million; 31 December 2022: €184 million) consist primarily of investment properties under construction or renovation. They are part of a multi-annual investment programme (see page 33).
- The **right of use related to plots of land held in 'leasehold'** in accordance with IFRS 16 (31 December 2023: €73 million; 31 December 2022: €70 million).
- A **land reserve** amounting to €19 million (31 December 2022: €0 million).

1. The investment properties are represented at their fair value as determined by the valuation experts (Cushman & Wakefield Belgium NV/SA, Stadim BV/SRL, Savills Advisory Services Germany GmbH & Co. KG, C&W (U.K.) LLP German Branch, Cushman & Wakefield Netherlands BV, CBRE Valuation & Advisory Services BV, Knight Frank LLP, REnium Advisors Oy, Cushman & Wakefield Sweden AB, CBRE Advisory (IRL) Limited and Jones Lang LaSalle España SA).

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The item 'Other assets included in debt- to-assets ratio' includes, amongst other things, **goodwill** amounting to €117.6 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 mainly includes the 25% stake in Immobe NV which amounts to €35.5 million as of 31 December 2023 (31 December 2022: €40.4 million).

The **other assets included in the debt-to-assets ratio** represent 4% of the total balance sheet (31 December 2022: 4%).

The **other assets** (31 December 2023: €73.9 million; 31 December 2022: €123.2 million) include the fair value of hedging instruments.

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 2023[1], the Company's capital amounts to €1,255 million (31 December 2022: €1,052 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:

- €3,512 million excluding the effect of the changes in fair value of hedging instruments* (31 December 2022: €3,164 million, including the €141.2 million dividend distributed in May 2023);
- or €3,576 million taking into account the effect of the changes in fair value of hedging instruments (31 December 2022: €3,283 million, including the €141.2 million dividend distributed in May 2023).

As at 31 December 2023, **liabilities included in the debt-to-assets ratio** (as defined in the Royal Decree of 13 July 2014 on RRECs) reached €2,422 million (31 December 2022: €2,602 million). Of this amount, €2,280 million (31 December 2022: €2,452 million) is effectively drawn on the Company's credit lines. Aedifica's consolidated **debt-to-assets ratio** amounts to 39.7% (31 December 2022: 43.6%).

Other liabilities of €174.2 million (31 December 2022: €194.7 million) primarily represent the deferred taxes (31 December 2023: €138.7 million; 31 December 2022: €164.1 million), property income received in advance (31 December 2023: €12.9 million; 31 December 2022: €13.6 million) and the fair value of hedging instruments (31 December 2023: €9.8 million; 31 December 2022: €3.9 million).

CHANGES IN EXPERT VALUATIONS

Following the increase in long-term interest rates, expert valuations decreased by 1.9% on a like-for-like basis in 2023 (-0.6% for the fourth quarter), excluding any impact from currency translation.

This decline was most pronounced in Germany and Sweden. In the UK, on the other hand, an increase in portfolio valuation was recorded due to the strong operational performance of tenants, backed by the underlying resident occupancy of 91% for the stabilised portfolio at the end of September and a rising rental coverage.

As at 30 September 2023, the rent cover over 12 months on stabilised assets of Aedifica's UK portfolio reached 2.0x.

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

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Net asset value per share (in €)	31/12/2023	31/12/2022 [2]
Net asset value excl. changes in fair value of hedging instruments*	73.86	75.84
Effect of the changes in fair value of hedging instruments	1.34	2.98
Net asset value	**75.20**	**78.83**
Number of shares on the stock market	47,550,119	39,855,243

1.4.3 Net asset value per share

Excluding the non-monetary effects (i.e., non-cash) of the changes in fair value of hedging instruments[1] and after accounting for the distribution of the 2022 dividend in May 2023[2], the net asset value per share based on the fair value of investment properties amounted to €73.86 as at 31 December 2023 (31 December 2022: €75.84 per share).

1.4.4 Consolidated cash flow statement[3]

The consolidated cash flow statement included in the attached Consolidated Financial Statements shows total cash flows for the period of +€4.4 million (31 December 2022: -€1.4 million), which is made up of net cash from operating activities of +€229.5 million (31 December 2022: +€218.6 million), net cash from investing activities of -€258.8 million (31 December 2022: -€683.4 million), and net cash from financing activities of +€33.6 million (31 December 2022: +€463.4 million).

1.4.5 Appropriation of the results

The Board of Directors proposes to the Annual General Meeting of 14 May 2024 to approve Aedifica NV/SA's Annual Accounts of 31 December 2023 (of which a summary is provided in the chapter 'Abridged Statutory Financial Statements' on page 177).

The Board of Directors also proposes to distribute a gross dividend of €3.80 for the 2023 financial year[4], resulting in a statutory pay-out ratio of 89% and a consolidated pay-out ratio of 76%. The dividend will be paid in May 2024 after the annual accounts have been approved by the Annual General Meeting of 14 May 2024. The dividend will be split between coupon no. 33 (€1.9156) and coupon no. 34 (€1.8844). The net dividend per share after deduction of 15%[5] withholding tax will amount to €3.23, split between coupon no. 33 (€1.6283) and coupon no. 34 (€1.6017).

The statutory result for the 2023 financial year will be submitted as presented in the table on page 178.

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 changes in fair value of hedging instruments of +€1.34 per share as at 31 December 2023 is the impact in equity of the fair value of hedging instruments, which is positive for €63.9 million, mainly booked in the assets on the balance sheet.
2. Recall that IFRS requires the presentation of the annual accounts before appropriation. The net asset value of €79.38 per share as at 31 December 2022 (as published in the 2022 Annual Report) thus included the gross dividend distributed in May 2023, and has been adjusted by €3.54 per share in this table so that it can be compared with the net asset value as at 31 December 2023. This amount corresponds to the total amount of dividends paid (€141.2 million), divided by the total number of shares outstanding as at 31 December 2022 (39,855,243).
3. See page 125 for more information about the consolidated cash flow statement.
4. See page 81 for more information about Aedifica's 2023 dividend.
5. 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%. Following Brexit, a transition regime has been provided for UK assets acquired prior to 1 January 2021 so that they can be included in the calculation of the 80% threshold until the end of the 2025 financial year. Therefore, if legislation does not change in the meantime and no major changes happen in the Group's portfolio, Aedifica estimates that its shareholders will continue to benefit from the reduced withholding tax rate of 15% on dividends paid or attributed until 31 December 2025. See section 4.4.2 of the 'Standing Documents' for more information on the tax treatment of dividends, as well as section 9 'Regulatory changes' of the 'Risk factors' chapter.

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1.5 EPRA key performance indicators

			31/12/2023	31/12/2022
EPRA Earnings*	Earnings from operational activities. EPRA Earnings* represent the profit (attributable to owners of the Parent) after corrections recommended by the EPRA.	x €1,000	219,579	181,386
		€ / share	5.02	4.76
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 1 January 2020. The EPRA NRV* assumes that entities never sell assets and provide an estimation of the value required to rebuild the entity.	x €1,000	4,002,279	3,515,088
		€ / share	84.17	88.20
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 1 January 2020. The EPRA NTA* assumes that the Company acquires and sells assets, which would result in the realisation of certain unavoidable deferred taxes.	x €1,000	3,527,234	3,035,653
		€ / share	74.18	76.17
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 1 January 2020. The 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	3,585,631	3,203,353
		€ / share	75.41	80.37
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.	%	5.3%	4.9%
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.	%	5.4%	5.1%
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	%	0.1%	0.4%
EPRA Cost Ratio (including direct vacancy costs)*	Administrative & operating costs (including costs of direct vacancy) divided by gross rental income.	%	15.4%	15.9%
EPRA Cost Ratio (excluding direct vacancy costs)*	Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income.	%	15.4%	15.9%
EPRA LTV*	The EPRA LTV* represents the Company's indebtedness compared to the market value of its assets.	%	39.1%	43.4%

+21%
y/y increase
in EPRA Earnings*

Helsinki Ensikodintie - Helsinki (FI)

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2. Outlook for 2024

The outlook presented below has been developed by the Board of Directors as part of the preparation of the budget for the 2024 financial year on a comparable basis with the Company's historical financial information and consistent with the Company's accounting policies.

The Board of Directors continues to pay close attention to the shifting economic, financial and political context, as well as the associated impact on the Group's activities.

In 2024, Aedifica will continue to focus on pipeline execution and (pro)active portfolio management. However, as Aedifica expects – at least first signs of – a gradual improvement of the financial performance of operators in continental Europe in 2024 (based on indications from operators about local market trends), and a gradual reopening of investment markets (on the back of the decrease in long-term interest rates), the Company will continue to explore investment opportunities. With a solid balance sheet and a debt-to-assets ratio of approx. 40%, Aedifica is in a strong position to pursue new opportunities if and when they might arise.

Benefitting from strong fundamental tailwinds such as the ageing European population and the increasing need for futureproof care properties, healthcare real estate will remain an attractive investment category in the years to come.

2.1 Assumptions

External factors

a) 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. In Germany, contractual restrictions apply to the indexation mechanism. Indexation of rental income in Germany is usually capped or takes effect after reaching a certain threshold.

b) **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*.

c) **Average interest rate** after capitalised interests: 2.2% based on the Euribor rate curve of 2 February 2024, bank margins, and hedges currently in place. The hedge ratio is estimated at approx. 90% by the end of 2024.

d) **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, the following exchange rates have been applied:

- 0.877 €/£
- 11.655 €/SEK

Internal factors

a) **Rents:** rent forecasts are based on current contractual rates and take indexation into account. The projected rental income includes an assumption of organic growth of approx. 3% after CPI-linked indexation and assumptions regarding future portfolio additions related to the completion of buildings currently under development for which the timing of delivery cannot be determined with certainty.

b) **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.

c) **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.

d) **Investment programme:**

- Delivery of projects from the committed pipeline of €295 million.
- The cash outflow in 2024 related to the execution of development projects and acquisitions amounts to approx. €275 million.

e) **Financial assumptions:**

- Debt-to-assets ratio around 40% (without taking into account portfolio valuations), which is well within the Company's financial strategy to keep the debt-to-assets ratio below 45%.
- 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.

f) **Divestment assumption:**

- Disposal of non-strategic assets during the year for approx. €100 million.

g) **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.

- Dutch subsidiaries: Aedifica's budget for the 2024 financial year assumes that the FBI requirements will again be met, and no current tax accruals have been included. The final corporate tax assessment for 2022 was received in early 2024, reducing current taxes by approx. €4.2 million (see page 72).
- UK subsidiaries: Aedifica has applied for the UK REIT regime, which will be effective starting from 1 February 2024. The budget includes current taxes for the month of January and for some limited out-of-scope activities. The assets located in Jersey and Isle of Man do not benefit from the UK REIT regime. As AED UK Holdings Ltd's dividend will be paid for the first time in 2025, no withholding taxes have been included in the budget for the 2024 financial year (see page 72).

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2.2 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 2024 financial year to reach €330 million. This will result in €223 million in EPRA Earnings*. Taking into account the higher number of shares resulting from the 2023 capital increases (see section 1.3.2), the Board of Directors anticipates EPRA Earnings* per share of €4.70 per share and a gross dividend increasing by 3% to €3.90 per share, representing a (consolidated) pay-out ratio of 83%.

Outlook for 2024	
Estimated rental income	€330 million
EPRA Earnings*	€223 million
EPRA Earnings* per share	€4.70
Gross dividend per share	€3.90

€3.90
gross dividend per share over 2024 (+3%)

Tampere Teräskatu - Tampere (FI)

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3. Stock market performance

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.

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.

Moreover, since early 2023, Aedifica is also included in the BEL ESG, a new index launched by Euronext Brussels. The index identifies and tracks the 20 listed companies that perform best on ESG criteria, based among other things on their Sustainalytics Risk Rating.

3.1 Stock price and volume

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

Aedifica is registered in the BEL 20 Index with a weighting of approx. 3.0% (31 December 2023). 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 €47.50 and €81.27 over the course of 2023 and closed the year at €63.65, a decrease of approx. 16% compared to 31 December 2022 (€75.80).

Based on the stock price as at 31 December 2023, Aedifica shares have:

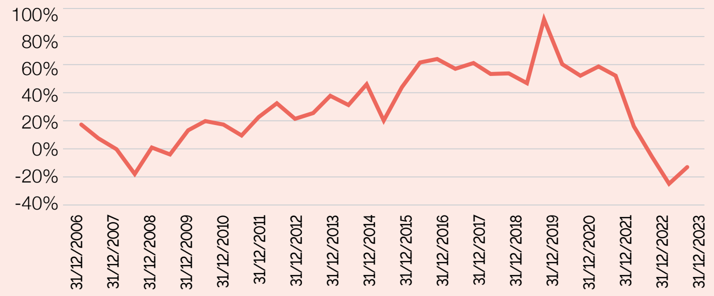
- a discount of 13.8% as compared to the net asset value per share excluding changes in fair value of hedging instruments*;
- a discount of 15.4% as compared to the net asset value per share.

Between Aedifica's IPO (after deduction of the coupons which represented the preferential subscription rights or the priority allocation rights issued as part of capital increases) and 31 December 2023, Aedifica's stock price increased by 88.2%, as compared to a decrease of 11.4% for the BEL 20 index and a decrease of 35.9% for the EPRA Europe index over the same period.

The average daily volume of the Aedifica share was approx. €4,314,000 or approx. 67,600 shares, resulting in a velocity of 40.1%. Aedifica continues its efforts to further broaden its investor base by regularly participating in road shows and events for both institutional and private investors.

The valuation creation chart on page 80 shows the evolution of Aedifica's market capitalisation from its IPO in 2006 to 31 December 2023 after deducting the cumulative dividend payments.

PREMIUM AND DISCOUNT OF SHARE PRICE COMPARED TO THE NET ASSET VALUE PER SHARE



Euronext Brussels & Amsterdam

ISIN code: BE0003851681

Trading: continuous

AED LISTED EURONEXT

BEL20 by EURONEXT

BEL ESG by EURONEXT

We are honoured that Aedifica has been included from the outset in the new BEL ESG Index. This is a great reward for the CSR efforts our team has made in recent years.

Delphine Noirhomme
Investor Relations Manager

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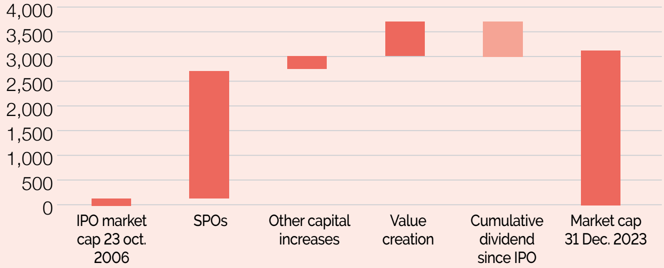
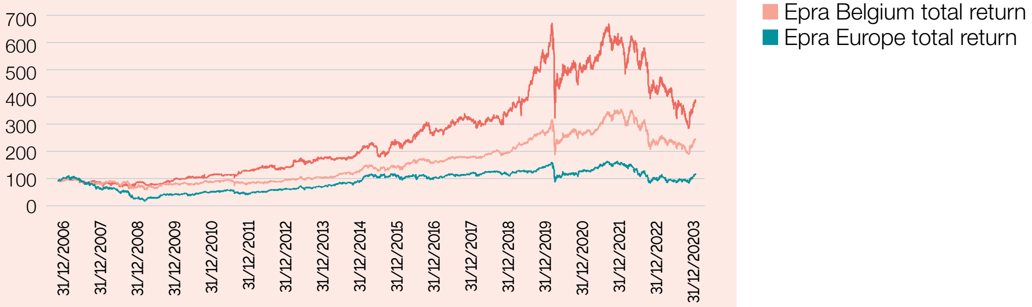
MARKET CAPITALISATION (IN € MILLION)

VALUE CREATION CHART (IN € MILLION)



TOTAL RETURN



Aedifica share	31/12/2023	31/12/2022
Share price at closing (in €)	63.65	75.80
Net asset value per share excl. changes in fair value of hedging instruments* (in €)	73.86	75.84
Premium (+) / Discount (-) excl. changes in fair value of hedging instruments*	-13.8%	-0.1%
Net asset value per share (in €)	75.20	78.83
Premium (+) / Discount (-)	-15.4%	-3.8%
Market capitalisation	3,026,565,074	3,021,027,419
Free float [1]	100.0%	100.0%
Total number of shares on the stock market [2]	47,550,119	39,855,243
Total number of treasury shares	277	277
Number of shares outstanding after deduction of the treasury shares	47,549,842	39,854,966
Weighted average number of shares outstanding (IAS 33)	43,706,129	38,113,384
Number of dividend rights [3]	43,862,078	38,152,107
Denominator for the calculation of the net asset value per share	47,550,119	39,855,243
Average daily volume	67,626	56,893
Velocity [4]	40.1%	38.2%
Gross dividend per share (in €) [5]	3.80	3.70
Gross dividend yield [6]	6.0%	4.9%

1. Percentage of the capital of a company held by the market, according to the definition of Euronext. See press release of 27 September 2022 and section 3.4 below.
2. 379,474 new shares were listed on the stock market on 31 May 2023 (these new shares are entitled to the full dividend for the 2023 financial year), and 7,315,402 new shares on 4 July 2023 (these new shares are entitled to a dividend as from 4 July 2023).
3. Based on the rights to the dividend for the shares issued during the year.
4. Annualised total volume of exchanged shares divided by the total number of shares listed on the market, according to the definition of Euronext.
5. 2023: dividend that will be proposed to the Annual General Meeting.
6. Gross dividend per share divided by the closing share price.

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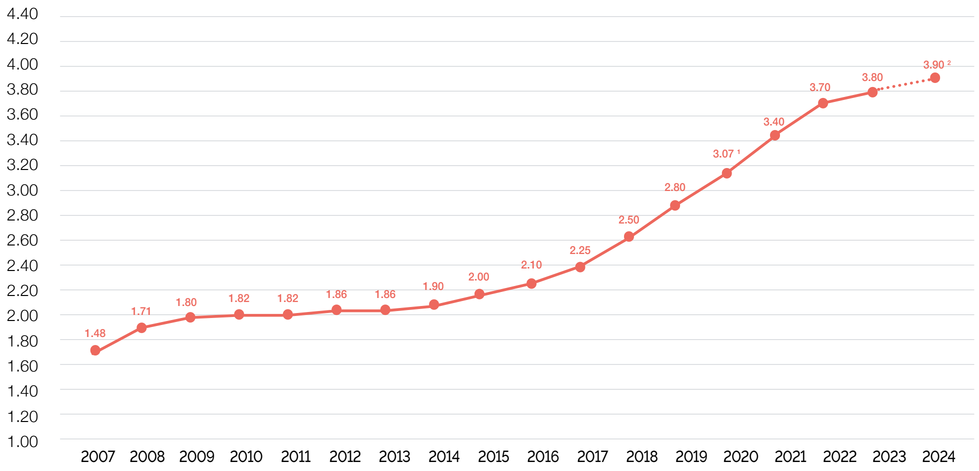
3.2 Dividend

For the financial year 2023, Aedifica's Board of Directors proposes a gross dividend of €3.80 per share, resulting in a statutory pay-out ratio of 89%. The dividend will be split between coupon no. 33 (€1.9156 for the period from 1 January 2023 until 3 July 2023) and coupon no. 34 (€1.8844 for the period from 4 July 2023 to 31 December 2023). The dividend will be paid in May 2024, after approval of the financial statements by the ordinary general meeting of 14 May 2024.

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% (see section 3.3). The total net dividend per share after deduction of the withholding tax of 15% will amount to €3.23, split between coupon no. 33 (€1.6283) and coupon no. 34 (€1.6017).

GROSS DIVIDEND (€/SHARE)



Coupon	Period	Ex-coupon date	Est. payment date	Gross dividend	Net dividend
33	01/01/2023 – 03/07/2023	22/06/2023	as from 22/05/2024	€1.9156	€1.6283
34	04/07/2023 – 31/12/2023	16/05/2024	as from 22/05/2024	€1.8844	€1.6017

1. Prorata of the €4.60 dividend (18 months) over 12 months.
2. Outlook for 2024 (see page 78).

3.3 Withholding tax

In Belgium, shareholders of RRECs benefit from a reduced withholding tax on dividends of 15% (instead of the standard rate 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 is monitoring this threshold in line with the guidelines from the Belgian government.

Aedifica shareholders can again benefit from this reduced rate for their 2023 dividend as more than 80% of the company's portfolio meets those conditions.

Following Brexit, a transition regime has been provided for UK assets acquired prior to 1 January 2021 so that they can be included in the calculation of the 80% threshold until the end of the 2025 financial year. Therefore, if legislation does not change in the meantime and no major changes happen in the Group's portfolio, Aedifica estimates that its shareholders will continue to benefit from the reduced withholding tax rate of 15% on dividends paid or attributed until 31 December 2025.

For more information on the 80% threshold for the reduced withholding tax on dividends, see page 235.

€3.80/share
proposed gross dividend for 2023

15%
reduced withholding tax rate

6.0%
gross dividend yield as at 31 December 2023

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3.4 Shareholding structure

The table below lists Aedifica's shareholders holding more than 5% of the voting rights (based on the number of shares held by the shareholders concerned as at 23 September 2022; Aedifica has not received any transparency notifications after that date). Declarations of transparency and control strings are available on Aedifica's website. According to Euronext's definition, the free float is 100%. The pie chart below breaks down Aedifica's diversified shareholder base geographically. About one-third of shareholders are retail shareholders versus two-thirds institutional shareholders.

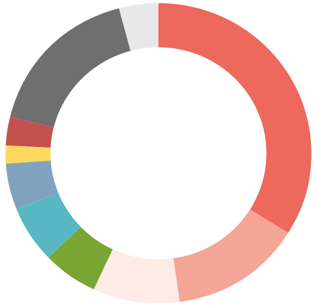
	# of voting rights	Date of the notification	% of the total number of voting rights
BlackRock, Inc.	2,157,313	23/09/2022	5.4%
Other shareholders			94.6%
Total			**100%**

3.5 Shareholder's calendar [1]

Financial calendar	
Interim results 31/03/2024	02/05/2024
Annual General Meeting 2024	14/05/2024
Payment dividend relating to the 2023 financial year	As from 22/05/2024
Coupon 33 – ex-coupon date	22/06/2023
Coupon 34 – ex-coupon date	16/05/2024
Environmental Data Report	June 2024
Half year results 30/06/2024	31/07/2024
Interim results 30/09/2024	30/10/2024
Annual press release 31/12/2024	February 2025
2024 Annual Financial Report	March 2025
Annual General Meeting 2025	13/05/2025
Payment dividend relating to the 2024 financial year	May 2025

Eds Prästgard - Upplands-Väsby (SE)

INTERNATIONAL & DIVERSIFIED SHAREHOLDER BASE [2]



1. These dates are subject to change.
2. Based on a shareholder identification carried out on 29 December 2023.

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Oulu Vaarapiha - Oulu (FI)

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.

98%
attendance rate Board and committee meetings

Update of Speak Up Policy

Compliance training for all employees, members of the Executive Committee and Directors

Brand new & easily readable Code of Conduct

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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[1] including:

- Articles of Association
- Corporate Governance Charter
- Code of Conduct, incorporating by reference:
  - Dealing Code
  - Speak Up Policy
  - Anti-Bribery and Corruption Policy
  - Internal Privacy Policy
  - Human Rights Policy
  - Environmental Policy
  - Charter for Responsible Supplier Relations
  - Social Media Policy
  - Anti-Money Laundering Policy
- Remuneration Policy

1. See also 'Ethics, compliance and integrity' on page 60 for more information about the Code of Conduct and certain underlying policies.

1. Governance model and structure

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.

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.

Finally, given the geographical diversity of the countries in which Aedifica operates and 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 and the respective division of roles can be represented schematically as shown hereafter.

Board of Directors

- Defines the Company's strategy and policy.
- Develops and ensures entrepreneurial, responsible and ethical leadership that can implement strategy and policies within a framework that enables effective control and risk management.
- Examines the quality of the information given to investors and the public.
- Determines the corporate governance.
- Ensures that ESG objectives are developed within the Company and supervises the implementation.

Audit and Risk Committee

- In general: assists the Board of Directors in fulfilling its monitoring responsibilities for control purposes in the broadest sense, including ensuring internal audit of the Company.
- 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 and the information provided to the shareholders and the market;
  - supervising the external audit, including the assessment and monitoring of the auditor's independence;

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- regular reporting 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.

Nomination and Remuneration Committee

Assists 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;
- 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.

Investment Committee

Advises the Board of Directors on investments and divestments submitted by the Executive Committee to the Board of Directors in order to expedite the Company's decision-making process regarding investment and divestment dossiers.

Risk Manager

- Ensures the implementation of measures and procedures to identify, monitor and avoid the risks the Company may face (including ESG-related risks).
- When risks actually materialise, proposes measures to mitigate the impact of these risks and assess and monitor their consequences as much as possible.

Compliance Officer

- Ensures compliance by the Company, its directors,effective leaders, employees with the legal rules regarding the integrity of the business of a public regulated real estate company.
- Ensures compliance with the internal Company policies, including compliance with the rules on conflicts of interest, incompatibility of mandates, compliance with Company values and market abuse and manipulations.

Internal Auditor

Assesses the activities of the Company and examines the effectiveness of the existing internal control procedures and methods.

Executive Committee

- Oversees the day-to-day management of Aedifica,in accordance with the values, strategy and policy guidelines determined by the Board of Directors.
- Proposes strategy to the Board of Directors (including regarding ESG) and executes the strategy approved by the Board of Directors.
- Organises and manages supporting functions.
- Examines and (within the delegated powers) decides on investments and divestments, general management of the real estate portfolio, and prepares the financial statements and all operational reporting.
- Validates the Sustainability Steering Committee's proposals and plans.

G10 - Country managers

- Ensures, as deliberation and discussion platform between the country managers and the Executive Committee:
  - cross-border communication between the different teams of Aedifica Group, including exchange of relevant experiences from the different local real estate markets in which Aedifica operates;
  - the alignment of objectives of all parts of Aedifica Group;
  - the participation of all parts of Aedifica Group in the establishment and implementation of Aedifica Group's policy.

Sustainability Steering Committee

- Pursues the implementation and effective integration of the Group's CSR strategy in all business segments, in collaboration with the operational teams.
- Assesses and manages risks and opportunities related to climate change.
- Proposes concrete and economically viable measures to improve the environmental and social performance of the Group.
- Ensures that the Group complies with legal, national and international environmental requirements.
- Promotes dialogue with all stakeholders in order to determine which efforts need to be made and in order to develop long-term partnerships that strengthen the positive impact of actions implemented.
- Communicates the Group's ESG performance to all stakeholders.

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).

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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 compliance officer – Mr Thomas Moerman, Group General Counsel;
- a risk manager – Ms Ingrid Daerden, CFO, Executive Director and member of the Executive Committee, assisted by Mr Maximilien Meuwissen (Financial Control and Risk Manager);
- an internal auditor – the internal audit function is performed by an external consultant, BDO Risk Advisory Services (represented by Mr Wim Verbelen), 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.

Internal control environment

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

- 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 has been completely revised in 2023 (see page 60 on the Code of Conduct).
- 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 12 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 above. The members of the Executive Committee are responsible for the day-to-day management of the Company and the execution of the strategy in line with the sustainable business objectives, 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 holds individuals accountable for their internal control responsibilities in the pursuit of objectives.

Over the past years, a 'Target Operating Model' has been developed and when it was implemented, a RACI matrix was also created to describe the roles that each department plays within the organisation. The acronym RACI stands for responsible, accountable, consulted, and informed. The RACI framework clarifies responsibilities and ensures that our organisational needs are assigned to those responsible, and the performance of the responsible can be assessed against the responsibilities assigned under the framework. 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.

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 Report on pages 20-21. In terms of risk culture, the Company adopts a prudent conservative attitude.

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 has built up an internal tool to better follow up on the risk evolution. Aedifica's appetite for these risks is assessed and the controls put in place are documented with the help of the tool. The risk analysis is regularly monitored and gives rise to remediation actions in relation to any identified vulnerabilities. More information on risks can be found in the 'Risk factors' chapter in this Annual Report.

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

Aedifica is aware that fraud could occur at any level within the organisation and has therefore taken various measures to prevent fraud and reduce this risk.

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These measures concern inter alia the establishment of an adequate system of internal control (including control activities – see also principle 10 below) and the adoption of various policies (Code of Conduct, setting out rules for proper book and accounting recording and unauthorised use of company resources; the Anti-Bribery and Corruption Policy and the Policy on preventing the use of the financial system for the purposes of money laundering and terrorist financing). Any attempt to commit fraud is immediately investigated in order to mitigate the potential impact on the Company and prevent further attempts.

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

Significant changes are continuously identified and analysed by both the Executive Committee and the Board of Directors and formalised in the 'risk universe' tool. This analysis is incorporated in the 'Risk factors' chapter. In application of this process, sustainability-related risks have also been identified and integrated in the 'risk universe tool' in recent years.

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.

Furthermore, for the management of operational risks, the following measures have been implemented:

- 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 purchase order (PO): POs are approved by two members;
  - approval of invoices: invoices are approved based on the service rendered (3-way match between the PO value, invoice value and Good Receipt value). Furthermore, if invoices are related to a project or above a defined threshold, there is an additional approver (4-way match);
  - payment of invoices: the invoices are released for payment when the above conditions (3- or 4-way match) have been met. The payment batch is executed by an accountant;
  - a specific delegation of authority is in place for treasury operations.

  In addition, the Company has introduced control measures to address its main financial and operational risks:
  - interest rate risk: implementation of hedges (mainly IRS and caps), contracted only with reference banks;
  - counterparty risk: use of different reference banks with a strong credit rating 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.

Helsinki Ensikodintie - Helsinki (FI)

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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;

- creditworthiness of tenants: monthly monitoring of tenants' key KPI (EBITDAREM, occupancy rate, debt ratio, etc.) and ability to pay the rent.

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. Aedifica is currently implementing a new budgeting tool which facilitates the budgeting and forecasting projections. 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. Finally, an IT department ensures that the necessary backups and firewalls are in place to protect the security of access and continuity of system data for which a service level agreement is in place with a trusted partner.

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 and internal processes in formal procedures and policies is part of a continuous process improvement objective, which also considers the balance between formalisation and company size.

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. The Company has switched to a single ERP system for the entire group (SAP).

Additionally, the Company also uses specific software tools to support operational processes:

- No Claims helps property managers to better identify and manage the operational risks for each building;
- M-Files is used to improve the operational approval flow for new lease contracts (software is currently in implementation phase and will be used as from 2024);
- Deepki is used to gather all information regarding building consumption (software is currently in implementation phase and will be used as from 2024).

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. In 2022, an intranet has been put in place to facilitate communication and exchange of information throughout the Group.

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

Extensive external communication to shareholders and other stakeholders and transparency is essential for a listed company, and Aedifica is dedicated to it on a daily basis. External communication relating to the functioning of internal control is primarily done in the annual report. Additionally, most policies are also published on the Group's website.

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 Committee and the Executive Committee. The Committee ensures that the appropriate corrective measures are taken by the management.

4. Shareholder structure

Based on the transparency notices received, BlackRock, Inc. (transparency notice dated 23 September 2022) holds at least 5% of the voting rights in Aedifica (see page 82). No othe shareholder holds more than 5% of the capital. Notices under transparency legislation and controlchains 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.

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.

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5. Board of Directors and Committees

5.1 Current composition of the Board of Directors

The Board of Directors consists of twelve 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 89-90. 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. Each member of the Board of Directors has, for the purpose of their mandate within Aedifica NV/SA, selected the address of the registered seat of Aedifica NV/SA, Rue Belliard/Belliardstraat 40 (box 11), 1040 Brussels (Belgium), as their business address.

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, as explained in more detail on pages 94-95.

From left to right: Luc Plasman, Raoul Thomassen, Charles-Antoine van Aelst, Ingrid Daerden, Stefaan Gielens, Pertti Huuskonen, Elisabeth May-Roberti, Sven Bogaerts, Marleen Willekens, Serge Wibaut, Henrike Waldburg & Katrien Kesteloot.

Serge Wibaut

Chair – Independent Director
Member of Audit and Risk Committee
Belgian – 66 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
2,209

Other active mandates
Securex Assurance, Cigna Life Insurance Company of Europe NV/SA, Scottish Widows Europe

Mandates expired during the last 5 years
ADE, Alpha Insurance, Securex NV/SA, Eurinvest Partners NV/SA, Reacfin NV/SA

Stefaan Gielens, MRICS

Chief Executive Officer –
Executive Manager
Belgian – 58 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
18,301

Other active mandates
Director of Happy Affairs BV and as permanent representative of Happy Affairs BV, director in Antemm NV/SA

Mandates expired during the last 5 years
Director of Immobe NV/SA and Forum Estates NV/SA

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Charles-Antoine van Aelst

Executive Director — Chief Investment Officer – Executive Manager
Belgian – 38 years

Aedifica Board mandate
- Since 08.06.2020
- End of term: 05.2026

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

Aedifica shareholding
7,164

Other active mandates
Director of Immobe NV/SA

Mandates expired during the last 5 years
Director of Davidis NV/SA

Sven Bogaerts

Executive Director – Chief Mergers & Acquisitions Officer – Chief Legal Officer – Executive Manager
Belgian – 46 years

Aedifica Board mandate
- Since 08.06.2020
- End of term: 05.2026

Experience
Over 20 years, including 14 years as attorney specialised in business real estate transactions.

Aedifica shareholding
6,827

Other active mandates
/

Mandates expired during the last 5 years
Director of Immobe NV/SA

Ingrid Daerden

Executive Director – Chief Financial Officer – Executive Manager
Belgian – 49 years

Aedifica Board mandate
- Since 08.06.2020
- End of term: 05.2026

Experience
Over 25 years, including 10 years in real estate financing.

Aedifica shareholding
5,505

Other active mandates
Director of LCL Data Centers

Mandates expired during the last 5 years
Director and business manager of JIND BV (the company was dissolved and liquidated), director of Immobe NV/SA

Pertti Huuskonen

Independent Director – Member of the Nomination and Remuneration Committee – Fin – 67 years

Aedifica Board mandate
- Since 08.06.2020
- End of term: 05.2026

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

Aedifica shareholding
3,296

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 Chair of the Board of Directors of Avain Yhtiöt, Chair of Aitoenergia

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, (Vice) Chair of the Board of Directors of Hoivatilat Oy

Katrien Kesteloot

Independent Director – Member of the Audit and Risk Committee – Responsible for internal audit
Belgian – 61 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
202

Other active mandates
Director of Hospex NV/SA, VZW/ASBL Faculty Club KU Leuven and Rondom VZW/ASBL, Chair of the Board of Directors and member of the Audit Committee of Emmaüs VZW/ASBL

Mandates expired during the last 5 years
/

Elisabeth May-Roberti

Independent Director – Chair of the Nomination and Remuneration Committee
Belgian – 60 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
508

Other active mandates
Various positions and mandates within the Interparking Group

Mandates expired during the last 5 years
/

Luc Plasman

Independent Director – Member of the Nomination and Remuneration Committee and Chair of the Investment Committee
Belgian – 70 years

Aedifica Board mandate
- Since 27.10.2017
- End of term: 05.2026

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

Aedifica shareholding
488

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
/

Raoul Thomassen

Executive Director – Chief Operational Officer – Executive Manager
Dutch – 49 years

Aedifica Board mandate
- Since 10.05.2022
- End of term: 05.2025

Experience
Almost 20 years in property and asset management.

Aedifica shareholding
2,022

Other active mandates
Listo Consulting BV

Mandates expired during the last 5 years
Chair of ICSC Europe Retail Asset Management Committee and Profin Green Iberia ES SL (the company was dissolved and liquidated), Director of Profin Green Iberia NL BV

Henrike Waldburg

Independent Director
German – 51 years

Aedifica Board mandate
- Since 10.05.2022
- End of term: 05.2025

Experience
Almost 20 years in the real estate industry with one of Europe's largest real estate investment managers, notably over the last 15 years in various senior leadership positions.

Aedifica shareholding
77

Other active mandates
Board member of European Council of Shopping Places (ECSP)

Mandates expired during the last 5 years
/

Marleen Willekens

Independent Director – Chair of the Audit and Risk Committee
Belgian – 58 years

Aedifica Board mandate
- Since 27.10.2017
- End of term: 05.2026

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

Aedifica shareholding
151

Other active mandates
Independent director and Chair of the Audit Committee of Intervest NV/SA

Mandates expired during the last 5 years
/

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5.2 Mandates that expire at the Ordinary General Meeting

The Director's mandates of Mr Wibaut, Mr Gielens, Ms Kesteloot and Ms May-Roberti expire after the Ordinary General Meeting of 14 May 2024. Given their professional competences and their contribution to the proper functioning of the Board of Directors and its Committees, the Board of Directors proposes to the Ordinary General Meeting – upon recommendation of the Nomination and Remuneration Committee – to renew these mandates.

Furthermore, Ms Waldburg has decided to end her mandate as Director of Aedifica as per the Ordinary General Meeting of 14 May 2024 as the continuation of her mandate is difficult to reconcile with additional professional obligations that have fallen upon her.

Considering the skills and experience of Ms Waldburg and of the entire Board of Directors, the Nomination and Remuneration Committee has led the search for a new independent Director. This has resulted in the proposal of the Board of Directors to the Ordinary General Meeting for the appointment – subject to approval by the FSMA – of:

Ms Kari Pitkin as Independent Non-Executive Director

Ms Kari Pitkin brings over 20 years of experience and expertise in the pan-European real estate and investment banking industry. She has been European Head of Real Estate, Gaming & Lodging Investment Banking at Bank of America Merrill Lynch for many years and in that capacity has assisted large institutional investors in a variety of corporate finance transactions. For years, she was also Head of Business Development (and later Head of Clients Solutions) with PIMCO Prime Real Estate, and in that way was involved in investments in various asset classes in different geographical areas.

5.3 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.

5.4 Activity report of the Board of Directors

During the 2023 financial year, the Board of Directors met 12 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;
  - the navigation of the Company throughout the changed macro-economic environment.
- **Operational:**
  - the impact of inflation, increased energy and staff costs on operators;
  - enhanced focus on monitoring and overseeing the quality of care in Aedifica care homes;
  - implementation of the ESG strategy on the operational level.
- **Investment:**
  - analysis and approval of investment, divestment and (re)development cases;
  - implementation of asset rotation programme;
  - acquisition of healthcare real estate in new markets.
- **Financial:**
  - the capital increase in the context of an optional dividend within the scope of the authorised capital;
  - the capital increase in cash without preferential subscription right, but with priority allocation rights;
  - debt-to-assets ratio management.
- **Governance:**
  - 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 Group operates.
- **Internal control:**
  - the organisation and activities of internal control (compliance, risk management and internal audit function), as well as the cyber security level of the Company.
- **ESG:**
  - 2022 Environmental Data Report and the sustainability action plan to achieve net zero emissions by 2050 for the real estate portfolio, based on the work and reporting of the Sustainability Steering Committee as validated by the Executive Committee;
  - GRESB participation.

5.5 Induction and continuous board training

An Induction Programme has been developed for new Directors, in which any Director can participate. The programme includes a review of the Group's strategy and activities, and the main challenges in terms of growth and competition and a review of finance, human resources management, legal context, corporate governance and compliance topics through one-to-one meetings with the members of the Executive Committee and the Compliance Officer.

Directors also receive compliance training (including training on information (cyber) security). On occasion, external speakers are also invited to discuss specific topics. In 2023, such topics covered the situation on the financial markets and the impact on the real estate sector, the strategic challenges and opportunities for Aedifica's business model in the long term and the climate risk assessment carried out in relation to our portfolio.

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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 provided the Chair of the Board of Directors is informed in advance and with due regard 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

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 composition of the Audit and Risk Committee and the tasks entrusted to the committee meet the legal requirements. 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 committee met six times during the 2023 financial year. The Statutory Auditor of the Company was heard two times by the Audit and Risk Committee during the financial year.

The main points discussed during the 2023 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;
- cyber security level of the Company.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of three Independent Directors: Ms May-Roberti (Chair of the Nomination and Remuneration Committee), Mr Plasman and Mr Huuskonen. 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 composition of the Nomination and Remuneration Committee and the tasks entrusted to the committee meet the legal requirements. 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.

During the financial year 2023, the committee met 4 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 2023 financial year;
- preparation of the remuneration report;
- organisation of the Company.

Investment Committee

The Investment Committee consists of two Independent Directors and one Executive Director: Mr Plasman (Chair of the Investment Committee), Mr Wibaut and Mr Gielens.

During the 2023 financial year, the committee met 3 times to analyse and evaluate 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 the Non-Executive Directors can be found in the remuneration policy (see Aedifica's Corporate Governance Charter) and the remuneration report (see page 97).

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5.8 Executive Committee and effective management

The Executive Committee is composed of the following persons, who are also all Executive Managers in the meaning of the RREC Law. The members of the Executive Committee are appointed by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee. The members of the Executive Committee are also executive Directors of the Company. In that capacity they were present at all meetings of the Board of Directors held in 2023.

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 101).

Role and responsibilities of the Executive Committee

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 see Aedifica's Corporate Governance Charter (available on the website).

Name	Position	Function / description	Start of mandate	Aedifica shareholding
Stefaan Gielens, MRICS **Belgian – 58 years**	Chief Executive Officer (CEO)	• Monitoring the Group's general activities • Driving force behind the Group's strategy and internationalisation • Executive Director, chair of the Executive Committee, member of the Investment Committee and Director of several Aedifica subsidiaries • CEO mandate is of indefinite duration	3 February 2006	18,301
Ingrid Daerden **Belgian – 49 years**	Chief Financial Officer (CFO)	• Responsible for the financial activities of the Group • Executive Director, member of the Executive Committee, Risk Manager and Director of several Aedifica subsidiaries • CFO mandate is of indefinite duration	1 September 2018	5,505
Raoul Thomassen **Dutch – 49 years**	Chief Operating Officer (COO)	• Responsible for the business operations and daily functioning of the Group • Executive Director, member of the Executive Committee and Director of several Aedifica subsidiaries • COO mandate is of indefinite duration	1 March 2021	2,022
Charles-Antoine Van Aelst **Belgian – 38 years**	Chief Investment Officer (CIO)	• Responsible for the Group's investment activities • Executive Director, member of the Executive Committee and Director of several Aedifica subsidiaries • CIO mandate is of indefinite duration	1 October 2017	7,164
Sven Bogaerts **Belgian – 46 years**	Chief Legal Officer/Chief Mergers & Acquisitions Officer (CLO/CM&AO)	• Responsible for the Group's Legal Department and its national and international M&A activities • Executive Director, member of the Executive Committee and Director of several Aedifica subsidiaries • CLO/CM&AO mandate is of indefinite duration	1 October 2017	6,827

From left to right: Charles-Antoine van Aelst, Sven Bogaerts, Raoul Thomassen, Ingrid Daerden & Stefaan Gielens.

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6. Diversity at Board and Executive Committee level

Diversity at the level of the Board of Directors and at the level of the Executive Committee is part of the overall diversity, equity and inclusion objectives of Aedifica as described in the diversity policy (see page 56).

Diversity at Board level

In accordance with the Belgian legal requirements, at least one third of the members of the Board of Directors must be of a different gender from the other members. The Board of Directors follows these legal requirements, and these have also been integrated into the Board recruitment and nomination process. The precise gender make-up fluctuates over time as positions become vacant and depends also on the complementarity between the different members with respect to various facets of diversity (of which gender is one). Beyond gender diversity and the growing focus on the international composition of the Board of Directors, the Board of Directors always strives to keep a balanced mix of diversity in terms of skills, experience, nationality, age, independence, tenure as well as any other relevant criterion.

Board of Directors

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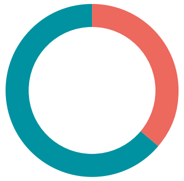
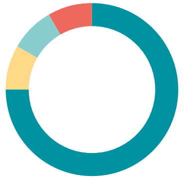


NATIONALITIES



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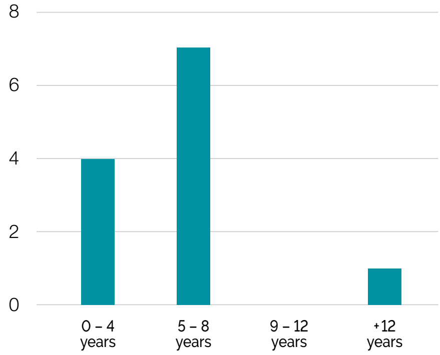

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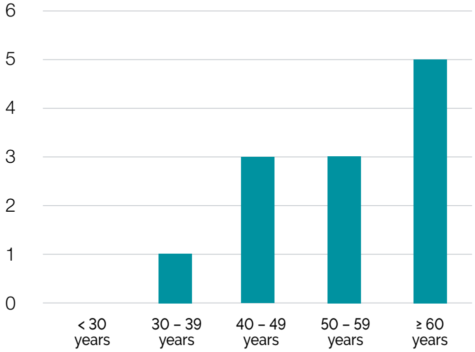
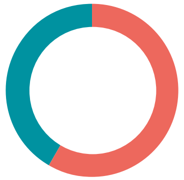


STATUS



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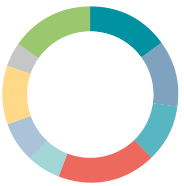

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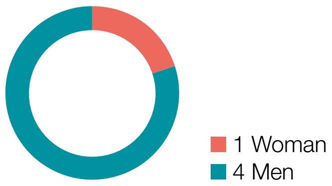
GENDER



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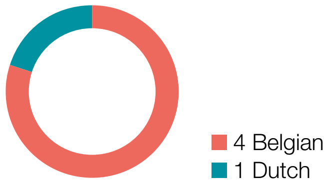

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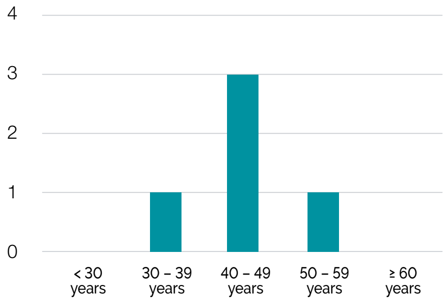
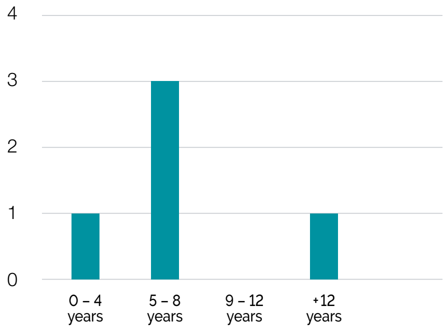


TENURE



Diversity at Executive Committee level

No legal gender requirements apply to the composition of the Executive Committee. Nevertheless, here as well, the Company strives through the Board of Directors that appoints the members of the Executive Committee, to gender diversity in the composition of the Executive Committee. The overall objective, however, is to pay careful attention not just to one aspect of diversity but to diversity in all its aspects to ensure a complementarity of competences, national and international experience, personalities and profiles, in addition to the expertise and integrity required for the performance of the function.

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.

The last overall assessment of the Board of Directors and the Board committees took place at the end of 2023 and was conducted by an external specialised governance consultant. The evaluation focused primarily on the composition, succession planning, preparation and functioning of the Board and its committees, and the interactions between the Board and the Executive Committee. The evaluation indicates that the Board functions well and can rely on highly committed and engaged Board members. Suggestions were mainly made regarding the further preparation and elaboration of succession planning for the Board of Directors and the Executive Committee in the medium term.

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€5.02/share
EPRA earnings*

39.7%
debt-to-assets ratio

+36 projects
completed for nearly €310 million

90%
EPC coverage

Improvement
of sustainability scores

100%
occupancy rate

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 report[1].

The Remuneration Report provides a complete overview of the remuneration, including all benefits in whatever form, granted or due, during the 2023 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 policy took effect on 1 January 2021 and can be consulted on our website. The Board of Directors did not deviate over the past financial year in any matter from the approved remuneration policy.

The last remuneration report (over the financial year 2022) was approved by a large majority of the shareholders (92% of the votes casted at the General Meeting of 9 May 2023). Notwithstanding the fact that this represented a significant increase in the level of shareholder support (which was the year before already 83%), and exceeds levels achieved in the majority of other BEL 20 Index companies, the Nomination and Remuneration Committee took additional steps to understand shareholders' and proxy advisors' perspectives in order to make further improvements. Further to the feedback received, it was decided to include henceforth a full retrospective disclosure of the STI and LTI targets and performance levels for the completed performance cycles on the basis of which an award to the Executive Committee is granted. Additionally, the Company also decided to already disclose the targets and performance levels with respect to the non-financial KPIs set under the LTI for the new performance cycle 2024-2026.

The Company will continue to solicit shareholders' and proxy advisors' feedback to ensure that Aedifica's approach to remuneration remains aligned with the interests of all stakeholders and evolves as market expectations change. This feedback will also be taken into account when the Board of Directors submits next year (4 years since the previous approval) – in line with the applicable legislation – the remuneration policy, as the case may be amended where deemed appropriate, again to the General Meeting.

8.1 Remuneration of the Non-Executive Directors for the 2023 financial year

The Company's Ordinary General Meeting has set the following remuneration for the Non-Executive Directors[2]:

- 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 and Ms Waldburg 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. The table below provides an overview of the Non-Executive Directors' attendance at Board and committee meetings and the remuneration received for the 2023 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 the independent specialist consultant 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 rule the Non-Executive Directors other than the Chairperson had to register for the year 2023 a minimum of 46 shares in the share register, whereas the Chairperson had to register a minimum of 118 shares.

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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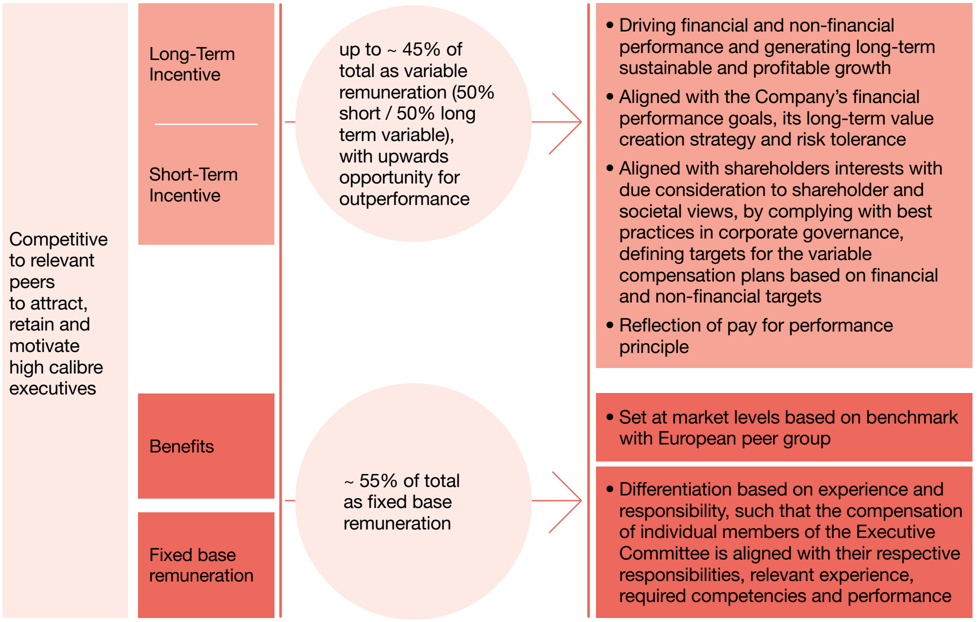
All Non-Executive Directors have registered the required number of shares in the share register of the Company, with the exception of Ms Waldburg who was for technical constraints specific to the German banking and securities system not able to convert its dematerialised shares in registered shares. 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. This shareholding obligation also applies to Ms Waldburg who annually submits proof that the required number of shares are still being held by her.

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.

8.2 Remuneration of the members of the Executive Committee for the 2023 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, as summarised in the table on the right.



Remuneration of Independent Directors in 2023

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 (€)
Pertti Huuskonen	12/12		4/4		35,000	15,600	1,500	52,100 [1]
Katrien Kesteloot	12/12	6/6			40,000	17,400		57,400
Elisabeth May-Roberti	12/12		4/4		45,000	15,600		60,600
Marleen Willekens	11/12	5/6			50,000	15,500		65,500
Luc Plasman	12/12		4/4	3/3	45,000	18,300		63,300
Serge Wibaut	12/12	6/6		3/3	95,000	20,100		115,100
Henrike Waldburg	11/12				35,000	11,000	1,200	47,200
Total					**345,000**	**113,500**		**461,200**

1. After the takeover of Hoivatilat by Aedifica in the beginning of 2020, the Board of Directors of Hoivatilat counted three independent Finnish Directors. Over 2023, two out of these three mandates were still in place but both took ultimately an end on 30 November 2023. These mandates were remunerated in line with the customary practices that already existed within Hoivatilat prior to the takeover. Mr Huuskonen was one of the two Independent Directors and also acted as vice-chairman of the Board of Directors of Hoivatilat. For this mandate he has received for the financial year 2023 (until the end of his mandate per 30 November 2023) a remuneration of € 41,163 (€36,663 fixed; €4,500 attendance fees) which is not reflected in the table regarding the remuneration of the Aedifica Board mandates. This brings Mr Huuskonen's total remuneration received from Aedifica (Group) on €93,263.

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8.2.2 Remuneration structure

8.2.2.1 Benchmark study

In alignment with the remuneration policy, remuneration of the members of the Executive Committee is regularly benchmarked against that of a peer group in order to ensure the market conformity of the remuneration package and enable the Company to continue to attract and retain internationally experienced top executive profiles, taking into account and evolving with the size, growth and internationalisation of the Company.

The latest benchmark study was conducted in the first half of 2022 by the independent specialist consultant Willis Towers Watson. The benchmarked group consisted of the following European peers: Cofinimmo, Immobel, Warehouses de Pauw, Gecina, Icade, Klepierre, Korian, Orpea, Deutsche Wohnen, Patrizia, Vonovia, Grand City Properties, Shurgard Self Storage, Eurocommercial Properties, Redevco, Fabege, Hemso, SBB, PSP Swiss Property, Assura, Hammerson, Land Securities Group and SEGRO.

The current remuneration level of the members of the Executive Committee is around the 25th percentile of the peer group.

8.2.2.2 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.

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.

The table below details the number of shares acquired by the members of the Executive Committee in previous years in application of the fixed long-term incentive plans and which have vested during the calendar year 2023.

No new shares are issued anymore under these plans since the former fixed long-term incentive plans have been replaced by a variable long-term incentive plan in the context of the new remuneration policy of 2021 (see previous annual reports).

Name	Identification of plan	Acquisition date of LTIP shares	Total number of LTIP shares acquired	Acquisition price of LTIP sharess (€)	Number of LTIP shares vested in 2023	Number of shares not yet vested
Stefaan Gielens	Ad Hoc LTIP	15/06/2020	171	81.33	86	/
	2020 LTIP	17/12/2020	501	81.08	251	/
	2021 LTIP	15/04/2021	964	84.25	290	482
	2022 LTIP	14/03/2022	1,028	83.25	205	823
Ingrid Daerden	2020 LTIP	17/12/2020	286	81.08	143	/
	2021 LTIP	15/04/2021	552	84.25	166	276
	2022 LTIP	14/03/2022	587	83.25	117	470
Sven Bogaerts	2020 LTIP	17/12/2020	286	81.08	143	/
	2021 LTIP	15/04/2021	551	84.25	165	276
	2022 LTIP	14/03/2022	588	83.25	118	400
Charles-Antoine van Aelst	2020 LTIP	17/12/2020	286	81.08	143	/
	2021 LTIP	15/04/2021	551	84.25	165	276
	2022 LTIP	14/03/2022	588	83.25	118	400
Raoul Thomassen	2021 LTIP	15/04/2021	459	84.25	138	230
	2022 LTIP	14/03/2022	587	83.25	117	470

Priestly Fields - Congleton (UK)

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8.2.2.3 Variable remuneration

A. Short-term variable remuneration

Structure

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 the 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 a balanced mix of collective and personal, financial and non-financial key performance indicators (KPIs) and their corresponding weighting factors.

Performance over 2023

On 20 February 2024, the Board of Directors concluded, based on the recommendation of the Nomination and Remuneration Committee and after validation of the financial results as at 31 December 2023 by the Audit and Risk Committee, that the quantitative and qualitative criteria set out for the annual short term incentive plan 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 2023 financial year, as indicated in the table on the upper right.

Targets for 2024

The performance levels under the short-term incentive for the collective financial KPIs and the personal non-financial KPIs for the financial year 2024 have been set by the Board of Directors. In accordance with the remuneration policy, these were set as indicated in the framework on the lower right.

In line with market practice and taking into account the commercial sensitivity of disclosing financial targets prospectively, the Company discloses the specific performance levels on a retrospective basis only.

Short term variable – 2023

	2023 performance objectives	Weight	Award min-max	Targets & achievements	Award
Collective KPI	Consolidated EPRA Earnings* per share [1]	70%	0-125%	min 4.28 / target 4.50 / max 4.72 / **actual 5.02**	125%
	Operating margin	15%	0-125%	min 84.20 / **actual 84.90** / target 85.10 / max 85.85	89%
Personal KPI	Individual performance CEO	15%	0-125%	Personal targets supporting the Company's strategic imperatives	125%
	Individual performance other members of Executive Committee	15%	0-125%	Personal targets supporting the Company's strategic imperatives	125%

Short term variable – 2024

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

1. The performance levels were adapted to take into account the new shares that were issued by the Company after the performance levels had been set in the context of the optional dividend and the rights issue. The calculation is made on the basis of a weighted average number of shares over financial year 2023 of 47,706,129 shares.

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B. Long-term variable remuneration

Structure

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 of 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 a mix of collective, financial and non-financial, KPI-types (key performance indicators) and corresponding weighting factors.

The Board of Directors determines for each three-year performance cycle the specific financial and non-financial KPIs (and their performance levels) selected within the framework of the KPI-types set in the remuneration policy.

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.

Performance 2021-2023

The first performance cycle of the long-term incentive plan (period 2021-2023) was set by the Board of Directors in 2021 in line with the remuneration policy (see remuneration report over financial year 2021).

On 20 February 2024, 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 2023 by the Audit and Risk Committee that the quantitative and qualitative criteria set out for the 2021-2023 performance cycle of the long term incentive plan were met for payment of the variable remuneration to the members of the Executive Committee, as indicated in the table on the upper right.

Targets ongoing performance cycles

For each of the ongoing performance cycles under the long term incentive plan, the Board of Directors has in the beginning of the performance cycle selected the specific KPIs within the range of categories of financial and non-financial KPIs set out in the remuneration policy. The realisation of the KPIs for a performance cycle is evaluated at the beginning of the financial year following the end of the performance cycle.

In line with market practice and taking into account the commercial sensitivity of disclosing financial targets prospectively, the Company discloses the performance levels of the financial KPIs under the long term incentive plan on a retrospective basis only. An overview of the targets of the ongoing performance cycles are presented in the table on the bottom right.

Long term variable – 2021-2023

	2021-2023 performance objectives	Weight	Award min-max	Targets & achievements	Award
Financial KPI	Average EPS growth (CAGR)	70%	0-125%	min 1.50% · target 3.00% · max 5.00% · **actual 5.87%**	125%
Non-financial KPI	EPC Coverage of Aedifica Group portfolio	15%	0-125%	min 75% · target 80% · max 85% · **actual 90%**	125%
	Employee satisfaction - average participation rate in Great Place to Work survey	15%	0-125%	min 50% · target 60% · max 70% · **actual 89%**	125%

Overview targets ongoing performance cycles

	Financial KPI	Weight	Non-financial KPI	Weight
2022 - 2024	Average EPS growth (CAGR)	70%	EPC coverage of the Group's portfolio min 80% · target 85% · max 90%	15%
			Employee satisfaction - average satisfaction rate in Great Place to Work survey min 72.5% · target 75% · max 77%	15%
2023 - 2025	Average EPS growth (CAGR)	70%	Net energy use intensity of the portfolio at the end of the performance cycle min 162 kw · target 157 kw · max 152 kw per square meter / per year (based on that part of the portfolio for which such data are available)	15%
			Employee satisfaction - average satisfaction rate in Great Place to Work survey min 72.5% · target 75% · max 77%	15%
2024 - 2026	Average EPS growth (CAGR)	40%	Net energy use intensity of the portfolio at the end of the performance cycle min 160 kw · target 156 kw · max 152 kw per square meter / per year (based on that part of the portfolio for which such data are available)	15%
	Average EPRA Cost Ratio	30%	Employee satisfaction - average satisfaction rate in Great Place to Work survey min 73% · target 76% · max 78%	15%

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8.2.2.4 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.

8.2.2.5 Other components of the remuneration

The members of the Executive Committee benefit from various additional benefits, including a representation allowance, hospitalisation and invalidity insurance and coverage for accidents at work, a laptop and a smartphone. An apartment close to the Brussels office is also made available to the benefit of Mr Thomassen (given his residency in the Netherlands).

8.2.3 Total remuneration

For information purposes, note that the ratio between the total remuneration of the CEO for 2023 and the average remuneration of personnel amounts to 9; the ratio between the total remuneration of the CEO for 2023 and the lowest remuneration of personnel amounts to 24.

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 2023 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 2023 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 page 93 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.

Total remuneration of Executive Committee

	Fixed remuneration	Variable remuneration (€)					
Name	Annual fixed remuneration (€)	One-year variable	Multi-year variable (LTIP 2021-2023)	Pension plan contribution (€)	Other benefits (€)	Total remuneration (€)	Ratio of fixed / variable remuneration (€)
Stefaan Gielens (CEO)	604,188	290,010	253,283	77,985	30,358	1,255,824	57/43
Ingrid Daerden (CFO)	422,649	202,872	155,687	39,427	15,243	835,878	57/43
Raoul Thomassen (COO)	307,092	147,404	99,942	32,433	22,235	609,106	59/41
Charles-Antoine van Aelst (CIO)	346,662	166,398	137,500	34,453	13,879	698,892	57/43
Sven Bogaerts (CLO/CM&AO)	357,845	171,458	150,998	39,908	8,297	728,506	56/44
Total	**2,038,436**	**978,142**	**797,410**	**224,206**	**90,012**	**4,128,207**	

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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 below 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 2017/2018, the amounts of (elements of) the remuneration of the Non-Executive Directors have only been changed further to decisions of the General Meetings of 22 October 2019[1] and 11 May 2021[2].

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 Immobe 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 Immobe 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);
- 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.

Annual change in %	FY 2018/2019 vs 2017/2018	FY 2019/2020[3] vs 2018/2019	FY 2021 vs 2019/2020	FY 2022 vs 2021	FY 2023 vs 2022
Remuneration of the Non-Executive Directors					
	2%	15%	29%	1%	-7%
Remuneration of the CEO (total)					
Stefaan Gielens	23%	12%	- 10%	6%	14%
Average remuneration of the other members of the Executive Committee (total)					
Sven Bogaerts	33%	62%	- 7%	7%	15%
Ingrid Daerden		15%	-8%	14%	20%
Charles-Antoine van Aelst	28%	37%	8%	10%	14%
Raoul Thomassen			-[4]	37%	5%
Total cost of Executive Committee (including CEO)	**14%**	**15%[5]**	**-10%[6]**	**13%[7]**	**14%[7]**
Company's performance [8]					
Investment properties (including assets held for sale / rights of use / land reserve)	33%	62%	29%	16%	3%
Investment properties (including assets held for sale / rights of use / land reserve) + WIP	25%	64%	28%	16%	3%
Rental income	29%	34%	24%	18%	15%
EPRA Earnings*	24%	34%	30%	20%	21%
EPRA Earnings* per share	15%	9%	3%	9%	6%
Average remuneration on a full-time equivalent basis of employees of Aedifica NV/SA [9]					
Employees of the Company	7%	5%	8%	8%	12%

1 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.

2. 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.

3. 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.

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

5. The change in remuneration can be explained by an increase in remuneration as from 1 July 2019 decided by the Board of Directors during the financial year 2018/2019 to bring the total remuneration within a range of what is considered on the basis of the benchmark performed in 2019 and the market rates of the peer group as competitive executive pay levels (see the detailed disclosure (including the list of the peer group) in the previous remuneration reports).

6. 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.

7. The change in remuneration can be explained by the increase in remuneration as from 1 July 2022 decided by the Board of Directors on 29 March 2022 to bring the total remuneration within a range of what is considered on the basis of the benchmark performed in 2022 and the market rates of the peer group as competitive executive pay levels around the 25th percentile of the peer group (see page 98 above and the detailed disclosure in the remuneration report 2022).

8. 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.

9. The average remuneration of employees is calculated on a like-for-like basis taking into account the 'wages, bonusses and direct social benefits' on an annual basis divided by the number of employees.

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8.4 Main changes for 2024

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.

No change is planned with regard to the remuneration of the Non-Executive Directors in 2024.

8.4.2 Members of the Executive Committee

The Board of Directors sets the fixed remuneration annually, considering 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.

In accordance with the Board decision of 29 March 2022 (see remuneration report for the 2021 financial year), the increase of the fixed remuneration of Mr Gielens as CEO is spread over three years, resulting in an adjustment of his fixed remuneration on 1 July 2023 and on 1 July 2024 to bring the remuneration to a competitive level of remuneration in line with the identified peer group from the benchmark.

Helsinki Malminkartano Service Community - Helsinki (FI)

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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 are immediately made public and are explained in the Annual Financial Report and, where appropriate, in the Half-Year Financial Report.

Articles 7:96 and 7:97 BCCA, as well as Article 37 RREC Act (and the exceptions under Article 38 of the RREC Act), always need to be taken into consideration. These legal provisions concern the procedures that need to be followed in case a conflict of interest arises.

No conflict of interest in relation to real estate transactions occurred during 2023. The only conflict of interest that did occur during the 2023 financial year related to the remuneration of the members of the Executive Committee, as explained below.

Minutes of the meeting of the Board of Directors of 15 February 2023

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, Mr Charles-Antoine Van Aelst and Mr Raoul Thomassen 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.

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 with respect to the deliberation and decision-making on the agenda items 7b, 7c and 7d.

a. Nomination and Remuneration Committee (CNR) – reporting

The Chairperson of the Nomination and Remuneration Committee reports on the meeting of the Nomination and Remuneration Committee of 14 February 2023.

b. Remuneration of the members of the Executive Committee: STI variable remuneration 2022

The Board of Directors has set on 29 March 2022, in line with the remuneration policy, the personal KPIs as well as the performance levels (targets, minimum thresholds and maximum performance levels) of the collective and personal KPIs for the short-term variable remuneration of the members of the Executive Committee for the financial year 2022 (which have been included in the addenda to the management contracts).

The realisation of the performance levels and the proposed bonus amounts to be granted to the members of the Executive Committee under the STI variable remuneration have been the subject of an overall evaluation by the Nomination and Remuneration Committee on 14 February 2023 on the basis of the (draft) financial figures as approved earlier this meeting by the Board of Directors.

The Board of Directors concludes, based on the recommendation of the Nomination and Remuneration Committee and after validation of the financial figures per 31 December 2022 by the Audit and Risk Committee that for the payment of the variable short-term remuneration to the members of the Executive Committee for the financial year 2022:

(i) with respect to the collective KPIs: the maximum performance levels were achieved; and

(ii) with respect to the individual KPIs: the maximum performance levels were achieved.

c. Remuneration of the members of the Executive Committee: STI variable 2023: KPI's + performance levels

Pursuant to the remuneration policy, the KPIs and their respective relative weighting for the short-term variable annual bonus of the members of the Executive Committee are set 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 personal KPIs and on the performance levels (target, minimum threshold and maximum performance level) of the collective KPIs and corresponding bonus levels under the short-term variable bonus (see Annex 1) 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 since 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.

d. Remuneration of the members of the Executive Committee: LTI variable for the performance cycle 2023-2025: KPI's + 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 2023-2025 in the context of the long-term variable remuneration for the members of the Executive Committee must be based on the following mix of collective financial and non-financial types of KPIs and their respective relative weighting:

Financial KPI-types (70%)	Non-Financial KPI-types (30%)
Relative shareholder return, or Earnings per share, or Dividend per share	Personal targets supporting the Company's strategic imperatives

The Nomination and Remuneration Committee has made on that basis a proposal for the specific KPIs, applicable performance levels (target, minimum threshold and maximum performance level) and corresponding bonus levels for the performance cycle 2023-2025 (see Annex 2) which is discussed by the Board of Directors. As described in the remuneration policy, the variable

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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 2023-2025 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 RREC Act. Mr Thomas Moerman, Group 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 three business days 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 (Speak Up Policy).

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.

Within the scope of the authorised capital (see section 3.2 of the Financial Report), and pursuant to a decision of the Board of Directors of 9 May 2023 to increase the capital within the framework of the authorised capital, by way of contribution in kind in the context of the optional dividend, the capital was increased by €10,013,477.88 to bring the amount of €1,051,691,535.73 to €1,061,705,013.61. 379,474 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 in the Company's profits for the 2023 financial year as of 1 January 2023.

Pursuant to a decision by the Board of Directors of 20 June 2023 to increase the capital within the scope of the authorised capital by contribution in cash, with cancellation of the preferential statutory subscription right and with allocation of an priority allocation right, the capital was increased on 30 June 2023 by €193,037,246.42 to bring it from €1,061,705,013.61 to €1,254,742,260.03. 7.315.402 new shares, with no nominal value, were issued. Those new shares will participate pro rata temporis in the Company's profits for the 2023 financial year as from 4 July 2023.

An appropriate explanation regarding the conditions and the actual consequences of the capital increase of 30 June 2023, whereby the preferential statutory subscription right of the shareholders was cancelled and by which a priority allocation right was granted, 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 20 June 2023. In the event of a capital increase via contribution in kind, the shareholders have no preferential statutory subscription right and no special report is drawn up in application of Article 7:191 BCCA.

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.

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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 2023, the capital amounts to €1,254,742,260.03. It is represented by 47,550,119 shares, each representing 1/47,550,119th 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 RREC Act provides that Aedifica's shares are admitted to trading on a regulated market. All 47,550,119 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 2023, Aedifica held 277 treasury 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 Board of Directors and for the amendment of Aedifica's Articles of Association

Appointment and replacement of the members of the Board of Directors

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 28 July 2022, 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) 20% of the capital amount on the date of the Extraordinary General Meeting of 28 July 2022, 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 28 July 2022, 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 has approved the authorisation.

This permission is granted for a renewable period of 2 years, starting from the publication of the decision of the Extraordinary General Meeting of 28 July 2022 in the Appendices to the Belgian Official Gazette.

As at 31 December 2023, the balance of the authorised capital amounts to 1) €332,808,521.44 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) €200,324,829.26 for capital increases within the framework of the distribution of an optional dividend, and 3) €105,169,153.57 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 (€1,051,691,535.73), the available room under the authorisation amounts to €848,640,811.43.

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 2023, Aedifica had pledged none of its own shares.

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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 suspend the use of the credit and/or 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 entered into with BNP Paribas Fortis on 24 February 2017, 14 November 2017, 31 October 2019, 23 June 2021, 6 July 2022 and 15 June 2023;
- the credit agreements entered into with KBC Bank on 12 November 2019, 8 June 2021, 7 April 2022 and 30 January 2023;
- the credit agreements entered into with KBC Bank, German branch on 16 November 2017;
- the credit agreement entered into with Caisse d'Epargne Hauts De France on 4 January 2018;
- the credit agreements entered into with Banque Européenne du Crédit Mutuel on 21 December 2018 and 25 July 2023;
- the credit agreements entered into with Belfius Bank on 14 May 2018, 21 December 2018, 18 May 2020, 12 July 2021, 31 March 2022 and 30 March 2023;
- the credit agreements entered into with ING Belgium on 15 May 2018, 14 June 2022, 22 November 2022 and 1 September 2023;
- the credit agreements entered into with BNP Paribas Niederlassung Deutschland on 6 November 2019;
- the credit agreements entered into with Triodos Bank on 15 May 2018 and 19 October 2023;
- the credit agreements entered into with Argenta Spaarbank and Argenta Assuranties on 20 December 2017;
- the syndicated loan agreement entered into with the BPCE group on 29 June 2018;
- the credit agreements entered into with ABN Amro Bank on 22 November 2021, 28 July 2022, 15 June 2023 and 7 December 2023;
- the credit agreements entered into with Société Générale on 13 March 2020, 31 August 2020 and 8 June 2023;
- the credit agreement entered into with Intesa Sanpaolo S.p.A., Amsterdam branch, on 8 June 2022;
- the credit agreement entered into with Bank Of China (EUROPE) S.A. on 1 July 2022;
- the Company's guarantees towards the European Investment Bank, in favour of Hoivatilat Oyj (a wholly-owned subsidiary of the Company) for the fulfilment of the latter's payment obligations under the credit agreements it entered into with the European Investment Bank on 21 May 2018 and 20 June 2019 and subsequently and most recently amended on 28 February 2023;
- the Company's guarantees towards OP, in favour of Hoivatilat Oyj (a wholly-owned subsidiary of the Company) for the fulfilment of the latter's payment obligations under the credit agreements it entered into with OP on 5 March 2021 and 5 December 2023.

In addition, the treasury notes issued on 17 December 2018 under the long-term treasury notes programme contain a change of control clause.

The USPP Bond 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 contains provisions granting early redemption of the debt instruments in the event of a change of control over the Company.

The Sustainability Bond 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), apart from the clauses included in the credit and debt agreements dating from after the last Ordinary General Meeting of 9 May 2023, for which approval of the change of control clause will be requested at the General Meeting of 14 May 2024.

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.

10. GROUP STRUCTURE

As of 31 December 2023, Aedifica NV/SA holds perimeter companies in nine different countries: Belgium, Luxembourg, Germany, the Netherlands, the United Kingdom (including the British Crown Dependencies Jersey and Isle of Man), Finland, Sweden, Ireland and Spain.

The real estate located in a certain country is always held by a perimeter company of Aedifica in that certain country, with the exception of (i) certain assets located in Germany which are not only held by the German perimeter companies, but also partially by Aedifica NV/SA and Aedifica's Luxembourg perimeter companies and (ii) the asset located in the Isle of Man which is held by a Jersey perimeter company.

The organisational chart on pages 108-110 shows the Group's perimeter as well as its share in each perimeter company.

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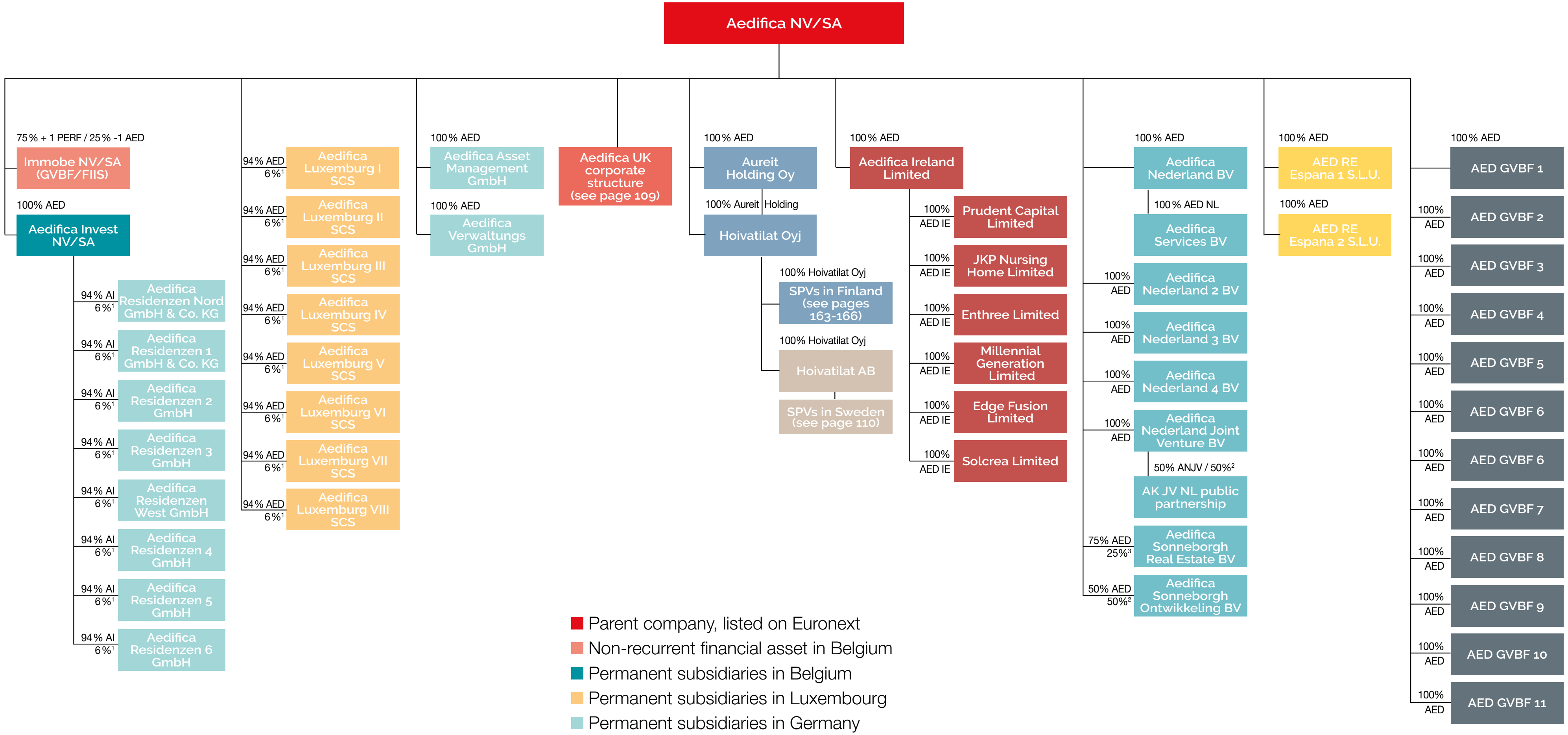
Aedifica NV/SA: Group Structure as at 31 December 2023



- Parent company, listed on Euronext
- Non-recurrent financial asset in Belgium
- Permanent subsidiaries in Belgium
- Permanent subsidiaries in Luxembourg
- Permanent subsidiaries in Germany
- Subsidiaries in the United Kingdom and Jersey
- Permanent subsidiaries in Finland
- Permanent subsidiaries in Sweden
- Permanent subsidiaries in Ireland
- Permanent subsidiaries in the Netherlands
- Permanent subsidiaries in Spain
- Temporary SPVs in Belgium (to be merged with Aedifica NV/SA in the coming months)

1. The residual 6% is held by an investor that is unrelated to Aedifica.
2. The residual 50% is held by a partner that is unrelated to Aedifica.
3. The residual 25% is held by a partner that is unrelated to Aedifica.

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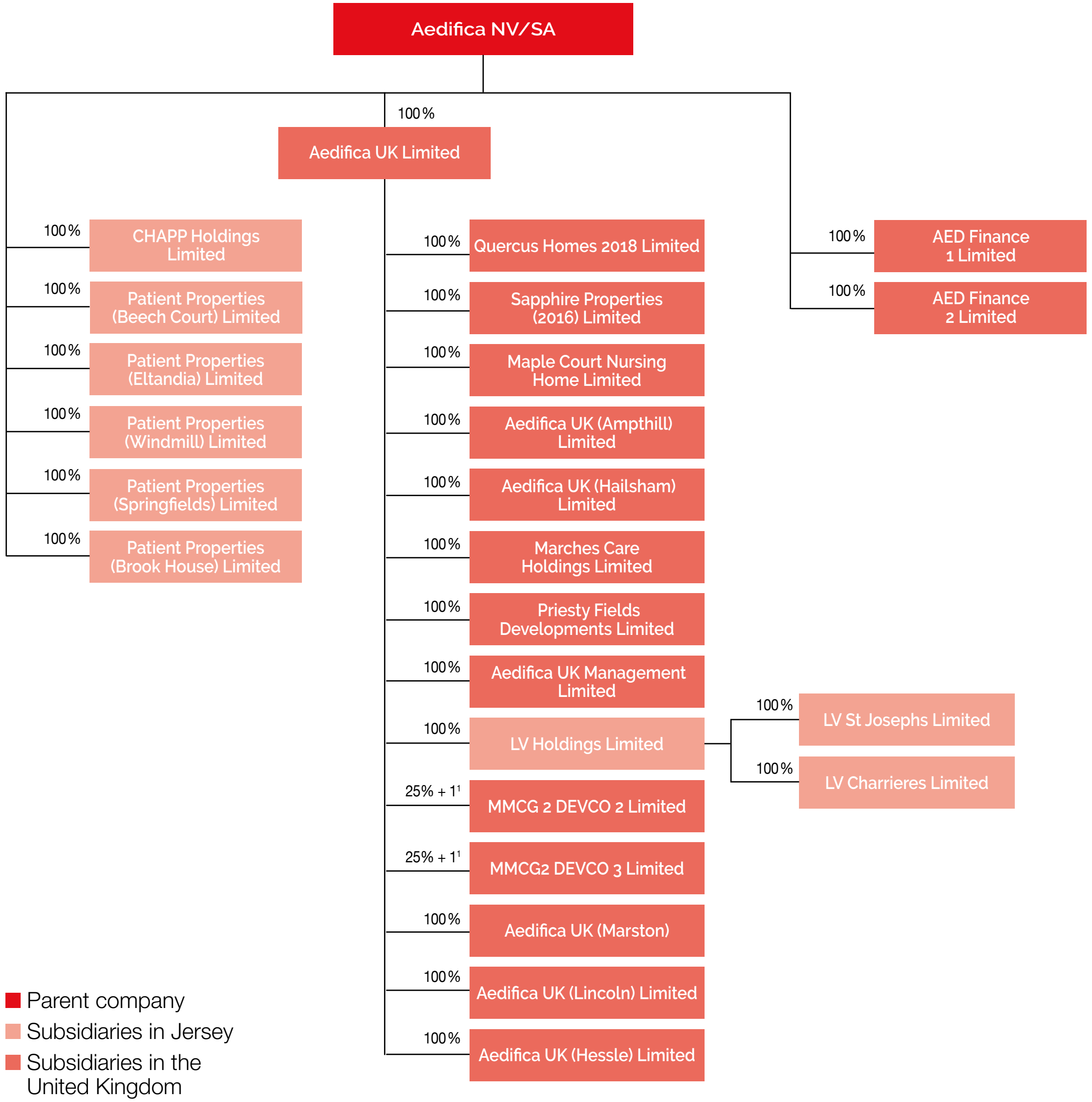

Parent company

Subsidiaries in Jersey

Subsidiaries in the United Kingdom

1. 75% - 1% held by a 3rd party

Northwood Nursing Home - Dublin (IE)

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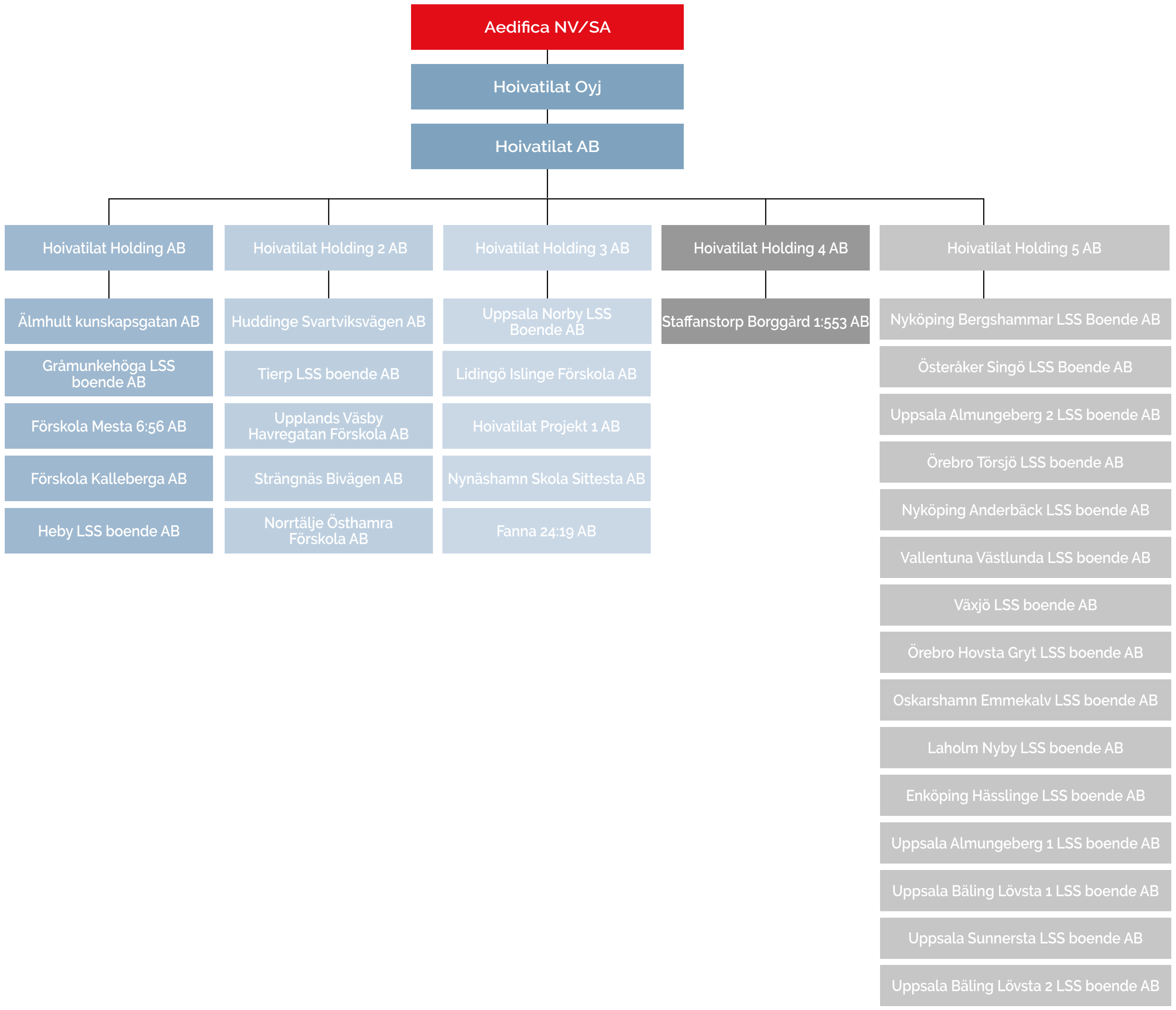
Aedifica - Hoivatilat's SPVs in Sweden as at 31 December 2023



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Northwood Nursing Home - Dublin (IE)

Risk factors

Aedifica's strategy aims to create long-term value for all its stakeholders by focusing on investing in European healthcare real estate. Through its 'buy and hold' strategy, the Group pursues a solid and growing revenue stream and dividend while maintaining a robust and diversified balance sheet. However, Aedifica's operations are carried out in a constantly changing environment that exposes the Group to internal and external risks and uncertainties that could impact its ability to achieve its objectives.

Aedifica is committed to managing these risks and uncertainties to the best of its ability by continuously monitoring their indicators. Moreover, Aedifica firmly believes that risk management should not only be discussed at Board level, but also integrated into the Group's corporate culture to create an environment where all employees are aware of the Group's risks and to better identify, monitor and mitigate them.

In 2023, Aedifica updated its risk matrix taking into account the impact of the latest macroeconomic events, such as the evolution of interest rates, inflation and tenant solvency. This led to the inclusion of the risk of non-growth in the list of most material and relevant risks. The debt structure risk was downgraded to the 10th position as a result of the rights issue in July 2023, as the newly raised capital was used to reduce the debt-to-assets ratio and to reimburse the most expensive credit lines.

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Most material risks

Aedifica identifies its key risks by considering their impact on the Group's KPIs and their likelihood of occurrence (see impact/likelihood heath map). During the 2023 risk assessment update (which considers all identified risks from 1 January 2023 to 31 December 2023), 31 risks were identified and monitored. Of these 31 risks, Aedifica reports the 10 most material and relevant risks in this chapter.

The assessment considered the likelihood and impact of each risk, taking into account any existing mitigation measures taken by Aedifica. The other risks were either not Group-specific, or the risk assessment concluded that they were not to be considered as having a significant impact on the Group's strategy.

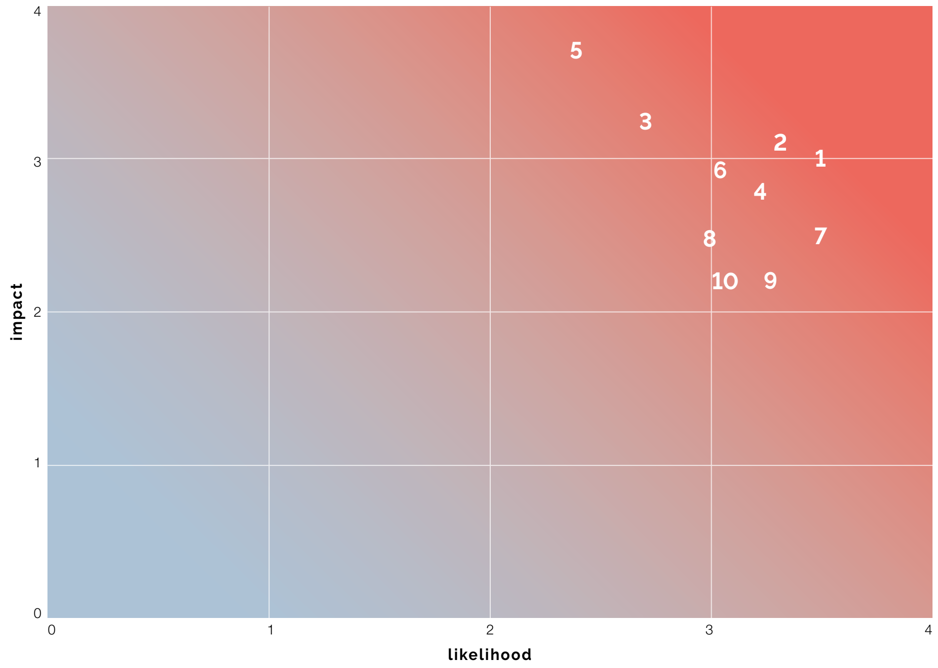
Overall, Aedifica's risk level tends to be higher in 2023 than in 2022, despite the mitigation measures taken. This is mainly attributable to rising interest rates, which

- hindered the Group's ability to create value through new investments,
- affected the fair value of its current real estate portfolio,
- put pressure on the profitability of its tenants – thus affecting their ability to meet rent obligations promptly – and
- contributed to a decline in Aedifica's share price.

It is acknowledged that other risk factors may exist, which are currently unknown, cannot be foreseen, and/or are, considering the information Aedifica possesses at the date of publication of this annual report, considered as remote or not significant for the Group, its operations and/or its financial position. The following overview is therefore not exhaustive and was prepared based on the information available at the date of publication of this annual report.

Ranking	Risk category	Risk name
1	Financial	Financing risk
2	Real estate portfolio	Rents and tenants
3	Market	Fair value of the real estate
4	Strategic	Non-growth
5	Sustainability	Climate change
6	Market	Inflation
7	Financial	Exchange rate
8	Strategic	Reputational risk
9	Legal	Regulatory changes
10	Financial	Debt structure

IMPACT / LIKELIHOOD HEATH MAP



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1. Financing risk

Risk category: **Financial**

Risk strategy: Accept/Avoid/Transfer/**Mitigate**

Risk description	Why is this risk significant for Aedifica?	How does Aedifica mitigate this risk?	Which Key Risk Indicators help Aedifica to monitor this risk?
As a RREC, Aedifica is largely dependent on its ability (and the terms against which it is able) to secure funds – whether through borrowings or shareholder's equity – to finance its activities and investments. Various negative scenarios, such as: • in general: - disruptions in the international financial debt and equity capital markets; - a reduction in banks' lending capacities and/or willingness; - a deterioration in the Group's creditworthiness; • and more specifically: - an increase of interest rates; - a negative investor perception towards real estate companies in general and/or the real estate segment the Group invests in particularly; may occur, making it difficult or even impossible to secure new or renew (on favourable terms) debt and/or equity financing. A material increase in the Group's cost of capital will have an impact on the profitability of the Group as a whole and on new investments, while the unavailability of financing may ultimately lead to liquidity issues.	• The unavailability of financial resources (via cash flow or available credit facilities) to pay interest and operating costs, pay dividends and repay outstanding capital on loans at the relevant maturity date. • Financing at an increased cost will lead to a decrease in profitability. An increase of 100 basis points in Euribor interest rates implies a negative effect on EPRA Earnings* of €0.4 million, corresponding to €0.01 per share (taking into account derivatives in place as at 31 December 2023). As at 31 December 2023: - Approx. €65 million in long-term debt will mature within one year, €146 million in 2025 and €408 million in 2026. - 63% of the Group's financial debt consists of floating-rate debt and 37%of fixed-rate debt. The unhedged part of the total financial debt equals 4%. • An increased difficulty, or even inability, to finance identified new acquisitions or development projects: - Rising interest rates may negatively affect the future growth of the Group (see also risk factor 4. 'Non-growth') and the profitability of new acquisitions and/or developments if the cost of new financing is too high compared to the yield offered by the future assets. - As a result of market-wide negative investor sentiment, the Aedifica share price (€63.65) fell below the Net Asset Value per share (€75.20) at the end of the financial year, making it more difficult to (i) acquire properties by way of contributions in kind, (ii) raise equity capital, as well as (iii) maintain earnings per share (and therefore dividend per share) at a stable level.	• Aedifica has secured sufficient credit lines to finance operating costs and committed investments. As at 31 December 2023, the total amount of undrawn and confirmed long-term credit facilities amounts to approx. €1,154 million (see page 67). • Aedifica performs a quarterly monitoring of the average cost of debt. As at 31 December 2023, the average cost of debt* including commitment fees amounts to 1.9%. • Aedifica monitors the net debt/EBITDA ratio and the Interest Cover Ratio (ICR) on a quarterly basis. As at 31 December 2023, the net debt/EBITDA ratio stands at 8.4 while the ICR stands at 5.9. • Aedifica monitors hedge maturities to ensure that at least 60% of floating rate debt is hedged against interest rate fluctuations. • Aedifica is developing an ever-expanding network of current and potential providers of financial resources. • Aedifica has adopted a conservative and prudent financing strategy with a balanced spread of debt maturity dates (see page 67). • Aedifica monitors its cash balances on a daily basis.	• Evolution of interest rates. • Hedging ratio. • Liquidity on committed credit lines. • Share price vs Net Asset Value (NAV) per share. • Average cost of debt. • Debt-to-assets ratio. • Credit rating from external agencies. • Net debt/EBITDA. • Interest Cover Ratio.

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2. Rents and tenants

Risk category: **Real estate portfolio**

Risk strategy: Accept/Avoid/Transfer/**Mitigate**

Risk description	Why is this risk significant for Aedifica?	How does Aedifica mitigate this risk?	Which Key Risk Indicators help Aedifica to monitor this risk?
The Group's total turnover consists of rental income from buildings leased to professional care operators. A gloomy economic climate or other factors can have a material impact on the rent payment capacity of Aedifica's tenants. For example, the energy crisis along with rising labour costs, have led to a decrease in operators' profitability, has put pressure on operators' margins and, in turn, may have weakened their capacity to pay rent. In some cases, at the request of the tenant, the Group may decide to (temporarily) reduce the rent of certain assets in order to rebalance the tenants' rent levels in relation to their future income potential. Furthermore, when tenants leave on a due date or when the lease expires, new leases may yield lower rents than current leases. In a worst case scenario, a tenant may default and the rental income may be completely lost, which would be exacerbated if a new tenant could not be found quickly and/or the new tenant asked for a rent reduction. This risk would have a negative impact on the Group's operating and net results, and hence on earnings per share and therefore on the Company's ability to pay dividends.	• As at 31 December 2023: - outstanding trade receivables amount to €23.3 million; - impairment provisions on outstanding trade receivables amount to €2.4 million. • A decrease in rental income, as the case may be pursuant to renegotiations, will affect earnings per share. On 31 December 2023, a -1% decrease in rental income would reduce earnings per share by €0.07. • The Group is not insured against tenant default.	• Aedifica performs a thorough analysis of the operator's business plan before investing in a new project. • Aedifica monitors the financial performance of its tenants. • Aedifica has implemented procedures for billing and monitoring tenants with payment difficulties. • Aedifica has secured rental guarantees (in the form of bank guarantees, rent deposits (type of credit insurance), parent guarantees or other types of security interest) with operators, in line with established market practice in each of the various jurisdictions in which the Group is active. • Aedifica spreads its exposure to tenants by diversifying its tenant base (wide range of predominantly for-profit operators and growing segments of public and non-profit operators).	• Diversification/concentration in tenant base (the Clariane group – the tenant with the largest share in Aedifica's rental income – represents 10% of the Group's rental income). • Diversification in asset type within the healthcare real estate segment. • Creditworthiness of tenants. • Evolution of tenant KPIs (Ebitdarm, rent cover, occupancy rate, etc.). • Deviation of rental income from budget.

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3. Fair value of the real estate

Risk category: **Market**

Risk strategy: **Accept**/Avoid/Transfer/Mitigate

Risk description	Why is this risk significant for Aedifica?	How does Aedifica mitigate this risk?	Which Key Risk Indicators help Aedifica to monitor this risk?
The fair value of investment properties (accounted for in accordance with IAS 40, assessed by independent valuation experts on a quarterly basis) fluctuates over time and depends on various factors over which the Group does not always have complete control (such as decreasing demand, technical quality of the building incl. sustainability requirements, decreasing occupancy rates, decreasing rental income (see also risk factor 2. 'Rents and tenants'), an increase in transfer tax charges, increasing interest rates (see also risk factor 1. 'Financing risk'), etc.). A potential loss in fair value of marketable investment properties could have a negative impact on the debt-to-assets ratio (see also risk factor 10. 'Debt structure'), the net result and the Group's financial situation.	• As at 31 December 2023, a change of 1% in the fair value of marketable investment properties would have an impact of approx. €58.4 million on the Group's net result, approx. €1.3 on the net asset value per share and approx. 0.4% on the consolidated debt-to-assets ratio. Over the course of the 2023 financial year, the fair value of marketable investment properties decreased by 1.9% on a like-for-like basis.	• The fair value of investment properties is assessed by independent valuation experts on a quarterly basis. • The independent valuation experts are rotated in accordance with article 24, §2 of the RREC Act. • Aedifica's triple and double net leases imply that tenants are responsible for the day-to-day management, maintenance and repair of the buildings. Nevertheless, to the extent possible, Aedifica performs yearly condition checks. These checks are based on the Dutch standard NEN 2767, which allows Aedifica to measure the physical and technical quality of its buildings objectively and uniformly. • In the framework of the net zero GHG pathway, the Group is preparing a long-term capex strategy to improve the quality of its assets and reach net zero GhG emissions by 2050.	• Fair value yield evolution. • Interest rate evolution. • Capex amount spent on existing assets. • Age of buildings. • Energy performance of buildings. • Occupancy rate of buildings.

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4. Non-growth

Risk category: **Strategic**

Risk strategy: Accept/**Avoid**/Transfer/Mitigate

Risk description	Why is this risk significant for Aedifica?	How does Aedifica mitigate this risk?	Which Key Risk Indicators help Aedifica to monitor this risk?
The prevailing economic conditions, in particular the increase in interest rates (see also risk factor 1. 'Financing risk'), present challenges for Aedifica's growth prospects. As Aedifica has succeeded in achieving a significant expansion of its business in the past, a slowdown or lack of growth may negatively impact stock market expectations (whereby investing in the stock market may be considered as less attractive compared to other investments perceived as less risky, such as (government) bonds), erode the confidence of the Company's partners and make access to capital more difficult.	• Aedifica's strategy aims to raise capital at an affordable price to invest in healthcare real estate and generate shareholder returns. When the cost of capital increases, this strategy is more difficult to implement. - In 2023, Aedifica invested €319 million in capital expenditure on cash basis compared to €776 million in 2022. • The share price is assessed on the basis of future cash flows. If these come under pressure due to low growth expectations and higher debt costs, this could weigh on the share price. - On 31 December 2023, the share price amount to €63.65, compared to a net asset value per share of €75.20. • A non-growth strategy implemented over a long period of time could affect Aedifica's ability to increase its dividend. - For the 2023 financial year, Aedifica will distribute a gross dividend of €3.80 per share, an increase of 3% compared to the gross dividend of €3.70 per share distributed for 2022. The increase in dividend amounts to an average of 6% per year.	• By maintaining a low debt-to-assets ratio. On 31 December 2023, its debt-to-assets ratio stood at 39.7%. • By regularly reviewing and challenging its strategic plans and through active management of the development pipeline. • Through accurate and transparent communication towards the market (analysts and investors). • By maintaining a sense of dynamism and entrepreneurship within the company to be able to react quickly to new opportunities.	• Compound annual growth rate (CAGR) of the portfolio. • Share price evolution. • Earnings growth. • Dividend pay-out ratio.

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5. Climate change

Risk category: **Sustainability**

Risk strategy: Accept/Avoid/Transfer/**Mitigate**

Risk description	Why is this risk significant for Aedifica?	How does Aedifica mitigate this risk?	Which Key Risk Indicators help Aedifica to monitor this risk?
Climate change brings various challenges that may impact the integrity and the way in which care homes need to be built to counter and withstand those challenges (e.g. extreme temperatures will require specific ventilation and temperature control measures, while increasing extreme natural events and weather conditions will necessitate the implementation of different building techniques). The foregoing in combination with increasingly strict regulations, the (future) imposition of CO_2 emission-related taxes on buildings if they do not meet certain thresholds, in addition to the general shift from a fossil-fuel-based economy to a lower-carbon economy, may lead to a complete rethinking of the way buildings are designed, resulting in higher direct and indirect investment and – as long as the building does not meet the afore-mentioned standards – operational costs, which in turn will negatively affect the profitability of new and existing assets and therefore of the Group.	• Negative impact on rental income (see also risk factor 2. 'Rents and tenants'). • Negative impact on the fair value of assets (see also risk factor 3. 'Fair value of the real estate'). • Negative impact on occupancy rates (see also risk factor 2. 'Rents and tenants'). • Inability to lease or dispose of unsustainable assets. • Negative impact on Aedifica's reputation (see also risk factor 8. 'Reputational risk).	• With its net zero GHG pathway, Aedifica has established a roadmap to achieve net zero GhG emissions by 2050 (see page 40). An interim target was set for 2030 to reduce the nEUI for the entire Aedifica portfolio to an average of 130 kWh/m², while targets were also set for the Executive Committee and country managers. The targets were set and measurements were carried out in accordance with CRREM definitions. • Aedifica performs environmental due diligences for new assets/development projects. • Aedifica monitors the energy performance of its portfolio. The breakdown of the energy performance of the Group's properties as at 31 December 2023 will be reported in the June 2024 Environmental Data Report. • Aedifica's triple and double net leases imply that tenants are responsible for the day-to-day management, maintenance and repair of the buildings. Nevertheless, to the extent possible, Aedifica performs yearly condition checks. These checks are based on the Dutch standard NEN 2767, which allows Aedifica to measure the physical and technical quality of its buildings objectively and uniformly. • Aedifica implemented a building assessment framework (see page 41). This assessment includes 42 risk items and is carried out at different stages of the building life cycle. The insights provided include potential physical risks due to climate change, which can be used to take measures to protect properties. • The Group, supported by an external partner, has conducted a portfolio-wide risk analysis to better understand physical and transit risks. The findings have been incorporated in our strategic asset review and, where material, will be reflected in our portfolio and asset management strategy (see page 38). • Investing in a property portfolio spread across Europe is an effective way to mitigate the potential risks associated with extreme weather events. Geographical diversification allows investments to be spread across regions with different climates, reducing the impact of extreme weather events such as floods and droughts.	• Aedifica's ESG scores. • Net energy use intensity of buildings. • Age of buildings. • Capex budget at property level. • Percentage of sustainable financing (see also risk factor 10. 'Debt structure'). • Geographical diversification.

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6. Inflation

Risk category: **Market**

Risk strategy: **Accept**/Avoid/Transfer/Mitigate

Risk description	Why is this risk significant for Aedifica?	How does Aedifica mitigate this risk?	Which Key Risk Indicators help Aedifica to monitor this risk?
Inflation significantly increased in 2022 and 2023 in all markets in which the Group is active. All of the Group's rents are subject to indexation (although the indexation mechanism differs between the countries in which the Group operates). Since the Group's WAULT stands at 19 years, the future like-for-like evolution of rental income and the valuation of these assets depend to a large extent on inflation. However, the indexation to be applied pursuant to the indexation clauses could (i) deviate from the actual inflation rate (e.g. due to the fact that the indexation clause provides for a cap at a level that is lower than the actual inflation at that time, or pursuant to negotiations with the operator) and/or (ii) be subject to a time-lag in its application compared to the time at which the actual inflation takes place (e.g. due to the fact that the indexation clause only provides for an indexation at certain set intervals).	• The market is very sensitive to Aedifica's ability to pass on inflationary increases in its rental income. Failure to translate the inflation rate into a rent increase would affect the future growth potential of rental income. The like-for-like evolution of rental income amounts to 5.2% as at 31 December 2023. • High inflation and high(er) interest rates could lead to higher debt costs that are not fully offset by rent increases if (i) indexation clauses do not follow the same pace as the actual inflation and/or (ii) tenants are not able to pay the uplift (see risk factor 1. 'Financing risk' as well as risk factor 2. 'Rents and tenants').	• All of Aedifica's leases are subject to some form of indexation. • Aedifica is in close contact with its tenants to assess the impact of indexation on their profitability. • 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.	• Evolution of consumer price indices/health indices. • Like-for-like reporting on the evolution of rental income. • Assessment of tenant KPIs.

7. Exchange rate

Risk category: **Financial**

Risk strategy: Accept/Avoid/Transfer/**Mitigate**

Risk description	Why is this risk significant for Aedifica?	How does Aedifica mitigate this risk?	Which Key Risk Indicators help Aedifica to monitor this risk?
As at 31 December 2023, the Group earns part of its income and incurs part of its expenses in the United Kingdom (approx. 20.6%) and Sweden (approx. 1.3%) and is therefore exposed to an exchange rate risk (€/£ and €/SEK respectively). Future fluctuations in the exchange rate may affect the value of the Group's investment properties, rental income and net result, all of which are expressed in euro.	• As at 31 December 2023, a 10% change in the €/£ exchange rate has an impact of approx. €106.2 million on the fair value of the Group's investment properties located in the United Kingdom, approx. €6.5 million on the Group's annual rental income and approx. €7.1 million on the Group's net result. • As at 31 December 2023, a 10% change in the €/SEK exchange rate has an impact of approx. €9.0 million on the fair value of the Group's investment properties located in Sweden, approx. €0.4 million on the Group's annual rental income and approx. €0.5 million on the Group's net result.	• A natural hedge (balance sheet) relating to the €/£ exchange rate risk has been put in place as Aedifica has entered into financing in £ amounting to £340 million.	• Exchange rate fluctuation €/£. • Exchange rate fluctuation €/SEK. • Actual exchange rate fluctuation compared to the budget.

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8. Reputational risk

Risk category: **Strategic**

Risk strategy: Accept/Avoid/Transfer/**Mitigate**

Risk description	Why is this risk significant for Aedifica?	How does Aedifica mitigate this risk?	Which Key Risk Indicators help Aedifica to monitor this risk?
Reputation and visibility are key issues for a BEL 20 listed company. As the group and its international presence grow, the possibility and impact of the risk of reputational damage increases. Not only does the Group have to ensure its reputation and visibility in the various countries in which it operates, its reporting is also analysed more carefully by an ever-growing pool of investors and analysts. The treatment of residents by tenants, or the perception of healthcare providers in general (whether or not they represent a significant part of Aedifica's tenant base), may also affect the Group's reputation. Should the Group's reputation suffer, this could affect its growth prospects and make access to capital more difficult (see also risk factor 1. 'Financing risk').	• For the Group's investors, it is important that: - Aedifica has sound CSR scores to justify investing in the Group or granting financing (see also risk factor 10. 'Debt structure'). - Aedifica is sufficiently transparent with regard to ESG (see also risk factor 5. 'Climate change'). • The 2022 Orpea affair can be linked to a decrease in Aedifica's share price of approx. 16% around that period (from 24 January 2022 to 7 February 2022), even though only 5% of the Group's contractual rent at the time was derived from assets leased by Orpea.	• The Group transparently communicates its financial and non-financial information according to industry standards (e.g. EPRA and GRI). • As high-quality treatment and residents' comfort are of paramount importance to the Group, (i) all public reports from local healthcare authorities are monitored, (ii) if not publicly available, the Group requests to receive such reports from its operators, and (iii) the Group requires its operators to meet a certain level of care quality standards by incorporating a quality-of-care commitment in new and existing leases (see page 48). • The Group proactively communicates and updates its financial outlook regarding dividends and EPRA earnings.	• Monitoring of publicly available care quality ratings. • GRESB score. • Sustainalytics Risk Rating.

9. Regulatory changes

Risk category: **Legal**

Risk strategy: **Accept**/Avoid/Transfer/Mitigate

Risk description	Why is this risk significant for Aedifica?	How does Aedifica mitigate this risk?	Which Key Risk Indicators help Aedifica to monitor this risk?
New regulations or changes in existing regulations (at European, national or local level) impacting the Group's activities, the Group's taxation, the (financing of the) activities of the tenants, and/or a change in the application or interpretation of such regulations by the administration (including the tax authorities) or the courts, can increase the Group's (administrative) costs and liabilities, and may have a major impact on the return, the fair value of the investment properties (see also risk factor 3. 'Fair value of the real estate') and on tenants and their ability to pay rent (see also risk factor 2. 'Rents and tenants').	• Often, a significant proportion of the revenues of care operators comes from subsidies (direct or indirect) granted by local social security systems. A reform of these (financing) systems in any of the regions in which the Group operates (e.g. as a result of the pressure exerted by the COVID-19 pandemic on social security systems, increasing inflation, etc.), could potentially have an impact on the solvency of care operators, creating the risk that they would not be able to meet their contractual obligations to the Group (see risk factor 2. 'Rents and tenants').	• By monitoring the country/region-specific regulatory frameworks as much as possible. • By diversifying the Group's assets, which are located in various countries and regions (see page 28). • By limiting the concentration of operators in the Group's portfolio (see page 30).	• Geographical diversification. • Diversification per tenant.

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10. Debt structure

Risk category: **Financial**

Risk strategy: Accept/Avoid/Transfer/**Mitigate**

Risk description	Why is this risk significant for Aedifica?	How does Aedifica mitigate this risk?	Which Key Risk Indicators help Aedifica to monitor this risk?
As a Belgian RREC, Aedifica is subject to strict regulatory financial covenants stemming from the RREC Regulation, as well as contractual financial covenants included in its financing agreements. Failure to comply with these can have far-reaching consequences, including: • sanctions, e.g., loss of RREC status and/or stricter supervision by the relevant regulator(s) if statutory financial parameters (e.g., 65% debt-to-assets ratio threshold) would be exceeded; • a termination or renegotiation of credit facilities or mandatory early repayment of outstanding amounts, as well as impaired trust between the Group and investors and/or between the Group and financial institutions, in case of (imminent) non-compliance with contractual covenants (e.g., 60% debt-to-assets ratio threshold, negative pledge covenant, interest cover ratio covenant); • a withdrawal or downgrade of the BBB investment-grade rating by S&P Global (e.g., long-term non-sustainability of the 50% debt-to-assets ratio threshold). Additionally, some or all these defaults could allow creditors (i) to seek early repayment of such debts as well as other debts that are subject to cross default or cross acceleration provisions, (ii) to declare all loans outstanding due and payable and/or (iii) to cancel undrawn commitments. Ultimately, this would lead to reduced liquidity (see also risk factor 1. 'Financing risk') or might require a disposal of assets to reimburse outstanding loans.	• Aedifica's consolidated debt-to-assets ratio amounts to 39.7% as at 31 December 2023 (31 December 2022: 43.6%). 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 45% (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.	• Aedifica monitors and publishes the debt-to-assets ratio on a quarterly basis and its evolution is projected during the approval process of each major investment decision. • Aedifica monitors the evolution of the fair value of assets on a quarterly basis. • Aedifica monitors its financial covenants. • Aedifica diversifies its sources of financing (see Note 32 – Borrowings in the Consolidated Financial Statements).	• Debt-to-assets ratio. • Evolution of the fair value of assets. • Evolution of outstanding financial debt.

Additional consolidated debt capacity	Debt-to-assets ratio		
	45%	60%	65%
In constant assets (in € million)	325	1,240	1,545
In variable assets (in € million)	590	3,100	4,415
Decrease in fair value of investment properties (in %)	-12.5	-35.8	-41.2

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1.1 Consolidated Income Statement

(x €1,000)		Notes	31/12/2023	31/12/2022
I.	Rental income	4	314,174	273,132
II.	Writeback of lease payments sold and discounted		0	0
III.	Rental-related charges	4	-1,134	-1,589
Net rental income			**313,040**	**271,543**
IV.	Recovery of property charges	5	0	0
V.	Recovery of rental charges and taxes normally paid by tenants on let properties	5	7,193	3,934
VI.	Costs payable by the tenant and borne by the landlord on rental damage and repair at end of lease	5	0	0
VII.	Charges and taxes not recovered by the tenant on let properties	5	-7,205	-3,979
VIII.	Other rental-related income and charges	5	-90	355
Property result			**312,938**	**271,853**
IX.	Technical costs	6	-3,169	-3,373
X.	Commercial costs	6	-58	-29
XI.	Charges and taxes on unlet properties	6	-114	-53
XII.	Property management costs	6	-6,452	-4,655
XIII.	Other property charges	6	-1,424	-1,110
Property charges			**-11,217**	**-9,220**
Property operating result			**301,721**	**262,633**
XIV.	Overheads	7	-35,740	-33,556
XV.	Other operating income and charges	8	-171	597
Operating result before result on portfolio			**265,810**	**229,674**
XVI.	Gains and losses on disposals of investment properties	9	-856	787
XVII.	Gains and losses on disposals of other non-financial assets	10	0	0
XVIII.	Changes in fair value of investment properties	11	-143,636	84,877
XIX.	Other result on portfolio	12	-26,072	-18,103
Operating result			**95,246**	**297,235**
XX.	Financial income	13	3,006	1,606
XXI.	Net interest charges	14	-45,004	-30,651
XXII.	Other financial charges	15	-5,181	-7,194
XXIII.	Changes in fair value of financial assets and liabilities	16	-50,878	123,242
Net finance costs			**-98,057**	**87,003**
XXIV.	Share in the profit or loss of associates and joint ventures accounted for using the equity method	17	-256	2,168
Profit before tax (loss)			**-3,067**	**386,406**
XXV.	Corporate tax and deferred taxes	18	25,565	-54,345
XXVI.	Exit tax	18	54	-330
Tax expense			**25,619**	**-54,675**
Profit (loss)			**22,552**	**331,731**
Attributable to:				
	Non-controlling interests		-1,983	-47
	Owners of the parent		**24,535**	**331,778**
Basic earnings per share (€)		19	0.56	8.71
Diluted earnings per share (€)		19	0.56	8.71

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1.2 Consolidated Statement of Comprehensive Income

(x €1,000)	31/12/2023	31/12/2022
I. Profit (loss)	**22,552**	**331,731**
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 [1]	-2,293	17,972
D. Currency translation differences linked to conversion of foreign activities [2]	14,242	-38,498
H. Other comprehensive income, net of taxes [3]	-2,484	5,369
Comprehensive income	**32,017**	**316,574**
Attributable to:		
Non-controlling interests	-1,983	-47
Owners of the parent	34,000	316,621

1. Corresponds to 'Changes in the effective portion of the fair value of hedging instruments (accrued interests)' as detailed in Note 33.
2. Corresponds to the movement of the year of the reserve 'g. Foreign currency translation reserves'.
3. Mainly includes the transfer to the income statement of interests paid on hedging instruments and the amortisation of terminated derivatives (see Note 33).

1.3 Consolidated Balance Sheet

ASSETS (x €1,000)	Notes	31/12/2023	31/12/2022
I. Non-current assets			
A. Goodwill	20	117,597	143,669
B. Intangible assets	21	1,663	1,857
C. Investment properties	22	5,790,357	5,619,701
D. Other tangible assets	23	2,184	2,573
E. Non-current financial assets	24 & 33	98,665	132,322
F. Finance lease receivables		0	0
G. Trade receivables and other non-current assets		0	0
H. Deferred tax assets	25	3,023	4,662
I. Equity-accounted investments	17	35,985	40,824
Total non-current assets		**6,049,474**	**5,945,608**
II. Current assets			
A. Assets classified as held for sale	22	58,158	84,033
B. Current financial assets		0	0
C. Finance lease receivables		0	0
D. Trade receivables	26	23,290	23,577
E. Tax receivables and other current assets	27	9,384	10,273
F. Cash and cash equivalents	28	18,253	13,891
G. Deferred charges and accrued income	29	18,252	8,158
Total current assets		**127,337**	**139,932**
TOTAL ASSETS		**6,176,811**	**6,085,540**

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EQUITY AND LIABILITIES (x €1,000)	Notes	31/12/2023	31/12/2022
EQUITY	**30**		
I. Issued capital and reserves attributable to owners of the parent			
A. Capital		1,203,638	1,006,881
B. Share premium account		1,719,001	1,516,108
C. Reserves		628,688	428,018
a. Legal reserve		*0*	*0*
b. Reserve for the balance of changes in fair value of investment properties		*481,914*	*389,859*
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS		*4,344*	*8,945*
e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS		*113,177*	*-11,193*
f. Reserve of exchange differences relating to foreign currency monetary items		*-294*	*-451*
g. Foreign currency translation reserves		*64*	*-13,629*
h. Reserve for treasury shares		*-31*	*-31*
j. Reserve for actuarial gains and losses of defined benefit pension plans		*-244*	*-99*
k. Reserve for deferred taxes on investment properties located abroad		*-112,367*	*-71,715*
m. Other reserves		*-3,277*	*250*
n. Result brought forward from previous years		*136,909*	*117,023*
o. Reserve- share NI & OCI of equity method invest		*8,493*	*9,059*
D. Profit (loss) of the year		24,535	331,778
Equity attributable to owners of the parent		**3,575,862**	**3,282,785**
II. Non-controlling interests		**5,039**	**6,564**
TOTAL EQUITY		**3,580,901**	**3,289,349**

EQUITY AND LIABILITIES (x €1,000)	Notes	31/12/2023	31/12/2022
LIABILITIES			
I. Non-current liabilities			
A. Provisions	31	0	0
B. Non-current financial debts	32	1,958,750	2,017,256
a. Borrowings		1,166,915	1,240,399
c. Other		791,835	776,857
C. Other non-current financial liabilities	24	90,943	82,232
a. Authorised hedges	33	9,760	3,858
b. Other		81,183	78,374
D. Trade debts and other non-current debts		251	375
E. Other non-current liabilities		0	0
F. Deferred tax liabilities	25	138,658	164,117
Non-current liabilities		**2,188,602**	**2,263,980**
II. Current liabilities			
A. Provisions	31	0	0
B. Current financial debts	32	321,549	435,164
a. Borrowings		78,949	172,164
c. Other		242,600	263,000
C. Other current financial liabilities	24	2,798	3,487
D. Trade debts and other current debts	34	57,177	66,853
a. Exit tax		44	5,990
b. Other		57,133	60,863
E. Other current liabilities		0	0
F. Accrued charges and deferred income	35	25,784	26,707
Total current liabilities		**407,308**	**532,211**
TOTAL LIABILITIES		**2,595,910**	**2,796,191**
TOTAL EQUITY AND LIABILITIES		**6,176,811**	**6,085,540**

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1.4 Consolidated Cash Flow Statement

(x €1,000)	Notes	31/12/2023	31/12/2022
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (loss)		24,535	331,778
Adjustments for non-monetary items		186,174	-154,231
Tax expense		-26,517	45,107
Amortisation, depreciation and write-downs		3,648	3,486
Change in fair value of investment properties (+/-)		143,636	-84,877
Changes in fair value of the derivatives		50,878	-123,242
Goodwill impairment		26,072	18,103
Other adjustment for non-monetary items		-11,543	-12,808
Gains and losses on disposals of investment properties		856	-787
Net finance costs		47,179	36,239
Changes in working capital requirements		-20,568	-6,293
Changes in net assets resulting from foreign exchange differences linked to the conversion of foreign operations (+/-)		-8,648	11,889
Net cash from operating activities		**229,528**	**218,595**
CASH FLOW RESULTING FROM INVESTING ACTIVITIES			
Purchase of real estate companies [1]		-11,315	-151,855
Purchase of marketable investment properties and development projects		-44,395	-249,153
Purchase of intangible and other tangible assets		-986	-863
Development costs		-259,763	-308,946
Disposals of investment properties		73,122	35,716
Net changes in non-current receivables		-15,464	-8,303
Net cash from investing activities		**-258,801**	**-683,404**
CASH FLOW FROM FINANCING ACTIVITIES			
Capital increase, net of costs [2]		374,209	251,422
Dividend for previous fiscal year and interim dividend		-115,988	-119,077
Net changes in borrowings		-172,273	370,793
Net changes in other non-current financial liabilities		-582	-179
Net financial items received (+) / paid (-)		-51,731	-39,594
Net cash from financing activities		**33,635**	**463,365**
TOTAL CASH FLOW FOR THE PERIOD			
Total cash flow for the period		**4,362**	**-1,444**
RECONCILIATION WITH BALANCE SHEET			
Cash and cash equivalents at beginning of period		13,891	15,335
Total cash flow for the period		4,362	-1,444
Cash and cash equivalents at end of period	**28**	**18,253**	**13,891**

1. This amount includes €14,888 k for assets acquired through companies acquired in cash (see Note 22). This line also includes the working capital of those acquired real estate companies, reducing the cash flow on this line to €11,315 k.
2. Some types of capital increases (contributions in kind, partial demergers) do not result in any cash flow.

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1.5 Consolidated Statement of Changes in Equity

(x €1,000)	01/01/2022	Capital increase in cash[1]	Capital increase in kind[1]	Acquisitions / disposals of treasury shares	Consolidated comprehensive income[2]	Appropriation of the previous year's result	Other transfer relating to asset disposals[3]	Transfers between reserves	Other and roundings	31/12/2022
Capital	917,101	74,131	15,649	0	0	0	0	0	0	1,006,881
Share premium account	1,301,002	177,291	37,816	0	0	0	0	0	-1	1,516,108
Reserves	281,244	0	0	-31	-15,157	163,329	0	0	-1,367	428,018
a. Legal reserve	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
b. Reserve for the balance of changes in fair value of investment properties	*224,214*	*0*	*0*	*0*	*0*	*165,943*	*-251*	*-48*	*1*	*389,859*
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	*-12,784*	*0*	*0*	*0*	*21,760*	*-31*	*0*	*0*	*0*	*8,945*
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*	*0*	*0*	*0*	*0*	*15,679*	*0*	*0*	*0*	*-11,193*
f. Reserve of exchange differences relating to foreign currency monetary items	*72*	*0*	*0*	*0*	*0*	*-523*	*0*	*0*	*0*	*-451*
g. Foreign currency translation reserves	*24,869*	*0*	*0*	*0*	*-38,498*	*0*	*0*	*0*	*0*	*-13,629*
h. Reserve for treasury shares	*0*	*0*	*0*	*-31*	*0*	*0*	*0*	*0*	*0*	*-31*
j. Reserve for actuarial gains and losses of defined benefit pension plans	*0*	*0*	*0*	*0*	*-99*	*0*	*0*	*0*	*0*	*-99*
k. Reserve for deferred taxes on investment properties located abroad	*-24,696*	*0*	*0*	*0*	*0*	*-47,019*	*0*	*0*	*0*	*-71,715*
m. Other reserves	*3,015*	*0*	*0*	*0*	*0*	*-3,015*	*251*	*0*	*-1*	*250*
n. Result brought forward from previous years	*87,532*	*0*	*0*	*0*	*1,680*	*29,130*	*0*	*48*	*-1,367*	*117,023*
o. Reserve- share NI & OCI of equity method invest	*5,894*	*0*	*0*	*0*	*0*	*3,165*	*0*	*0*	*0*	*9,059*
Profit (loss)	281,824	0	0	0	331,778	-281,824	0	0	0	331,778
Equity attributable to owners of the parent	**2,781,171**	**251,422**	**53,465**	**-31**	**316,621**	**-118,495**	**0**	**0**	**-1,368**	**3,282,785**
Non-controlling interests	4,226	0	0	0	-47	0	0	0	2,385	6,564
TOTAL EQUITY	**2,785,397**	**251,422**	**53,465**	**-31**	**316,574**	**-118,495**	**0**	**0**	**1,017**	**3,289,349**

1. For more details, see Note 30 of this Annual Report and section 1.2.4 'Equity' of the 'Financial Review' chapter of the 2022 Annual Report.
2. For more details, see the comprehensive income table on page 123.
3. This column shows the reserve made available through the sale of assets, detailed in section 1.1.1 'Investments, completions and disposals in 2022' of the 'Financial Review' chapter of 2022 Annual Report.

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(x €1,000)	01/01/2023	Capital increase in cash[1]	Capital increase in kind[1]	Acquisitions / disposals of treasury shares	Consolidated comprehensive income[2]	Appropriation of the previous year's result	Other transfer relating to asset disposals[4]	Transfers between reserves	Other and roundings	31/12/2023
Capital	1,006,881	186,845	9,913	0	0	0	0	0	-1	1,203,638
Share premium account	1,516,108	187,364	15,529	0	0	0	0	0	0	1,719,001
Reserves	428,018	0	0	0	9,465	190,615	0	0	590	628,688
a. Legal reserve	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
b. Reserve for the balance of changes in fair value of investment properties	*389,859*	*0*	*0*	*0*	*0*	*85,794*	*6,412*	*-152*	*1*	*481,914*
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	*8,945*	*0*	*0*	*0*	*-4,635*	*34*	*0*	*0*	*0*	*4,344*
e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	*-11,193*	*0*	*0*	*0*	*0*	*124,370*	*0*	*0*	*0*	*113,177*
f. Reserve of exchange differences relating to foreign currency monetary items	*-451*	*0*	*0*	*0*	*0*	*157*	*0*	*0*	*0*	*-294*
g. Foreign currency translation reserves	*-13,629*	*0*	*0*	*0*	*14,242*	*0*	*0*	*-549*	*0*	*64*
h. Reserve for treasury shares	*-31*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*-31*
j. Reserve for actuarial gains and losses of defined benefit pension plans	*-99*	*0*	*0*	*0*	*-145*	*0*	*0*	*0*	*0*	*-244*
k. Reserve for deferred taxes on investment properties located abroad	*-71,715*	*0*	*0*	*0*	*0*	*-40,651*	*0*	*0*	*-1*	*-112,367*
m. Other reserves	*250*	*0*	*0*	*0*	*0*	*-251*	*-3,277*	*0*	*1*	*-3,277*
n. Result brought forward from previous years	*117,023*	*0*	*0*	*0*	*3*	*21,728*	*-3,135*	*701*	*589*	*136,909*
o. Reserve- share NI & OCI of equity method invest	*9,059*	*0*	*0*	*0*	*0*	*-566*	*0*	*0*	*0*	*8,493*
Profit (loss)	331,778	0	0	0	24,535	-331,778	0	0	0	24,535
Equity attributable to owners of the parent	**3,282,785**	**374,209**	**25,442**	**0**	**34,000**	**-141,163** [3]	**0**	**0**	**589**	**3,575,862**
Non-controlling interests	6,564	0	0	0	-1,983	0	0	0	458	5,039
TOTAL EQUITY	**3,289,349**	**374,209**	**25,442**	**0**	**32,017**	**-141,163**	**0**	**0**	**1,047**	**3,580,901**

1. For more details, see Note 30 and section 1.3.2 ‘Equity’ of the ‘Financial Review’ chapter of this Annual Report.
2. For more details, see the comprehensive income table on page 123.
3. For more details on the pay-out of the 2022 dividend, see the corrected profit table on page 178 of this Annual Report.
4. This column shows the reserve made available through the sale of assets, detailed in section 1.1 ‘Investments and disposals in 2023’ of the ‘Financial Review’ chapter of this Annual Report.

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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). Since 2020, the Company has been part of the BEL 20, Euronext Brussels’ leading share index. Moreover, since 2023, Aedifica has been part of the BEL ESG, the index tracking companies that perform best on ESG criteria.

Publication of the Consolidated Financial Statements was approved by the Board of Directors on 20 February 2024. Aedifica’s shareholders have the opportunity to amend the Consolidated Financial Statements after publication at the Annual General Meeting, which will take place on 14 May 2024.

Note 2: Accounting policies

Note 2.1: Basis of preparation

The Consolidated Financial Statements cover the 12-month period from 1 January 2023 to 31 December 2023. They have been prepared in accordance with the International Financial Reporting Standards (‘IFRS’) as adopted by the European Union 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 2022. 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 goodwill impairment tests and determination of fair value of investment properties). 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 2023, but had no significant impact on the current Consolidated Financial Statements:

- amendments to IFRS 17 ‘Insurance Contracts’ (applicable as from 1 January 2023);
- amendments to IAS 1 ‘Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies’ (applicable as from 1 January 2023);
- amendments to IAS 8 ‘Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates’ (applicable as from 1 January 2023);
- amendments to IAS 12 ‘Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction’ (applicable as from 1 January 2023);
- amendments to IFRS 17 ‘Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information’ (applicable as from 1 January 2023);
- amendments to IAS 12 Income taxes ‘International Tax Reform – Pillar Two Model Rules’ (applicable as from 1 January 2023).

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 2024. These amendments, which the Group did not apply early, are as follows (situation as at 12 January 2024):

- 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);
- amendment to IAS 1 ‘Presentation of Financial Statements: Classification of Liabilities as Current or Non-current’ (applicable as from 1 January 2024);
- amendments to IFRS 16 ‘Lease Liability in a Sale and Leaseback’ (applicable as from 1 January 2024);
- amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments ‘Disclosures: Supplier Finance Arrangement’ (applicable as from 1 January 2024, subject to EU approval);
- amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates ‘Lack of Exchangeability’ (applicable as from 1 January 2025, subject to EU approval).

Note 2.2: Summary of material accounting policy information

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.

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Consolidation principles – Associates and joint ventures

An associate is an entity over which the Group has significant influence and which is neither a subsidiary, nor an interest in a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but does not imply control or joint control over those policies.

A joint venture is a joint arrangement in which the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions on relevant activities require the unanimous consent of the parties sharing control.

Under the equity method, the investment in an associate or joint venture is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the investee's profit or loss is recognised in the investor's profit or loss.

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 (Aedifica has only one such partnership, namely AKJV in the Netherlands).

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 2023 are:

- balance sheet: €1 = £0.86632
- income statement: €1 = £0.86969
- balance sheet: €1 = SEK 11.14057
- income statement: €1 = SEK 11.47425

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 Investment value

'Investment value' is defined as the value assessed by a valuation expert, from which transfer costs have not been deducted (also known as 'gross capital value').

1.3 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%.

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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.

1.4 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.

8. Land reserve

In 2023, Aedifica created a new 'land reserve' category that includes all plots of land without committed projects.

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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: 20% to 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 the income statement. Receivables are valued at amortised cost.

I.H. Deferred tax assets

When a building is acquired outside of Belgium, the Deferred Tax Assets mainly relate to unrealised losses on the difference between the fair value and the tax value of the buildings, whereby we expect that the effective tax loss (in case of a sale) can be offset with the taxable income of the entity concerned in the foreseeable future.

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. Under the equity method, the investment in an associate or joint venture is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of the investee's profit or loss is recognised in the investor's profit or loss.

They relate to Immobe NV/SA, MMCG 2 DEVCO 2 Limited, MMCG 2 DEVCO 3 Limited and Aedifica Sonneborgh Ontwikkeling BV (associates).

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 according to (i) the management assumption on outstanding receivables of more than 120 days and (ii) by applying 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 related to plots of land – 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).

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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

Indemnities for early lease termination are recognised in the income statement when it is highly probable that Aedifica will collect the indemnities. To evaluate whether the fees will be collectible, Aedifica will only consider the customer's ability and intention to pay that amount when due.

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 with Aedifica being the lessor for the following reasons:

- there is no transfer of ownership of the underlying asset at the end of the lease term;
- the lessee does not have the option to purchase the underlying asset at a price that is significantly lower than the fair value;
- the lease term is usually shorter than the asset's main economic life.

Lease incentives are recognised on a straight-line basis over the lease term, in accordance with IFRS 16.

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.

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 recognised at the company level, taking into account the anticipated date of the merger or approval. Any adjustment to this exit tax liability is recognised in the income statement. This tax will be paid when the company is merged into the parent company with RREC status.

When the merger or approval takes place, the provision becomes a liability and any difference is also recognised in the income statement.

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 of IFRS 2, amounts related to the equity incentive plan are recognised in equity against the income statement in the consolidated accounts.

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Note 3: Operating segments

Note 3.1: Presented segments

In light of the divestments that were carried out in the course of the 2018/2019 financial year and Aedifica's strategic focus on healthcare real estate, it was decided to revise the segmented information of the operational results. Since the financial year that started on 1 July 2019, the classification is based on geographical criteria. This segmentation is aligned with the geographical markets in which Aedifica operates and is consistent with the Group's organisational structure and internal reporting. This approach, in line with IFRS 8, reflects the basis on which management makes key operational decisions.

The accounting policies described in Note 2 were used for the internal reporting and the segment reporting that follows.

According to IFRS 8, each group of entities falling under common control is treated as a single customer. Disclosure is mandated for revenues generated through transactions with a single customer that represents more than 10% of the company's total revenues. This requirement is applicable to:

- the 51 properties (in the segments ‘Belgium’, ‘Netherlands’ and ‘Germany’) rented out to legal entities controlled by the Clariane group (formerly known as the Korian group), whose rents represent 10% of the Company’s total 2023 rental income (11% in the prior financial year).

Rents mentioned here represent the turnover realised by the Company over the course of the financial year accounted for in accordance with IFRS standards. This differs from the contractual rent, which represents the yearly rent as mentioned in the contract and does not take into consideration the straight-lining of lease incentives.

Note 3.2: Segment information

(x €1,000)	BE	DE	NL	UK	FI	SE	IE	ES	Non-allocated	TOTAL
	31/12/2023									
SEGMENT RESULT										
I. Rental income	73,250	61,160	38,203	64,793	54,269	4,226	18,006	267	-	314,174
II. Writeback of lease payments sold and discounted	-	-	-	-	-	-	-	-	-	-
III. Rental-related charges	-550	-191	-17	-354	-22	-	-	-	-	-1,134
Net rental income	**72,700**	**60,969**	**38,186**	**64,439**	**54,247**	**4,226**	**18,006**	**267**	**-**	**313,040**
IV. Recovery of property charges	-	-	-	-	-	-	-	-	-	-
V. Recovery of rental charges and taxes normally paid by tenants on let properties	295	2,975	1,073	674	1,769	102	305	-	-	7,193
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	-299	-2,985	-1,031	-678	-1,807	-100	-305	-	-	-7,205
VIII. Other rental-related income and charges	-5	-4	-80	-1	40	-41	1	-	-	-90
Property result	**72,691**	**60,955**	**38,148**	**64,434**	**54,249**	**4,187**	**18,007**	**267**	**-**	**312,938**
IX. Technical costs	-375	-936	-733	-226	-589	-286	-24	-	-	-3,169
X. Commercial costs	-	-	-58	-	-	-	-	-	-	-58
XI. Charges and taxes on unlet properties	-1	-5	-23	-3	-82	-	-	-	-	-114
XII. Property management costs	-809	-1,555	-1,215	-2,447	-4	-117	-226	-79	-	-6,452
XIII. Other property charges	-199	-2	-326	-	-897	-	-	-	-	-1,424
Property charges	**-1,384**	**-2,498**	**-2,355**	**-2,676**	**-1,572**	**-403**	**-250**	**-79**	**-**	**-11,217**
Property operating result	**71,307**	**58,457**	**35,793**	**61,758**	**52,677**	**3,784**	**17,757**	**188**	**-**	**301,721**
XIV. Overheads	-	-	-	-	-	-	-	-	-35,740	-35,740
XV. Other operating income and charges	-	-	-	-	-	-	-	-	-171	-171
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**71,307**	**58,457**	**35,793**	**61,758**	**52,677**	**3,784**	**17,757**	**188**	**-35,911**	**265,810**
SEGMENT ASSETS										
Marketable investment properties	1,224,306	1,145,874	651,180	1,010,674	1,027,080	74,788	393,084	2,578	-	5,529,564
Development projects	5,285	29,016	6,450	16,476	69,890	15,035	19,601	7,197	-	168,950
Right of use of plots of land	-	3,385	-	-	69,787	-	-	-	-	73,172
Land reserve	3,358	8,790	1,880	-	430	592	1,120	2,500	-	18,671
Investment properties										**5,790,357**
Assets classified as held for sale	11,612	11,420	-	35,126	-	-	-	-	-	58,158
Other assets [1]	35,491	-	494	-	117,597	-	-	-	174,714	328,296
Total assets										**6,176,811**
Equity										
Equity attributable to owners of the parent	-	-	-	-	-	-	-	-	3,575,862	3,575,862
Non-controlling interests	-	-	-	-	-	-	-	-	5,039	5,039
Liabilities	-	-	-	-	-	-	-	-	2,595,910	2,595,910
Total equity and liabilities										**6,176,811**
GROSS YIELD IN FAIR VALUE [2]	**5.7%**	**5.4%**	**6.2%**	**6.4%**	**5.8%**	**6.1%**	**5.6%**	**-**	**-**	**5.8%**

1. The figures in Belgium and the Netherlands relate to investments accounted for using the equity method (see Note 17 for more details) and the figure in Finland relates to goodwill (see Note 20 for more details). The 'Non-allocated' section includes all other lines of the assets.
2. The gross yield in fair value is calculated by dividing the contractual rent by the fair value of marketable investment properties and assets classified as held for sale.

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SEGMENT RESULT										
I. Rental income	67,432	56,738	33,571	57,472	44,725	3,917	9,245	32	-	273,132
II. Writeback of lease payments sold and discounted	-	-	-	-	-	-	-	-	-	-
III. Rental-related charges	-352	-369	-687	-148	-30	-3	-	-	-	-1,589
Net rental income	**67,080**	**56,369**	**32,884**	**57,324**	**44,695**	**3,914**	**9,245**	**32**	**-**	**271,543**
IV. Recovery of property charges	-	-	-	-	-	-	-	-	-	-
V. Recovery of rental charges and taxes normally paid by tenants on let properties	229	2,397	679	420	-	27	182	-	-	3,934
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	-250	-2,425	-675	-420	-	-27	-182	-	-	-3,979
VIII. Other rental-related income and charges	33	-46	40	-6	485	-151	-	-	-	355
Property result	**67,092**	**56,295**	**32,928**	**57,318**	**45,180**	**3,763**	**9,245**	**32**	**-**	**271,853**
IX. Technical costs	-97	-184	-855	-159	-1,673	-328	-77	-	-	-3,373
X. Commercial costs	-	-	-29	-	-	-	-	-	-	-29
XI. Charges and taxes on unlet properties	-4	-1	-	-8	-40	-	-	-	-	-53
XII. Property management costs	-543	-1,367	-893	-1,791	-	-	-61	-	-	-4,655
XIII. Other property charges	0	2	-268	-1	-843	-	-	-	-	-1,110
Property charges	**-644**	**-1,550**	**-2,045**	**-1,959**	**-2,556**	**-328**	**-138**	**-**	**-**	**-9,220**
Property operating result	**66,448**	**54,745**	**30,883**	**55,359**	**42,624**	**3,435**	**9,107**	**32**	**-**	**262,633**
XIV. Overheads	-	-	-	-	-	-	-	-	-33,556	-33,556
XV. Other operating income and charges	-	-	-	-	-	-	-	-	597	597
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**66,448**	**54,745**	**30,883**	**55,359**	**42,624**	**3,435**	**9,107**	**32**	**-32,959**	**229,674**
SEGMENT ASSETS										
Marketable investment properties	1,287,193	1,159,206	640,102	926,264	984,800	76,880	289,126	1,500	-	5,365,071
Development projects	3,548	34,631	14,838	34,347	31,777	2,130	59,544	3,480	-	184,295
Right of use of plots of land	-	3,241	-	-	67,094	-	-	-	-	70,335
Investment properties										**5,619,701**
Assets classified as held for sale	12,197	38,360	-	33,476	-	-	-	-	-	84,033
Other assets [1]	40,390	-	493	-59	143,669	-	-	-	197,313	381,806
Total assets										**6,085,540**
Equity										
Equity attributable to owners of the parent	-	-	-	-	-	-	-	-	3,282,785	3,282,785
Non-controlling interests	-	-	-	-	-	-	-	-	6,564	6,564
Liabilities	-	-	-	-	-	-	-	-	2,796,191	2,796,191
Total equity and liabilities										**6,085,540**
GROSS YIELD IN FAIR VALUE [2]	**5.5%**	**5.1%**	**5.6%**	**6.4%**	**5.3%**	**5.0%**	**5.3%**	**-**	**-**	**5.5%**

1. The figures in Belgium, the Netherlands and the United Kingdom relate to investments accounted for using the equity method (see Note 17 for more details) and the figure in Finland relates to goodwill (see Note 20 for more details). The 'Non-allocated' section includes all other lines of the assets.
2. The gross yield in fair value is calculated by dividing the contractual rent by the fair value of marketable investment properties and assets classified as held for sale.

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Note 4: Net rental income

(x €1,000)	31/12/2023	31/12/2022
Rents earned	313,597	273,104
Guaranteed income	0	0
Cost of rent free periods	0	0
Indemnities for early termination of rental contracts	577	28
RENTAL INCOME	**314,174**	**273,132**
Rents payable as lessee	0	-2
Write-downs on trade receivables	-362	-1,518
Write-off on trade receivables	-772	-69
RENTAL-RELATED CHARGES	**-1,134**	**-1,589**
NET RENTAL INCOME	**313,040**	**271,543**

The Group leases its buildings exclusively through operating leases.

Although the lease terms are generally long, the leases are not classified as financial leases due to the following reasons:

- there is no transfer of ownership of the underlying asset at the end of the lease term;
- the lessee does not have the option to purchase the underlying asset at a price that is significantly lower than the fair value;
- the lease term is usually shorter than the asset's main economic life.

For these three reasons, the leases are classified as operating leases. From these operating leases, more than 99% are income related to fixed lease payments.

The increase in earned rents compared to the previous period is attributed to the growth of the portfolio during the 2023 financial year and annual indexation.

The schedule of future minimum lease payments to be collected under non-cancellable operating leases required by IFRS 16.97 is based on the following assumptions, which are conservative:

- long-term leases: no inflation;
- rents in foreign currencies in the United-Kingdom and Sweden are converted according to the 2023 average exchange rate, 0.86969 €/£ and 11.47425 €/SEK, respectively.

Future minimum lease payments to be collected under non-cancellable operating leases are presented as follows:

(x €1,000)	31/12/2023	31/12/2022
Not later than one year	324,277	303,079
Between one and two years	323,945	302,301
Between two and three years	323,795	301,602
Between three and four years	323,795	301,442
Between four and five years	322,266	301,442
Later than five years	4,631,577	4,505,080
TOTAL	**6,249,654**	**6,014,946**

Rental income includes variable rents amounting to €1,187 k in 2023 (31 December 2022: €366 k).

The write-down/write-off of rental income is mainly explained by the difficult economic environment in which operators had to face increasing energy and labor costs (€1.1 million in 2023 and €1.6 million in 2022).

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Note 5: Property result

(x €1,000)	31/12/2023	31/12/2022
NET RENTAL INCOME	**313,040**	**271,543**
Indemnities on rental damage	0	0
RECOVERY OF PROPERTY CHARGES	**0**	**0**
Rebilling of rental charges invoiced to the landlord	1,530	566
Rebilling of property taxes and other taxes on let properties	5,663	3,368
RECOVERY OF RENTAL CHARGES AND TAXES NORMALLY PAID BY TENANTS ON LET PROPERTIES	**7,193**	**3,934**
COSTS PAYABLE BY THE TENANT AND BORNE BY THE LANDLORD ON RENTAL DAMAGE AND REPAIR AT END OF LEASE	**0**	**0**
Rental charges invoiced to the landlord	-1,475	-572
Property taxes and other taxes on let properties	-5,730	-3,407
CHARGES AND TAXES NOT RECOVERED BY THE TENANT ON LET PROPERTIES	**-7,205**	**-3,979**
Cleaning	-133	-79
Energy	-1,418	-583
Depreciation of furniture	0	0
Other	1,461	1,017
OTHER RENTAL-RELATED INCOME AND CHARGES	**-90**	**355**
PROPERTY RESULT	**312,938**	**271,853**

Note 6: Property operating result

(x €1,000)	31/12/2023	31/12/2022
PROPERTY RESULT	**312,938**	**271,853**
Repair and maintenance	-1,655	-2,609
Insurance	-459	-156
Employee benefits	42	41
Expert fees	-1,097	-649
TECHNICAL COSTS	**-3,169**	**-3,373**
Letting fees paid to real estate brokers	0	0
Marketing	0	0
Fees paid to lawyers and other legal costs	0	0
Other	-58	-29
COMMERCIAL COSTS	**-58**	**-29**
Charges	-114	-53
CHARGES AND TAXES ON UNLET PROPERTIES	**-114**	**-53**
Fees paid to external property managers	-257	-25
Internal property management expenses	-6,195	-4,630
PROPERTY MANAGEMENT COSTS	**-6,452**	**-4,655**
Property taxes and other taxes	-1,424	-1,110
OTHER PROPERTY CHARGES	**-1,424**	**-1,110**
PROPERTY OPERATING RESULT	**301,721**	**262,633**

The increase in internal property management expenses is a result of the overall growth of the Company.

Note 7: Overheads

(x €1,000)	31/12/2023	31/12/2022
Lawyers/notaries	-1,889	-1,195
Auditors/accountants	-953	-677
Real estate experts	-1,917	-1,675
IT	-1,710	-1,523
Insurance	-787	-149
Public relations, communication, marketing, publicity	-720	-1,026
Directors and executive management	-4,421	-4,687
Employee benefits	-11,455	-11,322
Depreciation and amortisation of other assets	-2,180	-1,868
Tax expense	-1,451	-2,053
Tax consulting	-2,758	-1,295
Headhunter and recruitment costs	-290	-734
Travel and representation	-563	-588
Other	-4,646	-4,764
Financial services	-617	-624
Fleet	-561	-446
Office charges payable as lessee [1]	-727	-735
Communication equipment/subscriptions [1]	-176	-174
Training [1]	-356	-179
Office supplies	-250	-335
Other professional fees	-2,391	-2,229
Other	432	-42
TOTAL	**-35,740**	**-33,556**

1. These lines were previously part of the 'Office supplies' line.

The increase in tax consulting costs is mainly due to the costs incurred for the transfer of the UK entities to the UK REIT regime.

Audit fees

(x €1,000)	31/12/2023	31/12/2022
Statutory audit (Aedifica NV/SA)	129	131
Statutory audit (subsidiaries)	639	295
Opinion reports foreseen in the Belgian Companies and Associations Code	64	14
Other opinion reports (comfort letter, etc.)	2	8
Tax advice missions	0	0
Other missions unconnected with the statutory audit	14	0
TOTAL	**848**	**448**

Related party transactions

(x €1,000)	31/12/2023	31/12/2022
Short-term benefits	4,150	4,351
Post-employment benefits	271	261
Other long-term benefits	0	0
Termination benfits	0	0
Share-based payments	0	75
TOTAL	**4,421**	**4,687**

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 (€4,421 k in 2023; €4,687 k in 2022).

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)	31/12/2023	31/12/2022
Technical costs (see Note 6)	42	41
Overheads (see Note 7)	-11.455	-11.322
Property management costs (see Note 6)	-6.195	-4.630
Capitalised costs	-566	-422
TOTAL	**-18.174**	**-16.333**

Headcount at the end of the financial year and full-time equivalents (excluding Executive Directors):

(x €1,000)	31/12/2023	31/12/2022
Headcount at the year-end	127	126
Employees	122	121
Executive management personnel	5	5
FULL-TIME EQUIVALENT (EXCL. EXECUTIVE MANAGEMENT PERSONNEL) DURING THE YEAR	**120.0**	**109.3**

The increase in employees reflects the Group's international growth.

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Note 8: Other operating income and charges

(x €1,000)	31/12/2023	31/12/2022
Recovery of damage expenses	262	133
Other	-433	464
TOTAL	**-171**	**597**

'Other' is mainly related to the (non-)recovery of VAT (-€328 k in 2023; €467 k in 2022).

Note 9: Gains and losses on disposals of investment properties

(x €1,000)	31/12/2023	31/12/2022
Net sale of properties (selling price - transaction costs)	73,091	35,890
Carrying amount of properties sold (fair value of assets sold)	73,947	35,103
TOTAL	**-856**	**787**

The main disposals of the financial year are detailed in Note 38.

The net sale of properties includes compensation received from tenants for the loss of fair value related to the sale of assets, due to the early termination of the lease.

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)	31/12/2023	31/12/2022
Belgium	-27,229	18,220
Germany	-75,259	39,054
Netherlands	-24,093	14,873
United Kingdom	20,854	-2,029
Finland	-12,108	34,609
Sweden	-6,834	-279
Ireland	-18,465	-19,383
Spain	-502	-188
TOTAL	**-143,636**	**84,877**
Of which:		
Marketable investment properties	-124,135	81,851
Development projects	-14,244	4,258
Right of use of plots of land	-1,367	-1,232
Land reserve	-3,890	-

In 2023, the most significant changes are registered in Germany, Belgium, the Netherlands and the United Kingdom. These changes are explained as follows:

- **Belgium:** Prime net yields increased from approx. 4.25% in Q4 2022 to approx. 5% in Q4 2023. The decreases in value resulting from this yield decompression were only partially offset by rent indexations.
- **Germany:** Some German operators were confronted with higher costs following increased salary costs and inflation, putting pressure on their ability to pay rent. The increase in interest rates triggered by inflation also led to a change in the financing environment, resulting in higher yield requirements for investors.
- **Netherlands:** The increase in government bond yields has led to an increase in yields. As from 1 January 2023, the transfer taxes on real estate transactions increased with 2.4%, affecting the fair values.
- **United Kingdom:** An increase in portfolio valuation was recorded due to the strong operational performance of tenants, backed by the underlying resident occupancy of 91% for the stabilised portfolio at the end of September and a rising rental coverage.

For more details, see section 1.3 'Market trends' of the 'Portfolio' chapter.

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Note 12: Other result on portfolio

(x €1,000)	31/12/2023	31/12/2022
Goodwill impairment	-26,072	-18,103
Other	0	0
TOTAL	**-26,072**	**-18,103**

During the financial year under review, the Group recognised a goodwill impairment related to the acquisition of Hoivatilat Oyj (see Note 20 for more information).

Note 13: Financial income

(x €1,000)	31/12/2023	31/12/2022
Reinvoiced interests	2,181	1,183
Other	825	423
TOTAL	**3,006**	**1,606**

The financial income of 2023 mainly includes €1.2 million of reinvoiced interests (€1.3 million in 2022) and €0.9 million of earned interest on loans granted to associated companies (€0.2 million in 2022). Realised and unrealised foreign exchange differences amount to €0.4 million in 2023 (€0.2 million in 2022).

Note 14: Net interest charges

(x €1,000)	31/12/2023	31/12/2022
Nominal interest on borrowings	-76,824	-27,617
Bilateral loans - floating rate	-55,060	-14,597
Short-term treasury Notes - floating rate	-7,892	-841
Investment credits - floating or fixed rate	-3,338	-1,628
Long-term treasury Notes - fixed rate	-1,394	-1,395
Bond - Fixed rate	-3,747	-3,750
Private placement - fixed rate	-5,393	-5,406
Charges arising from authorised hedging instruments		
Authorised hedging instruments qualifying for hedge accounting as defined under IFRS	-2,126	-4,121
Authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	-16,965	-5,763
Subtotal	-19,091	-9,884
Income arising from authorised hedging instruments		
Authorised hedging instruments qualifying for hedge accounting as defined under IFRS	7,528	1,071
Authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	39,188	3,259
Subtotal	46,716	4,330
Capitalised interest charges	5,716	3,966
Interest cost related to leasing debts booked in accordance with IFRS 16	-1,393	-951
Other interest charges	-128	-495
TOTAL	**-45,004**	**-30,651**

In 2023, the high increase in interest on borrowings was partly offset by the increase in income from authorised hedging instruments and capitalised interest charges.

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.

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Note 15: Other financial charges

(x €1,000)	31/12/2023	31/12/2022
Bank charges and other commissions	-5,069	-4,819
Other	-112	-2,375
TOTAL	**-5,181**	**-7,194**

The item 'Bank charges and other commissions' includes €3,514 k of commitment fees (2022: €3,437 k).

The item 'Other' includes -€1 k of realised and unrealised foreign exchange differences (2022: -€2,222 k).

Note 16: Changes in fair value of financial assets and liabilities

(x €1,000)	31/12/2023	31/12/2022
Authorised hedging instruments		
Authorised hedging instruments qualifying for hedge accounting as defined under IFRS	0	34
Authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	-50,548	124,252
Subtotal	-50,548	124,286
Other	-330	-1,044
TOTAL	**-50,878**	**123,242**

The Line 'Other' represents the changes in fair value of the put options granted to non-controlling shareholders (see Notes 24 and 43).

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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 (Immobe NV/SA), which was initially wholly controlled by Aedifica NV/SA.

Aedifica NV/SA gradually sold its shares in Immobe 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, Immobe NV/SA is no longer a perimeter company and is consolidated using the equity method.

On 7 July 2022, Aedifica created Sonneborgh Ontwikkeling BV for the acquisition of a real estate company that owns a plot of land in the Netherlands. The purpose of Aedifica Sonneborgh Ontwikkeling BV is to obtain building permits and construct a care home. Upon completion, the building will be transferred to Aedifica Sonneborgh Real Estate BV, another company controlled by Aedifica.

On 1 April 2022 and 9 September 2022, Aedifica UK Ltd acquired a 25% stake in 2 British real estate companies that own plots of land (MMCG 2 Devco 2 Ltd and MMCG 2 Devco 3 Ltd, respectively). The value of the shares acquired amounts to £268 for each company. The remaining shares are held by Maria Mallaband Care Group, which is developing a care home on each of the plots. Upon completion of the buildings in 2024, Aedifica UK Ltd will acquire full ownership of the completed properties by taking control of the remaining shares in the companies. The completed properties will be leased to MMCG (2) Ltd which will operate the care homes (see press releases of 1 April 2022 and 9 September 2022 for more information).

(x €1,000)	31/12/2023	31/12/2022
Carrying amount at the beginning of the year	**40,824**	**40,522**
Acquisition of shares of associates and joint ventures accounted for using the equity method	25	504
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	-256	2,168
Impact of dividends received on equity	-1,115	-2,372
Distribution of share premium	-3,492	0
Other	-1	2
Carrying amount at the end of the year	**35,985**	**40,824**

Company	Immobe NV/SA	MMCG 2 DEVCO 2 Ltd	MMCG 2 DEVCO 3 Ltd	Aedifica Sonneborgh Ontwikkeling BV
Segment	Apartment buildings	Healthcare real estate	Healthcare real estate	Healthcare real estate
Country	Belgium	United Kingdom	United Kingdom	Netherlands
% held by the Group	24.97%	25.09%	25.09%	50.00%
Partner shareholders	Primonial European Residential Holdco Sarl	Miscellaneous	Miscellaneous	Sonneborgh Ontwikkeling BV
Date of company creation	June 2018	June 2021	June 2021	October 2015
Amount of the Group share in the result (x1.000 €)	**31/12/2023**	**31/12/2023**	**31/12/2023**	**31/12/2023**
Net result (100%)	-1,169	169	73	-49
Other elements of the global result	0	0	0	0
Global result	-1,169	169	73	-49
% held by the Group	24.97%	25.09%	25.09%	50.00%
Share in the profit or loss of associates and joint ventures accounted for using the equity method	-292	42	18	-25
Amount of the interest at the Group (x 1.000€)				
Equity-accounted investments	35,491	0	0	494

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Note 18: Tax

(x €1,000)	31/12/2023								
	BE	**DE**	**NL**	**UK**	**FI**	**SE**	**IE**	**ES**	**TOTAL**
Corporate tax	-445	-2,417	8,417	-3,074	-114	-68	-994	0	1,305
Exit tax	54	0	0	0	0	0	0	0	54
Deferred taxes	0	5,773	19,788	-2,438	952	729	-375	-169	24,260
TOTAL TAX	**-391**	**3,356**	**28,205**	**-5,512**	**838**	**661**	**-1,369**	**-169**	**25,619**

(x €1,000)	31/12/2022								
	BE	**DE**	**NL**	**UK**	**FI**	**SE**	**IE**	**ES**	**TOTAL**
Corporate tax	-130	-3,038	-4,468	-4,156	-81	-45	-52	0	-11,970
Exit tax	-330	0	0	0	0	0	0	0	-330
Deferred taxes	0	-12,307	-7,611	-8,758	-11,519	-1,383	-781	-16	-42,375
TOTAL TAX	**-460**	**-15,345**	**-12,079**	**-12,914**	**-11,600**	**-1,428**	**-833**	**-16**	**-54,675**

Taxes are composed of current taxes, deferred taxes and exit tax.

Current taxes consist primarily of tax generated abroad, tax on the result of consolidated subsidiaries and, to a lesser extent, 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.).

Fiscal Investment Institutions ('FBI') in the Netherlands

In September 2022, the Dutch government announced its intention to exclude direct investments in real estate from the Fiscal Investment Institutions (Fiscale Beleggingsinstellingen, 'FBI') regime as from 1 January 2024. The entry into force of this measure was postponed to 1 January 2025. Although Aedifica believed it met the conditions for claiming the FBI regime and submitted applications to the Dutch tax authorities to that effect, the Group opted as a matter of prudence for a common law tax burden on the results of its Dutch subsidiaries from the start of its operations in the Netherlands in 2016. Every year, the Group claimed the application of this regime for its subsidiaries operating in the Netherlands. At the end of 2022, the Group finally received confirmation that the FBI requirements were met for the past fiscal years. Aedifica decided to reverse the accrued tax provisions of previous years in the income statement upon receipt of the final corporate tax assessment. During the first half of 2023, final corporate tax assessments and refunds for the period from 2016 to 2021 amounting to approx. €9.0 million were received and recognised in the income statement. The final corporate tax assessment for 2022 was received early 2024. The accrued tax provisions for 2022 amount to approx. €4.2 million. For the year 2023, no provision for corporate income tax has been made in the Dutch subsidiaries. No provisions will be made for 2024 either.

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).

As revenue threshold requirements (as detailed in IAS 12 – 'OECD pillar two model rules') are not met, the Group is exempt to apply the Pillar two model rules on deferred tax assets and liabilities.

Note 19: Earnings per share

The earnings per share ('EPS' as defined by IAS 33) is calculated as follows:

	31/12/2023	**31/12/2022**
Profit (loss) (Owners of the parent) (x €1,000)	24,535	331,778
Weighted average number of shares outstanding during the period	43,706,129	38,113,384
Basic EPS (in €)	0.56	8.71
Diluted EPS (in €)	0.56	8.71

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).

It is calculated as follows:

(x €1,000)	**31/12/2023**	**31/12/2022**
Profit (loss) (Owners of the parent)	24,535	331,778
Changes in fair value of investment properties (see Note 11)	143,636	-84,877
Gain and losses on disposal of investment properties (see Note 9)	856	-787
Deferred taxes in respect of EPRA adjustments (see Notes 18 and 25)	-24,314	42,705
Tax on profits or losses on disposals (see Notes 9 and 18)	0	0
Changes in fair value of financial assets and liabilities (see Note 16)	50,878	-123,242
Goodwill impairment (see Note 12)	26,072	18,103
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of EPRA corrections	574	-1,806
Non-controlling interests in respect of the above	-2,658	-488
Roundings	0	0
EPRA Earnings*	**219,579**	**181,386**
Weighted average number of shares outstanding during the period	43,706,129	38,113,384
EPRA Earnings* per share (in €)	5.02	4.76
EPRA Earnings* diluted per Share (in €)	5.02	4.76

The calculation in accordance with the model recommended by EPRA is included on page 181 of this Annual Report.

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Note 20: Goodwill

(x €1,000)	31/12/2023	31/12/2022
Gross value at the beginning of the year	165,204	165,678
Cumulative impairment losses at the beginning of the year	-21,535	-3,952
Carrying amount at the beginning of the year	**143,669**	**161,726**
Gross value – Additions / transfer	0	45
Gross value – Disposals	0	-335
Gross value – Increase / decrease due to foreign exchange rate	80	-184
Impairment losses – Additions	-26,072	-18,101
Impairment losses – Disposals	0	335
Impairment losses – Increase / decrease due to foreign exchange rate	-80	184
CARRYING AMOUNT AT THE END OF THE YEAR	**117,597**	**143,669**
of which: gross value	165,284	165,204
cumulative impairment losses	-47,687	-21,535

In accordance with the requirements of IAS 36 – Impairment of Assets, the Group primarily analysed the carrying amount of goodwill.

The gross value of goodwill resulting from the acquisition of Hoivatilat Oyj in 2020 remains unchanged (€161,726 k). 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 assets acquired.

When the Aedifica Group acquired Hoivatilat Oyj, the company already had a complete and operational development team. The goodwill paid by the Aedifica Group is a recognition of the capabilities, know-how and local connections that enable Hoivatilat Oyj to achieve the expected development goals. Since the acquisition in January 2020, the company has successfully achieved these development goals and remains on track with management expectations.

The addition of goodwill in 2021 (€3,617 k, corresponding to £3,043 k on the books of Aedifica UK Limited, the buyer) arose from the acquisition of Aedifica UK Management Limited (formerly Layland Walker Limited), which is the asset management company of the UK subsidiaries. It results from the positive difference between the acquisition cost (the price paid for the shares of Aedifica UK Management Limited) and the fair value of the net assets acquired. In 2022, a price adjustment arose from the application of the normal share purchase agreement mechanism, resulting in an addition of €44 k (corresponding to £40 k on the books of Aedifica UK Limited). The change in the foreign exchange rate between euro and British pound sterling compared to 31 December 2022 also resulted in an increase in both gross value and cumulative impairment losses of €80 k.

Impairment test

On 31 December 2023, the goodwill of the Hoivatilat Oyj acquisition was subject to an impairment test by comparing the carrying value of the cash generating units to which goodwill is allocated with the recoverable amount of those Cash Generating Units (CGU). CGU's to which goodwill is allocated are the existing investment properties of Hoivatilat in Finland, together with the future development activities in Finland enabled by Hoivatilat's internal development team and aligned with the development objectives set as from acquisition.

In determining the recoverable amount of a cash-generating unit, management uses estimates. The methods used to calculate the recoverable amount include methods based on discounted cash flows and methods based on market prices. Discounted cash flow valuations refer to projections based on financial plans approved by management, which are also used for internal purposes. The chosen planning horizon reflects the assumptions for short- to medium-term market developments and is taken into account for the calculation of the perpetual annuity. The terminal value is reached at the end of the planning horizon, taking into account the achievement of the development pipeline.

On 31 December 2023, the recoverable amount is the estimated fair value less cost of disposal of the Hoivatilat shares. The fair value less costs of disposal is determined by the Group using the expected future net cash flows covering the next four years based on the rents of the underlying investment properties and development projects (as per the tenants' lease agreements), the expenses to maintain and manage the property portfolio, and the value of development activities. Cash flows beyond the first 4 planning years are extrapolated using an appropriate terminal growth rate. This valuation represents a level 3 fair value measurement. The key assumptions in determining fair value less disposal costs are the completion of the development pipeline over the next four years, the indexation rate (which also directly affects the terminal growth rate) and the discount rate. They are mainly derived from internal sources and are based on past experience and extended by current internal expectations, and underlined by external market data and estimates. Any future changes in the above assumptions could have a significant impact on the fair values of the cash-generating units.

Management's approach in the calculation of the fair value less cost of disposal of Hoivatilat:

- The cash flow forecast (based on a budget plan approved by management) applied to determine the value of investment properties and ongoing development projects covers 4 years after testing date.
- The indexation rate applied to the 4-year forecast is based on the consumer price index in Finland and varies for each lease.
- The terminal perpetual growth rate applied on the last cash flow of the four year budget stands at 2%, which corresponds to the ECB's long-term target (2% in the 2022 impairment test).
- The value of development activities is determined assuming that a pipeline of €100 million per year will be developed over 4 years and sold upon completion. The yield on cost applied to determine the fair value of the non-committed pipeline amounts to approx. 6.5% (6% in the 2022 impairment test) and is based on the assumptions used by the independent real estate experts in the valuation of the existing portfolio. Climate change is one of the variables that experts include in their valuation.
- The discount rate amounts to 5.45% (4.75% in the 2022 impairment test), based on the average required return on equity and debt. Management applies a capital asset pricing model based on observable market data.

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The assumptions used in our valuation model for the execution of development activities and maintenance expenses take into account the current sustainability requirements applicable to this type of assets in Finland. Climate change brings several challenges that may negatively impact the future value of assets (see risk factor 5. 'Climate change' on page 117).

On 31 December 2022, the carrying value amounted to €1,152,889 k and the recoverable amount was €1,134,832 k.

On 31 December 2023, the carrying value amounted to €1,213,634 k and the recoverable amount was €1,187,562 k. The negative difference of €26.072 k was recognised as impairment in the Consolidated Income Statement.

The estimated recoverable amount is negatively impacted by the discount rate.

Sensitivity analysis	**Change of recoverable amount (in %)**	
	31/12/2023	**31/12/2022**
Change in inflation		
+1.00%	26%	30%
+0.50%	12%	14%
-0.50%	-10%	-12%
-1.00%	-19%	-22%
Change in discount rate		
+1.00%	-22%	-24%
+0.50%	-12%	-13%
-0.50%	14%	15%
-1.00%	30%	33%

The sensitivity analysis does not consider the effect of one variable on the others, because there is no consensus on the methodology to be applied in order to quantify such impact.

Provided that Aedifica UK Management Limited will not provide asset management services outside of the Group, the recoverable amount is considered to be zero. Therefore, the goodwill was entirely amortised on 31 December 2022.

Note 21: Intangible assets

Intangible assets all have a limited useful life and consist mainly of computer software. Amortisation is recognised in income under the line 'overheads' (see Note 7).

(x €1,000)	**31/12/2023**	**31/12/2022**
Gross value at the beginning of the year	3,872	3,353
Amortisations at the beginning of the year	-2,015	-1,419
Carrying amount at the beginning of the year	**1,857**	**1,934**
Entries: items acquired separately	540	519
Disposals	0	0
Amortisations to income statement	-734	-596
Amortisations related to acquisitions and disposals	0	0
CARRYING AMOUNT AT THE END OF THE YEAR	**1,663**	**1,857**
of which: Gross value	4,412	3,872
Amortisations	-2,749	-2,015

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Note 22: Investment properties

Note 22.1: Overview of investment properties

(x €1,000)	31/12/2023	31/12/2022
Marketable investment properties	5,529,564	5,365,071
+ Right of use of plots of land	73,172	70,335
+ Development projects	168,950	184,295
+ Land reserve	18,671	-
Investment properties	**5,790,357**	**5,619,701**
+ Assets classified as held for sale	58,158	84,033
Investment properties including assets classified as held for sale*, or real estate portfolio*	**5,848,515**	**5,703,734**
- Development projects	-168,950	-184,295
Marketable investment properties including assets classified as held for sale*, or investment properties portfolio	**5,679,565**	**5,519,439**

All investment properties are located in Belgium, Germany, the Netherlands, the United Kingdom, Finland, Sweden, Ireland and Spain.

Assets classified as held for sale (line II.A. included in the assets on the balance sheet) amount to €58.2 million as of 31 December 2023. They mainly relate to eight care properties in the United Kingdom, two care properties in Germany and one care property in Belgium that are considered to be non-strategic assets.

Development projects are detailed in the 'Portfolio' chapter included in the present Annual Report.

In 2023, Aedifica created a new 'land reserve' category that includes all plots of land without committed projects.

The evolution of the marketable investment properties and development projects is detailed in the following table:

(x €1,000)	Marketable investment properties	Development projects	TOTAL
CARRYING AMOUNT AS OF 01/01/2022	**4,651,161**	**151,954**	**4,803,115**
Acquisitions	425,053	42,028	467,081
Disposals	-34,930	-	-34,930
Capitalised interest charges	-	3,953	3,953
Capitalised development costs	-	801	801
Other capitalised expenses	4,388	304,558	308,946
Spreading of rental gratuities and concessions	11,658	-	11,658
Transfers due to completion	322,639	-322,639	-
Changes in fair value (see Note 11)	81,851	4,258	86,109
Other expenses booked in the income statement	-	-	-
Net exchange difference on foreign operation	-48,077	-618	-48,695
Transfers to land reserve	0	-	-
Assets classified as held for sale	-48,672	-	-48,672
CARRYING AMOUNT AS OF 31/12/2022	**5,365,071**	**184,295**	**5,549,366**
CARRYING AMOUNT AS OF 01/01/2023	**5,365,071**	**184,295**	**5,549,366**
Acquisitions	54,769	4,513	59,282
Disposals	-73,978	-	-73,978
Capitalised interest charges	-	5,722	5,722
Capitalised development costs	-	1,043	1,043
Other capitalised expenses	3,106	257,290	260,396
Spreading of rental gratuities and concessions	8,865	-	8,865
Transfers due to completion	262,282	-262,282	-
Changes in fair value (see Note 11)	-124,135	-14,244	-138,379
Other expenses booked in the income statement	-	-	-
Net exchange difference on foreign operation	22,084	803	22,887
Transfers to land reserve	-14,375	-8,190	-22,565
Assets classified as held for sale	25,875	-	25,875
CARRYING AMOUNT AS OF 31/12/2023	**5,529,564**	**168,950**	**5,698,514**

The main impact on net exchange difference on foreign operation is generated by the Group's operations in British pound sterling and, to a lesser extent, its operations in Swedish krona. For more details on the currency valuation method applied within the Group, see Note 2.

The fair value of the marketable investment properties as of 31 December 2023 is assessed by independent valuation experts. The average capitalisation rate applied to contractual rents is 5.82% (in accordance with the valuation methodology – presented in the first bullet of section 1.12 of the Standing Documents included in the 2023 Annual Report). A positive 0.10% change in the capitalisation rate would lead to a negative change of approx. €94 million in the portfolio's fair value.

Note 22.2: Acquisitions during the financial year

Acquisitions made during a financial year, as detailed in the Financial Review included in the present Annual Report, can be realised in four ways:

- Acquisition of a property directly, paid in cash, presented under the item 'Purchase of Investment Properties and Development Projects' of the cash flow statement;
- Acquisition of a property, paid in shares, these transactions are not included in the cash flow statement as they do not generate cash flow;
- Acquisition of the company owning a property, paid in cash, shown under the item 'Purchase of Real Estate companies' of the cash flow statement for the amount of the shares bought;
- Acquisition of the company owning a property, paid in shares, these transactions are not included in the cash flow statement as they do not generate cash flow.

(x €1,000)		31/12/2023	31/12/2022
Marketable investment properties			
	Properties against cash	41,150	217,511
	Properties against shares	0	23
	Companies against cash	13,620	154,078
	Companies against shares	0	53,442
Development projects			
	Properties against cash	3,245	31,643
	Properties against shares	0	0
	Companies against cash	1,268	10,385
	Companies against shares	0	0
TOTAL		**59,282**	**467,081**

The amount of €44,393 k included in the cash flow statement under the heading 'Purchase of Investment Properties and Development Projects' comprises the sum of the properties paid in cash.

The amount of €11,315 k included in the cash flow statement under the heading 'Purchase of Real Estate companies' comprises among other things the sum of the companies paid in cash.

Note 22.3: Assessment method and unobservable data

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 2023 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 1.12 of the standing documents of the present Annual Report.

The remaining economic life of the asset is not formally determined, but implicitly recognised through the discount rate and the exit yield in case of DCF method or implicitly recognised through the capitalisation rate used for the activation method, including a factor for building obsolescence. In all cases, this remaining economic life is at least equal to the remaining term of the current lease. The same principle applies to the operational margin of the operators, which is implicity taken into account in the discount rate and the capitalisation rate.

For other unobservable input not included in the table on page 148, see section 1 of the 'Portfolio' chapter and 'Summary of investment properties' in the 'Additional information' chapter.

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, the size of the building, square metre per unit, etc., which explains the significant differences between the minimum and maximum amounts for these unobservable data. Moreover, these unobservable data may be linked. The capitalisation rate is determined by the valuation expert based on economic data and benchmarking and takes into account a risk premium. One of the variables that affect the risk premium is related to climate change.

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.

In accordance with legal provisions, properties are revalued four times per year based on valuation reports prepared by the eleven 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.

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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 at 31/12/2023 (x €1,000)	Assessment method	Unobservable data [1]	Min	Max	Weighted average
HEALTHCARE REAL ESTATE	**5,587,722**					
Belgium	1,235,918	DCF & Capitalisation	ERV / m²	88	292	137
			Inflation	2.3%	2.4%	2.3%
			Discount rate	5.5%	8.0%	6.3%
			Capitalisation rate	4.5%	8.4%	5.4%
			Residual maturity (year)	10	28	20
Netherlands	651,180	DCF & Capitalisation	ERV / m²	44	358	150
			Inflation	2.4%	4.1%	2.7%
			Discount rate	4.0%	7.8%	6.0%
			Capitalisation rate	4.4%	9.7%	6.1%
			Residual maturity (year)	7	24	16
Germany	1,157,294	DCF	ERV / m²	39	228	122
			Inflation	2.1%	2.1%	2.1%
			Discount rate	4.0%	7.5%	5.2%
			Residual maturity (year)	6	29	21
United Kingdom	1,045,800	Capitalisation	ERV / m²	91	408	204
			Capitalisation rate	4.5%	11.8%	6.1%
			Residual maturity (year)	10	35	22
Finland	1,027,080	DCF	ERV / m²	134	336	224
			Inflation	2.0%	2.0%	2.0%
			Discount rate	6.5%	8.3%	6.9%
			Residual maturity (year)	0	30	12
Sweden	74,788	DCF	ERV / m²	2,089	3,100	2,784
			Inflation	2.0%	2.0%	2.0%
			Discount rate	7.2%	8.1%	7.7%
			Residual maturity (year)	3	17	12
Ireland	393,084	Capitalisation	ERV / m²	47	351	219
			Capitalisation rate	4.5%	5.4%	4.9%
			Residual maturity (year)	18	25	23
Spain [2]	2,578	DCF	ERV / m²	0	0	0
DEVELOPMENT PROJECTS	**168,950**	DCF & Capitalisation	ERV / m²	6	430	162
			Inflation	2.0%	2.1%	1.7%
			Discount rate	4.4%	8.7%	5.1%
			Capitalisation rate	3.6%	6.7%	5.2%
			Residual maturity (year)	10	31	6
Total	**5,756,672**					

1. ERV / m²: This ratio, expressed in local currency, is obtained by averaging by country the following calculation per asset: fair value weighted ERV/square metres. The ERV/m² can be converted to Group currency based on the exchange rate of 31 December 2023 (0.86632 €/£ and 11.14082 €/SEK).
2. Spain: No unobservable data is disclosed as there are no operational marketable investment properties as at 31 December 2023.

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Type of asset	Fair value as at 31/12/2022 (x €1,000)	Assessment method	Unobservable data [1]	Min	Max	Weighted average
HEALTHCARE REAL ESTATE	**5,449,104**					
Belgium	1,299,390	DCF & Capitalisation	ERV / m²	90	250	133
			Inflation	2.3%	2.4%	2.3%
			Discount rate	4.9%	8.4%	6.1%
			Capitalisation rate	4.0%	8.2%	5.0%
			Residual maturity (year)	3	29	20
Netherlands	640,102	DCF & Capitalisation	ERV / m²	42	313	141
			Inflation	2.0%	3.0%	3.0%
			Discount rate	4.5%	8.0%	5.9%
			Capitalisation rate	4.5%	5.2%	4.7%
			Residual maturity (year)	8	25	17
Germany	1,197,566	DCF	ERV / m²	32	210	118
			Inflation	2.0%	2.0%	2.0%
			Discount rate	3.8%	7.4%	5.3%
			Residual maturity (year)	1	30	22
United Kingdom	959,740	Capitalisation	ERV / m²	63	350	184
			Capitalisation rate	4.1%	14.5%	5.5%
			Residual maturity (year)	11	35	22
Finland	984,800	DCF	ERV / m²	127	322	220
			Inflation	2.0%	2.0%	2.0%
			Discount rate	4.1%	9.8%	4.8%
			Residual maturity (year)	0	25	12
Sweden	76,880	DCF	ERV / m²	2,195	3,547	2,626
			Inflation	2.0%	2.0%	2.0%
			Discount rate	6.7%	7.2%	7.0%
			Residual maturity (year)	1	18	12
Ireland	289,126	Capitalisation	ERV / m²	47	351	239
			Capitalisation rate	4.5%	5.0%	4.9%
			Residual maturity (year)	19	25	24
Spain [2]	1,500	DCF	ERV / m²	0	0	0
DEVELOPMENT PROJECTS	**184,295**	DCF & Capitalisation	ERV / m²	8	275	143
			Inflation	1.4%	3.0%	1.5%
			Discount rate	3.3%	8.0%	2.6%
			Capitalisation rate	4.3%	7.6%	4.8%
			Residual maturity (year)	12	30	12
Total	**5,633,399**					

1. ERV / m²: This ratio, expressed in local currency, is obtained by averaging by country the following calculation per asset: fair value weighted ERV/square metres. The ERV/m² can be converted to Group currency based on the exchange rate of 31 December 2022 (0.88617 €/£ and 11.17069 €/SEK).
2. Spain: No unobservable data is disclosed as there are no operational marketable investment properties as at 31 December 2022.

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Note 23: Other tangible assets

(x €1,000)	31/12/2023	31/12/2022
Gross value at beginning of the period	6,652	5,513
Depreciation at beginning of period	-4,079	-3,144
Carrying amount at beginning of period	**2,573**	**2,369**
Additions	1,191	1,519
Disposals	-137	-379
Depreciations to income statement	-1,518	-1,272
Depreciations related to acquisitions and disposals	74	337
CARRYING AMOUNT AT END OF PERIOD	**2,184**	**2,573**
of which: Gross value (excl. IFRS 16)	2,790	2,679
Right of use assets (in accordance with IFRS 16)	4,917	3,973
Depreciations (excl. IFRS 16)	-2,319	-1,958
Depreciations on right of use assets (in accordance with IFRS 16)	-3,203	-2,121

Depreciation is recognised in income under the line ‘overheads’ (see Note 7).

Note 24: Non-current financial assets and other financial liabilities

(x €1,000)	31/12/2023	31/12/2022
Receivables		
Collateral	309	135
Other non-current receivables from associates	24,402	8,900
Other non-current receivables	30	68
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)	73,924	123,219
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	**98,665**	**132,322**
Liabilities at fair value through profit or loss		
Hedging instruments (see Note 33)	-7,841	-2,299
Other	-6,218	-6,291
Total non-current financial liabilities		
Hedging instruments (see Note 33)	-1,919	-1,559
Non current lease liability (in accordance with IFRS 16)	-74,965	-72,083
TOTAL OTHER NON-CURRENT FINANCIAL LIABILITIES	**-90,943**	**-82,232**
Total current financial liabilities		
Current lease liability (in accordance with IFRS 16)	-2,798	-3,487
TOTAL OTHER CURRENT FINANCIAL LIABILITIES	**-2,798**	**-3,487**

The collateral at fair value (€309 k; 31 December 2022: €135 k) includes blocked funds in Germany, the Netherlands, the United Kingdom and Finland.

‘Other non-current receivables from associates’ corresponds to the receivables from MMCG 2 DEVCO 2 Limited and MMCG 2 DEVCO 3 Limited (subsidiaries accounted for using the equity method). Upon completion of the buildings in 2024, Aedifica UK Ltd will acquire full ownership of the completed properties by taking control of the remaining shares in the companies (see Note 17).

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 (€6,218 k; 31 December 2022: €6,291 k) include the put options granted to non-controlling shareholders (see Notes 16 and 43).

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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 decrease in deferred tax liabilities is mainly due to the decrease in fair value of properties and obtaining the FBI regime for Dutch subsidiaries.

Changes in deferred taxes are as follows (see also Note 18):

(x €1,000)	Assets	Liabilities
CARRYING AMOUNT AS OF 1/01/2022	**3,116**	**-121,283**
Originations	1,547	-47,112
Reversals	0	4,278
Scope changes	0	0
CARRYING AMOUNT AS OF 31/12/2022	**4,662**	**-164,117**

(x €1,000)	Assets	Liabilities
CARRYING AMOUNT AS OF 01/01/2023	**4,662**	**-164,117**
Originations	-1,640	23,857
Reversals	0	1,602
Scope changes	0	0
CARRYING AMOUNT AS OF 31/12/2023	**3,023**	**-138,658**

Note 26: Trade receivables

(x €1,000)	31/12/2023	31/12/2022
TRADE RECEIVABLES - NET VALUE	**23,290**	**23,577**

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 (€72.4 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)	31/12/2023	31/12/2022
under 90 days	3,477	2,009
over 90 days	4,189	2,137
Subtotal	7,666	4,146
Not due	18,012	21,450
Write-downs	-2,388	-2,019
CARRYING AMOUNT	**23,290**	**23,577**

The variation of write-downs is recognised in income under the line 'write-downs on trade receivables' (see Note 4).

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Note 27: Tax receivables and other current assets

(x €1,000)	31/12/2023	31/12/2022
Tax	8,505	9,282
Other	879	991
TOTAL	**9,384**	**10,273**

Tax receivables are composed of tax credits.

Note 28: Cash and cash equivalents

(x €1,000)	31/12/2023	31/12/2022
Short-term deposits	0	0
Cash at bank and in hands	18.253	13.891
TOTAL	**18.253**	**13.891**

Note 29: Deferred charges and accrued income

(x €1,000)	31/12/2023	31/12/2022
Accrued rental income	-60	0
Deferred property charges	1.624	525
Accrued interests and deferred financial charges	11.933	1.485
Deferred charges on future projects	4.729	5.513
Other	26	635
TOTAL	**18.252**	**8.158**

Note 30: Equity

Aedifica has completed two capital increases during the 2023 financial year:

- 31 May 2023: capital increase of approx. €25.5 million (including share premium) by issuing 379,474 new Aedifica shares in the context of the 2022 optional dividend.
- 4 July 2023: capital increase of approx. €380.4 million (including share premium) by issuing 7,315,402 new Aedifica shares in the context of a capital increase in cash.

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	36,308,157	958,092
Capital increase of 18 May 2022	74,172	1,957
Capital increase of 29 June 2022	2,925,000	77,184
Capital increase of 6 July 2022	547,914	14,458
Situation at the end of the previous year	**39,855,243**	**1,051,692**
Capital increase of 31 May 2023	379,474	10,013
Capital increase of 4 July 2023	7,315,402	193,037
Situation at the end of the year	**47,550,119**	**1,254,742**

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 (based on the number of shares held by the shareholders concerned on 23 September 2022 – see also section 3.4 'Shareholding structure' of the 'Financial Review' chapter). As at the closing date of this Annual Report, Aedifica has not received any additional transparency notifications that would change the situation on 23 September 2022. Declarations of transparency and control strings are available on Aedifica's website. According to Euronext's definition, the free float is 100%.

SHAREHOLDERS	Voting rights (in %)
BlackRock, Inc.	5.4
Other < 5%	94.6
TOTAL	**100.0**

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 47,550,119 shares issued as at 31 December 2023 are listed on the regulated markets of Euronext Brussels and Euronext Amsterdam.

As at 31 December 2023, Aedifica NV/SA holds 277 treasury shares.

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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 28 July 2022, 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) 20% of the amount of the capital on the date of the extraordinary general meeting of 28 July 2022, 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 28 July 2022, 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 approves the authorisation. This authorisation is granted for a renewable period of two years, calculated from the publication of the minutes of the extraordinary general meeting of 28 July 2022, 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 2023, the balance of the authorised capital amounts to:

- 1) €332,808,521.44 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) €200,324,829.26 for capital increases in the framework of the distribution of an optional dividend;
- 3) €105,169,153.57 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 €1,051,691,535.73, 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 to distribute a dividend of €3.80 gross per share, i.e. a total dividend of €166,676 k, to be divided over two coupons (coupon no. 33: €1.9156; coupon no. 34: €1.8844).

Taking into account the Royal Decree of 13 July 2014, on 31 December 2023 the available (statutory) reserves calculated in accordance with Article 7:212 of the Companies and Associations Code amount to €1,247,298 k, after the dividend distribution proposed above (31 December 2022: €1,048,761 k). Detailed calculations are provided in the notes to the attached Abridged Statutory Accounts.

Aedifica defines capital in accordance with IAS 1 p134 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 Executive Committee members with self-employed status.

The amounts covered by way of long-term benefits granted to members of the Executive Committee are included in the 'Remuneration Report' in the present Annual Report.

In respect of these pension schemes, Aedifica held outsourced assets of €1.366 k as at 31 December 2023.

An actuarial valuation (using the Traditional Unit Credit (TUC) method) provides that the liabilities are calculated on the basis of the actual build up minimum reserves at valuation date projected with 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 €23 k as at 31 December 2023.

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.

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Note 32: Borrowings

(x €1,000)	31/12/2023	31/12/2022
Non-current financial debts	**1,958,750**	**2,017,256**
Credit institutions	1,166,915	1,240,399
Other	791,835	776,857
Current financial debts	**321,549**	**435,164**
Credit institutions	78,949	172,164
Other	242,600	263,000
TOTAL	**2,280,299**	**2,452,420**

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 the maturity dates of the drawings.

On 31 December 2023, Aedifica had committed credit facilities totalling €2,401 million granted by 21 banks.

- Aedifica can use up to €2,308 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). Each withdrawal is made in euro for a period of up to 12 months, at a fixed margin set with reference to the Euribor rate prevailing at the time of the withdrawal. €224 million of these credits lines were directly contracted by Hoivatilat Oyj.
- Aedifica also has amortising facilities with fixed interest rates between 0.8% and 5.8% amounting to €45 million and variable interest rates amounting to €48 million, of which €46 million are credits held directly or indirectly by Hoivatilat Oyj.

Aedifica NV/SA also has a €500 million treasury notes programme, of which €350 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 at 31 December 2023, the short-term portion of the treasury notes programme (listed under the heading 'Other' of 'Current financial debts') is used for an amount of €217 million.

Hoivatilat Oyj also issues treasury notes in its own name. As at 31 December 2023, the outstanding amount was €26 million (listed under the heading 'Other' of 'Current financial debts').

The entire outstanding amount of the short-term treasury notes is fully backed by the available funds on confirmed long-term credit lines.

Moreover, in 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.
- 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 or linked to sustainability KPIs amount to €1,282 million, of which €1,012 million is drawn on 31 December 2023 (44% of the drawn debt), highlighting the Group's wish to further diversify its sources of financing and to integrate ESG criteria into its financial policy.

At 1.9%, the average cost of debt* including commitment fees remained at a reasonable level (1.4% in 2022) owing to the interest rate hedges Aedifica had in place. Taking into account the duration of the drawings, the carrying amount of the financial debts with variable interest rate approximates their fair value (€1,444 million). The interest rate hedges are discussed in Note 33. The fair value of the financial debts with fixed interest rate (€836 million) is estimated at €708 million.

As at 31 December 2023, the Group did not mortgage or pledge any Belgian, Dutch, British or Irish building to its creditors. In Germany and Finland, however, it is common practice for real estate to be secured as part of bank financing. As at 31 December 2023, the ratio between the secured financial debt and the total consolidated assets was 2% and the ratio between the unencumbered assets and the total consolidated assets was 4%.

Taking these elements into account, the maturity dates of Aedifica's financial debts as of 31 December 2023 are as follows:

Financial debt (in € million) [1]	Committed financing		Short-term treasury notes
	Lines	Utilisation	
31/12/2024	170	65	243
31/12/2025	531	146	-
31/12/2026	730	408	-
31/12/2027	545	413	-
31/12/2028	552	392	-
31/12/2029	43	3	-
>31/12/2029	626	616	-
Total debt as at 31 December 2023	**3,196**	**2,042**	**243**

1. Amounts in £ were converted into € based on the exchange rate of 31 December 2023 (0.86632 €/£).

As at 31 December 2023, the weighted average maturity of the drawn financial debt is 4.4 years. Available committed financing amounts to €1,154 million. After deducting the backup for the short-term treasury notes, the available liquidity stands at €911 million.

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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 rate risk.

The foreign exchange rate risk is partly hedged by loans denominated in pound sterling, providing a natural hedge against exposure to assets in the United Kingdom: on the one hand by a private placement of £180 million and on the other hand by bank loans totalling £160 million (see Note 36).

Note 33.1: 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 some derivatives initiated before 2017 that meet the criteria to allow hedge accounting. From 2017, in line with market practice, Aedifica chose not to apply hedge accounting to derivatives, even if they meet those strict criteria. The change in the fair value of the financial derivatives has no impact on EPRA Earnings, the main KPI for dividend distribution, and therefore the application of hedge accounting has limited added value.

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 31/12/2022	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	2,972
IRS	€50,000	01/01/2021	3	3	No	0.80	1,170
IRS	€50,000	03/01/2022	3	2	No	0.73	1,203
IRS	€25,000	02/05/2019	3	6	Yes	1.10	1,303
IRS	€50,000	01/02/2022	3	2	No	0.34	1,511
IRS	€25,000	01/07/2019	3	6	No	1.69	916
IRS	€50,000	01/07/2024	3	4	No	0.08	5,302
IRS	€50,000	02/01/2023	3	2	No	2.80	445
IRS	€50,000	02/01/2023	3	2	No	2.67	568
IRS	€50,000	02/01/2023	3	5	No	2.50	1,399
IRS [1]	€2,625	30/09/2019	3	12	No	1.55	173
IRS	€50,000	01/01/2021	3	2	Yes	0.64	1
IRS [2]	€8,778	01/04/2011	3	32	Yes	4.89	-1,559
IRS	€25,000	03/02/2020	3	10	Yes	0.66	3,615
IRS	€15,000	01/07/2019	3	10	No	2.01	945
IRS	€8,000	01/07/2019	3	10	No	2.05	485
IRS	€12,000	01/07/2019	3	10	No	1.99	767
IRS	€50,000	01/02/2022	3	3	No	0.46	2,830
IRS [2]	€20,404	31/07/2014	3	29	No	4.39	-2,299
IRS	€25,000	03/07/2019	3	10	No	1.04	3,106
IRS	€200,000	01/07/2024	3	4	No	-0.02	21,937
IRS	€50,000	01/01/2023	3	3	No	1.58	2,276
IRS	€50,000	01/11/2019	3	5	Yes	0.78	2,217
IRS	€50,000	03/01/2022	3	1	No	0.65	1
IRS	€50,000	03/02/2025	3	4	No	0.15	5,005
IRS	€100,000	01/07/2024	3	4	No	0.07	10,654
IRS	€50,000	01/07/2024	3	4	No	0.12	5,233
IRS	€50,000	02/01/2023	3	4	No	1.30	3,435
IRS	€50,000	02/01/2025	3	4	No	0.05	5,219
IRS	€50,000	02/01/2025	3	4	No	0.06	5,201
IRS	£50,000	28/07/2022	3	5	No	2.46	3,734
IRS	£60,000	07/07/2022	3	5	No	2.43	4,535
IRS	£50,000	28/07/2022	3	5	No	2.29	4,111
IRS	€7,500	03/12/2018	1	5	No	0.46	182
IRS	€5,000	11/12/2018	1	5	No	0.66	115
IRS	€7,500	03/12/2018	3	5	No	0.47	181
IRS	€5,000	27/12/2018	6	5	No	0.70	123
IRS	€10,000	19/03/2019	6	5	No	0.83	283
IRS	€15,000	31/03/2020	1	5	No	0.46	923
IRS	€10,000	01/12/2018	1	5	No	0.63	226
CAP	€200,000	01/01/2024	3	1	No	-	3,386
CAP	€100,000	04/01/2021	3	4	No	0.25	5,895
CAP	€100,000	01/07/2021	3	3	No	-	4,819
CAP	€50,000	01/07/2021	3	3	No	-	2,409
CAP	€50,000	01/07/2021	3	3	No	-	2,409
TOTAL [3]	**€2,082,359**						**119,361**

1. Notional amount depreciable over the duration of the swap.
2. Notional amount depreciable over the duration of the swap. Aedifica and the bank may liquidate in advance these contracts every 10 years.
3. Notional amounts in £ are converted into € based on the exchange rate of 31 December 2022 (0.88617 €/£).

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INSTRUMENT Analysis as at 31/12/2023	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	1,750
IRS	€50,000	01/01/2021	3	3	No	0.80	12
IRS	€50,000	03/01/2022	3	2	No	0.73	12
IRS	€25,000	02/05/2019	3	6	Yes	1.10	691
IRS	€50,000	01/02/2022	3	2	No	0.34	163
IRS	€25,000	01/07/2019	3	6	No	1.69	453
IRS	€50,000	01/07/2024	3	4	No	0.08	3,856
IRS	€50,000	02/01/2023	3	2	No	2.80	238
IRS	€50,000	02/01/2023	3	2	No	2.67	302
IRS	€50,000	02/01/2023	3	5	No	2.50	-320
IRS	€50,000	01/04/2025	3	3	No	2.50	-713
IRS [1]	€2,333	30/09/2019	3	12	No	1.55	76
IRS [2]	€8,523	01/04/2011	3	32	Yes	4.89	-1,920
IRS	€25,000	03/02/2020	3	10	Yes	0.66	2,166
IRS	€15,000	01/07/2019	3	10	No	2.01	230
IRS	€8,000	01/07/2019	3	10	No	2.05	106
IRS	€12,000	01/07/2019	3	10	No	1.99	194
IRS	€50,000	01/02/2022	3	3	No	0.46	1,498
IRS [2]	€19,421	31/07/2014	3	29	No	4.39	-3,071
IRS	€25,000	03/07/2019	3	10	No	1.04	1,704
IRS	€200,000	01/07/2024	3	4	No	-0.02	16,260
IRS	€50,000	01/01/2023	3	3	No	1.58	1,070
IRS	€50,000	01/01/2023	3	5	No	2.69	-695
IRS	€50,000	01/11/2019	3	5	Yes	0.78	1,110
IRS	€50,000	03/02/2025	3	4	No	0.15	3,500
IRS	€100,000	01/07/2024	3	4	No	0.07	7,776
IRS	€50,000	01/07/2024	3	4	No	0.12	3,790
IRS	€50,000	02/01/2023	3	4	No	1.30	1,621
IRS	€50,000	03/04/2023	3	2	No	3.08	3
IRS	€50,000	02/01/2025	3	3	No	2.56	-798
IRS	€50,000	02/01/2025	3	4	No	0.05	3,730
IRS	€50,000	02/01/2025	3	4	No	0.06	3,674
IRS	€50,000	02/01/2026	3	3	No	2.44	-549
IRS	€50,000	01/01/2023	3	5	No	2.59	-489
IRS	€50,000	01/01/2025	3	3	No	2.85	-1,205
IRS	£50,000	28/07/2022	3	5	No	2.46	2,039
IRS	£60,000	07/07/2022	3	5	No	2.43	2,511
IRS	£50,000	28/07/2022	3	5	No	2.29	2,352
IRS	€10,000	19/03/2019	6	5	No	0.83	70
IRS	€15,000	31/03/2020	1	5	No	0.46	512
CAP	€200,000	01/01/2024	3	1	No	0.00	3,690
CAP	€100,000	04/01/2021	3	4	No	0.25	3,018
CAP	€100,000	01/07/2021	3	3	No	0.00	1,871
CAP	€50,000	01/07/2021	3	3	No	0.00	938
CAP	€50,000	01/07/2021	3	3	No	0.00	938
TOTAL [3]	**€2,299,966**						**64,164**

1. Notional amount depreciable over the duration of the swap.
2. Notional amount depreciable over the duration of the swap. Aedifica and the bank may liquidate in advance these contracts every 10 years.
3. Notional amounts in £ are converted into € based on the exchange rate of 31 December 2023 (0.86632 €/£).

The total notional amount of €2,300 million presented in the table above is broken down as follows:

- operational and active instruments: €1,350 million, of which €300 million caps;
- instruments with forward start: €950 million.

The total fair value of the hedging instruments presented in the table above (+€64,164 k) can be broken down as follows: €73,924 k on line I.E. of the asset side of the consolidated balance sheet and €9,760 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 (€256 k), the effect of the changes in fair value of interest rate hedging instruments on equity amounts to €63,908 k.

1.2 Derivatives for which hedge accounting is applied

(x €1,000)	31/12/2023	31/12/2022
Changes in fair value of the derivatives		
Beginning of the year	9,574	-11,514
Changes in the effective portion of the fair value of hedging instruments (accrued interests)	-2,293	17,972
Transfer to the income statement of interests paid on hedging instruments	-2,459	3,258
Transfer to the reserve account regarding revoked designation	0	38
Transfer to the reserve account of the net gain or loss on matured hedges	-180	-180
AT YEAR-END	**4,642**	**9,574**

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 2024 and 31 July 2043.

The year-end equity value includes the effective part (as defined in IFRS 9) of the change in fair value (loss of €4,752 k) of the financial instruments corresponding to the derivatives for which hedge accounting may be applied, and the ineffective portion of the 2022 financial year (income of €34 k) that was appropriated in 2023 by decision of the Annual General Meeting held in May 2023. These financial instruments are ‘level 2’ derivatives (according to IFRS 13p81). The ineffective part (according to IAS 39) is nil as at 31 December 2023.

1.3 Derivatives for which hedge accounting is not applied

The financial result includes a loss of €50,249 k (31 December 2022: an income of €124,962 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 €300 k (31 December 2022: a loss of €711 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 €198 k (31 December 2022: €258 k).

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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 2023 and 31 December 2023. This resulted in a loss of €50,548 k, recognised in the income statement, and to a loss of €4,452 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 €367 k (€466 k on 31 December 2022). 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 €4,801 k (€4,468 k on 31 December 2022) on the income statement. A decrease of 10 bps in the interest rate would have a negative impact of €4,802 k on the income statement (€4,493 k on 31 December 2022).

Note 33.2: 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 2023, Aedifica had no hedging contracts in place. During the financial year, cash flows linked to Aedifica's external debt denominated in pound sterling have partially offset net cash flows resulting from financial income from intra-group loans, other intra-group revenues and capital expenditures in the United Kingdom.

Note 34: Trade payables and other currents debts

(x €1,000)	31/12/2023	31/12/2022
Trade debts	39,175	39,475
Exit tax	44	5,990
Taxes, social charges and salaries debts		
Tax	11,770	16,181
Salaries and social charges	6,163	5,013
Other		
Dividends of previous years	25	194
TOTAL	**57,177**	**66,853**

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)	31/12/2023	31/12/2022
Property income received in advance	12,945	13,594
Financial charges accrued	11,863	6,024
Other accrued charges	976	7,089
TOTAL	**25,784**	**26,707**

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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 Group remains subject to financing risks; a change in interest rates or exchange rates could have a negative impact on the Group's assets, operations, financial position and prospects.

Note 36.1: 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 74 of this Annual Report. As at 31 December 2023, it amounts to 36.9% at the statutory level and to 39.7% 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%.

Aedifica's financial model relies on a structural indebtedness. As a result, cash balances are usually low, amounting to €18.3 million as at 31 December 2023.

As at 31 December 2023, the Group did not mortgage or pledge any Belgian, Dutch, British or Irish buildings to its creditors. In Germany and Finland, however, it is common practice for real estate to be secured as part of bank financing. As at 31 December 2023, the ratio between the secured financial debt and the total consolidated assets was 2% and the ratio between the unencumbered assets and the total consolidated assets was 4%. It is possible that in the context of supplementary financing, additional mortgages will be granted.

Note 36.2: Liquidity risk

Aedifica has a strong and stable relationship with its financial institutions, which form a diversified pool consisting of an annually increasing number of European institutions. Details of Aedifica's credit facilities are disclosed in Note 32.

As at 31 December 2023, the Group has drawn €2,042 million (31 December 2022: €2,194 million) from the total amount of €3,196 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 2024 financial year. The 2024 financial plan includes limited assumptions regarding acquisitions and payments in the context of the committed development pipeline amounting to approx. €275 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 at 31 December 2023, medium-term notes amount to €87 million (31 December 2022: €87 million). In addition, in 2021, Aedifica successfully issued a bond ('USPP') of £180 million through a private placement with US, UK and Canadian institutional investors and its first benchmark Sustainability Bond for an amount of €500 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%. The Interest Cover Ratio* (ICR), calculated based on the definition set out in the prospectus of Aedifica's Sustainability Bond ('Operating result before result on the portfolio' (lines I to XV of the consolidated income statement) divided by 'Net interest charges' (line XXI)), should be at least equal to 2.0x. As at 31 December 2023, the ratio is 5.9x (31 December 2022: 7.5x).

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 at 31 December 2023, the undiscounted future cash flows related to the credit facilities include €308 million maturing within 1 year, €1,358 million maturing within 1 to 5 years, and €619 million maturing in more than five years. The credit facilities also give rise to an interest expense of €28 million that is due within one year (31 December 2022: €423 million capital and €24 million interest due within 1 year).

The undiscounted contractual future cash flows related to hedging instruments are analysed in the tables below.

The future undiscounted cash flows are based on the fixed rate of the derivatives and only take into account the floating rate in case the fixing is already known on 31 December 2023.

As at 31/12/2023 (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	92	-2,636	-3,074	-5,618
Derivatives for which hedge accounting is not applied	3,675	-50,826	-6,010	-53,161

As at 31/12/2022 (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	-682	-3,453	-3,602	-7,737
Derivatives for which hedge accounting is not applied	-8,301	-36,957	-7,930	-53,187

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Note 36.3: 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. The USPP and the benchmark bond issue have rebalanced Aedifica's mix of fixed and floating rate debt. The floating rate bank loans denominated in pound sterling issued in July 2022 have been fully swapped to fixed rate. On 31 December 2023, the financial debt is hedged against interest rate risk for 95.8%, 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 5.1 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 2024 interest rates over the forecast rates would lead to an approx. additional €37.8 million interest expense for the year ending 31 December 2024. Taking into account the hedging instruments at present, the increase in interest expense would amount to just €0.4 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, no bank has ever invoked one of these clauses towards the Group. However, this cannot be seen as a safeguard for the future.

Note 36.4: 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, no bank has ever invoked one of these clauses towards the Group.

Note 36.5: 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 Hoivatilat 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 £/€ exchange rate has an impact of approx. €106.2 million on the fair value of the Group's investment properties located in the United Kingdom, approx. €6.5 million on the Group's annual rental income and approx. €7.1 million on the Group's net result. A 10% change of the SEK/€ exchange rate has an impact of approx. €9.0 million on the fair value of the Group's investment properties located in Sweden, approx. €0.4 million on the Group's annual rental income and approx. €0.5 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). In addition, £160 million of bank loans were drawn in July 2022. These bank loans, together with the aforementioned bond, form 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 £/€ 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.

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Note 37: Contingencies and commitments

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.

Note 37.1: Commitments

Name	Country	Type	Progress	Budget [1] (in € million)
Altadore	IE	Extension	In progress (forward funding)	1
Am Parnassturm	DE	Renovation	In progress (forward funding)	4
Bavaria Senioren- und Pflegeheim	DE	Renovation	In progress (forward funding)	1
Biddenham St James	UK	Acquisition	Project/forward purchase subject to outstanding conditions	15
Dawlish [2]	UK	Acquisition	Project/forward purchase subject to outstanding conditions	16
De Volder Staete	NL	Construction	In progress (forward funding)	13
Dublin Stepaside	IE	Construction	In progress (forward funding)	26
Finland – 'childcare centres'	FI	Construction	In progress (forward funding)	23
Finland – 'childcare centres'	FI	Construction	Project/forward purchase subject to outstanding conditions	7
Finland – 'elderly care homes'	FI	Construction	In progress (forward funding)	29
Finland – 'other'	FI	Construction	In progress (forward funding)	58
Fredenbeck	DE	Construction	In progress (forward funding)	15
Haus Marxloh [2]	DE	Renovation & extension	In progress (forward funding)	4
In de Gouden Jaren	BE	Renovation	In progress (forward funding)	1
Militza Gent	BE	Renovation & extension	In progress (forward funding)	19
North Bay Group projects	UK	Renovation	In progress (forward funding)	1
Résidence le Douaire	BE	Acquisition	Project/forward purchase subject to outstanding conditions	17
Résidence Véronique	BE	Renovation & extension	In progress (forward funding)	10
Seniorenquartier Gera [2]	DE	Construction	In progress (forward funding)	16
Seniorenquartier Gummersbach	DE	Construction	In progress (forward funding)	30
Seniorenzentrum Berghof	DE	Renovation	In progress (forward funding)	2
Sligo Finisklin Road	IE	Construction	In progress (forward funding)	16
Spaldrick House	UK	Acquisition	Project/forward purchase subject to outstanding conditions	11
St. Joseph's	UK	Renovation	In progress (forward funding)	1
St Mary's Lincoln	UK	Construction	In progress (forward funding)	16
Sweden – pipeline 2024	SE	Construction	In progress (forward funding)	21
Tomares Miró	ES	Construction	In progress (forward funding)	12
York Bluebeck Drive	UK	Construction	In progress (forward funding)	16
Zamora Av. de Valladolid	ES	Construction	In progress (forward funding)	13
TOTAL				**413**

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.

Note 37.2: 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. 2% of total assets.

2.2 Acquisition of shares in property companies, mergers and de-mergers

Aedifica benefits from warranties given by the sellers of shares in acquired property companies, such as integrity of the property, tax warranties, potential contingent consideration, etc. as contractually provided.

Note 37.3: 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 that typically amount to 3 to 6 months of rental income.

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.

Note 37.4: 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).

1. 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).
2. This project has already been completed after 31 December 2023 (see Note 39).

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Note 38: Acquisitions & disposals of investment properties

The main acquisitions of investment properties of 2023 – which are detailed in section 1.1 of the 'Financial review' chapter – are the following:

ACQUISITIONS	Country	Properties valuation at fair value[1] (in € million)	Acquisition date [2]	Acquisition method
Nokia Tähtisumunkatu	FI	0	26/01/2023	Acquisition of a plot of land & project
Salo Linnankoskentie	FI	0	07/03/2023	Acquisition of a plot of land & project
Helsinki Landbontie	FI	1	23/04/2023	Acquisition of a plot of land & project
Zamora Av. de Valladolid	FI	2	28/04/2023	Acquisition of a building & project
Vantan Haravakuja	FI	0	28/04/2023	Acquisition of a plot of land & project
Espoo Palstalaisentie	FI	0	23/05/2023	Acquisition of a plot of land & project
Hollola Kulmatie	FI	0	23/05/2023	Acquisition of a plot of land & project
Oulu Siilotie K21	FI	1	30/05/2023	Acquisition of a plot of land & project
Norby 31:78	SE	0	30/05/2023	Acquisition of a plot of land & project
Clondalkin Nursing Home	IE	35	27/07/2023	Acquisition of a building
Bree Witte Torenstraat	BE	2	14/09/2023	Acquisition of a plot of land
Österåker Singö 10:2	SE	2	13/10/2023	Acquisition of a building
Bergshammar Ekeby 6:66	SE	2	13/10/2023	Acquisition of a building
Oulu Mäntypellonpolku	FI	7	29/12/2023	Acquisition of a building
Rovaniemi Koulukaari	FI	4	29/12/2023	Acquisition of a building
TOTAL		**58**		

1. in order to determine the number of shares issued, the exchange ratio and/or the value of the acquired shares.
2. and consolidation date in the financial statements.

The main disposals of the financial year are the following:

DISPOSALS	Date	Selling price (€ million)
Belgium		**37.5**
Bel-Air	30/10/2023	
Jardins de Provence	30/10/2023	
New Philip	30/10/2023	
Résidence du Golf	30/10/2023	
Résidence Service	29/11/2023	
Netherlands		**2.4**
Hilversum SVE	02/10/2023	
United Kingdom		**8.8**
Hilltop Manor	23/03/2023	
Cromwell Court	23/03/2023	
Finland		**25.6**
Kalajoki Hannilantie	20/06/2023	
Kajaani Valonkatu	20/06/2023	
Kontiolahti Päiväper	20/06/2023	
Kotka Loitsutie	20/06/2023	
Mikkeli Ylännetie 10	20/06/2023	
Oulu Paulareitti	20/06/2023	
Sastamela Tyrväänkyl	20/06/2023	
Varkaus Kaura-ahonti	20/06/2023	
Varkaus Savontie	20/06/2023	
Ylivieska Alpuuminti	20/06/2023	
TOTAL		**74.3**

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Note 39: Post-closing events

The table below lists all post-balance sheet events (see also section 1.2 'of the 'Financial review' chapter) up to and including 15 March 2024, the closing date of this report.

Name	Date	Transaction	Country	Location
Salo Linnankoskentie	02/01/2024	Completion of a development project	FI	Salo
Hollola Kulmatie	08/01/2024	Completion of a development project	FI	Hollola
Sotkamo Härkökivenkatu	23/01/2024	Completion of a development project	FI	Sotkamo
Kuopio Torpankatu	31/01/2024	Completion of a development project	FI	Kuopio
Haus Marxloh	31/01/2024	Completion of a renovation project	DE	Duisburg
Portfolio of 6 care residences	02/02/2024	Acquisition of the remaining stake of 50% in a portfolio operated by Korian Netherlands (AK JV)	NL	Various locations
Dawlish	15/02/2024	Completion of a development project	UK	Dawlish
Rovaniemi Gardininkuja	29/02/2024	Completion of a development project	FI	Rovaniemi
Seniorenquartier Gera	29/02/2024	Completion of a development project	DE	Gera
Helsinki Landbontie	04/03/2024	Completion of a development project	FI	Helsinki

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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.

As from 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
Immobe NV	Belgium	Associate	0697.566.095	25 [12]
AED GVBF 1 NV	Belgium	Subsidiary	1003.556.060	100
AED GVBF 2 NV	Belgium	Subsidiary	1003.556.654	100
AED GVBF 3 NV	Belgium	Subsidiary	1003.557.347	100
AED GVBF 4 NV	Belgium	Subsidiary	1003.557.644	100
AED GVBF 5 NV	Belgium	Subsidiary	1003.552.201	100
AED GVBF 6 NV	Belgium	Subsidiary	1003.553.090	100
AED GVBF 7 NV	Belgium	Subsidiary	1003.553.684	100
AED GVBF 8 NV	Belgium	Subsidiary	1003.554.377	100
AED GVBF 9 NV	Belgium	Subsidiary	1003.554.674	100
AED GVBF 10 NV	Belgium	Subsidiary	1003.554.971	100
AED GVBF 11 NV	Belgium	Subsidiary	1003.555.169	100
Aedifica Residenzen 1 GmbH&Co. KG	Germany [2]	Subsidiary	HRB112641	94 [13]
Aedifica Residenzen 2 GmbH&Co. KG	Germany	Subsidiary	HRB115795	94 [13]
Aedifica Residenzen 3 GmbH	Germany	Subsidiary	HRB118227	94 [13]
Aedifica Residenzen 4 GmbH	Germany	Subsidiary	HRB121918	94 [13]
Aedifica Residenzen 5 GmbH	Germany	Subsidiary	HRB36193	94 [13]
Aedifica Residenzen 6 GmbH	Germany	Subsidiary	HRB33909	94 [13]
Aedifica Residenzen Nord GmbH&Co. KG	Germany	Subsidiary	HRB110850	94 [13]
Aedifica Residenzen West GmbH	Germany	Subsidiary	HRB117957	94 [13]
Aedifica Verwaltungs GmbH	Germany	Subsidiary	HRB111389	100
Aedifica Asset Management GmbH	Germany	Subsidiary	HRB100562	100
Aedifica Luxembourg I SCS	Luxembourg [3]	Subsidiary	B128048	94 [13]
Aedifica Luxembourg II SCS	Luxembourg	Subsidiary	B139725	94 [13]
Aedifica Luxembourg III SCS	Luxembourg	Subsidiary	B143704	94 [13]
Aedifica Luxembourg IV SCS	Luxembourg	Subsidiary	B117441	94 [13]
Aedifica Luxembourg V SCS	Luxembourg	Subsidiary	B117445	94 [13]
Aedifica Luxembourg VI SCS	Luxembourg	Subsidiary	B132154	94 [13]
Aedifica Luxembourg VII SCS	Luxembourg	Subsidiary	B117438	94 [13]
Aedifica Luxembourg VIII SCS	Luxembourg	Subsidiary	B117437	94 [13]
Aedifica Nederland BV	Netherlands [4]	Subsidiary	65422082	100
Aedifica Nederland 2 BV	Netherlands	Subsidiary	75102099	100
Aedifica Nederland Services BV	Netherlands	Subsidiary	75667800	100
Aedifica Nederland 3 BV	Netherlands	Subsidiary	77636309	100
Aedifica Nederland 4 BV	Netherlands	Subsidiary	81056664	100
Aedifica Nederland Joint Venture BV	Netherlands	Subsidiary	80885551	100
AK JV NL public partnership	Netherlands	Joint-venture	81197470	50 [14]
Aedifica Sonneborgh Real Estate BV	Netherlands	Subsidiary	84354267	75 [15]
Aedifica Sonneborgh Ontwikkeling BV	Netherlands	Associate	64278859	50 [14]

NAME	Country	Category	Register of corporations	Capital held (in %)
CHAPP Holdings Ltd	Jersey [5]	Subsidiary	109055	100
Patient Properties (Beech Court) Ltd	Jersey	Subsidiary	123678	100
Patient Properties (Springfields) Ltd	Jersey	Subsidiary	123687	100
Patient Properties (Eltandia) Ltd	Jersey	Subsidiary	123682	100
Patient Properties (Windmill) Ltd	Jersey	Subsidiary	123699	100
Patient Properties (Brook House) Ltd	Jersey	Subsidiary	123680	100
LV Holdings Ltd	Jersey	Subsidiary	103669	100
LV Charrieres Ltd	Jersey	Subsidiary	133548	100
LV St. Josephs Ltd	Jersey	Subsidiary	129910	100
Aedifica UK Ltd	UK [6]	Subsidiary	12351073	100
Aedifica Finance 1 Ltd	UK	Subsidiary	12352308	100
Aedifica Finance 2 Ltd	UK	Subsidiary	12352800	100
Maple Court Nursing Home Ltd	UK	Subsidiary	07295828	100
Quercus Homes 2018 Ltd	UK	Subsidiary	11278772	100
Sapphire Properties (2016) Ltd	UK	Subsidiary	09461514	100
Aedifica UK (Ampthill) Ltd	UK	Subsidiary	11159774	100
Aedifica UK (Hailsham) Ltd	UK	Subsidiary	11159930	100
Marches Care Holdings Ltd	UK	Subsidiary	7097091	100
Priesty Fields Developments Ltd	UK	Subsidiary	10806474	100
Aedifica Management Ltd	UK	Subsidiary	4797971	100
Aedifica UK (Marston) Ltd	UK	Subsidiary	13816311	100
Aedifica UK (Hessle) Ltd	UK	Subsidiary	10674329	100
Aedifica UK (Lincoln) Ltd	UK	Subsidiary	13449716	100
MMCG 2 DEVCO 2 Ltd	UK (JO) [7]	Associate	13483857	25+1 [12]
MMCG 2 DEVCO 3 Ltd	UK (JO)	Associate	13483907	25+1 [12]
Aureit Holding Oy	Finland [8]	Subsidiary	3092783-5	100
Hoivatilat Oyj	Finland	Subsidiary	2241238-0	100
As Oy Seinäjoen Saga	Finland	Subsidiary	2779544-8	100
Koy Äänekosken Ääneniementie 22	Finland	Subsidiary	3264862-9	100
Koy Äänekosken Likolahdenkatu	Finland	Subsidiary	2875205-2	100
Koy Espoon Fallåkerinrinne	Finland	Subsidiary	2620688-3	100
Koy Espoon Hirvisuontie	Finland	Subsidiary	2755334-2	100
Koy Espoon Kurttilantie	Finland	Subsidiary	3134900-2	100
Koy Espoon Kuurinkallio	Finland	Subsidiary	3201659-2	100
Koy Espoon Matinkartanontie	Finland	Subsidiary	3117665-8	100
Koy Espoon Meriviitantie	Finland	Subsidiary	2720369-2	100
Koy Espoon Oppilaantie	Finland	Subsidiary	2787263-4	100
Koy Espoon Palstalaisentie 4	Finland	Subsidiary	3309285-3	100
Koy Espoon Rajamännynahde	Finland	Subsidiary	3194972-9	100
Koy Espoon Tikasmäentie	Finland	Subsidiary	2669018-5	100
Koy Espoon Vuoripirtintie	Finland	Subsidiary	2748087-6	100
Koy Euran Käräjämäentie	Finland	Subsidiary	2842931-9	100
Koy Hakalahden Majakka	Finland	Subsidiary	2668724-2	100
Koy Hämeenlinna Kampuskaarre	Finland	Subsidiary	3175924-7	100
Koy Hämeenlinnan Jukolanraitti	Finland	Subsidiary	2826099-8	100
Koy Hämeenlinnan Ruununmyllyntie	Finland	Subsidiary	3267462-4	100
Koy Hämeenlinnan Vanha Alikartanontie	Finland	Subsidiary	2669024-9	100
Koy Haminan Lepikönranta	Finland	Subsidiary	2988685-3	100
Koy Heinolan Lähteentie	Finland	Subsidiary	2752188-5	100

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Koy Helsingin Ensikodin tie 4	Finland	Subsidiary	3220641-7	100
Koy Helsingin Kansantie	Finland	Subsidiary	3214270-8	100
Koy Helsingin Käräjätuvantie	Finland	Subsidiary	3287010-7	100
Koy Helsingin Krämertintie	Finland	Subsidiary	3323987-8	100
Koy Helsingin Kutomokuja	Finland	Subsidiary	3287009-4	100
Koy Helsingin Lähdepolku	Finland	Subsidiary	3279404-4	100
Koy Helsingin Landbontie	Finland	Subsidiary	3270229-3	100
Koy Helsingin Pakarituvantie	Finland	Subsidiary	3131782-8	100
Koy Helsingin Radiokatu	Finland	Subsidiary	3270230-6	100
Koy Helsingin Työnjohtajankadun Seppä3	Finland	Subsidiary	3009977-7	100
Koy Hollolan Kulmalantie 2	Finland	Subsidiary	3354537-3	100
Koy Hollolan Sarkatie	Finland	Subsidiary	2749865-4	100
Koy Iisalmen Eteläinen Puistoraitti	Finland	Subsidiary	2840090-3	100
Koy Iisalmen Kangaslammintie	Finland	Subsidiary	2826102-6	100
Koy Iisalmen Petter Kumpulaisentie	Finland	Subsidiary	2882785-1	100
Koy Iisalmen Satamakatu	Finland	Subsidiary	3005776-1	100
Koy Iisalmen Vemmelkuja	Finland	Subsidiary	2917923-5	100
Koy Janakkalan Kekanahontie	Finland	Subsidiary	2911674-4	100
Koy Järvenpään Auertie	Finland	Subsidiary	3279405-2	100
Koy Järvenpään Yliopettajankatu	Finland	Subsidiary	2774063-1	100
Koy Jyväskylän Ailakinkatu	Finland	Subsidiary	2932895-8	100
Koy Jyväskylän Haperontie	Finland	Subsidiary	2763296-4	100
Koy Jyväskylän Harjutie	Finland	Subsidiary	3172893-4	100
Koy Jyväskylän Haukankaari	Finland	Subsidiary	3174128-2	100
Koy Jyväskylän Mannisenmäentie	Finland	Subsidiary	2816983-6	100
Koy Jyväskylän Martikaisentie	Finland	Subsidiary	2575556-5	100
Koy Jyväskylän Palstatie	Finland	Subsidiary	2923254-2	100
Koy Jyväskylän Sulkulantie	Finland	Subsidiary	2850306-4	100
Koy Jyväskylän Väliharjuntie	Finland	Subsidiary	2639227-6	100
Koy Jyväskylän Vävypojanpolku	Finland	Subsidiary	2960547-6	100
Koy Kaarinan Nurminiitynkatu	Finland	Subsidiary	2838030-8	100
Koy Kajaanin Erätie	Finland	Subsidiary	2749663-2	100
Koy Kajaanin Hoikankatu	Finland	Subsidiary	2951667-6	100
Koy Kajaanin Menninkäisentie	Finland	Subsidiary	2681416-8	100
Koy Kajaanin Uitontie	Finland	Subsidiary	3164208-1	100
Koy Kangasalan Hilmanhovi	Finland	Subsidiary	2262908-8	100
Koy Kangasalan Mäntyveräjäntie	Finland	Subsidiary	2688361-4	100
Koy Kangasalan Rekiäläntie	Finland	Subsidiary	2940754-1	100
Koy Kaskisten Bladintie	Finland	Subsidiary	2224949-9	100
Koy Kempeleen Ihmemaantie	Finland	Subsidiary	3112115-5	100
Koy Keravan Lehmuskatu	Finland	Subsidiary	3256470-8	100
Koy Keravan Männiköntie	Finland	Subsidiary	2774061-5	100
Koy Keravan Pianosoittajankatu	Finland	Subsidiary	3368773-4	100
Koy Keuruun Tehtaantie	Finland	Subsidiary	2877302-1	100
Koy Kirkkonummen Kotitontunkuja	Finland	Subsidiary	2692080-9	100
Koy Kokkola Kruunupyyntie	Finland	Subsidiary	3349210-1	100
Koy Kokkolan Ankkurikuja	Finland	Subsidiary	2955766-2	100
Koy Kokkolan Kaarlelankatu 68	Finland	Subsidiary	2668743-7	100
Koy Kokkolan Vanha Ouluntie	Finland	Subsidiary	2771913-8	100
Koy Kotkan Metsäkulmankatu 21	Finland	Subsidiary	2225111-8	100
Koy Kotkan Särmääjänkatu 6	Finland	Subsidiary	3169793-9	100
Koy Kouvolan Kaartokuja	Finland	Subsidiary	2697590-6	100
Koy Kouvolan Rannikkotie	Finland	Subsidiary	2941695-8	100
Koy Kouvolan Ruskeasuonkatu	Finland	Subsidiary	2955751-5	100
Koy Kouvolan Vainiolankuja	Finland	Subsidiary	3134903-7	100
Koy Kouvolan Vinttikaivontie	Finland	Subsidiary	2543325-9	100
Koy Kuopion Amerikanraitti 10	Finland	Subsidiary	2837113-7	100
Koy Kuopion Männistönkatu	Finland	Subsidiary	3127190-3	100
Koy Kuopion Opistokuja 3	Finland	Subsidiary	3176660-7	100
Koy Kuopion Pirtinkaari	Finland	Subsidiary	2873993-1	100
Koy Kuopion Portti A2	Finland	Subsidiary	2874104-6	100
Koy Kuopion Rantaraitti	Finland	Subsidiary	2770280-3	100
Koy Kuopion Sipulikatu	Finland	Subsidiary	2509836-6	100
Koy Kuopion Torpankatu	Finland	Subsidiary	3338477-6	100
Koy Lahden Jahtikatu	Finland	Subsidiary	2861249-8	100
Koy Lahden Kurenniityntie	Finland	Subsidiary	3008794-4	100
Koy Lahden Makarantie	Finland	Subsidiary	2988683-7	100
Koy Lahden Piisamikatu	Finland	Subsidiary	2861251-9	100
Koy Lahden Vallesmanninkatu A	Finland	Subsidiary	2675831-1	100
Koy Lahden Vallesmanninkatu B	Finland	Subsidiary	2675827-4	100
Koy Laihian Jarrumiehentie	Finland	Subsidiary	2798400-3	100
Koy Lappeenrannan Orioninkatu	Finland	Subsidiary	2877591-6	100
Koy Laukaan Hytösenkuja	Finland	Subsidiary	2681456-3	100
Koy Laukaan Peurungantie	Finland	Subsidiary	2821700-9	100
Koy Laukaan Saratie	Finland	Subsidiary	2896187-4	100
Koy Lempäälän Tampereentie	Finland	Subsidiary	3266246-3	100
Koy Limingan Kauppakaari	Finland	Subsidiary	2553773-6	100
Koy Limingan Saunarannantie	Finland	Subsidiary	3267223-1	100
Koy Lohjan Ansatie	Finland	Subsidiary	2768296-1	100
Koy Lohjan Porapojankuja	Finland	Subsidiary	3130512-2	100
Koy Lohjan Sahapiha	Finland	Subsidiary	3132701-4	100
Koy Loimaan Itsenäisyydenkatu	Finland	Subsidiary	2887703-1	100
Koy Loviisan Mannerheiminkatu	Finland	Subsidiary	2648698-5	100
Koy Mäntsälän Liedontie	Finland	Subsidiary	2505670-5	100
Koy Mäntyharjun Lääkärinkuja	Finland	Subsidiary	2761813-4	100
Koy Maskun Ruskontie	Finland	Subsidiary	2610017-3	100
Koy Mikkelin Kastanjakuja	Finland	Subsidiary	2915481-2	100
Koy Mikkelin Sahalantie	Finland	Subsidiary	3004499-5	100
Koy Mikkelin Väänäsenpolku	Finland	Subsidiary	2864738-3	100
Koy Mikkelin Ylännetie 8	Finland	Subsidiary	2839320-5	100
Koy Mynämäen Opintie	Finland	Subsidiary	2957425-1	100
Koy Nokian Kivimiehenkatu 4	Finland	Subsidiary	1056103-9	100
Koy Nokian Luhtatie	Finland	Subsidiary	2882228-4	100
Koy Nokian Näsiäkatu	Finland	Subsidiary	2772561-8	100
Koy Nokian Tähtisumunkatu	Finland	Subsidiary	3328037-9	100
Koy Nokian Vikkulankatu	Finland	Subsidiary	2720339-3	100
Koy Nurmijärven Laidunalue	Finland	Subsidiary	2415548-8	100
Koy Nurmijärven Luhtavillantie	Finland	Subsidiary	3202629-9	100

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Koy Nurmijärven Ratakuja	Finland	Subsidiary	2807462-6	100
Koy Orimattilan Suppulanpolku	Finland	Subsidiary	2750819-7	100
Koy Oulun Isopurjeentie 3	Finland	Subsidiary	2255743-2	100
Koy Oulun Jahtivoudintie	Finland	Subsidiary	2759228-8	100
Koy Oulun Juhlamarssi	Finland	Subsidiary	3217953-5	100
Koy Oulun Mäntypellonpolku	Finland	Subsidiary	3182688-4	100
Koy Oulun Raamipolku	Finland	Subsidiary	2798361-7	100
Koy Oulun Ruismetsä	Finland	Subsidiary	3008792-8	100
Koy Oulun Salonpään koulu	Finland	Subsidiary	3100847-8	100
Koy Oulun Sarvisuontie	Finland	Subsidiary	2899591-9	100
Koy Oulun Siilotie	Finland	Subsidiary	3006511-2	100
Koy Oulun Siilotie K21 A	Finland	Subsidiary	3311639-2	100
Koy Oulun Siilotie K21 B	Finland	Subsidiary	3311641-3	100
Koy Oulun Siilotie K21 C	Finland	Subsidiary	3311642-1	100
Koy Oulun Soittajanlenkki	Finland	Subsidiary	2920514-9	100
Koy Oulun Tahtimarssi	Finland	Subsidiary	3331416-1	100
Koy Oulun Ukkoherrantie A	Finland	Subsidiary	3141465-2	100
Koy Oulun Ukkoherrantie B	Finland	Subsidiary	2781801-3	100
Koy Oulun Upseerinkatu	Finland	Subsidiary	3302679-2	100
Koy Oulun Vaaranpiha	Finland	Subsidiary	3146139-5	100
Koy Oulun Valjastie	Finland	Subsidiary	3139840-2	100
Koy Oulun Villa Sulka	Finland	Subsidiary	2695880-7	100
Koy Oulun Vihannestie	Finland	Subsidiary	3127183-1	100
Koy Paimion Mäkiläntie	Finland	Subsidiary	2853714-1	100
Koy Pateniemenranta	Finland	Subsidiary	2930852-7	100
Koy Pieksämäen Ruustinnantie	Finland	Subsidiary	2903250-8	100
Koy Pihtiputaan Nurmelanpolku	Finland	Subsidiary	2860057-7	100
Koy Pirkkalan Lehtimäentie	Finland	Subsidiary	2593596-1	100
Koy Pirkkalan Perensaarentie	Finland	Subsidiary	2808085-8	100
Koy Porin Kerhotie 1	Finland	Subsidiary	3145625-4	100
Koy Porin Koekatu	Finland	Subsidiary	2835076-6	100
Koy Porin Ojantie	Finland	Subsidiary	2625961-9	100
Koy Porvoon Fredrika Runebergin katu	Finland	Subsidiary	2760328-2	100
Koy Porvoon Haarapääskyntie	Finland	Subsidiary	2951666-8	100
Koy Porvoon Peippolankuja	Finland	Subsidiary	2588814-9	100
Koy Porvoon Vanha Kuninkaantie	Finland	Subsidiary	2746305-6	100
Koy Raahen Kirkkokatu	Finland	Subsidiary	3143874-2	100
Koy Raahen Palokunnanhovi	Finland	Subsidiary	2326426-0	100
Koy Raahen Vihastenkarinkatu	Finland	Subsidiary	2917887-3	100
Koy Raision Tenavakatu	Finland	Subsidiary	2553772-8	100
Koy Riihimäen Jyrätie	Finland	Subsidiary	2956737-7	100
Koy Rovaniemen Gardininkuja	Finland	Subsidiary	3100848-6	100
Koy Rovaniemen Koulukaari	Finland	Subsidiary	3239963-4	100
Koy Rovaniemen Mäkiranta	Finland	Subsidiary	2994385-4	100
Koy Rovaniemen Matkavaarantie	Finland	Subsidiary	2838821-1	100
Koy Rovaniemen Muonakuja	Finland	Subsidiary	3110312-5	100
Koy Rovaniemen Rakkakiventie	Finland	Subsidiary	2865638-6	100
Koy Rovaniemen Ritarinne	Finland	Subsidiary	2754616-9	100
Koy Rovaniemen Santamäentie	Finland	Subsidiary	3008789-9	100

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Koy Ruskon Päällistönmäentie	Finland	Subsidiary	2789540-6	100
Koy Salon Linnankoskentie	Finland	Subsidiary	3330201-3	100
Koy Salon Papinkuja	Finland	Subsidiary	3155224-6	100
Koy Siilinjärven Nilsiäntie	Finland	Subsidiary	2934834-2	100
Koy Siilinjärven Risulantie	Finland	Subsidiary	2854061-5	100
Koy Siilinjärven Sinisiipi	Finland	Subsidiary	2479104-6	100
Koy Sipoon Aarrepuistonkuja	Finland	Subsidiary	2878144-3	100
Koy Sipoon Aarretie	Finland	Subsidiary	2870619-5	100
Koy Sotkamon Härkökivenkatu	Finland	Subsidiary	3314858-9	100
Koy Sotkamon Kirkkotie	Finland	Subsidiary	2917890-2	100
Koy Tampereen Haiharansuu	Finland	Subsidiary	3192647-1	100
Koy Tampereen Lentävänniemenkatu	Finland	Subsidiary	2648697-7	100
Koy Tampereen Sisunaukio	Finland	Subsidiary	2355346-8	100
Koy Tampereen Teräskatu	Finland	Subsidiary	3284989-3	100
Koy Teuvan Tuokkolantie 14	Finland	Subsidiary	2225109-7	100
Koy Tornion Torpin Rinnakkaiskatu	Finland	Subsidiary	2816984-4	100
Koy Turun Lemmontie	Finland	Subsidiary	2551472-9	100
Koy Turun Lukkosepänkatu	Finland	Subsidiary	2842686-3	100
Koy Turun Malin Trällinkuja	Finland	Subsidiary	3171440-1	100
Koy Turun Paltankatu	Finland	Subsidiary	2845199-7	100
Koy Turun Teollisuuskatu	Finland	Subsidiary	2729980-7	100
Koy Turun Vähäheikkiläntie	Finland	Subsidiary	2660277-1	100
Koy Turun Vakiniituntie	Finland	Subsidiary	2648689-7	100
Koy Tuusulan Isokarhunkierto	Finland	Subsidiary	3005414-9	100
Koy Tuusulan Temmontie	Finland	Subsidiary	3325587-8	100
Koy Ulvilan Kulmalantie	Finland	Subsidiary	2966954-1	100
Koy Uudenkaupungin Merilinnuntie	Finland	Subsidiary	2878831-1	100
Koy Uudenkaupungin Merimetsopolku B	Finland	Subsidiary	2798800-4	100
Koy Uudenkaupungin Merimetsopolku C	Finland	Subsidiary	2797654-8	100
Koy Uudenkaupungin Puusepänkatu	Finland	Subsidiary	2766340-2	100
Koy Vaasan Mäkikaivontie 22	Finland	Subsidiary	1743075-2	100
Koy Vaasan Tehokatu 10	Finland	Subsidiary	2246849-9	100
Koy Vaasan Uusmetsäntie	Finland	Subsidiary	3000725-4	100
Koy Vaasan Vanhan Vaasankatu	Finland	Subsidiary	2882784-3	100
Koy Valkeakosken Juusontie	Finland	Subsidiary	3244769-1	100
Koy Vantaan Asolantie 14	Finland	Subsidiary	2319120-9	100
Koy Vantaan Haravakuja	Finland	Subsidiary	3331473-5	100
Koy Vantaan Koetilankatu	Finland	Subsidiary	2656382-1	100
Koy Vantaan Koivukylän Puistotie	Finland	Subsidiary	2933844-3	100
Koy Vantaan Mesikukantie	Finland	Subsidiary	2755333-4	100
Koy Vantaan Punakiventie	Finland	Subsidiary	2675834-6	100
Koy Vantaan Tuovintie	Finland	Subsidiary	2711240-8	100
Koy Vantaan Vuohirinne	Finland	Subsidiary	2691248-9	100
Koy Vihdin Hiidenrannantie	Finland	Subsidiary	2616455-6	100
Koy Vihdin Vanhan sepäntie	Finland	Subsidiary	2625959-8	100
Koy Ylivieskan Mikontie 1	Finland	Subsidiary	2850860-7	100
Koy Ylivieskan Ratakatu 12	Finland	Subsidiary	2850859-4	100
Koy Ylöjärven Työväentalontie	Finland	Subsidiary	2690219-2	100
Majakka Kiinteistöt Oy	Finland	Subsidiary	2760856-9	100

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Hoivatilat AB	Sweden [9]	Subsidiary	559169-2461	100
Hoivatilat Holding AB	Sweden	Subsidiary	559192-8311	100
Hoivatilat Holding 2 AB	Sweden	Subsidiary	559204-7426	100
Hoivatilat Holding 3 AB	Sweden	Subsidiary	559296-1519	100
Hoivatilat Holding 4 AB	Sweden	Subsidiary	559301-4979	100
Hoivatilat Holding 5 AB	Sweden	Subsidiary	559318-8286	100
Älmhult Kunskapsgatan AB	Sweden	Subsidiary	559149-1732	100
Enköping Hässlinge LSS boende AB	Sweden	Subsidiary	559152-2247	100
Fanna 24:19 AB	Sweden	Subsidiary	559252-4788	100
Förskola Kalleberga AB	Sweden	Subsidiary	559204-7392	100
Förskola Mesta 6:56 AB	Sweden	Subsidiary	559195-0570	100
Gråmunkehöga LSS boende AB	Sweden	Subsidiary	559131-8877	100
Heby LSS boende AB	Sweden	Subsidiary	559073-5634	100
Hoivatilat Projekt 1 AB	Sweden	Subsidiary	559376-5968	100
Huddinge Svartviksvägen Förskola AB	Sweden	Subsidiary	559283-2595	100
Laholm Nyby LSS boende AB	Sweden	Subsidiary	559149-6335	100
Lidingö Islinge Förskola AB	Sweden	Subsidiary	559376-5935	100
Norrtälje Östhamra Förskola AB	Sweden	Subsidiary	559180-2078	100
Nyköping Anderbäck LSS boende AB	Sweden	Subsidiary	559150-0979	100
Nyköping Bergshammar LSS boende AB	Sweden	Subsidiary	559205-6872	100
Nynäshamn Skola Sittesta AB	Sweden	Subsidiary	559087-5604	100
Örebro Hovsta Gryt LSS boende AB	Sweden	Subsidiary	559152-7147	100
Örebro Törsjö LSS boende AB	Sweden	Subsidiary	559163-1931	100
Oskarshamn Emmekalv LSS boende AB	Sweden	Subsidiary	559163-3788	100
Österåker Singö LSS boende AB	Sweden	Subsidiary	559196-9786	100
Staffanstorp Borggård 1:553 AB	Sweden	Subsidiary	559346-7144	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
Uppsala Almungeberg 1 LSS boende AB	Sweden	Subsidiary	559131-1468	100
Uppsala Almungeberg 2 LSS boende AB	Sweden	Subsidiary	559150-0938	100
Uppsala Bälinge Lövsta1 LSS boende AB	Sweden	Subsidiary	556908-5391	100
Uppsala Bälinge Lövsta2 LSS boende AB	Sweden	Subsidiary	556864-9460	100
Uppsala Norby LSS boende AB	Sweden	Subsidiary	559376-5976	100
Uppsala Sunnersta LSS boende AB	Sweden	Subsidiary	556900-2024	100
Vallentuna Västlunda LSS boende AB	Sweden	Subsidiary	559152-7139	100
Växjö LSS boende AB	Sweden	Subsidiary	559190-6267	100
Aedifica Ireland Ltd	Ireland [10]	Subsidiary	683400	100
Edge Fusion Ltd	Ireland	Subsidiary	614415	100
Enthree Ltd	Ireland	Subsidiary	683028	100
JKP Nursing Home Ltd	Ireland	Subsidiary	483964	100
Millennial Generation Ltd	Ireland	Subsidiary	607665	100
Prudent Capital Ltd	Ireland	Subsidiary	562309	100
Solcrea Ltd	Ireland	Subsidiary	614470	100
AED RE Espana 1 SLU	Spain [11]	Subsidiary	B16839649	100
AED RE Espana 2 SLU	Spain	Subsidiary	B91643411	100

1. With the exception of Immobe NV (located at Avenue Louise 331 in 1050 Brussels (Belgium)), all Belgian companies are located at Rue Belliard 40 box 11 in 1040 Brussels (Belgium).
2. All German companies are located at Gervinusstraße 15-17 in 60322 Frankfurt am Main (Germany).
3. All Luxembourg companies are located at rue Guillaume J. Kroll 12 C in 1882 Luxembourg (Luxembourg).
4. All Dutch companies are located at Amstelplein 54, 1096 BC Amsterdam (Netherlands).
5. All Jersey companies are located at 47 Esplanade in St. Helier JE1 0BD (Jersey).
6. All UK companies are located at 13 Hanover Square, London, England, W1S 1HN (United Kingdom).
7. All UK JO companies are located Westcourt, Gelderd Road, Leeds, England, LS12 6DB (United Kingdom).
8. All Finnish companies are located at Kasarmintie 21, 90130 Oulu (Finland).
9. All Swedish companies are located at Svärdvägen 21, 18233 Danderyd (Sweden).
10. All Irish companies are located at 29 Earlsfort Terrace, Dublin 2, Ireland D02 AY28 (Ireland).
11. All Spanish companies are located at Travessera de Gràcia 11, 5ª pl., 08021 Barcelona (Spain).
12. The residual 75% is held by an investor that is unrelated to Aedifica.
13. The residual 6% is held by an investor that is unrelated to Aedifica.
14. The residual 50% is held by a partner that is unrelated to Aedifica.
15. The residual 25% is held by a partner that is unrelated to Aedifica.

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Note 41: Belgian RREC status

(x €1,000)		31/12/2023	31/12/2022
Consolidated debt-to-assets ratio (max. 65%)			
Non-current financial debts		1,958,750	2,017,256
Other non-current financial liabilities (except for hedging instruments)	+	81,183	78,374
Trade debts and other non-current debts	+	250	375
Current financial debts	+	321,549	435,164
Other current financial liabilities (except for hedging instruments)	+	2,798	3,487
Trade debts and other current debts	+	57,177	66,853
Total liabilities according to the Royal Decree of 13 July 2014	=	2,421,707	2,601,509
Total assets		6,176,811	6,085,540
Hedging instruments	-	-73,924	-123,219
Total assets according to the Royal Decree of 13 July 2014	=	6,102,887	5,962,321
Debt-to-assets ratio (in %)		**39.68%**	**43.63%**
Additional debt capacity - debt ratio at 60%		1,240,025	975,884
Additional debt capacity - debt ratio at 65%		1,545,170	1,274,000

Prohibition to invest more than 20% of assets in real estate assets that form a single property

At 31 December 2023, the largest group of assets operated by the same tenant represents 10% of the consolidated group assets and is operated by Clariane (formerly known as the Korian group).

Valuation of investment properties by a valuation expert

Aedifica's properties are valued quarterly by the following independent valuation experts: Cushman & Wakefield Belgium NV/SA, Stadim BV/SRL, Savills Advisory Services Germany GmbH & Co. KG, C&W (U.K.) LLP German Branch, Cushman & Wakefield Netherlands BV, CBRE Valuation & Advisory Services BV, Knight Frank LLP, REnium Advisors Oy, Cushman & Wakefield Sweden AB, CBRE Advisory (IRL) Limited and Jones Lang LaSalle España SA.

Note 42: Fair value

In accordance with IFRS 13, balance sheet elements for which the fair value can be computed are presented and broken down as follows:

(x €1,000)			31/12/2023		31/12/2022	
	Category	Level	Book value	Fair value	Book value	Fair value
Non-current assets						
Non-current financial assets			98,665	98,665	132,322	132,322
a. Hedges	C	2	73,924	73,924	123,219	123,219
b. Other	A	2	24,741	24,741	9,103	9,103
Equity-accounted investments	C	2	35,985	35,985	40,824	40,824
Current assets						
Trade receivables	A	2	23,290	23,290	23,577	23,577
Tax receivables & other current assets	A	2	9,384	9,384	10,273	10,273
Cash and cash equivalents	A	1	18,253	18,253	13,891	13,891
Non-current liabilities						
Non-current financial debts	A	2	-1,958,750	-1,830,018	-2,017,256	-1,811,083
Other non-current financial liabilities						
a. Authorised hedges	C	2	-9,760	-9,760	-3,858	-3,858
b. Other	A	2	-81,183	-81,183	-78,374	-78,374
Trade debts and other non-current debts	A	2	-251	-251	-375	-375
Current liabilities						
Current financial debts	A	2	-321,549	-321,549	-435,164	-435,164
Trade debts & other current debts	A	2	-57,177	-57,177	-66,853	-66,853
Other current financial liabilities	A	2	-2,798	-2,798	-3,487	-3,487

These categories follow the classification specified by IFRS 9:

- category A: financial assets or liabilities (including accounts receivable & 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.

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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.

Luxemburg I SCS, Aedifica Luxemburg II SCS, Aedifica Luxemburg III SCS, Aedifica Luxemburg IV SCS, Aedifica Luxemburg V SCS, Aedifica Luxemburg VI SCS and Aedifica Residenzen Nord GmbH & Co KG, 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 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)	31/12/2023	31/12/2022
Marketable investment properties	5,529,564	5,365,071
+ Right of use of plots of land	73,172	70,335
+ Development projects	168,950	184,295
+ Land reserve	18,671	-
Investment properties	**5,790,357**	**5,619,701**
+ Assets classified as held for sale	58,158	84,033
Investment properties including assets classified as held for sale*, or real estate portfolio*	**5,848,515**	**5,703,734**
- Development projects	-168,950	-184,295
Marketable investment properties including assets classified as held for sale*, or investment properties portfolio	**5,679,565**	**5,519,439**

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.

(x €1,000)	01/01/2023 - 31/12/2023	01/01/2022 - 31/12/2022
Rental income	314,174	273,132
- Scope changes	-36,939	-9,546
= Rental income on a like-for-like basis*	**277,235**	**263,586**

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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.

	31/12/2023									
(x €1,000)	**BE**	**DE**	**NL**	**UK**	**FI**	**SE**	**IE**	**ES**	**Non-allocated**	**TOTAL**
SEGMENT RESULT										
Rental income (a)	73,250	61,160	38,203	64,793	54,269	4,226	18,006	267	-	314,174
Net rental income (b)	72,700	60,969	38,186	64,439	54,247	4,226	18,006	267	-	313,040
Property result (c)	72,691	60,955	38,148	64,434	54,249	4,187	18,007	267	-	312,938
Property operating result (d)	71,307	58,457	35,793	61,758	52,677	3,784	17,757	188	-	301,721
OPERATING RESULT BEFORE RESULT ON PORTFOLIO (e)	**71,307**	**58,457**	**35,793**	**61,758**	**52,677**	**3,784**	**17,757**	**188**	**-35,911**	**265,810**
Operating margin* (d)/(b)										96.4%
EBIT margin* (e)/(b)										84.9%
Operating charges* (e)-(b)										47,230

	31/12/2022									
(x €1,000)	**BE**	**DE**	**NL**	**UK**	**FI**	**SE**	**IE**	**ES**	**Non-allocated**	**TOTAL**
SEGMENT RESULT										
Rental income (a)	67,432	56,738	33,571	57,472	44,725	3,917	9,245	32	-	273,132
Net rental income (b)	67,080	56,369	32,884	57,324	44,695	3,914	9,245	32	-	271,543
Property result (c)	67,092	56,295	32,928	57,318	45,180	3,763	9,245	32	-	271,853
Property operating result (d)	66,448	54,745	30,883	55,359	42,624	3,435	9,107	32	-	262,633
OPERATING RESULT BEFORE RESULT ON PORTFOLIO (e)	**66,448**	**54,745**	**30,883**	**55,359**	**42,624**	**3,435**	**9,107**	**32**	**-32,959**	**229,674**
Operating margin* (d)/(b)										96.7%
EBIT margin* (e)/(b)										84.6%
Operating charges* (e)-(b)										41,869

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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)	31/12/2023	31/12/2022
XX. Financial income	3,006	1,606
XXI. Net interest charges	-45,004	-30,651
XXII. Other financial charges	-5,181	-7,194
Financial result excl. changes in fair value of financial instruments*	**-47,179**	**-36,239**

Note 44.5: Average cost of debt*

Aedifica uses average cost of debt* and average cost of debt* (incl. commitment fees) to reflect the costs of its financial debts; however, these performance measures are not defined under IFRS. They represent annualised net interest charges deducted by reinvoiced interests and IFRS 16 (and commitment fees) divided by weighted average financial debts.

(x €1,000)	31/12/2023	31/12/2022
Weighted average financial debts (a)	2,395,149	2,263,976
XXI. Net interest charges	-45,004	-30,651
Reinvoiced interests (incl. in XX. Financial income)	2,181	1,183
Interest cost related to leasing debts booked in accordance with IFRS 16	1,393	951
Annualised net interest charges (b)	-41,430	-28,517
Average cost of debt* (b)/(a)	**1.7%**	**1.3%**
Commitment fees (incl. in XXII. Other financial charges)	-3,514	-3,437
Annualised net interest charges (incl. commitment fees) (c)	-44,944	-31,954
Average cost of debt* (incl. commitment fees) (c)/(a)	**1.9%**	**1.4%**

Note 44.6: Interest Cover Ratio* (ICR)

Aedifica uses the Interest Cover Ratio* to measure its ability to meet interest payments obligations related to debt financing and should be at least equal to 2.0x. However, this performance measure is not defined under IFRS. The ICR* is calculated based on the definition set out in the prospectus of Aedifica's Sustainability Bond: 'Operating result before result on the portfolio' (lines I to XV of the consolidated income statement) divided by 'Net interest charges' (line XXI) on a 12-month rolling basis.

(x €1,000)	01/01/2023 - 31/12/2023	01/01/2022- 31/12/2022
Operating result before result on portfolio	265,810	229,674
XXI. Net interest charges	-45,004	-30,651
The interest cover ratio	**5.9**	**7.5**

Note 44.7: Net debt/EBITDA

This APM indicates how long a company would have to operate at its current level to pay off all its debts. It is calculated by dividing net financial debts, i.e., long-term and current financial debts minus cash and cash equivalents (numerator) by the EBITDA of the past twelve months (TTM) (denominator). EBITDA is the operating result before result on portfolio plus depreciation and amortisation.

(x €1,000)	31/12/2023	31/12/2022
Non-current and current financial debts	2,280,299	2,452,420
- Cash and cash equivalents	-18,253	-13,891
Net debt (IFRS)	**2,262,046**	**2,438,529**
Operating result before result on portfolio (TTM) [1]	**265,810**	**229,674**
+ Depreciation and amortisation of other assets (TTM) [1]	2,180	1,868
EBITDA (IFRS)	**267,990**	**231,542**
Net Debt / EBITDA	**8.4**	**10.5**

1. TTM (trailing 12 months) means that the calculation is based on financial figures for the past 12 months.

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Note 44.8: 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)	31/12/2023	31/12/2022
Equity attributable to owners of the parent	3,575,862	3,282,785
- Effect of the distribution of the dividend 2022	0	-141,163
Sub-total excl. effect of the distribution of the dividend 2022	**3,575,862**	**3,141,622**
- Effect of the changes in fair value of hedging instruments	-63,908	-118,908
Equity excl. changes in fair value of hedging instruments*	**3,511,954**	**3,022,714**

Note 44.9: 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 Group supplies its investors with most of the information recommended by EPRA (see also the 'Reporting according to EPRA standards' chapter of this Annual Report on pages 180-191). The following indicators are considered APMs and are calculated in the aforementioned EPRA chapter:

- **EPRA Earnings*** represents the profit (attributable to owners of the Parent) after corrections recommended by the EPRA. 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.
- **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 the Company acquires and sells assets, which would result in the realisation of certain unavoidable deferred taxes.
- **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.
- **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 LTV*** represents the Company's indebtedness compared to the market value of its assets.

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2. Abridged Statutory Financial Statements

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.

The mandatory distribution in the REIT legislation only relates to the adjusted net result as shown in the REIT's statutory annual accounts (prepared in accordance with IFRS). The FSMA circular of 2 July 2020 allows various accounting options to recognise subsidiaries in the statutory accounts. Currently, Aedifica has opted for the 'at cost' model to account for its subsidiaries. This means that dividends are recognised in the statutory financial statements when the REIT's right to receive them is established (IAS 27.12). This implies that the dividends received are then included in the REIT's net income for the year and, consequently, in the distribution obligation.

2.1 Abridged Statutory Income Statement

(x €1,000)		31/12/2023	31/12/2022
I.	Rental income	105,007	98,417
II.	Writeback of lease payments sold and discounted	0	0
III.	Rental-related charges	-630	-584
Net rental income		**104,377**	**97,833**
IV.	Recovery of property charges	0	0
V.	Recovery of rental charges and taxes normally paid by tenants on let properties	1,950	1,613
VI.	Costs payable by the tenant and borne by the landlord on rental damage and repair at end of lease	0	0
VII.	Charges and taxes not recovered by the tenant on let properties	-1,954	-1,635
VIII.	Other rental-related income and charges	-8	31
Property result		**104,365**	**97,842**
IX.	Technical costs	-1,136	-275
X.	Commercial costs	0	0
XI.	Charges and taxes on unlet properties	-6	-6
XII.	Property management costs	1,190	582
XIII.	Other property charges	-200	0
Property charges		**-152**	**301**
Property operating result		**104,213**	**98,143**
XIV.	Overheads	-19,133	-18,840
XV.	Other operating income and charges	1,812	19
Operating result before result on portfolio		**86,892**	**79,322**
XVI.	Gains and losses on disposals of investment properties	-553	410
XVII.	Gains and losses on disposals of other non-financial assets	0	1
XVIII.	Changes in fair value of investment properties	-64,365	44,256
XIX.	Other result on portfolio	-8,555	2,946
Operating result		**13,419**	**126,935**
XX.	Financial income	145,007	109,708
XXI.	Net interest charges	-39,502	-30,336
XXII.	Other financial charges	-4,888	-8,772
XXIII.	Changes in fair value of financial assets and liabilities	-49,098	121,058
Net finance costs		**51,518**	**191,658**
XXIV.	Share in the profit or loss of associates and joint ventures accounted for using the equity method	-1,407	-132
Profit before tax (loss)		**63,530**	**318,461**
XXV.	Corporate tax and deferred taxes	-997	-8,999
XXVI.	Exit tax	88	0
Tax expense		**-909**	**-8,999**
Profit (loss)		**62,621**	**309,462**
Basic earnings per share (€)		1.43	8.12
Diluted earnings per share (€)		1.43	8.12

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2.2 Abridged Statutory Statement of Comprehensive Income

(x €1,000)	31/12/2023	31/12/2022
I. Profit (loss)	**62,621**	**309,462**
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 [1]	-2,293	17,972
D. Currency translation differences linked to conversion of foreign activities	0	0
H. Other comprehensive income, net of taxes [2]	-2,484	3,688
Comprehensive income	**57,844**	**331,122**

1. Corresponds to 'Changes in the effective portion of the fair value of hedging instruments (accrued interests)' as detailed in Note 33.
2. Mainly includes the transfer to the income statement of interests paid on hedging instruments and the amortisation of terminated derivatives (see Note 33).

2.3 Abridged Statutory Balance Sheet

ASSETS (x €1,000)	31/12/2023	31/12/2022
I. Non-current assets		
A. Goodwill	0	0
B. Intangible assets	1,531	1,637
C. Investment properties	1,855,974	1,864,902
D. Other tangible assets	1,513	1,516
E. Non-current financial assets	3,184,283	3,009,314
F. Finance lease receivables	0	0
G. Trade receivables and other non-current assets	0	0
H. Deferred tax assets	2,485	2,028
Total non-current assets	**5,045,786**	**4,879,397**
II. Current assets		
A. Assets classified as held for sale	11,612	31,637
B. Current financial assets	0	0
C. Finance lease receivables	0	0
D. Trade receivables	10,259	12,538
E. Tax receivables and other current assets	419,189	437,399
F. Cash and cash equivalents	2,735	1,086
G. Deferred charges and accrued income	18,025	6,839
Total current assets	**461,820**	**489,499**
TOTAL ASSETS	**5,507,606**	**5,368,896**

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EQUITY AND LIABILITIES (x €1,000)		**31/12/2023**	**31/12/2022**
EQUITY			
A.	Capital	1,203,638	1,006,881
B.	Share premium account	1,719,001	1,516,108
C.	Reserves	484,463	320,941
	a. Legal reserve	*0*	*0*
	b. Reserve for the balance of changes in fair value of investment properties	*266,180*	*218,652*
	d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	*4,344*	*8,945*
	e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	*111,144*	*-7,836*
	f. Reserve of exchange differences relating to foreign currency monetary items	*-4,470*	*-444*
	g. Foreign currency translation reserves	*0*	*0*
	h. Reserve for treasury shares	*-31*	*-31*
	j. Reserve for actuarial gains and losses of defined benefit pension plans	*-244*	*-99*
	k. Reserve for deferred taxes on investment properties located abroad	*-13,846*	*-7,361*
	m. Other reserves	*-3,277*	*251*
	n. Result brought forward from previous years	*116,170*	*99,805*
	o. Reserve- share NI & OCI of equity method invest	*8,493*	*9,059*
D.	Profit (loss) of the year	62,621	309,462
TOTAL EQUITY		**3,469,723**	**3,153,392**

EQUITY AND LIABILITIES (x €1,000)		**31/12/2023**	**31/12/2022**
LIABILITIES			
I.	**Non-current liabilities**		
A.	Provisions	0	0
B.	Non-current financial debts	1,698,085	1,747,809
	a. Borrowings	906,250	970,952
	c. Other	791,835	776,857
C.	Other non-current financial liabilities	16,309	7,444
	a. Authorised hedges	9,760	3,858
	b. Other	6,549	3,586
D.	Trade debts and other non-current debts	0	0
E.	Other non-current liabilities	0	0
F.	Deferred tax liabilities	15,264	17,370
Non-current liabilities		**1,729,658**	**1,772,623**
II.	**Current liabilities**		
A.	Provisions	0	0
B.	Current financial debts	286,883	417,164
	a. Borrowings	70,283	165,164
	c. Other	216,600	252,000
C.	Other current financial liabilities	762	561
D.	Trade debts and other current debts	13,338	16,013
	a. Exit tax	44	0
	b. Other	13,294	16,013
E.	Other current liabilities	0	0
F.	Accrued charges and deferred income	7,242	9,143
Total current liabilities		**308,225**	**442,881**
TOTAL LIABILITIES		**2,037,883**	**2,215,504**
TOTAL EQUITY AND LIABILITIES		**5,507,606**	**5,368,896**

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2.4 Abridged Statutory Statement of Changes in Equity

(x €1,000)	01/01/2022	Capital increase in cash	Capital increase in kind	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	31/12/2022
Capital	917,101	74,131	15,649	0	0	0	0	0	0	1,006,881
Share premium account	1,301,002	177,291	37,816	0	0	0	0	0	-1	1,516,108
Reserves	219,634	0	0	-31	21,661	79,679	0	0	-1	320,941
a. Legal reserve	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
b. Reserve for the balance of changes in fair value of investment properties	*189,877*	*0*	*0*	*0*	*0*	*29,026*	*-251*	*0*	*0*	*218,652*
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	*-12,784*	*0*	*0*	*0*	*21,760*	*-31*	*0*	*0*	*0*	*8,945*
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*	*0*	*0*	*0*	*0*	*15,984*	*0*	*0*	*0*	*-7,836*
f. Reserve of exchange differences relating to foreign currency monetary items	*70*	*0*	*0*	*0*	*0*	*-514*	*0*	*0*	*0*	*-444*
g. Foreign currency translation reserves	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
h. Reserve for treasury shares	*0*	*0*	*0*	*-31*	*0*	*0*	*0*	*0*	*0*	*-31*
j. Reserve for actuarial gains and losses of defined benefit pension plans	*0*	*0*	*0*	*0*	*-99*	*0*	*0*	*0*	*0*	*-99*
k. Reserve for deferred taxes on investment properties located abroad	*-6,240*	*0*	*0*	*0*	*0*	*-1,121*	*0*	*0*	*0*	*-7,361*
m. Other reserves	*3,014*	*0*	*0*	*0*	*0*	*-3,014*	*251*	*0*	*0*	*251*
n. Result brought forward from previous years	*63,622*	*0*	*0*	*0*	*0*	*36,184*	*0*	*0*	*-1*	*99,805*
o. Reserve- share NI & OCI of equity method invest	*5,894*	*0*	*0*	*0*	*0*	*3,165*	*0*	*0*	*0*	*9,059*
Profit (loss)	198,174	0	0	0	309,462	-198,174	0	0	0	309,462
TOTAL EQUITY	**2,635,911**	**251,422**	**53,465**	**-31**	**331,123**	**-118,495**	**0**	**0**	**-2**	**3,153,392**

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(x €1,000)	01/01/2023	Capital increase in cash	Capital increase in kind	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	31/12/2023
Capital	1,006,881	186,845	9,913	0	0	0	0	0	-1	1,203,638
Share premium account	1,516,108	187,364	15,529	0	0	0	0	0	0	1,719,001
Reserves	320,941	0	0	0	-4,777	168,299	0	0	0	484,463
a. Legal reserve	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
b. Reserve for the balance of changes in fair value of investment properties	*218,652*	*0*	*0*	*0*	*0*	*44,251*	*3,277*	*0*	*0*	*266,180*
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	*8,945*	*0*	*0*	*0*	*-4,635*	*34*	*0*	*0*	*0*	*4,344*
e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	*-7,836*	*0*	*0*	*0*	*0*	*118,980*	*0*	*0*	*0*	*111,144*
f. Reserve of exchange differences relating to foreign currency monetary items	*-444*	*0*	*0*	*0*	*0*	*-4,026*	*0*	*0*	*0*	*-4,470*
g. Foreign currency translation reserves	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
h. Reserve for treasury shares	*-31*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*-31*
j. Reserve for actuarial gains and losses of defined benefit pension plans	*-99*	*0*	*0*	*0*	*-145*	*0*	*0*	*0*	*0*	*-244*
k. Reserve for deferred taxes on investment properties located abroad	*-7,361*	*0*	*0*	*0*	*0*	*-6,485*	*0*	*0*	*0*	*-13,846*
m. Other reserves	*251*	*0*	*0*	*0*	*0*	*-251*	*-3,277*	*0*	*0*	*-3,277*
n. Result brought forward from previous years	*99,805*	*0*	*0*	*0*	*3*	*16,362*	*0*	*0*	*0*	*116,170*
o. Reserve- share NI & OCI of equity method invest	*9,059*	*0*	*0*	*0*	*0*	*-566*	*0*	*0*	*0*	*8,493*
Profit (loss)	309,462	0	0	0	62,621	-309,462	0	0	0	62,621
TOTAL EQUITY	**3,153,392**	**374,209**	**25,442**	**0**	**57,844**	**-141,163**	**0**	**0**	**-1**	**3,469,723**

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2.5 Abridged Statutory Appropriation Account

The main variation in result appropriation relates to the change in the fair value of financial instruments (see comments on corrected profit) and the decrease in deferred taxes due to the decrease in fair value of assets.

PROPOSED APPROPRIATION (x €1,000)	31/12/2023	31/12/2022
A. Profit (loss)	62,621	309,462
B. Transfer to/from the reserves	-96,684	151,937
1. Transfer to/from the reserve of the (positive or negative) balance of changes in fair value of investment properties (-/+)	*-52,438*	*44,252*
2. Transfer to/from the reserve of the estimated transaction costs resulting from hypothetical disposal of investment properties (-/+)	*0*	*0*
3. 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*
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*	*34*
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 (-)	*-48,991*	*0*
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 (+)	*0*	*118,980*
7. Transfer to/from the reserve of the balance of currency translation differences on monetary assets and liabilities (-/+)	*596*	*-4,027*
8. Transfer to the reserve of the fiscal latencies related to investment properties abroad (-/+)	*2,562*	*-6,485*
9. Transfer to the reserve of the received dividends aimed at the reimbursement of financial debts (-/+)	*0*	*0*
10. Transfer to/from other reserves (-/+)	*3,277*	*-251*
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	*-1,690*	*-566*
C. Remuneration of the capital provided in article 13, § 1, para. 1	149,061	123,830
D. Remuneration of the capital - other than C	17,615	17,333
Proposed remuneration of the capital (C + D)	166,676	141,163
Result to be carried forward	-7,371	16,362

SHAREHOLDERS' EQUITY THAT CAN NOT BE DISTRIBUTED ACCORDING TO ARTICLE 7:212 OF THE BELGIAN COMPANIES AND ASSOCIATIONS CODE (x €1,000)	31/12/2023	31/12/2022
Paid-up capital or, if greater, subscribed capital (+)	1,203,638	1,006,881
Share premium account unavailable for distribution according to the Articles of Association (+)	565,068	565,068
Reserve for positive balance of changes in fair value of investment properties (+)	213,742	262,903
Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS (+/-)	4,344	8,979
Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS (+/-)	62,153	111,144
Reserve of the balance of currency translation differences on monetary assets and liabilities (+)	0	0
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	6,804	8,493
Legal reserve (+)	0	0
Shareholders' equity that cannot be distributed according to Article 7:212 of the Belgian Companies and Associations Code	**2,055,749**	**1,963,468**
Net asset	3,469,723	3,153,392
Interim dividend	0	0
Final dividend	-166,676	-141,163
Net asset after distribution	**3,303,047**	**3,012,229**
Headroom after distribution	**1,247,298**	**1,048,761**

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2.6 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)	31/12/2023	31/12/2022
Profit (loss)	62,621	309,462
Depreciation	970	797
Write-downs	629	618
Other non-cash items	57,220	-111,395
Gains and losses on disposals of investment properties	553	-410
Changes in fair value of investment properties	64,334	-44,284
Roundings	0	0
Corrected profit	**186,327**	**154,788**
Denominator° (in shares)	43,862,078	38,152,107
CORRECTED PROFIT PER SHARE° (in € per share)	**4.25**	**4.06**
Interim dividend	0	0
Final dividend	166,676	141,163
Total proposed dividend	**166,676**	**141,163**
PAY-OUT RATIO (MIN. 80%)	**89%**	**91%**

The main change compared to last year's profit correction relates to other non-cash items, and more specifically to the negative fair value of financial instruments hedging variable interest rate risk. Due to the decreased interest rates at year-end, the value of those instruments decreased significantly in 2023.

The other notable change is the negative fair value of the investment propertiesin 2023 compared to a positive fair value in 2022 (see note 11 for more details).

2.7 Abridged statutory statement of changes in equity after appropriation of the year's result

(x €1,000)	Equity as at 31/12/2023	Proposed result's appropriation	Equity as at 31/12/2023 after proposed result's appropriation
Capital	1,203,638	0	1,203,638
Share premium account	1,719,001	0	1,719,001
Reserves	484,463	62,621	547,084
a. Legal reserve	*0*	*0*	*0*
b. Reserve for the balance of changes in fair value of investment properties	*266,180*	*-52,438*	*213,742*
d. Reserve for the balance of changes in fair value of authorised hedging instruments qualifying for hedge accounting as defined under IFRS	*4,344*	*0*	*4,344*
e. Reserve for the balance of changes in fair value of authorised hedging instruments not qualifying for hedge accounting as defined under IFRS	*111,144*	*-48,991*	*62,153*
f. Reserve of exchange differences relating to foreign currency monetary items	*-4,470*	*596*	*-3,874*
g. Foreign currency translation reserves	*0*	*0*	*0*
h. Reserve for treasury shares	*-31*	*0*	*-31*
j. Reserve for actuarial gains and losses of defined benefit pension plans	*-244*	*0*	*-244*
k. Reserve for deferred taxes on investment properties located abroad	*-13,846*	*2,562*	*-11,284*
m. Other reserves	*-3,277*	*3,277*	*0*
n. Result brought forward from previous years	*116,170*	*159,305*	*275,475*
o. Reserve- share NI & OCI of equity method invest	*8,493*	*-1,690*	*6,803*
Profit (loss)	62,621	-62,621	0
TOTAL EQUITY	**3,469,723**	**0**	**3,469,723**

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1. Reporting according to EPRA BPR standards

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.

As at 31 December 2023, Aedifica was included in the EPRA Europe index with a weighting of approx. 1.5% and in the EPRA Belgium index with a weighting of approx. 18.2%.

In September 2023, Aedifica received an 9th consecutive 'EPRA BPR Gold Award' for its Annual Financial Report (financial year 2022), thus remaining in the leading group of European companies evaluated by EPRA.

1.1 EPRA key performance indicators

			31/12/2023	31/12/2022
EPRA Earnings*	Earnings from operational activities. EPRA Earnings* represent the profit (attributable to owners of the Parent) after corrections recommended by the EPRA.	x €1,000	219,579	181,386
		€ / share	5.02	4.76
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 1 January 2020. The EPRA NRV* assumes that entities never sell assets and provide an estimation of the value required to rebuild the entity.	x €1,000	4,002,279	3,515,088
		€ / share	84.17	88.20
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 1 January 2020. The EPRA NTA* assumes that the Company acquires and sells assets, which would result in the realisation of certain unavoidable deferred taxes.	x €1,000	3,527,234	3,035,653
		€ / share	74.18	76.17
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 1 January 2020. The 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	3,585,631	3,203,353
		€ / share	75.41	80.37
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.	%	5.3%	4.9%
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.	%	5.4%	5.1%
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	%	0.1%	0.4%
EPRA Cost Ratio (including direct vacancy costs)*	Administrative & operating costs (including costs of direct vacancy) divided by gross rental income.	%	15.4%	15.9%
EPRA Cost Ratio (excluding direct vacancy costs)*	Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income.	%	15.4%	15.9%
EPRA LTV*	The EPRA LTV* represents the Company's indebtedness compared to the market value of its assets.	%	39.1%	43.4%

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1.2 EPRA Earnings*

EPRA Earnings* **x €1,000**	**31/12/2023**	**31/12/2022**
Earnings (owners of the parent) per IFRS income statement	**24,535**	**331,778**
Adjustments to calculate EPRA Earnings*, exclude:		
(i) Changes in value of investment properties, development properties held for investment and other interests	143,636	-84,877
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	856	-787
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	-	-
(iv) Tax on profits or losses on disposals	-	-
(v) Goodwill impairment	26,072	18,103
(vi) Changes in fair value of financial instruments and associated close-out costs	50,878	-123,242
(vii) Acquisition costs on share deals and non-controlling joint venture interests (IFRS 3)	-	-
(viii) Deferred taxes in respect of EPRA adjustments	-24,314	42,705
(ix) Adjustments (i) to (viii) above in respect of joint ventures	574	-1,806
(x) Non-controlling interests in respect of the above	-2,658	-488
Roundings	-	-
EPRA Earnings* (owners of the parent)	**219,579**	**181,386**
Number of shares (Denominator IAS 33)	43,706,129	38,113,384
EPRA Earnings* per Share (EPRA EPS* - in €/share)	**5.02**	**4.76**
EPRA Earnings* diluted per Share (EPRA diluted EPS* - in €/share)	**5.02**	**4.76**

See section 1.4 of the ‘Financial Review’ chapter for a summary of the consolidated financial statements.

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1.3 EPRA Net Asset Value indicators

Situation as at 31 December 2023 x €1,000	EPRA Net Reinstatement Value*	EPRA Net Tangible Assets*	EPRA Net Disposal Value*
NAV per the financial statements (owners of the parent)	**3,575,862**	**3,575,862**	**3,575,862**
NAV per the financial statements (in €/share) (owners of the parent)	**75.20**	**75.20**	**75.20**
(i) Effect of exercise of options, convertibles and other equity interests (diluted basis)	1,366	1,366	1,366
Diluted NAV, after the exercise of options, convertibles and other equity interests	**3,574,496**	**3,574,496**	**3,574,496**
Include:			
(ii.a) Revaluation of investment properties (if IAS 40 cost option is used)	-	-	-
(ii.b) Revaluation of investment properties under construction (IPUC) (if IAS 40 cost option is used)	-	-	-
(ii.c) Revaluation of other non-current investments	-	-	-
(iii) Revaluation of tenant leases held as finance leases	-	-	-
(iv) Revaluation of trading properties	-	-	-
Diluted NAV at Fair Value	**3,574,496**	**3,574,496**	**3,574,496**
Exclude:			
(v) Deferred taxes in relation to fair value gains of IP	135,907	135,907	
(vi) Fair value of financial instruments	-63,908	-63,908	
(vii) Goodwill as a result of deferred taxes	45,161	45,161	45,161
(vii.a) Goodwill as per the IFRS balance sheet		-162,758	-162,758
(vii.b) Intangibles as per the IFRS balance sheet		-1,663	
Include:			
(ix) Fair value of fixed interest rate debt			128,732
(x) Revaluation of intangibles to fair value	-		
(xi) Real estate transfer tax	310,623	-	
Include/exclude:			
Adjustments (i) to (v) in respect of joint venture interests	-	-	-
Adjusted net asset value (owners of the parent)	**4,002,279**	**3,527,234**	**3,585,631**
Number of shares on the stock market	47,550,119	47,550,119	47,550,119
Adjusted net asset value (in €/share) (owners of the parent)	**84.17**	**74.18**	**75.41**

x €1,000	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	4,484,235	79%	100%

Situation as at 31 December 2022 x €1,000	EPRA Net Reinstatement Value*	EPRA Net Tangible Assets*	EPRA Net Disposal Value*
NAV per the financial statements (owners of the parent)	**3,141,622**	**3,141,622**	**3,141,622**
NAV per the financial statements (in €/share) (owners of the parent)	**78.83**	**78.83**	**78.83**
(i) Effect of exercise of options, convertibles and other equity interests (diluted basis)	772	772	772
Diluted NAV, after the exercise of options, convertibles and other equity interests	**3,140,850**	**3,140,850**	**3,140,850**
Include:			
(ii.a) Revaluation of investment properties (if IAS 40 cost option is used)	-	-	-
(ii.b) Revaluation of investment properties under construction (IPUC) (if IAS 40 cost option is used)	-	-	-
(ii.c) Revaluation of other non-current investments	-	-	-
(iii) Revaluation of tenant leases held as finance leases	-	-	-
(iv) Revaluation of trading properties	-	-	-
Diluted NAV at Fair Value	**3,140,850**	**3,140,850**	**3,140,850**
Exclude:			
(v) Deferred taxes in relation to fair value gains of IP	159,238	159,238	
(vi) Fair value of financial instruments	-118,908	-118,908	
(vii) Goodwill as a result of deferred taxes	45,161	45,161	45,161
(vii.a) Goodwill as per the IFRS balance sheet		-188,830	-188,830
(vii.b) Intangibles as per the IFRS balance sheet		-1,857	
Include:			
(ix) Fair value of fixed interest rate debt			206,173
(x) Revaluation of intangibles to fair value	-		
(xi) Real estate transfer tax	288,748	-	
Include/exclude:			
Adjustments (i) to (v) in respect of joint venture interests	-	-	-
Adjusted net asset value (owners of the parent)	**3,515,088**	**3,035,653**	**3,203,353**
Number of shares on the stock market	39,855,243	39,855,243	39,855,243
Adjusted net asset value (in €/share) (owners of the parent)	**88.20**	**76.17**	**80.37**

x €1,000	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	4,258,625	77%	100%

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1.4 EPRA NIY & EPRA topped-up NIY

EPRA Net Initial Yield (NIY) and EPRA Topped-up NIY [1]	31/12/2023								
x €1,000	**BE**	**DE**	**NL**	**UK**	**FI**	**SE**	**IE**	**ES**	**Total**
Investment properties - wholly owned	1,229,591	1,174,890	657,630	1,027,150	1,096,970	89,823	412,685	9,775	5,698,514
Investment properties - share of JVs/Funds	-	-	-	-	-	-	-	-	-
Trading properties (including share of JVs)	11,612	11,420	-	35,126	-	-	-	-	58,158
Less: developments	-5,285	-29,016	-6,450	-16,476	-69,890	-15,035	-19,601	-7,197	-168,950
Completed property portfolio	**1,235,918**	**1,157,294**	**651,180**	**1,045,800**	**1,027,080**	**74,788**	**393,084**	**2,578**	**5,587,722**
Allowance for estimated purchasers' costs	31,140	78,479	68,536	69,455	20,629	3,178	39,112	94	310,623
Gross up completed property portfolio valuation	**1,267,058**	**1,235,773**	**719,716**	**1,115,255**	**1,047,709**	**77,966**	**432,196**	**2,672**	**5,898,345**
Annualised cash passing rental income	70,748	60,318	38,531	66,232	59,486	4,578	19,535	124	319,552
Property outgoings [2]	-856	-1,767	-1,786	-1,438	-1,547	-466	-22	-84	-7,966
Annualised net rents	**69,892**	**58,551**	**36,745**	**64,794**	**57,939**	**4,112**	**19,513**	**40**	**311,586**
Add: notional rent expiration of rent free periods or other lease incentives	-525	1,698	1,716	318	-	-	2,455	-	5,662
Topped-up net annualised rent	**69,367**	**60,249**	**38,461**	**65,112**	**57,939**	**4,112**	**21,967**	**40**	**317,248**
EPRA NIY (in %)	**5.5%**	**4.7%**	**5.1%**	**5.8%**	**5.5%**	**5.3%**	**4.5%**	**0.0%**	**5.3%**
EPRA Topped-up NIY (in %)	**5.5%**	**4.9%**	**5.3%**	**5.8%**	**5.5%**	**5.3%**	**5.1%**	**0.0%**	**5.4%**

EPRA Net Initial Yield (NIY) and EPRA Topped-up NIY [1]	31/12/2022								
x €1,000	**BE**	**DE**	**NL**	**UK**	**FI**	**SE**	**IE**	**ES**	**Total**
Investment properties - wholly owned	1,290,741	1,193,837	654,940	960,611	1,016,577	79,010	348,670	4,980	5,549,366
Investment properties - share of JVs/Funds	-	-	-	-	-	-	-	-	-
Trading properties (including share of JVs)	12,197	38,360	-	33,476	-	-	-	-	84,033
Less: developments	-3,548	-34,631	-14,838	-34,347	-31,777	-2,130	-59,544	-3,480	-184,295
Completed property portfolio	**1,299,390**	**1,197,566**	**640,102**	**959,740**	**984,800**	**76,880**	**289,126**	**1,500**	**5,449,104**
Allowance for estimated purchasers' costs	32,764	84,833	52,834	63,715	24,620	1,171	28,781	30	288,748
Gross up completed property portfolio valuation	**1,332,154**	**1,282,399**	**692,936**	**1,023,455**	**1,009,420**	**78,051**	**317,907**	**1,530**	**5,737,852**
Annualised cash passing rental income	70,104	59,932	34,805	57,264	50,588	3,866	14,023	75	290,658
Property outgoings [2]	-611	-1,596	-1,976	-1,965	-2,070	-479	-138	-	-8,835
Annualised net rents	**69,494**	**58,336**	**32,830**	**55,298**	**48,518**	**3,387**	**13,885**	**75**	**281,822**
Add: notional rent expiration of rent free periods or other lease incentives	776	1,171	1,237	4,065	1,191	-	1,356	-	9,795
Topped-up net annualised rent	**70,269**	**59,507**	**34,067**	**59,363**	**49,708**	**3,387**	**15,241**	**75**	**291,618**
EPRA NIY (in %)	**5.2%**	**4.5%**	**4.7%**	**5.4%**	**4.8%**	**4.3%**	**4.4%**	**0.0%**	**4.9%**
EPRA Topped-up NIY (in %)	**5.3%**	**4.6%**	**4.9%**	**5.8%**	**4.9%**	**4.3%**	**4.8%**	**0.0%**	**5.1%**

1. See Note 3 for more details on segment information.
2. 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.

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1.5 Investment properties – rental data

Investment properties – rental data [1]	31/12/2023						
x €1,000	Gross rental income [2]	Net rental income [3]	Lettable space (in m²)	Contractual rents [4]	Estimated rental value (ERV) on empty spaces	Estimated rental value (ERV)	EPRA Vacancy rate (in %) [5]
Segment							
Belgium	67,230	65,871	507,949	70,223	-	63,987	0.0%
Germany	59,695	57,212	564,024	62,016	-	62,636	0.0%
Netherlands	37,950	35,567	345,576	40,247	75	40,897	0.2%
United Kingdom	62,421	59,753	312,658	66,550	-	70,965	0.0%
Finland	53,464	51,894	270,261	59,486	257	60,315	0.4%
Sweden	4,226	3,784	17,305	4,578	-	4,552	0.0%
Ireland	18,001	17,752	117,193	21,990	-	20,365	0.0%
Spain	106	27	15,449	124	-	125	0.0%
Total marketable investment properties	**303,093**	**291,860**	**2,150,415**	**325,213**	**332**	**323,842**	**0.1%**
Reconciliation to income statement							
Properties sold during the 2023 financial year	5,190	5,154					
Properties held for sale	3,835	3,786					
Land reserve	921	920					
Other adjustments	-	-					
Total marketable investment properties	**313,040**	**301,721**					

Investment properties – rental data [1]	31/12/2022						
x €1,000	Gross rental income [2]	Net rental income [3]	Lettable space (in m²)	Contractual rents [4]	Estimated rental value (ERV) on empty spaces	Estimated rental value (ERV)	EPRA Vacancy rate (in %) [5]
Segment							
Belgium	66,273	65,641	534,633	70,880	-	65,644	0.0%
Germany	54,204	52,580	570,274	61,103	-	58,542	0.0%
Netherlands	32,884	30,883	355,370	36,043	692	37,287	1.9%
United Kingdom	54,820	52,855	310,210	61,328	-	58,474	0.0%
Finland	44,555	42,484	257,350	51,779	561	55,513	1.0%
Sweden	3,914	3,435	17,323	3,866	-	4,030	0.0%
Ireland	9,245	9,107	96,816	15,379	-	14,743	0.0%
Spain	32	32	8,449	75	-	75	0.0%
Total marketable investment properties	**265,927**	**257,017**	**2,150,425**	**300,453**	**1,253**	**294,308**	**0.4%**
Reconciliation to income statement							
Properties sold during the 2022 financial year	330	330					
Properties held for sale	5,286	5,286					
Land reserve	-	-					
Other adjustments	-	-					
Total marketable investment properties	**271,543**	**262,633**					

1. See 'Summary of investment properties' in section 2 of the 'Additional information' chapter for more details on rental data.
2. 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.
3. 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.
4. The current rent at the closing date plus future rent on leases signed as at 31 December 2023 or 31 December 2022.
5. See 'Risk factors' chapter section 2 'Rents and tenants' for more details on vacancy risk.

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1.6 Investment properties – like-for-like net rental income

Investment properties – like-for-like net rental income	**31/12/2023**					**31/12/2022**	
x €1,000	**Net rental income on a like-for-like basis [1]**	**Acquisitions**	**Disposals**	**Transfers due to completion**	**Net rental income of the period [2]**	**Net rental income on a like-for-like basis [1]**	**Like-for-like net rental income [3]**
Segment							
Belgium	71,127	-594	0	774	71,307	66,599	6.8%
Germany	57,542	-2,367	-	3,281	58,457	55,887	3.0%
Netherlands	34,330	-1,256	-	2,719	35,793	31,064	10.5%
United Kingdom	55,547	1,838	154	4,219	61,758	54,890	3.2%
Finland	44,844	6,099	721	1,012	52,677	40,703	10.2%
Sweden	3,669	-2	-	117	3,784	3,615	9.5%
Ireland	9,072	8,158	-	527	17,757	8,603	5.5%
Spain	-	189	-	-	188	0	0.0%
Total marketable investment properties	**276,132**	**12,066**	**875**	**12,649**	**301,721**	**261,362**	**5.7%**
Reconciliation to income statement							
Properties sold during the 2023 financial year					-		
Properties held for sale					-		
Other adjustments					-		
Total marketable investment properties					**301,721**		

1. Marketable investment properties owned throughout the two financial years.
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 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.

The 5.7% like-for-like variation in net rental income can be broken down into +5.6% indexation of rents, +0.5% effect of non-recoverable property outgoings, +0.1% rent negotiations and -0.5% exchange rate fluctuation.

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1.7 Investment properties – valuation data

Investment properties – valuation data [1]	31/12/2023			
x €1,000	Fair value	Changes in fair value	EPRA NIY (in %)	Reversion rate (in %)
Segment				
Belgium	1,235,918	-26,539	5.5%	-9.7%
Germany	1,157,294	-66,606	4.7%	1.0%
Netherlands	651,180	-19,817	5.1%	1.4%
United Kingdom	1,045,800	21,952	5.8%	6.2%
Finland	1,027,080	-15,055	5.5%	0.9%
Sweden	74,788	-6,965	5.3%	-0.6%
Ireland	393,084	-11,199	4.5%	-8.0%
Spain	2,578	94	0.0%	0.6%
Total marketable investment properties including assets as held for sale*	**5,587,722**	**-124,135**	**5.3%**	**-0.5%**
Reconciliation to the consolidated IFRS balance sheet				
Development projects	168,950	-14,244		
Land reserve	18,671	-3,890		
Right of use of plots of land	73,172	-1,367		
Total investment properties including assets classified as held for sale*, or real estate portfolio*	**5,848,515**	**-143,636**		

Investment properties – valuation data [1]	31/12/2022			
x €1,000	Fair value	Changes in fair value	EPRA NIY (in %)	Reversion rate (in %)
Segment				
Belgium	1,299,390	17,728	5.2%	-8%
Germany	1,197,566	39,927	4.5%	-4%
Netherlands	640,102	23,434	4.7%	1%
United Kingdom	959,740	1,081	5.4%	-5%
Finland	984,800	14,160	4.8%	6%
Sweden	76,880	-574	4.3%	4%
Ireland	289,126	-13,905	4.4%	-4%
Spain	1,500	-	0.0%	0%
Total marketable investment properties including assets as held for sale*	**5,449,104**	**81,851**	**4.9%**	**-3%**
Reconciliation to the consolidated IFRS balance sheet				
Development projects	184,295	4,258		
Land reserve	-	-		
Right of use of plots of land	70,335	-1,232		
Total investment properties including assets classified as held for sale*, or real estate portfolio*	**5,703,734**	**84,877**		

1. See section 1 ‘Our portfolio’ of the ‘Portfolio’ chapter for more details on valuation data.

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1.8 Investment properties – lease data

Investment properties – lease data	**31/12/2023**				
		Current rent of leases expiring (x €1,000)			
x €1,000	**Average remaining maturity (in years)** [1]	**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	20	11	-	-	70,212
Germany	21	640	-	-	61,376
Netherlands	16	-	82	-	40,165
United Kingdom	22	-	-	-	66,550
Finland	12	299	107	2,975	56,105
Sweden	12	-	-	264	4,314
Ireland	23	-	-	-	21,990
Spain	30	-	-	-	124
Total marketable investment properties including assets as held for sale*	**19**	**950**	**189**	**3,239**	**320,835**

1. Termination at following possible break.

1.9 Properties under construction / in development

	31/12/2023							
(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	**168**	**237**	**8**	**413**	**2027**	**± 106,000**	**100%**	**25.3**

	31/12/2022							
(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	**191**	**479**	**10**	**671**	**2027**	**± 173,000**	**100%**	**34.8**

The figures in this table are rounded amounts. The sum of certain figures might therefore not correspond to the stated total.

The breakdown for these projects is provided in section 1.2 of the 'Portfolio' chapter.

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1.10 EPRA Cost Ratios*

EPRA Cost ratios* x €1,000	**31/12/2023**	**31/12/2022**
Administrative/operating expense line per IFRS statement	**-48,364**	**-43,458**
Rental-related charges	-1,134	-1,589
Recovery of property charges	-	-
Charges and taxes not recovered by the tenant on let properties	-12	-45
Other rental-related income and charges	-90	355
Technical costs	-3,169	-3,373
Commercial costs	-58	-29
Charges and taxes on unlet properties	-114	-53
Property management costs	-6,452	-4,655
Other property charges	-1,424	-1,110
Overheads	-35,740	-33,556
Other operating income and charges	-171	597
EPRA Costs (including direct vacancy costs)* (A)	**-48,364**	**-43,458**
Charges and taxes on unlet properties	114	53
EPRA Costs (excluding direct vacancy costs)* (B)	**-48,250**	**-43,405**
Gross Rental Income (C)	**314,174**	**273,132**
EPRA Cost Ratio (including direct vacancy costs)* (A/C)	**15.4%**	**15.9%**
EPRA Cost Ratio (excluding direct vacancy costs)* (B/C)	**15.4%**	**15.9%**
Overhead and operating expenses capitalised (including share of joint ventures)	1,085	422

As explained in Note 2.2 ‘Summary of material accounting policy information’, Aedifica capitalises the overhead costs and operational expenses (project management fees, marketing costs, legal fees, etc.) that are directly linked to development projects.

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1.11 Capital expenditure

Capital expenditure x €1,000	Group (excl. joint ventures) 31/12/2023	BE	DE	NL	UK	FI	SE	IE	ES	Joint venture (proportionate share)	Total group 31/12/2023
Property related capex											
(1) Acquisitions [1]	59,282	1,697	0	28	0	12,502	5,227	38,333	1,495	-	59,282
(2) Development [2]	258,333	6,290	29,109	30,057	29,668	102,518	12,906	41,485	6,300	-	258,333
(3) Investment properties [3]	3,106	49	2,975	-959 [6]	642	63	-40	376	-	-	3,106
Incremental lettable space	959	3	28	244	489	46	-	149	-	-	959
No incremental lettable space	2,147	46	2,947	-1,203	153	17	-40	227	-	-	2,147
Capex related incentives	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
(4) Capitalised interests [4]	5,722	100	1,383	779	451	1,060	142	1,804	3	-	5,722
Total capex	**326,443**	**8,136**	**33,467**	**29,905**	**30,761**	**116,143**	**18,235**	**81,998**	**7,798**	**-**	**326,443**
Conversion from accrual to cash basis [5]	-7,398	-100	-1,383	-1,411	-451	-2,104	-142	-1,804	-3	-	-7,398
Total capex on cash basis	**319,045**	**8,036**	**32,084**	**28,494**	**30,310**	**114,039**	**18,093**	**80,194**	**7,795**	**-**	**319,045**

Capital expenditure x €1,000	Group (excl. joint ventures) 31/12/2022	BE	DE	NL	UK	FI	SE	IE	ES	Joint venture (proportionate share)	Total group 31/12/2022
Property related capex											
(1) Acquisitions [1]	467,081	59,960	16,687	14,405	150,793	9,315	2,977	211,354	1,590	-	467,081
(2) Development [2]	305,359	4,399	67,055	36,041	56,436	88,546	3,021	48,783	1,078	-	305,359
(3) Investment properties [3]	4,388	453	2,022	360	1,866	-655	143	199	-	-	4,388
Incremental lettable space	3,097	406	1,192	30	1,981	-655	143	-	-	-	3,097
No incremental lettable space	1,291	47	830	330	-115	-	-	199	-	-	1,291
Capex related incentives	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
(4) Capitalised interests [4]	3,953	62	1,507	424	279	927	41	713	-	-	3,953
Total capex	**780,781**	**64,874**	**87,272**	**51,230**	**209,373**	**98,133**	**6,182**	**261,049**	**2,668**	**-**	**780,781**
Conversion from accrual to cash basis [5]	-4,753	-62	-1,506	-424	-279	-1,718	-51	-713	-	-	-4,753
Total capex on cash basis	**776,028**	**64,812**	**85,766**	**50,806**	**209,094**	**96,415**	**6,131**	**260,336**	**2,668**	**-**	**776,028**

1. See Note 22 for reconciliation with the cash flow statement.
2. Corresponds to ‘Capitalised development costs’ and ‘Other capitalised expenses’ for development projects, see Note 22.
3. Corresponds to ‘Other capitalised expenses’ for marketable investment properties, see Note 22.
4. Corresponds to ‘Capitalised interest charges’, see Note 22.
5. For reconciliation with ‘Development costs’ in the cash flow statement, add ‘Development’, ‘Investment properties’ and ‘Capitalised interests’ while deducting ‘Conversion from accrual to cash basis’.
6. Following the payment of an insurance reimbursement, capital expenditure was reduced by €1.8 million.

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1.12 EPRA LTV*

EPRA LTV*	31/12/2023 Proportionate Consolidation				
x €1,000	**Group – as reported**	**Share of joint ventures**	**Share of material associates**	**Non-controlling interest**	**Combined**
Include:					
Borrowings from Financial Institutions	1,452,945	-	17,704	27,204	1,443,445
Commercial paper	242,600	-	-	-	242,600
Hybrids (including convertibles, preference shares, debt, options and forwards)	-	-	-	-	-
Bond loans	584,754	-	-	-	584,754
Foreign currency derivatives (futures, swaps, options and forwards)	-	-	-	-	-
Net payables	24,503	-	-	1,456	23,047
Owner-occupied property (debt)	-	-	-	-	-
Current accounts (equity characteristics)	-	-	-	-	-
Exclude:					
Cash and cash equivalents	18,253	39	4,675	142	22,825
Net debt (A)	**2,286,549**	**-39**	**13,029**	**28,518**	**2,271,021**
Include:					
Owner-occupied property	-	-	-	-	-
Investment properties at fair value	5,529,564	-	22,373	38,785	5,513,152
Properties held for sale	58,158	-	20,195	686	77,667
Properties under development	168,950	465	6,408	1,434	174,389
Land reserve	18,671	-	-	528	18,143
Intangibles	-	-	-	-	-
Net receivables	-	5	375	-	380
Financial assets	24,402	-	-	-	24,402
Total property value (B)	**5,799,745**	**470**	**49,351**	**41,433**	**5,808,133**
LTV (A/B)	**39.42%**				**39.10%**

Reconciling items:

- The sum of ‘Borrowings from financial institutions’, ‘Commercial paper’ and ‘Bond loans’ corresponds to the sum of non-current and current financial debts (see Note 32).
- The ‘Net payables’ correspond to the difference between the trade payables and other current debts (Note 34) and the receivables (composed of trade receivables (Note 26) and tax receivables and other current assets (Note 27)).
- ‘Cash and cash equivalents’ corresponds to the balance sheet amount and is disclosed in Note 28.
- ‘Investment properties at fair value’, ‘Properties held for sale’ and ‘Properties under development’ can be reconciled with Note 22.
- ‘Financial assets’ is included in the amount of ‘Other non-current receivables from associates’ disclosed in Note 24.

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EPRA LTV*	**31/12/2022 Proportionate Consolidation**				
x €1,000	**Group – as reported**	**Share of joint ventures**	**Share of material associates**	**Non-controlling interest**	**Combined**
Include:					
Borrowings from Financial Institutions	1,604,966	-	16,129	24,525	1,596,570
Commercial paper	263,000	-	-	-	263,000
Hybrids (including convertibles, preference shares, debt, options and forwards)	-	-	-	-	-
Bond loans	584,454	-	-	-	584,454
Foreign currency derivatives (futures, swaps, options and forwards)	-	-	-	-	-
Net payables	33,003	-	11	1,952	31,062
Owner-occupied property (debt)	-	-	-	-	-
Current accounts (equity characteristics)	-	-	-	-	-
Exclude:					
Cash and cash equivalents	13,891	-	7,002	121	20,772
Net debt (A)	**2,471,532**	**-**	**9,138**	**26,356**	**2,454,314**
Include:					
Owner-occupied property	-	-	-	-	-
Investment properties at fair value	5,365,071	-	43,070	36,625	5,371,516
Properties held for sale	84,033	-	4,624	1,137	87,520
Properties under development	184,295	-	3,060	3,107	184,248
Land reserve	-	-	-	-	-
Intangibles	-	-	-	-	-
Net receivables	-	-	150	-	150
Financial assets	8,900	-	-	-	8,900
Total property value (B)	**5,642,299**	**-**	**50,904**	**40,869**	**5,652,334**
LTV (A/B)	**43.80%**				**43.42%**

Reconciling items:

- The sum of 'Borrowings from financial institutions', 'Commercial paper' and 'Bond loans' corresponds to the sum of non-current and current financial debts (see Note 32).
- The 'Net payables' correspond to the difference between the trade payables and other current debts (Note 34) and the receivables (composed of trade receivables (Note 26) and tax receivables and other current assets (Note 27)).
- 'Cash and cash equivalents' corresponds to the balance sheet amount and is disclosed in Note 28.
- 'Investment properties at fair value', 'Properties held for sale' and 'Properties under development' can be reconciled with Note 22.
- 'Financial assets' is included in the amount of 'Other non-current receivables from associates' disclosed in Note 24.

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2. Summary of investment properties

Marketable investment properties	Total surface (m²) 2,134,094	Residents 34,051	Children 11,807	Contractual rents €322,987,293	Estimated rental value (ERV) €321,621,534	Year of build / renovation	Location
Belgium	**514,801**	**8,107**	**-**	**€70,223,282**	**€63,986,370**		
Korian Belgium	**161,242**	**2,754**	**-**	**€22,816,906**			
Kasteelhof	5,346	102	-	€636,889		1994 (2020)	Dendermonde
Ennea	1,848	34	-	€246,762		1998	Sint-Niklaas
Wielant	4,834	112	-	€660,690		1997 (2001)	Anzegem/Ingooigem
Résidence Boneput	2,993	76	-	€558,258		2003	Bree
Résidence Aux Deux Parcs	1,618	68	-	€516,910		1987 (2020)	Jette
Résidence l'Air du Temps	7,197	137	-	€1,070,743		1994 (2016)	Chênée
Au Bon Vieux Temps	7,868	104	-	€1,029,876		2016	Mont-Saint-Guibert
Op Haanven	6,587	111	-	€827,707		2001 (2016)	Veerle-Laakdal
Résidence Exclusiv	4,253	104	-	€876,128		1993 (2013)	Evere
Séniorie Mélopée	2,967	70	-	€606,823		1993 (2010)	Sint-Jans-Molenbeek
Seniorie de Maretak	5,684	122	-	€655,442		2006 (2008)	Halle
Résidence du Plateau	8,069	143	-	€1,485,080		1994 (2007)	Wavre
De Edelweis	6,914	122		€938,613		1992 (2014)	Begijnendijk
Residentie Sporenpark	9,261	127	-	€1,308,241		2013	Beringen
Résidence Les Cheveux d'Argent	4,996	99	-	€527,579		1988 (2002)	Jalhay
t Hoge	4,632	81	-	€835,951		1972 (2018)	Kortrijk
Helianthus	4,799	67	-	€553,602		2006 (2014)	Melle
Villa Vinkenbosch	9,153	114	-	€1,158,788		2016 (2018)	Hasselt
Heydeveld	6,167	110	-	€723,152		2017	Opwijk
Oosterzonne	4,948	77	-	€885,038		2016	Zutendaal
De Witte Bergen	8,262	119	-	€1,250,133		2006	Lichtaart
Seniorenhof	3,116	52	-	€385,688		1997	Tongeren
Beerzelhof	5,025	61	-	€408,373		2007	Beerzel
Uilenspiegel	6,863	97	-	€890,945		2007	Genk
Coham	6,956	120	-	€1,073,332		2007	Ham
Sorgvliet	6,932	110	-	€983,285		2021	Linter
Ezeldijk	7,101	105	-	€875,938		2016	Diest
Les Jardins de la Mémoire [1]	6,852	110	-	€846,944		2006 (2018)	Anderlecht
Armonea	**147,581**	**2,295**	**-**	**€21,203,511**			
Les Charmes en Famenne	3,165	96	-	€369,932		1975 (2012)	Houyet
Seniorerie La Pairelle	6,016	140	-	€942,408		2012 (2015)	Wépion
Residence Gaerveld	1,504	20	-	€207,913		2008	Hasselt
Gaerveld	6,994	115	-	€975,845		2008 (2010)	Hasselt
Pont d'Amour	8,984	146	-	€1,211,610		2011 (2015)	Dinant
Marie-Louise	1,959	30	-	€458,836		2014	Wemmel
Hestia	12,682	208	-	€1,685,745		2014 (2018)	Wemmel
Koning Albert I	7,775	110	-	€1,133,210		2012 (2014)	Dilbeek

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Eyckenborch	8,771	141	-	€1,379,171		2004 (2014)	Gooik
Rietdijk	2,155	66	-	€430,898		1994 (2012)	Vilvoorde
Larenshof	6,988	117	-	€1,277,536		2011 (2014)	Laarne
Ter Venne	6,634	102	-	€1,232,240		2010 (2012)	Sint-Martens-Latem
Plantijn	7,310	110	-	€1,281,807		1975 (2021)	Kapellen
Salve	6,730	117	-	€1,325,689		2014	Brasschaat
Huize Lieve Moenssens	4,597	78	-	€688,264		2017	Dilsen-Stokem
De Stichel	8,429	152	-	€1,080,531		2018	Vilvoorde
De Notelaar	8,651	94	-	€1,167,720		2011	Olen
Overbeke	6,917	113	-	€999,160		2012	Wetteren
Senior Flandria	7,501	108	-	€764,163		1989	Bruges
Rembertus	8,027	100	-	€940,835		2020	Mechelen
Klein Veldekens	15,792	132	-	€1,650,000		2020	Geel
Vulpia	**95,843**	**1,420**	**-**	**€12,706,983**			
't Spelthof	4,076	121	-	€1,112,371		2022	Binkom
Twee Poorten	8,413	129	-	€1,210,683		2014	Tienen
Demerhof	10,657	120	-	€1,165,609		2013	Aarschot
Halmolen	9,200	140	-	€1,242,884		2013	Halle-Zoersel
La Ferme Blanche	4,240	90	-	€668,949		2016	Remicourt
Villa Temporis	8,354	103	-	€872,443		1997 (2017)	Hasselt
Residentie Poortvelden	5,307	60	-	€556,315		2014	Aarschot
Leopoldspark	10,888	153	-	€1,352,837		2016	Leopoldsburg
Residentie Den Boomgaard	6,274	90	-	€762,439		2016	Glabbeek
Blaret	9,578	107	-	€1,303,639		2016	Sint-Genesius-Rode
Residentie Kartuizerhof	10,845	128	-	€1,071,639		2018	Sint-Martens-Lierde
Résidence de la Paix	3,793	107	-	€868,301		2017	Evere
Résidence Véronique	4,218	72	-	€518,875		2021	Somme-Leuze
Orpea	**21,301**	**431**	**-**	**€3,415,179**			
Chateau Chenois	6,354	100	-	€957,813		2006	Waterloo
Résidence Grange des Champs	3,396	75	-	€463,966		1994	Braine-l'Alleud
Résidence Augustin	4,832	94	-	€645,478		2006	Forest
Résidence Parc Palace	6,719	162	-	€1,347,922		1991	Uccle
My-Assist	**38,299**	**332**	**-**	**€3,040,214**			
Domaine de la Rose Blanche	7,203	121	-	€953,079		2014	Durbuy
Militza Brugge	14,100	120	-	€1,386,040		2013	Bruges
Militza Gent	16,996	91	-	€701,095		2004	Ghent
Orelia Group	**6,013**	**101**	**-**	**€1,074,476**			
Le Jardin Intérieur	6,013	101	-	€1,074,476		2018	Frasnes-lez-Anvaing
Hof van Schoten	**8,313**	**101**	**-**	**€986,814**			
Hof van Schoten	8,313	101	-	€986,814		2014	Schoten
Dorian groep	**5,400**	**115**	**-**	**€844,465**			
De Duinpieper	5,400	115	-	€844,465		2021	Ostend
Vivalto Home	**6,003**	**107**	**-**	**€755,037**			
Familiehof	6,003	107	-	€755,037		2016	Schelle
Résidence de la Houssière	**4,484**	**94**	**-**	**€714,905**			
Résidence de la Houssière	4,484	94	-	€714,905		2006	Braine-le-Comte
Pierre Invest NV	**2,272**	**65**	**-**	**€681,536**			
Bois de la Pierre	2,272	65	-	€681,536		1955 (2023)	Wavre

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Buitenhof VZW	**4,386**	**80**	**-**	**€677,719**			
Buitenhof	4,386	80	-	€677,719		2005 (2008)	Brasschaat
Emera	**4,020**	**84**	**-**	**€496,785**			
In de Gouden Jaren	4,020	84	-	€496,785		2005	Tienen
Bremdael VZW	**3,500**	**66**	**-**	**€409,335**			
Bremdael	3,500	66	-	€409,335		1994 (2012)	Herentals
Sint Franciscus	**5,824**	**58**	**-**	**€388,531**			
Ter Linde	5,824	58	-	€388,531		1998 (2014)	Asse
Other	**320**	**4**	**-**	**€10,885**			
Villa Bois de la Pierre	320	4	-	€10,885		1955 (2000)	Wavre
Germany	**557,678**	**9,854**	**-**	**€61,849,090**	**€62,469,480**		
Azurit Rohr	**137,764**	**2,636**	**-**	**€14,705,702**			
Azurit Seniorenresidenz Sonneberg	4,876	101	-	€622,608		1889 (2011)	Sonneberg
Azurit Seniorenresidenz Cordula 1	4,970	75	-	€333,014		1970 (2017)	Oberzent-Rothenberg
Azurit Seniorenresidenz Cordula 2	1,204	39	-	€173,167		1993 (2017)	Oberzent-Rothenberg
Seniorenzentrum Weimar	7,609	144	-	€883,008		2019	Weimar
Sz Haus Asam	6,701	168	-	€919,800		1996	Rohr
Sz Laaberg	6,710	105	-	€574,875		2004	Tann-Eiberg
Sz Grünstadt	5,201	140	-	€766,500		2003	Grünstadt
Sz Berghof	2,838	78	-	€352,050		2005	Rinteln
Sz Abundus	7,023	150	-	€821,250		1993	Fürstenzell
Sz Bad Höhenstadt	4,668	95	-	€520,125		1998	Fürstenzell
Sz Hutthurm	5,344	108	-	€591,300		1992	Hutthurm
Sz Gensingen	7,269	144	-	€840,960		2007	Gensingen
Sz Hildegardis	14,927	196	-	€1,159,635		2017	Langenbach
Pz Wiesengrund	3,054	52	-	€303,680		2006	Langenbach
Sz Großalmerode	3,202	83	-	€513,920		2017	Großalmerode
Sz Bad Köstritz	8,448	196	-	€1,073,100		2014	Bad Köstritz
Sz Talblick	4,647	95	-	€520,125		2010	Grasellenbach
Sz Birken	3,075	83	-	€454,425		2010	Birken-Honigsessen
Sz Altes Kloster	4,939	80	-	€493,480		2009	Much
Sz Alte Zwirnerei	8,350	104	-	€569,400		2010	Gersdorf
Sz St. Benedikt	7,768	124	-	€656,270		2017	Passeau
Sz Sörgenloch	7,995	148	-	€837,310		2014	Sörgenloch
Seniorenzentrum Borna	6,946	128	-	€725,700		2012	Borna
Residenz Management	**80,891**	**1,203**	**-**	**€10,117,893**			
Die Rose im Kalletal	4,027	96	-	€752,348		2009	Kalletal
Senioreneinrichtung Haus Matthäus	2,391	50	-	€402,554		2009	Olpe-Rüblinghausen
Senioreneinrichtung Haus Elisabeth	3,380	80	-	€644,088		2010	Wenden-Rothemühle
Bremerhaven I	6,077	85	-	€986,922		2016	Bremerhaven
Bremerhaven II	2,129	42	-	€321,744		2003	Bremerhaven
Cuxhaven	810	9	-	€112,274		2010	Cuxhaven
Schwerin	5,000	87	-	€646,800		2019	Schwerin
Seniorenquartier Kaltenkirchen	6,650	123	-	€916,800		2020	Kaltenkirchen
Seniorenquartier Wolfsburg	17,742	141	-	€1,561,410		2021	Wolfsburg
Seniorenquartier Kaemena Hof	7,057	75	-	€700,253		2021	Bremen
Seniorenquartier Weyhe	7,373	109	-	€871,568		2021	Weyhe

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Seniorenquartier Cuxhaven	7,360	120	-	€908,484		2021	Cuxhaven
Seniorenquartier Schwerin	5,235	87	-	€606,084		2022	Schwerin
Seniorenresidenz Twistringen	5,660	99	-	€686,565		2022	Twistringen
Vitanas	**86,611**	**1,614**	**-**	**€8,166,283**			
Am Kloster	5,895	136	-	€828,313		2002	Halberstadt
Rosenpark	4,934	79	-	€517,710		2001	Uehlfeld
Patricia	7,556	174	-	€1,156,900		2001 (2010)	Nürnberg
St. Anna	7,176	161	-	€1,022,856		2001	Höchstadt
Frohnau	4,101	107	-	€650,767		2018	Berlin
Am Schäfersee [1]	12,658	187	-	€675,333		1969	Berlin
Am Stadtpark	7,297	135	-	€551,685		1970 (2023)	Berlin
Am Bäkepark [1]	3,828	90	-	€473,132		1999	Berlin
Rosengarten	7,695	165	-	€605,411		2023	Berlin
Am Parnassturm	7,042	84	-	€326,657		PROJECT	Plön
Am Marktplatz	4,880	79	-	€154,348		1976	Wankendorf
Am Tierpark	13,549	217	-	€1,203,171		1994	Ueckermünde
Specht & Tegeler	**41,085**	**556**	**-**	**€4,335,717**			
Seniorenquartier Lübbecke	4,240	80	-	€576,276		2019	Lübbecke
Seniorenquartier Espelkamp	9,458	113	-	€857,874		2021	Espelkamp
Seniorenquartier Beverstedt	5,475	80	-	€563,850		2020	Beverstedt
Quartier am Rathausmarkt	7,650	80	-	€804,000		2022	Bremervörde
Langwedel	8,250	113	-	€859,197		2022	Langwedel
Seniorenquartier Sehnde	6,012	90	-	€674,520		2023	Sehnde
Orpea	**20,507**	**444**	**-**	**€3,481,649**			
Seniorenresidenz Mathilde	3,448	75	-	€627,109		2010	Enger
Seniorenresidenz Klosterbauerschaft	3,497	80	-	€667,409		2010	Kirchlengern
Bonifatius Seniorenzentrum	3,967	80	-	€679,555		2009	Rheinbach
Seniorenresidenz Am Stübchenbach	5,874	130	-	€885,134		2010	Bad Harzburg
Seniorenresidenz Kierspe	3,721	79	-	€622,442		2011	Kierspe
Argentum	**25,688**	**511**	**-**	**€3,092,200**			
Seniorenheim am Dom	4,310	126	-	€733,320		2008	Halberstadt
Haus Nobilis	3,186	70	-	€575,098		1950 (2015)	Bad Sachsa
Haus Alaba	2,560	64	-	€246,471		1903 (1975)	Bad Sachsa
Haus Concolor	5,715	74	-	€558,667		1950 (2008)	Bad Sachsa
Haus Arche	531	13	-	€82,157		1900 (1975)	Bad Sachsa
Seniorenheim J.J. Kaendler	4,094	73	-	€302,955		1955 (2020)	Meissen
Haus Wellengrund	5,292	91	-	€593,533		2022	Stemwede
EMVIA	**26,854**	**543**	**-**	**€3,064,514**			
Residenz Zehlendorf	4,540	180	-	€1,034,427		2002	Berlin
Seniorenwohnpark Hartha	10,715	177	-	€848,698		1996 (2010)	Tharandt
Seniorenpflegezentrum Zur alten Linde	4,208	82	-	€446,509		2004	Rabenau
Seniorenquartier Heiligenhafen	7,391	104	-	€734,880		2021	Heiligenhafen
Alloheim	**23,330**	**473**	**-**	**€3,003,220**			
AGO Herkenrath	4,000	80	-	€621,526		2010	Bergisch Gladbach
AGO Dresden	5,098	116	-	€663,365		2012	Dresden
AGO Kreischa	3,670	84	-	€474,189		2011	Kreischa

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Bonn	5,927	108	-	€800,125		2018	Bonn
Mühlhausen	4,635	85	-	€444,015		1988 (2012)	Mülhausen
Cosiq	**17,060**	**264**	**-**	**€1,843,291**			
Seniorenresidenz an den Kienfichten	4,332	88	-	€492,615		2017	Dessau-Rosslau
Pflegeteam Odenwald	1,202	32	-	€243,890		1995 (2012)	Wald-Michelbach
Wohnstift am Weinberg	11,526	144	-	€1,106,786		2022	Kassel
SARA	**12,196**	**162**	**-**	**€1,140,000**			
SARA Seniorenresidenz	12,196	162	-	€1,140,000		1964 (2017)	Bitterfeld-Wolfen
Korian Germany	**7,618**	**151**	**-**	**€968,520**			
Haus Steinbachhof	7,618	151	-	€968,520		2017	Chemnitz
Procuritas	**7,050**	**127**	**-**	**€924,877**			
Haus Wedau	3,892	70	-	€460,000		2007	Duisburg
Haus Marxloh	3,158	57	-	€464,877		2007	Duisburg
Aspida	**5,095**	**120**	**-**	**€707,925**			
Pflegecampus Plauen	5,095	120	-	€707,925		2020	Plauen
New Care	**6,113**	**79**	**-**	**€693,231**			
Park Residenz	6,113	79	-	€693,231		1899 (2001)	Neumünster
Deutsches Rotes Kreuz	**4,088**	**83**	**-**	**€614,202**			
Käthe-Bernhardt-Haus	4,088	83	-	€614,202		2008	Husum
Seniorenresidenz Laurentiusplatz GmbH	**5,506**	**79**	**-**	**€551,952**			
Laurentiusplatz	5,506	79	-	€551,952		2018	Wuppertal
Johanniter	**3,950**	**74**	**-**	**€523,443**			
Johanniter-Haus Lüdenscheid	3,950	74	-	€523,443		2006	Lüdenscheid
Volkssolidarität	**4,141**	**83**	**-**	**€504,546**			
Goldene Au	4,141	83	-	€504,546		2010	Sonneberg
Advita Pflegedienst	**6,422**	**91**	**-**	**€489,396**			
Advita Haus Zur Alten Berufsschule	6,422	91	-	€489,396		2016	Zschopau
Seniorenhaus Lessingstrasse GmbH	**3,963**	**73**	**-**	**€475,023**			
Seniorenhaus Lessingstrasse	3,963	73	-	€475,023		2021	Wurzen
Hansa Gruppe	**11,203**	**106**	**-**	**€454,617**			
Hansa Pflege-und Betreuungszentrum Dornum	11,203	106	-	€454,617		1993 (2016)	Dornum
ATV Lemförde GmbH	**4,741**	**85**	**-**	**€444,000**			
Sr Lemförde	4,741	85	-	€444,000		2007	Lemförde
CareCiano	**2,457**	**60**	**-**	**€426,000**			
Haus am Jungfernstieg	2,457	60	-	€426,000		2010	Neumünster
Birgit Henkel Wohn und Pflegeheim	**5,750**	**80**	**-**	**€421,285**			
Sonnenhaus Ramsloh	5,750	80	-	€421,285		2006	Saterland-Ramsloh
Inter Pares	**3,275**	**63**	**-**	**€390,000**			
Seniorenhaus Wiederitzsch	3,275	63	-	€390,000		2018	Leipzig
Auriscare	**4,320**	**94**	**-**	**€309,603**			
BAVARIA Senioren- und Pflegeheim	4,320	94	-	€309,603		PROJECT	Sulzbach-Rosenberg
Netherlands	**336,584**	**3,019**	**-**	**€38,603,253**	**€39,254,051**		
Korian Netherlands	**55,552**	**590**	**-**	**€7,850,443**			
Saksen Weimar	2,291	42	-	€614,227		2015	Arnhem
Spes Nostra	2,454	30	-	€573,745		2016	Vleuten
Villa Koornmarkt	3,611	37	-	€587,637		2017	Kampen
HGH Leersum	2,280	26	-	€484,328		2018	Leersum

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Stepping Stones Leusden	1,689	21	-	€296,580		2019	Leusden
Zorghuis Smakt	2,111	30	-	€247,305		1950 (2010)	Smakt
Zorgresidentie Mariëndaal	8,728	75	-	€993,693		1870 (2011)	Velp
Sorghuys Tilburg	1,289	22	-	€328,552		2020	Berkel-Enschot
HGH Leiden	6,468	58	-	€655,515		2017	Leiden
HGH Amersfoort	2,261	33	-	€444,629		1974 (2020)	Amersfoort
HGH Harderwijk	4,202	45	-	€663,280		2020	Harderwijk
HGH Franeker	10,750	70	-	€705,027		2016	Franeker
Stepping Stones Zwolle	1,770	24	-	€369,366		2020	Zwolle
Villa Casimir	1,273	20	-	€212,389		2020	Roermond
Villa Meirin	2,175	27	-	€245,000		2023	Witmarsum
Villa Nuova	2,200	30	-	€429,171		2021	Vorden
Stichting Vitalis Residentiële Woonvormen	**90,984**	**446**	**-**	**€4,668,024**			
Parc Imstenrade	57,181	263	-	€2,495,825		2006	Heerlen
Genderstate	8,815	44	-	€603,388		1991	Eindhoven
Petruspark	24,988	139	-	€1,568,810		2018	Eindhoven
Martha Flora	**22,850**	**259**	**-**	**€4,441,559**			
Martha Flora Hilversum	4,055	31	-	€653,107		2017	Hilversum
Martha Flora Den Haag	2,259	28	-	€621,871		2018	Den Haag
Martha Flora Rotterdam	2,441	29	-	€617,148		2019	Rotterdam
Martha Flora Bosch en Duin	2,241	27	-	€505,652		2018	Bosch en Duin
Martha Flora Hoorn	780	12	-	€92,230		2012	Hoorn
Martha Flora Dordrecht	2,405	28	-	€414,780		2021	Dordrecht
Martha Flora Hulsberg	2,452	28	-	€357,982		2021	Hulsberg
Martha Flora Goes	2,405	28	-	€395,850		2022	Goes
Martha Flora Oegstgeest	1,428	20	-	€375,000		2022	Oegstgeest
Martha Flora Breda	2,384	28	-	€407,938		2022	Breda
NNCZ	**38,440**	**340**	**-**	**€3,369,682**			
Wolfsbos	11,997	93	-	€950,030		2013	Hoogeveen
De Vecht	8,367	79	-	€805,566		2012	Hoogeveen
De Kaap	6,254	61	-	€706,846		2017	Hoogeveen
Krakeel	5,861	57	-	€588,026		2016	Hoogeveen
WZC Beatrix	5,961	50	-	€319,214		1969 (1996)	Hoogeveen
Compartijn	**16,297**	**173**	**-**	**€3,284,479**			
Huize de Compagnie	3,593	42	-	€711,699		2019	Ede
Huize Hoog Kerckebosch	3,212	32	-	€648,193		2017	Zeist
Huize Ter Beegden	1,895	19	-	€373,070		2019	Beegden
Huize Roosdael	3,361	26	-	€531,384		2019	Roosendaal
Huize Groot Waardijn	1,920	26	-	€506,964		2019	Tilburg
Huize Eresloo	2,316	28	-	€513,169		2019	Duizel
Domus Magnus	**8,007**	**99**	**-**	**€2,555,813**			
Holland	2,897	34	-	€1,038,375		2013	Baarn
Benvenuta	924	10	-	€270,926		2009	Hilversum
Molenenk	2,811	40	-	€870,546		2017	Deventer
Villa Walgaerde	1,375	15	-	€375,966		2017	Hilversum
Stichting Oosterlengte	**18,878**	**152**	**-**	**€1,786,720**			
Het Dokhuis	4,380	32	-	€492,906		2017	Oude Pekela
Emmaheerdt	11,698	84	-	€874,354		2020	Winschoten
Havenzicht	2,800	36	-	€419,460		2020	Scheemda

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Stichting Laverhof	**13,191**	**108**	**-**	**€1,349,053**			
Zorgcampus Uden	13,191	108	-	€1,349,053		2019	Uden
Saamborgh	**4,902**	**76**	**-**	**€1,113,652**			
Hoge Haeghe	2,352	38	-	€600,207		2022	Almere
Hof van Waal	2,550	38	-	€513,445		2023	Tiel
Stichting Zorggroep Noorderboog	**13,555**	**140**	**-**	**€987,285**			
Oeverlanden	13,555	140	-	€987,285		2017	Meppel
Stichting Rendant	**13,142**	**126**	**-**	**€932,773**			
Heerenhage	13,142	126	-	€932,773		2021	Heerenveen
Stichting Fundis	**4,738**	**60**	**-**	**€900,000**			
Amadeushuis Alphen aan den RIjn	2,307	27	-	€405,000		2023	Alphen a/d Rijn
Amadeushuis Waarder	2,431	33	-	€495,000		2023	Waarder
Stichting Nusantara	**4,905**	**70**	**-**	**€739,774**			
Rumah Saya	4,905	70	-	€739,774		2011	Ugchelen
Stichting Leger des Heils	**6,017**	**75**	**-**	**€700,500**			
De Merenhoef	6,017	75	-	€700,500		2019	Maarssen
U-center	**7,416**	**59**	**-**	**€695,031**			
U-center	7,416	59	-	€695,031		2015	Epen
Zorghaven Groep	**3,489**	**36**	**-**	**€572,918**			
Zuyder Haven Oss	1,674	18	-	€320,410		2018	Oss
Buyten Haven Dordrecht	1,815	18	-	€252,507		2016	Dordrecht
Zorggroep Apeldoorn	**2,653**	**48**	**-**	**€508,633**			
Pachterserf	2,653	48	-	€508,633		2011	Apeldoorn
Sandstep Healthcare	**1,911**	**-**	**-**	**€451,730**			
CosMed Kliniek	1,911	-	-	€451,730		1950	Bosch en Duin
Valuas Zorggroep	**1,925**	**26**	**-**	**€395,790**			
Residence Coestraete	1,925	26	-	€395,790		2023	Zwolle
Warm Hart	**2,114**	**27**	**-**	**€383,873**			
Warm Hart Oosterbeek	2,114	27	-	€383,873		2022	Oosterbeek
Cardea	**2,565**	**63**	**-**	**€356,851**			
OZC Orion	2,565	63	-	€356,851		2014	Leiderdorp
Wonen bij September	**1,466**	**20**	**-**	**€302,729**			
September Nijverdal	1,466	20	-	€302,729		2019	Nijverdal
Omega	**1,587**	**26**	**-**	**€255,941**			
Meldestraat	1,587	26	-	€255,941		2019	Emmeloord
United Kingdom [1]	**329,369**	**7,260**	**-**	**€66,550,005** **£57,653,494**	**€70,965,116** **£61,478,386**		
Maria Mallaband	**56,567**	**1,263**	**-**	**£11,415,285**			
Ashmead	4,557	110	-	£1,176,325		2004	Putney
Belvoir Vale	2,158	56	-	£779,762		1991 (2016)	Widmerpool
Blenheim [2]	2,288	64	-	£284,148		2000 (2015)	Ruislip
Coplands	3,445	79	-	£680,645		1998 (2016)	Wembley
Eltandia Hall	3,531	83	-	£750,839		1999	Norbury
Glennie House	2,279	52	-	£135,365		2005 (2014)	Auchinleck
Heritage	2,972	72	-	£985,023		2002 (2015)	Tooting
Kings Court	2,329	60	-	£268,908		2000 (2016)	Swindon

1. Amounts in £ were converted into € based on the exchange rate of 31 December 2023 (0.86632 €/£).
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Knights Court	3,100	80	-	£575,223		1998 (2017)	Edgware
Ottery	3,513	62	-	£765,491		2019	Ottery St Mary
River View	5,798	137	-	£1,004,310		2001	Reading
The Windmill	2,332	53	-	£225,146		2007 (2015)	Slough
Deepdene	3,009	66	-	£935,749		2006	Dorking
Princess Lodge	4,087	85	-	£422,321		2006	Swindon
Minster Grange	4,815	83	-	£1,108,274		2012	York
Chartwell Manor	3,702	61	-	£776,993		2022	Aylesbury
Creggan Bahn Court	2,652	60	-	£540,765		2022	Ayr
Bondcare Group	**64,483**	**1,484**	**-**	**£9,420,651**			
Alexander Court	3,347	82	-	£587,174		2002	Dagenham
Ashurst Park	2,145	47	-	£508,352		1990 (2016)	Tunbridge Wells
Ashwood	2,722	70	-	£406,113		2001 (2017)	Hayes
Beech Court	2,135	51	-	£415,230		1999	Romford
Beechcare	2,739	65	-	£784,294		1989 (2017)	Darenth
Bentley Court	3,755	77	-	£395,200		2009 (2016)	Wednesfield
Brook House	3,155	74	-	£536,967		2001 (2017)	Thamesmead
Chatsworth Grange	2,558	66	-	£293,593		1998 (2017)	Sheffield
Clarendon	2,132	51	-	£355,809		1998 (2017)	Croydon
Coniston Lodge	3,733	92	-	£447,360		2003	Feltham
Derwent Lodge	2,612	62	-	£571,735		2000	Feltham
Green Acres	2,352	62	-	£284,964		2000 (2017)	Leeds
Lashbrook House	1,741	46	-	-		1995 (2016)	Lower Shiplake
Meadowbrook	3,334	69	-	£303,921		1991 (2015)	Gobowen
Moorland Gardens	3,472	79	-	£455,942		2004	Luton
Springfield	3,153	80	-	£356,658		2000	Ilford
The Fountains	2,510	62	-	£382,099		2000	Rainham
The Mount	1,229	35	-	-		2001 (2015)	Wargrave
The Grange	7,693	160	-	£782,024		2005	Southall
The Hawthorns	4,558	73	-	£803,215		2011	Woolston
Uplands	3,411	81	-	£750,000		2007	Shrewsbury
Care UK	**32,368**	**740**	**-**	**£4,211,800**			
Armstrong House	2,799	71	-	£351,384		2006 (2016)	Gateshead
Cheviot Court	2,978	73	-	£596,872		2006 (2016)	South Shields
Church View [1]	1,653	42	-	£150,421		2004 (2015)	Seaham
Collingwood Court	2,525	63	-	£541,517		2005 (2016)	North Shields
Elwick Grange	2,493	60	-	£333,334		2002	Hartlepool
Grangewood Care Centre	2,317	50	-	£348,978		2005 (2016)	Houghton Le Spring
Hadrian House [1]	2,487	55	-	£332,131		2002 (2016)	Blaydon
Hadrian Park	2,892	73	-	£271,962		2004	Billingham
Ponteland Manor	2,160	52	-	£192,539		2003 (2016)	Ponteland
Stanley Park	3,240	71	-	£466,908		2006 (2015)	Stanley
The Terrace	2,190	40	-	£264,742		1800 (2016)	Richmond
Ventress Hall [1]	4,635	90	-	£361,011		1994 (2017)	Darlington
Highgate Care [2]	**27,659**	**693**	**-**	**£4,022,868**			
Oaktree Hall & Lodge	2,471	65	-	£442,584		2005 (2014)	Bessingby
Cherry Trees [1]	3,178	81	-	£241,186		1990 (2017)	Barnsley

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Figham House	2,131	63	-	£565,840		2017	Beverley
Foresters Lodge	2,241	69	-	£400,327		2017	Bridlington
Maple Lodge	1,673	55	-	£246,232		1989 (2017)	Scotton
Cranswick Lodge	1,812	48	-	£299,647		1995 (2015)	Driffield
The Elms & Oakwood	5,361	80	-	£458,171		1995 (2016)	Louth
The Grange	2,919	73	-	£349,219		2005 (2015)	Darlington
The Lawns	2,459	62	-	£252,452		2005 (2017)	Darlington
The Limes	3,414	97	-	£767,210		2017	Driffield
Emera	**17,262**	**268**	**-**	**£3,816,362**			
Lavender Villa	1,724	20	-	£316,575		2011	Grouville
Crovan Court	2,397	52	-	£351,750		2019	Ramsey
Le Petit Bosquet	2,179	43	-	£517,504		2023	St. Laurence
St. Joseph's	7,777	83	-	£1,406,233		PROJECT	St. Hellier
Les Charrières	2,413	50	-	£625,800		2020	Jersey
St. Joseph's Flats [1]	772	20	-	£315,000		1970	St. Hellier
St. Joseph's Land [1]	-	-	-	£283,500		-	St. Hellier
Anchor Hanover Group	**17,000**	**330**	**-**	**£3,600,167**			
Hazel End	3,210	66	-	£832,631		2019	Bishops Stortford
Marham House	3,435	66	-	£702,308		2020	Bury St. Edmunds
Corby Priors Hall Park	3,499	66	-	£646,463		2021	Corby
Glenvale Park	3,456	66	-	£672,849		2022	Wellingborough
Overstone House	3,400	66	-	£745,915		2022	Northampton
Renaissance	**22,414**	**512**	**-**	**£3,336,427**			
Beech Manor	2,507	46	-	£223,273		1995 (2017)	Blairgowrie
Jesmond	2,922	65	-	£474,268		2008 (2015)	Aberdeen
Kingsmills	2,478	60	-	£620,022		1997 (2010)	Inverness
Letham Park	2,954	70	-	£422,905		1995 (2017)	Edinburgh
Meadowlark	2,005	57	-	£192,652		1989 (2015)	Forres
Persley Castle	1,550	40	-	£257,203		1970 (2017)	Aberdeen
The Cowdray Club	2,581	35	-	£398,910		2009 (2016)	Aberdeen
Torry	3,028	81	-	£358,060		1996 (2016)	Aberdeen
Whitecraigs	2,389	58	-	£389,133		2001	Glasgow
Rosedale Care [2]	**15,145**	**368**	**-**	**£2,706,152**			
Crystal Court	2,879	60	-	£589,274		2012	Harrogate
Highfield Care Centre	3,260	88	-	£432,849		2003 (2015)	Castleford
Maple Court	3,045	64	-	£519,633		2018	Scarborough
Priestley	1,520	40	-	£267,852		2002 (2016)	Birstall
The Hawthornes	1,512	40	-	£297,959		2003 (2017)	Birkenshaw
The Sycamores	1,627	40	-	£385,911		2003 (2016)	Wakefield
York House	1,302	36	-	£212,674		1999 (2016)	Dewsbury
Danforth Care	**9,812**	**186**	**-**	**£2,392,496**			
Weavers Court	3,456	66	-	£808,496		2022	Rawdon
The Mayfield Care Home	3,178	60	-	£792,000		2023	Whitby
Heath Lodge	3,178	60	-	£792,000		2022	Holt

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Excelcare	**14,007**	**244**	**-**	**£2,336,880**			
Abbot Care Home	6,827	98	-	£812,240		2016	Harlow
Stanley Wilson Lodge	3,766	75	-	£651,040		2010	Saffron Walden
St Fillans Care Home	3,414	71	-	£873,600		2012	Colchester
Hamberley Care Homes	**7,177**	**129**	**-**	**£1,808,310**			
Richmond Manor	3,808	69	-	£949,520		2020	Ampthill
Abbotts Wood	3,369	60	-	£858,790		2021	Hailsham
Caring Homes	**8,898**	**221**	**-**	**£1,572,930**			
Brooklyn House	1,616	38	-	£362,981		2009 (2016)	Attleborough
Guysfield	2,052	51	-	£425,689		2000 (2015)	Letchworth
Hillside House and Mellish House	3,629	92	-	£504,851		2005 (2016)	Sudbury
Sanford House	1,601	40	-	£279,409		1998 (2016)	East Dereham
St Mary's Care [1]	**6,794**	**133**	**-**	**£1,219,150**			
Shipley Manor	3,799	66	-	£510,000		2022	Shipley
St Mary's Riverside	2,995	67	-	£709,150		2021	Hessle
Lifeways	**3,880**	**67**	**-**	**£1,139,308**			
Heath Farm	2,832	47	-	£764,908		2009	Scopwick
Sharmers Fields House	1,048	20	-	£374,400		2008 (2010)	Leamington Spa
Harbour Healthcare	**7,038**	**192**	**-**	**£1,010,479**			
Bentley Rosedale Manor	2,896	78	-	£411,958		2010 (2017)	Crewe
Oak Lodge [2]	1,699	45	-	£300,000		1995 (2018)	Chard
Tree Tops Court	2,442	69	-	£298,520		1990 (2015)	Leek
Marton Care [1]	**6,900**	**173**	**-**	**£856,138**			
Grosvenor Park	2,312	61	-	£327,725		2004 (2016)	Darlington
Riverside View	2,362	59	-	£327,725		2004 (2016)	Darlington
The Lodge	2,226	53	-	£200,688		2003 (2016)	South Shields
Sandstone Care Group	**4,107**	**80**	**-**	**£855,000**			
Priesty Fields	4,107	80	-	£855,000		2021	Congleton
HC-One	**3,048**	**60**	**-**	**£792,000**			
Blakelands Lodge	3,048	60	-	£792,000		2022	Marston Moretaine
Torwood Care	**3,256**	**68**	**-**	**£651,250**			
Sleaford Ashfield Road	3,256	68	-	£651,250		2023	Sleaford
Barchester	**1,554**	**49**	**-**	**£489,842**			
Edingley Lodge	1,554	49	-	£489,842		2008 (2023)	Edingley
Finland	**272,799**	**3,594**	**11,197**	**€59,486,004**	**€60,314,488**		
Municipalities / Wellbeing counties (multiple tenants)	**55,734**	**354**	**3,579**	**€12,195,710**			
Koy Raahen Palokunnanhovi	423	-	60	€88,297		2010	Raahe
Koy Siilinjärven Sinisiipi	568	-	72	€110,731		2012	Toivala
Koy Mäntyharjun Lääkärinkuja	1,667	41	-	€312,103		2017	Mäntyharju
Koy Uudenkaupungin Puusepänkatu	1,209	30	-	€278,752		2017	Uusikaupunki
Koy Uudenkaupungin Merimetsopolku B (PK)	661	-	78	€149,956		2017	Uusikaupunki
Koy Siilinjärven Risulantie	2,286	30	-	€606,859		2018	Siilinjärvi
Koy Ylivieskan Mikontie 1	847	15	-	€237,656		2018	Ylivieska
Koy Ylivieskan Ratakatu 12	1,294	30	-	€317,501		2018	Ylivieska
Koy Raahen Vihastenkarinkatu	800	-	120	€168,444		2018	Raahe

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Koy Rovaniemen Mäkirannantie	530	-	75	€143,055		1989	Rovaniemi
Koy Jyväskylän Ailakinkatu	1,542	-	150	€392,129		2019	Jyväskylä
Koy Siilinjärven Nilsiäntie	1,086	-	100	€225,013		2019	Siilinjärvi
Koy Laihian Jarrumiehentie	630	-	75	€73,633		2019	Laihia
Koy Mikkelin Sahalantie	1,730	-	150	€485,052		2019	Mikkeli
Koy Rovaniemen Santamäentie	2,200	-	203	€389,584		2020	Rovaniemi
Koy Vaasan Uusmetsäntie	2,519	-	210	€503,935		2020	Vaasa
Koy Rovaniemen Gardininkuja	653	-	76	€227,026		2020	Rovaniemi
Koy Oulun Ruismetsä	2,140	-	205	€505,922		2020	Oulu
Oulun Salonpään koulu	2,026	-	206	€687,244		2021	Oulu
Koy Kuopion Männistönkatu PK	2,104	-	168	€349,042		2021	Kuopio
Koy Oulun Valjastie (Hintta)	1,901	-	150	€480,505		2021	Oulu
Raahe care home	2,450	60	-	€471,682		2021	Raahe
Jyväskylä Harjutie	943	-	91	€275,219		2021	Vaajakoski
Kaskinen Bladintie	600	13	-	€114,268		2009	Kaskinen
Kokkola Ilkantie	3,353	73	-	€587,880		2016	Kokkola
Helsinki Kansantie	3,654	-	360	€677,213		2022	Helsinki
Koy Keravan Lehmuskatu	2,990	62	-	€434,451		2022	Kerava
Tampere Teräskatu	3,363	-	240	€610,296		2023	Tampere
Koy Oulun Jahtivoudintie	3,622	-	340	€808,980		2023	Helsinki
Koy Oulun Riistakuja	3,406	-	300	€657,082		2022	Oulu
Oulu Mäntypellonpolku	1,488	-	150	€505,680		2023	Oulu
Rovaniemi Koulukaari	1,050	-	-	€320,520		2023	Rovaniemi
Attendo	**49,126**	**1,185**	**-**	**€10,613,986**			
Koy Vihdin Vanhan sepäntie	1,498	40	-	€359,173		2015	Nummela
Koy Kouvolan Vinttikaivontie	1,788	48	-	€428,463		2015	Kouvola
Koy Lahden Vallesmanninkatu	1,199	30	-	€279,524		2015	Lahti
Koy Orimattilan Suppulanpolku	1,498	40	-	€378,126		2016	Orimattila
Koy Espoon Vuoripirtintie	1,480	35	-	€336,407		2016	Espoo
Koy Kajaanin Erätie	1,920	52	-	€385,772		2017	Kajaani
Koy Heinolan Lähteentie	1,665	41	-	€362,198		2017	Heinola
Koy Porvoon Fredrika Runebergin katu	973	29	-	€286,398		2017	Porvoo
Koy Pihtiputaan Nurmelanpolku	963	24	-	€208,942		2017	Pihtipudas
Koy Pihtiputaan Nurmelanpolku	460	16	-	€71,057		2004	Pihtipudas
Koy Nokian Näsiäkatu	1,665	41	-	€373,303		2017	Nokia
Koy Oulun Ukkoherrantie B	878	20	-	€216,588		2017	Oulu
Koy Keravan Männiköntie	862	27	-	€271,728		2017	Kerava
Koy Lohjan Ansatie	1,593	40	-	€372,153		2017	Lohja
Koy Uudenkaupungin Merimetsopolku C (HKO)	655	15	-	€156,253		2017	Uusikaupunki
Koy Nurmijärven Ratakuja	856	20	-	€202,753		2017	Nurmijärvi
Koy Rovaniemen Matkavaarantie	977	21	-	€198,843		2018	Rovaniemi
Koy Mikkelin Ylännetie 8	982	22	-	€203,788		2018	Mikkeli
Koy Vaasan Vanhan Vaasankatu	1,195	25	-	€236,539		2018	Vaasa
Koy Oulun Sarvisuontie	1,190	27	-	€241,626		2019	Oulu
Koy Vihdin Hiidenrannantie	1,037	23	-	€242,805		2019	Nummela
Koy Kokkolan Ankkurikuja	1,218	31	-	€247,564		2019	Kokkola
Koy Kuopion Portti A2	2,706	65	-	€656,297		2019	Kuopio
Koy Pieksämäen Ruustinnantie	792	20	-	€165,268		2020	Pieksämäki
Koy Kouvolan Ruskeasuonkatu	3,019	60	-	€549,959		2020	Kouvola

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Koy Lohjan Sahapiha (care home)	2,470	50	-	€468,925		2021	Lohja
Kotka Metsäkulmankatu	1,521	40	-	€342,250		2010	Kotka
Vasaa Tehokatu	3,068	78	-	€515,722		2010	Vaasa
Oulu Isopurjeentie	3,824	86	-	€753,720		2010	Oulu
Teuva Tuokkolantie	834	18	-	€139,729		2010	Teuva
Koy Oulun Juhlamarssi	2,477	52	-	€435,635		2022	Oulu
Kokkola Metsämäentie	1,078	26	-	€283,890		2014	Kokkola
Kokkola Kärrytie	790	23	-	€242,590		2008	Kokkola
Mehiläinen	**24,876**	**557**	**-**	**€5,444,823**			
Koy Porin Ojantie	1,629	40	-	€378,432		2015	Pori
Koy Jyväskylän Väliharjuntie	1,678	42	-	€395,665		2015	Vaajakoski
Koy Espoon Hirvisuontie	823	20	-	€184,485		2017	Espoo
Koy Hollolan Sarkatie	1,663	42	-	€404,316		2017	Hollola
Koy Hämeenlinnan Jukolanraitti	1,925	40	-	€416,740		2018	Hämeenlinna
Koy Sipoon Aarretie	964	21	-	€201,545		2018	Sipoo
Koy Lappeenrannan Orioninkatu	935	22	-	€207,662		2018	Lappeenranta
Koy Porvoon Haarapääskyntie	886	17	-	€154,923		2019	Porvoo
Koy Äänekosken Likolahdenkatu	771	15	-	€145,852		2019	Äänekoski
Koy Kangasalan Rekiäläntie	1,240	28	-	€276,744		2019	Kangasala
Koy Iisalmen Satamakatu	2,630	53	-	€523,051		2020	Iisalmi
Koy Oulun Siilotie	1,868	45	-	€415,835		2020	Oulu
MT Espoo Kurttilantie	998	26	-	€210,847		2022	Espoo
Jyväskylä Sulkulantie	850	18	-	€159,581		2017	Jyväskylä
Oulun Villa Sulka	2,973	60	-	€666,120		2016	Oulu
Mikkelin Kastanjakuja	963	20	-	€188,407		2019	Mikkeli
Kuopion Oiva	619	17	-	€153,745		2019	Kuopio
Jyväskylä Martikaisentie	832	17	-	€212,088		2014	Jyväskylä
Nokian Luhtatie	630	14	-	€148,785		2018	Nokia
Norlandia	**21,178**	**244**	**1,229**	**€4,693,057**			
Koy Jyväskylän Haperontie	700	-	84	€149,450		2016	Jyväskylä
Koy Espoon Oppilaantie	1,045	-	120	€217,319		2017	Espoo
Koy Kuopion Rantaraitti	822	-	96	€178,292		2017	Kuopio
Koy Ruskon Päällistönmäentie	697	-	84	€165,081		2017	Rusko
Koy Uudenkaupungin Merilinnuntie	702	-	84	€160,453		2018	Uusikaupunki
Koy Lahden Piisamikatu	697	-	84	€159,356		2018	Lahti
Koy Turun Lukkosepänkatu	882	-	100	€208,079		2018	Turku
Koy Sipoon Aarrepuistonkuja	668	-	75	€160,189		2018	Sipoo
Koy Keuruun Tehtaantie	538	-	60	€121,884		2018	Keuruu
Koy Mynämäen Opintie	697	-	84	€159,985		2019	Mynämäki
Koy Ruskon Päällistönmäentie (2.phase)	505	-	60	€114,412		2019	Rusko
Koy Haminan Lepikönranta	575	-	80	€148,126		2019	Hamina
Koy Jyväskylän Vävypojanpolku	769	-	84	€176,386		2019	Jyväskylä
Tuusula Isokarhunkierto (elderly care)	1,920	46	-	€403,451		2020	Tuusula
Tuusula Isokarhunkierto (childcare)	789	-	84	€165,791		2020	Tuusula
Helsinki Pakarituvantie (childcare)	620	-	50	€115,524		2022	Helsinki
Helsinki Pakarituvantie (elderly care & other)	4,960	108	-	€1,017,360		2022	Helsinki
Kuopio Opistotie	3,595	90	-	€871,920		2022	Kuopio
Touhula	**17,901**	**-**	**2,049**	**€4,414,909**			
Koy Nurmijärven Laidunalue	477	-	57	€106,862		2011	Nurmijärvi

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Koy Nurmijärven Laidunalue (extension)	603	-	66	€131,400		2023	Nurmijärvi
Koy Kuopion Sipulikatu	564	-	72	€142,074		2013	Kuopio
Koy Porvoon Peippolankuja	564	-	70	€148,840		2014	Porvoo
Koy Pirkkalan Lehtimäentie	734	-	90	€180,218		2014	Pirkkala
Koy Pirkkalan Lehtimäentie	452	-	53	€118,093		2015	Pirkkala
Koy Espoon Fallåkerinrinne	891	-	75	€223,332		2014	Espoo
Koy Tampereen Lentävänniemenkatu	737	-	93	€179,274		2015	Tampere
Koy Tampereen Lentävänniemenkatu (extension)	468	-	50	€105,736		2019	Tampere
Koy Turun Vähäheikkiläntie	911	-	97	€228,269		2015	Turku
Koy Turun Vähäheikkiläntie	553	-	60	€123,262		2018	Turku
Koy Turun Vakiniituntie	567	-	60	€157,233		2015	Turku
Koy Vantaan Koetilankatu	890	-	108	€235,148		2015	Vantaa
Koy Espoon Tikasmäentie	912	-	108	€228,445		2015	Espoo
Koy Kangasalan Mäntyveräjäntie	561	-	72	€151,250		2015	Kangasala
Koy Ylöjärven Työväentalontie	707	-	84	€168,853		2015	Ylöjärvi
Koy Vantaan Vuohirinne	896	-	108	€220,633		2016	Vantaa
Koy Porvoon Vanha Kuninkaantie	670	-	84	€169,051		2016	Porvoo
Koy Espoon Meriviitantie	769	-	96	€197,520		2016	Espoo
Koy Vantaan Punakiventie	484	-	58	€132,018		2016	Vantaa
Koy Espoon Vuoripirtintie	472	-	54	€116,734		2016	Espoo
Koy Kirkkonummen Kotitontunkuja	565	-	72	€152,755		2017	Kirkkonummi
Koy Tornion Torpin Rinnakkaiskatu	635	-	72	€137,067		2017	Tornio
Koy Lahden Jahtikatu	894	-	72	€261,313		2018	Lahti
Koy Iisalmen Petter Kumpulaisentie	644	-	72	€144,466		2018	Iisalmi
As Oy Oulun Figuuri	330	-	41	€68,627		2018	Oulu
As Oy Kangasalan Freesia	252	-	35	€56,233		2018	Kangasala
Tampere Sisunaukio (childcare)	703	-	70	€130,200		2022	Tampere
Pilke	**17,984**	**-**	**2,086**	**€4,092,423**			
Koy Mäntsälän Liedontie	645	-	66	€167,085		2013	Mäntsälä
Koy Lahden Vallesmanninkatu	561	-	72	€141,571		2015	Lahti
Koy Kouvolan Kaartokuja	566	-	68	€144,913		2016	Kouvola
Koy Nokian Vikkulankatu	993	-	126	€189,930		2016	Nokia
Koy Vantaan Tuovintie	584	-	73	€154,883		2016	Vantaa
Koy Rovaniemen Ritarinne	1,186	-	132	€306,886		2016	Rovaniemi
Koy Vantaan Mesikukantie	959	-	120	€209,216		2016	Vantaa
Koy Vantaan Mesikukantie	531	-	64	€132,124		2018	Vantaa
Koy Pirkkalan Perensaarentie	1,313	-	168	€310,262		2017	Pirkkala
Koy Jyväskylän Mannisenmäentie	916	-	102	€180,095		2017	Jyväskylä
Koy Kaarinan Nurminiitynkatu	825	-	96	€186,861		2017	Kaarina
Koy Porin Koekatu	915	-	96	€196,972		2018	Pori
Koy Mikkelin Väänäsenpolku	648	-	72	€141,234		2018	Mikkeli
Koy Sotkamon Kirkkotie	547	-	72	€157,327		2018	Sotkamo
Koy Oulun Soittajanlenkki	1,091	-	120	€241,773		2018	Oulu
Koy Oulun Soittajanlenkki (extension)	654	-	75	€149,124		2019	Oulu
As Oy Lahden Vuorenkilpi	703	-	90	€177,541		2019	Lahti
Koy Lohjan Sahapiha (childcare)	478	-	60	€105,184		2021	Lohja
Koy Nurmijärvi Luhtavillantie	1,153	-	120	€248,896		2021	Klaukkala
Kangasalan Topin Mäki	857	-	87	€185,748		2022	Kangasala
Liminka Saunarannantie	917	-	99	€159,840		2022	Liminka

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Oulu Pateniemenranta	614	-	66	€114,060		2023	Oulu
Espoo Ylismäenkuja	331	-	42	€90,900		2023	Espoo
Esperi	**8,329**	**194**	**-**	**€2,021,333**			
Koy Loviisan Mannerheiminkatu	1,133	29	-	€246,000		2015	Loviisa
Koy Kajaanin Menninkäisentie	1,178	30	-	€337,399		2016	Kajaani
Koy Iisalmen Kangaslammintie	802	20	-	€194,123		2018	Iisalmi
Seinäjoki Kutojankatu	5,217	115	-	€1,243,811		2018	Seinäjoki
Kristillinen koulu	**7,915**	**-**	**717**	**€1,682,412**			
Koy Järvenpään Yliopettajankatu	1,784	-	180	€340,457		2020	Järvenpää
Koy Espoon Matinkartanontie	6,131	-	537	€1,341,955		2021	Espoo
Multiple tenants	**6,554**	**95**	**-**	**€1,274,724**			
Koy Euran Käräjämäentie	2,400	42	-	€96,980		2018	Eura
Vantaa Asolantie	4,154	53	-	€1,177,744		2012	Vantaa
Ikifit	**5,845**	**137**	**-**	**€1,108,723**			
Koy Kangasalan Hilmanhovi	995	30	-	€227,083		2009	Kangasala
Turun Malin Trällinkuja	1,923	50	-	€396,000		2022	Turku
Koy Tampereen Sisunaukio (elderly care)	2,927	57	-	€485,640		2022	Tampere
Nonna Group	**4,014**	**-**	**110**	**€817,008**			
Oulu Vaarapiha	4,014	-	110	€817,008		2023	Oulu
Helsingin Ensikoti	**3,962**	**32**	**-**	**€785,340**			
Helsinki Ensikodintie	3,962	32	-	€785,340		2023	Helsinki
Rinnekoti	**4,283**	**89**	**-**	**€792,056**			
Koy Turun Lemmontie	926	21	-	€181,399		2021	Turku
Oulu Ukkoherrantie A	1,073	21	-	€178,686		2021	Oulu
Jyväskylä Haukankaari	1,232	26	-	€233,971		2022	Jyväskylä
Nokia Tähtisumunkatu	1,052	21	-	€198,000		2023	Nokia
KVPS	**3,066**	**59**	**-**	**€647,750**			
Koy Jyväskylän Palstatie	825	15	-	€160,350		2019	Jyväskylä
Koy Lahden keva makarantie	791	15	-	€168,307		2020	Lahti
Koy Helsinin Pakarituvantie (disabled care)	1,450	29	-	€319,093		2022	Helsinki
Sentica	**2,642**	**-**	**318**	**€615,299**			
Koy Raision Tenavakatu	622	-	75	€153,017		2013	Raisio
Koy Maskun Ruskontie	622	-	75	€146,615		2014	Masku
Koy Maskun Ruskontie (extension)	579	-	72	€137,723		2018	Masku
Koy Paimion Mäkiläntie	820	-	96	€177,944		2018	Paimio
Aspa	**2,433**	**70**	**-**	**€475,375**			
KEVA Lohja Porapojankuja	774	15	-	€140,015		2021	Lohja
Loimaan Villa Inno	1,093	23	-	€203,848		2019	Loimaa
Kouvolan Oiva	566	32	-	€131,511		2019	Kouvola
Hovi Group	**1,978**	**32**	**-**	**€381,230**			
Nokia Kivimiehenkatu	1,978	32	-	€381,230		2012	Nokia
Musiikkikoulu Rauhala	**1,609**	**-**	**195**	**€373,204**			
Koy Laukaan Hytösenkuja	730	-	87	€186,253		2015	Laukaa
Koy Laukaan Saratie	879	-	108	€186,951		2018	Laukaa
Tampereen ensija turvakoti	**950**	**18**	**-**	**€313,631**			
Tampere Haiharansuu	950	18	-	€313,631		2022	Tampere
Pääkaupungin turvakoti	**1,018**	**14**	**-**	**€312,826**			
Koy Helsingin Työnjohtajankadun Seppä 3	1,018	14	-	€312,826		2021	Helsinki

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Peurunka	**1,086**	**22**	**-**	**€308,976**			
Laukaa Peurungantie	1,086	22	-	€308,976		2020	Laukaa
Paltan Palveluasunnot	**1,507**	**24**	**54**	**€308,066**			
Koy Turun Paltankatu	1,507	24	54	€308,066		2019	Turku
Sospro	**1,457**	**27**	**-**	**€303,546**			
Koy Janakkalan Kekanahontie	1,457	27	-	€303,546		2019	Janakkala
Pihlajantertut	**1,613**	**33**	**-**	**€285,269**			
Espoo Rajamännynahde	1,613	33	-	€285,269		2002	Espoo
Rebekan Hoitokoti	**1,222**	**30**	**-**	**€278,496**			
Koy Iisalmen Vemmelkuja	1,222	30	-	€278,496		2019	Iisalmi
Huhtihovi	**1,199**	**30**	**-**	**€273,043**			
Salo Papinkuja	1,199	30	-	€273,043		2021	Salo
Sotehotellit	**1,521**	**32**	**-**	**€269,256**			
Koy Ulvilan Kulmalantie	1,521	32	-	€269,256		2020	Ulvila
Validia	**1,053**	**17**	**-**	**€266,711**			
Koy Kuusankosken Keva	1,053	17	-	€266,711		2021	Kouvula
Suomen Kristilliset Hoivakodit	**1,178**	**27**	**-**	**€258,023**			
Koy Kajaani Uitontie	1,178	27	-	€258,023		2021	Kajaani
Priimi	**1,157**	**-**	**142**	**€254,510**			
Koy Kuopion Amerikanraitti	841	-	100	€182,611		2017	Kuopio
Koy Kuopio Amerikanraitti (extension)	316	-	42	€71,899		2021	Kuopio
K-P Hoitopalvelu	**911**	**25**	**-**	**€248,361**			
Koy Kokkolan Vanha Ouluntie	911	25	-	€248,361		2017	Kokkola
Siriuspäiväkodit	**985**	**-**	**108**	**€240,052**			
Koy Limingan Kauppakaari	564	-	72	€145,258		2013	Tupos
Koy Oulunsalon Vihannestie	421	-	36	€94,794		2021	Oulu
Dagmaaria	**1,199**	**32**	**-**	**€237,727**			
Koy Porin Kerhotie	1,199	32	-	€237,727		2021	Pori
Stafiko	**1,180**	**30**	**-**	**€233,502**			
Hämeenlinna Kampuskaarre	1,180	30	-	€233,502		2021	Hämeenlinna
Förkkeli	**1,096**	**16**	**-**	**€218,334**			
Oulun Maininki	1,096	16	-	€218,334		2017	Oulu
Vantaan Turvakoti	**844**	**14**	**-**	**€211,608**			
Koy Vantaan Koivukylän Puistotie	844	14	-	€211,608		2019	Vantaa
Palvelukoti Kotipetäjä	**1,106**	**27**	**-**	**€211,528**			
Koy Rovaniemen Rakkakiventie	1,106	27	-	€211,528		2023	Rovaniemi
Autismisäätiö	**1,042**	**12**	**-**	**€207,513**			
Koy Kotka Särmääjänkatu	1,042	12	-	€207,513		2021	Kotka
Lapin Turkoosi	**960**	**-**	**120**	**€189,203**			
Koy Rovaniemen Muonakuja	960	-	120	€189,203		2020	Rovaniemi
Oulun Englanninkielinen Leikkikoulu	**820**	**-**	**115**	**€173,496**			
Oulu Upseerinkatu	820	-	115	€173,496		2023	Oulu
Folkhälsan	**783**	**-**	**84**	**€165,879**			
Koy Turun Teollisuuskatu	783	-	84	€165,879		2017	Turku
Pihlajalinna	**741**	**16**	**-**	**€162,530**			
Koy Riihimäen Jyrätie	741	16	-	€162,530		2019	Riihimäki
Peikkometsä	**659**	**-**	**72**	**€161,504**			
Koy Lahden Kurenniityntie	659	-	72	€161,504		2020	Villahde

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Kotoisin	**824**	**18**	**-**	**€161,136**			
Koy Kempeleen Ihmemaantie	824	18	-	€161,136		2021	Kempele
Tuike	**677**	**-**	**75**	**€155,208**			
Koy Iisalmen Eteläinen Puistoraitti	677	-	75	€155,208		2018	Iisalmi
Jaarlin Päiväkodit	**565**	**-**	**72**	**€142,707**			
Koy Hämeenlinnan Vanha Alikartanontie	565	-	72	€142,707		2015	Hämeenlinna
Aurinkosilta	**660**	**16**	**-**	**€140,160**			
Valkeakoski Juusontie	660	16	-	€140,160		2023	Valkeakoski
Kuntoukumoskoti Metsätähti	**665**	**16**	**-**	**€132,240**			
Tuusula Temmontie	665	16	-	€132,240		2023	Tuusula
Hoitokoti Äänenniemen Helmi	**624**	**15**	**-**	**€132,000**			
Äänekoski Ääneniementie	624	15	-	€132,000		2022	Äänekoski
Pikkutassu	**646**	**-**	**72**	**€99,600**			
Koy Kajaanin Hoikankatu	646	-	72	€99,600		2019	Kajaani
Vacant	**1,425**	**35**	**-**	**-**			
Vaasa Mäkikaivontie	1,425	35	-	-		2010	Vaasa
Sweden [1]	**17,305**	**140**	**610**	**€4,577,559** **SEK 50,997,763**	**€4,552,228** **SEK 50,715,555**		
Olivia Omsorg	**3,128**	**36**	**-**	**SEK 9,226,012**			
Gråmunkehöga 3:2	494	6	-	SEK 1,542,838		2020	Uppsala
Vallby 28:2	494	6	-	SEK 1,538,576		2021	Tierp
Almungeberg 1:21	535	6	-	SEK 1,488,038		2018	Uppsala
Hässlinge 2:3 1	535	6	-	SEK 1,511,789		2018	Enköping
Hässlinge 2:3 2	535	6	-	SEK 1,577,120		2020	Enköping
Almungeberg 1:22	535	6	-	SEK 1,567,651		2021	Uppsala
Ambea	**2,272**	**30**	**-**	**SEK 7,769,416**			
Emmekalv 4:325	540	6	-	SEK 1,602,490		2019	Oskarshamn
Steglitsan 2	800	12	-	SEK 2,285,683		2020	Växjö
Saga 2	932	12	-	SEK 2,285,683		2021	Växjö
Singö 10:2	-	-	-	SEK 1,595,560		2023	Österåker
Kunskapsförskolan	**2,244**	**-**	**250**	**SEK 6,021,686**			
Östhamra 1:52	1,158	-	125	SEK 3,125,357		2020	Norrtälje
Paradiset 2	1,086	-	125	SEK 2,896,329		2020	Älmhult
Humana	**1,610**	**18**	**-**	**SEK 4,731,548**			
Nyby 3:68	540	6	-	SEK 1,577,122		2019	Laholm
Hovsta Gryt 7:2	535	6	-	SEK 1,577,122		2019	Örebro
Törsjö 3:204	535	6	-	SEK 1,577,304		2021	Örebro
Frösunda Omsorg	**1,668**	**18**	**-**	**SEK 4,406,577**			
Bälinge Lövsta 9:19	540	6	-	SEK 1,470,389		2012	Uppsala
Sunnersta 120:2 & 120:4	593	6	-	SEK 1,470,389		2013	Uppsala
Bälinge Lövsta 10:140	535	6	-	SEK 1,465,799		2013	Uppsala
British mini	**1,499**	**-**	**140**	**SEK 3,916,419**			
Mesta 6:56	1,499	-	140	SEK 3,916,419		2020	Eskilstuna
Mo Gård	**540**	**6**	**-**	**SEK 3,136,360**			
Anderbäck 1:60	540	6	-	SEK 1,568,708		2020	Nyköping
Bergshammar Ekeby 6:66	-	-	-	SEK 1,567,652		2023	Nyköping

1. Amounts in SEK were converted into € based on the exchange rate of 31 December 2023 (11.14082 €/SEK).

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TP	**1,097**	**-**	**120**	**SEK 2,669,470**			
Kalleberga 8:269	1,097	-	120	SEK 2,669,470		2021	Kallinge
Norlandia	**886**	**-**	**100**	**SEK 2,575,690**			
Eds Prästgård 1:115	886	-	100	SEK 2,575,690		2021	Upplands Väsby
Multiple tenants	**832**	**14**	**-**	**SEK 1,824,094**			
Borggård 1:553	832	14	-	SEK 1,824,094		2015	Staffanstorp
Ersta Diakonisällskap	**535**	**6**	**-**	**SEK 1,625,712**			
Västlunda 2:12	535	6	-	SEK 1,625,712		2020	Vallentuna
Serigmo Care Kås	**500**	**6**	**-**	**SEK 1,551,946**			
Fanna 24:19	500	6	-	SEK 1,551,946		2022	Enköping
Caritas Fastigheter AB	**494**	**6**	**-**	**SEK 1,542,833**			
Heby 3:17	494	6	-	SEK 1,542,833		2020	Heby
Ireland	**105,558**	**2,077**	**-**	**€21,698,100**	**€20,079,800**		
Bartra Healthcare	**28,859**	**612**	**-**	**€8,619,003**			
Loughshinny Nursing Home	5,649	123	-	€1,484,219		2019	Dublin
Northwood Nursing Home	5,074	118	-	€1,436,724		2020	Dublin
Beaumont Lodge	10,395	221	-	€3,973,060		2020	Dublin
Clondalkin Nursing Home	7,741	150	-	€1,725,000		2023	Dublin
Virtue	**32,034**	**572**	**-**	**€4,845,824**			
Brìdhaven	7,299	184	-	€1,612,390		1989	Mallow
Waterford	3,888	64	-	€569,019		2018	Waterford
New Ross	3,200	62	-	€408,810		2018	New Ross
Bunclody	5,590	62	-	€381,187		2018	Bunclody
Killerig	4,800	45	-	€187,831		2016	Carlow
Altadore	3,340	66	-	€1,016,994		2015	Glenageary
Craddock House	3,917	89	-	€669,593		2017	Craddock
Silver Stream Healthcare	**15,965**	**346**	**-**	**€2,905,980**			
Dundalk Nursing Home	6,002	130	-	€1,098,540		2022	Dundalk
Duleek Nursing Home	5,498	120	-	€1,016,940		2022	Duleek
Riverstick Nursing Home	4,465	96	-	€790,500		2022	Riverstick
Mowlam Healthcare	**14,717**	**273**	**-**	**€2,317,828**			
Tramore Coast Road	5,596	93	-	€773,907		2023	Tramore
Kilbarry Nursing Home	4,579	90	-	€770,761		2023	Kilbarry
Kilkenny Nursing Home	4,542	90	-	€773,160		2023	Kilkenny
Coolmine Caring Services Group	**8,890**	**182**	**-**	**€2,098,789**			
Milbrook Manor	3,377	85	-	€1,055,789		2001 (2023)	Saggart
St.Doolagh's	5,513	97	-	€1,043,000		2023	Balgriffin
Grace Healthcare	**5,093**	**92**	**-**	**€910,676**			
Dunshaughlin Business Park	5,093	92	-	€910,676		2023	Dunshaughlin
Investment properties in joint venture – 50% share held by Aedifica	**8,992**	**118**	**-**	**€1,643,286**	**€1,643,286**		
Netherlands	**17,984**	**235**	**-**	**€3,286,573**	**€3,286,573**		
Korian Netherlands	**17,984**	**235**	**-**	**€3,286,573**			
HGH Lelystad	4,301	45	-	€634,177		2022	Lelystad
Hengelo	1,288	21	-	€226,664		2017	Hengelo
Villa Horst en Berg	2,634	36	-	€519,750		2022	Soest
Villa den Haen	2,150	36	-	€533,894		2022	Woudenberg
Villa Florian	2,700	29	-	€474,600		2022	Blaricum
Het Gouden Hart Almere	4,911	68	-	€897,488		2023	Almere

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Investment properties in development [1]	Total surface (m²)	Residents	Children	Contractual rents	Estimated rental value (ERV)	Year of build / renovation	Location
Investment properties in development [1]	**49,916**	**902**	**-**	**€582,911**	**-**		
Germany	**22,832**	**378**	**-**	**€166,950**	**-**		
Specht Gruppe	**17,237**	**284**	**-**	**€138,240**			
Seniorenquartier Gera [2]	6,673	123	-	€19,440		PROJECT	Gera
Seniorenquartier Gummersbach	10,564	161	-	€118,800		PROJECT	Gummersbach
Specht & Tegeler	**5,595**	**94**	**-**	**€28,710**			
Fredenbeck	5,595	94	-	€28,710		PROJECT	Fredenbeck
Ireland	**11,635**	**224**	**-**	**€291,700**	**-**		
Virtue	**6,063**	**119**	**-**	**€253,000**			
Dublin Stepaside	6,063	119	-	€253,000		PROJECT	Kilgobbin
Coolmine Caring Services Group	**5,572**	**105**	**-**	**€38,700**			
Sligo Finisklin Road	5,572	105	-	€38,700		PROJECT	Sligo
Spain	**15,449**	**300**	**-**	**€124,261**	**-**		
Neurocare Promociones	**15,449**	**300**	**-**	**€124,261**			
Tomares Miró	8,449	160	-	€69,136		PROJECT	Tomares
Zamora Av. De Valladolid	7,000	140	-	€55,125		PROJECT	Zamora
Total investment properties	**2,193,002**	**35,071**	**11,807**	**€325,213,490**	**€323,842,129**		

1. Although still under construction, these sites already generate limited rental income. This explains why they are included in this table and why the estimated rental value is not mentioned.
2. This project was completed on 29 February 2024.

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3. External verification

3.1 Valuation experts' report[1]

Aedifica assigned to each of the eleven valuation experts the task of determining the fair value (from which the investment value is derived[2]) 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'.

Each of the eleven valuation experts has confirmed that:

- they acted individually as valuation expert and have a relevant and recognised qualification, as well as an ongoing experience for the location and the type of buildings they assessed;
- their opinion of fair value was primarily derived using comparable recent market transactions on arm's length terms;
- the relevant properties were considered in the context of current leases and of all rights and obligations that these commitments entail;
- they evaluated each entity individually;
- that their assessment:
  - does not take into account a potential value that can be generated by offering the whole portfolio on the market;
  - does not take into account selling costs applicable to a specific transaction, such as brokerage fees or advertising;
  - is 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); and
  - is made under the assumption that no non-communicated piece of information is likely to affect the value of the property;
- they assumed the information provided to them to be accurate and complete.

Based on the eleven assessments, the consolidated fair value of the portfolio amounted to €5,804,357,032[3] as of 31 December 2023 including 100% of the fair value of the assets held by the partners of the partnership AK JV NL or €5,775,342,032 after deduction of the 50% share in the partnership AK JV NL held by the other partner company. The marketable investment properties[4] held by Aedifica group amounted to €5,587,721,399 (excluding 50% of the value of the assets held by the other partner company in AK JV NL). Contractual rents amounted to €325,213,490 which corresponds to an initial rental yield of 5.82% compared to the fair value of marketable investment properties. The current occupancy rate amounts to 99.9%. Assuming that the marketable investment properties are 100% rented and that the current vacancy is let at market rent, contractual rent would amount to €325,545,450, i.e. an initial yield of 5.83% 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 at 31 December 2023 (0.86632 €/£ and 11.14082 €/SEK) into account.

As at 31 December 2023:

- the consolidated fair value of the assets located in Belgium amounted to €1,244,560,632; including €1,235,917,303 for marketable investment properties. Contractual rents amounted to €70,223,282 which corresponds to an initial yield of 5.7% to the fair value of the marketable investment properties.
- the consolidated fair value of the assets located in Germany amounted to €1,195,100,000; including €1,157,294,024 for marketable investment properties. Contractual rents amounted to €62,016,040 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 the Netherlands amounted to €688,525,000 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 €651,180,000. Contractual rents amounted to €40,246,539 which corresponds to an initial yield of 6.2% to the fair value of the marketable investment properties.
- the consolidated fair value of the assets located in the United Kingdom amounted to £920,269,383; including £905,996,066 for marketable investment properties. Contractual rents amounted to £57,653,494 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, Savills Advisory Services Germany GmbH & Co. KG, C&W (U.K.) LLP German Branch, Cushman & Wakefield Netherlands BV, CBRE Valuation & Advisory Services BV, Knight Frank LLP, REnium Advisors Oy, Cushman & Wakefield Sweden AB, CBRE Advisory (IRL) Limited and Jones Lang LaSalle España SA. 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.

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- the consolidated fair value of the assets located in Finland amounted to €1,097,400,000; including €1,027,080,000 for marketable investment properties. Contractual rents amounted to €59,486,004 which corresponds to an initial yield of 5.8% to the fair value of the marketable investment properties.
- the consolidated fair value of the assets located in Sweden amounted to SEK 1,007,300,000; including SEK 833,200,000 for marketable investment properties. Contractual rents amounted to SEK 50,997,763 which corresponds to an initial yield of 6.1% to the fair value of the marketable investment properties.
- the consolidated fair value of the assets located in Ireland amounted to €413,805,000; including €393,083,797 for marketable investment properties. Contractual rents amounted to €21,989,800 which corresponds to an initial yield of 5.6% to the fair value of the marketable investment properties.
- the consolidated fair value of the assets located in Spain amounted to €12,275,000; including €2,577,924 for marketable investment properties. Contractual rents amounted to €124,261 which corresponds to an initial yield of 4.8% to the fair value of the marketable investment properties.

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 experts[1]

	Valuation expert		Fair value of valued assets of portfolio as at 31 December 2023	Investment value (before deduction of transfer costs[2])
BE	Cushman & Wakefield Belgium NV/SA	Emeric Inghels MRICS	€631,415,000	€647,456,000
BE	Stadim BV/SRL	Céline Janssens MRICS & Dennis Weyts	€613,145,632	€628,597,089
DE	Savills Advisory Services Germany GmbH & Co. KG	Draženko Grahovac MRICS & Thomas Berger MRICS	€609,060,000	€655,626,050
DE	C&W (U.K.) LLP German Branch	Peter Fleischmann MRICS	€586,040,000	€620,610,000
NL	Cushman & Wakefield Netherlands BV	Fabian Pouwelse MRICS	€576,000,000[3]	€635,210,000[3]
NL	CBRE Valuation & Advisory Services BV	Roderick Smorenburg & Annette Postma	€112,525,000[3]	€125,806,463[3]
UK	Knight Frank LLP	Kieren Cole MRICS & Andrew Sage MRICS	£920,269,383 (€1,062,276,151[4])	£981,389,370 (€1,132,827,564[4])
FI	REnium Advisors Oy	Ville Suominen MRICS	€1,097,400,000	€1,119,446,402
SE	Cushman & Wakefield Sweden AB	Mårten Lizén	SEK 1,007,300,000 (€90,415,248[5])	SEK 1,050,100,000 (€94,256,976[5])
IE	CBRE Unlimited Company	Maureen Bayley	€413,805,000	€454,981,278
ES	Jones Lang LaSalle España SA	Lourdes Pérez Carrasco MRICS & Felix Painchaud MRICS	€12,275,000	€12,550,000
Adjustments for the value of assets held by partners of the partnership AK JV NL			- €29,015,000	- €32,080,000
Total			**€5,775,342,031**	**€6,095,287,822**
of which:				
Marketable investment properties			€5,529,563,748	€5,838,203,807
Development projects			€168,949,888	€176,950,126
Assets classified as held for sale			€58,157,651	€60,141,021
Land reserve			€18,670,744	€19,992,868

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, Ireland and Spain 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 0.86632 €/£ as at 31 December 2023.
5. Based on the exchange rate of 11.14082 €/SEK as at 31 December 2023.

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Independent auditor's report to the general meeting of Aedifica SA for the year ended 31 December 2023

In the context of the statutory audit of the Consolidated Financial Statements) of Aedifica SA (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the consolidated balance sheet as at 31 December 2023, 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 2023 and the disclosures including material accounting policy information (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 12 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 2023, 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 ,including material accounting policy information, which show a consolidated balance sheet total of EUR 6.176.811 thousand and of which the consolidated income statement shows a profit for the year of EUR 22.552 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 2023, 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 ("ISA's") applicable in Belgium. In addition, we have applied the ISA's approved by the International Auditing and Assurance Standards Board ("IAASB") that apply at the current year-end date and have not yet been approved at national level. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

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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.

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, for a sample;
- assessed the models and assumptions used in their reports (discount rates, future occupancy rates, …) for a sample;

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.

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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.

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. Aedifica recognized a goodwill impairment of EUR 26,1 million in 2023.

In conformity with IAS 36 "Impairment of Assets", the Group carries out impairment tests at least annually or more frequently if indicators of impairment are present. Management's assessment of potential impairments on this recorded goodwill is based on a comparison of the carrying value of the cash-generating units ("CGUs") to which goodwill has been allocated with the fair value less costs to sell of the CGUs. The assessment is an estimation process that requires estimates and judgments by management of the assumptions used, including the determination of Hoivatilat's future cash flows as well as the determination of the discount rate and indexation rate used, which are complex and subjective. Changes in these assumptions could lead to material changes in the estimated fair value less cost to sell, which has a potential impact on potential impairments to be recorded at the level of goodwill and are therefore considered as a Key Audit Matter.

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Summary of the procedures performed

- We have obtained an understanding of the process for management's identification of impairment indicators;
- We have assessed the valuation methods used by management to determine the fair value less cost to sell of Hoivatilat as well as the reasonableness of the key assumptions (discount rate, indexation rate and future cash flows), 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;
- We 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 assessed 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.

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 ISA's 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.

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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 ISA's, 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.

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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 current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

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 ISA's 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 2023 p.70-75
- EPRA p.180-191

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.

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.

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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/stori).

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 of Aedifica SA per 31 December 2023 included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/stori) 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, 29 March 2024

EY Bedrijfsrevisoren BV
Statutory auditor
Represented by

Joeri Klaykens *
Partner
*Acting on behalf of a BV/SRL

24JK0142

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EY Bedrijfsrevisoren
EY Réviseurs d'Entreprises
Kouterveldstraat 7B 001
B-1831 Diegem

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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 2024 (the "Forecast") of Aedifica nv/sa, included in Chapter 2 "Outlook for 2024" of the Caption "Financial review" of Aedifica's 2023 Annual Financial Report as approved by the Board of Directors of the company on 20 February 2024.

The assumptions included in Chapter 2 "Outlook for 2024" of the Caption "Financial review" of Aedifica's Annual Financial Report result in the following forecasts of the EPRA earnings for the accounting year ending 2024:

EPRA Earnings, per share, in EUR: 4.70 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.

Besloten Vennootschap
Société à responsabilité limitée
RPR Brussel - RPM Bruxelles - BTW-TVA BE 0446.334.711 - IBAN Nº BE71 2100 9059 0069
* handelend in naam van een vennootschap/agissant au nom d'une société

A member firm of Ernst & Young Global Limited

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Statutory auditor's report of 29 March 2024 on the consolidated financial forecasts of Aedifica nv/sa

Opinion

We have examined the EPRA earnings per share of Aedifica nv/sa for the financial year 2024 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 2023.

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, 29 March 2024

EY Réviseurs d'Entreprises SRL
Statutory auditor
represented by

Joeri Klaykens*
Partner
* Acting on behalf of a SRL

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Independent Auditor's assurance report

Introduction

We were engaged by Aedifica nv to perform a limited assurance engagement in accordance with the International Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 revised"), thereafter referred to as "the Engagement", to report on (i) the use of proceeds for the issuances of green finance instruments included in part 'Financial Review', chapter 1.3.4 'Sustainable Finance Framework', as well as selected KPIs included in part 'Portfolio', chapter 2.5 Improving building certification as listed in appendix 1 ("Subject Matter 1"), and (ii) the Absenteeism rate as included in part 'Organisation' chapter 2.3 'Health & well-being' ("Subject Matter 2"), as reported in the annual report of Aedifica (the "Report") for the period from 1 January 2023 to 31 December 2023. Together Subject Matters 1 and 2 are referred to in this report as 'the Subject Matters".

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining sustainability indicators included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by the Company

In preparing the sustainability indicators as listed in Appendix 1 ('Subject Matter 1) in the Report, Aedifica applied, in all material respects, the criteria of use of proceeds to Eligible Assets disclosed in section 'Use of Proceeds' of Aedifica's Sustainable Finance Finance Framework (https://aedifica.eu/wp-content/uploads/2021/08/20210826-Aedifica-Sustainable-Finance-Framework.pdf) (hereafter "the Environmental Criteria").

In preparing the Absenteeism rate ("Subject Matter 2"), Aedifica applied, in all material respects, the Guidelines for the Preparation of the Sustainability Report of the Global Reporting Initiative (GRI) Standard (hereafter "the Social Criteria").

Together, the Environmental criteria and the Social criteria, are referred to in this report as "the Criteria".

Aedifica's responsibilities

Aedifica is responsible for selecting the Criteria, and for presenting the Subject Matters in accordance with the Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matters, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a limited assurance conclusion on the Subject Matters, based on the evidence we obtained. We conducted our limited assurance engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement undertaken in accordance with ISAE 3000 revised involves assessing the suitability of the Company's use of the Criteria as the basis for the preparation of the Subject Matter, assessing the risks of material misstatement whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement in relation to the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures. A higher level of assurance, i.e. reasonable assurance, would have required more extensive procedures.

Our limited assurance conclusion relates solely to the Subject Matters. Also, with respect to Subject Matter 1, it is not our responsibility to provide any form of assurance on:

- The suitability of the Criteria in relation to the ICMA's Green Bond Principles 2021 ("GBP"), APLMA/LMA/LSTA's Green Loan Principles 2023 ("GLP") and ICMA's Social Bond Principles 2021 ("SBP") which was assessed by V.E. in the 'Second Party Opinion' published in August 2021 on https://aedifica.eu/wp-content/uploads/2021/08/20210830_V.E_SPO_Aedifica_VF_V3.pdf
- The management of the proceeds from the sustainable finance instruments prior to their allocation or the use of these proceeds after their allocation.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

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Our firm applies International Standard on Quality Management 1, which requires us to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less extensive than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Procedures performed, amongst others, included:

- Obtaining an understanding of the reporting processes for the Subject Matters;
- Interviewing management and relevant staff at corporate level responsible for consolidating and carrying out internal control procedures on the Subject Matters;
- Interviewing relevant staff responsible for reporting the Subject Matters to the relevant staff at corporate level;
- Obtaining internal and external documentation that reconciles with the Subject Matters;
- Performing an analytical review of the data and trends in the Subject Matters at consolidated level as well, when deemed appropriate in the circumstances, at a disaggregated level;
- Performing limited tests of details and tracing the input information to supporting invoices or other evidence;
- Evaluating the overall presentation of the Subject Matters.

For both Subject Matters, we believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that that the Selected Information, included in the annual report of Aedifica for the period from 1 January 2023 to 31 December 2023, were not prepared, in all material respects, in accordance with the Criteria.

Brussels, 29 March 2024

EY Réviseurs d'Entreprises SRL
Represented by

Joeri Klaykens*
Partner
* Acting on behalf of a SRL

24JK0136

Appendix 1 – List of KPI's

Part Portfolio, Chapter 2.5. Improving building certification

- EPC coverage
- EPC breakdown by category

Part Financial Review, Chapter 1.3.4 Sustainable Finance Framework

- Allocation of proceeds (2 tables)
- Breakdown by use of proceeds category
- Breakdown by geographical area
- Breakdown of new financing vs. refinancing
- Breakdown of eligible assets
- Selection criteria

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4. Standing documents

4.1 General information

4.1.1 Company name (Article 1 of the Articles of Association)

The legal form of this Company is that of a public limited liability company with the name 'AEDIFICA'.

The Company is a public regulated real estate company ('Public RREC' or 'RREC'), 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').

4.1.2 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. The information on the Company's website is not incorporated by reference in, and does not form part of, this document as Universal Registration Document.

4.1.3 Constitution, legal form and publication

Aedifica was set up as a limited liability company incorporated under Belgian law (Naamloze Vennootschap / Société Anonyme) by Degroof Bank SA and GVA Finance SCA, by deed enacted on 7 November 2005 by Notary Bertrand Nerincx, 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.

4.1.4 Registry of Legal Entities and Legal Entity Identifier

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 and has 529900DTKNXL0AXQFN28 as Legal Entity Identifier (LEI).

4.1.5 Duration (Article 5 of the Articles of Association)

The Company is incorporated for an indefinite duration.

4.1.6 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:

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- (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.

4.1.7 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.

4.1.8 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 Company's annual and half-year financial reports, 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 Company's annual and half-year financial reports and the annual accounts are published on the Company's website. Shareholders are entitled to obtain a free copy of the annual and half-year financial reports at the registered office.

4.1.9 General meetings (Articles 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.

4.1.10 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.

4.1.11 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, with registered office located at De Kleetlaan 2, 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).

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4.1.12 Valuation experts

To avoid conflicts of interest, Aedifica's real estate portfolio is assessed by eleven independent valuation experts, namely:

- **Cushman & Wakefield Belgium NV/SA**, represented (within the meaning of Article 24 of the RREC Act) by Mr Emeric Inghels, with its registered office at avenue Marnix 23 (5th floor), 1000 Brussels;
- **Stadim BV/SRL**, represented (within the meaning of Article 24 of the RREC Act) by Ms Céline Janssens and Mr Dennis Weyts, with its registered office at Mechelsesteenweg 180, 2018 Antwerp;
- **Savills Advisory Services Germany GmbH & Co. KG**, represented (within the meaning of Article 24 of the RREC Act) by Mr Draženko Grahovac and Mr Thomas Berger, with its registered office at Taunusanlage 18, 60325 Frankfurt;
- **C&W (U.K.) LLP German Branch**, represented (within the meaning of Article 24 of the RREC Act) by Mr Peter Fleischmann, with its registered office at Rathenauplatz 1, 60313 Frankfurt;
- **Cushman & Wakefield Netherlands BV**, represented (within the meaning of Article 24 of the RREC Act) by Mr Fabian Pouwelse, with its registered office 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 Ms Annette Postma, with its registered office at Anthony Fokkerweg 15, 1059 CM Amsterdam;
- **KNIGHT FRANK LLP**, represented (within the meaning of Article 24 of the RREC Act) by Mr Kieren Cole and Mr Andrew Sage, with its registered office at 55 Baker Street, London W1U 8AN;
- **REnium Advisors Oy** (a Cushman & Wakefield affiliate), represented (within the meaning of Article 24 of the RREC Act) by Mr Ville Suominen, with its registered office at Keskuskatu 1 A, FI-00100, Helsinki;
- **Cushman & Wakefield Sweden AB**, represented (within the meaning of Article 24 of the RREC Act) by Mr Mårten Lizén, with its registered office at Regeringsgatan 59, 103 59 Stockholm;
- **CBRE Unlimited Company**, represented (within the meaning of Article 24 of the RREC Act) by Ms Maureen Bayley, with its registered office at 1 Burlington Road (3rd floor Connaught House), Dublin 4;
- **Jones Lang LaSalle España SA**, represented (within the meaning of Article 24 of the RREC Act) by Ms Lourdes Pérez Carrasco and Mr Felix Painchaud, with its registered office at Paseo de la Castellana, 79, 28046 Madrid.

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.
- Calculation of the current value of future cash flows based on assumptions about future income (DCF method) and exit value. The discount factor takes into account the interest rate on the financial market as well as a risk premium specific to real estate investments. The impact of expected changes in inflation and interest rates is therefore included in this evaluation in a conservative way.
- These assessments are also tested against unit prices recorded when similar properties are sold, taking into account discrepancies arising from differences in property characteristics.
- 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.

4.1.13 Financial services

Aedifica has established financial service conventions with the following bank:

- ABN AMRO, located Gustav Mahlerlaan 10 (P.O. Box 283) in 1000 Amsterdam (main paying agent & share depository)

In 2023, the remuneration for financial services amounted to €50 k (€163 k for the 2022 financial year).

4.1.14 Places where documents are available to the public

The Articles of Association are available at the Commercial Court of Brussels and on the Company's website.

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 available on the Company's website. All press releases, annual and half-year reports, as well as all financial information published by the Group are available on the Company's website. The Auditor's Report and the valuation experts' report are published in the financial reports available on the Company's website.

During the period of validity of the registration document, the following documents are available in print at the Company's head office, or electronically at www.aedifica.eu:

- Aedifica's Articles of Association;
- all reports, letters and other documents, historical financial information, valuations and declarations established by experts 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.

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4.1.15 Information incorporated by reference

The following information is incorporated into this 2023 Annual Report by way of reference, and is available at Aedifica's head office and on the Company's website. The table below always refers to the online English versions of the documents, as available on the Company's website.

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- Financial report – 1.1 Investments, Completions and Disposals in 2021 (p40-45)
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4.1.16 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.

4.1.17 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 on the Company's website.

4.1.18 Strategy or factors of governmental, economical, budgetary, monetary or political nature which have substantially influenced, directly or indirectly, Aedifica's operations

See the chapter 'Risk factors' in this Annual Report.

4.1.19 History and evolution of the Company – important events in the development of Aedifica's activities

In addition to paragraph 4.1.3 above, Aedifica's history has been marked by its IPO on 23 October 2006 (see the chapter 'Stock market performance' in this Annual Report) and by numerous acquisitions of real estate assets that have taken place 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), resulting in a real estate portfolio of more than €5.8 billion.

4.1.20 Voting rights of major shareholders

Voting rights for Aedifica's main shareholders are no different from those that arise from their share in the share capital.

4.1.21 Statutory limits regarding transfers of shares

There are no statutory limits to transfers of Aedifica shares.

4.2 Capital

Date	Description	Amount of capital (€)	Number of shares [1]
7 November 2005	Initial capital paid up by Degroof Bank & 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 'Immobe SA'	908,000.00	908
	Contribution in kind (Lombard 32)	2,500,000.00	2,500
	Contribution in kind (Laeken complex - Pont Neuf & 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 & 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 & 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 & 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**

1. Shares without par value.

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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' & '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**

Date	Description	Amount of capital (€)	Number of shares [1]
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 en 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
		946,967,103.36	**35,886,572**
29 June 2021	Contribution in kind (Domaine de la Rose Blanche)	4,868,335.01	184,492
		951,835,438.37	**36,071,064**
8 September 2021	Contribution in kind (Portfolio of specialist residential care centres in Sweden)	6,256,358.83	237,093
		958,091,797.20	**36,308,157**
18 May 2022	Contribution in kind (Résidence Véronique)	1,957,234.71	74,172
		960,049,031.91	**36,382,329**
29 June 2022	Capital increase through contribution in cash	77,184,267.63	2,925,000
		1,037,233,299.54	**39,307,329**
6 July 2022	Contribution in kind (Militza Gent & Militza Brugge)	14,458,236.18	547,914
		1,051,691,535.72	**39,855,243**
31 May 2023	Optional dividend	10,013,477.88	379,474 [2]
		1,061,705,013.60	**40,234,717**
4 July 2023	Capital increase through contribution in cash	193,037,246.42	7,315,402 [3]
		1,254,742,260.02	**47,550,119**

1. Shares without par value.
2. These shares have been listed since 31 May 2023 and are entitled to the full dividend for the 2023 financial year. They have the same rights and benefits as the other listed shares.
3. These shares have been listed since 4 July 2023 and are entitled to a dividend as from 4 July 2023. They have the same rights and benefits as the other listed shares.

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4.3 Extracts from the Articles of Association

4.3.1 Subscribed and fully paid-up capital (Article 6.1 of the Articles of Association)

The capital amounts to €1,254,742,260.03 (one billion two hundred and fifty-four million seven hundred and forty-two thousand two hundred and sixty euros and three cents). It is represented by 47,550,119 (forty-seven million five hundred and fifty thousand hundred nineteen) shares without nominal value, which each represent one/forty-seven million five hundred and fifty thousand hundred nineteenth (47,550,119th) of the capital.

4.3.2 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.

4.3.3 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

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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.

4.3.4 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 28 July 2022, 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) 20% of the amount of the capital on the date of the extraordinary general meeting of 28 July 2022, 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 28 July 2022, 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 two years, calculated from the publication of the minutes of the Extraordinary General Meeting of 28 July 2022, 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.

4.3.5 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.

4.3.6 Capital reduction (Article 6.6 of the Articles of Association)

The Company may reduce its capital subject to compliance with the relevant legal provisions.

4.3.7 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 dematerialized 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.

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4.3.8 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.

4.3.9 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.

4.3.10 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.

4.3.11 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.

4.3.12 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.

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4.3.13 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.

4.3.14 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.

4.3.15 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.

4.3.16 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.

4.3.17 Minutes (Article 26 of the Articles of Association)

The minutes of the general meeting are signed by the members of the bureau and shareholders who request it. Copies of the minutes of the general meeting intended for third parties are signed by one or more Directors.

4.3.18 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.

4.3.19 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.

4.3.20 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.

4.3.21 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.

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4.3.22 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 on the Company's website) and the 'Corporate Governance Statement', included in this Annual 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.

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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.

4.3.23 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.

4.4 RREC

4.4.1 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 (Belgian Law of 12 May 2014 and Belgian 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.

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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 'gereglementeerde vastgoedvennootschap' (GVV, in Dutch), also translated as 'regulated real estate Company' (RREC).

4.4.2 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 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, is distributed in the form of dividends.

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)
As from 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 and amended by Article 20 of the Act of 27 December 2021, 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 exclusively or primarily invested in care and housing units suited for healthcare.

Following Brexit, a transition regime has been provided for UK assets acquired prior to 1 January 2021 so that they can be included in the calculation of the 80% threshold until the end of the 2025 financial year. Therefore, if legislation does not change in the meantime and no major changes happen in the Group's portfolio, Aedifica estimates that its shareholders will continue to benefit from the reduced withholding tax rate of 15% on dividends paid or attributed until 31 December 2025.

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.

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5. EPRA sBPR content table

Aedifica reports according to the European Public Real Estate Association (EPRA) Sustainability Best Practices Recommendations for Sustainability Reporting (sBPR guidelines) to allow for comparison with other players in the real estate sector. The following table lists the indicators that are reported on and where they can be found in this report. The social indicators in the table below are included in the present 2023 Annual Report (AR). The environmental indicators are included in the table below for the sake of completeness only and will be disclosed in the Environmental Data Report (EDR) to be published in June 2024.

Since 2020, Aedifica has been granted an EPRA sBPR Gold Award for its sustainability reporting year after year.

Sustainability – social indicators		**Page**
Diversity-Emp	Employee gender diversity	AR23 p56
Diversity-Pay	Gender pay ratio	AR23 p56
Emp-Training	Employee training and development	AR23 p57
Emp-Dev	Employee performance analysis	AR23 p57
Emp-Turnover	Employee turnover	AR23 p56
Emp-New hires	Employee new hires	AR23 p56
H&S-Emp	Employee health and safety	AR23 p58
H&S-Asset	Asset health and safety assessments	not applicable
H&S-Comp	Asset health and safety compliance	not applicable
Comty-Eng	Community engagement, impact assessments and development programmes	AR23 p51
Gov-Board	Composition of the highest governance body	AR23 p84 & following Corporate Governance Charter p7
Gov-Selec	Process for nominating and selecting the highest governance body	AR23 p84 & following Corporate Governance Charter p8
Gov-Col	Process for managing conflicts of interest	AR23 p104 & following Corporate Governance Charter p18 & following
Sustainability – environmental indicators		
Elec-Abs	Total electricity consumption	EDR (June 2024)
Elec-LfL	Like-for-like total electricity consumption	EDR (June 2024)
DH&C-Abs	Total district heating & cooling consumption	EDR (June 2024)
DH&C-LfL	Like-for-like total district heating & cooling consumption	EDR (June 2024)
Fuels-Abs	Total fuel consumption	EDR (June 2024)
Fuels-LfL	Like-for-like total fuel consumption	EDR (June 2024)
Energy-Int	Building energy intensity	EDR (June 2024)
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	EDR (June 2024)
GHG-Indir-Abs	Total indirect greenhouse gas (GHG) emissions	EDR (June 2024)
GHG-Dir-LfL	Like-for-like total direct greenhouse gas (GHG) emissions	EDR (June 2024)
GHG-Indir-LfL	Like-for-like total indirect greenhouse gas (GHG) emissions	EDR (June 2024)
GHG-Int	Greenhouse gas (GHG) intensity from building energy consumption	EDR (June 2024)
Water-Abs	Total water consumption	EDR (June 2024)
Water-LfL	Like-for-like total water consumption	EDR (June 2024)
Water-Int	Building water intensity	EDR (June 2024)
Waste-Abs	Total weight of waste by disposal route	EDR (June 2024)
Waste-LfL	Like-for-like total weight of waste by disposal route	EDR (June 2024)
Cert-Tot	Type and number of sustainably certified assets	EDR (June 2024)

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6. GRI content index

Aedifica reports according to the Global Reporting Initiative (GRI) standards.

The environmental indicators are included in the table below for the sake of completeness only and will be disclosed in the Environmental Data Report (EDR) to be published in June 2024.

6.1 Universal standards

GRI 102: General disclosures		Page	Comment
1. Organisational profile			
102-1	Name of the organisation		Aedifica
102-2	Activities, brands, products and services	20-21	
102-3	Location of headquarters		Rue Belliard 40 (box 11), B-1040 Brussels
102-4	Location of operations	15	
102-5	Ownership and legal form		Public Limited Liability Company – Public Regulated Real Estate Company under Belgian Law
102-6	Markets served	35-37	
102-7	Scale of the organisation	15, 54	
102-8	Information on employees and other workers	54-58	
102-9	Supply chain	46-48	
102-10	Significant changes to the organisation and its supply chain	15-18, 35-37	
102-11	Precautionary principle or approach	111-120	
102-12	External activities	24-25, 48-52	
102-13	Membership of associations	52	
2. Strategy			
102-14	Statement from senior decision-maker	13-14	
102-15	Key impacts, risks and opportunities	22, 112-120	
3. Ethics and integrity			
102-16	Values, principles, standards and norms of behavior	60	
102-17	Mechanisms for advice and concerns about ethics	60	
4. Governance			
102-18	Governance structure	84	
102-21	Consulting stakeholders on economic, environmental and social topics	22, 46-47, 91	
102-22	Composition of the highest governance body and its committees	89-90, 92	EPRA: Gov-Board
102-23	Chair of the highest governance body	89	
102-24	Nominating and selecting the highest governance body	84 & following	EPRA: Gov-Select; Corporate Governance Charter p8
102-25	Conflicts of interest	104-105	EPRA: Gov-Col
102-26	Role of highest governance body in setting purpose, values and strategy	84	
102-28	Evaluating the highest governance body's performance	95	
102-29	Identifying and managing economic, environmental and social impacts	84-85, 91	
102-32	Highest governance body's role in sustainability reporting	84-85, 91	
102-33	Communicating critical concerns	60	
102-35	Remuneration policies	96 & following	
102-36	Process for determining remuneration	96 & following	
5. Stakeholder engagement			
102-40	List of stakeholder groups	46-47	
102-41	Collective bargaining agreements		Belgian staff: Joint Committee 200: 65 out of 127 staff members (51%) benefit from this agreement
102-42	Identifying and selecting stakeholders	46	
102-43	Approach to stakeholder engagement	48 & following	
102-44	Key topics and concerns raised	22, 48 & following	
6. Reporting practice			
102-45	Entities included in the consolidated financial statements	163-166	
102-46	Defining report content and topic boundaries		EDR (June 2024)
102-47	List of material topics	22	
102-48	Restatements of information		EDR (June 2024)
102-49	Changes in reporting	22-24, 112	
102-50	Reporting period		01/01/2023 – 31/12/2023
102-51	Date of most recent report		4 April 2024
102-52	Reporting cycle		Annually
102-53	Contact point for questions regarding the report		ir@aedifica.eu
102-54	Claims of reporting in accordance with the GRI standards		This report has been prepared in accordance with the GRI standards: core option.
102-55	GRI Content Index	237-238	
102-56	External Assurance	212-222	

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6.2 Topic-specific standards

GRI 201: Economic performance		Page	Comment
201-1	Direct economic value generated and distributed	16, 62-82	
201-2	Financial implications and other risks and opportunities due to climate change	38, 117	
GRI 203: Indirect economic impacts			
203-1	Infrastructure investments and services supported	15, 48-49, 51, 63-64	
GRI 205: Anti-corruption			
205-3	Confirmed incidents of corruption and actions taken		There were no confirmed incidents of corruption in 2023.
GRI 207: Tax			
207-1	Approach to tax	119, 235	
GRI 302: Energy			
302-1	Energy consumption within the organisation	EDR (June 2024)	EPRA: Elec-Abs, Elec-LfL, DH&C-Abs, DH&C-LfL, Fuels-Abs, Fuels-LfL
302-2	Energy consumption outside of the organisation	EDR (June 2024)	
302-3	Energy intensity	EDR (June 2024)	
302-4	Reduction of energy consumption	EDR (June 2024)	
302-5	Reductions in energy requirements of products and services	EDR (June 2024)	
GRI 303: Water and effluents			
303-5	Water consumption	EDR (June 2024)	EPRA: Water-Abs, Water-LfL
GRI 305: Emissions			
305-1	Direct (scope 1) GHG emissions	EDR (June 2024)	EPRA: GHG-Dir-Abs, GHG-Dir-LfL
305-2	Energy indirect (scope 2) GHG emissions	EDR (June 2024)	EPRA: GHG-Indir-Abs, GHG-Indir-LfL
305-3	Other indirect (scope 3) GHG emissions	EDR (June 2024)	EPRA: GHG-Indir-Abs, GHG-Indir-LfL
305-4	GHG emissions intensity	EDR (June 2024)	EPRA: HGH-Int
305-5	Reduction of GHG emissions	EDR (June 2024)	
GRI 306: Waste			
306	Effluents and waste	EDR (June 2024)	
GRI 307: Environmental compliance			
307-1	Non-compliance with environmental laws and regulations		There were no cases of non-compliance in 2023.
GRI 401: Employment			
401-1	New employee hires and employee turnover	56	EPRA: Emp-New hires, Emp-Turnover
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Not relevant.
GRI 402: Labor/management relations			
402-1	Minimum notice periods regarding operational changes		Aedifica applies Belgian law on legal notice periods.

GRI 403: Occupational health & safety		Page	Comment
403-1	Occupational health and management system	41, 58	
403-2	Hazard identification, risk assessment and incident investigation	58	EPRA: H&S-Emp
403-6	Promotion of worker health	58-59	
403-9	Work-related injuries	58	EPRA: H&S-Emp
403-10	Work-related ill health	58	
GRI 404: Training and education			
404-1	Average hours of training per year per employee	57	EPRA: Emp-Training
404-2	Programmes for upgrading employee skills and transition assistance programmes	57-58	
404-3	Percentage of employees receiving regular performance & career development reviews	57	EPRA: Emp-Dev
GRI 405: Diversity and equal opportunity			
405-1	Diversity of governance bodies and employees	56	EPRA: Diversity-Emp
405-2	Ratio of basic salary and remuneration of women to men	56	EPRA: Diversity-Pay
GRI 406: Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken		There were no cases of discrimination in 2023.
GRI 408: Child labor			
408-1	Operations and suppliers at significant risk for incidents of child labor		There were no operations or suppliers at siginicant risk for incidents of child labor.
GRI 409: Forced or compulsory labor			
409-1	Operations and suppliers at significant risk for forced or compulsory labor		There were no operations or suppliers at significant risk for forced or compulsory labor.
GRI 413: Local communities			
413-1	Operations with local community engagement, impact assessmets and development programmes	50-51	EPRA: Comty-Eng
GRI 418: Customer privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		There were no such complaints in 2023.
GRI 419: Socioeconomic compliance			
419-1	Non-compliance with laws and regulations in the social and economic area		There were no cases of non-compliance in 2023.

6.3 Sector-specific standards

GRE: Construction and real estate		Page	Comment
CRE 1	Building energy intensity	EDR (June 2024)	EPRA: Energy-Int
CRE 2	Building water intensity	EDR (June 2024)	EPRA: Water-Int
CRE 3	Greenhouse gas emissions intensity from buildings	EDR (June 2024)	EPRA: GHG-Int

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7. Statements

ESEF

This 2023 Annual Report was drawn up in accordance with the ESEF (European Single Electronic Format) reporting requirements. Thus, this version in ESEF in English is the official version of the annual report and can also be found on the Company's website (www.aedifica.eu).

Universal Registration Document

This 2023 Annual Report constitutes Aedifica NV/SA's 2023 Universal Registration Document within the meaning of article 9 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC Prospectus Regulation, as amended (the 'Prospectus Regulation') and has been drawn up taking into account Annex 2 io Annex 1 of the Commission Delegated Regulation (EU) No 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Regulation (EC) No 8092004, as amended (the 'Delegated Regulation 2019/980').

This 2023 Annual Report has, in application of article 9.2 of the Prospectus Regulation been approved by the FSMA, as competent authority under the Prospectus Regulation, as Universal Registration Document on 3 April 2024. The FSMA only approved this Universal Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of its securities. Investors should make their own assessment as to the suitability of investing in securities in Aedifica NV/SA.

This Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by amendments, if applicable, and a securities note and summary approved in accordance with the Prospectus Regulation.

The information on the website of Aedifica NV/SA is not incorporated by reference in, and does not form part of, this Universal Registration Document.

Investors should make their own assessment as to the suitability of investing in securities in Aedifica NV/SA.

Information from third parties

Independent valuation experts and statutory auditor

Aedifica NV/SA declares that the information provided by the independent valuation experts (the coordinates of each of which can be found in section 4.1.12 of the 'Standing Documents') and by the accredited statutory auditor (the coordinates of which can be found in section 4.1.11 of the 'Standing Documents') have been accurately reproduced and included with their consent. As far as Aedifica NV/SA is aware and is able to ascertain from information published by these third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The aforementioned independent valuation experts have each confirmed to the Company that they have no material interest in the Company, with the exception of those arising from their respective contractual relationship with the Company as an independent valuation expert of the Company within the meaning of Article 24 of the RREC Act.

The statutory auditor has confirmed to the Company that it has no material interest in the Company, with the exception of those arising from its mandate as statutory auditor of the Company.

Studies

The 'Market trends' section on page 35-37 of the Business Review included in this Universal Registration Document contains a reproduction of studies performed by (i) Jones Lang LaSalle IP, Inc. (regarding the healthcare market in Europe), (ii) Cushman & Wakefield Belgium SA (regarding the healthcare market in Belgium), (iii) C&W (U.K.) LLP German Branch (regarding the healthcare market in Germany) (iv) Cushman & Wakefield Netherlands BV (regarding the healthcare market in the Netherlands), (v) Knight Frank LLP (regarding the healthcare market in the United Kingdom), (vi) REnium Advisors Oy (regarding the healthcare market in Finland), (vii) Cushman & Wakefield Sweden AB (regarding the healthcare market in Sweden), (viii) CBRE Unlimited Company (regarding the healthcare market in Ireland) and (ix) Jones Lang LaSalle España SA (regarding the healthcare market in Spain).

The aforementioned companies have each agreed with the publication by Aedifica of their respective studies, and have each confirmed that they do not have material interests in Aedifica (except for those arising from their contractual relationship with Aedifica pursuant to their mandate as independent valuation expert).

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Persons responsible (Delegated Regulation 2019/980 and Royal Decree 14 November 2007)

Aedifica NV/SA, represented by the members of its Board of Directors, the composition of which is described in the Corporate Governance chapter of this 2023 Annual Report, is responsible for the information provided in this Universal Registration Document, and declares that, after having taken all reasonable care to ensure that such is the case, the information contained in this Universal Registration Document is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect the import of this Universal Registration Document.

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 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.

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 governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Aedifica is aware), during the previous 12 months, 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/or the Group.

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 members of the Board of Directors has, for at least the previous five years, been convicted for a fraud-related offence;
- no official and/or public incrimination and/or sanctions have 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 members of the Board of Directors 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 members of the Board of Directors has been involved in any bankruptcies, receiverships, liquidations or companies put into administration for at least the previous five years, with the exception of:
  - 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 (2,209 shares), Mr Stefaan Gielens (18,301 shares), Mr Charles-Antoine van Aelst (7,164 shares), Mr Sven Bogaerts (6,827 shares), Ms Ingrid Daerden (5,505 shares), Mr Pertti Huuskonen (3,296 shares), Ms Katrien Kesteloot (202 shares), Ms Elisabeth May-Roberti (508 shares), Mr Luc Plasman (488 shares), Mr Raoul Thomassen (2,022 shares), Ms Henrike Waldburg (77 shares) and Ms Marleen Willekens (151 shares).

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8. Glossary

8.1 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 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 – F. 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 (NN)

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. 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 market rental value as determined by independent valuation experts.

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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 4.4.2 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:
  - 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);
  - 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 takes into account locally applicable legal costs.

Free float

Percentage of shares held by the public, as defined by Euronext.

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) / investment value, acquisition value or fair value of the concerned buildings. Investment value is used as a denominator to determine the gross yield of a development project. Acquisition value is used for acquired assets and fair value for existing assets.

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:

- of a precise nature, i.e. indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the financial instruments or the related derivative financial instruments of Aedifica;
- which has not been made public;
- relating, directly or indirectly, to Aedifica; and
- which, if it were made public, would be likely to have a significant effect on the price of the financial instruments or related derivative financial instruments of Aedifica, i.e. information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

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.

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Marketable investment properties

Investment properties including buildings intended for sale and excluding development projects.

Net asset value per share

Total equity 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) / (contractual rents + estimated rental value (ERV) on vacant areas of the property portfolio). Note that this occupancy rate includes investment properties where units are under renovation and therefore temporarily not lettable.

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 divided by the corrected profit.

Prime net yield

The ratio between the (initial) contractual rent of a purchased property and the acquisition value at a prime location.

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:

  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)

  ± 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)

- 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).

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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

Reversion rate

The ratio is determined as follows: (contractual rents + estimated rental value on empty spaces) / Estimated rental value of the total portfolio.

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.

Note that, following the interpretations of IFRS by the Belgian Asset Managers Association (BEAMA), the book value of 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 location of the property.

Triple net (NNN)

Type of contract under which operating charges, maintenance costs and rents on empty spaces related to 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.

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8.2 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
CRREM: Carbon Risk Real Estate Monitor
CSR: Corporate Social Responsibility
DCF: Discounted Cash Flow
EBIT: Earnings Before Interests and Taxes
ECB: European Central Bank
EPC: Energy Performance Certificate
EPRA: European Public Real Estate Association
EPRA (s)BPR: EPRA (Sustainability) Best Practices Recommendations
ESMA: European Securities and Markets Authority
ERV: Estimated Rental Value
FBI: Federale Beleggingsinstelling
FSMA: Financial Services and Markets Authority
GHG: Greenhouse Gas
GRESB: Global Real Estate Sustainability Benchmark
IAS: International Accounting Standards
ICR: Interest Cover Ratio
IFRS: International Financial Reporting Standards
IPO: Initial Public Offering
IRREC: Institutional Regulated Real Estate Company
IRS: Interest Rate Swap
nEUI: net Energy Use Intensity
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
SPO: Secondary Public Offering
SPV: Special Purpose Vehicle
WAULT: Weighted average unexpired lease term